



## **Masan Group Corporation**

Separate Financial Statements for  
the year ended 31 December 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.

### Board of Directors

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

### Board of Management

Dr Nguyen Dang Quang	Chief Executive Officer
Mr Nguyen Thieu Nam	Deputy Chief Executive Officer
Mr Michael Hung Nguyen	Deputy Chief Executive Officer
Mr Nguyen Anh Nguyen	Deputy Chief Executive Officer
Mr Seokhee Won	Deputy Chief Executive Officer (to 27 February 2018)
Mr Le Trung Thanh	Deputy Chief Executive Officer (from 15 February 2017 to 19 June 2017)

### Legal representative

Dr Nguyen Dang Quang	Chairman Chief Executive Officer
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### Registered Office

Suite 802, 8<sup>th</sup> Floor, Central Plaza  
17 Le Duan Street  
Ben Nghe Ward, District 1  
Ho Chi Minh City  
Vietnam

### Auditor

KPMG Limited  
Vietnam

## STATEMENT OF THE BOARD OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

The Board of Management of Masan Group Corporation ("the Company") presents this statement and the accompanying separate financial statements of the Company for the year ended 31 December 2017.

The Board of Management is responsible for the preparation and fair presentation of the separate financial statements as at and for the year ended 31 December 2017 in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In preparing those separate financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the separate financial statements; and
- prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management is also responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the accounting records comply with the requirements of Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management confirms that they have complied with the above requirements in preparing these separate financial statements.

## APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS

We do hereby approve the accompanying separate financial statements of the Company as at and for the year ended 31 December 2017, which were prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.



On behalf of the Board of Management

Dr Nguyen Dang Quang  
Chairman  
Chief Executive Officer  
Ho Chi Minh City, Vietnam  
8 March 2018

*Handwritten initials and signature in blue ink.*



KPMG Limited Branch  
10<sup>th</sup> Floor, Sun Wah Tower  
115 Nguyen Hue Street, Ben Nghe Ward  
District 1, Ho Chi Minh City, Vietnam  
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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Shareholders Masan Group Corporation**

We have audited the accompanying separate financial statements of Masan Group Corporation ("the Company"), which comprise the separate balance sheet as at 31 December 2017, the separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 8 March 2018, as set out on pages 5 to 33.

### **Management's Responsibility**

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

### **Auditor's Responsibility**

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

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

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





## Auditor's Opinion


In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of Masan Group Corporation as at 31 December 2017 and of its separate results of operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.



### KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No.: 17-01-392(a)

  
Ha Vu Dinh  
Practicing Auditor Registration  
Certificate No. 0414-2018-007-1  
*Deputy General Director*

  
Chong Kwang Puay  
Practicing Auditor Registration  
Certificate No. 0864-2018-007-1

Ho Chi Minh City, 8 March 2018

**Masan Group Corporation**  
**Separate balance sheet as at 31 December 2017**

**Form B 01 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC*  
*dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	31/12/2017 VND	1/1/2017 VND
<b>ASSETS</b>				
<b>Current assets</b> (100 = 110 + 120 + 130 + 150)	<b>100</b>		<b>1,450,395,265,773</b>	<b>5,254,289,534,192</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>129,224,525,040</b>	<b>499,923,209,801</b>
Cash	111		40,325,525,040	134,823,209,801
Cash equivalents	112		88,899,000,000	365,100,000,000
<b>Short-term financial investments</b>	<b>120</b>		<b>44,210,730,000</b>	<b>37,932,950,000</b>
Held-to-maturity investments	123	5(a)	44,210,730,000	37,932,950,000
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>1,265,150,900,563</b>	<b>4,705,405,931,792</b>
Accounts receivable from customers	131		11,632,964,654	19,698,240,000
Prepayments to suppliers	132		89,100,808	1,226,790,600
Receivable on short-term lending loans	135		-	1,962,320,000,000
Other short-term receivables	136	6(a)	1,253,428,835,101	2,722,160,901,192
<b>Other current assets</b>	<b>150</b>		<b>11,809,110,170</b>	<b>11,027,442,599</b>
Short-term prepaid expenses	151		251,667,808	1,011,994,471
Taxes receivable from State Treasury	153	7	11,557,442,362	10,015,448,128
<b>Long-term assets</b> (200 = 210 + 220 + 240 + 250 + 260)	<b>200</b>		<b>21,106,739,653,822</b>	<b>20,875,899,754,066</b>
<b>Accounts receivable – long-term</b>	<b>210</b>		<b>2,258,495,044,988</b>	<b>3,694,504,018,829</b>
Receivable on long-term lending loans	215		-	2,346,000,000,000
Other long-term receivables	216	6(b)	2,258,495,044,988	1,348,504,018,829
<b>Fixed assets</b>	<b>220</b>		<b>4,771,031,643</b>	<b>6,782,520,178</b>
Tangible fixed assets	221	8	4,556,195,803	6,152,084,765
Cost	222		27,435,580,956	27,314,079,378
Accumulated depreciation	223		(22,879,385,153)	(21,161,994,613)
Intangible fixed assets	227	9	214,835,840	630,435,413
Cost	228		4,697,122,903	4,614,742,903
Accumulated amortisation	229		(4,482,287,063)	(3,984,307,490)
<b>Long-term assets in progress</b>	<b>240</b>		<b>118,585,500</b>	<b>-</b>
Construction in progress	242		118,585,500	-
<b>Long-term financial investments</b>	<b>250</b>		<b>18,798,446,091,448</b>	<b>17,083,953,273,720</b>
Investments in subsidiaries	251	5(b)	14,419,609,013,812	9,094,721,033,823
Investment in an associate	252	5(c)	4,378,837,077,636	7,989,232,239,897
<b>Other long-term assets</b>	<b>260</b>		<b>44,908,900,243</b>	<b>90,659,941,339</b>
Long-term prepaid expenses	261	10	44,908,900,243	90,659,941,339
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>22,557,134,919,595</b>	<b>26,130,189,288,258</b>

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

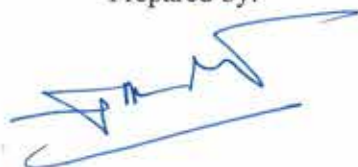
**Masan Group Corporation**  
**Separate balance sheet as at 31 December 2017 (continued)**

**Form B 01 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	31/12/2017 VND	1/1/2017 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>10,957,863,435,238</b>	<b>10,106,061,781,218</b>
<b>Current liabilities</b>	<b>310</b>		<b>1,103,426,768,571</b>	<b>2,987,515,114,551</b>
Accounts payable to suppliers	311		444,586,400	44,119,405
Taxes payable to State Treasury	313		29,244,600	-
Accrued expenses	315	11	250,260,648,457	105,053,954,032
Other short-term payables	319	12	56,267,289,114	2,314,457,041,114
Short-term borrowings	320	13	796,425,000,000	567,960,000,000
<b>Long-term liabilities</b>	<b>330</b>		<b>9,854,436,666,667</b>	<b>7,118,546,666,667</b>
Long-term borrowings and bonds	338	13	9,854,436,666,667	7,118,546,666,667
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>11,599,271,484,357</b>	<b>16,024,127,507,040</b>
<b>Owners' equity</b>	<b>410</b>	<b>14</b>	<b>11,599,271,484,357</b>	<b>16,024,127,507,040</b>
Share capital	411	15	11,573,739,740,000	7,680,756,740,000
Capital surplus	412	15	6,855,539,345,096	10,649,796,345,096
Other capital	414		(1,695,338,182,568)	(1,695,338,182,568)
Treasury shares	415	15	(6,518,087,064,615)	(641,110,498,916)
Undistributed profits after tax	421		1,383,417,646,444	30,023,103,428
- Undistributed profits brought forward	421a		30,023,103,428	13,831,519,301
- Net profit for the current year	421b		1,353,394,543,016	16,191,584,127
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>22,557,134,919,595</b>	<b>26,130,189,288,258</b>

8 March 2018

Prepared by:



Doan Thi My Duyen  
 Chief Accountant

Approved by:



Michael Hung Nguyen  
 Deputy Chief Executive Officer  
 Chief Financial Officer



Di Nguyen Dang Quang  
 Chairman  
 Chief Executive Officer

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

**Masan Group Corporation**  
**Separate statement of income for the year ended 31 December 2017**

**Form B 02 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	2017 VND	2016 VND
Financial income	21	18	2,580,476,835,997	1,861,035,493,591
Financial expenses	22	19	1,085,515,700,125	670,689,135,928
<i>In which: Interest expense</i>	23		970,447,273,271	613,355,184,493
General and administration expenses	26	20	141,480,575,629	388,854,380,252
<b>Net operating profit (30 = 21 - 22 - 26)</b>	<b>30</b>		<b>1,353,480,560,243</b>	<b>801,491,977,411</b>
Other income	31		-	122,230
Other expenses	32		86,017,227	3,434,314,707
<b>Results of other activities (40 = 31 - 32)</b>	<b>40</b>		<b>(86,017,227)</b>	<b>(3,434,192,477)</b>
<b>Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>1,353,394,543,016</b>	<b>798,057,784,934</b>
Income tax expense – current	51	21	-	-
Income tax expense – deferred	52	21	-	-
<b>Net profit after tax (60 = 50 - 51 - 52)</b>	<b>60</b>		<b>1,353,394,543,016</b>	<b>798,057,784,934</b>

8 March 2018

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 separate financial statements*



**Masan Group Corporation**  
**Separate statement of cash flows for the year ended 31 December 2017**  
**(Indirect method)**

**Form B 03 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC*  
*dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	2017 VND	2016 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Accounting profit before tax</b>	<b>01</b>		<b>1,353,394,543,016</b>	<b>798,057,784,934</b>
<b>Adjustments for</b>				
Depreciation and amortisation	02		2,215,370,113	3,340,690,963
Exchange gains arising from revaluation of monetary items denominated in foreign currencies	04		(1,894,326,954)	(278,814,602)
Profits from investing activities	05		(2,577,822,551,006)	(1,840,422,995,034)
Interest expense and other financial expenses	06		1,084,057,273,271	613,355,184,493
<b>Operating loss before changes in working capital</b>	<b>08</b>		<b>(140,049,691,560)</b>	<b>(425,948,149,246)</b>
Decrease in receivables and other assets	9		7,217,324,640	250,823,335,495
Increase/(decrease) in payables and other liabilities	11		20,504,118,490	(18,325,934,938)
Decrease in prepaid expenses	12		46,511,367,759	47,184,453,664
			<b>(65,816,880,671)</b>	<b>(146,266,295,025)</b>
Interest paid	14		(823,521,564,187)	(715,705,565,165)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>(889,338,444,858)</b>	<b>(861,971,860,190)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(322,467,078)	(6,497,563,815)
Payments for granting loans and term deposits at banks	23		(1,450,416,730,000)	(3,497,290,950,000)
Receipts from collecting loans and term deposits at banks	24		6,242,470,734,920	4,436,302,570,011
Payments for investments	25		(5,333,185,120,000)	(2,800,000,000,000)
Proceeds from disposals of investments	26		3,874,973,038,476	211,050,440,000
Receipts of interest and dividends	27		2,380,436,602,323	672,971,873,031
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>5,713,956,058,641</b>	<b>(983,463,630,773)</b>

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

**Masan Group Corporation**  
**Separate statement of cash flows for the year ended 31 December 2017**  
**(Indirect method – continued)**

**Form B 03 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	2017 VND	2016 VND
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from issuance of new shares	31		98,726,000,000	1,232,268,130,000
Payments for repurchase of equity instruments and treasury shares	32		(5,876,976,565,699)	(908,037,879,363)
Proceeds from borrowings	33		3,910,000,000,000	7,194,350,000,000
Payments to settle borrowings	34		(1,050,570,000,000)	(6,276,881,500,000)
Payments of dividends	36		(2,276,495,862,000)	-
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(5,195,316,427,699)</b>	<b>1,241,698,750,637</b>
<b>Net cash flows during the year (50 = 20 + 30 + 40)</b>	<b>50</b>		<b>(370,698,813,916)</b>	<b>(603,736,740,326)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>		<b>499,923,209,801</b>	<b>1,103,658,575,525</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>61</b>		<b>129,155</b>	<b>1,374,602</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)</b>	<b>70</b>	<b>4</b>	<b>129,224,525,040</b>	<b>499,923,209,801</b>

8 March 2018

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 separate financial statements*

## **Masan Group Corporation**

### **Notes to the separate financial statements for the year ended 31 December 2017**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/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 separate financial statements.

#### **1. Reporting entity**

##### **(a) Ownership structure**

Masan Group Corporation (“the Company”) is a joint stock company incorporated in Vietnam.

##### **(b) Principal activity**

The principal activity of the Company is investment holding.

##### **(c) Normal operating cycle**

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

##### **(d) Company structure**

As at 31 December 2017, the Company had 32 employees (1/1/2017: 29 employees).

#### **2. Basis of preparation**

##### **(a) Statement of compliance**

These separate 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.

The Company prepares and issues its consolidated financial statements separately. For a comprehensive understanding of the consolidated financial position as at 31 December 2017 of the Company and its subsidiaries (collectively referred to as “the Group”), their consolidated results of operations and their consolidated cash flows for the year then ended, the separate financial statements should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2017.

##### **(b) Basis of measurement**

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

**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2017**  
**(continued)**

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

**(c) Annual accounting period**

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

**(d) Accounting and presentation currency**

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

**3. Summary of significant accounting policies**

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

**(a) Foreign currency transactions**

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

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

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

**(b) Cash and cash equivalents**

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

**(c) Investments**

**(i) Held-to-maturity investments**

Held-to-maturity investments are those that the Company's management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at banks. These investments are stated at costs less allowance for doubtful debts.



**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2017**  
(continued)

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

**(ii) Investments in subsidiaries and associates**

For the purpose of these separate financial statements, investments in subsidiaries and associates are initially recognised at cost which includes purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the investee has suffered a loss, except where such a loss was anticipated by the Company'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 recognised.

**(d) Accounts receivable**

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

**(e) Tangible fixed assets**

**(i) Cost**

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

**(ii) Depreciation**

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

- leasehold improvements   5 years
- office equipment    3 – 5 years

**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2017**  
**(continued)**

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

**(f) Intangible fixed assets**

*Software*

Cost of acquiring a new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible fixed asset. Software cost is amortised on a straight-line basis over a period ranging from 2 to 5 years.

**(g) Construction in progress**

Construction in progress represents the cost of leasehold improvements which has not been fully completed. No depreciation is provided for construction in progress during the period of renovation.

**(h) Long-term prepaid expenses**

**(i) Tools and supplies**

Tools and supplies 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 prevailing regulation. Cost of tools and supplies is amortised on a straight-line basis over a period ranging from 2 to 3 years.

**(ii) Consulting service fee**

Consulting service fee is amortised on a straight-line basis over 3 years.

**(i) Trade and other payables**

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

**(j) Bonds issued**

*Straight bonds*

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

**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2017**  
**(continued)**

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

**(k) Equity**

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

Ordinary shares are stated at par value. The difference between proceeds from the issuance of shares over the par value is recorded in capital surplus. Incremental costs directly attributable to the issuance of shares, net of tax effects, are recognised as a deduction from capital surplus.

**(ii) *Other capital***

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

**(iii) *Treasury shares***

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a reduction from equity. Repurchased shares are classified as treasury shares under equity. When treasury shares are reissued 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 capital surplus.

**(l) *Taxation***

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

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

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

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

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**(m) Financial income**

Financial income comprises dividend income, interest income from deposits and loans, gains on disposals of investments and foreign exchange gains.

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

Dividend income is recognised when the right to receivable dividend is established. Dividends received which are distributable to the period before investment acquisition date are deducted from the carrying amount of investment.

**(n) Financial expenses**

Financial expenses comprise interest expense on borrowings and bonds, foreign exchange losses, amortised borrowing costs and losses from disposals of investments.

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

**(o) Related parties**

Parties are considered to be related to the Company 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 Company 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.

**(p) Share-based payments**

Shares issued to employees at par value subscription price are recorded at their par value.



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**4. Cash and cash equivalents**

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	110,708,966	240,708,966
Cash at banks	40,214,816,074	134,582,500,835
Cash equivalents	88,899,000,000	365,100,000,000
	<hr/>	<hr/>
	129,224,525,040	499,923,209,801
	<hr/>	<hr/>

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

**5. Investments**

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
<b>Short-term financial investments</b>		
Held-to-maturity investments (a)	44,210,730,000	37,932,950,000
	<hr/>	<hr/>
<b>Long-term financial investments</b>		
Investments in subsidiaries (b)	14,419,609,013,812	9,094,721,033,823
Investment in an associate (c)	4,378,837,077,636	7,989,232,239,897
	<hr/>	<hr/>
	18,798,446,091,448	17,083,953,273,720
	<hr/>	<hr/>

**(a) Held-to-maturity investments**

Held-to-maturity investments – short-term represented term deposits at banks with remaining terms to maturity of less than twelve months from the reporting date.

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**(b) Investments in subsidiaries**

Details of the Company's investments in direct subsidiaries were as follows:

	31/12/2017			1/1/2017			
	% of equity owned	% of voting rights	Cost VND	Allowance for diminution in value VND	Fair value VND	Allowance for diminution in value VND	Fair value VND
▪ Masan Consumer Holdings Company Limited ("MCH")	85.7%	85.7%	516,600,000,000	- (*)	(*)	516,600,000,000	- (*)
▪ Masan Horizon Company Limited (formerly known as Masan Horizon Corporation) ("MH")	99.9%	99.9%	11,950,000,000,000	- (*)	(*)	6,616,814,880,000	- (*)
▪ Masan Nutri-Science Corporation ("MNS")	82.4%	82.4%	1,953,009,013,812	- (*)	(*)	1,961,306,153,823	- (*)
			<u>14,419,609,013,812</u>	<u>- (*)</u>	<u>(*)</u>	<u>9,094,721,033,823</u>	<u>- (*)</u>

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

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Movements of investments in subsidiaries during the year were as follows:

	MCH VND	MH VND	MNS VND	Total VND
Opening balance	516,600,000,000	6,616,814,880,000	1,961,306,153,823	9,094,721,033,823
Additional investments during the year	-	5,333,185,120,000	-	5,333,185,120,000
Disposals	-	-	(8,297,140,011)	(8,297,140,011)
Closing balance	516,600,000,000	11,950,000,000,000	1,953,009,013,812	14,419,609,013,812

**(c) Investment in an associate**

Details of the Company's investment in an associate were as follows:

	31/12/2017		1/1/2017	
	% of equity owned over charter capital	% of voting rights over charter capital	Cost VND	Allowance for diminution in Fair value VND
Vietnam Technological and Commercial Joint Stock Bank ("Techcombank")	15.0%	15.0%	4,378,837,077,636	-
			(*) 7,989,232,239,897	(*)

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

As at 31 December 2017, the Company's equity interest over charter capital in Techcombank was 15.0% (1/1/2017: 15.0%). During the year, Techcombank had the following transactions:

- Techcombank repurchased 172,353,345 treasury shares;
- Techcombank issued 70,000,000 new shares;
- Techcombank converted its convertible bonds to 207,722,849 ordinary shares; and
- The Company sold 16,606,646 convertible bonds issued by Techcombank and converted 5,692,247 convertible bonds issued by Techcombank to 41,600,648 ordinary shares.

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

	<b>Techcombank VND</b>
Opening balance	7,989,232,239,897
Disposals	(3,610,395,162,261)
	4,378,837,077,636
Closing balance	4,378,837,077,636

## 6. Other receivables

### (a) Other short-term receivables

	<b>31/12/2017 VND</b>	<b>1/1/2017 VND</b>
Receivables from related parties	1,252,337,892,836	1,501,646,734,713
Dividends receivable from a subsidiary	-	1,207,540,953,000
Services receivable	-	11,547,311,554
Accrued interest receivable from deposits	945,754,802	1,226,467,925
Short-term deposits	29,500,000	69,500,000
Others	115,687,463	129,934,000
	1,253,428,835,101	2,722,160,901,192

As at 31 December 2017, other short-term receivables due from related parties of the Company comprised of:

- An interest receivable of VND883,046 million on an unsecured loan agreement between the Company and a subsidiary which had been settled. The interest is receivable in November 2018;



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- An interest receivable of VND226,676 million on an unsecured loan agreement between the Company and a subsidiary which had been settled. The interest is receivable in December 2018;
- Non-trade receivables of VND142,244 million due from Masan Corporation, a related party, were unsecured and are receivable on demand; and
- Non-trade receivables of VND372 million were unsecured and are receivable on demand.

**(b) Other long-term receivables**

	31/12/2017 VND	1/1/2017 VND
Receivables from related parties	2,256,036,149,988	1,346,190,523,829
Long-term deposits	2,458,895,000	2,313,495,000
	<hr/>	<hr/>
	2,258,495,044,988	1,348,504,018,829

As at 31 December 2017, other long-term receivables due from related parties of the Company comprised of:

- VND1,124,124 million (1/1/2017: VND1,124,124 million) related to interest costs charged on unsecured loans to subsidiaries which had been settled. These interest costs are receivable in December 2020;
- VND68,576 million (1/1/2017: VND7,102 million) related to interest charged on an unsecured loan to a subsidiary which had been settled. The interest is receivable in November 2021; and
- VND1,063,336 million related to the proceeds from the disposals of 4,891,000 convertible bonds of an associate to a subsidiary. This amount is receivable in December 2019.

**7. Taxes receivable from State Treasury**

	31/12/2017 VND	1/1/2017 VND
Corporate income tax	398,015,743	398,015,743
Withholding tax	11,159,426,619	9,617,432,385
	<hr/>	<hr/>
	11,557,442,362	10,015,448,128

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**8. Tangible fixed assets**

	<b>Leasehold improvements VND</b>	<b>Office equipment VND</b>	<b>Total VND</b>
<b>Cost</b>			
Opening balance	21,399,524,698	5,914,554,680	27,314,079,378
Additions	-	121,501,578	121,501,578
Closing balance	21,399,524,698	6,036,056,258	27,435,580,956
<b>Accumulated depreciation</b>			
Opening balance	15,765,580,981	5,396,413,632	21,161,994,613
Charge for the year	1,251,994,951	465,395,589	1,717,390,540
Closing balance	17,017,575,932	5,861,809,221	22,879,385,153
<b>Net book value</b>			
Opening balance	5,633,943,717	518,141,048	6,152,084,765
Closing balance	4,381,948,766	174,247,037	4,556,195,803

Included in tangible fixed assets were assets costing VND19,808 million which were fully depreciated as of 31 December 2017 (1/1/2017: nil), but which are still in active use.

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**9. Intangible fixed assets**

	<b>Software VND</b>
<b>Cost</b>	
Opening balance	4,614,742,903
Additions	82,380,000
	4,697,122,903
<b>Closing balance</b>	
	4,697,122,903
<b>Accumulated amortisation</b>	
Opening balance	3,984,307,490
Charge for the year	497,979,573
	4,482,287,063
<b>Closing balance</b>	
	4,482,287,063
<b>Net book value</b>	
Opening balance	630,435,413
Closing balance	214,835,840
	214,835,840

Included in intangible fixed assets were assets costing VND60 million which were fully amortised as of 31 December 2017 (1/1/2017: nil), but which are still in active use.

**10. Long-term prepaid expenses**

	<b>Tools and supplies VND</b>	<b>Consulting service fee VND</b>	<b>Total VND</b>
Opening balance	207,301,432	90,452,639,907	90,659,941,339
Additions	146,419,999	-	146,419,999
Amortisation for the year	(140,641,138)	(45,756,819,957)	(45,897,461,095)
	213,080,293	44,695,819,950	44,908,900,243
<b>Closing balance</b>	<b>213,080,293</b>	<b>44,695,819,950</b>	<b>44,908,900,243</b>

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**11. Accrued expenses**

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Interest expense	231,176,547,566	77,310,293,628
Professional service fee	4,229,583,720	21,267,543,133
Others	14,854,517,171	6,476,117,271
	<hr/>	<hr/>
	250,260,648,457	105,053,954,032
	<hr/>	<hr/>

**12. Other short-term payables**

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Dividends payable	28,530,000	2,276,524,392,000
Others	56,238,759,114	37,932,649,114
	<hr/>	<hr/>
	56,267,289,114	2,314,457,041,114
	<hr/>	<hr/>

**13. Borrowings and bonds**

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
<b>Short-term borrowings</b>		
Current portion of long-term borrowings	796,425,000,000	567,960,000,000
	<hr/>	<hr/>
<b>Long-term borrowings and bonds (*)</b>		
Long-term borrowings and bonds	10,650,861,666,667	7,686,506,666,667
Repayable within twelve months	(796,425,000,000)	(567,960,000,000)
	<hr/>	<hr/>
	9,854,436,666,667	7,118,546,666,667
	<hr/>	<hr/>

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(\*) Long-term borrowings and bonds comprised of:

	31/12/2017 VND	1/1/2017 VND
Convertible loan (a)	-	567,960,000,000
Straight bonds (b)	8,917,436,666,667	5,924,196,666,667
Unsecured loans (c)	1,733,425,000,000	1,194,350,000,000
	<hr/>	<hr/>
	10,650,861,666,667	7,686,506,666,667
Repayable within twelve months	(796,425,000,000)	(567,960,000,000)
	<hr/>	<hr/>
Repayable after twelve months	9,854,436,666,667	7,118,546,666,667

(a) **Convertible loan**

	Currency	Annual interest rate	Year of maturity	31/12/2017 VND	1/1/2017 VND
Credit Suisse Ag	USD	10.8%	2017	-	567,960,000,000

The original loan from Goldman Sachs Group, Inc. through its company named Jade Dragon (Mauritius) Limited (“JD”) represents a USD-denominated convertible loan, with a principal amount of USD30 million.

Among others, the agreement provides the following:

- (i) The interest rate of this loan has two portions: nominal interest rate and deferred interest rate. Deferred interest is not payable if the loan is converted. During the period from 15 December 2010 to 14 December 2012, the nominal interest rate and deferred interest rate were 2.0% per annum and 6.0% per annum respectively. During the period from 15 December 2012 to 14 December 2013, the nominal interest rate and deferred interest rate were 4.0% per annum and 4.0% per annum respectively. During the period from 15 December 2013 to 14 December 2015, the nominal interest rate and deferred interest rate were 6.0% per annum and 2.0% per annum respectively. The loan matured on 14 December 2015. The nominal interest rate is compounded daily and the deferred interest rate is compounded annually.
- (ii) The loan may be converted into shares by the lender at any time after two years from 15 December 2010 to the loan’s maturity date.
- (iii) The conversion price was determined at VND65,000 per share, subject to customary adjustments from dilutive events.



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- (iv) The Company also separately entered into an arrangement with Masan Corporation which undertakes the risks and obligations to subscribe to and pay a cash consideration of USD30 million plus the deferred interest for 9,000,000 shares under the convertible loan, subject to customary adjustments from dilutive events, in the event that the lender does not exercise the conversion option.

On 1 December 2015, this loan was amended with the maturity date on 14 December 2016. On 29 November 2016, this loan was amended with the maturity date on 14 December 2017. Credit Suisse Ag, Singapore Branch (“CSA”) became the lender under the Credit Agreement between the Company and JD and CSA. All terms and conditions as described above that were agreed previously between the Company and JD are kept the same between the Company and CSA.

According to the Resolution of Annual General Meeting dated 24 April 2017, 13,685,900 shares, after consideration of dilution, were approved to be issued in the future to settle the loan upon the occurrence of conversion event.

In December 2017, the Company settled this loan by cash instead of issuing shares.

**(b) Straight bonds**

The bonds of the Company comprised the followings:

- VND6,000 billion (1/1/2017: VND6,000 billion) bonds excluded issuance cost with a maturity of 5 years at an interest rate of 8.0% per annum in the first year and 3.0% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. MCH has pledged 81.3 million shares in Masan Consumer Corporation as security for these bonds.
- VND3,000 billion (1/1/2017: nil) bonds excluded issuance cost with a maturity of 2 years at an interest rate of 9.0% per annum. These bonds were unsecured.

During the year, the Company complied with the loan covenants on the above bonds.

**(c) Unsecured loans**

	Currency	Annual interest rate	Year of maturity	31/12/2017 VND	1/1/2017 VND
MRC Ltd (**) Agro Nutrition International Joint Stock Company	USD	0%	2018	796,425,000,000	798,350,000,000
	VND	6.5%	2021	937,000,000,000	396,000,000,000
				<hr/> 1,733,425,000,000	<hr/> 1,194,350,000,000

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- (\*\*) USD denominated loan of VND796,425 million (equivalent to USD35 million) (1/1/2017: VND798,350 million).

The Company entered into an agreement with MRC Ltd for MRC Ltd, which was a previous minority investor in a subsidiary – Masan Resources Corporation (“MSR”), to subscribe for 12,000,000 shares of the Company at VND95,000 per share and the Company also entered into a loan agreement with MRC Ltd for an unsecured loan of USD35 million payable after two years of drawdown with 0% interest rate. In the event MRC Ltd sells any of the 12,000,000 shares of the Company acquired above, subject to customary adjustments from dilutive events, the loan payable will be decreased proportionately. Lastly, MRC Ltd has signed an agreement to grant the Company a call option, pursuant to which the Company or its nominee shall be entitled, but not obliged, to purchase from MRC Ltd the Company’s shares at VND112,000 per share, subject to customary adjustments from dilutive events. This option is only exercisable in the event that MRC Ltd serves a payment notice for the loan above that is due after two years of drawdown. The number of callable shares is calculated based on the amount of loan repaid over USD35 million multiplied by 12,000,000 shares, subject to customary adjustments from dilutive events.

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**14. Changes in owners' equity**

	Share capital VND	Capital surplus VND	Other capital VND	Treasury shares VND	Undistributed profits after tax VND	Total VND
<b>Balance as at 1 January 2016</b>	7,467,178,610,000	9,631,106,345,096	(1,488,971,806,985)	-	1,508,489,710,494	17,117,802,858,605
Issuance of new shares	213,578,130,000	1,018,690,000,000	-	-	-	1,232,268,130,000
Net profit for the year	-	-	-	-	798,057,784,934	798,057,784,934
Equity transaction	-	-	(206,366,375,583)	-	-	(206,366,375,583)
Purchases of treasury shares	-	-	-	(641,110,498,916)	-	(641,110,498,916)
Dividends declared	-	-	-	-	(2,276,524,392,000)	(2,276,524,392,000)
<b>Balance as at 1 January 2017</b>	7,680,756,740,000	10,649,796,345,096	(1,695,338,182,568)	(641,110,498,916)	30,023,103,428	16,024,127,507,040
Issuance of bonus shares	3,794,207,000,000	(3,794,207,000,000)	-	-	-	-
Issuance of new shares	98,776,000,000	(50,000,000)	-	-	-	98,726,000,000
Net profit for the year	-	-	-	-	1,353,394,543,016	1,353,394,543,016
Purchases of treasury shares	-	-	-	(5,876,976,565,699)	-	(5,876,976,565,699)
<b>Balance as at 31 December 2017</b>	<b>11,573,739,740,000</b>	<b>6,855,539,345,096</b>	<b>(1,695,338,182,568)</b>	<b>(6,518,087,064,615)</b>	<b>1,383,417,646,444</b>	<b>11,599,271,484,357</b>

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**15. Share capital and capital surplus**

The Company's authorised and issued share capital comprises of:

	31/12/2017		1/1/2017	
	Number of shares	VND	Number of shares	VND
<b>Authorised share capital</b>	1,157,373,974	11,573,739,740,000	768,075,674	7,680,756,740,000
<b>Issued share capital</b>				
Ordinary shares	1,157,373,974	11,573,739,740,000	768,075,674	7,680,756,740,000
<b>Capital surplus</b>	-	6,855,539,345,096	-	10,649,796,345,096
<b>Treasury shares</b>				
Ordinary shares	(109,899,932)	(6,518,087,064,615)	(9,234,210)	(641,110,498,916)

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.

Movements of share capital during the year were as follows:

	2017		2016	
	Number of shares	VND	Number of shares	VND
Balance at the beginning of the year	768,075,674	7,680,756,740,000	746,717,861	7,467,178,610,000
Issuance of bonus shares (*)	379,420,700	3,794,207,000,000	-	-
Issuance of new shares at par for cash	9,877,600	98,776,000,000	21,357,813	213,578,130,000
Balance at the end of the year	1,157,373,974	11,573,739,740,000	768,075,674	7,680,756,740,000

(\*) In December 2016, the Company's shareholders approved the issuance of bonus shares with the ratio of 50% of par value. The issuance was completed during the year.

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**16. Share-based payment**

The Company has an employee share-based payment plan to award shares based on the assessment of the performance of employees. The future issuance of shares under the plan has to be approved by the shareholders at Annual General Meeting.

In August 2017, the Company issued 9,877,600 shares to employees at par for cash.

**17. Off balance sheet items**

**(a) Lease commitment**

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

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Within one year	9,677,578,400	6,436,716,000
Within two to five years	9,677,578,400	11,513,524,000
	19,355,156,800	17,950,240,000

**(b) Foreign currency**

	<b>31/12/2017</b>		<b>1/1/2017</b>	
	<b>Original currency</b>	<b>VND equivalent</b>	<b>Original currency</b>	<b>VND equivalent</b>
USD	299	6,773,074	4,296	97,596,714



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**18. Financial income**

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Gains on disposals of investments	1,319,045,768,280	-
Dividends income from subsidiaries	973,151,229,857	1,207,540,953,000
Interest income from loans to subsidiaries	254,457,443,495	608,168,673,183
Interest income from deposits	22,441,492,175	37,441,719,471
Other investing activities	9,455,773,035	7,605,333,335
Foreign exchange gains	1,925,129,155	278,814,602
	<hr/>	<hr/>
	2,580,476,835,997	1,861,035,493,591
	<hr/>	<hr/>

**19. Financial expenses**

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Interest expense on loans/bonds from:		
• Banks	-	496,856,690
• Bondholders and others	901,796,232,174	600,718,108,625
• Subsidiaries	68,651,041,097	12,140,219,178
Foreign exchange losses	113,658,646,018	26,020,819,099
Losses from disposals of investments	729,155,836	20,333,683,955
Others	680,625,000	10,979,448,381
	<hr/>	<hr/>
	1,085,515,700,125	670,689,135,928
	<hr/>	<hr/>

**20. General and administration expenses**

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Depreciation and amortisation	2,215,370,113	3,340,690,963
Outside services	87,816,390,491	84,094,291,743
Staff costs and other expenses	51,448,815,025	301,419,397,546
	<hr/>	<hr/>
	141,480,575,629	388,854,380,252
	<hr/>	<hr/>

**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2017**  
**(continued)**

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**21. Income tax**

**(a) Reconciliation of effective tax rate**

	%	2017 VND	%	2016 VND
Accounting profit before tax	100%	1,353,394,543,016	100%	798,057,784,934
Tax at the Company's tax rate	20%	270,678,908,603	20%	159,611,556,987
Tax exempt income	(14%)	(194,630,245,971)	(30%)	(241,508,190,600)
Non-deductible expenses	-	185,263,021	6%	48,258,744,860
Unrecognised deferred tax assets	-	-	4%	33,637,888,753
Tax losses utilised	(6%)	(76,233,925,653)	-	-
	-	-	-	-

**(b) Applicable tax rates**

Under the prevailing corporate income tax law, the Company has an obligation to pay corporate income tax to the government at corporate income tax rate of 20% from 2016 onwards.

**22. Significant transactions with related parties**

In addition to related party balances disclosed in other notes to these separate financial statements, the Company had the following significant transactions with related parties in accordance with Vietnamese Accounting Standards during the year:

Related party	Nature of transaction	2017 VND	2016 VND
<b>Direct subsidiaries</b>			
Masan Horizon Company Limited (formerly known as Masan Horizon Corporation)	Capital contribution	5,333,185,120,000	2,800,000,000,000
	Loans provided by cash	-	2,346,000,000,000
	Loans provided by offsetting of debts	-	224,000,000,000
	Loans collected	4,798,331,784,920	2,221,554,085,011
	Interest income from loans	254,457,443,495	588,799,111,953
	Disposals of convertible bonds of an associate	1,063,335,876,240	-

**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2017**  
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Related party	Nature of transaction	2017 VND	2016 VND
Masan Consumer Holdings Company Limited	Dividends income	973,151,229,857	-
Masan Nutri-Science Corporation	Dividends income	-	1,207,540,953,000
<b>Indirect subsidiaries</b>			
Masan Resources Corporation	Offsetting of debts	-	85,000,000,000
Nui Phao Mining Company Limited	Offsetting of debts	-	324,000,000,000
Shika Company Limited	Loans provided	-	588,500,000,000
	Loans collected	-	1,402,000,000,000
	Interest income from loans	-	19,369,561,644
Agro Nutrition International Joint Stock Company	Loans received	910,000,000,000	4,396,000,000,000
	Loans repaid	369,000,000,000	4,000,000,000,000
	Interest expense on loans received	68,651,041,097	12,140,219,178
<b>Other related parties</b>			
Techcombank and its subsidiaries	Bond proceeds received (*)	3,000,000,000,000	-
Key management personnel	Remuneration to key management personnel (**)	9,145,423,787	7,560,430,163

As at and for the year ended 31 December 2017, the Company has current and term deposit accounts at and agency transactions with Techcombank and its subsidiaries at normal trading terms.

(\*) The bonds were listed and sold to a broader set of investors pursuant to an arrangement agreement.

(\*\*) No board fees were paid to the members of the Company's Board of Directors for the years ended 31 December 2017 and 2016.

**Masan Group Corporation**

**Notes to the separate financial statements for the year ended 31 December 2017**  
(continued)

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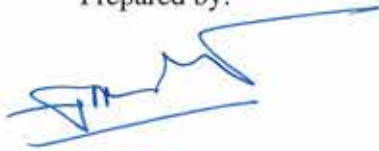
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**23. Post balance sheet events**

In January 2018, the Company sold 0.8% equity interest in MNS to PENM III Germany GmbH & Co. Kg for a consideration of VND363 billion.

8 March 2018

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*