



**Masan Group Corporation
and its subsidiaries**

Consolidated Financial Statements
for the year ended 31 December 2022

Masan Group Corporation Corporate Information

Enterprise Registration Certificate No.

0303576603

18 November 2004

The Company's Enterprise Registration Certificate has been amended several times, the most recent of which is dated 20 June 2022. The Enterprise Registration Certificate and its amendments were issued by the Department of Planning and Investment of Ho Chi Minh City.

Board of Directors

Dr Nguyen Dang Quang	Chairman
Ms Nguyen Hoang Yen	Member
Mr Nguyen Thieu Nam	Member
Mr Nguyen Doan Hung	Member
Mr David Tan Wei Ming	Member
Ms Nguyen Thi Thu Ha	Member
Mr Ji Han Yoo	Member
	(from 28 April 2022)
Mr Woncheol Park	Member
	(until 27 April 2022)

Board of Management

Mr Danny Le	Chief Executive Officer
Mr Nguyen Thieu Nam	Deputy Chief Executive Officer
Mr Michael Hung Nguyen	Deputy Chief Executive Officer

Legal Representative

Dr Nguyen Dang Quang	Chairman
Mr Danny Le	Chief Executive Officer

Registered Office

Suite 802, 8th 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 CONSOLIDATED FINANCIAL STATEMENTS

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

The Company’s Board of Management is responsible for the preparation and fair presentation of the consolidated financial statements as at and for the year ended 31 December 2022 in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In preparing those consolidated financial statements, the Company’s 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 consolidated financial statements; and
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Company’s Board of Management is also responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, consolidated financial position of the Group 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 Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Company’s Board of Management confirms that they have complied with the above requirements in preparing these consolidated financial statements.

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We do hereby approve the accompanying consolidated financial statements of the Group as at and for the year ended 31 December 2022, 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



Danh Le
Chief Executive Officer

Ho Chi Minh City, Vietnam

1 March 2023



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10th 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 consolidated financial statements of Masan Group Corporation ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated balance sheet as at 31 December 2022, the consolidated statements of income and cash flows for the year ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 1 March 2023, as set out on pages 5 to 101.

Management's Responsibility

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

Auditor's Responsibility

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

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

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



Auditor's Opinion

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

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No.: 22-01-01021-23-2



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

Ho Chi Minh City, 1 March 2023

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



Masan Group Corporation and its subsidiaries
Consolidated balance sheet as at 31 December 2022

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

	Code	Note	31/12/2022 VND million	1/1/2022 VND million
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		47,674,624	43,630,176
Cash and cash equivalents	110	6	13,853,100	22,304,822
Cash	111		1,718,476	6,885,412
Cash equivalents	112		12,134,624	15,419,410
Short-term financial investments	120		3,659,175	332,753
Trading securities	121	7(a)	3,302,172	-
Held-to-maturity investments	123	7(b)	357,003	332,753
Accounts receivable – short-term	130	8	13,929,560	6,634,409
Accounts receivable from customers	131		2,735,816	2,480,224
Prepayments to suppliers	132		1,227,666	851,052
Receivable on short-term lending loans	135		-	2,452,812
Other short-term receivables	136		10,007,179	883,690
Allowance for doubtful debts	137		(47,369)	(33,369)
Shortage of assets awaiting resolution	139		6,268	-
Inventories	140	9	14,445,345	12,813,391
Inventories	141		14,634,281	12,947,923
Allowance for inventories	149		(188,936)	(134,532)
Other current assets	150		1,787,444	1,544,801
Short-term prepaid expenses	151		374,120	256,766
Deductible value added tax	152		1,253,949	1,233,915
Taxes receivable from State Treasury	153	17(a)	159,375	54,120

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

Masan Group Corporation and its subsidiaries
Consolidated balance sheet as at 31 December 2022 (continued)

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

	Code	Note	31/12/2022 VND million	1/1/2022 VND million
Long-term assets (200 = 210 + 220 + 230 + 240 + 250 + 260)	200		93,668,191	82,463,295
Accounts receivable – long-term	210	8	2,113,762	1,878,478
Receivable on long-term lending loans	215		81,150	81,150
Other long-term receivables	216		2,032,612	1,797,328
Fixed assets	220		43,535,355	42,653,939
Tangible fixed assets	221	10	30,611,529	31,151,629
<i>Cost</i>	222		50,465,195	48,474,105
<i>Accumulated depreciation</i>	223		(19,853,666)	(17,322,476)
Finance lease tangible fixed assets	224		349,310	209,550
<i>Cost</i>	225		472,986	308,899
<i>Accumulated depreciation</i>	226		(123,676)	(99,349)
Intangible fixed assets	227	11	12,574,516	11,292,760
<i>Cost</i>	228		16,375,200	14,362,471
<i>Accumulated amortisation</i>	229		(3,800,684)	(3,069,711)
Investment property	230	12	729,763	810,057
<i>Cost</i>	231		1,148,248	1,174,802
<i>Accumulated depreciation</i>	232		(418,485)	(364,745)
Long-term work in progress	240		3,324,848	2,021,827
Construction in progress	242	13	3,324,848	2,021,827
Long-term financial investments	250		31,333,885	24,538,803
Investments in associates	252	7(c)	28,480,242	24,538,803
Investments in other entities	253	7(d)	2,853,643	-
Other long-term assets	260		12,630,578	10,560,191
Long-term prepaid expenses	261	14	7,259,881	6,593,682
Deferred tax assets	262	15	302,220	609,690
Goodwill	269	16	5,068,477	3,356,819
TOTAL ASSETS (270 = 100 + 200)	270		141,342,815	126,093,471

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

Masan Group Corporation and its subsidiaries
Consolidated balance sheet as at 31 December 2022 (continued)

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

	Code	Note	31/12/2022 VND million	1/1/2022 VND million
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		104,706,076	83,756,819
Current liabilities	310		65,320,877	34,547,836
Short-term accounts payable to suppliers	311		7,489,371	7,970,287
Advances from customers	312		566,330	168,183
Taxes payable to State Treasury	313	17(b)	536,310	801,899
Payables to employees	314		248,365	222,205
Accrued expenses	315	18	4,184,351	4,996,691
Unearned revenue	318		15,691	14,532
Other short-term payables	319	19	11,671,935	1,513,366
Short-term borrowings, bonds and finance lease liabilities	320	20(a)	40,567,379	18,805,727
Provisions – short-term	321		9,997	19,101
Bonus and welfare funds	322		31,148	35,845
Long-term liabilities	330		39,385,199	49,208,983
Long-term accounts payable to suppliers	331		24,324	25,014
Other long-term payables	337	19	752,378	227,575
Long-term borrowings, bonds and finance lease liabilities	338	20(b)	30,425,625	39,371,918
Deferred tax liabilities	341	15	3,541,671	3,215,395
Provisions – long-term	342	21	4,641,201	6,369,081

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

Masan Group Corporation and its subsidiaries
Consolidated balance sheet as at 31 December 2022 (continued)

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

	Code	Note	31/12/2022 VND million	1/1/2022 VND million
EQUITY (400 = 410)	400		36,636,739	42,336,652
Owners' equity	410	22	36,636,739	42,336,652
Share capital	411	23	14,237,248	11,805,347
Capital surplus	412	23	8,723,128	11,084,247
Other capital	414		(8,388,147)	(8,388,147)
Foreign exchange differences	417		(385,158)	(339,255)
Other equity funds	420		583,625	(147,087)
Undistributed profits after tax	421		11,381,940	18,795,877
- Undistributed profits after tax brought forward	421a		17,656,897	762,441
- (Loss after tax for the current year)/ undistributed profit after tax for the prior year	421b		(6,274,957)	18,033,436
Non-controlling interests	429		10,484,103	9,525,670
TOTAL RESOURCES (440 = 300 + 400)	440		141,342,815	126,093,471

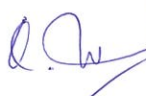
1 March 2023

Prepared by:



Nguyen Huy Hung
Chief Accountant

Approved by:



Do Thi Quynh Trang
Chief Financial Officer




Danny Le
Chief Executive Officer

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

Masan Group Corporation and its subsidiaries
Consolidated statement of income for the year ended 31 December 2022

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

	Code	Note	2022 VND million	2021 VND million
Revenue from sale of goods and provision of services	01	27	76,380,750	89,791,619
Revenue deductions	02	27	191,525	1,162,852
Net revenue (10 = 01 - 02)	10	27	76,189,225	88,628,767
Cost of sales and services rendered	11	28	55,154,201	66,493,966
Gross profit (20 = 10 - 11)	20		21,035,024	22,134,801
Financial income	21	29	2,575,563	6,799,578
Financial expenses	22	30	6,361,642	5,706,531
<i>In which: Interest expense</i>	23		4,847,702	4,669,426
Share of profit in associates	24	7(c)	4,339,650	3,896,641
Selling expenses	25	31	12,511,539	11,786,338
General and administration expenses	26	32	3,854,314	4,064,969
Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		5,222,742	11,273,182
Other income	31	33	279,707	501,150
Other expenses	32	34	355,299	285,548
Results of other activities (40 = 31 - 32)	40		(75,592)	215,602
Accounting profit before tax (50 = 30 + 40)	50		5,147,150	11,488,784
Income tax expense – current	51	35	626,750	1,499,249
Income tax benefit – deferred	52	35	(233,984)	(111,846)
Net profit after tax (60 = 50 - 51 - 52) (carried forward to next page)	60		4,754,384	10,101,381

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



Masan Group Corporation and its subsidiaries
Consolidated statement of income for the year ended 31 December 2022 (continued)

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

	Code	Note	2022 VND million	2021 VND million
Net profit after tax (60 = 50 - 51 - 52) (brought forward from previous page)	60		4,754,384	10,101,381
Attributable to:				
Equity holders of the Company	61		3,566,996	8,562,882
Non-controlling interests	62		1,187,388	1,538,499
Earnings per share				
Basic earnings per share (VND)	70	37	2,511	6,057

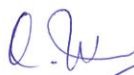
1 March 2023

Prepared by:



Nguyen Huy Hung
Chief Accountant

Approved by:



Do Thi Quynh Trang
Chief Financial Officer




Danny Le
Chief Executive Officer

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

Masan Group Corporation and its subsidiaries
Consolidated statement of cash flows for the year ended 31 December 2022
(Indirect method)

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

	Code Note	2022 VND million	2021 VND million
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	5,147,150	11,488,784
Adjustments for			
Depreciation and amortisation	02	4,406,523	4,631,679
Allowances and provisions	03	232,844	21,659
Exchange gains arising from revaluation of monetary items denominated in foreign currencies	04	(40,984)	(24,706)
Profits from investing activities	05	(5,848,866)	(10,025,168)
Interest expense and other financial expenses	06	5,340,053	5,093,022
Operating profit before changes in working capital	08	9,236,720	11,185,270
Change in receivables and other assets	09	(671,677)	(800,894)
Change in inventories	10	(1,736,144)	(2,232,630)
Change in payables and other liabilities	11	(1,432,197)	(655,218)
Change in prepaid expenses	12	95,094	373,150
Change in trading securities	13	(3,302,172)	-
		2,189,624	7,869,678
Interest paid	14	(5,070,517)	(5,068,896)
Corporate income tax paid	15	(903,262)	(1,652,600)
Other payments for operating activities	17	(4,697)	(4,269)
Net cash flows from operating activities	20	(3,788,852)	1,143,913
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(4,165,321)	(2,805,427)
Proceeds from disposals of fixed assets and other long-term assets	22	23,919	19,279
Payments for granting loans and term deposits	23	(11,336,453)	(9,264,755)
Receipts from collecting loans and term deposits	24	4,750,015	9,235,690
Payments for equity investments	25	(14,163,385)	(5,260,675)
Business combination, net of cash acquired	25 5	(2,472,176)	5,153
Proceeds from disposals of equity investments	26	283,750	13,682,023
Receipts of interest and dividends	27	632,392	734,931
Net cash flows from investing activities	30	(26,447,259)	6,346,219

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

Masan Group Corporation and its subsidiaries
Consolidated statement of cash flows for the year ended 31 December 2022
(Indirect method – continued)

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

	Code Note	2022 VND million	2021 VND million
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issuance of the Company and the subsidiaries, net of payments for related transaction costs	31	(40,387)	17,363,923
Payments for share repurchases of a subsidiary	32	-	(9,777,448)
Proceeds from borrowings, bonds and others	33	78,059,927	60,085,748
Payments to settle borrowings and bonds	34	(54,956,359)	(57,114,898)
Payments to settle finance lease liabilities	35	(13,927)	(19,537)
Payments of dividends to the Company's shareholders and non-controlling interests of subsidiaries	36	(1,253,082)	(3,442,095)
Net cash flows from financing activities	40	21,796,172	7,095,693
Net cash flows during the year (50 = 20 + 30 + 40)	50	(8,439,939)	14,585,825
Cash and cash equivalents at beginning of the year	60	22,304,822	7,721,442
Effect of exchange rate fluctuations	61	(11,783)	(2,445)
Cash and cash equivalents at end of the year (70 = 50 + 60 + 61)	70 6	13,853,100	22,304,822

1 March 2023

Prepared by:



Nguyen Huy Hung
Chief Accountant

Approved by:



Do Thi Quynh Trang
Chief Financial Officer



Danny Le
Chief Executive Officer

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022

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

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

1. Reporting entity

(a) Ownership structure

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

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

(b) Principal activities

The principal activities of the Company include management consulting, investment consulting (except for finance, accounting, and legal consulting) and carrying out capital mobilisation and investment activities.

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

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
Direct subsidiaries						
1	Masan Horizon Corporation (“MH”)	(b)	Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	-	99.9%
2	Masan MEATLife Corporation (“MML”)		Investment holding, animal protein trading	10 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	94.9%	87.8%
3	The SHERPA Company Limited (“SHERPA”)		Investment holding	10 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.9%	99.9%
4	Zenith Investment Company Limited (“Zenith”)	(a)	Investment holding	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.9%	-

(a) Zenith Investment Company Limited (“Zenith”) was established under the Enterprise Registration Certificate No. 0317331434 dated 8 June 2022, issued by the Department of Planning and Investment of Ho Chi Minh City.

(b) In September 2022, the Company transferred all its equity interests in MH to Zenith.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
Indirect subsidiaries						
1	The CrownX Corporation (“CrownX”)		Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	84.9%	81.7%
2	MasanConsumerHoldings Company Limited (“MCH”)		Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	72.8%	70.0%
3	Masan Brewery Company Limited (“MB”)	(i)	Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	48.5%	46.7%
4	Masan Master Brewer Company Limited (“MMBr”)	(i)	Beer and beverage trading	10 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	48.5%	46.7%
5	Masan Brewery PY One Member Company Limited (“MBPY”)	(i)	Beer and beverage manufacturing	Hoa Hiep Industrial Park, Hoa Hiep Bac Ward, Dong Hoa District, Phu Yen Province, Vietnam	48.5%	46.7%
6	Masan Brewery HG One Member Company Limited (“MBHG”)	(i)	Beer and beverage manufacturing	Song Hau Industrial Park, Dong Phu Ward, Chau Thanh District, Hau Giang Province, Vietnam	48.5%	46.7%
7	Masan Brewery Distribution One Member Company Limited (“MBD”)	(i)	Beer and beverage trading	10 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	48.5%	46.7%

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
Indirect subsidiaries						
8	Masan Brewery MB Company Limited (“MBMB”)	(i)	Beer and beverage manufacturing	Area B, Nam Cam Industrial Park – Dong Nam Nghe An Economic Zone, Nghi Long Commune, Nghi Loc District, Nghe An Province, Vietnam	48.5%	46.7%
9	Masan Consumer Corporation (“MSC”)	(i)	Trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	68.3%	65.6%
10	Masan Consumer (Thailand) Limited (“MTH”)	(i)	Trading and distribution	No. 83, 4 th Floor, Amnuay Songkhram Road, Tanon Nakornchaisri Sub-District, Dusit District, Bangkok, Thailand	68.3%	65.6%
11	Masan Food Company Limited (“MSF”)	(i)	Trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	68.3%	65.6%
12	Masan Industrial One Member Company Limited (“MSI”)	(i)	Seasonings, convenience food manufacturing and packaging	Lot 6, Tan Dong Hiep A Industrial Park, Tan Dong Hiep Ward, Di An City, Binh Duong Province, Vietnam	68.3%	65.6%
13	Viet Tien Food Technology One Member Company Limited (“VTF”)	(i)	Seasonings and bottled water manufacturing	Lot III-10, Street No.1 Industrial Group III, Tan Binh Industrial Park, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam	68.3%	65.6%

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
Indirect subsidiaries						
14	Masan HD One Member Company Limited (“MHD”)	(i)	Convenience food and seasonings manufacturing	Lot 22, Dai An Industrial Park, Tu Minh Ward, Hai Duong City, Hai Duong Province, Vietnam	68.3%	65.6%
15	Masan PQ Corporation (“MPQ”)	(i)	Seasonings manufacturing	Area 1, Suoi Da Hamlet, Duong To Ward, Phu Quoc City, Kien Giang Province, Vietnam	68.3%	65.6%
16	Nam Ngu Phu Quoc One Member Company Limited (“NPQ”)	(i)	Seasonings manufacturing	Area 1, Suoi Da Hamlet, Duong To Ward, Phu Quoc City, Kien Giang Province, Vietnam	68.3%	65.6%
17	Masan HN Company Limited (“HNF”)	(i)	Seasonings, convenience food manufacturing and packaging	Lot CN-08 and CN-14, Dong Van IV Industrial Zone, Dai Cuong Commue, Kim Bang District, Ha Nam Province, Vietnam	68.3%	65.6%
18	Masan Long An Company Limited (“MLA”)	(i)	Seasonings, convenience food manufacturing and packaging	Hamlet 2, Thanh Hoa Commune, Ben Luc District, Long An Province, Vietnam	68.3%	65.6%
19	VinaCafé Bien Hoa Joint Stock Company (“VCF”)	(i)	Beverage manufacturing, trading and packaging	Bien Hoa I Industrial Zone, Bien Hoa City, Dong Nai Province, Vietnam	67.4%	64.9%

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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
<i>Indirect subsidiaries</i>						
20	Café De Nam Joint Stock Company (“CDN”)	(i)/ (l)	Beverage manufacturing and trading	Lot C I.III-3+5+7, Long Thanh Industrial Park, Tam An Commune, Long Thanh District, Dong Nai Province, Vietnam	-	63.4%
21	Vinh Hao Mineral Water Corporation (“VHC”)	(i)/ (l)	Beverage manufacturing and trading and packaging	Vinh Son Hamlet, Vinh Hao Commune, Tuy Phong District, Binh Thuan Province, Vietnam	61.1%	59.2%
22	Kronfa., JSC (“KRP”)	(i)	Beverage manufacturing	Km 37, Highway 27, Tan Son Town, Ninh Son District, Ninh Thuan Province, Vietnam	61.6%	59.2%
23	Masan Beverage Company Limited (“MSB”)	(i)	Beverage trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	68.3%	65.6%
24	Masan MB One Member Company Limited (“MMB”)	(i)	Seasonings, convenience food and beverage manufacturing and packaging	Area B, Nam Cam Industrial Park, Dong Nam Nghe An Economic Zone, Nghi Long Commune, Nghi Loc District, Nghe An Province, Vietnam	68.3%	65.6%



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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
<i>Indirect subsidiaries</i>						
25	Masan HG One Member Company Limited (“MHG”)	(i)	Seasonings, convenience food and beverage manufacturing and packaging	Song Hau Industrial Park, Dong Phu Ward, Chau Thanh District, Hau Giang Province, Vietnam	68.3%	65.6%
26	Masan HG 2 Company Limited (“MH2”)	(i)/ (m)	Seasonings, convenience food, beverage manufacturing and packaging	Song Hau Industrial Park, Dong Phu Ward, Chau Thanh District, Hau Giang Province, Vietnam	68.3%	-
27	Masan Jinju Joint Stock Company (“MSJ”)	(iii)	Convenience food manufacturing and trading	Factory F5, Lot 6, Tan Dong Hiep A Industrial Park, Tan Dong Hiep Ward, Di An City, Binh Duong Province, Vietnam	71.1%	49.2%
28	Quang Ninh Mineral Water Corporation (“QNW”)	(i)	Beverage manufacturing and trading	Group 3A, Area 4, Suoi Mo, Bai Chay Ward, Ha Long City, Quang Ninh Province, Vietnam	44.9%	43.2%
29	Masan HPC Company Limited (“HPC”)	(i)	Trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	68.3%	65.6%

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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
<i>Indirect subsidiaries</i>						
30	Net Detergent Joint Stock Company (“NET”)	(i)	Homecare products manufacturing and trading	D4 Street, Loc An-Binh Son Industrial Park, Binh Son Ward, Long Thanh District, Dong Nai Province, Vietnam	35.7%	34.3%
31	Masan Innovation Company Limited (“INNV”)	(i)	Trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	68.3%	65.6%
32	Hi-Fresh Company Limited (“HIF”)	(i)	Trading and distribution	8 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	68.3%	65.6%
33	Joins Pro Professional Laundry Company Limited (“JPR”)	(i)	Providing laundry services	8 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	68.3%	65.6%
34	VCM Services and Trading Development Joint Stock Company (“WCM”)		Investment holding	6 th Floor, International Center, 17 Ngo Quyen Street, Trang Tien Ward, Hoan Kiem District, Hanoi City, Vietnam	71.5%	68.6%
35	Wincommerce General Commercial Services Joint Stock Company (“WinCommerce”)	(iv)	Retail trading	5 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	71.5%	68.6%
36	WinEco Agricultural Investment Development and Production LLC (“WinEco”)	(iv)/ (i)	Cultivation and trading vegetable and agricultural plants	7 Bang Lang 1 Street, Vinhomes Riverside Urban Zone, Viet Hung Ward, Long Bien District, Ha Noi City, Vietnam	98.9%	68.6%

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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
<i>Indirect subsidiaries</i>						
37	Dong Nai – WinEco Agricultural Company Limited (“WinEco Dong Nai”)	(iv)	Cultivation and trading agricultural products	Km 13, National Road 51, Long Khanh Hamlet, Tam Phuoc Commune, Bien Hoa City, Dong Nai Province, Vietnam	76.7%	53.2%
38	WinEco – Tam Dao Agricultural Investment Development and Production Limited Liability Company (“WinEco Tam Dao”)	(iv)	Cultivation and trading agricultural products	Co Quan Hamlet, Gia Khanh Commune, Binh Xuyen District, Vinh Phuc Province, Vietnam	88.1%	61.1%
39	The Supra Corporation (“The Supra”)	(iv)/ (c)	Warehousing and storage services	5 th Floor, Mplaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	71.5%	-
40	Dr. Win Corporation (formerly known as Winphar Trading Services Corporation) (“Dr. Win”)	(iv)/ (d)	Retail sale of drugs, medical equipment, cosmetics and hygiene products in specialised stores	5 th Floor, Mplaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	46.5%	-
41	CX Infra Corporation (“CXI”)	(iv)/ (e)	Building of non-residential houses	5 th Floor, ADG Tower, 17 Le Van Thiem Street, Nhan Chinh Ward, Thanh Xuan District, Hanoi City, Vietnam	36.4%	-

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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
<i>Indirect subsidiaries</i>						
42	Masan Horizon Corporation (“MH”)	(b)/ (f)	Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.9%	99.9%
43	Masan High-Tech Materials Corporation (“MHT”)	(ii)	Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	86.4%	86.4%
44	Masan Thai Nguyen Resources Company Limited (“MRTN”)	(ii)	Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	86.4%	86.4%
45	Thai Nguyen Trading and Investment Company Limited (“TNTI”)	(ii)	Investment holding	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	86.4%	86.4%
46	Nui Phao Mining Company Limited (“NPM”)	(ii)	Exploring and processing mineral	Ha Thuong Commune, Dai Tu District, Thai Nguyen Province, Vietnam	86.4%	86.4%
47	Masan Tungsten Limited Liability Company (“MTC”)	(ii)	Deep processing of nonferrous metals and precious metals (Tungsten)	Hamlet 11, Ha Thuong Commune, Dai Tu District, Thai Nguyen Province, Vietnam	86.4%	86.4%



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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
<i>Indirect subsidiaries</i>						
48	H.C. Starck Holding (Germany) GmbH ("HCS")	(ii)	Investment holding	Im Schleeke 78-91, 38642, Goslar, Germany	86.4%	86.4%
49	ChemiLytics Beteiligungs GmbH	(ii)	Investment holding	Im Schleeke 78-91, 38642, Goslar, Germany	86.4%	86.4%
50	H.C. Starck GmbH	(ii)	Deep processing of nonferrous metals and precious metals (Tungsten)	Im Schleeke 78-91, 38642, Goslar, Germany	86.4%	86.4%
51	Chemische Fabriken Oker und Braunschweig AG	(ii)	Producing chemicals for manufacturing of paper and additives for the absorptive materials industry	Im Schleeke 78-91, 38642 Goslar, Germany	86.4%	86.4%
52	H.C. Starck Infrastructure GmbH & Co. KG	(ii)	Deep processing of nonferrous metals and precious metals (Tungsten)	Landsberger Str. 98, 80339 Munich, Germany	86.4%	86.4%
53	ChemiLytics GmbH & Co. KG	(ii)	Chemical analysis and physical measurement data	Im Schleeke 78-91, 38642 Goslar, Germany	86.4%	86.4%

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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
<i>Indirect subsidiaries</i>						
54	H.C. Starck Tungsten GmbH	(ii)	Deep processing of nonferrous metals and precious metals (Tungsten)	Landsberger Str. 98, 80339 Munich, Germany	86.4%	86.4%
55	H.C. Starck Nonferrous Metals Trading (Shanghai) Co. Ltd.	(ii)	Tungsten trading and distribution	Room 301, 69 Yonghong Road, Minhang District, Shanghai, China	86.4%	86.4%
56	H.C. Starck Canada Inc.	(ii)	Deep processing of nonferrous metals and precious metals (Tungsten)	933 Vidal Street South, P.O. Box 3098, Samia, Ontario, N7T 8H8, Canada	86.4%	86.4%
57	H.C. Starck Tungsten GK	(ii)	Tungsten trading and distribution	2-20, Kaigan 1-chome, Minato-ku, Tokyo, Japan	86.4%	86.4%
58	H.C. Starck Tungsten LLC	(ii)	Tungsten trading and distribution	45 Industrial Place, Newton, MA 02461-1951, the United States of America	86.4%	86.4%
59	H.C. Starck Jiangwu Tungsten Specialities (Ganzhou) Co. Ltd.	(ii)	Deep processing of nonferrous metals and precious metals (Tungsten)	Shuixi Nonferrous and Metallurgical Industrial Base, Zhanggong District, Ganzhou, Jiangxi Province, People's Republic of China	51.8%	51.8%

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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
<i>Indirect subsidiaries</i>						
60	Mapleleaf Company Limited (“MPL”)	(ii)	Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.9%	99.9%
61	Masan Blue Corporation (“MBL”)	(ii)	Trading and distribution	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.8%	99.8%
62	Blue Tek Vietnam Joint Stock Company (“Blue Tek”)	(ii)/ (n)	Software publishing	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	-	50.9%
63	Hatsun Company Limited (“Hatsun”)	(ii)/ (f)	Investment holding	11A Hong Ha Street, Ward 2, Tan Binh District, Ho Chi Minh City, Vietnam	-	-
64	Taivas Company Limited (“Taivas”)	(ii)/ (f)	Investment holding	316 Le Van Sy Street, Ward 1, Tan Binh District, Ho Chi Minh City, Vietnam	-	-
65	MNS Meat Company Limited (“MNS Meat”)	(iii)	Investment holding	Lot A4, Street No. 4, Song May Industrial Zone, Trang Bom District, Dong Nai Province, Vietnam	94.9%	87.9%
66	MNS Farm Company Limited (“MNS Farm”)	(iii)	Investment holding	10 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	94.9%	87.9%

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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
Indirect subsidiaries						
67	MML Farm Nghe An Company Limited (“MNF Nghe An”)	(iii)	Swine breeding and trading	Con Son Village, Ha Son Commune, Quy Hop District, Nghe An Province, Vietnam	94.9%	87.9%
68	MNS Meat Processing Company Limited (“MNS Meat Processing”)	(iii)	Investment holding	10 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	94.9%	87.9%
69	MEATDeli HN Company Limited (“MEATDeli Ha Nam”)	(iii)	To process and preserve meat and meat related products	Lot CN-02, Dong Van IV Industrial Park, Dai Cuong Village, Kim Bang District, Ha Nam Province, Vietnam	94.9%	87.9%
70	MEATDeli Sai Gon Company Limited (“MEATDeli Sai Gon”)	(iii)	To process and preserve meat and meat related products	Lot 2 Street No. 15, Lot 3-5-7 Street No. 17, Lot 2 Street No. 17, Lot 9 Street No. 19, Tan Duc Industrial Park, Huu Thanh Ward, Duc Hoa District, Long An Province, Vietnam	94.9%	87.9%
71	3F Viet Joint Stock Company (“3F Viet”)	(iii)	To breed poultry and process and preserve meat and meat related products	10 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	48.4%	44.8%



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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
<i>Indirect subsidiaries</i>						
72	3F Viet Food Company Limited (“3F Viet Food”)	(iii)	To process and preserve meat and meat related products	Kien An Hamlet, An Lap Ward, Dau Tieng District, Binh Duong Province, Vietnam	48.4%	44.8%
73	Mobicast Joint Stock Company (“MOB”)	(v)	Telecommunications	4 th Floor, V1 Home City, 177 Trung Kinh Street, Yen Hoa Ward, Cau Giay District, Ha Noi City, Vietnam	70.0%	70.0%
74	Draco Investment Corporation (“DRC”)	(v)	Investment holding	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.9%	99.9%
75	Fornax Investment Corporation (“FOR”)	(v)	Investment holding	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.9%	99.9%
76	Phuc Long Heritage Corporation (“Phuc Long Heritage”)	(v)/ Note 5	Food and beverage	42/24 – 42/26 Street No. 643, Ta Quang Buu Street, Ward 4, District 8, Ho Chi Minh City, Vietnam	85.0%	-
77	The O2 Corporation (“O2”)	(v)/ (g)	Market research	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	50.0%	-

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Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2022	1/1/2022
<i>Indirect subsidiaries</i>						
78	Sagitta Investment Corporation (“Sagitta”)	(v)/(h)	Investment holding	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	98.0%	-
79	Masan Agri Corporation (“Masan Agri”)	(v)/(i)	Investment holding	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.9%	-
80	Lepus Investment Corporation (“Lepus”)	(v)/(k)	Investment holding	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	98.0%	-

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- (c) The Supra Corporation (“The Supra”) was established under the Enterprise Registration Certificate No. 0317211867 dated 22 March 2022, issued by the Department of Planning and Investment of Ho Chi Minh City.
- (d) Dr.Win Corporation (“Dr.Win”) was established under the Enterprise Registration Certificate No. 0317227151 dated 31 March 2022, issued by the Department of Planning and Investment of Ho Chi Minh City.
- (e) CX Infra Corporation (“CXI”) was established under the Enterprise Registration Certificate No. 0109983911 dated 29 April 2022, issued by the Department of Planning and Investment of Ha Noi City.
- (f) In March 2022, MH acquired 100% equity interests in Hatsun and Taivas. Subsequently, on 1 April 2022, Hatsun and Taivas were merged into MH.
- (g) The O2 Corporation (“O2”) was established under the Enterprise Registration Certificate No. 0317217724 dated 24 March 2022, issued by the Department of Planning and Investment of Ho Chi Minh City.
- (h) Sagitta Investment Corporation (“Sagitta”) was established under the Enterprise Registration Certificate No. 0317406312 dated 27 July 2022, issued by the Department of Planning and Investment of Ho Chi Minh City.
- (i) Masan Agri Corporation (“Masan Agri”) was established under the Enterprise Registration Certificate No. 0317527589 dated 19 October 2022, issued by the Department of Planning and Investment of Ho Chi Minh City.

As a part of the internal restructuring of Masan Group, in November 2022, Wincommerce General Commercial Services Joint Stock Company transferred all its equity interests in WinEco Agricultural Investment Development and Production LLC to Masan Agri. As a result of this transaction and the transaction disclosed in Note 7(e)(i), the Company’s economic interests in WinEco Agricultural Investment Development and Production LLC increased from 68.6% to 98.9%.

- (k) Lepus Investment Corporation (“Lepus”) was established under the Enterprise Registration Certificate No. 0317529018 dated 20 October 2022, issued by the Department of Planning and Investment of Ho Chi Minh City.
- (l) As a part of the internal restructuring of Masan Group, in December 2022, Café De Nam Joint Stock Company was merged into Vinh Hao Mineral Water Corporation.
- (m) Masan HG 2 Company Limited (“MH2”) was established under Enterprise Registration Certificate No. 6300356544 dated 15 December 2022, issued by the Department of Planning and Investment of Hau Giang Province.
- (n) Blue Tek Vietnam Joint Stock Company was dissolved during the year.

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Number	Name	Note	Principal activity	Address	Percentage of economic interests at	
					31/12/2022	1/1/2022
Direct associate						
1	Vietnam Technological and Commercial Joint Stock Bank (“Techcombank”)		Banking	Techcombank Tower, 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam	Note 7(c)	
Indirect associates						
1	Cholimex Food Joint Stock Company (“Cholimex”)	(vi)	Seasonings manufacturing and trading	Lot C40 – 43/1, Street No. 7, Vinh Loc Industrial Park, Binh Chanh District, Ho Chi Minh City, Vietnam.	32.8%	32.8%
2	Vissan Joint Stock Company (“Vissan”)	(vii)	To process and trade fresh meat, processed foods and meat related products	420 No Trang Long Street, Ward 13, Binh Thanh District, Ho Chi Minh City, Vietnam	24.9%	24.9%
3	Jiangwu H.C. Starck Tungsten Products Co., Ltd.	(viii)	Deep processing of nonferrous metals and precious metals Tungsten)	Shuixi Nonferrous and Metallurgical Industrial Base, Zhanggong District, Ganzhou, Jiangxi Province, People’s Republic of China	30.0%	30.0%
4	Phuc Long Heritage Corporation (“Phuc Long Heritage”)	(v)/ Note 5	Food and beverage	42/24 – 42/26 Street No.643, Ta Quang Buu Street, Ward 4, District 8, Ho Chi Minh City, Vietnam	-	20.0%

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The percentage of economic interests for subsidiaries represents the effective percentage of economic interests of the Company both directly and indirectly in the subsidiaries, which is determined based on percentage of equity owned (directly and indirectly) in the subsidiaries, except for other arrangements (if any). The percentage of economic interests for associates represents the direct percentage of economic interests of the Company and its subsidiaries in the associates.

- (i) These entities are direct and indirect subsidiaries of MCH.
- (ii) These entities are direct and indirect subsidiaries of MHT.
- (iii) These entities are direct and indirect subsidiaries of MML.
- (iv) These entities are direct and indirect subsidiaries of WCM.
- (v) These entities are direct and indirect subsidiaries of SHERPA.
- (vi) This entity is an indirect associate of MCH.
- (vii) This entity is a direct associate of MML.
- (viii) This entity is an indirect associate of MHT.

As at 31 December 2022, the Group had 37,112 employees (1/1/2022: 32,227 employees).

(c) Normal operating cycle

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

2. Basis of preparation

(a) Statement of compliance

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

(b) Basis of measurement

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

(c) Annual accounting period

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

(d) Accounting and presentation currency

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

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3. Significant accounting policies

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

(a) Basis of consolidation

(i) 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 No. 11 *Business Combination* and in selecting its accounting policy with respect to such transaction, the Group has considered Vietnamese Accounting Standard No. 01 *Framework* and Vietnamese Accounting Standard No. 21 *Presentation of Financial Statements*. Based on these standards, the Group has adopted the merger (“carry-over”) basis of accounting. The assets and liabilities of the combining companies are consolidated using the existing book values from the Controlling Shareholders’ perspective. Any difference between the cost of acquisition and net assets acquired is treated as a deemed distribution to or contribution from shareholders and recorded directly in undistributed profits after tax under equity.

The consolidated statements of income and cash flows include the results of operations of the combining companies from the acquisition date.

(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.

Cost of a business combination (cost of the acquisition) is the aggregate amount of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer in the acquisition in exchange for control of the acquiree and any costs directly attributable to the business combination. Identifiable assets acquired, identifiable liabilities and contingent liabilities assumed in a business combination are recognised at fair value at the acquisition date.

Any goodwill that arises representing the excess of the cost of the acquisition over the Group’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree is recognised in consolidated balance sheet, then amortised through to the consolidated statement of income (see Note 3(1)). When the excess is negative (gain from bargain purchase), it is recognised in the consolidated statement of income for the current year after a reassessment has been performed to ensure that the measurement of identifiable assets acquired, liabilities and contingent liabilities assumed and the cost of the business combination appropriately reflects consideration of all available information as of the acquisition date.

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Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations include any costs directly attributable to the combination, such as professional fees paid to accountants, legal advisers, valuers and other consultants to affect the combination. Transaction costs are capitalised 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 recognised 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) Associates (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 generally is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity, unless otherwise stated in the contractual agreement. Associates are accounted for in the consolidated financial statements using the equity method (equity accounted investees). They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. The carrying amount of investments in equity accounted investees is also adjusted for the alterations in the investor's proportionate interest in the investees arising from changes in the investee's equity that have not been included in the statement of income (such as foreign exchange translation differences, etc.). When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term 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.

Gain or loss on disposal of interest in an associate without losing significant influence, including through dilution of interest (deemed disposal) in the associate, is recognised in the consolidated statement of income.

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(v) *Non-controlling interests (“NCI”)*

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

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as transactions with 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) *Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the consolidated statement of income. Any interest retained in the former subsidiary when control is lost is stated at the carrying amount of the retained investment in the separate financial statements adjusted for appropriate shares of changes in equity of the investee since the acquisition date, if significant influence in the investee is maintained, or otherwise stated at cost.

(vii) *Transactions eliminated on consolidation*

Intra-group transactions, balances, and any unrealised gains and losses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. However, foreign currency difference arising on intra-group monetary items, whether short-term or long-term are recorded in the consolidated statement of income. Unrealised gains and losses arising from transactions with associates are eliminated against the investment to the extent of the Group’s interest in the associate.

(b) *Foreign currency*

(i) *Foreign currency transactions*

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

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

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

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(ii) Foreign operations

For the purpose of presenting the consolidated financial statements, the financial information of foreign operations are translated to VND as follows:

- Assets and liabilities including goodwill and fair value adjustments arising on acquisition, are translated to VND at the account transfer buying rate (for assets) and the account transfer selling rate (for liabilities) at the end of the annual accounting period quoted by the commercial bank where the subsidiaries most frequently conducts transactions;
- Revenue, income, expenses and cash flows of foreign operations are translated to VND at exchange rates at which approximate actual exchange rates ruling on the dates of transactions; and
- Capital is translated to VND at historical exchange rate. Accumulated losses/retained profits, funds and reserves are derived from the translated net profit/loss and movements from which they were appropriated.

Foreign currency differences arising from the translation of foreign operations' financial statements to VND are recognised in the consolidated balance sheet under the caption "Foreign exchange differences" in equity. When the foreign currency differences relate to a foreign operation that is consolidated but not wholly owned, accumulated exchange differences arising from translation and attributable to non-controlling interests are allocated to, and recognised as part of, non-controlling interests in the consolidated balance sheet.

(c) Cash and cash equivalents

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

(d) Investments

(i) Trading securities

Trading securities are bonds held by the Group for trading purpose i.e. purchased for resale with the aim of making profits over a short period of time. Trading securities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at cost less interest income for the period before investment acquisition date and allowance for diminution in value. An allowance is made for diminution in value of trading securities if there is evidence that market price of the securities item falls below its carrying amount. The allowance is reversed if the market price subsequently increases after the allowance was recognised. An allowance is reversed only to the extent that the securities' carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

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(ii) Held-to-maturity investments

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

(iii) Equity investment in other entities

Equity investments in other entities of which the Company or its subsidiaries have no control or significant influence are initially recognised at cost, which include 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 values if the investee has suffered a loss which may cause the Group to lose their invested capital, unless there is evidence that the value of the investment has not been diminished. 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.

(e) Accounts receivable

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

Factoring

Depending on market conditions and liquidity requirements, the Group enters into factoring agreements to transfer accounts receivable from customers. For factoring transactions, the Group assesses whether accounts receivable from customers can be derecognised in their entirety or not, basing on the extent to which it retains the risks and rewards of ownership of the accounts receivable from customers.

If the Group:

- transfers substantially all the risks and rewards of ownership of the receivables, the Group derecognises the receivables and recognises separately as assets or liabilities any rights and obligations created or retained in the transfer;
- retains substantially all the risks and rewards of ownership of the receivables, the Group continues to recognise the receivables;
- neither transfers nor retains substantially all the risks and rewards of ownership of the receivables, the Group determines whether it has retained control. If the Group does not retain control, it derecognises the receivables and recognises separately as assets or liabilities any rights and obligations created or retained in the transfer. If the Group retains control, it continues to recognise the receivables to the extent of its continuing involvement in the receivables.

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The extent of continuing involvement in the transferred assets is the extent to which it is exposed to changes in the value of the transferred assets, which is the lower of the carrying amount of assets and the maximum amount of the consideration that the Group could be required to pay (“the guarantee amount”).

When the Group continues to recognise an asset to the extent of its continuing involvement, the Group also recognises an associated liability. The associated liability is initially measured at the guarantee amount plus the fair value of the guarantee. Subsequently the initial fair value of the guarantee is recognised in the consolidated statement of income on a time proportion basis.

(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 overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and estimated costs to sell.

The Group applies the perpetual method of accounting for inventories.

(g) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price or construction cost, 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 repair, maintenance and overhaul cost, is charged to the consolidated statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets. In situations where the self-constructed tangible assets have been completed and are put into used but their cost is not finalised, their historical cost will be recorded to provisional cost using temporarily estimated value and they shall be adjusted with the difference after the finalised cost are approved. Tangible fixed assets also comprise fair value of other assets from business combination.

Upon completion of the mine construction phase, the assets are transferred into “building and structures”, “machinery and equipment” or “other mining assets” in tangible fixed assets. Other mining assets comprise mine rehabilitation assets and fair value of mineral reserves and mineral resources from business combination.

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(ii) Depreciation

Machinery and equipment directly related to mineral processing activities and fair value of mineral reserve from business combination

Machinery and equipment which are directly related to mineral processing activities and fair value of mineral reserves from business combination are depreciated on a unit-of-production method. Under this method, the depreciation bases are derived from proved and probable mineral reserves, which are estimates of the volume of ore (in tons) that can be economically and legally extracted from the Group’s mining properties, and a portion of mineral resources expected to be converted into reserves. Specifically, the depreciation bases for mining-related assets are calculated using:

- a. estimated mineral reserves and resources expected to be converted into reserves under mining specialist’s technical assessments within Nui Phao project area; and
- b. further estimated mineral resources that can be reprocessed from the NPM’s oxide tails cell (“OTC”).

Application of depreciation base to each mining asset class is as follows:

	Depreciation base
Machinery and equipment relating to only mineral processing activities;	(a)
Machinery and equipment relating to mineral processing activities, and being used in OTC retreatment	(a) and (b)
Fair value of mineral reserves from business combination	(a) and (b)

Machinery and equipment directly related to mineral production activities

Machinery and equipment which are directly related to the deep processing of tungsten products of MTC are depreciated on a unit-of-production basis. The estimated total production quantity output which tangible fixed assets are depreciated on a unit-of-production basis are as follows:

	Tonnes of tungsten
ST plant	171,865
APT plant	166,990

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:

Buildings and structures	4 – 50 years
Leasehold improvements	3 – 5 years
Machinery and equipment	2 – 25 years
Office equipment and others	3 – 25 years
Motor vehicles	3 – 25 years
Other mining assets	26 years

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Construction assets which are completed and put into use before construction costs being finalised, are stated at provisional cost. On the date the construction costs are finalised and approved, provisional cost shall be adjusted to finalised cost and accumulated depreciation shall not be adjusted. The subsequent depreciation charge is determined as the approved value minus the accumulated depreciation made for the period up to the approval of finalisation of fixed assets divided by the remaining depreciation period of the fixed assets according to relevant regulations.

(h) Intangible fixed assets

(i) Land use rights

Land use rights with indefinite term are stated at cost and are not amortised. Land use rights with definite term are stated at cost less accumulated amortisation. 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. Amortisation is computed on a straight-line basis over their estimated useful lives ranging from 10 to 50 years. Fair value of land use right acquired in a business combination is determined using direct comparison method by comparing recent asking/transaction price of similar properties in a similar area.

(ii) Software

Costs of software comprises:

- 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 10 years; and
- cost incurred during actual software development phase when the following conditions are met:
 - respective costs are attributable directly to the software development stage;
 - there is well-founded expectation – verifiable by program designs, models, or the like that the development activities to be capitalised will be finalised successfully and thus the intention to complete the development project should be given;
 - the Group will be able to implement and use the software after its development;
 - adequate technical, financial and personnel resources should be available to complete the software development successfully; and
 - the Group is able to measure expenditure attributable to the software development project reliably.

Self-developed software is amortised on a straight-line basis over period of up to 4 years starting from the date on which the respective modules are completed.

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(iii) Brand name

Brand names that are acquired by the Group in the acquisition of subsidiary are capitalised and presented as an intangible fixed asset. The fair value of brand names is amortised on a straight-line basis over the estimated useful lives ranging from 9 to 30 years.

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.

(iv) Customer relationships

Customer relationships that are acquired by the Group in the acquisition of subsidiary are capitalised and presented as an intangible fixed asset. The fair value of customer relationships is amortised on a straight-line basis over the estimated useful lives ranging from 5 to 36 years.

The fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject assets are valued after deducting a fair return on all other assets that are part of creating the related cash flows.

(v) Mining rights

The mining rights are calculated based on the remaining exploitable reserves multiplied with the price as announced by the provincial authorities in accordance with Decree No. 67/2019/ND-CP dated 31 July 2019 (“Decree 67”) which became effective from 15 September 2019, replacing Decree No. 203/2013/ND/CP dated 28 November 2013. Cost of mining rights was stated at an amount equal to the present value of mining rights fee and was capitalised and treated as an intangible asset. Amortisation of mining rights is computed on a straight-line basis over the economic life of proved and probable mineral reserve and a portion of resources expected to be converted into reserves.

(vi) Mineral water resources

Mineral water resources that are acquired by the Group in the acquisition of subsidiary are capitalised and presented as an intangible fixed asset. The fair value of mineral water resources is amortised on a straight-line basis over the estimated useful lives ranging from 10 to 37 years.

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.

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(vii) Mineral water resources exploitation rights

Expenditure on obtaining exploitation rights for mineral water resources is capitalised and treated as an intangible fixed asset. Amortisation is computed on a straight-line basis over the estimated useful lives ranging from 4 to 30 years.

(viii) Technology

Technology that is acquired by the Group in the acquisition of subsidiary is capitalised and presented as an intangible fixed asset. The fair value of technology is amortised on a straight-line basis over the estimated useful lives ranging from 5 to 31 years.

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.

(ix) Development costs

Development costs comprise:

- Expenditure on the Group's development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. The expenditure capitalised include the costs of materials, direct labour and an appropriate portion of overheads. Other development expenditure, including expenditure on internally generated goodwill and brands, is recognised in the consolidated statement of income as an expense as incurred.
- Development activities that are acquired by the Group in the acquisition of subsidiary is capitalised and presented as an intangible fixed asset. The fair value of development activities 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 development activities is amortised on a straight-line basis over the estimated useful live ranging from 10 to 16 years.

(x) License

License that are acquired by the Group in the acquisition of subsidiary are capitalised and presented as an intangible fixed asset. The fair value of license is amortised on a straight-line basis over the estimated useful lives of 12 years.

The fair value of license 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.

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(i) Investment property

(i) Cost

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its purchase prices and any directly attributable expenditure of bringing the property to the condition necessary for it to be capable of operating in the manner intended by the management of the Company or its subsidiaries. Expenditure incurred after the investment property held to earn rental has been put into operation, such as repair and maintenance cost, is charged to the consolidated statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of investment property. Land use rights with indefinite term are not amortised. The estimated useful lives of buildings and infrastructures are as follows:

- | | |
|-------------------|---------------|
| ▪ buildings | 20 – 60 years |
| ▪ infrastructures | 5 – 20 years |

(j) Construction in progress

Construction in progress represents the costs of swine breeders, tangible and intangible fixed assets 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 breeding the swines, 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 recognised at their fair value as part of business combination accounting and subsequent development expenditure are capitalised 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 “other mining assets” in tangible fixed assets or in long-term prepaid expenses.

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(k) Long-term prepaid expenses

(i) Other mining costs

Other mining costs comprise of:

- 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 recorded as part of the cost of construction of the mine. All development stripping expenditure incurred during construction phase are transferred to other mining costs.

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 inventories and long-term prepaid expenses in accordance with the life of mine strip ratio of the identified components of the ore bodies.

The life of mine strip ratio represents the estimated total volume of waste, to the estimated total quantity of economically recoverable ore, over the life of the mine of the identified components of the ore bodies. These costs are recognised as long-term prepaid expenses where the current period actual stripping ratio is higher than the average life of mine strip ratio.

The development and production stripping costs are amortised systematically based on the mineral reserves and mineral resources expected to be converted to mineral reserves of the relevant components.

(ii) 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 prevailing laws and regulations and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the terms of the leases ranging from 35 to 50 years.

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(iii) Land compensation costs

Land compensation costs comprise costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the terms of the leases.

(iv) Tools and supplies

Tools and supplies include assets held for use by the Group in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation.

Tools and supplies are initially stated at cost and amortised on a straight-line basis over their useful lives ranging from over 1 to 3 years.

(v) Goodwill from equitisation

Goodwill generated from state-owned enterprise's equitisation is recognised as long-term prepaid expenses. Goodwill generated from state-owned enterprise's equitisation 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 equitisation is amortised on a straight-line basis over 10 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).

(vi) Swine breeders

Swine breeders whose costs of individual items are less than VND30 million is recognised as long-term prepaid expenses and amortised on a straight-line basis over their expected useful lives ranging over 1 to 3 years. The amortisation of swine breeders that directly relates to farming of swine in work in progress is capitalised as part of the cost of work in progress.

(vii) Other long-term prepaid expenses

Other long-term prepaid expenses include pre-operating expenses and other prepaid expenses which are stated at costs and amortised on a straight-line basis over their expected useful lives.

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(l) Goodwill

Goodwill arises on acquisition of subsidiaries and associates in non-common control acquisition. Goodwill is measured at cost less accumulated amortisation. Cost of goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.

Goodwill arising on acquisition of a subsidiary is amortised on a straight-line basis over 10 years. Carrying value of goodwill arising on acquisition a subsidiary is written down to recoverable amount where management determines that it is not fully recoverable.

In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment and is not amortised.

(m) Accounts payable

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

(n) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(i) Mining rights fee

In accordance with the Law on Minerals 2010, NPM, an indirect subsidiary of the Company has an obligation to pay the government fees for mining rights grant. Mining rights is calculated based on the remaining exploitable reserves and the price to calculate the charge for granting mining rights which is defined under the prices to calculate the resource royalty in accordance with the law on resource royalty at the time of determining the charge for granting mining rights officially which is Decree 67.

The prices to calculate the resource royalty is the price applicable for NPM's products which is determined by the provincial People's Committee. The conversion method is based on various parameters of the conversion coefficient under guidelines of Decree 67.

(ii) Mine rehabilitation

The mining, extraction and processing activities of the Group normally give rise to obligations for site closure or rehabilitation. Closure and rehabilitation works can include facility decommissioning and dismantling; site and land rehabilitation. The extent of work require and the associated costs are dependent on the requirements of Ministry of Natural Resources and Environment ("MONRE") and the Group's environmental policies based on the Environment Impact Report.



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Provisions for the cost of each closure and rehabilitation program are recognised at the time that environmental disturbance occurs. When the extent of disturbance increases over the life of an operation, the provision is increased accordingly. Costs included in the provision encompass all closure and rehabilitation activity expected to occur progressively over the life of the operation proportional to the degree of influence on the environment existing at the end of the annual accounting period.

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each reporting dates and the cost is charged to the consolidated statement of income. Routine operating costs that may impact the ultimate closure and rehabilitation activities, such as waste material handling conducted as an integral part of a mining or production process, are not included in the provision. Costs arising from unforeseen circumstances, such as the contamination caused by unplanned discharges, are recognised as an expense and liability when the event gives rise to an obligation which is probable and capable of reliable estimation.



The timing of the actual closure and rehabilitation expenditure is dependent on the life of the mine. Closure and rehabilitation provisions are measured at the expected value of future cash flows, discounted to their present value and determined according to the probability of alternative estimates of cash flows occurring for each operation. Significant judgments and estimates are involved in forming expectations of future activities and the amount and timing of the associated cash flows. Those expectations are formed based on existing environmental and regulatory requirements which give rise to a constructive obligation.

When provisions for closure and rehabilitation are initially recognised, the corresponding cost is capitalised as an asset if the related obligations for closure and rehabilitation are unavoidable to the construction of the asset. The capitalised cost of closure and rehabilitation activities is recognised in other mining assets and depreciated accordingly. The value of the provision is progressively increased over time as the effect of the discounting unwinds, creating an expense recognised in financial expenses.

Closure and rehabilitation provisions will also be adjusted for changes in estimates. These adjustments will be accounted for as a change in the corresponding capitalised cost, except where a reduction in the provision is greater than the under-depreciated capitalised cost of the related assets, in which the capitalised cost is reduced to nil and the remaining adjustment is recognised in the consolidated income statement. Changes to the capitalised cost result in an adjustment to future depreciation. Adjustments to the estimated amount and timing of future closure and rehabilitation cash flows are a normal occurrence in light of the significant judgements and estimates involved.

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(iii) Severance allowance

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more (“the eligible employees”) voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee’s compensation at termination. Provision for severance allowance has been provided based on employees’ years of service and their average salary for the six-month period prior to the end of the annual accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Group are excluded.

(iv) Pensions

Pensions are retirement benefits and are classified as either defined contribution plans or defined benefit plans.

Under a defined contribution plan, the Group pays fixed contributions into a separate fund. The amount of an employee’s future retirement benefit is only based on the contributions paid and the income earned from the investment. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employees’ services in the current and prior years. The Group’s contributions are to be recognised as expenses in the year in which they are incurred.

Under a defined benefit plan, employees will receive a defined amount of pension benefit on retirement, usually dependent on one or more factors such as age, years of service and compensation. The provision to be recognised for a defined benefit plan is calculated as the present value of the defined benefit obligations at the end of the annual accounting period. The defined benefit obligation is calculated annually by independent actuaries. The present value of the defined benefit obligation is determined by discounting estimated future cashflow using interest rates of high-quality AA-corporation bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximation to the terms of the related pension liability. The Group determines the net interest expense on the net defined benefit liability/(asset) for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual accounting period to the net defined benefit liability, taking into account any changes in the net defined benefit liability during the year as a result of contributions. Net interest expense and other expenses related to defined benefit plans are recognised in consolidated statement of income. The remeasurement of defined benefit obligation involves estimation of future cashflow, employee turnover, mortality and future increase in salaries

Gain or loss arising from remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses and the relevant deferred tax are recognised in equity under the caption “Other equity funds” in accordance with a ruling from the Ministry of Finance.

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(o) Bonds issued

Straight bonds

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

(p) Taxation

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

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period and any adjustments 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 amount of assets and liabilities using tax rates enacted or substantively enacted at the end of the annual accounting period.

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

(q) Equity

(i) *Share capital and capital surplus*

Share capital is stated at par. Excess of issuance price over par value of shares issued is recognised as 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.

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(r) Revenue

(i) Goods sold

Revenue from sale of goods is recognised in the consolidated statement of income when 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 of revenue recognition. 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 to 180 days. Revenue on provisionally priced sales is recognised 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 sale is based on the most recently determined product specifications.

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

(ii) Services rendered

Revenue from services rendered is recognised in the consolidated statement of income in proportion to the stage of completion of the transaction. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(iii) Rental income

Rental income from leased property under operating leases is recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of lease.

(s) Financial income and financial expenses

(i) Financial income

Financial income comprises interest income from deposits, bonds and loans receivable, gains on disposals of investments, foreign exchange gains and other financial income. Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

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(ii) Financial expenses

Financial expenses comprise interest expense on borrowings and bonds, bond and borrowing issuance costs (collectively referred to as “borrowing costs”), losses from disposal of investments, foreign exchange losses and other financial expenses. Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

(t) Leases

(i) Leases assets

Leases in terms of which the Group, as lessee, 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.

Depreciation on finance leased assets is computed on a straight-line basis over the shorter of the lease term and the estimated useful lives of the leased assets unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. The estimated useful lives of finance leased assets are consistent with the useful lives of tangible fixed assets as described in Note 3(g).

Assets held under other leases are classified as operating leases and are not recognised in the Group’s consolidated balance sheet.

(ii) Leases payments

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

Lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(u) Earnings per share

The Group presents basic and diluted earnings per share (“EPS”) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders (after deducting any amounts appropriated to bonus and welfare funds for the annual accounting period) of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares. During the year, the Company had no potential ordinary shares and therefore does not present diluted EPS.

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(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 and secondary formats for segment reporting are based on business segments and geographical segments, respectively.

(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.

(x) Employee stock ownership plans

Shares issued to employees based on the employee stock ownership plans are issued at the price as stipulated in the Board of Directors' resolution.

(y) Comparative information

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

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

4. Segment reporting

The Group has five reportable segments, as described below, which are the Group's strategic businesses. The strategic businesses offer different products and services, are managed separately because they require different technology and marketing strategies. For each of the strategic businesses, the management of the Company or its subsidiaries reviews internal management reports on a periodic basis. For the year ended 31 December 2022, the segment results of each reportable segment are determined based on the profit before interest and tax instead of net profit after tax as presented in prior years.

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

- Branded consumer products
- MEATLife: integrated meat products
- High-tech materials
- Consumer retail
- Others: financial services, telecommunication services, retail food and beverage chain and others

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(a) Business segments

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

	Branded consumer products		MEATLife		High-tech materials		Consumer retail		Others		Elimination		Total	
	2022 VND million	2021 (*) VND million	2022 VND million	2021 (*) VND million	2022 VND million	2021 (*) VND million	2022 VND million	2021 (*) VND million	2022 VND million	2021 (*) VND million	2022 VND million	2021 (*) VND million	2022 VND million	2021 (*) VND million
External segment revenue	26,819,469	27,053,090	3,004,511	17,169,943	15,549,548	13,564,291	29,237,912	30,840,035	1,577,785	1,408	-	-	76,189,225	88,628,767
Internal segment revenue	1,284,020	1,711,104	1,780,060	1,720,945	-	-	137,016	60,375	38,857	-	(3,239,953)	(3,492,424)	-	-
Segment gross profit	10,903,130	11,595,404	321,879	2,300,843	2,376,906	2,346,405	6,507,907	5,869,744	925,202	22,405	-	-	21,035,024	22,134,801
Segment results	5,517,687	5,782,013	(455,952)	630,108	1,349,841	1,189,816	(1,025,947)	(1,091,025)	3,963,007	3,924,876	-	-	9,348,636	10,435,788
Net unallocated expenses													(4,594,252)	(334,407)
Net profit													4,754,384	10,101,381

(*) These figures are restated for the comparative purpose.

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	Branded consumer products		MEATLife		High-tech materials		Consumer retail		Others		Total	
	31/12/2022 VND million	1/1/2022 VND million	31/12/2022 VND million	1/1/2022 VND million	31/12/2022 VND million	1/1/2022 VND million	31/12/2022 VND million	1/1/2022 VND million	31/12/2022 VND million	1/1/2022 VND million	31/12/2022 VND million	1/1/2022 VND million
Segment assets	28,610,561	25,362,822	9,938,529	8,744,473	40,964,993	38,796,639	20,726,133	21,538,910	28,800,403	22,152,192	129,040,619	116,595,036
Unallocated assets											12,302,196	9,498,435
Total assets											141,342,815	126,093,471
Segment liabilities	11,860,939	11,842,493	7,297,134	6,097,973	24,774,892	24,787,455	15,198,042	14,829,258	867,341	43,701	59,998,348	57,600,880
Unallocated liabilities											44,707,728	26,155,939
Total liabilities											104,706,076	83,756,819
Capital expenditure	1,372,469	982,176	667,447	710,921	1,330,036	921,560	467,634	179,768	320,871	1,393	4,158,457	2,795,818
Unallocated capital expenditure	-	-	-	-	-	-	-	-	6,864	9,609	6,864	9,609
Depreciation	779,192	727,504	302,436	510,150	1,204,204	1,258,760	604,953	621,333	19,204	-	2,909,989	3,117,747
Unallocated depreciation	-	-	-	-	-	-	-	-	5,072	4,791	5,072	4,791
Amortisation	263,288	335,186	117,591	363,767	613,953	581,108	1,142,294	1,224,298	280,071	5,474	2,417,197	2,509,833
Unallocated amortisation	-	-	-	-	-	-	-	-	2,383	2,389	2,383	2,389

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5. Business combination

Phuc Long Heritage Corporation (“Phuc Long Heritage”)

On 28 January 2022, SHERPA, a direct subsidiary of the Company, successfully acquired additional 31.0% equity interests in Phuc Long Heritage, a food and beverage retailer, for a total consideration of VND2,490,400 million including transactions costs. As a result of this transaction, the Company’s equity interests in Phuc Long Heritage has increased from 20.0% to 51.0% and Phuc Long Heritage became a subsidiary indirectly owned by the Company.

The acquisition had the following effect on the Group assets and liabilities on acquisition date:

	Recognised value on acquisition VND million
Cash and cash equivalents	18,224
Accounts receivable from customers	48,504
Prepayments to suppliers	45,133
Inventories – net	197,786
Other current assets	50,111
Fixed assets – net	2,150,019
Construction in progress	35,209
Long-term prepaid expenses	311,992
Other long-term assets	45,014
Accounts payable to suppliers	(143,480)
Taxes payable to State Treasury	(5,609)
Other current liabilities	(133,041)
Deferred tax liabilities	(445,043)
	<hr/>
Net identifiable assets	2,174,819
	<hr/>
Share of net assets from business combination (51%)	1,109,158
Goodwill on business combination (Note 16)	2,403,981
Fair value of pre-existing interest in Phuc Long Heritage	(1,022,739)
	<hr/>
Total consideration transferred	2,490,400
	<hr/>
Cash and cash equivalents acquired	18,224
	<hr/>
Net cash outflow	(2,472,176)
	<hr/>

For the period from acquisition date to 31 December 2022, the acquired business contributed net revenue of VND1,578,936 million and net profit of VND38,063 million to the Group’s results.

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6. Cash and cash equivalents

	31/12/2022	1/1/2022
	VND million	VND million
Cash on hand	101,525	90,468
Cash at banks	1,574,013	6,772,287
Cash in transit	42,938	22,657
Cash equivalents	12,134,624	15,419,410
	<hr/>	<hr/>
Cash and cash equivalents in the consolidated statement of cash flows	13,853,100	22,304,822
	<hr/>	<hr/>

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

As at 31 December 2022, cash at banks with carrying value of VND23,056 million (1/1/2022: VND81,527 million) were pledged with banks as security for loans granted to the Group (Note 20).

7. Investments

	31/12/2022	1/1/2022
	VND million	VND million
Short-term financial investments		
Trading securities (a)	3,302,172	-
Held-to-maturity investments (b)	357,003	332,753
	<hr/>	<hr/>
	3,659,175	332,753
	<hr/>	<hr/>
Long-term financial investments		
Investments in associates (c)	28,480,242	24,538,803
Investments in other entities (d)	2,853,643	-
	<hr/>	<hr/>
	31,333,885	24,538,803
	<hr/>	<hr/>

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	31/12/2022		1/1/2022	
	Quantity	Cost VND million	Fair value VND million	Allowance for diminution in value VND million
Certificates of deposit (**)	21,000	2,100,000	(*)	-
Corporate bonds (***)	12,000,000	1,202,172	(*)	-
		3,302,172		-

(*) The Group has not determined the fair value of trading securities for disclosure in the consolidated financial statements because there is currently no guidance on determination of fair value using valuation techniques under Vietnam Accounting Standard or the Vietnam Accounting System for enterprises. The fair value of trading securities may differ from their carrying values.

(**) The Group purchased these certificates of deposit with the aim of holding them for a short period of time (less than 12 months) and earned the interest at the rate of 7% per annum. On 30 January 2023, the Group sold these certificates of deposit for VND2,120,942 million.

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

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

	Techcombank VND million	Cholimex VND million	Vissan VND million	Jiangwu VND million	Phuc Long Heritage VND million	Total VND million
Opening balance	21,595,443	249,392	2,135,490	180,510	377,968	24,538,803
Share of post-acquisition profit in associates	4,309,754	13,296	-	13,939	2,661	4,339,650
Dividends declared	-	(13,296)	-	-	-	(13,296)
Transfer to investments in subsidiaries (Note 5)	-	-	-	-	(380,629)	(380,629)
Currency translation differences	-	-	-	(4,286)	-	(4,286)
Closing balance	25,905,197	249,392	2,135,490	190,163	-	28,480,242

(*) The Group has not determined the fair values of investments in these associates for disclosure in the consolidated financial statements because there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair values of these equity investments may differ from their carrying values.

For the disclosure purpose, the fair values of investments in Techcombank as at 31 December 2022 and 1 January 2022 were determined by reference to the quoted prices at these respective dates on Ho Chi Minh City Stock Exchange.

(**) The Group has 19.9% direct equity holding and 1.5% economic interest in Techcombank that is subject to a forward sale agreement (1/1/2022: 19.9% direct equity holding and 1.5% economic interest subject to a forward sale agreement). The forward transaction has not been completed and is subject to the terms of the agreement.

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(d) Equity investment in other entities

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

	31/12/2022		1/1/2022				
	% of equity owned	% of voting rights	Cost VND million	Allowance for diminution in value VND million	Cost VND million	Allowance for diminution in value VND million	Fair value VND million
▪ Trusting Social Joint Stock Company ("TSVN") (**)	25.1%	25.1%	1,511,280	- (*)	-	-	-
▪ Nyobolt Limited ("Nyobolt") (***)	15.0%	15.0%	1,342,363	- (*)	-	-	-
			2,853,643	-	-	-	-

(*) The Group has not determined the fair values of equity investments in other entities for disclosure in the consolidated financial statements because there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair values of the equity investments may differ from their carrying values.

(**) In April 2022, SHERPA, a direct subsidiary of the Company, made an equity investment of USD65 million for 25.1% equity interests in TSVN. Under the agreement among SHERPA, Trust IQ Pte. Ltd. ("TSSG") (the parent company of TSVN) and TSVN, SHERPA has certain rights in TSVN and TSSG.

(***) On 15 July 2022, H.C. Starck Tungsten GmbH (HCS), an indirect subsidiary of the Company announced the signing of a definitive agreement to invest an amount up to GBP45 million into Nyobolt Limited for a 15% equity interests on a fully diluted basis. The payments of investing into Nyobolt was completed in December 2022.

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Movements of equity investment in other entities during the year were as follows:

	TSVN VND million	Nyobolt VND million	Total VND million
Opening balance	-	-	-
Additions	1,511,280	1,342,363	2,853,643
Closing balance	1,511,280	1,342,363	2,853,643

(e) Significant transactions with non-controlling interests in subsidiaries for the year ended 31 December 2022

(i) Transactions with non-controlling interests in The CrownX Corporation (“CrownX”)

In January 2022, the Company acquired 2,418,699 ordinary shares, equivalent to 3.24% equity interests in CrownX for total consideration of VND5,188,010 million. As the result of this transaction, the Company’s economic interests in CrownX increased from 81.7% to 84.9% and resulting in the following effects:

	VND million
Consideration transferred	(5,188,010)
Proportionate carrying amount of net assets acquired	572,486
Difference recorded as a decrease in undistributed profits after tax	(4,615,524)

(ii) Transactions with non-controlling interests in Masan MEATLife Corporation (“MML”)

The Company’s economic interests in MML increased from 87.8% to 94.9% as a result of the following transactions:

- In March 2022, MH, a direct subsidiary of the Company acquired 100% equity interests in Hatsun Company Limited (“Hatsun”) and Taivas Company Limited (“Taivas”) and these companies were holding equity interests in MML. As the result of this transaction, the Company’s economic interests in MML increased from 87.8% to 94.9% and resulting in the following effects:

	VND million
Consideration transferred, include assuming related liabilities	(2,503,854)
Proportionate carrying amount of net assets acquired	412,858
Difference recorded as a decrease in undistributed profits after tax	(2,090,996)

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- On 24 August 2022, MML issued 144,493 ordinary shares to employees under employee stock ownership plan after obtaining shareholders' approval at its Annual General Meeting on 28 April 2022, resulting in the following effects:

	VND million
Consideration received from share issued not subscribed by the Group, net of transaction costs	8,619
Proportionate carrying amount of net assets diluted	(2,762)
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Difference recorded as an increase in undistributed profits after tax	5,857
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(iii) Transactions with non-controlling interests in VCM Services and Trading Development Joint Stock Company (“WCM”)

In March 2022, WCM issued 8,305,000 ordinary shares to CrownX for total consideration of VND749,584 million. As the result of this transaction, the Company's economic interests in WCM increased from 68.6% to 71.5% and resulting in the following effects:

	VND million
Proportionate carrying amount of net assets acquired/Difference recorded as a decrease in undistributed profits after tax	(203,516)
	<hr/>

(iv) Transactions with non-controlling interests in Masan Consumer Corporation (“MSC”)

The Company's economic interests in MSC increased from 65.6% to 68.3% as a result of the following transactions:

- In August 2022, Masan Consumer Corporation issued 668,061 ordinary shares to its employees under employee stock ownership plan after obtaining shareholders' approval at its Annual General Meeting on 28 April 2022, resulting in the following effects:

	VND million
Consideration received from share issued not subscribed by the Group, net of transaction costs	57,016
Proportionate carrying amount of net assets diluted	(31,115)
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Difference recorded as an increase in undistributed profits after tax	25,901
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- Transactions with non-controlling interests in CrownX as mentioned in Note 7(e)(i).

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(v) Transactions with non-controlling interests in Phuc Long Heritage Corporation (“Phuc Long Heritage”)

In August 2022, The SHERPA Company Limited, a direct subsidiary of the Company acquired 10,837,500 ordinary shares, equivalent to 34% equity interests in Phuc Long Heritage for total consideration of VND3,617,880 million. As the result of this transaction, the Company’s economic interests in Phuc Long Heritage increased from 51% to 85% and resulting in the following effects:

	VND million
Consideration transferred	(3,617,880)
Proportionate carrying amount of net assets acquired	741,665
	<hr/>
Difference recorded as a decrease in undistributed profits after tax	(2,876,215)
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(f) Significant transactions with non-controlling interests in subsidiaries in prior years

(i) Transactions with non-controlling interests in The CrownX Corporation (“CrownX”)

In connection with CrownX’s issuance of 7,611,593 ordinary shares in June 2021 and December 2021, the Company, SHERPA and CrownX entered into agreements (“Shareholder Agreements”) with Alibaba.Com Singapore E-Commerce Private Limited, Thunbergia Pte. Limited, Credit Suisse AG, Singapore Branch, TCX Madrid Holdings Pte.Ltd and Seatown Master Fund (collectively referred to as “Investors”) pursuant to which the Group undertake with the Investors that they shall use best effort to procure an initial public offering (“IPO”) of the shares of CrownX by 11 June 2026 (which may be extended for a maximum of one year at the discretion of the Group) (the “IPO Deadline”). In the event that CrownX fails to achieve the IPO on the agreed conditions, each of the Investors will have an option to require SHERPA, the parent company of CrownX or its nominee, to purchase the shares subscribed by the Investors in this round at the agreed price in the agreement. This option shall be exercisable after the IPO Deadline and remain exercisable until the date that is 9 years and one month from the closing date – ie: 11 June 2021. It can only be exercised once with respect to all of the aforementioned shares.

SK Investment Vina Pte.Ltd (“SK”) also entered into the above Shareholder Agreement and entitled benefits same as above Investors on 3,636,521 ordinary shares of CrownX which SK acquired from a third party in December 2021.

During 2022, the Board of Directors of CrownX approved a share option program for the employees of CrownX, its subsidiaries and employees of Masan Group Corporation and its subsidiaries who have contributed to the development of CrownX (the “ESOP Program”). Total number of approved ESOP shares under this ESOP Program granted to employees is up to 7,743,652 CrownX shares (to be adjusted accordingly in the event of consolidation, share-split, subdivision, bonus shares, reclassification or other similar process). During the year, the vesting event has not been incurred and no ESOP shares have been issued.

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(ii) Transactions with non-controlling interests in Masan High-Tech Materials Corporation (“MHT”)

In relation to MHT’s issuance of 109,915,542 of ordinary shares issued to Mitsubishi Material Corporation (“the Investor”) on 26 October 2020 for the consideration of VND2,094,331 million, MHT also granted a put option to the Investor. Parties in the supplemental and amending agreement dated 24 May 2022 agreed that in the put option event that (i) MHT and the Investor (or their affiliate) fail to establish a joint operation of midstream tungsten business within 30 months after closing date of the above share issuance (i.e. May 2023) or (ii) if there is a change in control in MHT or (iii) such other period agreed in writing between the parties, the Investor will have an irrevocable right to request MHT or its nominee to purchase all shares issued above at the amount equal to consideration of VND2,094,331 million less the aggregate of any proceeds received by the Investor from disposing the MHT’s shares, dividends and distributions paid by the MHT subject to customary adjustments from dilutive events. The deadline to take actions necessary to effect the completion of the put option is 18 months from the date that the MHT receives put option exercise notice from the Investor. The exercise of the put option will be subject to approval of Board of Directors, shareholders and Vietnamese regulators.

8. Accounts receivable – short-term and long-term

As at 31 December 2022 and 1 January 2022, a part of short-term receivables was pledged with banks as security for loans granted to a subsidiary (Note 20).

As at 31 December 2022, prepayments to suppliers of the Group amounting to VND650,754 million (1/1/2022: VND452,976 million) were related to fixed assets.

(a) Receivable on short-term lending loans

Receivable on short-term lending loans granted to third parties as at 1 January 2022 were unsecured and collected during the year.

(b) Receivable on long-term lending loans

Receivable on long-term lending loans to the founding shareholders who are also key management personnel of Mobicast Joint Stock Company, an indirect subsidiary of the Company were secured by 7,170,640 shares of shareholders in this subsidiary, earned interest rate at 12% per annum (1/1/2022: 12% per annum) and are mature on 31 October 2024.

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(c) Other receivables

Other receivables comprised of:

	31/12/2022	1/1/2022
	VND million	VND million
Other short-term receivables		
Short-term deposits (*)	9,113,136	77,946
Interest income receivable	407,696	47,787
Advances to employees	25,475	17,917
Receivables from disposals of exchangeable bonds	-	283,750
Others (**)	460,872	456,290
	10,007,179	883,690
Other long-term receivables		
Long-term deposits	429,170	270,358
Others (***)	1,603,442	1,526,970
	2,032,612	1,797,328

(*) Included in short-term deposits was VND9,015,000 million of deposits paid to third parties for the investment under business cooperation contracts.

(**) Included in other short-term receivables was VND241,979 million of receivables for mining rights fee (“MRF”) of Nui Phao Mining Project (1/1/2022: VND241,979 million). MRF represents additional mining rights fee of the Nui Phao Mining Company Ltd (“NPM”) – an indirect subsidiary of the Company for the year 2018 and 2019 and relevant administrative charges that NPM paid to the authorities based on temporary calculation by the General Department of Geology and Minerals (“GDGM”) under the Official Letter No. 3724/DCKS-KTDCKS dated 28 December 2018 (“the Official Letter 3724”).

NPM does not agree with the amount and basis of the Official Letter 3724 as the management of NPM is of the opinion that it is unreasonable and does not comply with current regulations, because the price used to calculate the charge for granting mining rights (or mining right fee) (“G-price”) is based on the prices to calculate the resource royalty. In accordance with regulations of the Government’s Decree No. 12/2015/ND-CP dated 12 February 2015 and guidance of the Ministry of Finance’s Circular No. 152/2015/TT-BTC dated 2 October 2015 on Royalties, if enterprises extracted natural resources undergo further processing instead of being sold, their price is exclusive of processing cost provided that it must be within the taxable price bracket imposed by the Provincial People’s Committee. NPM’s products are industrial products, for which the taxable price for resource royalty is determined on the basis of the higher of selling price minus (-) processing cost and the taxable price imposed by the Provincial People’s Committee. GDGM did not use the taxable price applied for industrial products, instead they used the taxable price applied for tungsten ore (0.1% < WO3 < 0.3%).

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NPM has made payment for MRF in accordance with Decision 500/QD-BTNMT (“Decision 500”) issued by the Ministry of Natural Resources and Environment (“MONRE”) on 4 March 2015, which used estimated taxable price for resource royalty for industrial products.

NPM has also sent letters to different levels of authorities to highlight the issues and seek for proper resolutions of NPM’s MRF. In 2021, as instructed by the Prime Minister under Letter No. 978/VPCP-KTTH dated 28 February 2021 and Letter No. 5987/VPCP-KTTH dated 28 August 2021, the case is under review by MOF, MONRE, Thai Nguyen PPC and Thai Nguyen Department of Finance. By reporting date, MONRE and Thai Nguyen PPC are still working together to determine the taxable price applied for NPM’s industrial products.

On 23 August 2021, MONRE has issued Decision 1640/QD/BTNMT (“Decision 1640”) to determine the MRF of Nui Phao Mine, replacing the temporary MRF calculation in Decision 500 and Official Letter 3724 despite that the taxable price applied to NPM’s industrial products has not yet been determined. In issuing this Decision 1640, MONRE continued using the taxable price applied to tungsten ore ($0.1\% < \text{WO}_3 < 0.3\%$) instead of the taxable price applied to industrial products, the issue of which had been highlighted by NPM before. According to Decree 67, Article 15 Point 3, in case MRF is paid on a temporary basis, if the prices for calculating resource royalties announced by provincial People’s Committees are valid and compliant with regulations on prices of minerals for determining mining right fee, those prices shall be officially applied and replace the prices used in the previous temporary payments. The management of NPM assessed that because the taxable prices applied to NPM’s industrial products have not yet been determined by MONRE and Thai Nguyen PPC, the G price that serves as the basis for computation of MRF under Decision 1640 is not in accordance with the prevailing laws and regulations.

As such, after the issuance of Decision 1640, NPM submitted several petition letters to the Prime Minister, MONRE to request for delaying the implementation of Decision 1640 and re-determining the MRF price.

Management of NPM believes that it had adequately provided for its liabilities for MRF and that above amount paid is entitled to be refunded of off-set against future MRF liabilities, based on its interpretation of relevant legislation, including regulations on the charge for granting mining rights and regulations on natural resources tax, i.e., using the price as determined in Decision 500. Accordingly, the Group accounted for the additional MRF payment in 2019 as receivables and has not yet accounted for additional MRF specified in Decision 1640 as liabilities. Management of NPM expects that it will be able to claim back this receivable when the taxable price applied to NPM’s industrial products is determined.

(***) Included in other long-term receivables was VND1,230,754 million of receivables from State Treasury for the land compensation cost of Nui Phao Mining Project at Ha Thuong Commune, Dai Tu District, Thai Nguyen Province (1/1/2022: VND1,230,754 million). The amount could be netted off with annual land rental fee of future years.

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Movements of the allowance for doubtful debts during the year were as follows:

	2022	2021
	VND million	VND million
Opening balance	33,369	107,856
Allowance made during the year	17,394	22,150
Allowance utilised during the year	(3,145)	(289)
Written back during the year	(249)	(23,539)
Decrease due to deconsolidation of MNS Feed Corporation and its subsidiaries	-	(72,809)
Closing balance	<u>47,369</u>	<u>33,369</u>

9. Inventories

	31/12/2022		1/1/2022	
	Cost	Allowance	Cost	Allowance
	VND million	VND million	VND million	VND million
Goods in transit	266,501	-	495,299	-
Raw materials	2,393,413	(35,241)	2,065,947	(10,658)
Tools and supplies	1,114,789	(10,372)	974,310	(14,150)
Work in progress	1,631,701	(30,643)	1,618,576	(30,974)
Finished goods	5,131,895	(58,630)	3,791,447	(54,953)
Merchandise inventories	3,947,303	(54,050)	3,837,320	(23,797)
Goods on consignment	148,679	-	165,024	-
	<u>14,634,281</u>	<u>(188,936)</u>	<u>12,947,923</u>	<u>(134,532)</u>

As at 31 December 2022 and 1 January 2022, a part of inventories was pledged with banks as security for loans granted to a subsidiary (Note 20).

Included in inventories as at 31 December 2022 was VND76,639 million (1/1/2022: VND37,733 million) of slow-moving inventories.

Included in inventories as at 31 December 2022 was VND2,081,953 million (1/1/2022: VND1,945,479 million) of inventories carried at net realisable value.

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

	2022	2021
	VND million	VND million
Opening balance	134,532	232,480
Allowance made during the year	166,848	172,176
Allowance utilised during the year	(86,406)	(80,147)
Written back during the year	(26,038)	(186,072)
Decrease due to deconsolidation of MNS Feed Corporation and its subsidiaries	-	(3,905)
	<hr/>	<hr/>
Closing balance	188,936	134,532
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10. Tangible fixed assets

Cost	Buildings and structures VND million	Leasehold improvements VND million	Office		Machinery and equipment VND million	Other mining assets VND million	Motor vehicles VND million	Total VND million
			equipment and others VND million	equipment and others VND million				
Opening balance	15,982,093	93,978	217,102	26,918,241	5,095,927	166,764	48,474,105	
Increases from business combination	44,535	-	303	61,775	-	1,131	107,744	
Additions	10,582	1,067	168,128	262,757	-	3,809	446,343	
Transfers from construction in progress	895,527	-	22,736	877,678	-	7,799	1,803,740	
Transfers from/(to) long-term prepaid expenses	(17)	-	(32)	(840)	-	758	(131)	
Disposals/Written off	(73,356)	-	(97,146)	(174,210)	-	(2,430)	(347,142)	
Other increase	2,225	-	36,159	118,565	-	720	157,669	
Currency translation differences	(38,756)	-	-	(138,377)	-	-	(177,133)	
Closing balance	16,822,833	95,045	347,250	27,925,589	5,095,927	178,551	50,465,195	



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	Buildings and structures VND million	Leasehold improvements VND million	Office equipment and others VND million	Machinery and equipment VND million	Other mining assets VND million	Motor vehicles VND million	Total VND million
Accumulated depreciation							
Opening balance	3,456,677	86,369	217,102	12,014,540	1,491,303	56,485	17,322,476
Charge for the year	838,988	3,387	30,960	1,835,378	153,422	21,301	2,883,436
Transfers from/(to) long-term prepaid expenses	(17)	-	328	(2,083)	-	2	(1,770)
Transfers to construction in progress	-	-	-	(4,958)	-	(383)	(5,341)
Disposals/Written off	(28,680)	-	(65,763)	(155,772)	-	(1,315)	(251,530)
Currency translation differences	(11,234)	-	7,330	(89,701)	-	-	(93,605)
Closing balance	4,255,734	89,756	189,957	13,597,404	1,644,725	76,090	19,853,666
Net book value							
Opening balance	12,525,416	7,609	-	14,903,701	3,604,624	110,279	31,151,629
Closing balance	12,567,099	5,289	157,293	14,328,185	3,451,202	102,461	30,611,529

Included in tangible fixed assets were assets costing VND3,315,662 million which were fully depreciated as at 31 December 2022 (1/1/2022: VND2,062,829 million), but are still in active use.

As at 31 December 2022, tangible fixed assets with net book value of VND14,739,139 million (1/1/2022: VND14,806,212 million) were pledged with banks as security for loans granted to and bonds issued by the subsidiaries (Note 20).

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11. Intangible fixed assets

	Land use rights VND million	Software VND million	Brand name VND million	Customer relationships VND million	Mining rights VND million	Mineral water resources VND million	Mineral water resources exploitation rights VND million	Development costs VND million	Others VND million	Total VND million
Cost										
Opening balance	3,763,977	960,551	2,326,350	3,721,417	792,657	412,698	73,010	1,439,172	146,015	14,362,471
Additions/Increases from business combination	56,675	9,808	1,284,116	-	-	-	6,570	696,959	-	2,054,128
Transfers from construction in progress	-	43,247	-	-	-	-	-	-	-	43,247
Written off	(52)	(777)	-	-	-	-	(209)	-	-	(1,038)
Currency translation differences	(733)	(6,598)	(22,828)	(4,688)	-	-	(2,414)	(31,489)	(886)	(83,608)
Closing balance	3,819,867	1,006,231	3,587,638	3,716,729	792,657	412,698	76,957	2,104,642	145,129	16,375,200

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	Land use rights VND million	Software VND million	Brand name VND million	Customer relationships VND million	Mining rights VND million	Mineral water resources VND million	Mineral water resources exploitation rights VND million	Technology costs VND million	Development costs VND million	Others VND million	Total VND million
Accumulated amortisation											
Opening balance	296,007	735,440	750,190	617,366	235,733	139,203	27,294	133,704	126,622	8,152	3,069,711
Charge for the year	138,611	103,978	131,574	124,997	47,064	21,934	3,157	127,034	34,660	11,381	744,390
Written off	-	(576)	-	-	-	-	(209)	-	-	-	(785)
Currency translation differences	-	(6,325)	(1,117)	(192)	-	-	-	(2,234)	(2,625)	(139)	(12,632)
Closing balance	434,618	832,517	880,647	742,171	282,797	161,137	30,242	258,504	158,657	19,394	3,800,684
Net book value											
Opening balance	3,467,970	225,111	1,576,160	3,104,051	556,924	273,495	45,716	1,305,468	600,002	137,863	11,292,760
Closing balance	3,385,249	173,714	2,706,991	2,974,558	509,860	251,561	46,715	1,846,138	553,995	125,735	12,574,516

Included in intangible fixed assets were assets costing VND1,032,579 million which were fully amortised as of 31 December 2022 (1/1/2022: VND62,493 million), but are still in active use.

As at 31 December 2022, intangible fixed assets with carrying value of VND585,151 million (1/1/2022: VND591,246 million) were pledged with banks as security for loans granted to and bonds issued by subsidiaries (Note 20).

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12. Investment property

	Land use rights VND million	Buildings and infrastructures VND million	Total VND million
Cost			
Opening balance	34,049	1,140,753	1,174,802
Currency translation differences	(764)	(25,790)	(26,554)
Closing balance	33,285	1,114,963	1,148,248
Accumulated depreciation			
Opening balance	-	364,745	364,745
Charge for the year	-	61,952	61,952
Currency translation differences	-	(8,212)	(8,212)
Closing balance	-	418,485	418,485
Net book value			
Opening balance	34,049	776,008	810,057
Closing balance	33,285	696,478	729,763

Included in investment property of the Group were assets costing VND6,854 million which were fully amortised as of 31 December 2022 (1/1/2022: nil), but which are still in active use.

As at 31 December 2022, investment property with carrying value of VND648,733 million (1/1/2022: nil) were pledged with banks as security for loans granted to subsidiaries (Note 20).

The fair value of investment property held to earn rental has not been determined as the Group has not performed a valuation.



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13. Construction in progress

	2022	2021
	VND million	VND million
Opening balance	2,021,827	2,274,759
Additions during the year	3,500,260	2,315,665
Increases from business combination	35,209	2,827
Transfers to tangible fixed assets	(1,809,081)	(1,707,110)
Transfers to intangible fixed assets	(43,247)	(16,146)
Transfers to long-term prepaid expenses	(346,919)	(646,171)
Transfers to long-term receivables	-	(120,701)
Disposals	(31,258)	(14,089)
Currency translation differences	(1,943)	(4,470)
Decrease due to deconsolidation of MNS Feed Corporation and its subsidiaries	-	(62,737)
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Closing balance	3,324,848	2,021,827
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Major constructions in progress as at the year-ended were as follows:

	31/12/2022	1/1/2022
	VND million	VND million
Buildings and structures	404,356	353,777
Land compensation	376,944	337,970
Machinery and equipment	1,816,335	938,564
Software	36,110	13,160
Others	691,103	378,356
	<hr/>	<hr/>
	3,324,848	2,021,827
	<hr/>	<hr/>

As at 31 December 2022, construction in progress with carrying value of VND1,947,552 million (1/1/2022: VND1,446,340 million) were pledged with banks as security for loans granted to and bonds issued by the subsidiaries (Note 20).

During the year, borrowing costs amounting to VND69,717 million were capitalised into construction in progress (2021: VND29,435 million).

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14. Long-term prepaid expenses

	Other mining costs VND million	Prepaid land costs VND million	Land compensation costs VND million	Tools and supplies VND million	Goodwill from equitisation VND million	Swine breeders VND million	Others VND million	Total VND million
Opening balance	1,710,586	1,496,619	1,424,986	823,936	12,539	35,744	1,089,272	6,593,682
Increases from business combination	-	-	-	141,588	-	-	-	141,588
Additions	180,106	1,500	-	649,411	-	-	504,800	1,335,817
Transfers from/(to) short-term prepaid expenses	-	-	-	978	-	-	(63)	915
Transfers from/(to) construction in progress	-	(7,669)	-	311,364	-	43,359	(135)	346,919
Transfers to tangible fixed assets	-	-	-	(1,639)	-	-	-	(1,639)
Amortisation for the year	(168,965)	(35,559)	(81,323)	(342,204)	(3,135)	(21,468)	(379,753)	(1,032,407)
Disposals/Written off	-	(13,587)	-	(41,588)	-	(14,728)	(55,091)	(124,994)
Closing balance	1,721,727	1,441,304	1,343,663	1,541,846	9,404	42,907	1,159,030	7,259,881

As at 31 December 2022, long-term prepaid expenses with total carrying value of VND554,470 million (1/1/2022: VND569,350 million) were pledged with banks as security for loans granted to the subsidiaries (Note 20).

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15. Deferred tax assets and liabilities

(a) Recognised deferred tax assets and liabilities

	31/12/2022	1/1/2022
	VND million	VND million
Deferred tax assets:		
Accrued expenses and provisions (*)	211,488	312,216
Remeasurement of the net defined benefit liability (**)	225,807	653,730
Unrealised profits on intra-group transactions	70,370	32,003
Tax losses carried forward	279,542	185,644
Tangible fixed assets	408	762
Net off (*)	(536,209)	(590,702)
Others	50,814	16,037
	<hr/>	<hr/>
Total deferred tax assets	302,220	609,690
	<hr/>	<hr/>
Deferred tax liabilities:		
Tangible fixed assets (*)	(663,481)	(1,248,701)
Intangible fixed assets	(3,039,978)	(2,167,063)
Unrealised losses on intra-group transactions	(36,154)	(11,439)
Provisions and others	(15,008)	(105,633)
Investments in associates	(346,477)	(297,477)
Net off (*)	559,427	615,032
Others	-	(114)
	<hr/>	<hr/>
Total deferred tax liabilities	(3,541,671)	(3,215,395)
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Net deferred tax liabilities	(3,239,451)	(2,605,705)

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(b) Movements of temporary differences during the year

	1/1/2022 VND million	Increased from business combination VND million	Recognised in profit or loss VND million	Recognised in equity VND million	31/12/2022 VND million
Accrued expenses, provisions and others	206,583	-	(13,895)	6,781	199,469
Remeasurement of the net defined benefit liability	653,730	-	32,990	(460,913)	225,807
Unrealised profits/(losses) on intra-group transactions	20,564	-	13,151	501	34,216
Tax losses carried forward	185,644	-	97,678	(3,780)	279,542
Tangible fixed assets	(1,247,939)	-	638,119	14,747	(595,073)
Intangible fixed assets	(2,167,063)	(445,043)	(447,850)	19,978	(3,039,978)
Investments in associates	(297,477)	-	-	-	(297,477)
Others	40,253	-	(86,210)	-	(45,957)
	(2,605,705)	(445,043)	233,983	(422,686)	(3,239,451)

- (*) Deferred tax assets and liabilities include items arose from HCS and its subsidiaries. These items were presented on a net basis because the subsidiaries have a legally enforceable right to net off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authorities on the same taxable entities.
- (**) Deferred tax recognised in equity also included the relevant deferred tax of the remeasurement of the net defined benefit liability - provision for pensions. As disclosed in Note 3(n), these amounts are recognised in equity under the caption “Other equity funds” in accordance with a ruling from the Ministry of Finance.

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16. Goodwill

	VND million
Cost	
Opening balance	5,052,685
Business combination (Note 5)	2,403,981
Other movement	(10,052)
	7,446,614
Closing balance	
	7,446,614
Accumulated amortisation	
Opening balance	1,695,866
Amortisation for the year	682,271
	2,378,137
Closing balance	
	2,378,137
Net book value	
Opening balance	3,356,819
Closing balance	5,068,477
	5,068,477

17. Taxes

(a) Taxes receivable from State Treasury

	31/12/2022	1/1/2022
	VND million	VND million
Corporate income tax	109,676	41,898
Personal income tax	370	15
Other taxes	49,329	12,207
	159,375	54,120
	159,375	54,120

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(b) Taxes payable to State Treasury

	1/1/2022	Incurred	Business	Paid	Net-off/ Reclassified	31/12/2022
	VND million	VND million	combination	VND million	VND million	VND million
Value added tax	144,375	8,256,417	530	(1,439,496)	(6,867,546)	94,280
Special consumption tax	91,078	674,019	-	(682,139)	-	82,958
Import-export tax	-	287,081	-	(287,014)	(67)	-
Corporate income tax	462,581	627,364	3,711	(919,791)	78,403	252,268
Personal income tax	27,092	480,517	1,368	(470,924)	(5,732)	32,321
Other taxes	76,773	1,072,804	-	(1,075,090)	(4)	74,483
	801,899	11,398,202	5,609	(4,874,454)	(6,794,946)	536,310

18. Accrued expenses

	31/12/2022	1/1/2022
	VND million	VND million
Advertising and promotion expenses	735,517	1,020,912
Bonus and 13 th month salary	616,526	907,902
Interest expense	967,960	710,036
Operation costs	372,440	440,674
Purchases not yet received invoices	141,341	316,383
Logistic expenses	168,625	312,945
Construction works	335,539	264,051
Consultant fees	20,058	172,704
Natural resource taxes and fees	138,873	159,702
Exhibition and market expenses	44,713	65,764
Sales discounts and sales support	71,727	64,299
Information and technology expenses	23,663	44,464
Others	547,369	516,855
	4,184,351	4,996,691

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19. Other payables

	31/12/2022	1/1/2022
	VND million	VND million
Short-term		
Short-term deposits received from third parties for the investments (*)	10,271,238	-
Payable to domestic banks under letter of credit arrangements (**)	936,287	1,404,689
Interest expense payable (*)	178,119	-
Dividends payable	10,744	29,757
Trade union fees, social, health and unemployment insurance	15,841	19,148
Other short-term deposits received	16,209	13,452
Others	243,497	46,320
	11,671,935	1,513,366
Long-term		
Deferred signing fee for the purchase contracts	478,193	-
Long-term deposits received	38,228	38,823
Others	235,957	188,752
	752,378	227,575

(*) In accordance with business corporation contracts, the Group is committed to provide the return on the deposit received from the third party as stipulated in the business corporation contracts.

(**) These were payables to domestic banks under letter of credit arrangements. The outstanding balances bore fixed fees at rates ranging from 4.3% to 13.2% per annum (1/1/2022: 4.7% to 6.5% per annum) over the deferred payment period ranging from 4 to 9 months and were secured by 110 million shares of an indirect subsidiary (1/1/2022: 110 million shares of an indirect subsidiary). In the event that, the Group misses payment when the term is due, these payables will be converted to borrowings. Movements of these payables during the year were as follows:

	2022	2021
	VND million	VND million
Opening balance	1,404,689	-
Additions	2,659,533	4,313,935
Payments	(3,127,935)	(2,909,246)
	936,287	1,404,689

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20. Borrowings, bonds and finance lease liabilities

	31/12/2022 VND million	1/1/2022 VND million
Short-term borrowings, bonds and finance lease liabilities (a)		
Short-term borrowings	17,047,074	14,947,096
Current portion of long-term borrowings, bonds and finance lease liabilities	23,520,305	3,858,631
	<u>40,567,379</u>	<u>18,805,727</u>
Long-term borrowings, bonds and finance lease liabilities (b)		
Long-term borrowings, bonds and finance lease liabilities	53,945,930	43,230,549
Amounts payable within twelve months	(23,520,305)	(3,858,631)
	<u>30,425,625</u>	<u>39,371,918</u>

(a) Short-term borrowings, bonds and finance lease liabilities

	1/1/2022 Carrying amounts/ Amounts within repayment capacity VND million	Movements during the year			31/12/2022 Carrying amounts/ Amounts within repayment capacity VND million
		Additions VND million	Repayments VND million	Revaluation VND million	
Short-term borrowings	14,947,096	47,681,072	(45,590,255)	9,161	17,047,074
Current portion of long-term borrowings, bonds and finance lease liabilities	3,858,631	27,485,313	(8,205,638)	381,999	23,520,305
	<u>18,805,727</u>	<u>75,166,385</u>	<u>(53,795,893)</u>	<u>391,160</u>	<u>40,567,379</u>

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

	Currency	Annual interest rate	31/12/2022 VND million	1/1/2022 VND million
Secured bank loans	VND	3.7% – 13.3%	2,123,280	5,033,775
Secured bank loans	USD	3.0% – 10.2%	2,407,234	1,845,380
Secured bank loans	EUR	3.2%	779,220	-
Secured bank loans	CNY	4.4%	35,299	-
Unsecured bank loans	VND	3% – 11.4%	11,559,264	6,554,942
Unsecured bank loans	USD	1.5% – 3.1%	142,777	1,512,999
			17,047,074	14,947,096

The bank loans were secured by the following assets of the Group:

- (i) 271.6 million shares of indirect subsidiaries (1/1/2022: 224 million shares);
- (ii) fixed assets of subsidiaries with carrying value of VND710,600 million (1/1/2022: VND14,846 million);
- (iii) a part of inventories and short-term receivables of a subsidiary;
- (iv) current bank accounts with carrying value of VND23,056 million (1/1/2022: VND81,527 million); and
- (v) corporate guarantee of the Company and subsidiaries.

(b) Long-term borrowings, bonds and finance lease liabilities

	31/12/2022 VND million	1/1/2022 VND million
Long-term borrowings	18,444,260	8,088,738
Straight bonds	35,142,828	34,931,580
Finance lease liabilities	358,842	210,231
	53,945,930	43,230,549
Amounts payable within 12 months	(23,520,305)	(3,858,631)
Amounts payable after 12 months	30,425,625	39,371,918

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Terms and conditions of outstanding long-term borrowings, bonds and finance lease liabilities were as follows:

	Currency	Annual interest rate	Year of maturity	31/12/2022 VND million	1/1/2022 VND million
Long-term borrowings (*)					
Secured bank loans	VND	3.9% – 11.0%	2023 – 2028	3,761,651	3,500,738
Secured bank loans	USD	5.1% – 7.0%	2027	14,256,000	4,588,000
Unsecured bank loans	VND	6.5% – 7.5%	2023 – 2027	426,609	-
				18,444,260	8,088,738
Amounts payable within 12 months				(1,317,816)	(2,346,597)
Amounts payable after 12 months				17,126,444	5,742,141
Straight bonds (**)					
Unamortised issuance cost	VND	8.7% – 12.1%	2023 – 2027	35,413,775 (270,947)	35,401,629 (470,049)
				35,142,828	34,931,580
Amounts payable within 12 months				(22,187,234)	(1,500,000)
Amounts payable after 12 months				12,955,594	33,431,580
Finance lease liabilities (***)					
Amounts payable within 12 months	VND	8.6% - 11.2%	2035	358,842 (15,255)	210,231 (12,034)
Amounts payable after 12 months				343,587	198,197

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(*) Long-term borrowings

The bank loans were secured by the following assets of the Group:

- (i) fixed assets of subsidiaries with carrying value of VND4,296,129 million (1/1/2022: VND4,488,713 million);
- (ii) construction in progress of subsidiaries with carrying value of VND73,552 million (1/1/2022: VND435,411 million);
- (iii) long-term prepaid expenses of subsidiaries with carrying value of VND554,470 million (1/1/2022: VND558,990 million);
- (iv) 9.6 million shares of an indirect subsidiary (1/1/2022: 9.6 million shares);
- (v) 22% issue share capital of an indirect subsidiary and all related benefits (1/1/2022: 15%); and
- (vi) corporate guarantee by the Company and subsidiaries.

During the year, the Group complied with the loan covenants on the above borrowings.

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() Straight bonds**

Underwriter	31/12/2022 VND million	1/1/2022 VND million	Maturity date	Interest rate	Collateral
Techcom Securities Joint Stock Company					
▪ Secured bonds	11,261,434	12,400,000	From 2023 to 2027	From 9.2% to 10.2% per annum in the first year, and from 2.5% to 4.0% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods	(i), (iv), (v), (vi)
▪ Unsecured bonds	17,452,341	18,501,629	From 2023 to 2026	From 9.3% to 10.0% per annum in the first year, and from 2.5% to 4.0% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods	Nil
VPS Securities Joint Stock Company					
▪ Secured bonds	3,000,000	3,000,000	Year 2025	9.9% per annum in the first year, 10.9% per annum in the second year and 3.9% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods	(ii), (vi)
MB Securities Joint Stock Company					
▪ Secured bonds	1,500,000	1,500,000	Year 2026	9.2% per annum in the first year and 3.2% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods	(iii), (vi)
Vietcombank Securities Company Limited					
▪ Unsecured bonds	1,700,000	-	Year 2027	4.1% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods	Nil
VPB Securities Corporation					
▪ Secured bonds	500,000	-	Year 2027	9.3% per annum in the first year and 4.24% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods	Nil
Total long-term straight bonds at par	35,413,775	35,401,629			
Amounts payable within 12 months	(22,187,234)	(1,500,000)			
Unamortised bond issuance costs	(270,947)	(470,049)			
Amounts payable after 12 months	12,955,594	33,431,580			

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The outstanding bonds were secured by the following assets of the Group:

- (i) 356 million shares of indirect subsidiaries (1/1/2022: 408 million shares);
- (ii) 181 million shares of an indirect subsidiary (1/1/2022: 181 million shares);
- (iii) 38 million shares (1/1/2022: 38 million shares) of a direct subsidiary and 150 million shares (1/1/2022: 150 million shares) of an indirect subsidiary;
- (iv) certain long-term assets of subsidiaries;
- (v) term deposits of a subsidiary;
- (vi) guarantee by Credit Guarantee and Investment Facility; and
- (vii) corporate guarantee by the Company.

As at 31 December 2022, the associates of the Group held VND1,270,359 million (1/1/2022: VND318,780 million) of the issued bonds.

As at 31 December 2022, VND2,986,205 million (1/1/2022: VND2,998,351 million) of the issued bonds were owned by the Company and Company's subsidiaries and eliminated in the consolidated financial statements.

During the year, the Group complied with the covenants on the above bonds.

(*) Finance lease liabilities**

The future minimum lease payments, including the principal and interest, under non-cancellable finance leases are:

	31/12/2022	1/1/2022
	VND million	VND million
Within one year	47,886	32,553
From two to five years	187,267	114,736
More than five years	388,009	225,620
	623,162	372,909

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21. Provisions – long-term

	31/12/2022	1/1/2022
	VND million	VND million
Pensions	4,138,629	5,708,907
Mining rights fee	370,321	533,117
Mine rehabilitation	113,831	108,700
Severance allowance	18,420	18,357
	<hr/>	<hr/>
	4,641,201	6,369,081
	<hr/>	<hr/>

Movements of provisions during the year were as follows:

	Pensions	Mining	Mine	Severance	Total
	VND million	rights fee	rehabilitation	allowance	VND million
	VND million	VND million	VND million	VND million	VND million
Opening balance	5,708,907	533,117	108,700	18,357	6,369,081
Provision made during the year	68,449	10,350	5,131	63	83,993
Remeasurement of the net defined benefit liability (*)	(1,241,558)	-	-	-	(1,241,558)
Provision utilised during the year	(215,736)	(173,146)	-	-	(388,882)
Currency translation differences	(181,433)	-	-	-	(181,433)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Closing balance	4,138,629	370,321	113,831	18,420	4,641,201
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

(*) As disclosed in Note 3(n), the remeasurement of the net defined benefit liability – provision for pensions and the relevant deferred tax are recognised in equity under the caption “Other equity funds” in accordance with a ruling from the Ministry of Finance.

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22. Changes in owners' equity

	Share capital VND million	Capital surplus VND million	Other capital VND million	Foreign exchange differences VND million	Other equity funds VND million	Undistributed profits after tax VND million	Equity attributable to equity holders of the Company VND million	Non-controlling interests VND million	Total VND million
Balance as at 1 January 2021	11,746,832	11,084,297	(8,563,690)	(226,972)	(284,952)	2,182,124	15,937,639	9,092,640	25,030,279
Issuance of new shares	58,515	(50)	-	-	-	-	58,465	-	58,465
Transactions with non-controlling interests	-	-	-	-	-	9,400,022	9,400,022	1,890,763	11,290,785
Business combination	-	-	-	-	-	-	-	116,553	116,553
Net profit for the year	-	-	-	-	-	8,562,882	8,562,882	1,538,499	10,101,381
Dividends declared by the Company (Note 25)	-	-	-	-	-	(1,416,642)	(1,416,642)	-	(1,416,642)
Dividends declared by the subsidiaries	-	-	-	-	-	-	-	(2,015,242)	(2,015,242)
Appropriation to bonus and welfare funds	-	-	-	-	-	(3,041)	(3,041)	(4,964)	(8,005)
Remeasurement of the net defined benefit liability, net of tax	-	-	-	-	137,865	-	137,865	21,713	159,578
Impact due to deconsolidation of MNS Feed Corporation and its subsidiaries	-	-	175,543	-	-	-	175,543	(1,012,351)	(836,808)
Currency translation differences	-	-	-	(112,283)	-	-	(112,283)	(30,767)	(143,050)
Others	-	-	-	-	-	70,532	70,532	(71,174)	(642)
Balance as at 31 December 2021	11,805,347	11,084,247	(8,388,147)	(339,255)	(147,087)	18,795,877	32,810,982	9,525,670	42,336,652

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	Share capital VND million	Capital surplus VND million	Other capital VND million	Foreign exchange differences VND million	Other equity funds VND million	Undistributed profits after tax VND million	Equity attributable to equity holders of the Company VND million	Non-controlling interests VND million	Total VND million
Balance as at 1 January 2022	11,805,347	11,084,247	(8,388,147)	(339,255)	(147,087)	18,795,877	32,810,982	9,525,670	42,336,652
Issuance of new shares	2,431,901	(2,361,119)	-	-	-	-	70,782	-	70,782
Transactions with non-controlling interests	-	-	-	-	-	(9,847,835)	(9,847,835)	(1,309,493)	(11,157,328)
Business combination (Note 5)	-	-	-	-	-	-	-	1,065,661	1,065,661
Net profit for the year	-	-	-	-	-	3,566,996	3,566,996	1,187,388	4,754,384
Dividends declared by the Company (Note 25)	-	-	-	-	-	(1,138,980)	(1,138,980)	-	(1,138,980)
Dividends declared by the subsidiaries	-	-	-	-	-	-	-	(95,089)	(95,089)
Remeasurement of the net defined benefit liability, net of tax	-	-	-	-	730,712	-	730,712	115,526	846,238
Currency translation differences	-	-	-	(45,903)	-	-	(45,903)	1,644	(44,259)
Others	-	-	-	-	-	5,882	5,882	(7,204)	(1,322)
Balance as at 31 December 2022	14,237,248	8,723,128	(8,388,147)	(385,158)	583,625	11,381,940	26,152,636	10,484,103	36,636,739



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23. Share capital and capital surplus

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

	31/12/2022		1/1/2022	
	Number of shares	VND million	Number of shares	VND million
Authorised share capital				
Ordinary shares	1,423,724,783	14,237,248	1,180,534,692	11,805,347
Issued share capital				
Ordinary shares	1,423,724,783	14,237,248	1,180,534,692	11,805,347
Capital surplus	-	8,723,128	-	11,084,247

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 2018, the Company signed an agreement to grant SK Investment Vina I Pte. Ltd. ("SK"), a shareholder, a put option. In the event that the Company and SK fail to materialise the value creation and synergies from this partnership or disagree on the strategic directions of the Company, SK will have an irrevocable option to request the Company or its nominee to purchase all the Company's 109,899,932 shares acquired on 2 October 2018 ("the Closing Date") at the amount equal to VND100,000 per share adjusted by the aggregate share dividends and distributions in shares distributed by the Company and other customary adjustments from share split or combination or similar events. This option shall be exercisable after the 5th year from the Closing Date and remain exercisable until the 6th year from the Closing Date. It can only be exercised once with respect to all above shares and will lapse if SK sells any of them.

Movements of share capital during the year were as follows:

	2022		2021	
	Number of shares	VND million	Number of shares	VND million
Opening balance	1,180,534,692	11,805,347	1,174,683,246	11,746,832
Issuance of new shares for cash (Note 24)	7,083,207	70,832	5,851,446	58,515
Issuance of new shares from owners' equity	236,106,884	2,361,069	-	-
Closing balance	1,423,724,783	14,237,248	1,180,534,692	11,805,347

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24. Employee stock ownership plans

The Company has employee stock ownership plans 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 of Shareholders of the Company.

In June 2022, the Company issued 7,083,207 shares (2021: 5,851,446 shares) to employees at price as stipulated in the Board of Directors's resolution.

25. Dividends

The Annual General Meeting of Shareholders of the Company on 28 April 2022 and Resolutions of Board of Management on 20 June 2022 resolved to distribute dividends by cash amounting to 8% of the par value per share. In July 2022, the Company distributed the dividends by cash totalling to VND1,138,980 million to shareholders (2021: VND1,416,642 million).

26. Off balance sheet items

(a) Operating lease commitments

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

	31/12/2022 VND million	1/1/2022 VND million
Within 1 year	2,190,574	1,588,922
Within 2 to 5 years	4,286,169	2,999,839
More than 5 years	1,477,263	1,409,901
	7,954,006	5,998,662

(b) Capital expenditure

As at reporting date, the following outstanding capital commitments have been approved but not provided for in the consolidated balance sheet:

	31/12/2022 VND million	1/1/2022 VND million
Approved and contracted	4,030,749	855,617
Approved but not contracted	1,327,625	1,378,147
	5,358,374	2,233,764

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(c) Foreign currencies

	31/12/2022		1/1/2022	
	Original currency	VND million equivalent	Original currency	VND million equivalent
USD	36,733,406	859,859	14,416,772	326,544
EUR	9,992,304	248,768	8,071,934	205,576
JPY	463,833,343	81,653	341,132,473	66,309
THB	45,255,027	29,823	47,731,914	31,742
CNY	13,688,957	41,614	8,405,767	28,496
CAD	1,058,111	18,117	451,970	7,970
		1,279,834		666,637

27. Revenue from sale of goods and provision of services

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

Net revenue comprised of:

	2022 VND million	2021 VND million
Total revenue		
▪ Sale of goods and others	76,380,750	89,791,619
Less revenue deductions		
▪ Sale discounts	73,279	1,078,350
▪ Sale returns	118,246	84,502
	191,525	1,162,852
Net revenue	76,189,225	88,628,767

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28. Cost of sales and services rendered

	2022	2021
	VND million	VND million
Total cost of sales and services rendered		
▪ Goods sold and other sales	55,013,391	66,507,862
▪ Allowance for inventories	140,810	(13,896)
	<hr/>	<hr/>
	55,154,201	66,493,966
	<hr/> <hr/>	<hr/> <hr/>

29. Financial income

	2022	2021
	VND million	VND million
Interest income	878,418	629,639
Foreign exchange gains	512,939	410,280
Gain from revaluation of pre-existing investment when obtaining control over a subsidiary (Note 5)	642,110	-
Gains on transferring exchangeable bonds and loss of control in subsidiaries	-	5,699,147
Others	542,096	60,512
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	2,575,563	6,799,578
	<hr/> <hr/>	<hr/> <hr/>

30. Financial expenses

	2022	2021
	VND million	VND million
Interest expenses	4,847,702	4,669,426
Bond and borrowing issuance costs and disposal costs of issued exchangeable bonds	498,245	590,271
UPAS letter of credit fees	29,844	81,596
Foreign exchange losses	799,985	202,118
Others	185,866	163,120
	<hr/>	<hr/>
	6,361,642	5,706,531
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31. Selling expenses

	2022	2021
	VND million	VND million
Staff costs	3,394,255	3,024,634
Outside services	2,961,911	2,605,008
Promotion and advertising expense	2,940,360	3,308,859
Logistic expenses	1,430,307	1,340,098
Exhibition expenses	179,289	49,400
Others	1,605,417	1,458,339
	<hr/>	<hr/>
	12,511,539	11,786,338
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32. General and administration expenses

	2022	2021
	VND million	VND million
Staff costs	1,683,232	1,402,043
Amortisation of fair value uplift on assets arising in business combinations	87,851	380,498
Amortisation of goodwill	682,271	499,840
Depreciation and amortisation	215,070	255,004
Office rental	84,900	108,566
System lease line and IT services	105,152	115,577
Research and development expenses	86,180	50,222
Outside services	392,407	392,906
Others	517,251	860,313
	<hr/>	<hr/>
	3,854,314	4,064,969
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33. Other income

	2022	2021
	VND million	VND million
Support income from suppliers	-	190,629
Income from insurance claims	42,720	87,326
Gains from disposal of fixed assets	1,598	8,284
Others	235,389	214,911
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	279,707	501,150
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34. Other expenses

	2022 VND million	2021 VND million
Losses from disposal of fixed assets	84,463	30,611
Donation	-	65,000
Others	270,836	189,937
	355,299	285,548

35. Income tax

(a) Recognised in the consolidated statement of income

	2022 VND million	2021 VND million
Current tax expense		
Current year	746,651	1,499,473
Over provision in prior years	(119,901)	(224)
	626,750	1,499,249
Deferred tax benefit		
Origination and reversal of temporary differences	(170,402)	(95,426)
Reversal of write down of recognised deferred tax assets	(63,582)	(16,420)
	(233,984)	(111,846)
Income tax expense	392,766	1,387,403



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(b) Reconciliation of effective tax rate

	2022		2021	
	%	VND million	%	VND million
Accounting profit before tax	100.0%	5,147,150	100.0%	11,488,784
Tax at the Company's income tax rate	20.0%	1,029,430	20.0%	2,297,757
Effect of different tax rates in subsidiaries	(12.6%)	(648,870)	(7.3%)	(835,165)
Effect of consolidation transactions	(0.4%)	(19,646)	0.0%	(3,087)
Non-deductible expenses	1.6%	81,619	0.5%	61,431
Effect of share of profits in associates	(16.8%)	(865,142)	(6.8%)	(779,328)
Unrecognised deferred tax assets	19.7%	1,015,248	9.5%	1,090,641
Over provision in prior years	(2.3%)	(119,901)	0.0%	(224)
Tax losses utilised	(0.3%)	(16,390)	(3.7%)	(428,202)
Reversal of recognised deferred tax assets	(1.2%)	(63,582)	(0.1%)	(16,420)
	7.6%	392,766	12.1%	1,387,403

(c) Applicable tax rates

Under the prevailing corporate income tax law, the Company has an obligation to pay corporate income tax to the government at usual income tax rate of 20% of taxable profits.

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

(d) Tax contingencies

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

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36. Significant transactions with related parties

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

Related party	Nature of transaction	Transaction value	
		2022 VND million	2021 VND million
Associates			
Vietnam Technological and Commercial Joint Stock Bank and its subsidiaries	Loans received	4,423,179	3,400,628
	Loans repaid	3,730,817	2,710,840
	Bonds issued (acting as an agent) (*)	2,000,000	4,399,980
	Bonds repurchased (acting as an agent)	4,200,000	109,198
	Bonds issuance fees	39,262	105,208
	Purchases of trading securities	6,710,550	6,567,146
	Sales of trading securities	7,710,854	4,571,678
	Interest expense	525,611	284,365
Other related parties			
Key management personnel	Remuneration (**)	178,968	185,652

As at and for the years ended 31 December 2022 and 2021, the Company and its subsidiaries have current and term deposit accounts, certificates of deposits and loans and payables balances with Vietnam Technological and Commercial Joint Stock Bank and its subsidiaries at normal commercial terms.

(*) The bonds were sold to a broader set of investors according to issuance agreements.

(**) No board fees were paid to the Board of Directors' members of the Company for the years ended 31 December 2022 and 2021.

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

Name	Position	2022 VND million	2021 VND million
Board of Directors			
Dr Nguyen Dang Quang	Chairman	-	-
Ms Nguyen Hoang Yen	Member	-	-
Mr Nguyen Thieu Nam	Member	-	-
Mr Woncheol Park	Member (until 27 April 2022)	-	-
Mr Nguyen Doan Hung	Member	-	-
Mr David Tan Wei Ming	Member	-	-
Mr Ji Han Yoo	Member (from 28 April 2022)	-	-
Ms Nguyen Thi Thu Ha	Member	-	-
Chief Executive Officer			
<i>Mr Danny Le</i>			
Salary, bonus and other benefit		11,899	12,247

37. Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2022 was based on the net profit attributable to ordinary shareholders of VND3,566,996 million (2021: VND8,562,882 million) of the Company and a weighted average number of ordinary shares outstanding of 1,420,425,755 shares during the year (2021: 1,413,621,268 shares), calculated as follows:

(i) *Net profit attributable to ordinary shareholders*

	2022 VND million	2021 VND million
Net profit attributable to ordinary shareholders	3,566,996	8,562,882

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(ii) Weighted average number of ordinary shares

	2022	2021 (Restated)
Issued ordinary shares at the beginning of the year	1,180,534,692	1,174,683,246
Effect of shares issued from owners' equity	236,106,884	234,936,595
Effect of shares issued for cash	3,784,179	4,001,427
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Weighted average number of ordinary shares during the year	1,420,425,755	1,413,621,268
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(*) In April 2022, 236,106,884 of ordinary shares were issued from owners' equity to existing shareholders with the ratio of 20%. Weighted average number of ordinary shares for the year ended 31 December 2021 has been restated to reflect the effect of this share issuance in 2022.

38. Non-cash investing and financing activities

	2022 VND million	2021 VND million
Acquisition of equity investments through occurrence of liabilities	-	5,214
Settlement of a part of exchanging bonds issued by a subsidiary through the exchange with the investment in MNS Feed Corporation	-	2,876,572
Receivables from disposals of exchangeable bonds	-	283,750
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39. Contingent liabilities

As disclosed in Note 8(c), on 23 August 2021, MONRE has issued Decision 1640/QD/BTNMT (“Decision 1640”) to determine the MRF of Nui Phao Mine, replacing the temporary MRF calculation in Decision 500 and Official Letter 3724 despite that the taxable price applied to the Company’s industrial products has not yet been determined. In issuing this Decision 1640, MONRE continued using the taxable price applied to tungsten ore ($0.1\% < \text{WO}_3 < 0.3\%$) instead of the taxable price applied to industrial products, the issue of which had been highlighted by NPM before. The official G-price according to Decision 1640 is VND1,831,085 per ton whereas the temporary G-price according to Decision 500 is VND775,026 per ton. Accordingly, the additional MRF due to different G-price during the year from 2015 to 2021 is VND394.5 billion.

After the issuance of Decision 1640, NPM – an indirectly owned subsidiary by the Company, submitted several petition letters to the Prime Minister, MONRE to request for delaying the implementation of Decision 1640 and re-determining the MRF price which is applicable to NPM’s industrial products.

On 6 October 2021, NPM received Notification on payment of MRF issued by the Thai Nguyen Tax Department (“TNTD”) to inform the MRF following Decision 1640. On 8 December 2021, TNTD send an Official Letter No. 4883/CTTNG-QLN requesting NPM to make payment of MRF of VND125.8 billion equivalent to the shortage of MRF payment for the year from 2018 to 2021, together with an interest on late payment of VND4.1 billion.

Management of NPM believes that it had adequately provided for its liabilities for MRF based on its interpretation of relevant legislation relating to mining rights and natural resources tax. The Group’s management has, therefore, also sent letters to different level of authorities to highlight the issues and seek for proper resolutions of NPM’s MRF.

In 2021, as instructed by the Prime Minister under letter 978/VPCP-KTTH dated 8 February 2021 and letter 5987/VPCP-KTTH dated 28 August 2021, the case is under review by MOF, MONRE, Thai Nguyen PPC and Thai Nguyen Department of Finance (“TN DOF”), subject to report to the Prime Minister and National Assembly Committee on Economy. In 2022, relevant central and provincial authorities, through a meeting chaired by GDGM, have agreed that there is inadequacy in the royalty taxable price which is served as basis to calculate mining rights fee for Nui Phao project. On that basis, Thai Nguyen PPC has worked with MOF and MONRE to source technical advisor, and also instructed the Department of Finance of Thai Nguyen province to coordinate with relevant local departments to complete the procedure for selecting an appropriate technical advisor to develop a mechanism to determine the royalty calculation price for industrial products of NPM. By the issuance date of these consolidated financial statements, Thai Nguyen PPC, Department of Finance and relevant functional agencies are still working together to determine the royalty taxable price applicable to NPM’s industrial products.

The management of NPM assessed that because the taxable price applied for NPM’s industrial products has not yet been determined by MONRE and Thai Nguyen PPC, the G-price which serves as the basis for computation of MRF under Decision 1640 is not in accordance with the prevailing laws and regulations. It, therefore, believes that once the taxable price applied for NPM’s industrial products are available, the official MRF for Nui Phao Mine from 2015 onwards will be re-determined, replacing amount as stated in Decision 1640.

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The ultimate outcome of this matter is presently not determined and may be subject to the finalisation of taxable price applied to NPM's industrial products and whether MONRE agrees to recalculate the MRF in Decision 1640 using applicable G-price for NPM's industrial products. Accordingly, the additional MRF during the year from 2015 to 2021 as in Decision 1640 has not yet been recognised as liability in the consolidated financial statements.

40. Post balance sheet events

- (i) The Resolution of the Board of Directors of the Company on 8 February 2023 approved the Company to enter into the Facility Agreement with banks for a syndicated loan of USD83 million, along with an option to increase the loan amount by USD225 million.
- (ii) The Resolution of the Member of Council of The SHERPA Company Limited, a direct subsidiary of the Company, on 8 February 2023 approved to enter into the Facility Agreement with banks for a syndicated loan of USD292 million, along with an option to increase the loan amount by USD50 million.

1 March 2023

Prepared by:



Nguyen Huy Hung
Chief Accountant

Approved by:



Do Thi Quynh Trang
Chief Financial Officer



Danny Le
Chief Executive Officer

