

**Ma San Group Corporation  
and its subsidiaries**

Financial Statements for the  
year ended 31 December 2012

**Ma San Group Corporation  
Corporate Information**

**Business Registration Certificate No**      0303576603      20 July 2012

The Company's Business Registration Certificate has been amended several times, the most recent of which is dated 20 July 2012. The Certificate and its amendments were issued by the Department of Planning and Investment of Ho Chi Minh City. The initial Business Registration Certificate No. 4103002877 was dated 18 November 2004.

<b>Board of Management</b>	Dr Nguyen Dang Quang	Chairman
	Mr Ho Hung Anh	Vice chairman
	Mr Madhur Maini	Member
	Ms Nguyen Hoang Yen	Member
	Mr Nguyen Thieu Nam	Member
	Mr Lars Kjaer	Member

**Registered Office**

Suite 802, Central Plaza  
17 Le Duan Street  
Ben Nghe Ward, District 1  
Ho Chi Minh City  
Vietnam

**Ma San Group Corporation and its subsidiaries**  
**Balance sheets at 31 December 2012**

**Form B 01 – DN**

	Code	Note	<u>Group</u>		<u>Company</u>	
			31/12/2012	31/12/2011	31/12/2012	31/12/2011
			VND million	VND million	VND million	VND million
<b>ASSETS</b>						
<b>Current assets</b>						
<b>(100 = 110 + 120 + 130 + 140 + 150)</b>	<b>100</b>		<b>9,221,222</b>	<b>12,541,434</b>	<b>2,643,524</b>	<b>2,291,494</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>3</b>	<b>5,718,717</b>	<b>9,573,593</b>	<b>2,160,026</b>	<b>1,510,736</b>
Cash	111		163,016	175,717	9,484	23,284
Cash equivalents	112		5,555,701	9,397,876	2,150,542	1,487,452
<b>Short-term investments</b>	<b>120</b>	<b>9</b>	<b>1,840,500</b>	<b>1,222,500</b>	<b>68,000</b>	<b>373,000</b>
<b>Accounts receivable</b>	<b>130</b>	<b>4</b>	<b>935,535</b>	<b>903,317</b>	<b>368,784</b>	<b>387,496</b>
Accounts receivable - trade	131		121,300	193,615	-	-
Prepayments to suppliers	132		475,436	363,633	117,773	57,977
Other receivables	135		339,177	347,153	251,011	329,519
Allowance for doubtful debts	139		(378)	(1,084)	-	-
<b>Inventories</b>	<b>140</b>	<b>5</b>	<b>563,855</b>	<b>612,845</b>	<b>-</b>	<b>-</b>
Inventories	141		575,846	625,746	-	-
Allowance for inventories	149		(11,991)	(12,901)	-	-
<b>Other current assets</b>	<b>150</b>		<b>162,615</b>	<b>229,179</b>	<b>46,714</b>	<b>20,262</b>
Short-term prepayments	151		27,492	129,695	497	1,391
Deductible value added tax	152		105,858	55,418	30,243	17,739
Taxes and other receivables from State Treasury	154		7,345	103	7,345	-
Other current assets	158		21,920	43,963	8,629	1,132

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

**Ma San Group Corporation and its subsidiaries**  
**Balance sheets at 31 December 2012 (continued)**

Form B 01 – DN

	Code	Note	<u>Group</u>		<u>Company</u>	
			31/12/2012	31/12/2011	31/12/2012	31/12/2011
			VND million	VND million	VND million	VND million
<b>Long-term assets</b> <b>(200 = 210 + 220 + 250 + 260)</b>	<b>200</b>		<b>29,527,435</b>	<b>21,031,185</b>	<b>23,197,612</b>	<b>22,289,000</b>
<b>Accounts receivable – long-term</b>	<b>210</b>	<b>4</b>	<b>23,158</b>	<b>-</b>	<b>1,658,456</b>	<b>2,762,294</b>
Other receivables	218		23,158	-	1,658,456	2,762,294
<b>Fixed assets</b>	<b>220</b>		<b>17,728,277</b>	<b>11,287,505</b>	<b>84,438</b>	<b>19,201</b>
Tangible fixed assets	221	6	1,547,307	879,199	11,707	14,317
<i>Cost</i>	222		2,040,429	1,196,701	17,698	16,519
<i>Accumulated depreciation</i>	223		(493,122)	(317,502)	(5,991)	(2,202)
Intangible fixed assets	227	7	863,521	983,239	1,102	1,316
<i>Cost</i>	228		1,028,783	1,021,469	1,566	1,451
<i>Accumulated amortisation</i>	229		(165,262)	(38,230)	(464)	(135)
Construction in progress	230	8	15,317,449	9,425,067	71,629	3,568
<b>Long-term investments</b>	<b>250</b>	<b>9</b>	<b>11,363,495</b>	<b>9,321,085</b>	<b>21,423,058</b>	<b>19,490,421</b>
Investments in subsidiaries	251		-	-	12,490,634	10,557,997
Investments in associates	252		10,997,995	9,321,085	8,932,424	8,932,424
Other long-term investments	258		365,500	-	-	-
<b>Other long-term assets</b>	<b>260</b>		<b>412,505</b>	<b>422,595</b>	<b>31,660</b>	<b>17,084</b>
Long-term prepayments	261	10	97,060	88,066	21,346	7,400
Deferred tax assets	262	11	36,035	24,798	-	-
Other long-term assets	268		30,778	32,626	10,314	9,684
Goodwill	269	12	248,632	277,105	-	-
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>38,748,657</b>	<b>33,572,619</b>	<b>25,841,136</b>	<b>24,580,494</b>

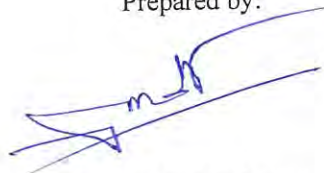
*The accompanying notes are an integral part of these quarterly financial statements*

Ma San Group Corporation and its subsidiaries  
Balance sheets at 31 December 2012 (continued)

Form B 01 – DN

	Code	Note	Group		Company	
			31/12/2012	31/12/2011	31/12/2012	31/12/2011
			VND million	VND million	VND million	VND million
<b>RESOURCES</b>						
<b>LIABILITIES</b>						
<b>(300 = 310 + 330)</b>	<b>300</b>		<b>18,989,300</b>	<b>12,017,587</b>	<b>10,020,282</b>	<b>6,821,280</b>
<b>Current liabilities</b>	<b>310</b>		<b>5,187,651</b>	<b>3,625,783</b>	<b>921,756</b>	<b>3,237,125</b>
Short-term borrowings and liabilities	311	13	1,793,384	2,032,397	-	2,630,000
Accounts payable – trade	312		973,856	422,772	1,855	523
Advances from customers	313		14,490	7,994	-	-
Taxes payable to State Treasury	314	14	608,511	291,359	-	5,193
Payables to employees	315		12,480	12,618	-	-
Accrued expenses	316	15	1,384,335	824,384	563,632	339,697
Other payables	319		400,595	34,259	356,269	261,712
<b>Long-term borrowings and liabilities</b>	<b>330</b>		<b>13,801,649</b>	<b>8,391,804</b>	<b>9,098,526</b>	<b>3,584,155</b>
Other long-term liabilities	333		289,406	-	1,722,004	256,195
Long-term borrowings and liabilities	334	16	12,647,177	7,409,781	7,376,522	3,327,960
Deferred tax liabilities	335	11	860,117	973,459	-	-
Provision for severance allowance	336	17	4,949	8,564	-	-
<b>EQUITY (400=410)</b>	<b>400</b>		<b>13,928,031</b>	<b>15,875,652</b>	<b>15,820,854</b>	<b>17,759,214</b>
<b>Owners' equity</b>	<b>410</b>	<b>18</b>	<b>13,928,031</b>	<b>15,875,652</b>	<b>15,820,854</b>	<b>17,759,214</b>
Share capital	411	19	6,872,801	5,152,723	6,872,801	5,152,723
Capital surplus	412	19	7,999,167	2,166,136	7,999,167	2,166,136
Other capital	413	20	1,721,824	10,462,804	1,721,824	10,462,804
Foreign exchange differences	416		(16,128)	(16,066)	-	-
Other reserves	418		(8,617,093)	(6,569,981)	(530,235)	-
Retained profits	420		5,967,460	4,680,036	(242,703)	(22,449)
<b>MINORITY INTERESTS</b>	<b>439</b>		<b>5,831,326</b>	<b>5,679,380</b>	<b>-</b>	<b>-</b>
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>38,748,657</b>	<b>33,572,619</b>	<b>25,841,136</b>	<b>24,580,494</b>
<b>(440 = 300 + 400 + 439)</b>						

Prepared by:



Doan Thi My Duyen  
Chief Accountant

Approved by:



Nguyen Dang Quang  
Chairman

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

**Ma San Group Corporation and its subsidiaries**  
**Statements of income for the year ended 31 December 2012**

Form B 02 – DN

<u>Group</u>	Code	Note	From 1/10/2012 to 31/12/2012 VND million	From 1/10/2011 to 31/12/2011 VND million	2012 VND million	2011 VND million
<b>Total revenue</b>	<b>01</b>	<b>21</b>	<b>3,709,992</b>	<b>2,906,116</b>	<b>10,575,250</b>	<b>7,239,003</b>
<b>Less sales deductions</b>	<b>02</b>	<b>21</b>	<b>55,581</b>	<b>95,256</b>	<b>185,835</b>	<b>182,154</b>
<b>Net sales (10 = 01 – 02)</b>	<b>10</b>	<b>21</b>	<b>3,654,411</b>	<b>2,810,860</b>	<b>10,389,415</b>	<b>7,056,849</b>
<b>Cost of sales</b>	<b>11</b>	<b>22</b>	<b>2,124,107</b>	<b>1,555,318</b>	<b>6,177,369</b>	<b>3,997,834</b>
<b>Gross profit (20 = 10 – 11)</b>	<b>20</b>		<b>1,530,304</b>	<b>1,255,542</b>	<b>4,212,046</b>	<b>3,059,015</b>
Financial income	21	23	123,604	315,611	808,284	1,185,206
Financial expenses	22	24	56,486	34,463	308,313	347,725
Selling expenses	24		413,496	393,016	1,316,534	1,010,149
General and administration expenses	25		222,845	183,766	728,332	406,374
<b>Net operating profit {30 = 20 + (21 - 22) - (24 + 25)}</b>	<b>30</b>		<b>961,081</b>	<b>959,908</b>	<b>2,667,151</b>	<b>2,479,973</b>
Other income	31	25	26,978	7,069	210,951	22,169
Other expenses	32	26	18,974	5,836	47,065	26,303
<b>Results of other activities (40 = 31 - 32)</b>	<b>40</b>		<b>8,004</b>	<b>1,233</b>	<b>163,886</b>	<b>(4,134)</b>
<b>Share of (loss)/profit in associates</b>	<b>41</b>	<b>27</b>	<b>(370,423)</b>	<b>302,602</b>	<b>(287,921)</b>	<b>392,733</b>
<b>Profit before tax (50 = 30 + 40 + 41)</b>	<b>50</b>		<b>598,662</b>	<b>1,263,743</b>	<b>2,543,116</b>	<b>2,868,572</b>
<b>Income tax expense/(benefit) – current</b>	<b>51</b>		<b>378,601</b>	<b>(4,947)</b>	<b>650,128</b>	<b>247,114</b>
<b>Income tax (benefit)/expense – deferred</b>	<b>52</b>		<b>(192,787)</b>	<b>144,200</b>	<b>(124,579)</b>	<b>125,450</b>
<b>Net profit (60 = 50 - 51 - 52) (carried forward to next page)</b>	<b>60</b>		<b>412,848</b>	<b>1,124,490</b>	<b>2,017,567</b>	<b>2,496,008</b>

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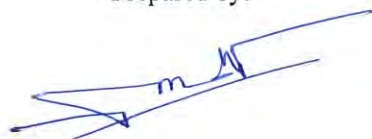
**Ma San Group Corporation and its subsidiaries**  
**Statements of income for the year ended 31 December 2012 (continued)**

Form B 02 – DN

**Group**

	Code	Note	From 1/10/2012 to 31/12/2012 VND million	From 1/10/2011 to 31/12/2011 VND million	2012 VND million	2011 VND million
<b>Net profit (60 = 50 - 51 - 52) (brought forward from previous page)</b>	<b>60</b>		<b>412,848</b>	<b>1,124,490</b>	<b>2,017,567</b>	<b>2,496,008</b>
<b>Attributable to:</b>						
Minority interests	61		276,551	226,350	715,238	522,859
Equity holders of the Company	62		136,297	898,140	1,302,329	1,973,149
<b>Earnings per share</b>						
Basic earnings per share in VND	70	28	192	1,324	1,837	2,909

Prepared by:



Doan Thi My Duyen  
Chief Accountant

Approved by:



Nguyen Dang Quang  
Chairman

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

**Ma San Group Corporation and its subsidiaries**  
**Statements of income for the year ended 31 December 2012 (continued)**

<u>Group</u>		Proforma <sup>(1)</sup>			
	Code	From 1/10/2012 to 31/12/2012 VND million	From 1/10/2011 to 31/12/2011 VND Million	2012 VND million	2011 VND million
<b>Total revenue</b>	<b>02</b>	3,709,992	2,906,116	10,575,250	7,239,003
<b>Less sales deductions</b>	<b>02</b>	55,581	95,256	185,835	182,154
<b>Net sales (10 = 01 – 02)</b>	<b>10</b>	3,654,411	2,810,860	10,389,415	7,056,849
<b>Cost of sales</b>	<b>11</b>	2,124,107	1,555,318	6,177,369	3,997,834
<b>Gross profit (20 = 10 – 11)</b>	<b>20</b>	1,530,304	1,255,542	4,212,046	3,059,015
Financial income	21	123,604	315,611	808,284	1,185,206
Financial expenses	22	56,486	34,463	308,313	347,725
Selling expenses	24	413,496	393,016	1,316,534	1,010,149
General and administration expenses	25	180,885	155,793	560,493	378,401
<b>Net operating profit</b> <b>{30 = 20 + (21 - 22) - (24 + 25)}</b>	<b>30</b>	1,003,041	987,881	2,834,990	2,507,946
Other income	31	26,978	7,069	210,951	22,169
Other expenses	32	18,974	5,836	47,065	26,303
<b>Results of other activities</b> <b>(40 = 31 - 32)</b>	<b>40</b>	8,004	1,233	163,886	(4,134)
<b>Share of (loss)/profit in associates</b>	<b>41</b>	(196,437)	441,556	318,280	960,006
<b>Profit before tax</b> <b>(50 = 30 + 40 + 41)</b>	<b>50</b>	814,608	1,430,670	3,317,156	3,463,818
<b>Income tax expense/(benefit) – current</b>	<b>51</b>	378,601	(4,947)	650,128	247,114
<b>Income tax (benefit)/expense – deferred</b>	<b>52</b>	(190,163)	145,950	(114,082)	127,200
<b>Net profit (60 = 50 - 51 - 52)</b> <b>(carried forward to next page)</b>	<b>60</b>	626,170	1,289,667	2,781,110	3,089,504

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**Ma San Group Corporation and its subsidiaries**  
**Statements of income for the year ended 31 December 2012 (continued)**

**Group**

	Code	Proforma <sup>(1)</sup>			
		From 1/10/2012 to 31/12/2012 VND million	From 1/10/2011 to 31/12/2011 VND Million	2012 VND million	2011 VND million
<b>Net profit (60 = 50 - 51 - 52) (brought forward from previous page)</b>	<b>60</b>	<b>626,170</b>	<b>1,289,667</b>	<b>2,781,110</b>	<b>3,089,504</b>
<b>Attributable to:</b>					
Minority interests	61	296,121	239,757	793,519	536,266
Equity holders of the Company	62	330,049	1,049,910	1,987,591	2,553,238
<b>Earnings per share</b>					
Basic earnings per share in VND	70	466	1,548	2,804	3,764

(1)

- a) *Adding back the amortization of goodwill from the transfer of ownership in Techcombank for the year ended 31 December 2012 and 2011 and assuming Masan Group held a 30.44% interest in Techcombank from 1 January 2011,*
- b) *Adding back the amortization of goodwill, tangible assets and intangible assets from the acquisition of Vinacafe Bien Hoa JSC for the year ended 31 December 2012 and 2011.*
- c) *Adding back the amortization of goodwill from the acquisition of Vietnamese French Cattle Feed Joint Stock Company for the year ended 31 December 2012.*

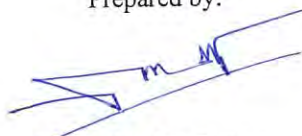
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**Ma San Group Corporation and its subsidiaries**  
**Statements of income for the year ended 31 December 2012 (continued)**

Form B 02 – DN

<u>Company</u>	Code	Note	From 1/10/2012 to 31/12/2012 VND million	From 1/10/2011 to 31/12/2011 VND Million	2012 VND million	2011 VND million
Total revenue	01	21	-	-	-	-
Less sales deductions	02	21	-	-	-	-
Net sales (10 = 01 – 02)	10	21	-	-	-	-
Cost of sales	11	22	-	-	-	-
Gross profit (20 = 10 – 11)	20		-	-	-	-
Financial income	21	23	300,584	257,394	1,221,640	645,584
Financial expenses	22	24	346,661	270,359	1,325,744	717,657
General and administration expenses	25		69,930	48,577	258,604	150,487
Net operating loss {30 = 20 + (21 - 22) - (24 + 25)}	30		(116,007)	(61,542)	(362,708)	(222,560)
Other income	31	25	2,270	-	142,454	-
Other expenses	32	26	-	28	-	73
Results of other activities (40 = 31 - 32)	40		2,270	(28)	142,454	(73)
Loss before tax (50 = 30 + 40)	50		(113,737)	(61,570)	(220,254)	(222,633)
Income tax expense – current	51		-	-	-	-
Income tax expense – deferred	52		-	-	-	-
Net loss (60 = 50 - 51 - 52)	60		(113,737)	(61,570)	(220,254)	(222,633)

Prepared by:

  
Doan Thi My Duyen  
Chief Accountant

Approved by:

  
  
Nguyen Dang Quang  
Chairman

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

**Ma San Group Corporation and its subsidiaries**  
**Statements of cash flows for the year ended 31 December 2012**

Form B 03 – DN

	Code Note	<u>Group</u>		<u>Company</u>	
		2012	2011	2012	2011
		VND million	VND million	VND million	VND million
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<b>Profit/(loss) before tax</b>	<b>01</b>	<b>2,543,116</b>	<b>2,868,572</b>	<b>(220,254)</b>	<b>(222,633)</b>
<b>Adjustments for</b>					
Depreciation and amortisation	02	347,873	142,120	10,797	5,112
Allowances and provisions	03	40,921	86,870	-	-
Net unrealised foreign exchange (gains)/losses	04	3,017	(16,689)	-	(18,184)
Loss on disposal of fixed assets and other long-term assets	05	14,270	5,210	-	-
Interest and facility income	05	(789,202)	(1,124,958)	(1,221,571)	(602,109)
Interest and facility expense	06	278,933	316,251	1,302,049	701,046
Share of loss/(profit) in associates	07	287,921	(392,733)	-	-
<b>Operating profit/(loss) before changes in working capital</b>	<b>08</b>	<b>2,726,849</b>	<b>1,884,643</b>	<b>(128,979)</b>	<b>(136,768)</b>
Change in receivables and other assets	09	(133,060)	(35,172)	(199,262)	(136,272)
Change in inventories	10	8,195	(173,878)	-	-
Change in payables and other liabilities	11	836,587	74,423	(54,721)	23,508
		<b>3,438,571</b>	<b>1,750,016</b>	<b>(382,962)</b>	<b>(249,532)</b>
Interest paid	13	(525,144)	(149,650)	(243,745)	(59,020)
Corporate income tax paid	14	(319,116)	(148,616)	-	-
Other payments for operating activities	16	(16,574)	(11,304)	-	-
<b>Net cash flows from operating activities</b>	<b>20</b>	<b>2,577,737</b>	<b>1,440,446</b>	<b>(626,707)</b>	<b>(308,552)</b>

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**Ma San Group Corporation and its subsidiaries**  
**Statements of cash flows for the year ended 31 December 2012 (continued)**

Form B 03 – DN

	Code Note	<u>Group</u>		<u>Company</u>	
		2012	2011	2012	2011
		VND million	VND million	VND million	VND million
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Payments for additions to fixed assets and other long-term assets	21	(6,292,026)	(2,208,260)	(69,355)	(20,944)
Proceeds from disposals of fixed assets and other long-term assets	22	2,023	2,406	-	-
Loans provided to related parties	23	-	(715,000)	-	-
Collection on loans provided to related parties	23	-	715,000	-	-
Loans provided to subsidiaries	23	-	-	(2,028,000)	(2,136,347)
Collection on loans provided to subsidiaries	23	-	-	4,028,000	97,651
Term deposit to banks	24	(15,021,416)	(46,504,552)	(68,000)	-
Term deposit received	24	13,664,916	46,145,052	-	-
Proceed for investments in bonds	24	421,000	427,000	421,000	427,000
Payments for investments in bonds	25	(48,000)	(800,000)	(48,000)	(800,000)
Payments for investments in subsidiaries	25	(2,054,681)	-	(1,932,637)	-
Net cash used in from acquisition of subsidiary	25	-	(808,828)	-	-
Payment for investments in associates	26	(2,015,847)	(1,000,000)	-	(1,000,000)
Receipts of interest and dividend	27	717,756	994,340	309,369	196,483
<b>Net cash flows from investing activities</b>	<b>30</b>	<b>(10,626,275)</b>	<b>(3,752,842)</b>	<b>612,377</b>	<b>(3,236,157)</b>

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

**Ma San Group Corporation and its subsidiaries**  
**Statements of cash flows for the year ended 31 December 2012 (continued)**

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	Code	Note	<u>Group</u>		<u>Company</u>	
			2012	2011	2012	2011
			VND million	VND million	VND million	VND million
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Proceeds from issuance of new shares	31		411,000	-	411,000	-
Proceeds from minority interest capital contribution to subsidiaries	31		12,500	5,329,180	-	-
Proceeds from issuance of debt and equity instruments	31		2,707,640	-	2,707,640	-
Payments of repurchases equity instrument	32		(4,634,395)	-	(4,634,395)	-
Proceeds from short-term and long-term borrowings	33		8,776,254	5,215,862	2,200,000	4,000,000
Payment for transaction costs	33		(20,625)	-	(20,625)	-
Payments to settle debts	34		(3,032,725)	(2,092,857)	-	-
Payments of dividends to minority interest by a subsidiary	36		(25,987)	-	-	-
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>4,193,662</b>	<b>8,452,185</b>	<b>663,620</b>	<b>4,000,000</b>
<b>Net cash flows during the year (50=20 + 30 + 40)</b>	<b>50</b>		<b>(3,854,876)</b>	<b>6,139,789</b>	<b>649,290</b>	<b>455,291</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>		<b>9,573,593</b>	<b>3,394,575</b>	<b>1,510,736</b>	<b>1,037,261</b>
<b>Effect of exchange rate fluctuation on cash and cash equivalents</b>	<b>61</b>		<b>-</b>	<b>39,229</b>	<b>-</b>	<b>18,184</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)</b>	<b>70</b>	<b>3</b>	<b>5,718,717</b>	<b>9,573,593</b>	<b>2,160,026</b>	<b>1,510,736</b>

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

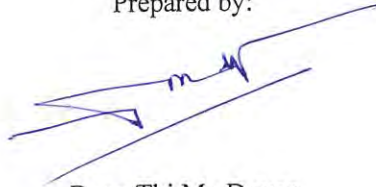
**Ma San Group Corporation and its subsidiaries**  
**Statements of cash flows for the year ended 31 December 2012 (continued)**

**Form B 03 – DN**

**NON-CASH INVESTING AND FINANCING ACTIVITIES**

	<u>Group</u>		<u>Company</u>	
	2012	2011	2012	2011
	VND million	VND million	VND million	VND million
Cost of investments acquired by issuing equity instruments	-	811,091	-	811,091
Issuance of new shares through conversion of borrowings	796,524	-	796,524	-
Issuance of new shares through conversion of other capital	6,358,644	-	6,358,644	-

Prepared by:



Doan Thi My Duyen  
*Chief Accountant*

Approved by:



Nguyen Dang Quang  
*Chairman*

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

## Ma San Group Corporation and its subsidiaries

Notes to the quarterly financial statements for the year ended 31 December 2012

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

### 1. Reporting entity

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

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

The principal activities of the subsidiaries are described as follows:

Name	Principal activity	Percentage of economic interests at	
		31/12/2012	31/12/2011
Hoa Bang Lang Consultant Company Limited	Investment holding	100%	100%
Orchid Consultant Company Limited	Investment holding	100%	100%
Gerbera Consultant Company Limited (*)	Investment holding	100%	100%
Dahlia Company Limited (*)	Investment holding	100%	100%
Ma San Consumer Corporation	Trading and distribution	80.8%	76.5%
Masan Food Company Limited	Food Trading	80.8%	76.5%
Ma San Industrial One Member Company Limited (formerly known as Masan Industrial Corporation)	Food sauce and instant noodle manufacturing	80.8%	76.5%
Viet Tien Food Technology One member Company Limited (formerly known as Viet Tien Food Technology Joint Stock Company)	Food sauce manufacturing	80.8%	76.5%
Ma San HD One member Company Limited (formerly known as Ma San HD Joint Stock Company)	Food sauce and instant noodle manufacturing	80.8%	76.5%
Minh Viet Packaging One Member Company Limited (formerly known as Minh Viet Packaging Joint Stock Company)	Packaging	80.8%	76.5%

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for year ended 31 December 2012 (continued)**

**Form B 09 – DN**

Name	Principal activity	Percentage of economic interests at	
		31/12/2012	31/12/2011
Ma San PQ Corporation	Food sauce manufacturing	76.4%	72.3%
Hoa Muoi Gio Company Limited (**)	Investment holding	80.8%	-
VinaCafe Bien Hoa Joint Stock Company	Beverage manufacturing	43.0%	38.4%
Ma San Horizon Corporation	Investment holding	100%	100%
Ma San Resources Corporation	Investment holding	65%	65%
Ma San Thai Nguyen Resources Company Limited	Investment holding	65%	65%
Thai Nguyen Trading and Investment Company Limited	Investment holding	65%	65%
Nui Phao Mining Company Limited	Exploring and processing mineral	65%	65%

(\*) Gerbera Consultant Company Limited and Dahlia Company Limited are not owned by the Company but the Company has been assigned 100% of the voting rights and all economic benefits relating to the ownership in these companies. As such, the Company has control of these companies.

(\*\*) During the year, Ma San Consumer Corporation acquired 100% economic interest in Hoa Muoi Gio Company Limited.

All the subsidiaries are incorporated in Vietnam.

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



## **2. Summary of significant accounting policies**

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

### **(a) Basis of financial statement preparation**

#### **(i) General basis of accounting**

The financial statements, expressed in Vietnam Dong rounded to the nearest million (“VND million”), have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements. These financial statements should be read in conjunction with the financial statements of the Group for the year ended 31 December 2011.

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

#### **(ii) Basis of consolidation**

##### ***Common-control business combination***

Business combination where the same group of shareholders (“the Controlling Shareholders”) control the combining companies before and after the business combination meets the definition of business combination under common control because there is a continuation of the risks and benefits to the Controlling Shareholders. Such common control business combination is specifically excluded from the scope of Vietnamese Accounting Standard 11 *Business Combination* and in selecting its accounting policy with respect to such transaction, the Group has considered Vietnamese Accounting Standard 01 *Framework* and Vietnamese Accounting Standard 21 *Presentation of Financial Statements*. Based on these standards, the Group has adopted the merger (“carry-over”) basis of accounting. The assets and liabilities of the combining companies are consolidated using the existing book values from the Controlling Shareholders’ perspective. Any difference between the cost of acquisition and net assets acquired is treated as a deemed distribution to or contribution from shareholders and recorded directly in equity.

The consolidated income statements, consolidated statements of changes in equity and consolidated cash flow statements include the results of operations of the combining companies as if the group structure had been in existence from the Controlling Shareholders’ perspective throughout the entire periods presented (or where the companies were incorporated at a date later than the beginning of the earliest period presented, for the period from the date of incorporation to the end of the relevant reporting periods).

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for year ended 31 December 2012 (continued)**

Form B 09 – DN

***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.

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

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations included any costs directly attributable to the combination, such as professional fees paid to accountants, legal advisers, valuers and other consultants to effect the combination. Transaction costs are 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 recognized as an expense when incurred.

**(iii) *Subsidiaries***

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

**(iv) *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 is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity. Associates are accounted for in the consolidated financial statements using the equity method (equity accounted investees) and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated amortisation on the goodwill. The consolidated financial statements include the Group's share of the income and expenses of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for year ended 31 December 2012 (continued)**

**Form B 09 – DN**

**(v) *Minority interests***

For changes in the Group's ownership interest in a subsidiary that do not result in change in control, the difference between the cost of acquisition or proceeds on disposal of the interest and the proportionate carrying amount of net assets acquired or disposed at the date of exchange is recorded directly in equity.

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

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

**(b) *Annual accounting period***

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

**(c) *Foreign currency transactions***

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at rates of exchange ruling at the balance sheet date. Transactions in currencies other than VND during the year have been translated into VND at rates approximating those ruling at the transaction dates.

All foreign exchange differences are recorded in the statement of income, except when they relate to the construction of tangible fixed assets or the translation of foreign currency monetary items during pre-operating stage, in which case they are recorded in the Foreign Exchange Difference Account in equity until the entity commences operations and the tangible fixed assets are put into use. Once the entity commences operations and the tangible fixed assets are put into use, the related realised foreign exchange differences are transferred to the statement of income, unrealised foreign exchange gains are transferred to the Unearned Revenue Account and unrealised foreign exchange losses are transferred to the Long-term Prepayment Account. The unrealised gains and losses are then amortised on a straight line basis over five years.

**(d) *Cash and cash equivalents***

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

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for year ended 31 December 2012 (continued)**

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**(e) Investments**

Investments in term deposits and debt instruments; investments in equity instruments of entities over which the Group has no control or significant influence in the consolidated financial statements; and investments in all equity instruments in the separate financial statements are stated at cost. Allowance is made for reductions in investment values which in the opinion of the management are not temporary. The allowance is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the allowance was recognised. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

**(f) Accounts receivable**

Trade and other receivables are stated at cost less allowance for doubtful debts.

**(g) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and selling expenses.

The Group apply the perpetual method of accounting for inventory.

**(h) Tangible fixed assets**

**(i) Cost**

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure have 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 are capitalised as an additional cost of tangible fixed assets.

**(ii) Depreciation**

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

▪ buildings and structures	5-25 years
▪ leasehold improvements	3-5 years
▪ office equipment	3-6 years
▪ machinery and equipment	3-12 years
▪ motor vehicles	3-6 years

**(i) Intangible fixed assets**

**(i) Land use rights**

Land use rights are stated at cost less accumulated amortisation. The initial cost of a land use right comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use right. Amortisation is computed on a straight-line basis over their useful lives ranging from 40 to 47 years.

**(ii) Software**

Cost of acquisition of new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software is amortised on a straight-line basis over four and five years.

**(iii) Brand name**

Cost of acquisition of brand name is capitalised and treated as an intangible asset. The fair value of brand name acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the brand name being owned. The fair value of brand name acquired in a business combination is recognised as an intangible asset and is amortised on a straight-line basis over ten years.

**(iv) Customer relationships**

Customer relationships that are acquired by the Group on the acquisition of subsidiary is capitalised and presented as an intangible asset. The fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject assets are valued after deducting a fair return on all other assets that are part of creating the related cash flows. The fair value of customer relationship is amortised on a straight line basis over five years.

**(j) Construction in progress**

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

Mineral assets under development comprise mineral reserve and related development costs acquired in a business combination and subsequent development expenditure. These assets qualify 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 values as part of business combination accounting and subsequent development expenditures 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 tangible fixed assets.

**(k) Long-term prepayments**

**(i) Pre-operating expenses**

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

**(ii) Prepaid land costs**

Prepaid land costs comprise prepaid land lease rentals and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the statement of income on a straight-line basis over the term of the lease from 47 to 50 years.

**(iii) Tools and supplies and printing axles**

Tools and supplies and printing axles are stated at cost and amortised over their useful lives ranging from six months to two years.

**(iv) Borrowing fees**

Loan origination costs are incurred in conjunction with the arrangement of long-term borrowings and are amortised on a straight-line basic over the tenure of the borrowings.

**(v) Insurance fees**

Insurance fees are stated at cost and amortised over their useful lives of two years.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for year ended 31 December 2012 (continued)**

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**(vi) Website fees**

Website fees are stated at cost and amortised over their useful lives of three years.

**(l) Goodwill**

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

Goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over ten years. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying value of the investment.

**(m) Trade and other payables**

Trade and other payables are stated at their cost.

**(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.

**(o) Taxation**

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that it relates to items recognised directly to 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 or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

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

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

**(p) Equity**

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

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

**(ii) *Other capital***

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

**(iii) *Other reserves***

Equity movements resulting from common-control business combination and acquisition of/disposal to minority interests and the excess arising on redemption of other capital over the carrying amount are recorded in other reserves in equity.

**(q) Revenue**

Revenue from the sale of goods is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

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

**(i) *Financial income***

Financial income comprises interest income from deposits and loans, and foreign exchange gains. Interest income is recognised as it accrues in the statement of income.

**(ii) *Financial expenses***

Financial expenses comprise interest expenses on borrowings and foreign exchange losses. 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 tangible fixed assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the fixed assets concerned.

**(s) Earnings per share**

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



**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for year ended 31 December 2012 (continued)**

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**(t) Related parties**

Parties are considered to be related 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. Parties are also considered to be related if they are subject to common control or common significant influence.

**3. Cash and cash equivalents**

	<u>Group</u>		<u>Company</u>	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	VND million	VND million	VND million	VND million
Cash on hand	4,652	2,804	2,796	432
Cash in banks	158,364	172,913	6,688	22,852
Cash equivalents	5,555,701	9,397,876	2,150,542	1,487,452
	5,718,717	9,573,593	2,160,026	1,510,736

Cash and cash equivalent at 31 December 2012 of the Group and the Company included amounts denominated in currencies other than VND amounting to VND3,483,672 million (31/12/2011: VND2,334,375 million) and VND1,381,295 million (31/12/2011: VND199,750 million), respectively.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for year ended 31 December 2012 (continued)**

**Form B 09 – DN**

**4. Accounts receivable**

Other receivables comprised:

	<u>Group</u>		<u>Company</u>	
	31/12/2012 VND million	31/12/2011 VND million	31/12/2012 VND million	31/12/2011 VND million
<b>Other short-term receivables</b>				
Non-trade receivables from related companies	142,244	232,399	224,852	266,265
Accrued interest receivable from:				
▪ Deposits	106,067	44,022	2,902	4,931
▪ Investments in bonds	-	13,757	-	13,757
Services receivable	23,257	44,566	23,257	44,566
Others	67,609	12,409	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	339,177	347,153	251,011	329,519
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Other long-term receivables</b>				
Long-term interest receivables	23,158	-	-	-
Other long-term receivables from related companies	-	-	1,658,456	2,762,294
	<hr/>	<hr/>	<hr/>	<hr/>
	23,158	-	1,658,456	2,762,294
	<hr/>	<hr/>	<hr/>	<hr/>

Other receivables include the following amounts due from related parties:

	<u>Group</u>		<u>Company</u>	
	31/12/2012 VND million	31/12/2011 VND million	31/12/2012 VND million	31/12/2011 VND million
<b>Amounts due from Ma San Corporation - parent company</b>				
Non-trade – short-term	142,244	230,446	142,244	230,446
<b>Amounts due from other related companies</b>				
Non-trade – short-term	-	1,953	82,608	35,819
Non-trade – long-term	-	-	1,658,456	2,762,294
	<hr/>	<hr/>	<hr/>	<hr/>

The non-trade amounts due from Ma San Corporation were unsecured, interest free and receivable in accordance with contract terms.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for year ended 31 December 2012 (continued)**

**Form B 09 – DN**

At 31 December 2012, the non-trade – long-term loans due from other related companies of the Company amounting to VND1,658,456 million consist of:

- a) Facility fee of 15% per annum on unsecured loan facilities made available to a subsidiary;
- b) An unsecured funding amount due from subsidiaries is interest free and will be repayable on the maturity date in 2014.

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

	<u>Group</u>	
	2012	2011
	VND million	VND million
Opening balance	1,084	705
Increase in allowance during the year	144	379
Allowance utilised during the year	(832)	-
Allowance written back during the year	(18)	-
	<hr/>	<hr/>
Closing balance	378	1,084
	<hr/>	<hr/>

The Group and the Company's exposure to credit risk in relation to receivables is influenced mainly by the individual characteristics of each customer or counter party. In response to the risk, the Group generally transact with customers on cash on delivery terms. For instances where customers are granted credit terms, management has established a credit policy under which each customer is analysed individually for creditworthiness before credit terms are offered.

The carrying amount of the trade and other receivables represents the maximum credit exposure.

The Group and the Company establishes allowance for doubtful debt that represents its estimate of incurred losses in respect of trade and other receivables.

Ma San Group Corporation and its subsidiaries  
Notes to the quarterly financial statements for year ended 31 December 2012 (continued)

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5. Inventories

	<u>Group</u>		<u>Company</u>	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	VND million	VND million	VND million	VND million
Goods in transit	17,945	31,028	-	-
Raw materials	394,084	409,748	-	-
Tools and supplies	26,794	1,152	-	-
Work in progress	69,085	64,939	-	-
Finished goods	67,938	118,879	-	-
	575,846	625,746	-	-
Allowance for inventories	(11,991)	(12,901)	-	-
	563,855	612,845	-	-

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

	<u>Group</u>	
	2012	2011
	VND million	VND million
Opening balance	12,901	6,347
Increase in allowance during the year	46,618	86,491
Allowance utilised during the year	(41,705)	(79,937)
Allowance written back during the year	(5,823)	-
Closing balance	11,991	12,901

Ma San Group Corporation and its subsidiaries  
Notes to the quarterly financial statements for year ended 31 December 2012 (continued)

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6. Tangible fixed assets

Group

	Buildings and structures VND million	Leasehold improvements VND million	Office equipment VND million	Machinery and equipment VND million	Motor vehicles VND million	Total VND million
<b>Cost</b>						
Opening balance	244,496	21,562	38,917	860,263	31,463	1,196,701
Additions	12,928	461	26,462	68,280	8,761	116,892
Transfers from construction in progress	205,355	664	7,857	539,978	84	753,938
Disposals	(5,919)	-	(964)	(19,853)	(366)	(27,102)
Closing balance	456,860	22,687	72,272	1,448,668	39,942	2,040,429
<b>Accumulated depreciation</b>						
Opening balance	35,162	6,157	15,967	246,934	13,282	317,502
Charge for the year	21,674	5,521	12,993	142,561	5,703	188,452
Disposals	(3,136)	-	(926)	(8,405)	(365)	(12,832)
Closing balance	53,700	11,678	28,034	381,090	18,620	493,122
<b>Net book value</b>						
Opening balance	209,334	15,405	22,950	613,329	18,181	879,199
Closing balance	403,160	11,009	44,238	1,067,578	21,322	1,547,307

Included in the cost of tangible fixed assets were assets costing VND61,791 million which were fully depreciated as of 31 December 2012 (31/12/2011: VND39,221 million), but which are still in active use.

The carrying amount of tangible fixed assets retired from active use and held for disposal amounted to VND2,612 million as of 31 December 2012 (31/12/2011: VND23,946 million).

The carrying amount of temporarily idle equipment in tangible fixed assets amounted to VND35,566 million as of 31 December 2012 (31/12/2011: VND7,914 million).

As at 31 December 2012, tangible fixed assets with a carrying value of VND557,997 million (31/12/2011: VND312,378 million) were pledged with banks as security for loans granted to the Group.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for year ended 31 December 2012 (continued)**

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**Company**

	<b>Leasehold improvements VND million</b>	<b>Office equipment VND million</b>	<b>Total VND million</b>
<b>Cost</b>			
Opening balance	14,896	1,623	16,519
Additions	187	992	1,179
Closing balance	15,083	2,615	17,698
<b>Accumulated depreciation</b>			
Opening balance	1,830	372	2,202
Depreciation for the year	3,158	631	3,789
Closing balance	4,988	1,003	5,991
<b>Net book value</b>			
Opening balance	13,066	1,251	14,317
Closing balance	10,095	1,612	11,707

Ma San Group Corporation and its subsidiaries  
Notes to the quarterly financial statements for year ended 31 December 2012 (continued)

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7. Intangible fixed assets

Group

	Land use rights	Software	Brand name	Customer relationships	Total
	VND million	VND million	VND million	VND million	VND million
<b>Cost</b>					
Opening balance	142,625	13,762	544,435	320,647	1,021,469
Additions	-	5,409	-	-	5,409
Transfer from construction in progress	1,733	172	-	-	1,905
Closing balance	144,358	19,343	544,435	320,647	1,028,783
<b>Accumulated amortisation</b>					
Opening balance	12,053	6,067	9,422	10,688	38,230
Amortisation for the year	3,867	4,534	54,504	64,127	127,032
Closing balance	15,920	10,601	63,926	74,815	165,262
<b>Net book value</b>					
Opening balance	130,572	7,695	535,013	309,959	983,239
Closing balance	128,438	8,742	480,509	245,832	863,521

Included in the cost of intangible fixed assets were assets costing VND2,273 million which were fully depreciated as of 31 December 2012 (31/12/2011: Nil), but which are still in active use.

At 31 December 2012, land use rights with a carrying value of VND53,659 million (31/12/2011: VND55,088 million) were pledged with banks as security for loans granted to the subsidiaries.

Ma San Group Corporation and its subsidiaries  
Notes to the quarterly financial statements for year ended 31 December 2012 (continued)

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Company

	Software VND million
<b>Cost</b>	
Opening balance	1,451
Additions	115
	<hr/>
Closing balance	1,566
	<hr/>
<b>Accumulated amortisation</b>	
Opening balance	135
Charge for the year	329
	<hr/>
Closing balance	464
	<hr/>
<b>Net book value</b>	
Opening balance	1,316
Closing balance	1,102
	<hr/>

**8. Construction in progress**

	<u>Group</u>		<u>Company</u>	
	2012	2011	2012	2011
	VND million	VND million	VND million	VND million
Opening balance	9,425,067	7,616,520	3,568	1,569
Acquisition on business combination	-	4,273	-	-
Additions during the year	6,650,248	2,028,436	68,061	16,895
Transfer to tangible fixed assets	(753,938)	(222,070)	-	(14,896)
Transfer to intangible fixed assets	(1,905)	-	-	-
Transfer to long-term prepayments	-	(2,092)	-	-
Written off	(2,023)	-	-	-
	<hr/>			
Closing balance	15,317,449	9,425,067	71,629	3,568
	<hr/>			

During the year, borrowing costs capitalised into construction in progress amounted to VND1,047,223 million (2011: VND198,437 million).



**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for year ended 31 December 2012 (continued)**

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**9. Investments**

	<u>Group</u>		<u>Company</u>	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	VND million	VND million	VND million	VND million
<b>Long-term investments</b>				
Investments in subsidiaries (a)	-	-	12,490,634	10,557,997
Investments in associates (b)	10,997,995	9,321,085	8,932,424	8,932,424
Other long-term investments (c)	365,500	-	-	-
	<u>11,363,495</u>	<u>9,321,085</u>	<u>21,423,058</u>	<u>19,490,421</u>
<b>Short-term investments</b>				
Short-term investments in bonds (d)	-	373,000	-	373,000
Term deposits to banks (d)	1,840,500	849,500	68,000	-
	<u>1,840,500</u>	<u>1,222,500</u>	<u>68,000</u>	<u>373,000</u>

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

	31/12/2012	31/12/2011
	VND million	VND million
Ma San Consumer Corporation	10,333,461	8,400,824
Hoa Bang Lang Consultant Company Limited	516,600	516,600
Orchid Consultant Company Limited	441,200	441,200
Ma San Horizon Corporation	1,199,373	1,199,373
	<u>12,490,634</u>	<u>10,557,997</u>

**(a) Investments in subsidiaries**

In December 2012, the Group further acquired additional stake in Ma San Consumer Corporation for a total cash consideration of VND1,933 billion.

**(b) Investments in associates**

Investments in associates represent investments in 30.44% (31/12/2011: 30.61%) and 32.32% (31/12/2011: nil) of the effective economic interest in Vietnam Technological and Commercial Joint Stock Bank ("Techcombank") and Vietnamese French Cattle Feed Joint Stock Company ("Proconco") as of 31 December 2012, respectively for the Group.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for year ended 31 December 2012 (continued)**

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In October 2012, Hoa Muoi Gio Company Limited acquired 40% stake in Proconco for a total cash consideration of approximately VND2,011 billion. Such acquisition resulted in the Group having 32.32% effective economic interest in Proconco.

**(c) Other long-term investments**

Other long-term investments represent deposits with original terms to maturity of more than twelve months from their transaction dates. The term deposits are denominated in Vietnam Dong and earned interest at 11% per annum during the year (2011: nil).

**(d) Short-term investments**

Term deposits in banks represent deposits with original terms to maturity of more than three months and less than 12 months from their transaction dates. The term deposits are denominated in Vietnam Dong and earned interest ranging from 8% to 14% per annum during the year (2011: 14%).

The Group has the intention and ability to hold the investment in debt instruments to their maturity. The carrying amount of the deposits and debt instruments represent the maximum credit exposure. At 31 December 2012, the fair values of the short-term investments approximate their carrying values.

**10. Long-term prepayments**

**Group**

	<b>Pre- operating expenses VND million</b>	<b>Prepaid land costs VND million</b>	<b>Printing axles VND million</b>	<b>Tools and supplies VND million</b>	<b>Borrowing fees VND million</b>	<b>Insurance fees VND million</b>	<b>Website fees VND million</b>	<b>Total VND million</b>
Opening balance	56,796	2,346	610	3,419	6,720	17,495	680	88,066
Additions	-	-	3,347	18,622	20,625	28,128	-	70,722
Transfers to short term prepayment	-	-	-	-	-	(5,998)	-	(5,998)
Amortisation for the year	-	(60)	(3,203)	(6,168)	(6,135)	(39,620)	(544)	(55,730)
Closing balance	56,796	2,286	754	15,873	21,210	5	136	97,060

Ma San Group Corporation and its subsidiaries  
Notes to the quarterly financial statements for year ended 31 December 2012 (continued)

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Company

	Borrowing fees VND million	Website fees VND million	Total VND million
Opening balance	6,720	680	7,400
Additions	20,625	-	20,625
Amortisation for the year	(6,135)	(544)	(6,679)
Closing balance	21,210	136	21,346

## 11. Deferred tax assets and liabilities

*Recognised deferred tax assets and liabilities*

	<u>Group</u>		<u>Company</u>	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	VND million	VND million	VND million	VND million
<b>Deferred tax assets:</b>				
Allowance for provision doubtful debts	-	206	-	-
Accrued sales discount	9,133	17,469	-	-
Accrued advertising and promotion expenses	16,403	21,740	-	-
Accrued transportation costs	6,677	7,426	-	-
Other accruals	2,568	5,519	-	-
Unrealised profit	1,990	3,591	-	-
Less: offset against deferred tax assets	(736)	(31,153)	-	-
	36,035	24,798	-	-
<b>Deferred tax liabilities:</b>				
Construction in progress	(751,021)	(751,021)	-	-
Tangible fixed assets	(11,330)	(12,808)	-	-
Intangible fixed assets	(97,766)	(106,785)	-	-
Other receivables	(736)	(3,533)	-	-
Accrued interest income	-	(130,465)	-	-
Less: offset against deferred tax liabilities	736	31,153	-	-
	(860,117)	(973,459)	-	-
	(824,082)	(948,661)	-	-

Ma San Group Corporation and its subsidiaries  
Notes to the quarterly financial statements for year ended 31 December 2012 (continued)

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12. Goodwill

	<u>Group</u> VND million
<b>Cost</b>	
Opening balance/ closing balance	284,728
<b>Accumulated amortisation</b>	
Opening balance	7,623
Amortisation for the year	28,473
Closing balance	36,096
<b>Net book value</b>	
Opening balance	277,105
Closing balance	248,632

13. Short-term borrowings and liabilities

	<u>Group</u>		<u>Company</u>	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	VND million	VND million	VND million	VND million
Short-term borrowings	1,540,393	1,298,728	-	2,000,000
Current portion of long-term borrowings (Note 16)	252,991	733,669	-	630,000
	1,793,384	2,032,397	-	2,630,000

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

	Currency	<u>Group</u>		<u>Company</u>	
		31/12/2012	31/12/2011	31/12/2012	31/12/2011
		VND million	VND million	VND million	VND million
Bank borrowings:					
VND denominated	VND	1,540,393	1,298,728	-	-
Loan from a subsidiary	VND	-	-	-	2,000,000
		1,540,393	1,298,728	-	2,000,000

Ma San Group Corporation and its subsidiaries  
Notes to the quarterly financial statements for year ended 31 December 2012 (continued)

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14. Taxes payable to State Treasury

	<u>Group</u>		<u>Company</u>	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	VND million	VND million	VND million	VND million
Corporate income tax	535,404	202,630	-	-
Value added tax	32,660	41,071	-	-
Import-export tax	18,411	14,810	-	-
Personal income tax	14,126	11,580	-	2,159
Other taxes	7,910	21,268	-	3,034
	608,511	291,359	-	5,193

15. Accrued expenses

	<u>Group</u>		<u>Company</u>	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	VND million	VND million	VND million	VND million
Accrued interest payable	642,004	253,095	507,717	244,954
Accrual for construction work	210,610	42,500	-	-
Advertising and promotion expenses	129,525	177,364	-	-
Consultant fee	127,954	104,942	38,074	66,056
Bonus and 13 <sup>th</sup> month salary	98,624	50,755	-	1,470
Sales discount	36,530	69,876	-	-
Transportation expenses	30,615	29,703	-	-
Accrued withholding tax	31,183	33,273	10,013	27,217
Accruals for inventories purchased	20,962	13,616	-	-
Others	56,328	49,260	7,828	-
	1,384,335	824,384	563,632	339,697

Ma San Group Corporation and its subsidiaries  
Notes to the quarterly financial statements for year ended 31 December 2012 (continued)

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**16. Long-term borrowings and liabilities**

	<u>Group</u>		<u>Company</u>	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	VND	VND	VND	VND
	million	million	million	million
Long-term borrowings (a)	6,667,882	3,329,726	4,000,000	2,000,000
Promissory notes	2,855,764	2,855,764	-	-
Convertible bonds and loans	1,176,522	1,957,960	1,176,522	1,957,960
Secured bonds	2,200,000	-	2,200,000	-
	12,900,168	8,143,450	7,376,522	3,957,960
Repayable within twelve months (Note 13)	(252,991)	(733,669)	-	(630,000)
Repayable after twelve months	12,647,177	7,409,781	7,376,522	3,327,960

**a. Long-term borrowings**

	<u>Group</u>		<u>Company</u>	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	VND	VND	VND	VND
	million	million	million	million
Bank borrowings:				
VND denominated	2,397,355	1,080,302	-	-
USD denominated	4,270,527	2,249,424	-	-
Loan from a subsidiary	-	-	4,000,000	2,000,000
	6,667,882	3,329,726	4,000,000	2,000,000

Loan from a subsidiary is unsecured, bore interest of 13% per annum and payable in accordance with contract terms.

## 17. Provision for severance allowance

Movements of provision for severance allowance during the year were as follows:

	<u>Group</u>	
	2012	2011
	VND million	VND million
Opening balance	8,564	4,552
Acquisition through business combination	-	2,805
Provision made during the year	732	1,855
Provision used during the year	(289)	(648)
Transfers to other income	(4,058)	-
	<hr/>	<hr/>
Closing balance	4,949	8,564
	<hr/>	<hr/>

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

Pursuant to Law on Social Insurance, effective from 1 January 2009, the Group and its employees are required to contribute to an unemployment insurance fund managed by the Vietnam Social Insurance Agency. The contribution to be paid by each party is calculated at 1% of the lower of the employees’ basic salary and 20 times the general minimum salary level as specified by the Government from time to time. With the implementation of the unemployment insurance scheme, the Group is no longer required to provide severance allowance for the service period after 1 January 2009. However, severance allowance to be paid to existing eligible employees as of 31 December 2008 will be determined based on the eligible employees’ years of service as of 31 December 2008 and their average salary for the six-month period prior to the termination date.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the year ended 31 December 2012 (continued)**

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**18. Changes in owners' equity**

**Group**

	Share capital VND million	Capital surplus VND million	Other capital VND million	Foreign exchange differences VND million	Other reserves VND million	Retained profits VND million	Equity attributable to equity holders of Company VND million	Minority interests VND million	Total VND million
<b>Balance at 1 January 2011</b>	5,152,723	2,166,136	9,651,713	3,189	(9,062,082)	2,712,006	10,623,685	1,524,803	12,148,488
Issuance of equity instruments	-	-	811,091	-	-	-	811,091	-	811,091
Increase in minority interests from acquiring VinaCafe Bien Hoa Joint Stock Company	-	-	-	-	-	-	-	800,370	800,370
Increase in minority interests from share capital issued by subsidiaries	-	-	-	-	2,492,101	-	2,492,101	2,837,079	5,329,180
Foreign exchange differences in a subsidiary	-	-	-	(19,255)	-	-	(19,255)	(4,155)	(23,410)
Net profit for the year	-	-	-	-	-	1,973,149	1,973,149	522,859	2,496,008
Appropriation to bonus and welfare funds	-	-	-	-	-	(5,119)	(5,119)	(1,576)	(6,695)
<b>Balance at 31 December 2011</b>	5,152,723	2,166,136	10,462,804	(16,066)	(6,569,981)	4,680,036	15,875,652	5,679,380	21,555,032



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Group

	Share capital VND million	Capital surplus VND million	Other capital VND million	Foreign exchange differences VND million	Other reserves VND million	Retained profits VND million	Equity attributable to equity holders of Company VND million	Minority interests VND million	Total VND million
<b>Balance at 1 January 2012</b>	5,152,723	2,166,136	10,462,804	(16,066)	(6,569,981)	4,680,036	15,875,652	5,679,380	21,555,032
Issuance of new shares through conversion of equity instruments	964,638	5,394,006	(6,358,644)	-	-	-	-	-	-
Issuance of new shares due to conversion of debt instruments	344,440	439,025	-	-	-	-	783,465	-	783,465
Issuance of new shares for cash	411,000	-	-	-	-	-	411,000	-	411,000
Issuance of equity instruments	-	-	1,721,824	-	-	-	1,721,824	-	1,721,824
Increase in minority interest from share capital issued by subsidiaries	-	-	-	-	(22,447)	-	(22,447)	34,947	12,500
Decrease in minority interest from subsidiaries' stake acquired	-	-	-	-	(1,494,430)	-	(1,494,430)	(560,251)	(2,054,681)
Equity instruments repurchased	-	-	(4,104,160)	-	(530,235)	-	(4,634,395)	-	(4,634,395)
Foreign exchange differences in a subsidiary	-	-	-	(62)	-	-	(62)	(33)	(95)
Net profit for the period	-	-	-	-	-	1,302,329	1,302,329	715,238	2,017,567
Dividend paid	-	-	-	-	-	-	-	(25,987)	(25,987)
Transfer to funds	-	-	-	-	-	(14,905)	(14,905)	(11,968)	(26,873)
<b>Balance at 31 December 2012</b>	6,872,801	7,999,167	1,721,824	(16,128)	(8,617,093)	5,967,460	13,928,031	5,831,326	19,759,357

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the year ended 31 December 2012 (continued)**

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**Company:**

	Share capital VND million	Capital Surplus VND million	Other capital VND million	Other reserves VND million	Retained profits VND million	Total VND million
<b>Balance at 1 January 2011</b>	5,152,723	2,166,136	9,651,713	-	200,184	17,170,756
Issuance of equity instruments	-	-	-	-	(222,633)	(222,633)
Net loss for the year	-	-	811,091	-	-	811,091
<b>Balance at 31 December 2011</b>	5,152,723	2,166,136	10,462,804	-	(22,449)	17,759,214
<b>Balance at 1 January 2012</b>	5,152,723	2,166,136	10,462,804	-	(22,449)	17,759,214
Issuance of new shares due to conversion of equity instruments	964,638	5,394,006	(6,358,644)	-	-	-
Issuance of new shares due to conversion of debt instruments	344,440	439,025	-	-	-	783,465
Issuance of new shares for cash	411,000	-	-	-	-	411,000
Issuance of equity instruments	-	-	1,721,824	-	-	1,721,824
Redemption of other capital	-	-	(4,104,160)	(530,235)	-	(4,634,395)
Net loss for the year	-	-	-	-	(220,254)	(220,254)
<b>Balance at 31 December 2012</b>	6,872,801	7,999,167	1,721,824	(530,235)	(242,703)	15,820,854

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the year ended 31 December 2012**  
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**19. Share capital and capital surplus**

The Company's authorised and issued share capital comprise:

	31/12/2012		31/12/2011	
	Number of shares	VND million	Number of shares	VND million
<b>Authorised share capital</b>	687,280,123	6,872,801	515,272,269	5,152,723
<b>Issued share capital</b>				
Ordinary shares	687,280,123	6,872,801	515,272,269	5,152,723
<b>Capital surplus</b>	-	7,999,167	-	2,166,136

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

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

Movements in issued share capital during the year were as follows:

	2012		2011	
	Number of shares	VND million	Number of shares	VND million
Balance at beginning of the year	515,272,269	5,152,723	515,272,269	5,152,723
Issuance of new shares due to conversion of equity instruments	96,463,766	964,638	-	-
Issuance of new shares due to conversion of debt instruments	34,444,088	344,440	-	-
Issuance of new shares for cash	41,100,000	411,000	-	-
Balance at the end of the year	687,280,123	6,872,801	515,272,269	5,152,723

**20. Other capital**

Other capital represents the fair value of the Company's shares to be issued as consideration for the acquisition of interests in the following subsidiaries and an associate. The fair value of these shares was measured at the date of the related acquisition.

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**21. Total revenue**

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

Net sales comprised:

	<u>Group</u>		<u>Company</u>	
	2012	2011	2012	2011
	VND million	VND million	VND million	VND million
Total revenue				
▪ Sales of finished goods	10,575,001	7,238,994	-	-
▪ Services and other sales	249	9	-	-
Less sales deductions				
▪ Sales discounts	(150,243)	(119,856)	-	-
▪ Sales returns and allowances	(35,592)	(62,298)	-	-
Net sales	10,389,415	7,056,849	-	-

**22. Cost of sales**

	<u>Group</u>		<u>Company</u>	
	2012	2011	2012	2011
	VND million	VND million	VND million	VND million
Total cost of sales				
▪ Finished goods sold	6,136,574	3,911,343	-	-
▪ Allowance for inventories	40,795	86,491	-	-
	6,177,369	3,997,834	-	-

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23. Financial income

	<u>Group</u>		<u>Company</u>	
	2012	2011	2012	2011
	VND million	VND million	VND million	VND million
Interest income from:				
▪ Deposits	760,598	917,948	204,081	138,407
▪ Investment in bonds	28,604	75,265	28,604	75,265
▪ Loan to subsidiaries	-	-	218,134	134,937
▪ Recharge to parent company	-	110,997	-	110,997
▪ Loan to parent company	-	20,748	-	20,748
Facility income from subsidiaries	-	-	770,753	121,755
Foreign exchange gains	16,146	54,598	68	43,475
Others	2,936	5,650	-	-
	808,284	1,185,206	1,221,640	645,584

24. Financial expenses

	<u>Group</u>		<u>Company</u>	
	2012	2011	2012	2011
	VND million	VND million	VND million	VND million
Interest expenses to:				
▪ Banks	278,933	153,847	-	-
▪ Bondholders	-	162,404	387,347	162,404
▪ Subsidiary	-	-	568,281	416,887
Facility expenses to subsidiaries	-	-	346,421	121,755
Foreign exchange losses	9,026	19,273	3,400	8,646
Other financial expenses	20,354	12,201	20,295	7,965
	308,313	347,725	1,325,744	717,657

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the year ended 31 December 2012**  
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**25. Other income**

	<u>Group</u>		<u>Company</u>	
	2012	2011	2012	2011
	VND million	VND million	VND million	VND million
Reimbursement of cost from parent company	142,244	-	142,244	-
Income from scrap sales	20,512	12,499	-	-
Tax refund	18,977	-	-	-
Transfers from severance allowance	4,058	-	-	-
Proceeds on disposal of fixed assets and long-term assets	2,023	2,406	-	-
Others	23,137	7,264	210	-
	210,951	22,169	142,454	-

**26. Other expenses**

	<u>Group</u>		<u>Company</u>	
	2012	2011	2012	2011
	VND million	VND million	VND million	VND million
Cost of scrap sales	16,489	12,174	-	-
Net book value of disposed fixed assets and long-term assets	7,246	7,616	-	-
Tax penalties	2,075	3,315	-	-
Others	21,255	3,198	-	73
	47,065	26,303	-	73

**27. Share of (loss)/profit in associates**

	<u>Group</u>		<u>Company</u>	
	2012	2011	2012	2011
	VND million	VND million	VND million	VND million
Share of profit in associates	318,280	969,019	-	-
Amortisation of goodwill	(606,201)	(576,286)	-	-
	(287,921)	392,733	-	-

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the year ended 31 December 2012**  
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**28. Earnings per share**

The calculation of basic earnings per share at 31 December 2012 was based on the profit attributable to ordinary shareholders of VND 1,302,329 million (2011: VND1,973,149 million) of the Group and a weighted average number of ordinary shares outstanding of 708,950,101 shares during the year (2011: 678,369,685 shares), calculated as follows:

*(i) Net profit attributable to ordinary shareholders*

	<b>2012</b>	<b>2011</b>
	<b>VND million</b>	<b>VND million</b>
Net profit attributable to ordinary shareholders	1,302,329	1,973,149

*(ii) Weighted average number of ordinary shares*

	<b>2012</b>	<b>2011</b>
Issued ordinary shares at the beginning of the year	515,272,269	515,272,269
Effect of shares issued for cash	17,550,000	-
Effect of shares issued to discharge convertible bonds and loans	11,816,585	-
Effect of shares issued to discharge other capital	96,463,766	-
Effect of equity instruments bought back	24,313,661	-
Effect of share issued solely after the passage of time	43,533,820	152,579,160
Effect of equity instruments issued for the acquisition of additional interest in an associate	-	10,518,256
Weighted average number of ordinary shares at the end of the year	708,950,101	678,369,685

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the year ended 31 December 2012**  
**(continued)**

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**29. Significant transactions with related parties**

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

**Group:**

<b>Related Party</b>	<b>Nature of transaction</b>	<b>2012 VND million</b>	<b>2011 VND million</b>
<b>Parent Company</b>			
Ma San Corporation	Interest and tax shared by parent company	-	123,974
	Loan provided to parent company	-	715,000
	Interest income from loan to parent company	-	20,748
	Expenses shared by parent company	142,244	1,801
<b>Other related parties</b>			
Masan Global Services Corporation	Maintenance fee	12,770	10,717
	Purchase of fixed assets	-	2,505
Masan Property Corporation	Service charge expense and advance	13,376	12,797
	Rental income	-	91
<b>Board of Management members and Board of Directors</b>			
	Remuneration to the members of Board of Management	-	-
	Remuneration to the members of Board of Directors	37,760	48,286



**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the year ended 31 December 2012**  
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**Company:**

<b>Related Party</b>	<b>Nature of transaction</b>	<b>2012 VND million</b>	<b>2011 VND million</b>
<b>Parent Company</b>			
Ma San Corporation	Interest and tax shared by parent company	-	123,974
	Loan provided to parent company	-	715,000
	Interest income from loan to parent company	-	20,748
	Expenses shared by parent company	142,244	1,801
<b>Subsidiaries</b>			
Ma San Consumer Corporation	Loans received from subsidiary	-	4,715,000
	Interest expenses on loan	568,281	416,887
	Facility fee expense	346,420	121,755
	Loan provided to a subsidiary	2,028,000	-
	Interest income on loan	60,898	-
Ma San Horizon Corporation	Loan provided to a subsidiary	-	2,136,347
Ma San Resources Corporation	Interest income from loans provided to a subsidiary	157,235	134,937
	Facility fee income	346,420	121,755
Nui Phao Mining Company Limited	Facility fee income	424,332	-
<b>Board of Management members and Board of Directors</b>			
	Remuneration to the members of Board of Management	-	-
	Remuneration to the members of Board of Directors	6,306	4,985

### **30. Subsequent event**

Subsequent to the year end, Ma San Consumer Corporation issued primary shares to the minority shareholder amounting to VND2,272 billion.

Ma San Consumer Corporation announced to purchase 24.9% of Vinh Hao Mineral Joint Stock Company (“Vinh Hao”). The contemplated transaction and tender offer are subject to customary corporate and regulatory approvals.

### 31. Explanation of the net profit movement

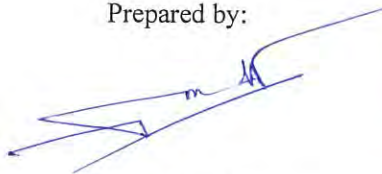
The Group net profit after tax in 4Q2012 is VND413 billion compared with VND1,124 billion in last corresponding period, down 63%:

- Net sales and gross profit improved due to robust performance of the consumer business, led by strong growth in instant noodles, up-trading in fish sauce and strengthened competitive position in coffee and cereals.
- Share of profit in associates declined from a profit of VND303 billion in 4Q2011 to a loss of VND370 billion in 4Q2012 on account of the challenging operating conditions in the banking sector.
- A reduction in financial income and an increase in income tax expense also affected the results.

The variance of the Company result in 4Q2012 compared with it in 4Q2011 because of:

- The increasing finance expenses and general and administration expenses.

Prepared by:



Doan Thi My Duyen  
Chief Accountant

Approved by:



Nguyen Dang Quang  
Chairman

*eric*