

**Masan Group Corporation
and its subsidiaries**

Consolidated quarterly financial statements for
the period ended 30 September 2021



**Masan Group Corporation
Corporate Information**

**Enterprise Registration
Certificate No.**

0303576603

18 November 2004

The Enterprise Registration Certificate has been amended several times, the most recent of which is dated 17 June 2021. 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 Woncheol Park	Member
Mr Nguyen Doan Hung	Member
Mr David Tan Wei Ming	Member
Ms Nguyen Thi Thu Ha	Member (from 1 April 2021)

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

Masan Group Corporation and its subsidiaries
Consolidated balance sheet as at 30 September 2021

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

	Code	Note	30/9/2021 VND million	1/1/2021 VND million
ASSETS				
Current assets				
(100 = 110 + 120 + 130 + 140 + 150)	100		36,888,542	29,760,685
Cash and cash equivalents	110	6	12,300,031	7,721,442
Cash	111		2,337,620	1,930,142
Cash equivalents	112		9,962,411	5,791,300
Short-term financial investments	120	13	350,250	447,250
Held-to-maturity investments	123		350,250	447,250
Accounts receivable	130	7	8,561,607	7,051,442
Accounts receivable	131		2,971,696	2,061,915
Prepayments to suppliers	132		959,621	606,656
Receivables on short-term lending loans	135	(i)	1,228,300	1,140,000
Other receivables	136	(iii)	3,479,710	3,350,727
Allowance for doubtful debts	137		(88,659)	(107,856)
Shortage of assets awaiting resolution	139		10,939	-
Inventories	140	8	13,732,231	12,497,917
Inventories	141		13,887,942	12,730,397
Allowance for inventories	149		(155,711)	(232,480)
Other current assets	150		1,944,423	2,042,634
Short-term prepayments	151		396,994	303,201
Deductible value added tax	152		1,478,517	1,663,346
Taxes and other receivables from State Treasury	153		68,912	76,087

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

Masan Group Corporation and its subsidiaries
Consolidated balance sheet as at 30 September 2021 (continued)

Form B 01a – DN/HN

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

	Code	Note	30/9/2021 VND million	1/1/2021 VND million
Long-term assets				
(200 = 210 + 220 + 230 + 240 + 250 + 260)	200		86,507,910	85,975,877
Accounts receivable – long-term	210	7	1,671,113	1,592,008
Loans receivable – long-term	215	(ii)	81,150	-
Other long-term receivables	216	(iii)	1,589,963	1,592,008
Fixed assets	220		46,967,477	49,582,187
Tangible fixed assets	221	9	32,075,093	34,321,764
Cost	222		50,291,977	50,777,648
Accumulated depreciation	223		(18,216,884)	(16,455,884)
Finance lease tangible fixed assets	224		366,851	22,278
Cost	225		437,611	90,061
Accumulated depreciation	226		(70,760)	(67,783)
Intangible fixed assets	227	10	14,525,533	15,238,145
Cost	228		19,586,065	19,594,216
Accumulated amortization	229		(5,060,532)	(4,356,071)
Investment properties	230	11	845,196	14,518
Cost	231		1,199,412	18,628
Accumulated amortization	232		(354,216)	(4,110)
Long-term assets in progress	240	12	2,365,963	2,274,759
Construction in progress	242		2,365,963	2,274,759
Long-term financial investments	250	13	23,592,295	20,353,099
Investments in associates	252		23,554,306	20,320,738
Investments in other entities	253		30,589	30,589
Allowance for diminution in the value of long-term investments	254		-	(5,628)
Held-to-maturity investments	255		7,400	7,400
Other long-term assets	260		11,065,866	12,159,306
Long-term prepayments	261	14	6,613,249	6,533,670
Deferred tax assets	262		908,239	1,794,136
Goodwill	269	15	3,544,378	3,831,500
TOTAL ASSETS (270 = 100 + 200)	270		123,396,452	115,736,562

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

Masan Group Corporation and its subsidiaries
Consolidated balance sheet as at 30 September 2021 (continued)

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

	Code	Note	30/9/2021 VND million	1/1/2021 VND million
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		91,029,737	90,706,283
Current liabilities	310		39,858,448	38,874,663
Accounts payable	311		8,179,333	6,832,649
Advances from customers	312		204,135	1,074,932
Taxes payable to State Treasury	313	16	1,359,057	941,302
Payables to employees	314		353,778	239,074
Accrued expenses	315	17	5,497,546	4,705,417
Short-term unearned revenue	318		23,617	20,706
Other short-term payables	319	18	3,925,662	2,472,126
Short-term borrowings and bonds	320	19	20,255,949	22,545,046
Provisions – short-term	321		16,516	6,517
Bonus and welfare funds	322		42,855	36,894
Long-term borrowings and liabilities	330		51,171,289	51,831,620
Long-term account payables	331		25,458	27,668
Other long-term payables	337	18	192,263	180,397
Long-term borrowings and bonds	338	20	40,779,897	39,466,043
Deferred tax liabilities	341		3,516,013	4,651,174
Provisions – long-term	342		6,657,658	7,506,338

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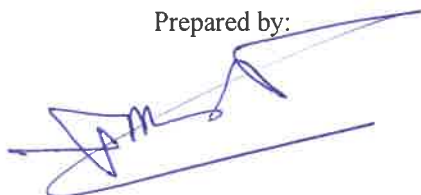
Masan Group Corporation and its subsidiaries
Consolidated balance sheet as at 30 September 2021 (continued)

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

	Code	Note	30/9/2021 VND million	1/1/2021 VND million
EQUITY (400 = 410)	400		32,366,715	25,030,279
Owners' equity	410	21	32,366,715	25,030,279
Share capital	411	22	11,805,347	11,746,832
Capital surplus	412	22	11,084,247	11,084,297
Other capital	414	23	(8,563,690)	(8,563,690)
Foreign exchange differences	417		(327,238)	(226,972)
Other equity funds	420		(31,086)	(284,952)
Undistributed profits	421		7,549,034	2,182,124
<i>Undistributed profit brought forward</i>	421a		1,057,575	27,383,610
<i>Undistributed profit/(loss) for the current period</i>	421b		6,491,459	(25,201,486)
Non-controlling interest	429	21	10,850,101	9,092,640
TOTAL RESOURCES (440 = 300 + 400)	440		123,396,452	115,736,562

28 October 2021

Prepared by:



Doan Thi My Duyen
Chief Accountant

Approved by:





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

Danny Le
Chief Executive Officer

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

Masan Group Corporation and its subsidiaries
Consolidated statement of income for the period ended 30 September 2021

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

	Code	Note	From 1/7/2021 to 30/9/2021 VND million	From 1/7/2020 to 30/9/2020 VND million	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Total revenue	01	25	23,903,900	20,614,349	65,802,025	56,768,172
Less sales deductions	02	25	299,091	400,041	1,001,061	1,149,895
Net sales (10 = 01 - 02)	10	25	23,604,809	20,214,308	64,800,964	55,618,277
Cost of sales	11	26	17,508,621	15,396,469	49,543,409	42,944,339
Gross profit (20 = 10 - 11)	20		6,096,188	4,817,839	15,257,555	12,673,938
Financial income	21	27	326,610	158,539	788,296	1,253,439
Financial expenses	22	28	1,366,192	1,277,077	4,145,632	3,136,245
<i>In which: Interest expense</i>	23		<i>1,157,486</i>	<i>1,090,959</i>	<i>3,531,498</i>	<i>2,632,126</i>
Share of profit in associates	24	29	933,881	676,550	2,904,834	1,808,768
Selling expenses	25		3,083,017	3,315,413	8,480,153	9,628,901
General and administration expenses	26		1,170,650	850,418	2,980,988	2,521,228
Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		1,736,820	210,020	3,343,912	449,771
Other income	31	30	146,681	977,685	338,972	1,064,746
Other expenses	32	31	20,435	87,303	190,902	162,975
Results of other activities (40 = 31 - 32)	40		126,246	890,382	148,070	901,771
Profit before tax (50 = 30 + 40)	50		1,863,066	1,100,402	3,491,982	1,351,542
Income tax expense – current	51		405,005	238,340	808,106	708,927
Income tax benefit – deferred	52		(128,271)	(110,503)	(298,649)	(168,005)
Net profit (60 = 50 - 51 - 52) (carried forward to next page)	60		1,586,332	972,565	2,982,525	810,620

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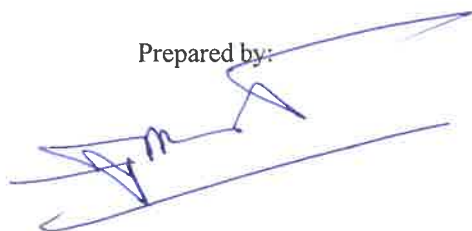
Masan Group Corporation and its subsidiaries
Consolidated statement of income for the period ended 30 September 2021 (continued)

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

	Code	Note	From 1/7/2021 to 30/9/2021 VND million	From 1/7/2020 to 30/9/2020 VND million	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Net profit (60 = 50 - 51 - 52) (brought forward from previous page)	60		1,586,332	972,565	2,982,525	810,620
Attributable to:						
Equity holders of the Company	61		1,147,456	851,502	2,126,069	968,756
Non-controlling interest	62		438,876	121,063	856,456	(158,136)
Earnings per share						
Basic earnings per share (VND)	70	32	972	728	1,806	828

28 October 2021

Prepared by:



Doan Thi My Duyen
Chief Accountant

Approved by:



Michael Hung Nguyen
Deputy Chief Executive Officer
Chief Financial Officer




Danny Le
Chief Executive Officer

Masan Group Corporation and its subsidiaries
Consolidated statement of cash flows for the period ended 30 September 2021
(Indirect method)

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

	Code	Note	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	01		3,491,982	1,351,542
Adjustments for				
Depreciation and amortization	02		3,513,535	3,323,622
Negative goodwill on acquisition of a subsidiary	02		-	(880,818)
Allowances and provisions	03		(12,733)	57,398
Net unrealised foreign exchange (gains)/losses	04		(73,768)	16,657
Gain from investing activities	05		(3,336,685)	(619,143)
Interest expenses and others	06		3,834,338	2,776,392
Operating profit before changes in working capital	08		7,416,669	6,025,650
Change in receivables and other assets	09		(899,985)	(879,131)
Change in inventories	10		(1,191,111)	(47,226)
Change in payables and other liabilities	11		2,507,601	(506,011)
Change in prepayment	12		279,876	(282,452)
Change in trading securities	13		-	472,134
			8,113,050	4,782,964
Interest paid	14		(3,527,487)	(2,976,149)
Corporate income tax paid	15		(674,982)	(571,441)
Other payments for operating activities	17		(2,863)	(1,822)
Net cash flows from operating activities	20		3,907,718	1,233,552

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

Masan Group Corporation and its subsidiaries
Consolidated statement of cash flows for the period ended 30 September 2021
(Indirect method - continued)

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

	Code	Note	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(2,126,324)	(2,613,249)
Proceeds from disposals of fixed assets and other long-term assets	22		10,900	45,767
Payments for granting loans, term deposits at banks and other investment	23		(2,243,750)	(2,758,300)
Receipts from collecting loans, term deposits at banks and other investment	24		2,198,100	1,691,820
Payments for investments	25		(2,227,501)	(33,964,360)
Business combination, net of cash acquired	25		6,412	-
Collections on disposal of investment	26		5,939,233	10,500,000
Receipts of interest, dividends and related income from investing activities	27		345,472	594,560
Net cash flows from investing activities	30		1,902,542	(26,503,762)

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

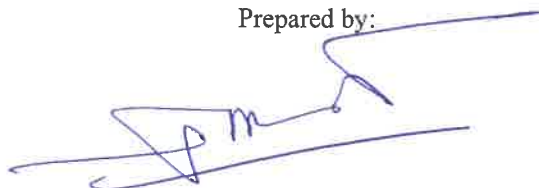
Masan Group Corporation and its subsidiaries
Consolidated statement of cash flows for the period ended 30 September 2021
(Indirect method - continued)

Form B 03a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
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	Code	Note	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of shares and capital contribution in subsidiaries by non-controlling interest	31		9,727,132	267,936
Payments for share repurchases in a subsidiary	32		(8,029,617)	-
Proceeds from borrowings	33		41,021,908	65,056,978
Payments to settle borrowings	34		(42,628,038)	(41,058,219)
Payments to settle finance lease liabilities	35		(4,875)	-
Payment of dividends	36		(1,317,345)	(176,739)
Net cash flows from financing activities	40		(1,230,835)	24,089,956
Net cash flows during the period (50 = 20 + 30 + 40)	50		4,579,425	(1,180,254)
Cash and cash equivalents at the beginning of the period	60		7,721,442	6,800,528
Effect of exchange rate fluctuation on cash and cash equivalents	61		(836)	(12,033)
Cash and cash equivalents at the end of the period (70 = 50 + 60 + 61)	70	6	12,300,031	5,608,241

28 October 2021

Prepared by:



Doan Thi My Duyen
Chief Accountant

Approved by:



Michael Hung Nguyen
Deputy Chief Executive Officer
Chief Financial Officer



Danny Le

Chief Executive Officer

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021

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

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

1. Reporting entity

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

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

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

Subsidiaries

Number	Name	Note	Principal activity	Percentage of economic interests at	
				30/9/2021	1/1/2021
<i>Direct subsidiaries</i>					
1	Masan Horizon Company Limited (“MH”)		Investment holding	99.9%	99.9%
2	Masan MEATLife Corporation (“MML”)		Investment holding	87.9%	87.3%
3	The SHERPA Company Limited (“SHERPA”)		Investment holding	99.9%	99.9%
<i>Indirect subsidiaries</i>					
1	The CrownX Corporation (“CrownX”)	(**)	Investment holding	84.9%	84.8%
2	MasanConsumerHoldings Company Limited (“MCH”)	(i)	Investment holding	72.7%	72.7%
3	Masan Brewery Company Limited (“MB”)	(i)	Investment holding	48.5%	48.5%
4	Masan Master Brewer Company Limited (“MMBr”)	(i)	Beer and beverage trading	48.5%	48.5%
5	Masan Brewery PY One Member Company Limited (“MBPY”)	(i)	Beer and beverage manufacturing	48.5%	48.5%

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

Number	Name	Note	Principal activity	Percentage of economic interests at	
				30/9/2021	1/1/2021
6	Masan Brewery HG One Member Company Limited (“MBHG”)	(i)	Beer and beverage manufacturing	48.5%	48.5%
7	Masan Brewery Distribution One Member Company Limited (“MBD”)	(i)	Beer and beverage trading	48.5%	48.5%
8	Masan Brewery MB Company Limited (“MBMB”)	(i)	Beer and beverage manufacturing	48.5%	48.5%
9	Masan Consumer Corporation (“MSC”)	(i)	Trading and distribution	68.9%	68.9%
10	Masan Consumer (Thailand) Limited (“MTH”)	(i)	Trading and distribution	68.9%	68.9%
11	Masan Food Company Limited (“MSF”)	(i)	Trading and distribution	68.9%	68.9%
12	Masan Industrial One Member Company Limited (“MSI”)	(i)	Seasonings, convenience food manufacturing and packaging	68.9%	68.9%
13	Viet Tien Food Technology One Member Company Limited (“VTF”)	(i)	Seasonings manufacturing	68.9%	68.9%
14	Masan HD One Member Company Limited (“MHD”)	(i)	Convenience food manufacturing	68.9%	68.9%
15	Masan PQ Corporation (“MPQ”)	(i)	Seasonings manufacturing	68.9%	68.9%
16	Nam Ngu Phu Quoc One Member Company Limited (“NPQ”)	(i)	Seasonings manufacturing	68.9%	68.9%
17	Masan Long An Company Limited (“MLA”)	(i)	Seasonings, convenience food manufacturing and packaging	68.9%	68.9%

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN
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Number	Name	Note	Principal activity	Percentage of economic interests at	
				30/9/2021	1/1/2021
18	Masan HN Company Limited (“HNF”)	(i)	Convenience food manufacturing	68.9%	68.9%
19	VinaCafé Bien Hoa Joint Stock Company (“VCF”)	(i)	Beverage manufacturing and trading	68.1%	68.0%
20	Café De Nam Joint Stock Company (“CDN”)	(i) (*)	Beverage trading and manufacturing	66.6%	57.8%
21	Vinh Hao Mineral Water Corporation (“VHC”)	(i)	Beverage manufacturing and trading and packaging	62.1%	62.1%
22	Kronfa., JSC (“KRP”)	(i)	Beverage manufacturing	62.1%	62.1%
23	Masan Beverage Company Limited (“MSB”)	(i)	Beverage trading and distribution	68.9%	68.9%
24	Masan MB One Member Company Limited (“MMB”)	(i)	Seasonings, convenience food manufacturing and packaging	68.9%	68.9%
25	Masan HG One Member Company Limited (“MHG”)	(i)	Convenience food manufacturing and packaging	68.9%	68.9%
26	Masan Jinju Joint Stock Company (“MSJ”)	(i)	Convenience food manufacturing and trading	51.7%	51.6%
27	Quang Ninh Mineral Water Corporation (“QNW”)	(i)	Beverage manufacturing and trading	45.4%	45.3%
28	Masan HPC Company Limited (“HPC”)	(i)	Trading and distribution	68.9%	68.9%

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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Number	Name	Note	Principal activity	Percentage of economic interests at	
				30/9/2021	1/1/2021
29	Net Detergent Joint Stock Company (“NET”)	(i)	Homecare products manufacturing and trading	36.0%	36.0%
30	Masan Innovation Company Limited (“INV”)	(i)	Trading and distribution	68.9%	68.9%
31	Hi-Fresh Company Limited (“HIF”)	(i)	Trading and distribution	68.9%	68.9%
32	Mapleleaf Company Limited (“MPL”)	(ii)	Investment holding	99.9%	99.9%
33	Masan Blue Corporation (“MBL”)	(ii)	Trading and distribution	99.8%	99.8%
34	Blue Tek Vietnam Joint Stock Company (“Blue Tek”)	(ii)	Software publishing	50.9%	50.9%
35	Masan High-Tech Materials Corporation (“MHT”)	(ii)	Investment holding	86.4%	86.4%
36	Masan Thai Nguyen Resources Company Limited (“MRTN”)	(ii)	Investment holding	86.4%	86.4%
37	Thai Nguyen Trading and Investment Company Limited (“TNTI”)	(ii)	Investment holding	86.4%	86.4%
38	Nui Phao Mining Company Ltd (“NPM”)	(ii)	Exploring and processing mineral	86.4%	86.4%
39	Masan Tungsten Limited Liability Company (“MTC”)	(ii)	Deep processing of nonferrous metals and precious metal: (tungsten)	86.4%	86.4%
40	H.C. Starck Holding (Germany) GmbH (Germany) (“HCS”)	(ii)	Investment holding	86.4%	86.4%
41	ChemiLytics Beteiligungs GmbH (Germany)	(ii)	Investment holding	86.4%	86.4%

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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Number	Name	Note	Principal activity	Percentage of economic interests at	
				30/9/2021	1/1/2021
42	H.C. Starck GmbH (Germany)	(ii)	Investment holding	86.4%	86.4%
43	Chemische Fabriken Oker und Braunschweig AG (Germany)	(ii)	Producing chemicals utilized in the manufacturing of paper and additives for the absorptive materials industry	86.4%	86.4%
44	H.C. Starck Infrastructure GmbH & Co. KG (Germany)	(ii)	Deep processing of nonferrous metals and precious metals (Tungsten)	86.4%	86.4%
45	ChemiLytics GmbH & Co. KG (Germany)	(ii)	Chemical analysis and physical measurement data	86.4%	86.4%
46	H.C. Starck Tungsten GmbH (Germany)	(ii)	Deep processing of nonferrous metals and precious metals (Tungsten)	86.4%	86.4%
47	H.C. Starck Nonferrous Metals Trading (Shanghai) Co. Ltd. (China)	(ii)	Trading and distribution	86.4%	86.4%
48	H.C. Starck Canada Inc. (Canada)	(ii)	Deep processing of nonferrous metals and precious metals (Tungsten)	86.4%	86.4%
49	H.C. Starck Tungsten GK (Japan)	(ii)	Trading and distribution	86.4%	86.4%
50	H.C. Starck Tungsten LLC (USA)	(ii)	Trading and distribution	86.4%	86.4%

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN
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Number	Name	Note	Principal activity	Percentage of economic interests at	
				30/9/2021	1/1/2021
51	H.C. Starck Jiangwu Tungsten Specialities (Ganzhou) Co. Ltd. (China)	(ii)	Deep processing of nonferrous metals and precious metals (Tungsten)	51.8%	51.8%
52	MNS Feed Corporation (previously known as MNS Feed Company Limited) (“MNS Feed”)	(iii)	Animal protein	87.9%	87.9%
53	Agro Nutrition International Joint Stock Company (“ANCO”)	(iii)	Animal protein	87.9%	87.9%
54	MNS Feed Vinh Long Company Limited (“MNS Feed Vinh Long”)	(iii)	Animal protein	87.9%	87.9%
55	Agro Nutrition International Binh Dinh One Member Limited Company (“ANCO Binh Dinh”)	(iii)	Animal protein	87.9%	87.9%
56	MNS Feed Thai Nguyen Company Limited (“MNS Feed Thai Nguyen”)	(iii)	Animal protein	87.9%	87.9%
57	MNS Feed Tien Giang Company Limited (“MNS Feed Tien Giang”)	(iii)	Animal protein	87.9%	87.9%
58	MNS Feed Nghe An Company Limited (“MNS Feed Nghe An”)	(iii)	Animal protein	87.9%	87.9%
59	MNS Feed Hau Giang Company Limited (“MNS Feed Hau Giang”)	(iii)	Animal protein	87.9%	87.9%
60	MNS Meat Company Limited (“MNS Meat”)	(iii)	Animal protein	87.9%	87.9%
61	MNS Farm Nghe An Company Limited (“MNF (NA)”)	(iii)	Breeding swine	87.9%	87.9%
62	MNS Farm Company Limited (“MNS Farm”)	(iii)	Investment holding	87.9%	87.9%
63	MNS Meat Processing Company Limited (“MNS Meat Processing”)	(iii)	Investment holding	87.9%	87.9%

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

Number	Name	Note	Principal activity	Percentage of economic interests at	
				30/9/2021	1/1/2021
64	MNS Meat Ha Nam Company Limited (“MNS Meat Ha Nam”)	(iii)	Meat processing	87.9%	87.9%
65	MEATDeli Sai Gon Company Limited (“MEATDeli Sai Gon”)	(iii)	Meat processing	87.9%	87.9%
66	3F Viet Joint Stock Company (“3F Viet”)	(iii)	Chicken breeding and trading	44.8%	44.8%
67	3F Viet Food Company Limited (“3F Viet Food”)	(iii)	Meat processing and trading	44.8%	44.8%
68	Vietnamese – French Cattle Feed Joint Stock Company (“Proconco”)	(iii)	Animal protein	66.0%	66.0%
69	Proconco Can Tho One Member Company Limited (“Proconco Can Tho”)	(iii)	Animal protein	66.0%	66.0%
70	ConCo Binh Dinh Co., Ltd. (“Proconco Binh Dinh”)	(iii)	Animal protein	66.0%	66.0%
71	Proconco Hung Yen Trading and Production Co., Ltd. (“Proconco Hung Yen”)	(iii)	Animal protein	66.0%	66.0%
72	VCM Services and Trading Development Joint Stock Company (“VCM”)	(iv) (***)	Investment holding	71.3%	80.1%
73	Wincommerce General Commercial Services Joint Stock Company (previously known as Vincommerce General Commercial Services Joint Stock Company) (“WinCommerce”)	(iv)	Trading and distribution	71.3%	80.1%
74	WinEco Agricultural Investment Development and Production LLC (previously known as VinEco Agricultural Investment Development and Production LLC) (“WinEco”)	(iv)	Agriculture	71.3%	80.1%
75	WinEco – Tam Dao Agricultural Investment Development and Production Limited Liability Company (previously known as VinEco – Tam Dao Agricultural Investment Development and Production Limited Liability Company) (“WinEco Tam Dao”)	(iv)	Agriculture	63.4%	71.3%

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

Number	Name	Note	Principal activity	Percentage of economic interests at	
				30/9/2021	1/1/2021
76	Dong Nai – Vineco Agricultural Company Limited (“VinEco Dong Nai”)	(iv)	Agriculture	55.2%	62.1%
77	Mobicast Joint Stock Company (“MOB”) (****)	(ix)	Telecommunications	70.0%	-

(*) In January 2021, VCF, an indirect subsidiary of the Company, acquired an additional 17,000,000 shares, equivalent to 12.77% equity interests, in Café De Nam Joint Stock Company (“CDN”). As a result of this transaction, the Company’s effective equity interests in CDN has increased from 57.8% to 66.6%.

(**) In January and April 2021, the Company sold 1,995,040 shares of CrownX to SHERPA. In June 2021, CrownX issued 4,278,260 shares to new investors and repurchased 3,743,482 shares from other investor. At the same time, SHERPA acquired 534,783 shares of CrownX from other investor. As a result of these transactions, the Company’s effective equity interest in CrownX changed from 84.8% to 84.9%.

(***) In April 2021, SHERPA transferred 66,175,968 shares of VCM, equivalent to 10.28% ownership in WCM to SK Investment Vina IV Pte. Ltd. Subsequently, in June 2021, VCM issued 8,752,760 of primary shares to CrownX. As at 30 September 2021, the Company’s effective equity interest in VCM changed from 80.1% to 71.3% accordingly.

(****) In September 2021, SHERPA purchased 25,318,160 shares of MOB, equivalent to 70.0% ownership in MOB. As a result of this transaction, the Company has a 70.0% effective equity interest in MOB.

Associates

Number	Name	Note	Principal activity	Percentage of economic interests at	
				30/9/2021	1/1/2021

Direct associate

1	Vietnam Technological and Commercial Joint Stock Bank (“Techcombank”)		Banking		Note 13(a)
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Indirect associates

1	Cholimex Food Joint Stock Company (“Cholimex”)	(v)	Seasonings manufacturing and trading	32.8%	32.8%
2	Thuan Phat Packing Joint Stock Company (“Thuan Phat”)	(vi)	Packing manufacturing	25.0%	25.0%
3	Abattoir Long Binh Joint Stock Company (“Abattoir”)	(vi)	Animal protein	25.0%	25.0%

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

Number	Name	Note	Principal activity	Percentage of economic interests at	
				30/9/2021	1/1/2021
<i>Direct associate</i>					
4	Vissan Joint Stock Company (“Vissan”)	(vi)	Food manufacturing and retailing	24.9%	24.9%
5	Jiangwu H.C. Starck Tungsten Products Co., Ltd.	(vii)	Deep processing of nonferrous metals and precious metals (Tungsten)	30.0%	30.0%
6	Phuc Long Heritage Joint Stock Company (“Phuc Long”)	(viii)	Food and beverage	20.0%	-

- (i) These entities are direct and indirect subsidiaries of MCH.
- (ii) These entities are direct and indirect subsidiaries of MH.
- (iii) These entities are direct and indirect subsidiaries of MML.
- (iv) These entities are direct and indirect subsidiaries of VCM.
- (v) This entity is an indirect associate of MCH.
- (vi) These entities are indirect associates of MML.
- (vii) This entity is an indirect associate of MHT.
- (viii) This entity is a direct associate of SHERPA and is newly acquired in May 2021.
- (ix) This entity is a direct subsidiary of SHERPA and is newly acquired in September 2021.

The percentage of economic interests for subsidiaries represents the effective percentage of economic of interest.

On 19 October 2021, the Company increased its contributed capital in The SHERPA Company Limited by VND683,500,000,000.

On 19 October 2021, the Company decreased its contributed capital in Masan Horizon Company Limited by VND3,450,000,000,000.

Normal operating cycle

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

2. Basis of preparation

(a) Statement of compliance

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

(b) Basis of measurement

These consolidated quarterly 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 Company is from 1 January to 31 December. The consolidated quarterly financial statements are prepared for the nine-month period ended 30 September 2021.

(d) Accounting and presentation currency

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

(e) Corresponding figures

The corresponding figures as at 1 January 2021 were brought forward from the audited figures as at 31 December 2020.

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

3. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Group in the preparation of these consolidated quarterly financial statements. The accounting policies that have been adopted by the Group in the preparation of these consolidated quarterly financial statements are consistent with those adopted in the preparation of the latest consolidated annual financial statements.

(a) Basis of consolidation

(i) Common-control business combination

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

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

(ii) Non-common control business combination

Non-common control business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. Under the purchase method, the assets and liabilities of the acquired entity are consolidated using their fair values. Cost of acquisition consists of the aggregate fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group. Goodwill represents the excess of the cost of acquisition over the Group’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired entity. When the excess is negative, it is recognized immediately in the consolidated statement of income.

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

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

(iii) Subsidiaries

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

(iv) Associate (equity accounted investees)

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity. Associates are accounted for in the consolidated quarterly financial statements using the equity method (equity accounted investees). The consolidated quarterly 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. Gain or loss on disposal of interest in an associate without losing significant influence, including through dilution of interest in the associate as deemed disposal, is recognised in the consolidated statement of income. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

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

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

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.

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

(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 quarterly financial statements. Unrealised gains and losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

(b) Foreign currency

(i) Foreign currency transactions

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

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

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

(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 accounting period quoted by the commercial bank where the Company 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;
- Capital is translated to VND at historical exchange rate. Accumulated losses/retained profits, funds and reserves are derived from the translated net profits/movement 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.

(c) Cash and cash equivalents

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

Masan Group Corporation and its subsidiaries

Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

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

(d) Investments

(i) *Held-to-maturity investments*

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

(ii) *Equity investments in other entity*

Equity investments in other 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, except where such a loss was anticipated by the management of the Company or its subsidiaries before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(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 trade receivables. For factoring transactions, the Group assess whether trade receivables can be derecognised in their entirety or not, basing on the extent to which it retains the risks and rewards of ownership of the trade receivables.

If the Group:

- transfers substantially all the risks and rewards of ownership of the receivables, the Group derecognises the receivables and recognise separately as asset or liability 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 recognise 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.

Masan Group Corporation and its subsidiaries

Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

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

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 recognizes 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 manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and direct selling expenses.

The Group applies the perpetual method of accounting for inventory.

(g) Tangible fixed assets

(i) Cost

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

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

(ii) Depreciation

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

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

Others

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

▪ mining properties	15 - 20 years
▪ buildings and structures	4 - 50 years
▪ leasehold improvements	3 - 5 years
▪ office equipment	3 - 15 years
▪ machinery and equipment	2 - 25 years
▪ motor vehicles	3 - 15 years

(h) Intangible fixed assets

(i) Land use rights

Land use rights comprise:

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

Land use rights 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 useful lives ranging from 10 to 50 years.

(ii) Software

Cost of software include:

- 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 3 to 10 years;
- cost incurred during actual software development phase when 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 capitalized 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; andthe Group is able to measure expenditure attributable to the software development project reliably.

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

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

(iii) Brand name

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

The fair value of brand name acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the brand name being owned. The fair value of brand name acquired in a business combination is recognized as an intangible asset and is amortized on a straight-line basis ranging from 10 to 30 years.

(iv) Customer relationships

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

The fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject assets are valued after deducting a fair return on all other assets that are part of creating the related cash flows. The fair value of customer relationship is amortized on a straight line basis ranging from 5 to 35 years.

(v) Mineral water resources

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

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

(vi) Mining rights

The mining rights is calculated based on the remaining exploitable reserves multiplied with the price as announced by the provincial authorities in accordance with Decree 203/2013/ND/CP dated 28 November 2013 which became effective from 20 January 2014. Cost of mining rights are stated at an amount equal to the present value of mining rights fee and is capitalized and treated as an intangible asset. Amortisation of mining rights fees is computed on a straight-line basis over the period of 15 years which is the economic life of the mine reserves.

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

(vii) Technology

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

The fair value of technology acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject assets are valued after deducting a fair return on all other assets that are part of creating the related cash flows. The fair value of technology is amortized on a straight line basis over their useful lives ranging over 5 - 30 years.

(viii) Mineral water resources exploitation rights

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

(ix) Development cost

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and process, 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. Capitalised development costs are stated at cost less accumulated amortisation, which is provided on a straight-line basis over 3 to 16 years.

(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 building, infrastructures and any directly attributable expenditures of bringing the property to the condition necessary for it to be capable of operating in the manner intended by the Board of Management of the Company or its subsidiary. Expenditure incurred after the investment property held to earn rental has been put into operation, such as repairs and maintenance, is charged to the consolidated statement of income in the period in which the expenditure 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.

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

(ii) Depreciation

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

- | | |
|------------------|---------------|
| ▪ buildings | 20 – 25 years |
| ▪ infrastructure | 5 – 20 years |

(j) Construction in progress

Construction in progress represents the costs of swine breeders, 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 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 recognized at their fair values as part of business combination accounting and subsequent development expenditures are capitalized net of proceeds from the sale of ore extracted during the development phase. On completion of development, defined as the time when saleable materials begin to be extracted from the mine, all assets are reclassified to either “machinery or equipment” or “mining properties” in tangible fixed assets or in long-term prepaid expenses.

(k) Long-term prepayments

(i) Other mining costs

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

Other mining costs comprise:

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

Deferred stripping costs

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

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

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

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

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

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

(ii) *Prepaid land costs*

Prepaid land costs comprise prepaid land lease rentals, including those for which the Group obtained land use rights certificate but are not qualified as intangible fixed assets under Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance providing guidance on management, use and depreciation of fixed assets, and other costs incurred in conjunction with securing the use of leased land. These costs are recognized in the consolidated statement of income on a straight-line basis over the term of the lease from 35 to 50 years.

(iii) *Land compensation cost*

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

(iv) *Printing axles and tools and supplies*

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

Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulations. Cost of tools and instruments are amortized on a straight-line basis not more than 3 years.

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

(v) Goodwill from equitization

Goodwill generated from the state-owned enterprise equitization is recognized as long-term prepayments. Goodwill generated from the state-owned enterprise equitization includes brand name value and potential development value. Brand name value is determined on the basis of actual costs incurred for creation and protection of trademarks, trade name in the course of the enterprise's operation for the period of five years before the valuation date (including establishment costs and expenditures on training, advertising and promotional activities incurred to promote and introduce the enterprise and its products and website costs). Potential development value is evaluated on the basis of profitability of the enterprise in the future taking into account the enterprise's profit ratio and interest rates of 5-year government bonds. Goodwill generated from the state-owned enterprise equitization is amortized on a straight-line basis over ten years starting from the date of conversion from a state-owned enterprise into a joint stock company (date of first business registration certificate for a joint stock company).

(vi) Swine breeders

Cost of swine breeders is recognised as long-term prepaid expenses and amortised on a straight-line basis over a period ranging from 2 to 3 years. The amortisation cost of breeders that directly relates to farming of swine are capitalised as part 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 their costs and are amortised on a straight-line basis over a period ranging from over 1 to 23 years.

(l) Goodwill

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

Goodwill is measured at cost less accumulated amortization. Cost of goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (gain from bargain purchase), it is recognized immediately in the consolidated statement of income.

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

In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment and is not amortized.

(m) Trade and other payables

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

(n) Provisions

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

(i) Mining rights fee

In accordance with the Law on Minerals 2010, a subsidiary of the Company has an obligation to pay the government fees for mining rights grant. The mining rights fee is calculated based on the remaining exploitable reserves and the price to calculate the charge for granting mining rights in accordance with:

- Decree No. 203/2013/ND-CP dated 28 November 2013 (“Decree 203”), Decree No. 158/2016/ND-CP dated 29 November 2016 (“Decree 158”) and Circular No. 38/2017/TT-BTNMT dated 16 October 2017 (“Circular 38”) until 15 September 2019; and
- Decree No. 67/2019/ND-CP dated 31 July 2019 (“Decree 67”) from 15 September 2019.

Mining rights fee 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. The prices to calculate the resource royalty is announced by the provincial People’s Committee. The conversion method is based on various parameters of the conversion coefficient under guidelines of Circular 38 and/or Decree 67.

(ii) Mine rehabilitation

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

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

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

(iii) Severance allowance

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

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 measurement of defined benefit obligation involves estimation of future cashflows, employee turnover, mortality and future increase in salaries.

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.

(o) Bonds issued

Straight bonds

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

(p) Taxation

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

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

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

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

(q) Equity

(i) *Share capital and capital surplus*

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

(ii) *Other capital*

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

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

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognized as a reduction from equity. Repurchased shares are classified as treasury shares under equity. When treasury shares are sold for reissue subsequently, cost of the reissued shares is determined on a weighted average basis. Any difference between the amount received and the cost of the shares reissued is presented within share premium.

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

(r) Revenue

(i) Goods sold

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

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

(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.

(s) Financial income and financial expenses

(i) Financial income

Financial income comprises interest income from deposits, loans, dividend income, gains from disposal investments and foreign exchange gains. Interest income is recognized on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

(ii) Financial expenses

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

(t) Operating lease payments

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

(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 accounting period) of the Company by the weighted average number of ordinary shares outstanding during the period. 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.

(v) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group’s primary format for segment reporting is based on business segments.

(w) Related parties

Parties are considered to be related to the Group if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Group and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

(x) Employee stock ownership plans

Shares issued to employees based on the employee stock ownership plans are issued at par value.

4. Segment reporting

The Group has five (5) reportable segments, as described below, which are the Group’s strategic businesses. The strategic businesses offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic businesses, the Group’s Board of Management reviews internal management reports on a periodic basis.

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

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

Masan Group Corporation and its subsidiaries

Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

(a) Business segments

	Branded consumer products		MEATLife		High-tech materials		Consumer retail		Others		Elimination		Total	
	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million	From 1/1/2021 to 30/9/2021 VND million	
External segment revenue	17,400,259	15,878,706	13,813,903	10,998,946	9,603,779	5,075,436	23,982,970	23,665,189	53	-	-	-	64,800,964	55,618,277
Internal segment revenue	1,293,783	480,264	1,338,234	413,097	-	-	13,299	12,551	-	-	(2,645,316)	(905,912)	-	-
Segment gross margin	7,660,340	6,652,347	1,899,789	1,946,048	1,307,892	222,122	4,392,132	3,853,421	(2,598)	-	-	-	15,257,555	12,673,938
Segment results	3,039,213	2,400,785	311,285	272,941	(61,527)	62,767	(1,016,365)	(3,145,426)	2,874,263	1,797,485	-	-	5,146,869	1,388,552
Net unallocated expenses													(2,164,344)	(577,932)
Net profit													2,982,525	810,620

Masan Group Corporation and its subsidiaries

Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Branded consumer products		MEATLife		High-tech materials		Consumer retail		Others		Total	
	30/9/2021 VND million	1/1/2021 VND million	30/9/2021 VND million	1/1/2021 VND million	30/9/2021 VND million	1/1/2021 VND million	30/9/2021 VND million	1/1/2021 VND million	30/9/2021 VND million	1/1/2021 VND million	30/9/2021 VND million	1/1/2021 VND million
Segment assets	22,117,122	18,243,868	17,768,712	18,126,855	38,769,941	39,020,014	22,470,792	21,709,258	20,997,817	17,729,569	122,124,384	114,829,564
Unallocated assets											1,272,068	906,998
Total assets											123,396,452	115,736,562
Segment liabilities	12,823,563	11,738,539	8,919,893	9,509,060	25,093,385	25,901,313	15,060,888	14,248,831	10,593	-	61,908,322	61,397,743
Unallocated liabilities											29,121,415	29,308,540
Total liabilities											91,029,737	90,706,283
Capital expenditure	824,082	1,057,918	477,409	825,273	717,470	395,821	103,333	322,333	-	-	2,122,294	2,601,345
Unallocated capital expenditure											4,030	11,904
Depreciation	535,221	494,575	379,764	329,171	947,648	964,692	491,064	548,996	4,030	11,904	2,353,697	2,337,434
Unallocated depreciation												
Amortization	260,877	251,134	289,497	283,687	423,205	239,745	928,722	917,389	3,738	2,659	3,738	2,659
Unallocated amortization									1,151	-	1,903,452	1,691,955
									1,414	282	1,414	282

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

(b) Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers, which is located in Vietnam (“Domestic”) or countries other than Vietnam (“Overseas”).

	Overseas		Domestic		Total	
	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Net external revenue	10,316,218	6,205,303	54,484,746	49,412,974	64,800,964	55,618,277
	30/9/2021 VND million	31/12/2020 VND million	30/9/2021 VND million	31/12/2020 VND million	30/9/2021 VND million	31/12/2020 VND million
Total assets	9,329,216	8,614,163	114,067,236	107,122,399	123,396,452	115,736,562

Masan Group Corporation and its subsidiaries

Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

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

5. Business combination

On 1 September 2021, SHERPA, a subsidiary directly owned by the Company, successfully acquired 70.0% equity interest in Mobicast Joint Stock Company, a local telecommunication service provider, for a total consideration of VND295,766 million including transactions costs. Such transaction resulted in MBC becoming a subsidiary indirectly owned by the Company.

On the business combination date, the carrying amount of net identifiable assets and liabilities were as follows:

	Carrying amount VND million
Cash and cash equivalents	302,178
Accounts receivable – short-term	44
Prepayments to suppliers	200,336
Other receivables – short-term	19,768
Other current assets	25,009
Other long-term receivables	1,423
Other long-term assets	20,767
Accounts payable to suppliers	(2,730)
Other current liabilities	(3,585)
Other short-term payables	(20,310)
Short-term borrowings	(247,963)
Total net identifiable assets from business combination	<hr/> 294,937 <hr/>
Share of net assets from business combination	204,391
Goodwill on business combination (Note 15)	91,375
Total consideration	<hr/> 295,766 <hr/>
Cash increase from business combination	302,178
Net cash inflow	<hr/> <hr/> 6,412 <hr/> <hr/>

As at the issuance date of these consolidated quarterly financial statements, the fair value and the pre-acquisition carrying amounts of these assets and liabilities have not yet been finalised. Potential adjustments to these balance sheet items will be reflected in subsequent financial statements when these matters are finalized with potential impact to the consolidated statement of income.

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

6. Cash and cash equivalents

	30/9/2021 VND million	1/1/2021 VND million
Cash on hand	92,445	103,598
Cash in bank	2,224,293	1,804,062
Cash in transit	20,882	22,482
Cash equivalents	9,962,411	5,791,300
	12,300,031	7,721,442

7. Accounts receivable

(i) Receivable on short-term lending loans

Receivable on short-term lending loans from third parties were unsecured, earned interest rate at 6.5% per annum (1/1/2021: 6.5%) and mature within the next twelve months.

(ii) Receivable on long-term lending loans

Receivable on long-term lending loans from third parties were secured, earned interest rate at 12% per annum and mature on 31 October 2024.

(iii) Other receivables

Other receivables comprised:

	30/9/2021 VND million	1/1/2021 VND million
Other short-term receivables		
Accrued interest receivable	246,670	143,548
Advances	28,099	18,975
Short-term deposits (*)	2,798,226	2,841,337
Others	406,715	346,867
	3,479,710	3,350,727
Other long-term receivables		
Long-term deposit	343,384	357,616
Other (**)	1,246,579	1,234,392
	1,589,963	1,592,008

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

- (*) Included in short-term deposits was VND2,723,200 million of deposits paid to third parties for the investments (1/1/2021: VND2,750,000 million).
- (**) Other represents mainly receivables from the State Treasury for the land compensation cost of the Nui Phao Mining Project at Ha Thuong Commune, Dai Tu District, Thai Nguyen Province. The amount can be net off against the annual land rental fee.

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

	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Opening balance	107,856	105,744
Increase in allowance during the period	4,610	5,202
Allowance utilised during the period	-	(7)
Allowance written back during the period	(23,807)	(18,713)
	<hr/>	<hr/>
Closing balance	88,659	92,226
	<hr/>	<hr/>

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

8. Inventories

	30/9/2021 VND million	1/1/2021 VND million
Goods in transit	461,657	620,516
Raw materials	3,747,715	3,316,920
Tools and supplies	1,079,082	1,042,761
Work in progress	1,594,167	1,321,341
Finished goods	3,946,902	3,163,599
Merchandise inventories	2,842,429	3,211,214
Goods on consignment	215,990	54,046
	<hr/>	<hr/>
	13,887,942	12,730,397
Allowance for inventories	(155,711)	(232,480)
	<hr/>	<hr/>
	13,732,231	12,497,917

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

	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Opening balance	232,480	68,810
Acquisition of subsidiary	-	62,903
Increase in allowance during the period	122,634	87,204
Allowance utilised during the period	(35,384)	(60,936)
Allowance written back during the period	(164,019)	(64,336)
	<hr/>	<hr/>
Closing balance	155,711	93,645

Masan Group Corporation and its subsidiaries

Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

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

dated 22 December 2014 of the Ministry of Finance)

9. Tangible fixed assets

Cost	Buildings and structures VND million	Mining Properties VND million	Leasehold improvements VND million	Machinery and equipment VND million	Motor vehicles VND million	Office equipment and others VND million	Total VND million
Opening balance	17,797,784	5,095,927	93,148	27,355,934	195,812	239,043	50,777,648
Additions	2,721	-	-	151,870	7,224	3,781	165,596
Transfers from construction in progress	404,006	-	-	556,727	5,877	19,822	986,432
Transfers to long-term prepayments	-	-	-	(6,068)	-	(16)	(6,084)
Transfer to intangible fixed assets	-	-	-	-	-	(23,217)	(23,217)
Transfer to investment properties	(1,220,894)	-	-	-	-	-	(1,220,894)
Disposals/written-off	(9,290)	-	(248)	(75,167)	(4,298)	(1,100)	(90,103)
Other decrease	(2,672)	-	-	-	-	-	(2,672)
Currency translation differences	(73,930)	-	-	(220,799)	-	-	(294,729)
Reclassification	982	-	-	(982)	-	-	-
Closing balance	16,898,707	5,095,927	92,900	27,761,515	204,615	238,313	50,291,977
Accumulated depreciation							
Opening balance	3,518,651	1,339,998	82,040	11,239,569	63,333	212,293	16,455,884
Charge for the period	689,908	111,262	3,947	1,491,023	20,361	37,957	2,354,458
Transfers to long-term prepayments	-	-	-	(1,848)	-	(16)	(1,864)
Transfer to intangible fixed assets	-	-	-	-	-	(19,154)	(19,154)
Transfer to investment properties	(315,295)	-	-	-	-	-	(315,295)
Disposals/written-off	(4,562)	-	(248)	(66,570)	(4,179)	(529)	(76,088)
Currency translation differences	(40,189)	-	-	(140,898)	-	30	(181,057)
Reclassification	(23,075)	-	-	19,177	3,898	-	-
Closing balance	3,825,438	1,451,260	85,739	12,540,453	83,413	230,581	18,216,884
Net book value							
Opening balance	14,279,133	3,755,929	11,108	16,116,365	132,479	26,750	34,321,764
Closing balance	13,073,269	3,644,667	7,161	15,221,062	121,202	7,732	32,075,093

Masan Group Corporation and its subsidiaries

Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

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

dated 22 December 2014 of the Ministry of Finance)

10. Intangible fixed assets

	Land use rights VND million	Software VND million	Development cost VND million	Brand name VND million	Customer relationships VND million	Mineral water resources VND million	Mining rights VND million	Technology VND million	Exploitation rights VND million	Others VND million	Total VND million
Cost											
Opening balance	4,017,955	981,908	790,331	4,076,431	6,412,892	412,698	588,373	2,215,021	72,122	26,485	19,594,216
Acquisition of a subsidiary	-	14,198	-	-	-	-	-	-	-	-	14,198
Additions	-	8,331	-	-	-	-	204,284	37,155	888	-	250,658
Transfers from construction in progress	-	12,429	-	-	-	-	-	-	-	-	12,429
Transfers from long-term prepayment	-	1,210	-	-	-	-	-	-	-	-	1,210
Transfers from tangible fixed assets	-	23,217	-	-	-	-	-	-	-	-	23,217
Transfer to investment properties	(37,536)	-	-	-	-	-	-	-	-	-	(37,536)
Written off	-	(1,278)	-	-	-	-	-	-	-	-	(1,278)
Currency translation differences	(2,039)	(17,410)	(48,000)	(78,421)	(16,106)	-	-	(108,174)	-	(899)	(271,049)
Closing balance	3,978,380	1,022,605	742,331	3,998,010	6,396,786	412,698	792,657	2,144,002	73,010	25,586	19,586,065

Masan Group Corporation and its subsidiaries

Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

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

dated 22 December 2014 of the Ministry of Finance)

	Land use rights	Software	Development cost	Brand name	Customer relationships	Mineral water resources	Mining rights	Technology	Exploitation rights	Others	Total
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
Accumulated amortization											
Opening balance	194,227	663,269	95,019	1,099,152	1,257,754	117,268	188,669	713,511	23,973	3,229	4,356,071
Transfer from long-term prepayment	-	48	-	-	-	-	-	-	-	-	48
Transfers from tangible fixed assets	-	19,154	-	-	-	-	-	-	-	-	19,154
Amortization for the period	107,377	88,205 (941)	33,418	166,464	198,841	16,451	35,298	73,836	2,485	1,414	723,789 (941)
Written off	-	-	-	-	-	-	-	-	-	-	-
Currency translation differences	-	(20,897)	(7,938)	(3,406)	(538)	-	-	(6,257)	-	(154)	(39,190)
Reclassification	-	1,601	-	-	-	-	-	-	-	-	1,601
Closing balance	301,604	750,439	120,499	1,262,210	1,456,057	133,719	223,967	781,090	26,458	4,489	5,060,532
Net book value											
Opening balance	3,823,728	318,639	695,312	2,977,279	5,155,138	295,430	399,704	1,501,510	48,149	23,256	15,238,145
Closing balance	3,676,776	272,166	621,832	2,735,800	4,940,729	278,979	568,690	1,362,912	46,552	21,097	14,525,533

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

11. Investment property

Investment property held to earn rental comprises:

	Land use rights VND million	Buildings and structures VND million	Total VND million
Cost			
Opening balance	-	18,628	18,628
Transfer from tangible fixed assets	-	1,220,894	1,220,894
Transfer from intangible fixed assets	37,536	-	37,536
Currency translation differences	(2,627)	(75,019)	(77,646)
Closing balance	34,909	1,164,503	1,199,412
Accumulated depreciation			
Opening balance	-	4,110	4,110
Charge for the period	-	53,814	53,814
Transfer from tangible fixed assets	-	315,295	315,295
Currency translation differences	-	(19,003)	(19,003)
Closing balance	-	354,216	354,216
Net book value			
Opening balance	-	14,518	14,518
Closing balance	34,909	810,287	845,196

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

12. Construction in progress

	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Opening balance	2,274,759	3,278,972
Addition during the period	1,616,246	2,320,296
Increases from business combination	2,827	111,084
Transfers to tangible fixed assets	(986,432)	(1,660,337)
Transfers to intangible fixed assets	(12,429)	(17,612)
Transfers to long-term prepayments	(500,977)	(146,934)
Adjustments due to construction finalisation	(24,457)	-
Disposals	(180)	-
Currency translation differences	(3,394)	852
	<hr/>	<hr/>
Closing balance	2,365,963	3,886,321
	<hr/>	<hr/>

13. Investments

	30/9/2021 VND million	1/1/2021 VND million
Long-term financial investments		
Investments in associates (a)	23,554,306	20,320,738
Equity investments in other entities (b)	30,589	30,589
Held-to-maturity investments – long-term (c)	7,400	7,400
Allowance for diminution in the value of long-term investments	-	(5,628)
	<hr/>	<hr/>
	23,592,295	20,353,099
	<hr/>	<hr/>
Short-term financial investments		
Held-to-maturity investments – short-term (c)	350,250	447,250
	<hr/>	<hr/>

Masan Group Corporation and its subsidiaries

Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

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

dated 22 December 2014 of the Ministry of Finance)

(a) Investments in associates

	30/9/2021		1/1/2021	
	% of equity owned over charter capital	% of voting rights over charter capital	% of equity owned over charter capital	% of voting rights over charter capital
• Vietnam Technological and Commercial Joint Stock Bank (“Techcombank”) (i)	19.9%	19.9%	19.9%	19.9%
• Cholimex Food Joint Stock Company (“Cholimex”) (ii)	32.8%	32.8%	32.8%	32.8%
• Thuan Phat Packing Joint Stock Company (“Thuan Phat”) (iii)	25.0%	25.0%	25.0%	25.0%
• Abattoir Long Binh Joint Stock Company (“Abattoir”) (iii)	25.0%	25.0%	25.0%	25.0%
• Vissan Joint Stock Company (“Vissan”) (iv)	24.9%	24.9%	24.9%	24.9%
• Jiangwu H.C. Starck Tungsten Products Co., Ltd. (China) (“Jiangwu”) (v)	30.0%	30.0%	30.0%	30.0%
• Phuc Long Heritage Joint Stock Company (vi)	20.0%	20.0%	-	-
			Carrying value at equity accounted VND million	Carrying value at equity accounted VND million
			23,554,306	20,320,738

Masan Group Corporation and its subsidiaries

Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

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

dated 22 December 2014 of the Ministry of Finance)

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

	Techcombank VND million	Cholimex VND million	Thuan Phat VND million	Abattoir VND million	Vissan VND million	Jiangwu VND million	Phuc Long VND million	Total VND million
Opening balance	17,729,570	249,392	4,289	6,770	2,135,490	195,227	-	20,320,738
Additions	-	-	-	-	-	-	357,350	357,350
Share in profit of associates during the period	2,882,913	13,296	691	587	-	5,907	1,440	2,904,834
Dividends	-	(13,296)	-	(600)	-	-	-	(13,896)
Currency translation differences	-	-	-	-	-	(14,720)	-	(14,720)
Closing balance	20,612,483	249,392	4,980	6,757	2,135,490	186,414	358,790	23,554,306

(i) The Group's percentage of equity over charter capital of Techcombank was 19.9% (1/1/2021: 19.9%).

As of 30 September 2021 and 1 January 2021, the Group has 19.9% direct equity holding and 1.5% economic interest that is subject to a forward sale agreement.

(ii) MSC holds 32.8% equity interest in Cholimex.

(iii) Proconco holds 25.0% equity interest in Thuan Phat and 25.0% equity interest in Abattoir.

(iv) ANCO holds 24.9% equity interest in Vissan.

(v) H.C. Starck Tungsten GmbH (Germany) holds 30.0% equity interest in Jiangwu.

(vi) SHERPA holds 20.0% equity interest in Phuc Long.

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

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

dated 22 December 2014 of the Ministry of Finance)

(b) Equity investments in other entities

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

	30/9/2021			1/1/2021		
	% of equity owned	% of voting rights	Cost VND million	% of equity owned	% of voting rights	Cost VND million
Dinh Vu Petroleum Service Port Joint Stock Company	5.4%	5.4%	21,646	5.4%	5.4%	21,646
Dong Nai Producing Trading Service Joint Stock Company	10.6%	10.6%	8,943	10.6%	10.6%	8,943
			30,589			30,589
			-			(5,628)
						(5,628)

(c) Held-to-maturity investments

Held-to-maturity investments – short-term represented term deposits in VND in banks with original terms to maturity of more than three months and less than 12 months from their transaction dates.

Held-to-maturity investments – long-term represented term deposits in VND in banks with the remaining term of more than 12 months from balance sheet dates.

Masan Group Corporation and its subsidiaries

Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

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

dated 22 December 2014 of the Ministry of Finance)

14. Long-term prepayments

	Other mining costs VND million	Prepaid land costs VND million	Land compensation costs VND million	Printing axles, tools and supplies VND million	Goodwill from equitization VND million	Swine breeders VND million	Others VND million	Total VND million
Opening balance	1,527,265	1,641,475	994,085	982,483	15,673	59,004	1,313,685	6,533,670
Additions	138,166	-	2,434	142,931	-	-	59,285	342,816
Acquisition of a subsidiary (Note 5)	-	-	-	822	-	-	-	822
Transfers from tangible fixed assets	-	-	-	4,220	-	-	-	4,220
Transfers to intangible fixed assets	-	-	-	(1,162)	-	-	-	(1,162)
Transfer from/(to) construction in progress	-	(6,370)	454,222	30,168	-	22,814	143	500,977
Transfers from long-term receivables	-	-	124,339	-	-	-	-	124,339
Transfers to short-term prepayment	-	-	-	(80)	-	-	-	(80)
Amortization for the period	(90,246)	(30,022)	(59,217)	(353,963)	(2,351)	(23,669)	(258,116)	(817,584)
Disposals/written off	-	-	-	(6,126)	-	(18,379)	(104)	(24,609)
Currency translation differences	-	-	-	(1)	-	-	-	(1)
Reclassification	-	107	(49,182)	(247)	-	-	(837)	(50,159)
Closing balance	1,575,185	1,605,190	1,466,681	799,045	13,322	39,770	1,114,056	6,613,249

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

15. Goodwill

	From 1/1/2021 to 30/9/2021 VND million
Cost	
Opening balance	5,027,526
Addition (Note 5)	91,375
	5,118,901
Closing balance	
	5,118,901
Accumulated amortization	
Opening balance	1,196,026
Amortization for the period	378,497
	1,574,523
Closing balance	
	1,574,523
Net book value	
Opening balance	3,831,500
Closing balance	3,544,378
	3,544,378

16. Taxes payable to State Treasury

	30/9/2021 VND million	1/1/2021 VND million
Corporate income tax	652,781	659,918
Value added tax	434,255	155,859
Personal income tax	27,321	33,211
Special consumption tax	35,216	58,171
Other taxes	209,484	34,143
	1,359,057	941,302
	1,359,057	941,302

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

17. Accrued expenses

	30/9/2021 VND million	1/1/2021 VND million
Interest expense	1,039,253	910,860
Advertising and promotion expenses	921,359	757,608
Sales discounts and customer support fee	270,678	415,411
Logistics expenses	316,161	286,640
Purchase not yet received invoices	423,760	173,670
Accrual for construction work	165,847	369,207
Consultant fee	2,579	42,429
Bonus and 13 th month salary	629,374	632,890
Exhibition and market research expenses	40,892	68,902
Natural resources taxes and fees	120,815	25,767
Others	1,566,828	1,022,033
	5,497,546	4,705,417

18. Other payables

	30/9/2021 VND million	1/1/2021 VND million
Other short-term payables		
Trade union fees, social, health and unemployment insurance	24,606	23,800
Short-term deposits received	13,044	14,357
Dividend payables	12,614	39,968
Payable for purchasing shares in CrownX	2,276,995	2,300,000
Payable to domestic banks under letter of credit arrangement	1,532,649	-
Others	65,754	94,001
	3,925,662	2,472,126
Other long-term payables		
Long-term deposits received	32,802	27,894
Others	159,461	152,503
	192,263	180,397

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

19. Short-term borrowings and bonds

	30/9/2021 VND million	1/1/2021 VND million
Short-term borrowings	16,927,710	18,829,506
Current portion of long-term borrowings and bonds (Note 20)	3,328,239	3,715,540
	<hr/> 20,255,949	<hr/> 22,545,046

Short-term borrowings

	30/9/2021 VND million	1/1/2021 VND million
Bank borrowings		
VND denominated	12,638,766	14,899,148
USD denominated	2,703,898	2,340,358
Third parties borrowings		
VND denominated	1,585,046	1,590,000
	<hr/> 16,927,710	<hr/> 18,829,506

20. Long-term borrowings and bonds

	30/9/2021 VND million	1/1/2021 VND million
Long-term borrowings	8,074,947	8,081,895
Unsecured bonds	16,948,738	17,670,698
Secured bonds	18,730,805	17,418,059
Finance lease	353,646	10,931
	<hr/> 44,108,136	<hr/> 43,181,583
Repayable within twelve months (Note 19)	(3,328,239)	(3,715,540)
Repayable after twelve months	<hr/> 40,779,897	<hr/> 39,466,043

Long-term borrowings

	30/9/2021 VND million	1/1/2021 VND million
Bank borrowings:		
VND denominated	3,503,947	3,443,895
USD denominated	4,571,000	4,638,000
	<hr/> 8,074,947	<hr/> 8,081,895

Masan Group Corporation and its subsidiaries

Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

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

dated 22 December 2014 of the Ministry of Finance)

21. Changes in owners' equity

	Share capital VND million	Capital surplus VND million	Other capital VND million	Other equity funds VND million	Foreign exchange differences VND million	Undistributed profits VND million	Equity attributable to equity holders of the Group		Non-controlling interest VND million	Total VND million
							VND million	VND million		
Balance at 1 January 2020	11,689,464	11,084,357	(8,563,690)	-	11,033	28,558,952	42,780,116	9,108,291	51,888,407	
Net profit for the period	-	-	-	-	-	1,233,982	1,233,982	161,031	1,395,013	
Issued new shares	57,368	(60)	-	-	-	-	57,308	-	57,308	
Transaction with NCI	-	-	-	-	-	(26,435,468)	(26,435,468)	(791,816)	(27,227,284)	
Dividend declared	-	-	-	-	-	(1,174,683)	(1,174,683)	(234,859)	(1,409,542)	
Business combination	-	-	-	-	-	-	-	900,991	900,991	
Appropriation to bonus and welfare funds of a subsidiary	-	-	-	-	-	(659)	(659)	(1,198)	(1,857)	
Currency translation differences	-	-	-	-	(238,005)	-	(238,005)	2,148	(235,857)	
Remeasurement of the net defined benefit liability, net of tax	-	-	-	(284,952)	-	-	(284,952)	(44,878)	(329,830)	
Others	-	-	-	-	-	-	-	(7,070)	(7,070)	
Balance at 31 December 2020	11,746,832	11,084,297	(8,563,690)	(284,952)	(226,972)	2,182,124	15,937,639	9,092,640	25,030,279	

Masan Group Corporation and its subsidiaries

Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

Form B 09a – DN/HN

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

dated 22 December 2014 of the Ministry of Finance)

	Share capital VND million	Capital surplus VND million	Other capital VND million	Other equity funds VND million	Foreign exchange differences VND million	Undistributed profits VND million	Equity attributable to equity holders of the Group VND million	Non-controlling interest VND million	Total VND million
Balance at 1 January 2021	11,746,832	11,084,297	(8,563,690)	(284,952)	(226,972)	2,182,124	15,937,639	9,092,640	25,030,279
Net profit for the period	-	-	-	-	-	2,126,069	2,126,069	856,456	2,982,525
Business combination	-	-	-	-	-	-	-	87,626	87,626
Issued new shares	58,515	(50)	-	-	-	-	58,465	-	58,465
Transaction with NCI	-	-	-	-	-	4,294,858	4,294,858	1,037,040	5,331,898
Dividend declared	-	-	-	-	-	(1,121,508)	(1,121,508)	(168,483)	(1,289,991)
Appropriation to bonus and welfare funds of a subsidiary	-	-	-	-	-	(3,041)	(3,041)	(4,964)	(8,005)
Currency translation differences	-	-	-	-	(100,266)	-	(100,266)	(19,023)	(119,289)
Remeasurement of the net defined benefit liability, net of tax	-	-	-	253,866	-	-	253,866	39,983	293,849
Other movements	-	-	-	-	-	70,532	70,532	(71,174)	(642)
Balance at 30 September 2021	11,805,347	11,084,247	(8,563,690)	(31,086)	(327,238)	7,549,034	21,516,614	10,850,101	32,366,715

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

22. Share capital and capital surplus

The Company's authorised and issued share capital comprises:

	30/9/2021		1/1/2021	
	Number of shares	VND million	Number of shares	VND million
Authorised share capital	1,180,534,692	11,805,347	1,174,683,246	11,746,832
Issued share capital				
Ordinary shares	1,180,534,692	11,805,347	1,174,683,246	11,746,832
Shares in circulation				
Ordinary shares	1,180,534,692	11,805,347	1,174,683,246	11,746,832
Capital surplus	-	11,084,247	-	11,084,297

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.

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 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 in share capital during the period were as follows:

	From 1/1/2021 to 30/9/2021		From 1/1/2020 to 31/12/2020	
	Number of shares	Par value VND million	Number of shares	Par value VND million
Balance at beginning of the period	1,174,683,246	11,746,832	1,168,946,447	11,689,464
Issuance of new shares for cash	5,851,446	58,515	5,736,799	57,368
Balance at the end of the period	1,180,534,692	11,805,347	1,174,683,246	11,746,832

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

23. Other capital

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

24. Dividends

On 16 July 2021, the Company distributed the advance dividends for 2021 by cash amounting to VND1,122 billion.

25. Total revenue

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

Net sales comprised:

	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Total revenue		
▪ Sales of finished goods and merchandises	65,802,025	56,768,172
Less sales deductions		
▪ Sales discounts	936,098	1,091,370
▪ Sales returns	64,963	58,525
Net sales	64,800,964	55,618,277

26. Cost of sales

	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Total cost of sales		
▪ Finished goods and merchandises sold	49,584,794	42,921,471
▪ Allowance for inventories	(41,385)	22,868
	49,543,409	42,944,339

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September
2021 (continued)

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

27. Financial income

	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Interest income from:		
▪ Deposits	351,130	143,739
▪ Other loan investing activities	78,774	506,224
Foreign exchange gains	310,791	157,855
Gains from bond trading	5,154	-
Others	42,447	445,621
	788,296	1,253,439

28. Financial expenses

	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Interest expenses on loans/bonds from:		
▪ Banks	946,096	830,961
▪ Bondholders and others	2,585,402	1,801,165
Issuance fee	302,840	144,266
UPAS L/C fees	60,403	40,397
Foreign exchange losses	130,805	163,565
Other financial expenses	120,086	155,891
	4,145,632	3,136,245

29. Share of profit in associates

	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Share of profit in associates	2,904,834	1,808,768

30. Other income

	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Gain on disposal of fixed assets and long-term assets	3,806	10,102
Supplier supports	109,194	77,726
Negative goodwill on acquisition of a subsidiary	-	880,818
Others	225,972	96,100
	338,972	1,064,746

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

31. Other expenses

	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 31/9/2020 VND million
Loss from disposal of fixed assets and long-term assets	6,408	40,921
Others	184,494	122,054
	190,902	162,975

32. Earnings per share

The calculation of basic earnings per share for the nine-month period ended 30 September 2021 was based on the net profit attributable to ordinary shareholders of VND2,126,069 million (for the nine-month period ended 30 September 2020: the net profit attributable to ordinary shareholders of VND968,756 million) of the Company and a weighted average number of ordinary shares outstanding of 1,177,169,575 shares during the period (for the nine-month period ended 30 September 2020: 1,169,846,748 shares), calculated as follows:

(i) Net profit attributable to ordinary shareholders

	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Net profit attributable to ordinary shareholders	2,126,069	968,756

(ii) Weighted average number of ordinary shares

	From 1/1/2021 to 30/9/2021	From 1/1/2020 to 30/9/2020
Issued ordinary shares at the beginning of the period	1,174,683,246	1,168,946,447
Effect of shares issued for cash	2,486,329	900,301
Weighted average number of ordinary shares during the period	1,177,169,575	1,169,846,748

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

33. Significant transactions with related parties

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

Related Party	Nature of transaction	From 1/1/2021 to 30/9/2021 VND million	From 1/1/2020 to 30/9/2020 VND million
Associate			
Techcombank and its subsidiaries	Loans received	2,211,101	2,083,056
	Loans repaid	2,049,153	1,184,732
	Bonds issued (acting as an agent)	4,399,980	16,609,052
	Bond repurchased	109,198	38,824
	Bonds issuance fees	73,490	371,900
	Sales of trading securities	3,983,478	1,250,000
	Purchase of trading securities	5,175,354	-
	Interest expenses on loans received/bonds issued	192,734	80,767
Other related parties			
Key management personnel	Remuneration to Board of Management (*)	138,280	142,348

As at and for the period ended 30 September 2021 and 31 December 2020, the Group have current, term deposit accounts and agency fee at Techcombank and its subsidiaries at normal market trading terms.

(*) *No board fees were paid to Board of Directors members in the period ended 30 September 2021 and 30 September 2020.*

34. Subsequent event

On 28 September 2021, the General Meeting of Shareholders of Masan MEATLife Corporation, a subsidiary owned directly by the Company, approved the issuance of bonds, which a total number of bonds was 7,283,990, equivalent to the total par value of VND7,283.99 billion. As at 18 October 2021, MML completed the issuance of these bonds.

On 18 October 2021, MML's Board of Directors approved the increase of its charter capital through the issuance of new shares under the employee stock option plan ("ESOP"), in which the number of new shares issued was 273,600 shares, equivalent to the total par value of VND2.7 billion.

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

35. Explanation of the net profit movement

(i) *Between current quarter of this year (3Q2021) against the same period of the prior year (3Q2020)*

	From 1/7/2021 to 30/9/2021	From 1/7/2020 to 30/9/2020	Movement Amount	Movement Percentage
	VND million	VND million	VND million	%
Net sales	23,604,809	20,214,308	3,390,501	17%
Gross profit	6,096,188	4,817,839	1,278,349	27%
Net profit after tax	1,586,332	972,565	613,767	63%

The Group's net profit after tax ("NPAT") in 3Q2021 was VND1,586 billion compared to VND973 billion in 3Q2020. The main reasons were due to the improvement of business performance as below:

- VCM delivered positive net profit after tax ("NPAT") for the first time, driven by 21.2% growth in revenues and 5.5% EBITDA margin during the same period. Such momentum was driven by improved total commercial margin (i.e., gross margin plus other forms of supplier support or "TCM") after negotiating with suppliers, store operating costs optimization, and logistics initiatives;
- MCH posted 18.6% revenue growth and 22.9% EBITDA growth despite entire FMCG market de-growing, validating new innovations and the fact that MSN products are truly essential to the daily lives of consumers;
- the improvement of profitability in MHT driven by improving demand for MHT's hi-tech products and higher pricing for all segments; and
- the above improvements are then offset partially against one-time gain from recognition of negative goodwill on acquisition of a subsidiary in 3Q2020, amounting to VND880.8 billion.

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

(ii) Between year-to-date of this year (YTD2021) against the same period of the prior year (YTD2020)

	From 1/1/2021 to 30/9/2021	From 1/1/2020 to 30/9/2020	Movement Amount	Movement Percentage
	VND million	VND million	VND million	%
Net sales	64,800,964	55,618,277	9,182,687	17%
Gross profit	15,257,555	12,673,938	2,583,617	20%
Net profit after tax	2,982,525	810,620	2,171,905	268%

The Group's NPAT in YTD2021 was VND2,983 billion compared to VND811 billion in YTD2020. The main reasons were due to the improvement of business performance as below:

- VCM delivered 3.4% EBITDA margin in YTD2021, up 870 bps compared with YTD2020, driven by TCM improvement;
- Despite higher raw material costs putting pressure on net profit, both MCH and MML delivered higher NPAT Post-MI growth due to higher sales;
- MHT benefited from higher commodity prices and witnessed EBITDA reaching VND1,870 billion in YTD2021, increased by 85.7% as compared to YTD2020; and
- the above improvements are then offset partially against one-time gain from recognition of negative goodwill on acquisition of a subsidiary in YTD2020, amounting to VND880.8 billion.

(iii) Between current quarter of this year (3Q2021) against the last quarter of this year (2Q2021)

	From 1/7/2021 to 30/9/2021	From 1/4/2021 to 30/6/2021	Movement Amount	Movement Percentage
	VND million	VND million	VND million	%
Net sales	23,604,809	21,219,294	2,385,515	11%
Gross profit	6,096,188	4,847,247	1,248,941	26%
Net profit after tax	1,586,332	1,053,462	532,870	51%

The Group's NPAT in 3Q2021 was VND1,586 billion compared to VND1,053 billion in 2Q2021. The main reasons were due to the improvement of business performance as below:

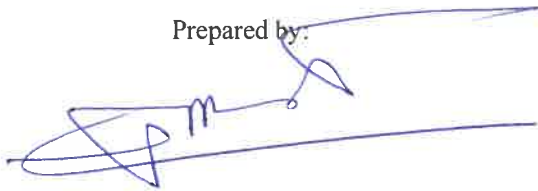
- VCM delivered 5.5% EBITDA margin in 3Q2021 versus 2.2% in 2Q2021, driven by TCM; and
- the improvement of profitability of MML and MCH.

Masan Group Corporation and its subsidiaries
Notes to the consolidated quarterly financial statements for the period ended 30 September 2021 (continued)

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

28 October 2021

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