



**Masan Group Corporation**

Separate Financial Statements for  
the year ended 31 December 2020



**Masan Group Corporation  
Corporate Information**

**Business Registration  
Certificate No.**

0303576603

18 November 2004

The Business Registration Certificate has been amended several times, the most recent of which is dated 7 September 2020. The Business 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

**Board of Management**

Dr Nguyen Dang Quang	Chief Executive Officer (until 18 June 2020)
Mr Danny Le	Chief Executive Officer (from 19 June 2020)
Mr Nguyen Thieu Nam	Deputy Chief Executive Officer
Mr Michael Hung Nguyen	Deputy Chief Executive Officer
Mr Nguyen Anh Nguyen	Deputy Chief Executive Officer (until 29 April 2020)

**Legal representative**

Dr Nguyen Dang Quang	Chairman
Mr Danny Le	Chief Executive Officer (from 19 June 2020)

**Registered Office**

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

**Auditor**

KPMG Limited  
Vietnam

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

The Board of Management of Masan Group Corporation ("the Company") presents this statement and the accompanying separate financial statements of the Company for the year ended 31 December 2020.

The Board of Management is responsible for the preparation and fair presentation of the separate financial statements as at and for the year ended 31 December 2020 in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In preparing those separate financial statements, the Board of Management is required to:

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

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


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

## APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS

We do hereby approve the accompanying separate financial statements of the Company as at and for the year ended 31 December 2020, which were prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.



On behalf of the Board of Management

  
\_\_\_\_\_  
Danny Le  
Chief Executive Officer

Ho Chi Minh City, Vietnam  
5 March 2021



KPMG Limited Branch  
10<sup>th</sup> Floor, Sun Wah Tower  
115 Nguyen Hue Street, Ben Nghe Ward  
District 1, Ho Chi Minh City, Vietnam  
+84 (28) 3821 9266 | kpmg.com.vn

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders Masan Group Corporation

We have audited the accompanying separate financial statements of Masan Group Corporation ("the Company"), which comprise the separate balance sheet as at 31 December 2020, the separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 5 March 2021, as set out on pages 5 to 35.

### Management's Responsibility

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

### Auditor's Responsibility

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

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

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



## Auditor's Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of Masan Group Corporation as at 31 December 2020 and of its separate results of operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

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

Vietnam  
Audit Report No.: 20-01-00213-21-1



Nelson Rodriguez Casihan  
Practicing Auditor Registration  
Certificate No. 2225-2018-007-1  
*Deputy General Director*

Nguyen Thuy Ninh  
Practicing Auditor Registration  
Certificate No. 4623-2018-007-1

Ho Chi Minh City, 5 March 2021



**Masan Group Corporation**  
**Separate balance sheet as at 31 December 2020**

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

	Code	Note	31/12/2020 VND	1/1/2020 VND
<b>ASSETS</b>				
<b>Current assets</b> (100 = 110 + 120 + 130 + 150)	<b>100</b>		<b>1,152,314,600,394</b>	<b>6,298,040,740,461</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>202,737,784,651</b>	<b>476,294,341,206</b>
Cash	111		52,737,784,651	2,294,341,206
Cash equivalents	112		150,000,000,000	474,000,000,000
<b>Short-term financial investments</b>	<b>120</b>		-	<b>1,571,530,000,000</b>
Trading securities	121	5(a)	-	1,571,530,000,000
<b>Accounts receivable – short-term</b>	<b>130</b>	<b>6</b>	<b>939,075,118,365</b>	<b>4,240,471,948,527</b>
Prepayments to suppliers	132		1,114,928,526	3,190,000
Receivable on short-term lending loans	135		685,000,000,000	-
Other short-term receivables	136		252,960,189,839	4,240,468,758,527
<b>Other current assets</b>	<b>150</b>		<b>10,501,697,378</b>	<b>9,744,450,728</b>
Short-term prepaid expenses	151		2,644,051,268	1,886,804,618
Taxes receivable from State Treasury	153	7(a)	7,857,646,110	7,857,646,110
<b>Long-term assets</b> (200 = 210 + 220 + 240 + 250 + 260)	<b>200</b>		<b>54,073,288,226,947</b>	<b>34,830,897,210,144</b>
<b>Accounts receivable – long-term</b>	<b>210</b>	<b>6</b>	<b>4,828,186,052</b>	<b>1,295,858,846,565</b>
Receivable on long-term lending loans	215		-	150,656,000,000
Other long-term receivables	216		4,828,186,052	1,145,202,846,565
<b>Fixed assets</b>	<b>220</b>		<b>13,169,721,743</b>	<b>9,528,397,295</b>
Tangible fixed assets	221	8	13,169,721,743	9,528,397,295
Cost	222		44,641,557,642	37,161,890,309
Accumulated depreciation	223		(31,471,835,899)	(27,633,493,014)
Intangible fixed assets	227		-	-
Cost	228		4,697,122,903	4,697,122,903
Accumulated amortisation	229		(4,697,122,903)	(4,697,122,903)
<b>Long-term work in progress</b>	<b>240</b>		-	<b>696,685,231</b>
Construction in progress	242		-	696,685,231
<b>Long-term financial investments</b>	<b>250</b>		<b>53,883,603,547,735</b>	<b>33,524,347,299,991</b>
Investments in subsidiaries	251	5(b)	25,812,570,202,463	29,145,510,222,355
Investment in an associate	252	5(c)	4,378,837,077,636	4,378,837,077,636
Equity investments in other entity	253	5(d)	23,692,196,267,636	-
<b>Other long-term assets</b>	<b>260</b>		<b>171,686,771,417</b>	<b>465,981,062</b>
Long-term prepaid expenses	261	9	171,686,771,417	465,981,062
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>55,225,602,827,341</b>	<b>41,128,937,950,605</b>

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





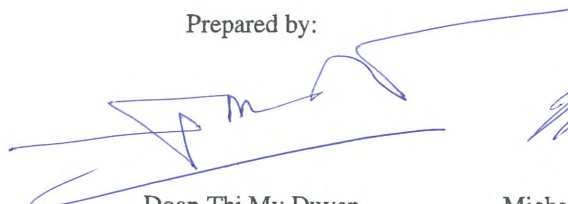
**Masan Group Corporation**  
**Separate balance sheet as at 31 December 2020 (continued)**

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

	Code	Note	31/12/2020 VND	1/1/2020 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>32,017,068,319,812</b>	<b>15,480,242,870,484</b>
<b>Current liabilities</b>	<b>310</b>		<b>6,457,489,575,236</b>	<b>13,995,566,205,907</b>
Accounts payable to suppliers	311		12,101,257,769	3,063,940,380
Taxes payable to State Treasury	313	7(b)	1,491,102,504	-
Payables to employees	314		27,923,958	-
Short-term accrued expenses	315	10(a)	758,900,922,043	151,290,455,298
Other short-term payables	319	11	2,301,488,916,907	12,841,211,810,229
Short-term borrowings	320	12	3,383,479,452,055	1,000,000,000,000
<b>Long-term liabilities</b>	<b>330</b>		<b>25,559,578,744,576</b>	<b>1,484,676,664,577</b>
Long-term accrued expenses	333	10(b)	116,647,503,186	-
Long-term borrowings and bonds	338	12	25,442,931,241,390	1,484,676,664,577
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>23,208,534,507,529</b>	<b>25,648,695,080,121</b>
<b>Owners' equity</b>	<b>410</b>	<b>13</b>	<b>23,208,534,507,529</b>	<b>25,648,695,080,121</b>
Share capital	411	14	11,746,832,460,000	11,689,464,470,000
Capital surplus	412	14	11,084,296,541,079	11,084,356,541,079
Other capital	414		(1,695,338,182,568)	(1,695,338,182,568)
Undistributed profits after tax	421		2,072,743,689,018	4,570,212,251,610
- Undistributed profits after tax brought forward	421a		3,395,529,005,610	3,220,188,542,728
- (Loss for the current year)/ Undistributed profit after tax for the prior year	421b		(1,322,785,316,592)	1,350,023,708,882
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>55,225,602,827,341</b>	<b>41,128,937,950,605</b>

5 March 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 separate financial statements*

**Masan Group Corporation**  
**Separate statement of income for the year ended 31 December 2020**


**Form B 02 – DN**

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

	Code	Note	2020 VND	2019 VND
Financial income	21	18	463,728,321,981	1,826,702,478,751
Financial expenses	22	19	1,560,433,586,679	251,905,894,617
<i>In which: Interest expense</i>	23		1,450,677,577,025	237,099,657,535
General and administration expenses	26	20	226,080,051,894	224,772,875,252
<b>Net operating (loss)/profit (30 = 21 - 22 - 26)</b>	<b>30</b>		<b>(1,322,785,316,592)</b>	<b>1,350,023,708,882</b>
<b>Accounting (loss)/profit before tax (50 = 30)</b>	<b>50</b>		<b>(1,322,785,316,592)</b>	<b>1,350,023,708,882</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>21</b>	-	-
<b>Income tax expense – deferred</b>	<b>52</b>	<b>21</b>	-	-
<b>Net (loss)/profit after tax (60 = 50 - 51 - 52)</b>	<b>60</b>		<b>(1,322,785,316,592)</b>	<b>1,350,023,708,882</b>

5 March 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 separate financial statements



**Masan Group Corporation**

**Separate statement of cash flows for the year ended 31 December 2020 (Indirect method)**

**Form B 03 – DN**

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

	Code	Note	2020 VND	2019 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Accounting (loss)/profit before tax</b>	<b>01</b>		<b>(1,322,785,316,592)</b>	<b>1,350,023,708,882</b>
<b>Adjustments for</b>				
Depreciation and amortisation	02		3,838,342,885	3,056,282,386
Exchange losses/(gains) arising from revaluation of monetary items denominated in foreign currencies	04		5,999,943,066	(5,126,320)
Profits from investing activities	05		(463,728,265,047)	(1,822,544,303,821)
Interest expense and other financial expenses	06		1,554,303,020,429	247,810,869,846
<b>Operating loss before changes in working capital</b>	<b>08</b>		<b>(222,372,275,259)</b>	<b>(221,658,569,027)</b>
Change in receivables and other assets	09		251,923,811,579	(99,972,380,654)
Change in payables and other liabilities	11		(39,331,960,469)	23,120,704,227
Change in prepaid expenses	12		(750,347,243)	(1,139,225,400)
Change in trading securities	13		1,571,530,000,000	(71,540,000,000)
			<b>1,560,999,228,608</b>	<b>(371,189,470,854)</b>
Interest paid	14		(1,344,749,033,198)	(281,955,000,000)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>216,250,195,410</b>	<b>(653,144,470,854)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets	21		(7,479,667,333)	(4,721,193,184)
Payments for granting loans, purchases of debt instruments of other entities	23		(18,466,002,250,000)	(740,656,000,000)
Receipts from collecting loans, sales of debt instruments of other entities	24		19,931,658,250,000	3,414,348,390,000
Payments for investments	25		(31,436,575,267,636)	(3,950,030,223,282)
Proceeds from disposals of investments	26		1,579,935,876,240	209,430,000,000
Receipts of interest and dividends	27		2,275,240,067,903	1,961,956,513,936
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(26,123,222,990,826)</b>	<b>890,327,487,470</b>

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

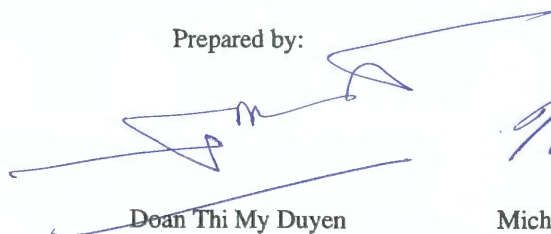
**Masan Group Corporation**  
**Separate statement of cash flows for the year ended 31 December 2020**  
**(Indirect method – continued)**

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

	Code	Note	2020 VND	2019 VND
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from issuance of new shares	31		57,307,990,000	57,908,990,000
Proceeds from borrowings and bonds	33		31,997,986,541,130	2,500,000,000,000
Payments to settle borrowings and bonds	34		(5,248,273,972,603)	(3,000,000,000,000)
Payments of dividends	36		(1,173,604,376,600)	-
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>25,633,416,181,927</b>	<b>(442,091,010,000)</b>
<b>Net cash flows during the year</b> (50 = 20 + 30 + 40)	<b>50</b>		<b>(273,556,613,489)</b>	<b>(204,907,993,384)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>60</b>		<b>476,294,341,206</b>	<b>681,197,208,270</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>61</b>		<b>56,934</b>	<b>5,126,320</b>
<b>Cash and cash equivalents at end of the year (70 = 50 + 60 + 61)</b>	<b>70</b>	<b>4</b>	<b>202,737,784,651</b>	<b>476,294,341,206</b>

5 March 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 separate financial statements*

**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2020**  
**(continued)**

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

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

**1. Reporting entity**

**(a) Ownership structure**

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

**(b) Principal activity**

The principal activity of the Company is investment holding.

**(c) Normal operating cycle**

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

**(d) Company’s headcount**

As at 31 December 2020, the Company had 48 employees (1/1/2020: 48 employees).

**2. Basis of preparation**

**(a) Statement of compliance**

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

The Company prepares and issues its consolidated financial statements separately. For a comprehensive understanding of the consolidated financial position as at 31 December 2020 of the Company and its subsidiaries (collectively referred to as “the Group”), their consolidated results of operations and their consolidated cash flows for the year then ended, the separate financial statements should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2020.

**(b) Basis of measurement**

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

**(c) Annual accounting period**

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



**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2020**  
**(continued)**

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

**(d) Accounting and presentation currency**

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

**3. Summary of significant accounting policies**

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

**(a) Foreign currency transactions**

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

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

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

**(b) Cash and cash equivalents**

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

**(c) Investments**

**(i) Trading securities**

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

12/11/2021  
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**Masan Group Corporation**

**Notes to the separate financial statements for the year ended 31 December 2020  
(continued)**

**Form B 09 – DN**

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

**(ii) Investments in subsidiaries, an associate and equity investment in other entity**

For the purpose of the separate financial statements, investments in subsidiaries, an associate and equity investment in other entity are initially recognised at cost which includes purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the investee has suffered a loss, except where such a loss was anticipated by the Company's management before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

**(d) Accounts receivable**

Other receivables are stated at cost less allowance for doubtful debts.

**(e) Tangible fixed assets**

**(i) Cost**

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

**(ii) Depreciation**

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

- leasehold improvements                      5 years
- office equipment                                3 – 5 years
- motor vehicles                                    6 years

**(f) Intangible fixed assets**

**Software**

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



**Masan Group Corporation**

**Notes to the separate financial statements for the year ended 31 December 2020**

(continued)

**Form B 09 – DN**

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

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

Prepaid borrowing costs are initially recognised at cost and amortised on a straight-line basis over the term of the related loans.

**(h) Trade and other payables**

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

**(i) Bonds issued**

***Straight bonds***

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

**(j) Equity**

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

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

**(ii) *Other capital***

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

**(k) Taxation**

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

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



**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2020**  
**(continued)**

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

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

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

**(l) Financial income**

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

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

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

**(m) Financial expenses**

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

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

**(n) Leases**

**(i) Leased assets**

Assets held under leases in terms of which the Company, as lessee, do not assume substantially all the risks and rewards of ownership are classified as operating leases and are not recognised in the Company's balance sheet.

**(ii) Lease payments**

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



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**Notes to the separate financial statements for the year ended 31 December 2020**  
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**(o) Employee stock ownership plans**

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

**(p) Related parties**

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

**(q) Comparative information**

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

Comparative information as at 1 January 2020 was derived from the balances and amounts reported in the Company's separate financial statements as at and for the year ended 31 December 2019.

**4. Cash and cash equivalents**

	<b>31/12/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	64,826,703	64,826,703
Cash at banks	52,672,957,948	2,229,514,503
Cash equivalents	150,000,000,000	474,000,000,000
Cash and cash equivalents in the separate statement of cash flows	202,737,784,651	476,294,341,206

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

As at 31 December 2020, current bank accounts with carrying value of VND44,661 million (1/1/2020: nil) were pledged with banks as security for loans granted to the Company (Note 12).



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**5. Investments**

	<b>31/12/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
<b>Short-term financial investments</b>		
Trading securities (a)	-	1,571,530,000,000
<hr/>		
<b>Long-term financial investments</b>		
Investments in subsidiaries (b)	25,812,570,202,463	29,145,510,222,355
Investment in an associate (c)	4,378,837,077,636	4,378,837,077,636
Equity investments in other entity (d)	23,692,196,267,636	-
	<hr/>	<hr/>
	53,883,603,547,735	33,524,347,299,991
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**(a) Trading securities**

Details of the Company's investments in trading securities as at 1 January 2020 were as follows:

	Quantity	Cost VND	Allowance for diminution in value VND
▪ Bonds of Masan High-Tech Materials Corporation (formerly known as Masan Resources Corporation), an indirect subsidiary ("MHT")	7,500,000	750,000,000,000	-
▪ Bonds of Nui Phao Mining Company Ltd, an indirect subsidiary ("NPM")	5,000,000	500,000,000,000	-
▪ Other bonds	32,153	321,530,000,000	-
		<hr/>	<hr/>
		1,571,530,000,000	-
		<hr/>	<hr/>

Movements of investments in trading securities during the year were as follows:

	Bonds of MHT VND	Bonds of NPM VND	Other bonds VND	Total VND
Opening balance	750,000,000,000	500,000,000,000	321,530,000,000	1,571,530,000,000
Disposals	(750,000,000,000)	(500,000,000,000)	(321,530,000,000)	(1,571,530,000,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Closing balance	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

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**Masan Group Corporation**

**Notes to the separate financial statements for the year ended 31 December 2020 (continued)**

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**(b) Investments in subsidiaries**

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

	31/12/2020	1/1/2020	Fair value VND	% of equity owned	% of voting rights	Cost VND	Allowance for diminution in value VND	Fair value VND
▪ Masan Horizon Company Limited ("MH")	99.9%	99.9%	18,737,200,000,000	99.9%	99.9%	13,737,200,000,000	-	(*)
▪ Masan MEATLife Corporation ("MML")	78.7%	78.7%	2,030,991,202,463	79.3%	79.3%	2,030,991,202,463	-	(*)
▪ The SHERPA Company Limited ("SHERPA") (**)	99.9%	99.9%	5,044,379,000,000	-	-	-	-	-
▪ Masan Consumer Holdings Company Limited ("MCH")	-	-	-	85.7%	85.7%	516,600,000,000	-	(*)
▪ VCM Services and Trading Development Joint Stock Company ("VCM")	-	-	-	83.7%	83.7%	12,860,719,019,892	-	(*)
			25,812,570,202,463			29,145,510,222,355	-	

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

(\*\*) The SHERPA Company Limited ("SHERPA") was incorporated under Enterprise Registration Certificate No. 0316328421 dated 12 June 2020 issued by the Department of Planning and Investment of Ho Chi Minh City.

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**Notes to the separate financial statements for the year ended 31 December 2020 (continued)**

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

	MH VND	MML VND	SHERPA VND	MCH VND	VCM VND	Total VND
Opening balance	13,737,200,000,000	2,030,991,202,463	-	516,600,000,000	12,860,719,019,892	29,145,510,222,355
Additions	5,000,000,000,000	-	5,044,379,000,000	-	-	10,044,379,000,000
Disposals (*)	-	-	-	(516,600,000,000)	(12,860,719,019,892)	(13,377,319,019,892)
Closing balance	18,737,200,000,000	2,030,991,202,463	5,044,379,000,000	-	-	25,812,570,202,463

(\*) On 25 June 2020, the Company transferred at cost all of its equity interests in VCM to SHERPA and its equity interests in MCH to The CrownX Corporation ("CrownX"), a subsidiary of SHERPA incorporated under Enterprise Registration Certificate No. 0316333118 dated 16 June 2020 issued by the Department of Planning and Investment of Ho Chi Minh City.

**(c) Investment in an associate**

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

	31/12/2020		1/1/2020	
	% of equity owned over charter capital	% of voting rights over charter capital	Cost VND	Allowance for diminution in value VND
Vietnam Technological and Commercial Joint Stock Bank ("Techcombank")	15.0%	15.0%	4,378,837,077,636	-
			4,378,837,077,636	-
			16,515,938,218,500	-
			15.0%	15.0%
			4,378,837,077,636	-
			4,378,837,077,636	-

**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2020 (continued)**

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The fair values of investments in Techcombank as at 31 December 2020 and 1 January 2020 were determined by reference to the quoted prices at these respective dates on Ho Chi Minh City Stock Exchange.

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

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

	31/12/2020		1/1/2020			
	% of equity owned	% of voting rights	Cost VND	Allowance for diminution in value VND	Cost VND	Allowance for diminution in value VND
The CrownX Corporation ("CrownX")	14.8%	14.8%	23,692,196,267,636	-	-	-

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





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**Notes to the separate financial statements for the year ended 31 December 2020**  
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**6. Accounts receivable – short-term and long-term**

**(a) Receivable on short-term lending loans**

	<b>31/12/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
Receivable from a related party (*)	685,000,000,000	-

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

	<b>31/12/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
Receivables from related parties (*)	250,116,125,839	1,983,421,983,658
Short-term deposits	29,500,000	2,250,034,500,000
Interest receivable from bank deposits and deposits to third parties	-	6,138,462,464
Others	2,814,564,000	873,812,405
	<b>252,960,189,839</b>	<b>4,240,468,758,527</b>

(\*) As at 31 December 2020, the short-term lending loans receivable and other short-term receivables due from related parties of the Company comprised of:

- An interest receivable of VND244,124 million (1/1/2020: interest and facility fee of VND1,124,124 million) on unsecured loans between the Company and a subsidiary which had been settled. The interest is receivable in 2021;
- An interest receivable of VND1,479 million (1/1/2020: nil) on an unsecured loan between the Company and a subsidiary which had been settled. The interest is receivable in June 2021; and
- An interest receivable of VND4,513 million (1/1/2020: nil) on an outstanding unsecured loan of VND685 billion between the Company and a subsidiary (Note 6(a)). The loan is due in November 2021 and earns interest at 6.5% per annum during the year.

**(c) Receivable on long-term lending loans**

	<b>31/12/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
Receivable from a related party	-	150,656,000,000



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**Notes to the separate financial statements for the year ended 31 December 2020**  
(continued)

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

	<b>31/12/2020</b> <b>VND</b>	<b>1/1/2020</b> <b>VND</b>
Receivable from related parties	-	1,142,276,852,205
Long-term deposits	4,828,186,052	2,925,994,360
	<hr/> 4,828,186,052	<hr/> 1,145,202,846,565 <hr/>

**7. Taxes**

**(a) Taxes receivable from State Treasury**

	<b>31/12/2020</b> <b>VND</b>	<b>1/1/2020</b> <b>VND</b>
Corporate income tax	398,015,743	398,015,743
Withholding tax	7,459,630,367	7,459,630,367
	<hr/> 7,857,646,110	<hr/> 7,857,646,110 <hr/>

**(a) Taxes payable to State Treasury**

	<b>31/12/2020</b> <b>VND</b>	<b>1/1/2020</b> <b>VND</b>
Personal income tax	1,491,102,504	-
	<hr/> 1,491,102,504	<hr/>

**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2020**  
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**8. Tangible fixed assets**

	<b>Leasehold improvements VND</b>	<b>Office equipment VND</b>	<b>Motors vehicles VND</b>	<b>Total VND</b>
<b>Cost</b>				
Opening balance	27,879,006,869	9,282,883,440	-	37,161,890,309
Additions	5,657,827,333	199,812,000	1,622,028,000	7,479,667,333
Closing balance	33,536,834,202	9,482,695,440	1,622,028,000	44,641,557,642
<b>Accumulated depreciation</b>				
Opening balance	21,099,981,349	6,533,511,665	-	27,633,493,014
Charge for the year	2,830,782,744	759,750,308	247,809,833	3,838,342,885
Closing balance	23,930,764,093	7,293,261,973	247,809,833	31,471,835,899
<b>Net book value</b>				
Opening balance	6,779,025,520	2,749,371,775	-	9,528,397,295
Closing balance	9,606,070,109	2,189,433,467	1,374,218,167	13,169,721,743

Included in tangible fixed assets were assets costing VND21,091 million which were fully depreciated as of 31 December 2020 (1/1/2020: VND21,054 million), but which are still in active use.

**9. Long-term prepaid expenses**

	<b>Prepaid borrowing costs VND</b>	<b>Others VND</b>	<b>Total VND</b>
Opening balance	-	465,981,062	465,981,062
Additions	176,045,672,825	501,446,930	176,547,119,755
Amortisation for the year	(4,817,983,063)	(508,346,337)	(5,326,329,400)
Closing balance	171,227,689,762	459,081,655	171,686,771,417

**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2020**  
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**10. Accrued expenses**

**(a) Accrued expenses – short-term**

	<b>31/12/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
Interest expense payable to:		
▪ Banks and bondholders	408,471,252,184	40,000,000,001
▪ Related parties	183,462,831,148	224,657,534
▪ Third parties	124,903,287,669	-
Professional service fees	2,524,940,000	58,269,755,859
Others	39,538,611,042	52,796,041,904
	<hr/>	<hr/>
	758,900,922,043	151,290,455,298
	<hr/>	<hr/>

Interest expense payable to related parties are unsecured, interest free and are payable at the maturity of the related loans (Note 12(a)).

**(b) Accrued expenses – long-term**

	<b>31/12/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
Interest expense payable to related parties	116,647,503,186	-
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Interest expense payable to related parties are unsecured, interest free and are payable at the maturity of the related loans (Note 12(b)).

**11. Other short-term payables**

	<b>31/12/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
Payable for acquisitions of equity investments in CrownX	2,300,000,000,000	-
Dividends payable	1,089,999,400	11,130,000
Payable for issuing options in combined company related to the investment in VCM	-	12,841,200,000,000
Others	398,917,507	680,229
	<hr/>	<hr/>
	2,301,488,916,907	12,841,211,810,229
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**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2020**  
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**12. Borrowings and bonds**

	<b>31/12/2020</b> VND	<b>1/1/2020</b> VND
<b>Short-term borrowings (a)</b>		
Short-term borrowings	3,383,479,452,055	1,000,000,000,000
<hr/>		
<b>Long-term borrowings and bonds</b>		
Long-term borrowings (b)	7,772,233,116,472	-
Long-term bonds (c)	17,670,698,124,918	1,484,676,664,577
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	25,442,931,241,390	1,484,676,664,577
<hr/>		

**(a) Short-term borrowings**

	1/1/2020 Carrying amounts/ amounts within repayment capacity VND	Movements during the year		31/12/2020 Carrying amounts/ amounts within repayment capacity VND
		Additions VND	Repayments VND	
Short-term borrowings	1,000,000,000,000	7,363,753,424,658	(4,980,273,972,603)	3,383,479,452,055

	<b>31/12/2020</b> VND	<b>1/1/2020</b> VND
<b>Lenders:</b>		
▪ Nui Phao Mining Company Ltd, an indirect subsidiary	1,143,479,452,055	1,000,000,000,000
▪ VCM Services and Trading Development Joint Stock Company, an indirect subsidiary	500,000,000,000	-
▪ Masan MEATLife Corporation, a direct subsidiary	150,000,000,000	-
▪ Third party	1,590,000,000,000	-
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	3,383,479,452,055	1,000,000,000,000
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The outstanding short-term borrowings were unsecured, in VND and bear interests at the rates agreed in the loan agreements.

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**Masan Group Corporation****Notes to the separate financial statements for the year ended 31 December 2020**

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

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

	Currency	Year of maturity	31/12/2020 VND	1/1/2020 VND
▪ Unsecured loans from Masan Horizon Company Limited, a direct subsidiary (i)	VND	2022 - 2023	3,134,233,116,472	-
▪ Secured syndicated loan (ii)	USD	2022 - 2023	4,638,000,000,000	-
Amount payable after 12 months			<u>7,772,233,116,472</u>	-

(i) This borrowing was unsecured and bears interest at the rate agreed in the loan agreement.

(ii) This syndicated loan was secured and bears annual interest rate at 3.61% during the year. As at 31 December 2020, the Company's syndicated loan is secured by the following assets :

- the Company's a current bank account with carrying value of VND44,661 million;
- 15% contributed capital of MasanConsumerHoldings Company Limited held by The CrownX Corporation, an indirect subsidiary and all related benefits; and
- corporate guarantee by The CrownX Corporation.

During the year, the Company complied with the covenants of the above loans.

**(c) Long-term bonds**

The carrying amount of the issued bonds comprised the followings:

	31/12/2020 VND	1/1/2020 VND
Straight bonds, maturing after 12 months	18,100,000,000,000	1,500,000,000,000
Unamortised bond issuance costs	(429,301,875,082)	(15,323,335,423)
	<u>17,670,698,124,918</u>	<u>1,484,676,664,577</u>





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**Notes to the separate financial statements for the year ended 31 December 2020**  
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The bonds of the Company comprised the followings:

- VND1,500 billion (1/1/2020: VND1,500 billion) bonds excluded issuance costs with a maturity of 3 years (2022) at an interest rate of 10.0% per annum in the first year and 3.2% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. These bonds were unsecured.
- VND7,000 billion (1/1/2020: nil) bonds excluded issuance costs with a maturity of 3 years (2023) at an interest rate of 9.3% per annum in the first year and 2.5% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. These bonds were unsecured.
- VND3,000 billion (1/1/2020: nil) bonds excluded issuance costs with a maturity of 3 years (2023) at an interest rate of 10% per annum in the first year and 3.2% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. These bonds were unsecured.
- VND4,000 billion (1/1/2020: nil) bonds excluded issuance costs with a maturity of 3 years (2023) at an interest rate of 10% per annum in the first year and 4% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. These bonds were unsecured.
- VND600 billion (1/1/2020: nil) bonds excluded issuance costs with a maturity of 3 years (2023) at an interest rate of 9.8% per annum in the first year and 3.8% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. These bonds were unsecured.
- VND1,000 billion (1/1/2020: nil) bonds excluded issuance costs with a maturity of 3 years (2023) at an interest rate of 9.9% per annum in the first year and 3.9% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. These bonds were unsecured.
- VND1,000 billion (1/1/2020: nil) bonds excluded issuance costs with a maturity of 3 years (2023) at an interest rate of 10% per annum in the first year and 4% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. These bonds were unsecured.

As at 31 December 2020, the associate of the Company held VND419,872 million (1/1/2020: VND23,260 million) of the issued bonds.



**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2020 (continued)**

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**13. Changes in owners' equity**

	Share capital VND	Capital surplus VND	Other capital VND	Undistributed profits after tax VND	Total VND
<b>Balance as at 1 January 2019</b>	11,631,495,480,000	11,084,416,541,079	(1,695,338,182,568)	3,220,188,542,728	24,240,762,381,239
Issuance of new shares	57,968,990,000	(60,000,000)	-	-	57,908,990,000
Net profit for the year	-	-	-	1,350,023,708,882	1,350,023,708,882
<b>Balance as at 1 January 2020</b>	11,689,464,470,000	11,084,356,541,079	(1,695,338,182,568)	4,570,212,251,610	25,648,695,080,121
Issuance of new shares	57,367,990,000	(60,000,000)	-	-	57,307,990,000
Net loss for the year	-	-	-	(1,322,785,316,592)	(1,322,785,316,592)
Dividend (Note 16)	-	-	-	(1,174,683,246,000)	(1,174,683,246,000)
<b>Balance as at 31 December 2020</b>	11,746,832,460,000	11,084,296,541,079	(1,695,338,182,568)	2,072,743,689,018	23,208,534,507,529

**Masan Group Corporation****Notes to the separate financial statements for the year ended 31 December 2020**

(continued)

**Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***14. Share capital and capital surplus**

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

	31/12/2020		1/1/2020	
	Number of shares	VND	Number of shares	VND
<b>Authorised share capital</b>				
Ordinary shares	1,174,683,246	11,746,832,460,000	1,168,946,447	11,689,464,470,000
<b>Issued share capital</b>				
Ordinary shares	1,174,683,246	11,746,832,460,000	1,168,946,447	11,689,464,470,000
<b>Capital surplus</b>	-	11,084,296,541,079	-	11,084,356,541,079

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 of share capital during the year were as follows:

	2020		2019	
	Number of shares	VND	Number of shares	VND
Balance at beginning of the year	1,168,946,447	11,689,464,470,000	1,163,149,548	11,631,495,480,000
Issuance of new shares for cash	5,736,799	57,367,990,000	5,796,899	57,968,990,000
Balance at end of the year	1,174,683,246	11,746,832,460,000	1,168,946,447	11,689,464,470,000

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**15. Employee stock ownership plans**

The Company has an employee stock ownership plans (ESOP) based on the assessment of the performance of employees. The future issuance of shares under the plan has to be approved by the shareholders at the Annual General Meeting of Shareholders.

In August 2020, the Company issued 5,736,799 shares to employee at par for cash.

**16. Dividends**

The Annual General Meeting of Shareholders of the Company on 30 June 2020 resolved to distribute dividends by cash amounting to 10% per share (VND1,000 per share) (2019: nil). In December 2020, the Company paid the dividend amounting to VND1,173,604 million to shareholders.

**17. Off balance sheet items**

**(a) Lease commitments**

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

	<b>31/12/2020</b>	<b>1/1/2020</b>
	<b>VND</b>	<b>VND</b>
Within 1 year	11,001,674,200	14,006,836,080
Within 2 to 5 years	-	13,189,412,200
	<hr/>	<hr/>
	11,001,674,200	27,196,248,280
	<hr/>	<hr/>

**(b) Foreign currency**

	<b>31/12/2020</b>		<b>1/1/2020</b>	
	<b>Original currency</b>	<b>VND equivalent</b>	<b>Original currency</b>	<b>VND equivalent</b>
USD	266	6,144,740	273	6,297,475
	<hr/>			

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**18. Financial income**

	<b>2020</b>	<b>2019</b>
	<b>VND</b>	<b>VND</b>
Interest income from:		
▪ Deposits and bonds	437,142,717,217	197,482,632,271
▪ Loans granted to subsidiaries	25,730,753,310	132,117,485,590
▪ Loans granted to third parties	854,794,520	11,269,071,189
Dividend income from subsidiaries	-	1,320,000,000,000
Gains from disposals of investments	-	165,770,107,044
Foreign exchange gains	56,934	63,182,657
	<hr/>	<hr/>
	463,728,321,981	1,826,702,478,751
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**19. Financial expenses**

	<b>2020</b>	<b>2019</b>
	<b>VND</b>	<b>VND</b>
Interest expense to:		
▪ Banks	16,964,676,840	-
▪ Bondholders	980,816,160,372	236,875,000,001
▪ Subsidiaries	327,993,452,143	224,657,534
▪ Others	124,903,287,670	-
Bond issuance costs	98,807,460,341	10,711,212,311
Borrowing issuance costs	4,817,983,063	-
Losses from disposals of investments	-	4,094,992,273
Foreign exchange losses	6,000,000,000	32,498
Others	130,566,250	-
	<hr/>	<hr/>
	1,560,433,586,679	251,905,894,617
	<hr/>	<hr/>

**20. General and administration expenses**

	<b>2020</b>	<b>2019</b>
	<b>VND</b>	<b>VND</b>
Depreciation and amortisation	3,838,342,885	3,056,282,386
Staff costs, outside services and other expenses	222,241,709,009	221,716,592,866
	<hr/>	<hr/>
	226,080,051,894	224,772,875,252
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**Masan Group Corporation****Notes to the separate financial statements for the year ended 31 December 2020**

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**Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***21. Income tax****(a) Reconciliation of effective tax rate**

	2020		2019
	%	VND	%
			VND
Accounting (loss)/profit before tax	100%	(1,322,785,316,592)	100%
			1,350,023,708,882
Tax at the Company's tax rate	20%	(264,557,063,318)	20%
Tax exempt income	0%	-	(20%)
Non-deductible expenses	0%	345,116,459	-
Unrecognised deferred tax assets	(20%)	264,211,946,859	-
Tax losses utilised	-	-	-
			(7,843,701,599)
	-	-	-
			-

Deferred tax assets have not been recognised because it is not probable that future taxable profit will be available against which the Company can utilise the benefits therefrom. The deductible temporary differences except for the interest expense do not expire under current tax legislation. Interest expense that were exceeded capped amount in accordance with current income tax regulation and tax losses will be carried forward within 5 years.

**(b) Applicable tax rates**

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

**(c) Tax contingencies**

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





**Masan Group Corporation****Notes to the separate financial statements for the year ended 31 December 2020**

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

Relationship	Nature of transaction	Transaction value	
		2020 VND	2019 VND
<b>Direct subsidiaries</b>			
Masan Horizon Company Limited	Capital contribution	5,000,000,000,000	1,787,200,000,000
	Loans provided	300,002,250,000	150,656,000,000
	Loans collected	450,658,250,000	-
	Interest income from loans provided	5,430,690,297	429,266,411
	Loans received	3,402,233,116,472	-
	Loans repaid	268,000,000,000	-
	Interest expense from loans received	116,647,503,186	-
	The SHERPA Company Limited	Capital contribution	5,044,379,000,000
	Loans provided	3,685,000,000,000	-
	Loans collected	3,000,000,000,000	-
	Interest income from loans provided	4,513,493,150	-
	Disposal of equity investments	12,841,200,000,000	-
Masan MEATLife Corporation	Loans received	150,000,000,000	-
	Interest expense from loans received	2,323,972,603	-
<b>Indirect subsidiaries</b>			
MasanConsumerHoldings Company Limited	Dividend income	-	1,320,000,000,000
	Loans provided	3,000,000,000,000	-
	Loans collected	3,000,000,000,000	2,800,000,000,000
	Interest income from loans provided	534,246,575	131,688,219,179
Masan High-Tech Materials Corporation (formerly known as Masan Resources Corporation)	Interest income from bonds	-	103,892,049,506
Masan Consumer Corporation	Share of information and technology expenses	3,367,621,987	3,722,084,981
	Purchases of goods	9,538,275,823	177,451,344

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Relationship	Nature of transaction	Transaction value	
		2020 VND	2019 VND
Masan Tungsten Limited Liability Company	Loans provided	1,781,000,000,000	-
	Loans collected	1,781,000,000,000	-
	Interest income from loan provided	11,526,953,425	-
Nui Phao Mining Company Ltd	Interest income from bonds	-	43,030,134,385
	Loans received	1,923,753,424,658	1,000,000,000,000
	Loans repaid	1,780,273,972,603	-
	Interest expense from loans received	45,822,250,325	224,657,534
	Loans provided	400,000,000,000	-
	Loans collected	400,000,000,000	-
	Interest income from loans provided	2,246,575,342	-
Vincommerce General Commercial Service Joint Stock Company	Loans received	3,700,000,000,000	-
	Loans repaid	3,200,000,000,000	-
	Interest expense from loans received	163,199,726,028	-
MNS Meat Ha Nam Company Limited	Loans provided	1,000,000,000,000	-
	Loans collected	1,000,000,000,000	-
	Interest income from loan provided	1,478,794,521	-
The CrownX Corporation	Disposal of equity investments	516,600,000,000	-
<b>Other related parties</b>			
Techcombank and its subsidiaries (*)	Bonds issued (acting as an agent)	16,600,000,000,000	1,500,000,000,000
	Bonds repurchased (acting as an agent)	-	3,000,000,000,000
	Bonds issuance fees	516,536,000,000	-
	Purchases of trading securities	-	2,004,710,500,000
	Sales of trading securities	1,250,000,000,000	754,710,500,000
<b>Key management personnel</b>	Remuneration (**)	22,943,793,777	15,160,674,736

(\*) As at and for the year ended 31 December 2020 and 2019, the Company had current and term deposit accounts at and agency transactions with Techcombank and its subsidiaries at normal trading terms.

(\*\*) No board fees were paid to the Board of Directors' members of the Company for the years ended 31 December 2020 and 2019.

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Included in the remuneration to key management personnel, the actual board fees, salary and bonus for each member of the Company's Board of Directors and the Company's Chief Executive Officer during the year ended 31 December 2020 was as follows:

Name	Position	VND
<b>Board of Directors</b>		
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	-

Name	Timing of holding the position of Chief Executive Officer during the year	VND
<b>Chief Executive Officer</b>		
Dr Nguyen Dang Quang	1 January 2020 to 18 June 2020	-
Mr Danny Le	19 June 2020 to 31 December 2020 (i)	9,534,897,844

(i) This represented total actual salary and bonus incurred for the year of 2020.

**23. Non-cash investing activities**

	2020 VND	2019 VND
Net-off receivable from disposal of equity investments with payable for the acquisition of VCM	12,841,200,000,000	-
Acquisition of equity investments through occurrence of liabilities	2,300,000,000,000	-

**Masan Group Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2020**  
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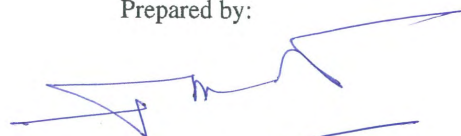
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**24. Post balance sheet events**

On 19 January 2021, the Company made VND1,000,000 million of capital contribution to SHERPA.

5 March 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

