



**Masan Group Corporation
and its subsidiaries**

Consolidated Financial Statements for
the year ended 31 December 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

Auditor

KPMG Limited
Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Management of Masan Group Corporation (“the Company”) presents this statement and the accompanying consolidated financial statements of the Company and its subsidiaries (collectively referred to as “the Group”) for the year ended 31 December 2021.

The Company’s Board of Management is responsible for the preparation and fair presentation of the consolidated financial statements as at and for the year ended 31 December 2021 in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In preparing those consolidated financial statements, the Company’s Board of Management is required to:

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

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

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

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We do hereby approve the accompanying consolidated financial statements of the Group as at and for the year ended 31 December 2021, 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
8 March 2022

11/1 Z E C 1/311



KPMG Limited Branch
10th 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 consolidated financial statements of Masan Group Corporation ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated balance sheet as at 31 December 2021, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 8 March 2022, as set out on pages 5 to 97.

Management's Responsibility

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

Auditor's Responsibility

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

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

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



Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Masan Group Corporation and its subsidiaries as at 31 December 2021 and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No.: 21-01-00241-22-4



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

Ho Chi Minh City, 8 March 2022

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



Masan Group Corporation and its subsidiaries
Consolidated balance sheet as at 31 December 2021

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

	Code	Note	31/12/2021 VND million	1/1/2021 VND million
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		43,630,176	29,760,685
Cash and cash equivalents	110	7	22,304,822	7,721,442
Cash	111		6,885,412	1,930,142
Cash equivalents	112		15,419,410	5,791,300
Short-term financial investments	120		332,753	447,250
Held-to-maturity investments	123	8(a)	332,753	447,250
Accounts receivable – short-term	130	9	6,634,409	7,051,442
Accounts receivable from customers	131		2,480,224	2,061,915
Prepayments to suppliers	132		851,052	606,656
Receivable on short-term lending loans	135		2,452,812	1,140,000
Other short-term receivables	136		883,690	3,350,727
Allowance for doubtful debts	137		(33,369)	(107,856)
Inventories	140	10	12,813,391	12,497,917
Inventories	141		12,947,923	12,730,397
Allowance for inventories	149		(134,532)	(232,480)
Other current assets	150		1,544,801	2,042,634
Short-term prepaid expenses	151		256,766	303,201
Deductible value added tax	152		1,233,915	1,663,346
Taxes receivable from State Treasury	153	18(a)	54,120	76,087

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

Masan Group Corporation and its subsidiaries
Consolidated balance sheet as at 31 December 2021 (continued)

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

	Code	Note	31/12/2021 VND million	1/1/2021 VND million
Long-term assets (200 = 210 + 220 + 230 + 240 + 250 + 260)	200		82,463,295	85,975,877
Accounts receivable – long-term	210	9	1,878,478	1,592,008
Receivable on long-term lending loans	215		81,150	-
Other long-term receivables	216		1,797,328	1,592,008
Fixed assets	220		42,653,939	49,582,187
Tangible fixed assets	221	11	31,151,629	34,321,764
Cost	222		48,474,105	50,777,648
Accumulated depreciation	223		(17,322,476)	(16,455,884)
Finance lease tangible fixed assets	224		209,550	22,278
Cost	225		308,899	90,061
Accumulated depreciation	226		(99,349)	(67,783)
Intangible fixed assets	227	12	11,292,760	15,238,145
Cost	228		14,362,471	19,594,216
Accumulated amortisation	229		(3,069,711)	(4,356,071)
Investment property	230	13	810,057	14,518
Cost	231		1,174,802	18,628
Accumulated depreciation	232		(364,745)	(4,110)
Long-term work in progress	240		2,021,827	2,274,759
Construction in progress	242	14	2,021,827	2,274,759
Long-term financial investments	250		24,538,803	20,353,099
Investments in associates	252	8(b)	24,538,803	20,320,738
Equity investments in other entities	253		-	30,589
Allowance for diminution in value of long-term financial investments	254		-	(5,628)
Held-to-maturity investments	255		-	7,400
Other long-term assets	260		10,560,191	12,159,306
Long-term prepaid expenses	261	15	6,593,682	6,533,670
Deferred tax assets	262	16	609,690	1,794,136
Goodwill	269	17	3,356,819	3,831,500
TOTAL ASSETS (270 = 100 + 200)	270		126,093,471	115,736,562

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

Masan Group Corporation and its subsidiaries
Consolidated balance sheet as at 31 December 2021 (continued)

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

	Code	Note	31/12/2021 VND million	1/1/2021 VND million
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		83,756,819	90,706,283
Current liabilities	310		34,547,836	38,874,663
Accounts payable to suppliers – short-term	311		7,970,287	6,832,649
Advances from customers	312		168,183	1,074,932
Taxes payable to State Treasury	313	18(b)	801,899	941,302
Payables to employees	314		222,205	239,074
Accrued expenses	315	19	4,996,691	4,705,417
Unearned revenue	318		14,532	20,706
Other short-term payables	319	20	1,513,366	2,472,126
Short-term borrowings, bonds and finance lease liabilities	320	21(a)	18,805,727	22,545,046
Provisions – short-term	321		19,101	6,517
Bonus and welfare funds	322		35,845	36,894
Long-term liabilities	330		49,208,983	51,831,620
Accounts payable to suppliers – long-term	331		25,014	27,668
Other long-term payables	337	20	227,575	180,397
Long-term borrowings, bonds and finance lease liabilities	338	21(b)	39,371,918	39,466,043
Deferred tax liabilities	341	16	3,215,395	4,651,174
Provisions – long-term	342	22	6,369,081	7,506,338

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

Masan Group Corporation and its subsidiaries
Consolidated balance sheet as at 31 December 2021 (continued)

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

	Code	Note	31/12/2021 VND million	1/1/2021 VND million
EQUITY (400 = 410)	400		42,336,652	25,030,279
Owners' equity	410	23	42,336,652	25,030,279
Share capital	411	24	11,805,347	11,746,832
Capital surplus	412	24	11,084,247	11,084,297
Other capital	414		(8,388,147)	(8,563,690)
Foreign exchange differences	417		(339,255)	(226,972)
Other equity funds	420		(147,087)	(284,952)
Undistributed profits after tax	421		18,795,877	2,182,124
- Undistributed profits after tax brought forward	421a		762,441	27,383,610
- Undistributed profit after tax for the current year/ (loss after tax for the prior year)	421b		18,033,436	(25,201,486)
Non-controlling interests	429		9,525,670	9,092,640
TOTAL RESOURCES (440 = 300 + 400)	440		126,093,471	115,736,562

8 March 2022

Prepared by:



Nguyen Huy Hung
Chief Accountant

Approved by:



Do Thi Quynh Trang
Chief Financial Officer



Danny Le
Chief Executive Officer



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

Masan Group Corporation and its subsidiaries
Consolidated statement of income for the year ended 31 December 2021

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

	Code	Note	2021 VND million	2020 VND million
Revenue from sale of goods and provision of services	01	27	89,791,619	78,868,319
Revenue deductions	02	27	1,162,852	1,650,511
Net revenue (10 = 01 - 02)	10	27	88,628,767	77,217,808
Cost of sales and services rendered	11	28	66,493,966	59,329,111
Gross profit (20 = 10 - 11)	20		22,134,801	17,888,697
Financial income	21	29	6,799,578	1,430,663
Financial expenses	22	30	5,706,531	4,556,671
<i>In which: Interest expense</i>	23		4,669,426	3,770,283
Share of profit in associates	24	8(b)	3,896,641	2,640,068
Selling expenses	25	31	11,786,338	13,166,087
General and administration expenses	26	32	4,064,969	3,040,896
Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		11,273,182	1,195,774
Other income	31	33	501,150	1,613,262
Other expenses	32	34	285,548	484,197
Results of other activities (40 = 31 - 32)	40		215,602	1,129,065
Accounting profit before tax (50 = 30 + 40)	50		11,488,784	2,324,839
Income tax expense – current	51	35	1,499,249	1,086,193
Income tax benefit – deferred	52	35	(111,846)	(156,367)
Net profit after tax (60 = 50 - 51 - 52) (carried forward to next page)	60		10,101,381	1,395,013

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

Masan Group Corporation and its subsidiaries
Consolidated statement of income for the year ended 31 December 2021 (continued)

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

	Code Note	2021 VND million	2020 VND million
Net profit after tax (60 = 50 - 51 - 52) (brought forward from previous page)	60	10,101,381	1,395,013
Attributable to:			
Equity holders of the Company	61	8,562,882	1,233,982
Non-controlling interests	62	1,538,499	161,031
Earnings per share			
Basic earnings per share (VND)	70 37	7,269	1,054

8 March 2022

Prepared by:



Nguyen Huy Hung
Chief Accountant

Approved by:



Do Thi Quynh Trang
Chief Financial Officer



Danny Le
Chief Executive Officer

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

Masan Group Corporation and its subsidiaries
Consolidated statement of cash flows for the year ended 31 December 2021
(Indirect method)

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

	Code Note	2021 VND million	2020 VND million
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	11,488,784	2,324,839
Adjustments for			
Depreciation and amortisation	02	4,631,679	4,583,989
Negative goodwill on acquisition of a subsidiary	02	-	(1,341,663)
Allowances and provisions	03	21,659	252,266
Exchange (gains)/losses arising from revaluation of monetary items denominated in foreign currencies	04	(24,706)	10,910
Profits from investing activities	05	(10,025,168)	(3,235,762)
Interest expense and other financial expenses	06	5,093,022	4,008,435
Operating profit before changes in working capital	08	11,185,270	6,603,014
Change in receivables and other assets	09	(800,894)	175,576
Change in inventories	10	(2,232,630)	(1,116,607)
Change in payables and other liabilities	11	(655,218)	12,219
Change in prepaid expenses	12	373,150	449,482
Change in trading securities	13	-	472,134
		7,869,678	6,595,818
Interest paid	14	(5,068,896)	(4,213,385)
Corporate income tax paid	15	(1,652,600)	(1,029,120)
Other payments for operating activities	17	(4,269)	(2,014)
Net cash flows from operating activities	20	1,143,913	1,351,299
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(2,805,427)	(3,678,162)
Proceeds from disposals of fixed assets and other long-term assets	22	19,279	56,309
Payments for granting loans and term deposits	23	(9,264,755)	(13,414,750)
Receipts from collecting loans and term deposits	24	9,235,690	11,438,600
Payments for investments	25	(5,260,675)	(27,213,440)
Business combination, net of cash acquired	25	5,153	(1,607,289)
Proceeds from disposals of investments	26	13,682,023	-
Receipts of interest, dividends and others	27	734,931	661,442
Net cash flows from investing activities	30	6,346,219	(33,757,290)

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

Masan Group Corporation and its subsidiaries
Consolidated statement of cash flows for the year ended 31 December 2021
(Indirect method – continued)

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

	Code Note	2021 VND million	2020 VND million
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from equity issued to the Company's shareholders and to non-controlling interests of subsidiaries	31	17,363,923	2,386,092
Payments for share repurchases of a subsidiary	32	(9,777,448)	-
Proceeds from borrowings and bonds	33	60,085,748	87,379,259
Payments to settle borrowings and bonds principals	34	(57,114,898)	(55,031,426)
Payments to settle finance lease liabilities	35	(19,537)	(894)
Payments of dividends to the Company's shareholders and to non-controlling interests of subsidiaries	36	(3,442,095)	(1,402,069)
Net cash flows from financing activities	40	7,095,693	33,330,962
Net cash flows during the year (50 = 20 + 30 + 40)	50	14,585,825	924,971
Cash and cash equivalents at the beginning of the year	60	7,721,442	6,800,528
Effect of exchange rate fluctuations	61	(2,445)	(4,057)
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)	70 7	22,304,822	7,721,442

8 March 2022

Prepared by:



Nguyen Huy Hung
Chief Accountant

Approved by:



Do Thi Quynh Trang
Chief Financial Officer



Danny Le
Chief Executive Officer

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021

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

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

1. Reporting entity

(a) Ownership structure

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

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

(b) Principal activities

The principal activity of the Company is investment holding.

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

13
13
13
13
13

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2021	1/1/2021
Direct subsidiaries						
1	Masan Horizon Corporation (formerly known as Masan Horizon Company Limited) (“MH”)		Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.9%	99.9%
2	Masan MEATLife Corporation (“MML”)		Investment holding, animal protein trading	10 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	87.8%	87.9%
3	The SHERPA Company Limited (“SHERPA”)		Investment holding	10 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.9%	99.9%
Indirect subsidiaries						
1	The CrownX Corporation (“CrownX”)		Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	81.7%	84.8%
2	Masan Consumer Holdings Company Limited (“MCH”)		Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	70.0%	72.7%
3	Masan Brewery Company Limited (“MB”)	(i)	Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	46.7%	48.5%
4	Masan Master Brewer Company Limited (“MMBr”)	(i)	Beer and beverage trading	10 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	46.7%	48.5%
5	Masan Brewery PY One Member Company Limited (“MBPY”)	(i)	Beer and beverage manufacturing	Hoa Hiep Industrial Park, Hoa Hiep Bac Ward, Dong Hoa District, Phu Yen Province, Vietnam	46.7%	48.5%

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2021	1/1/2021
<i>Indirect subsidiaries</i>						
6	Masan Brewery HG One Member Company Limited (“MBHG”)	(i)	Beer and beverage manufacturing	Song Hau Industrial Park, Dong Phu Ward, Chau Thanh District, Hau Giang Province, Vietnam	46.7%	48.5%
7	Masan Brewery Distribution One Member Company Limited (“MBD”)	(i)	Beer and beverage trading	10 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	46.7%	48.5%
8	Masan Brewery MB Company Limited (“MBMB”)	(i)	Beer and beverage manufacturing	Area B, Nam Cam Industrial Park – Dong Nam Nghe An Economic Zone, Nghi Long Commune, Nghi Loc District, Nghe An Province, Vietnam	46.7%	48.5%
9	Masan Consumer Corporation (“MSC”)	(i)	Trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	65.6%	68.9%
10	Masan Consumer (Thailand) Limited (“MTH”)	(i)	Trading and distribution	No. 83, 4 th Floor, Amnuay Songkhram Road, Tanon Nakornchaisri Sub-District, Dusit District, Bangkok, Thailand	65.6%	68.9%
11	Masan Food Company Limited (“MSF”)	(i)	Trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	65.6%	68.9%
12	Masan Industrial One Member Company Limited (“MSI”)	(i)	Seasonings, convenience food manufacturing and packaging	Lot 6, Tan Dong Hiep A Industrial Park, Tan Dong Hiep Ward, Di An City, Binh Duong Province, Vietnam	65.6%	68.9%
13	Viet Tien Food Technology One Member Company Limited (“VTF”)	(i)	Seasonings manufacturing	Lot III-10-Industrial Group III, Tan Binh Industrial Park, Tan Phu District, Ho Chi Minh City, Vietnam	65.6%	68.9%

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2021	1/1/2021
<i>Indirect subsidiaries</i>						
14	Masan HD One Member Company Limited (“MHD”)	(i)	Convenience food manufacturing	Lot 22, Dai An Industrial Park, Tu Minh Ward, Hai Duong City, Vietnam	65.6%	68.9%
15	Masan PQ Corporation (“MPQ”)	(i)	Seasonings manufacturing	Area 1, Suoi Da Hamlet, Duong To Ward, Phu Quoc City, Kien Giang Province, Vietnam	65.6%	68.9%
16	Nam Ngu Phu Quoc One Member Company Limited (“NPQ”)	(i)	Seasonings manufacturing	Area 1, Suoi Da Hamlet, Duong To Ward, Phu Quoc City, Kien Giang Province, Vietnam	65.6%	68.9%
17	Masan HN Company Limited (“HNF”)	(i)	Convenience food manufacturing	Lot CN-08 and CN-14, Dong Van IV Industrial Zone, Dai Cuong Commue, Kim Bang District, Ha Nam Province, Vietnam	65.6%	68.9%
18	Masan Long An Company Limited (“MLA”)	(i)	Seasonings, convenience food manufacturing and packaging	Hamlet 2, Thanh Hoa Commune, Ben Luc District, Long An Province, Vietnam	65.6%	68.9%
19	VinaCafé Bien Hoa Joint Stock Company (“VCF”)	(i)	Beverage manufacturing and trading	Bien Hoa I Industrial Zone, Bien Hoa City, Dong Nai Province, Vietnam	64.9%	68.0%
20	Café De Nam Joint Stock Company (“CDN”)	(i)	Beverage trading and manufacturing	Lot C.I.III-3+5+7, Long Thanh Industrial Park, Tam An Commune, Long Thanh District, Dong Nai Province, Vietnam	63.4%	57.8%

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

Number	Name	Note	Principal activities	Address	Percentage of economic interests at 31/12/2021	1/1/2021
<i>Indirect subsidiaries</i>						
21	Vinh Hao Mineral Water Corporation (“VHC”)	(i)	Beverage manufacturing and trading and packaging	Vinh Son Hamlet, Vinh Hao Commune, Tuy Phong District, Binh Thuan Province, Vietnam	59.2%	62.1%
22	Kronfa., JSC (“KRP”)	(i)	Beverage manufacturing	Km 37, National Road 27, Tan Son Town, Ninh Son District, Ninh Thuan Province, Vietnam	59.2%	62.1%
23	Masan Beverage Company Limited (“MSB”)	(i)	Beverage trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	65.6%	68.9%
24	Masan MB One Member Company Limited (“MMB”)	(i)	Seasonings, convenience food manufacturing and packaging	Area B, Nam Cam Industrial Park, Dong Nam Nghe An Economic Zone, Nghi Long Commune, Nghi Loc District, Nghe An Province, Vietnam	65.6%	68.9%
25	Masan HG One Member Company Limited (“MHG”)	(i)	Convenience food manufacturing and packaging	Song Hau Industrial Park, Dong Phu Ward, Chau Thanh District, Hau Giang Province, Vietnam	65.6%	68.9%
26	Masan Jinju Joint Stock Company (“MSJ”)	(i)	Convenience food manufacturing and trading	Factory F5, Lot 6, Tan Dong Hiep A Industrial Park, Tan Dong Hiep Ward, Di An City, Binh Duong Province, Vietnam	49.2%	51.6%

11/1/2021 10:10

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN/HN

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

Number	Name	Note	Principal activity	Address	Percentage of economic interests at 31/12/2021	1/1/2021
<i>Indirect subsidiaries</i>						
27	Quang Ninh Mineral Water Corporation (“QNW”)	(i)	Beverage manufacturing and trading	Group 3A, Area 4, Suoi Mo, Bai Chay Ward, Ha Long City, Quang Ninh Province, Vietnam	43.2%	45.3%
28	Masan HPC Company Limited (“HPC”)	(i)	Trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	65.6%	68.9%
29	Net Detergent Joint Stock Company (“NET”)	(i)	Homecare products manufacturing and trading	D4 Street, Loc An-Binh Son Industrial Park, Binh Son Ward, Long Thanh District, Dong Nai Province, Vietnam	34.3%	36.0%
30	Masan Innovation Company Limited (“INV”)	(i)	Trading and distribution	12 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	65.6%	68.9%
31	Hi-Fresh Company Limited (“HIF”)	(i)	Trading and distribution	8 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	65.6%	68.9%
32	Joins Pro Professional Laundry Company Limited (“JPR”)	(i)/ (a)	Providing laundry services	8 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	65.6%	-

(a) Joins Pro Professional Laundry Company Limited (“JPR”) was established under the Enterprise Registration Certificate No. 0317020365 dated 9 November 2021, issued by the Department of Planning and Investment of Ho Chi Minh City. As at the date of issuance of these consolidated financial statements, JPR has not started its operation yet.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

Number	Name	Note	Principal activity	Address	Percentage of economic interests at 31/12/2021	1/1/2021
<i>Indirect subsidiaries</i>						
33	VCM Services and Trading Development Joint Stock Company (“WCM”)		Investment holding	6 th Floor, International Center, 17 Ngo Quyen Street, Trang Tien Ward, Hoan Kiem District, Hanoi, Vietnam	68.6%	80.1%
34	Wincommerce General Commercial Services Joint Stock Company (formerly known as Vincommerce General Commercial Services Joint Stock Company) (“WinCommerce”)	(ii)	Consumer retail	5 th Floor, MPlaza Saigon, 39 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	68.6%	80.1%
35	WinEco Agricultural Investment Development and Production LLC (formerly known as VinEco Agricultural Investment Development and Production LLC) (“WinEco”)	(ii)	Agriculture	7 Bang Lang 1 Street, Vinhomes Riverside Urban Zone, Viet Hung Ward, Long Bien District, Ha Noi City, Vietnam	68.6%	80.1%
36	Dong Nai – WinEco Agricultural Company Limited (formerly known as Dong Nai – VinEco Agricultural Company Limited) (“WinEco Dong Nai”)	(ii)	Agriculture	Km 13, National Road 51, Long Khanh Hamlet, Tam Phuoc Commune, Bien Hoa City, Dong Nai Province, Vietnam	53.2%	62.1%

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

Number	Name	Note	Principal activity	Address	Percentage of economic interests at 31/12/2021	1/1/2021
<i>Indirect subsidiaries</i>						
37	WinEco – Tam Dao Agricultural Investment Development and Production Limited Liability Company (formerly known as VinEco – Tam Dao Agricultural Investment Development and Production Limited Liability Company) (“WinEco Tam Dao”)	(ii)	Agriculture	Co Quan Hamlet, Gia Khanh Commune, Binh Xuyen District, Vinh Phuc Province, Vietnam	61.1%	71.3%
38	Masan High-Tech Materials Corporation (“MHT”)	(v)	Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	86.4%	86.4%
39	Masan Thai Nguyen Resources Company Limited (“MRTN”)	(iii)	Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	86.4%	86.4%
40	Thai Nguyen Trading and Investment Company Limited (“TNTI”)	(iii)	Investment holding	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	86.4%	86.4%
41	Nui Phao Mining Company Ltd (“NPM”)	(iii)	Exploring and processing mineral	Ha Thuong Commune, Dai Tu District, Thai Nguyen Province, Vietnam	86.4%	86.4%

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

Number	Name	Note	Principal activity	Address	Percentage of economic interests at 31/12/2021	1/1/2021
<i>Indirect subsidiaries</i>						
42	Masan Tungsten Limited Liability Company (“MTC”)	(iii)	Deep processing of nonferrous metals and precious metals (Tungsten)	Hamlet 11, Ha Thuong Commune, Dai Tu District, Thai Nguyen Province, Vietnam	86.4%	86.4%
43	H.C. Starck Holding (Germany) GmbH (“HCS”)	(iii)	Investment holding	Im Schleeke 78-91, 38642, Goslar, Germany	86.4%	86.4%
44	ChemilYtics Beteiligungs GmbH	(iii)	Investment holding	Im Schleeke 78-91, 38642, Goslar, Germany	86.4%	86.4%
45	H.C. Starck GmbH	(iii)	Investment holding	Im Schleeke 78-91, 38642, Goslar, Germany	86.4%	86.4%
46	Chemische Fabriken Oker und Braunschweig AG	(iii)	Producing chemicals for manufacturing of paper and additives for the absorptive materials industry	Im Schleeke 78-91, 38642 Goslar, Germany	86.4%	86.4%
47	H.C. Starck Infrastructure GmbH & Co. KG	(iii)	Deep processing of nonferrous metals and precious metals (Tungsten)	Landsberger Str. 98, 80339 Munich, Germany	86.4%	86.4%
48	ChemilYtics GmbH & Co. KG	(iii)	Chemical analysis and physical measurement data	Im Schleeke 78-91, 38642 Goslar, Germany	86.4%	86.4%

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

Number	Name	Note	Principal activity	Address	Percentage of economic interests at 31/12/2021	1/1/2021
<i>Indirect subsidiaries</i>						
49	H.C. Starck Tungsten GmbH	(iii)	Deep processing of nonferrous metals and precious metals (Tungsten)	Landsberger Str. 98, 80339 Munich, Germany	86.4%	86.4%
50	H.C. Starck Nonferrous Metals Trading (Shanghai) Co. Ltd.	(iii)	Tungsten trading and distribution	Room 301, 69 Yonghong Road, Minhang District, Shanghai, China	86.4%	86.4%
51	H.C. Starck Canada Inc.	(iii)	Deep processing of nonferrous metals and precious metals (Tungsten)	933 Vidal Street South, P.O. Box 3098, Samia, Ontario, N7T 8H8, Canada	86.4%	86.4%
52	H.C. Starck Tungsten GK	(iii)	Tungsten trading and distribution	2-20, Kaigan 1-chome, Minato-ku, Tokyo, Japan	86.4%	86.4%
53	H.C. Starck Tungsten LLC	(iii)	Tungsten trading and distribution	45 Industrial Place, Newton, MA 02461-1951, the United States of America	86.4%	86.4%
54	H.C. Starck Jiangwu Tungsten Specialities (Ganzhou) Co. Ltd.	(iii)	Deep processing of nonferrous metals and precious metals (Tungsten)	Shuixi Nonferrous and Metallurgical Industrial Base, Zhanggong District, Ganzhou, Jiangxi Province, People's Republic of China	51.8%	51.8%
55	Mapleleaf Company Limited ("MPL")	(v)	Investment holding	Suite 802, 8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.9%	99.9%

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

Number	Name	Note	Principal activity	Address	Percentage of economic interests at 31/12/2021	1/1/2021
Indirect subsidiaries						
56	Masan Blue Corporation (“MBL”)	(v)	Trading and distribution	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.8%	99.8%
57	Blue Tek Vietnam Joint Stock Company (“Blue Tek”)	(v)	Software publishing	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	50.9%	50.9%
58	MNS Feed Corporation (previously known as MNS Feed Company Limited) (“MNS Feed”)	Note 6	Investment holding	Lot A4, Street No. 4, Song May Industrial Zone, Trang Bom District, Dong Nai Province, Vietnam	-	87.9%
59	MNS Feed Tien Giang Company Limited (“MNS Feed Tien Giang”)	Note 6	Animal protein	Lot 22-23B, Long Giang Industrial Park, Tan Lap 1 Ward, Tan Phuoc District, Tien Giang Province, Vietnam	-	87.9%
60	MNS Feed Nghe An Company Limited (“MNS Feed Nghe An”)	Note 6	Animal protein	C Area, Nam Cam Industrial Park, Dong Nam Nghe An Industrial Zone, Nghi Xa Ward, Nghi Loc District, Nghe An Province, Vietnam	-	87.9%
61	MNS Feed Hau Giang Company Limited (“MNS Feed Hau Giang”)	Note 6	Animal protein	Street No. 4, Tan Phu Thanh Industrial Park – Phase 1, Tan Phu Thanh Commune, Chau Thanh A District, Hau Giang Province, Vietnam	-	87.9%
62	MNS Feed Thai Nguyen Company Limited (“MNS Feed Thai Nguyen”)	Note 6	Animal protein	Lot B5-B6, Trung Thanh Industrial Park, Trung Thanh District, Pho Yen Town, Thai Nguyen Province, Vietnam	-	87.9%

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

Number	Name	Note	Principal activity	Address	Percentage of economic interests at 31/12/2021	1/1/2021
<i>Indirect subsidiaries</i>						
63	MNS Feed Vinh Long Company Limited (“MNS Feed Vinh Long”)	Note 6	Animal protein	Area 4, Co Chien Industrial Park, Long Ho District, Vinh Long Province, Vietnam	-	87.9%
64	Agro Nutrition International Joint Stock Company (“ANCO”)	Note 6	Animal protein	Lot A4, Street No. 4, Song May Industrial Zone, Trang Bom District, Dong Nai Province, Vietnam	-	87.8%
65	Agro Nutrition International Binh Dinh One Member Limited Company (“ANCO Binh Dinh”)	Note 6	Animal protein	Lot B4.06, Nhon Hoi Industrial Park (Area A), Nhon Hoi District, Quy Nhon Town, Binh Dinh Province, Vietnam	-	87.8%
66	Vietnamese – French Cattle Feed Joint Stock Company (“Proconco”)	Note 6	Animal protein	Bien Hoa I Industrial Zone, Bien Hoa City, Dong Nai Province, Vietnam	-	66.0%
67	Proconco Can Tho One Member Company Limited (“Proconco Can Tho”)	Note 6	Animal protein	Lot 13 and Lot 14, Tra Noc 1 Industrial Park, Tra Noc Ward, Binh Thuy District, Can Tho City, Vietnam	-	66.0%
68	ConCo Binh Dinh Co., Ltd. (“Proconco Binh Dinh”)	Note 6	Animal protein	Lot A-2-5 and Lot A-2-6, Nhon Hoa Industrial Park, Nhon Hoa Ward, An Nhon Town, Binh Dinh Province, Vietnam	-	66.0%
69	Proconco Hung Yen Trading and Production Co., Ltd. (“Proconco Hung Yen”)	Note 6	Animal protein	Yen Phu Hamlet, Giai Pham Commune, Yen My District, Hung Yen Province, Vietnam	-	66.0%

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

Number	Name	Note	Principal activity	Address	Percentage of economic interests at 31/12/2021	1/1/2021
<i>Indirect subsidiaries</i>						
70	MNS Meat Company Limited (“MNS Meat”)	(iv)	Investment holding	Lot A4, Street No. 4, Song May Industrial Zone, Trang Bom District, Dong Nai Province, Vietnam	87.9%	87.9%
71	MNS Farm Company Limited (“MNS Farm”)	(iv)	Investment holding	10 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	87.9%	87.9%
72	MML Farm Nghe An Company Limited (formerly known as MNS Farm Nghe An Company Limited) (“MNF Nghe An”)	(iv)	Swine breeding and trading	Con Son Village, Ha Son Commune, Quy Hop District, Nghe An Province, Vietnam	87.9%	87.9%
73	MNS Meat Processing Company Limited (“MNS Meat Processing”)	(iv)	Investment holding	10 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	87.9%	87.9%
74	MEATDeli HN Company Limited (formerly known as MNS Meat Ha Nam Company Limited) (“MEATDeli HN”)	(iv)	Meat processing and trading	Lot CN-02, Dong Van IV Industrial Park, Dai Cuong Village, Kim Bang District, Ha Nam Province, Vietnam	87.9%	87.9%
75	MEATDeli Sai Gon Company Limited (“MEATDeli Sai Gon”)	(iv)	Meat processing and trading	Lot 2 Street No. 15, Lot 3-5-7 Street No. 17, Lot 2 Street No. 17, Lot 9 Street No. 19, Tan Duc Industrial Park, Huu Thanh Ward, Duc Hoa District, Long An Province, Vietnam	87.9%	87.9%



Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

Number	Name	Note	Principal activity	Address	Percentage of economic interests at 31/12/2021	1/1/2021
<i>Indirect subsidiaries</i>						
76	3F Viet Joint Stock Company (“3F Viet”)	(iv)	Chicken breeding and trading	68 Nguyen Hue Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	44.8%	44.8%
77	3F Viet Food Company Limited (“3F Viet Food”)	(iv)	Meat processing and trading	Kien An Hamlet, An Lap Ward, Dau Tieng District, Binh Duong Province, Vietnam	44.8%	44.8%
78	Mobicast Joint Stock Company (“MOB”)	(ix)/ Note 5	Telecommunications	4 th Floor, V1 Home City, 177 Trung Kinh Street, Yen Hoa Ward, Cau Giay District, Ha Noi	70.0%	-
79	Draco Investment Corporation (“DRC”)	(ix)/ (b)	Investment holding	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.9%	-
80	Fornax Investment Corporation (“FOR”)	(ix)/ (b)	Investment holding	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.9%	-
81	Surpa Joint Stock Company (“Surpa”)	(ix)/ (b)	Investment holding	8 th Floor, Central Plaza, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.9%	-

(b) Draco Investment Corporation (“DRC”), Fornax Investment Corporation (“FOR”) and Surpa Joint Stock Company (“Surpa”) were established under the Enterprise Registration Certificates No. 0317104738 dated 31 December 2021, No. 0317104713 dated 31 December 2021 and No. 0317101342 dated 30 December 2021, respectively, issued by the Department of Planning and Investment of Ho Chi Minh City.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

Number	Name	Note	Principal activity	Address	Percentage of economic interests at 31/12/2021	1/1/2021
Direct associate						
1	Vietnam Technological and Commercial Joint Stock Bank (“Techcombank”)		Banking	Techcombank Tower, 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam	Note 8(b)	
Indirect associates						
1	Cholimex Food Joint Stock Company (“Cholimex”)	(vi)	Seasonings manufacturing and trading	Lot C40 – 43/I, Street No. 7, Vinh Loc Industrial Park, Binh Chanh District, Ho Chi Minh City, Vietnam.	32.8%	32.8%
2	Thuan Phat Packing Joint Stock Company (“Thuan Phat”)	Note 6	Packaging manufacturing	Tan Bien Ward, Bien Hoa City, Dong Nai Province, Vietnam	-	25.0%
3	Abattoir Long Binh Joint Stock Company (“Abattoir”)	Note 6	Animal processing	Long Binh Ward, Bien Hoa City, Dong Nai Province, Vietnam	-	25.0%
4	Vissan Joint Stock Company (“Vissan”)	(vii)/ (d)	Food manufacturing and retailing	420 No Trang Long Street, Ward 13, Binh Thanh District, Ho Chi Minh City, Vietnam	24.9%	24.9%
5	Jiangwu H.C. Starck Tungsten Products Co., Ltd.	(viii)	Deep processing of nonferrous metals and precious metals Tungsten)	Shuixi Nonferrous and Metallurgical Industrial Base, Zhanggong District, Ganzhou, Jiangxi Province, People’s Republic of China	30.0%	30.0%
6	Phuc Long Heritage Corporation (“Phuc Long Heritage”)	(x)/ (c)	Food and beverage	42/24 - 42/26 Street No. 643, Ta Quang Buu, Ward 4, District 8, Ho Chi Minh City, Vietnam	20.0%	-

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

- (c) On 29 May 2021, SHERPA, a direct subsidiary of the Company acquired 20.0% equity interest in Phuc Long Heritage Corporation (“Phuc Long Heritage”) for total consideration of VND345,600 million, not including transaction costs. In December 2021, SHERPA has transferred this 20.0% equity interest in Phuc Long Heritage to Draco Investment Corporation, a newly established subsidiary of SHERPA, in accordance with the restructuring plan of the Group.
- (d) On 30 November 2021, MML entered into an agreement with ANCO, a subsidiary of MNS Feed, to reacquire all shares of Vissan. Accordingly, MML completed the reacquisition of 20,180,026 shares of Vissan from ANCO on 5 December 2021. Under terms of the agreement, the transfer price was determined by reference to the price on Upcom on the transaction date. As a result, Vissan became a direct associate of MML.

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

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

As at 31 December 2021, the Group had 32,227 employees (1/1/2021: 34,938 employees).

(c) Normal operating cycle

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

2. Basis of preparation

(a) Statement of compliance

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(b) Basis of measurement

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

(c) Annual accounting period

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

(d) Accounting and presentation currency

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

3. Significant accounting policies

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

(a) Basis of consolidation

(i) Common-control business combination

Business combination where the same group of shareholders ("the Controlling Shareholders") control the combining companies before and after the business combination meets the definition of business combination under common control because there is a continuation of the risks and benefits to the Controlling Shareholders. Such common control business combination is specifically excluded from the scope of Vietnamese Accounting Standard No. 11 *Business Combination* and in selecting its accounting policy with respect to such transaction, the Group has considered Vietnamese Accounting Standard No. 01 *Framework* and Vietnamese Accounting Standard No. 21 *Presentation of Financial Statements*. Based on these standards, the Group has adopted the merger ("carry-over") basis of accounting. The assets and liabilities of the combining companies are consolidated using the existing book values from the Controlling Shareholders' perspective. Any difference between the cost of acquisition and net assets acquired is treated as a deemed distribution to or contribution from shareholders and recorded directly in undistributed profits after tax under equity.

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

(ii) Non-common control business combination

Non-common control business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

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

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

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

(iii) Subsidiaries

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

(iv) Associates (equity accounted investees)

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity. Associates are accounted for in the consolidated financial statements using the equity method (equity accounted investees). They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. The carrying amount of investments in equity accounted investees is also adjusted for the alterations in the investor's proportionate interest in the investees arising from changes in the investee's equity that have not been included in the statement of income (such as foreign exchange translation differences, etc.). When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

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

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

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

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. The difference between the change in the Group’s share of net assets of the subsidiary and any consideration paid or received is recorded directly in undistributed profits after tax under equity, except where such difference arises from a transaction that is contractually linked to an issuance of shares or capital contribution at a premium or surplus in which case the difference is recorded in other capital.

(vi) *Loss of control*

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

(vii) *Transactions eliminated on consolidation*

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

(b) *Foreign currency*

(i) *Foreign currency transactions*

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

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

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

11/01/2022 10:10:10

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(ii) Foreign operations

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

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

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

(c) Cash and cash equivalents

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

(d) Investments

(i) Trading securities

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

(ii) Held-to-maturity investments

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(iii) Equity investment in other entities

Equity investments in other entities of which the Company or its subsidiaries have no control or significant influence are initially recognised at cost, which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values if the investee has suffered a loss which may cause the Group to lose their invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(e) Accounts receivable

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

Factoring

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

If the Group:

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

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

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(f) Inventories

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

The Group applies the perpetual method of accounting for inventories.

(g) Tangible fixed assets

(i) Cost

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

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

(ii) Depreciation

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

Machinery and equipment which are directly related to mineral processing activities and fair value of mineral reserves from business combination are depreciated on a unit-of-production method with the depreciation bases calculated using the proved and probable mineral reserve and a portion of resources expected to be converted into reserves.

Effective from 1 January 2021, NPM, an indirect subsidiary of the Company updated its estimates of mineral reserves and resources, using (i) the result of mining specialist’s technical assessments on mineral reserve inside Nui Phao project area; (ii) a portion of mineral resources expected to be converted into reserves; and (iii) further mineral resource which can be reprocessed from NPM’s oxide tails cell (“OTC”). These updates are estimates of the amount of production volume that can be economically and legally extracted from the Group’s mining assets.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

Detail of changes in the remaining ore equivalent quantity served as depreciation basis as at 1 January 2021 are as follow:

	Increased by Tonnes of ore
Machinery and equipment relating to mineral processing activities	6,422,588
Machinery and equipment relating to mineral processing activities and to be used in OTC retreatment	21,742,588
Fair value of mineral reserves from business combination	21,742,588

These changes lead to the depreciation charge for the current year decreased by VND206,676 million.

Machinery and equipment directly related to mineral production activities

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

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

Others

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

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

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(h) Intangible fixed assets

(i) Land use rights

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

(ii) Software

Costs of software comprises:

- cost of acquiring a new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible fixed asset. Software cost is amortised on a straight-line basis over a period ranging from 2 to 10 years; and
- cost incurred during actual software development phase when the following conditions are met:
 - respective costs are attributable directly to the software development stage;
 - there is well-founded expectation – verifiable by program designs, models, or the like that the development activities to be capitalised will be finalised successfully and thus the intention to complete the development project should be given;
 - the Group will be able to implement and use the software after its development;
 - adequate technical, financial and personnel resources should be available to complete the software development successfully; and
 - the Group is able to measure expenditure attributable to the software development project reliably.

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

(iii) Brand name

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

The fair value of brand name acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the brand name being owned.

(iv) Customer relationships

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

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

(v) Mining rights

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

(vi) Mineral water resources

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

Fair values of mineral water resources acquired in a business combination are determined using either the direct comparison method or the multi-period excess earnings method. The direct comparison approach estimates the value of mineral resources by comparing recent asking/transacted price of similar interests located in a similar area. In the multi-period excess earnings method, subject assets are valued after deducting a fair return on all other assets that are part of creating the related cash flows.

(vii) Mineral water resources exploitation rights

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

(viii) Technology

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

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(ix) Development costs

Development costs comprise:

- Expenditure on the Group's development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. The expenditure capitalised include the costs of materials, direct labour and an appropriate portion of overheads. Other development expenditure, including expenditure on internally generated goodwill and brands, is recognised in the consolidated statement of income as an expense as incurred.
- Development activities that are acquired by the Group in the acquisition of subsidiary is capitalised and presented as an intangible fixed asset. The fair value of development activities acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject assets are valued after deducting a fair return on all other assets that are part of creating the related cash flows. The fair value of development activities is amortised on a straight-line basis over the estimated useful live of 16 years.

(x) License

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

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

(i) Investment property

(i) Cost

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

Form B 09 – 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. Land use rights with indefinite term are not amortised. The estimated useful lives of buildings and infrastructures are as follows:

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

(j) Construction in progress

Construction in progress represents the costs of swine breeders, tangible and intangible fixed assets which have not been fully completed or installed and mineral assets under development. No depreciation is provided for construction in progress during the period of breeding the swines, construction, installation and commissioning stages.

Mineral assets under development comprise mineral reserve and related development costs acquired in a business combination and subsequent development expenditure. These assets are qualified for capitalisation when the mineral reserve to which they relate is proven to be commercially and technically viable. They are initially recognised at their fair value as part of business combination accounting and subsequent development expenditure are capitalised net of proceeds from the sale of ore extracted during the development phase. On completion of development, defined as the time when saleable materials begin to be extracted from the mine, all assets are reclassified to either “machinery or equipment” or “other mining assets” in tangible fixed assets or in long-term prepaid expenses.

(k) Long-term prepaid expenses

(i) Other mining costs

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

Other mining costs comprise of:

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

Deferred stripping costs

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

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

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

Production stripping costs are allocated between inventories and long-term prepaid expenses in accordance with the life of mine strip ratio of the identified components of the ore bodies.

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

The development and production stripping costs are amortised systematically based on the mineral reserves and mineral resources expected to be converted to mineral reserves of the relevant components. During the year, NPM, a subsidiary indirectly owned by the Company, has updated its estimate of mineral reserves and resources which serves as basis for calculation and amortisation of development and production stripping costs. The revision was based on the result of mining specialist technical assessments on mineral reserve within Nui Phao project area and the portion of resources expected to be converted into reserves as disclosed in Note 3(g)(ii). The effect on the amortisation charge for the current year was to decrease the amortisation charge by VND8,799 million.

(ii) *Prepaid land costs*

Prepaid land costs comprise prepaid land lease rentals, including those for which the Group obtained land use rights certificate but are not qualified as intangible fixed assets under prevailing laws and regulations and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the terms of the leases ranging from 35 to 50 years.

(iii) *Land compensation costs*

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

(iv) *Printing axles, tools and supplies*

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

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



Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(v) Goodwill from equitisation

Goodwill generated from state-owned enterprise's equitisation is recognised as long-term prepaid expenses. Goodwill generated from state-owned enterprise's equitisation includes brand name value and potential development value. Brand name value is determined on the basis of actual costs incurred for creation and protection of trademarks, trade name in the course of the enterprise's operation for the period of five years before the valuation date (including establishment costs and expenditures on training, advertising and promotional activities incurred to promote and introduce the enterprise and its products and website costs). Potential development value is evaluated on the basis of profitability of the enterprise in the future taking into account the enterprise's profit ratio and interest rates of 5-year government bonds. Goodwill generated from the state-owned enterprise equitisation is amortised on a straight-line basis over 10 years starting from the date of conversion from a state-owned enterprise into a joint stock company (date of first business registration certificate for a joint stock company).

(vi) Swine breeders

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

(vii) Other long-term prepaid expenses

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

(l) Goodwill

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

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

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

(m) Accounts payable

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(n) Provisions

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

(i) Mining rights fee

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

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

(ii) Mine rehabilitation

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

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

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

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

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

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

(iii) Severance allowance

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

(iv) Pensions

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

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

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

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

(o) Bonds issued

Straight bonds

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

(p) Taxation

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

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

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

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



Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(q) Equity

(i) Share capital and capital surplus

Share capital is stated at par. Excess of issuance price over par value of shares issued is recognised as capital surplus. Incremental costs directly attributable to the issuance of shares, net of tax effects, are recognised as a deduction from capital surplus.

(ii) Other capital

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

(r) Revenue

(i) Goods sold

Revenue from sale of goods is recognised in the consolidated statement of income when significant risks and rewards of ownership have been transferred to the buyer.

For sales of minerals, the sales price is usually determined on a provisional basis at the date of revenue recognition. Adjustments to the sales price subsequently occurs based on movements in quoted market or contractual prices up to the date of final pricing. The period between provisional invoicing and final pricing is typically between 30 and 60 days, but in some cases can be as long as 90 days to 180 days. Revenue on provisionally priced sales is recognised based on the estimated fair value of the total consideration receivable. In cases where the terms of the executed contractual sales agreement allow for an adjustment to the sales price based on a survey of the goods by the customer, assay results issued by a third party are preferable, unless customer's survey is within executed contractual tolerance, then sale is based on the most recently determined product specifications.

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

(ii) Services rendered

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(s) Financial income and financial expenses

(i) Financial income

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

(ii) Financial expenses

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

(t) Leases

(i) Leases assets

Leases in terms of which the Group, as lessee, assumes substantially all the risks and rewards of ownership are classified as finance leases. Tangible fixed assets acquired by way of finance leases are stated at an amount equal to the lower of fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation.

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

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

(ii) Leases payments

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

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

Form B 09 – 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 annual accounting period) of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares.

(v) Segment reporting

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

(w) Related parties

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

(x) Employee stock ownership plans

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

(y) Comparative information

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

Comparative information was derived from the balances and amounts reported in the Group’s consolidated financial statements as at and for the year ended 31 December 2020.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

4. Segment reporting

The Group has five reportable segments, as described below, which are the Group's strategic businesses. The strategic businesses offer different products and services, are managed separately because they require different technology and marketing strategies. For each of the strategic businesses, the management of the Company or its subsidiaries reviews internal management reports on a periodic basis.

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 financial statements for the year ended 31 December 2021 (continued)

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

(a) Business segments

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

	Branded consumer products		MEATLife		High-tech materials		Consumer retail		Others		Elimination		Total	
	2021 VND million	2020 VND million	2021 VND million	2020 VND million	2021 VND million	2020 VND million	2021 VND million	2020 VND million	2021 VND million	2020 VND million	2021 VND million	2020 VND million	2021 VND million	2020 VND million
External segment revenue	27,053,090	23,296,007	17,169,943	15,529,986	13,564,291	7,428,668	30,840,035	30,963,147	1,408	-	-	-	88,628,767	77,217,808
Internal segment revenue	1,711,104	675,008	1,720,945	589,020	-	-	60,375	14,649	-	-	(3,492,424)	(1,278,677)	-	-
Segment gross margin	11,881,069	9,919,495	2,298,153	2,709,784	2,346,482	175,466	5,623,171	5,083,952	(14,074)	-	-	-	22,134,801	17,888,697
Segment results	4,996,383	3,796,422	149,374	472,582	434,498	(123,868)	(1,446,273)	(4,185,951)	3,836,496	2,646,245	-	-	7,970,478	2,605,430
Net unallocated income/(expenses)													2,130,903	(1,210,417)
Net profit													10,101,381	1,395,013

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN/HN

*(Issued under Circular 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	
	31/12/2021 VND million	1/1/2021 VND million	31/12/2021 VND million	1/1/2021 VND million	31/12/2021 VND million	1/1/2021 VND million	31/12/2021 VND million	1/1/2021 VND million	31/12/2021 VND million	1/1/2021 VND million	31/12/2021 VND million	1/1/2021 VND million
Segment assets	25,362,822	18,243,868	8,744,473	18,126,855	38,796,639	39,020,014	21,538,910	21,709,258	22,152,192	17,729,569	116,595,036	114,829,564
Unallocated assets											9,498,435	906,998
Total assets											126,093,471	115,736,562
Segment liabilities	11,842,493	11,738,539	6,097,973	9,509,060	24,787,455	25,901,313	14,829,258	14,248,831	43,701	-	57,600,880	61,397,743
Unallocated liabilities											26,155,939	29,308,540
Total liabilities											83,756,819	90,706,283
Capital expenditure	982,176	1,477,834	710,921	1,010,843	921,560	623,090	179,768	549,624	1,393	-	2,795,818	3,661,391
Unallocated capital expenditure											9,609	16,771
Depreciation	727,504	669,645	510,150	453,987	1,258,760	1,385,169	621,333	726,095	-	-	3,117,747	3,234,896
Unallocated depreciation											4,791	3,838
Amortisation	335,186	338,130	363,767	373,730	581,108	357,643	1,224,298	1,425,328	5,474	-	2,509,833	2,494,831
Unallocated amortisation											2,389	870

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

5. Business combination

Mobicast Joint Stock Company (“MOB”)

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 VND297,025 million including transactions costs. Such transaction resulted in MOB becoming a subsidiary indirectly owned by the Company.

The business combination had the following effect on the Group’s consolidated financial statements on the business combination date:

	Pre-acquisition carrying amounts VND million	Fair value adjustments VND million	Recognised value on acquisition VND million
Cash and cash equivalents	302,178	-	302,178
Accounts receivable from customers – short-term	44	-	44
Prepayments to suppliers	200,336	-	200,336
Other current assets	44,777	-	44,777
Intangible fixed assets – net	14,198	120,500	134,698
Construction in progress	2,827	-	2,827
Other long-term assets	2,245	-	2,245
Accounts payable to suppliers – short-term	(2,730)	-	(2,730)
Short-term borrowings	(247,963)	-	(247,963)
Other current liabilities	(23,893)	-	(23,893)
Deferred tax liabilities	-	(24,100)	(24,100)
Net identifiable assets and liabilities	292,019	96,400	388,419
Net assets acquired			271,866
Goodwill on business combination (Note 17)			25,159
Total consideration transferred			297,025
Cash and cash equivalents acquired			302,178
Net cash inflow			5,153

For the period from acquisition date to 31 December 2021, the acquired business contributed net revenue of VND1,407 million and loss of VND27,494 million to the Group’s results.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

6. Significant disposal during the year

Loss of control in MNS Feed Corporation (“MNS Feed”) and its subsidiaries and associates

In October 2021, Masan MEATLife Corporation (“MML”), a subsidiary directly owned by the Company, issued bonds No. MMLH2124001 to its shareholders of MML in accordance with the resolution of Board of Directors No. 475/2021/NQ-HDQT dated 28 September 2021.

In November 2021, De Heus Limited Liability Company, a third party purchased issued bonds No. MMLH2124001 from bondholders.

This third party then exercised its right to exchange for 99.99% equity interest of MNS Feed at the exchange price in accordance with the terms of issuance document. The exchange was completed on 1 December 2021. As a result, as at 1 December 2021, MNS Feed and its subsidiaries and associates were no longer indirect subsidiaries and associates of the Company.

As at 1 December 2021, MNS Feed had following directly and indirectly owned subsidiaries and associates:

- Agro Nutrition International Joint Stock Company
- Agro Nutrition International Binh Dinh One Member Limited Company
- MNS Feed Vinh Long Company Limited
- MNS Feed Thai Nguyen Company Limited
- MNS Feed Tien Giang Company Limited
- MNS Feed Nghe An Company Limited
- MNS Feed Hau Giang Company Limited
- Vietnamese – French Cattle Feed Joint Stock Company
- Proconco Can Tho One Member Company Limited
- Conco Binh Dinh Co., Ltd.
- Proconco Hung Yen Trading and Production Co., Ltd
- Thuan Phat Packing Joint Stock Company
- Abattoir Long Binh Joint Stock Company
- Vissan Joint Stock Company (“Vissan”) - Refer to Note 1(d) for the reacquisition of Vissan by MML.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

As at 1 December 2021, there were following effects on the Group's consolidated financial statements:

	Carrying amount VND million
Cash and cash equivalents	917,940
Accounts receivable – short-term	1,948,821
Inventories – net	1,918,206
Other current assets	44,645
Accounts receivable – long-term	270
Tangible fixed assets – net	1,111,145
Intangible fixed assets – net	3,066,390
Construction in progress	62,737
Long-term financial investments, excluding investments in Vissan	41,455
Long-term prepaid expenses	116,461
Deferred tax assets	9,568
Accounts payable to suppliers – short-term	(790,983)
Taxes payable to State Treasury	(59,532)
Other current liabilities	(408,865)
Short-term borrowings	(1,225,137)
Long-term provisions	(27,420)
Other long-term liabilities	(415,091)
Non-controlling interest	(1,012,351)
	5,298,259
Net identifiable assets and liabilities	5,298,259
Cash and cash equivalents of MNS Feed and its subsidiaries at 1 December 2021 (*)	(917,940)

(*) In addition to the effect arising from the cash and cash equivalents of MNS Feed and its subsidiaries due to deconsolidation as at 1 December 2021, cash flows from investing activities in the consolidated statement of cash flows recognised VND7,742,790 million, which also arises from the Group's total receipts from the transfer of exchangeable bonds to a third party (Note 9(c)) and the effect of derecognition of exchangeable bonds issued by a subsidiary (Note 21(b) and Note 38). Refer to Note 23 and Note 29 for the impact of these transactions in the consolidated statement of income and other capital.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

7. Cash and cash equivalents

	31/12/2021	1/1/2021
	VND million	VND million
Cash on hand	90,468	103,598
Cash at banks	6,772,287	1,804,062
Cash in transit	22,657	22,482
Cash equivalents	15,419,410	5,791,300
	<hr/>	<hr/>
Cash and cash equivalents in the consolidated statement of cash flows	22,304,822	7,721,442
	<hr/>	<hr/>

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

As at 31 December 2021, cash at bank with carrying value of VND81,527 million (1/1/2021: VND115,396 million) were pledged with banks as security for loans granted to the Group (Note 21(a)).

8. Investments

	31/12/2021	1/1/2021
	VND million	VND million
Short-term financial investments		
Held-to-maturity investments (a)	332,753	447,250
	<hr/>	<hr/>
Long-term financial investments		
Investments in associates (b)	24,538,803	20,320,738
Equity investments in other entities	-	30,589
Allowance for diminution in value of long-term financial investments	-	(5,628)
Held-to-maturity investments	-	7,400
	<hr/>	<hr/>
	24,538,803	20,353,099
	<hr/>	<hr/>

(a) Held-to-maturity investments

Held-to-maturity investments – short-term represented term deposits in VND at banks with original terms to maturity of more than three months and less than 12 months from their transaction dates. As at 31 December 2021, term deposits with carrying value of VND44,728 million were pledged with banks as security for loans granted to the Company (Note 21(b)).

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

(b) Investments in associates

	31/12/2021			1/1/2021			
	% of equity owned over charter capital	% of voting rights over charter capital	Carrying value at equity accounted VND million	% of equity owned over charter capital	% of voting rights over charter capital	Carrying value at equity accounted VND million	Fair value VND million
▪ Vietnam Technological and Commercial Joint Stock Bank (“Techcombank”) (**)	19.9%	19.9%	21,595,443	19.9%	19.9%	17,729,570	23,672,458
▪ Cholime Food Joint Stock Company (“Cholime”)	32.8%	32.8%	249,392	32.8%	32.8%	249,392	(*)
▪ Vissan Joint Stock Company (“Vissan”)	24.9%	24.9%	2,135,490	24.9%	24.9%	2,135,490	(*)
▪ Jiangwu H.C. Starck Tungsten Products Co., Ltd. (China) (“Jiangwu”)	30.0%	30.0%	180,510	30.0%	30.0%	195,227	(*)
▪ Phuc Long Heritage Corporation (“Phuc Long Heritage”)	20.0%	20.0%	377,968	-	-	-	-
▪ Thuan Phat Packing Joint Stock Company (“Thuan Phat”)	-	-	-	25.0%	25.0%	4,289	(*)
▪ Abattoir Long Binh Joint Stock Company (“Abattoir”)	-	-	-	25.0%	25.0%	6,770	(*)
			<u>24,538,803</u>			<u>20,320,738</u>	



Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN/HN

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

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

	Techcombank VND million	Cholimex VND million	Vissan VND million	Jiangwu VND million	Phuc Long Heritage VND million	Thuan Phat VND million	Abattoir VND million	Total VND million
Opening balance	17,729,570	249,392	2,135,490	195,227	-	4,289	6,770	20,320,738
New acquisitions	-	-	-	-	363,968	-	-	363,968
Share of post-acquisition profit/(loss) of associates during the year	3,865,873	13,296	-	3,065	14,000	(80)	487	3,896,641
Dividends declared	-	(13,296)	-	-	-	-	(600)	(13,896)
Currency translation differences	-	-	-	(17,782)	-	-	-	(17,782)
Decrease due to deconsolidation of MNS Feed and its subsidiaries	-	-	-	-	-	(4,209)	(6,657)	(10,866)
Closing balance	21,595,443	249,392	2,135,490	180,510	377,968	-	-	24,538,803

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

For the disclosure purpose, the fair values of investments in Techcombank as at 31 December 2021 and 1 January 2021 were determined by reference to the quoted prices at these respective dates on Ho Chi Minh City Stock Exchange.

(**) The Group has 19.9% direct equity holding and 1.5% economic interest in Techcombank that is subject to a forward sale agreement (1/1/2021: 19.9% direct equity holding and 1.5% economic interest subject to a forward sale agreement). The forward transaction has not been completed and is subject to the terms of the agreement.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(c) Transactions with non-controlling interests in subsidiaries for the year ended 31 December 2021

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

The Company’s economic interests in CrownX decreased from 84.8% to 81.7% as a result of the following transactions:

- In June 2021, CrownX issued 4,278,260 ordinary shares, equivalent to 5.5% equity interests in CrownX to Investors as mentioned below for net consideration of VND8,804,947 million, resulting in the following effects:

	VND million
Consideration received from shares issued not subscribed by the Group, net of transaction costs	8,804,947
Proportionate carrying amount of net assets diluted	(2,297,239)
	6,507,708
Difference recorded as an increase in undistributed profits after tax	6,507,708

- On 29 June 2021, SHERPA acquired 534,783 ordinary shares, equivalents to 0.68% equity interests in CrownX for consideration of VND1,147,087 million, resulting in the following effects:

	VND million
Consideration transferred	(1,147,087)
Proportionate carrying amount of net assets acquired	148,059
	(999,028)
Difference recorded as a decrease in undistributed profits after tax	(999,028)

- On 30 June 2021, CrownX repurchased 3,743,482 of its ordinary shares, equivalent to 4.79% equity interests for consideration of VND8,029,616 million, resulting in the following effects:

	VND million
Consideration transferred	(8,029,616)
Proportionate carrying amount of net assets acquired	2,099,466
	(5,930,150)
Difference recorded as a decrease in undistributed profits after tax	(5,930,150)

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

- On 12 November 2021, the Company acquired 50,500 ordinary shares, equivalents to 0.07% equity interests in CrownX for consideration of VND106,732 million, resulting in the following effects:

	VND million
Consideration transferred	(106,732)
Proportionate carrying amount of net assets acquired	10,485
	(96,247)
Difference recorded as a decrease in undistributed profits after tax	(96,247)

- In December 2021, CrownX issued 3,333,333 ordinary shares, equivalent to 4.29% equity interests in CrownX to Investors as mentioned below for net consideration of VND7,806,293 million, resulting in the following effects:

	VND million
Consideration received from shares issued not subscribed by the Group, net of transaction costs	7,806,293
Proportionate carrying amount of net assets diluted	(2,040,881)
	5,765,412
Difference recorded as an increase in undistributed profits after tax	5,765,412

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

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

- On 30 December 2021, CrownX repurchased 814,855 of its ordinary shares, equivalent to 1.05% equity interests for consideration of VND1,747,831 million, resulting in the following effects:

	VND million
Consideration transferred	(1,747,831)
Proportionate carrying amount of net assets acquired	1,291,423
	(456,408)

(ii) Transactions with non-controlling interests in Café De Nam Joint Stock Company (“CDN”)

The Company’s economic interests in CDN increased from 57.8% to 63.4% as a result of the following transactions:

- In January 2021, CDN issued 17,000,000 ordinary shares, equivalent to 12.77% equity interests to VCF for consideration of VND170,000 million, resulting in the following effects:

	VND million
Proportionate carrying amount of net assets acquired/difference recorded as a decrease in undistributed profits after tax	(11,935)

- Transactions with non-controlling interests in CrownX as mentioned in Note 8(c)(i).

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

The Company’s economic interests in MSC decreased from 68.9% to 65.6% as a result of the following transactions:

- In September 2021, MSC reissued 7,084,612 treasury shares to its employees under employee stock ownership plan in accordance with shareholders’ approval, resulting in the following effects:

	VND million
Consideration received from share issued not subscribed by the Group, net of transaction costs	495,373
Proportionate carrying amount of net assets diluted	(251,451)
	243,922

- Transactions with non-controlling interests in CrownX as mentioned in Note 8(c)(i).

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

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

In October 2021, MML issued 273,600 shares to its employees under employee stock ownership plan in accordance with shareholders’ approval. As a result of this transaction, the Company’s economic interests in MML has decreased from 87.9% to 87.8% and resulting in the following effects:

	VND million
Consideration received from share issued not subscribed by the Group, net of transaction costs	2,686
Proportionate carrying amount of net assets diluted	(5,039)
	(2,353)
Difference recorded as a decrease in undistributed profits after tax	(2,353)

(v) Transactions with non-controlling interests in VCM Services and Trading Development Joint Stock Company (“WCM”)

The Company’s economic interests in WCM decreased from 80.1% to 68.6% as a result of the following transactions:

- In April 2021, SHERPA acquired 1.2% equity interests in WCM;
- Thereafter, in April 2021, SHERPA disposed all of its equity interests (10.2%) in WCM.
- In June 2021, WCM issued 8,752,760 ordinary shares, equivalent to 1.3% equity interests to CrownX for consideration of VND789,998 million;
- In December 2021, WCM issued 3,907,798 ordinary shares, equivalent to 0.6% equity interests to CrownX for consideration of VND352,706 million; and
- Transactions with non-controlling interests in CrownX as mentioned in Note 8(c)(i).

As a result of above transactions, the Group’s undistributed profits after tax increased by VND4,379,101 million.

(d) Significant transactions with non-controlling interests in subsidiaries in prior years

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

Pursuant to an agreement between Mitsubishi Materials Corporation (“MMC”) and MHT, MHT granted a put option to MMC. In the event that (i) MHT and MMC (or their affiliate) fail to establish a joint operation of midstream tungsten business within 18 months after closing date of this transaction or (ii) if there is a change in control in MHT, MMC will have an irrevocable right to request MHT or its nominee to purchase 109,915,542 MHT’s shares that MHT issued on 26 October 2020 at the amount equal to consideration of VND2,094,331 million less the aggregate of any proceeds received by the Investor from disposing MHT’s shares, dividends and distributions paid by MHT subject to customary adjustments from dilutive events. The deadline to take actions necessary to effect the close the put option is 18 months from the date that MHT receives put option exercise notice from MMC. The exercise of the put option will be subject to approval of Board of Directors, shareholders and Vietnamese regulators. The put option has not been exercised as of the date of issuance of these consolidated financial statements.

10/11
 CH
 ON
 1/4P

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

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

As at 31 December 2021 and 1 January 2021, a part of short-term receivables was pledged with banks as security for loans granted to a subsidiary (Note 21).

As at 31 December 2021, prepayments to suppliers of the Group amounting to VND452,976 million (1/1/2021: VND344,157 million) were related to fixed assets.

(a) Receivable on short-term lending loans

Receivable on short-term lending loans granted to third parties were unsecured, earned interest rate at 6.5% per annum and are mature in 2022 (1/1/2021: 6.5% per annum).

(b) Receivable on long-term lending loans

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

(c) Other receivables

Other receivables comprised of:

	31/12/2021	1/1/2021
	VND million	VND million
Other short-term receivables		
Receivables from disposals of exchangeable bonds (****)	283,750	-
Short-term deposits (*)	77,946	2,841,337
Interest income receivable	47,787	143,548
Advances to employees	17,917	18,975
Others (**)	456,290	346,867
	883,690	3,350,727
Other long-term receivables		
Long-term deposits	270,358	357,616
Others (***)	1,526,970	1,234,392
	1,797,328	1,592,008

(*) As at 1 January 2021, included in short-term deposits was VND2,750,000 million of deposits paid to third parties for the investments.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(**) Included in other short-term receivables was VND241,979 million of receivables for mining rights fee (“MRF”) of Nui Phao Mining Project (1/1/2021: VND239,835 million). MRF represents additional mining rights fee of the Nui Phao Mining Company Ltd (“NPM”) – an indirect subsidiary of the Company for the year 2018 and 2019 and relevant administrative charges that NPM paid to the authorities based on temporary calculation by the General Department of Geology and Minerals (“GDGM”) under the Official Letter No. 3724/DCKS-KTDCKS dated 28 December 2018 (“the Official Letter 3724”).

NPM does not agree with the amount and basis of the Official Letter 3724 as the management of NPM is of the opinion that it is unreasonable and does not comply with current regulations, because:

- The price used to calculate the charge for granting mining rights (or mining right fee) (“G-price”) is based on the prices to calculate the resource royalty. In accordance with regulations of the Government’s Decree No. 12/2015/ND-CP dated 12 February 2015 and guidance of the Ministry of Finance’s Circular No. 152/2015/TT-BTC dated 2 October 2015 on Royalties, if enterprises extracted natural resources undergo further processing instead of being sold, their price is exclusive of processing cost provided that it must be within the taxable price bracket imposed by the Provincial People’s Committee. NPM’s products are industrial products, for which the taxable price for resource royalty is determined on the basis of the higher of selling price minus (-) processing cost and the taxable price imposed by the Provincial People’s Committee. GDGM did not use the taxable price applied for industrial products, instead they used the taxable price applied for tungsten ore ($0.1\% < WO_3 < 0.3\%$).

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

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

On 23 August 2021, MONRE has issued Decision No. 1640/QD/BTNMT (“Decision 1640”) to determine the MRF of Nui Phao Mine, replacing the temporary MRF calculation in Decision 500 and Official Letter 3724 despite that the taxable price applied for NPM’s industrial products has not yet been determined. In issuing this Decision 1640, MONRE continued to use the taxable price applied for tungsten ore ($0.1\% < WO_3 < 0.3\%$) instead of the taxable price applied for industrial products, the issue of which had been highlighted by NPM before. According to Decree 67, Article 15 Point 3, in case the MRF is paid on temporary basis, if the prices for calculating resource royalties announced by provincial People’s Committees are valid and compliant with regulations on prices of minerals for determining mining right fee, those prices shall be officially applied and replace prices when making temporary payments. Because the taxable price applied for NPM’s industrial products has not yet been determined by MONRE and Thai Nguyen PPC, the G-price which serves as the basis for computation of MRF under Decision 1640 is not in accordance with the prevailing laws and regulations.

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

11/21/2021

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

Management of NPM believes that it had adequately provided for its liabilities for MRF from 2015 up to present based on its interpretation of relevant legislation relating to mining rights and natural resources tax, i.e., using the price as determined in Decision 500. Accordingly, the Group accounted the additional payment in 2019 under Official Letter 3724 as other receivables and did not account for additional amount under Decision 1640 as liabilities. Management of NPM expects that it will be able to claim back this receivable when the taxable price applied for NPM's industrial products is determined.

- (***) Included in other long-term receivables was VND1,230,754 million of receivables from State Treasury for the land compensation cost of Nui Phao Mining Project at Ha Thuong Commune, Dai Tu District, Thai Nguyen Province (1/1/2021: VND1,234,392 million). The amount could be netted off with annual land rental fee of future years.
- (****) In 2021, the Company and a subsidiary transferred all exchangeable bonds acquired before from another subsidiary as disclosed in Note 21(b)** to a third party with total consideration of VND8,944,480 million. This receivables represented the remaining receivable of the Company for the transfer of exchangeable bonds.

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

	2021 VND million	2020 VND million
Opening balance	107,856	105,744
Allowance made during the year	22,150	21,991
Allowance utilised during the year	(289)	(6)
Written back during the year	(23,539)	(19,873)
Decrease due to deconsolidation of MNS Feed and its subsidiaries	(72,809)	-
	<hr/>	<hr/>
Closing balance	33,369	107,856

10. Inventories

	31/12/2021		1/1/2021	
	Cost VND million	Allowance VND million	Cost VND million	Allowance VND million
Goods in transit	495,299	-	620,516	-
Raw materials	2,065,947	(10,658)	3,316,920	(8,145)
Tools and supplies	974,310	(14,150)	1,042,761	(33,515)
Work in progress	1,618,576	(30,974)	1,321,341	(43,269)
Finished goods	3,791,447	(54,953)	3,163,599	(132,213)
Merchandise inventories	3,837,320	(23,797)	3,211,214	(15,338)
Goods on consignment	165,024	-	54,046	-
	<hr/>	<hr/>	<hr/>	<hr/>
	12,947,923	(134,532)	12,730,397	(232,480)

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

As at 31 December 2021 and 1 January 2021, a part of inventories was pledged with banks as security for loans granted to a subsidiary (Note 21).

Included in inventories as at 31 December 2021 was VND37,733 million (1/1/2021: VND34,993 million) of slow-moving inventories.

Included in inventories as at 31 December 2021 was VND1,945,479 million (1/1/2021: VND1,905,558 million) of inventories carried at net realisable value.

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

	2021	2020
	VND million	VND million
Opening balance	232,480	68,810
Increases from business combination	-	26,161
Allowance made during the year	172,176	255,920
Allowance utilised during the year	(80,147)	(7,631)
Written back during the year	(186,072)	(110,780)
Decrease due to deconsolidation of MNS Feed and its subsidiaries	(3,905)	-
	<hr/>	<hr/>
Closing balance	134,532	232,480
	<hr/>	<hr/>

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN/HN

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

dated 22 December 2014 of the Ministry of Finance)

11. Tangible fixed assets

	Buildings and structures VND million	Leasehold improvements VND million	Office equipment and others VND million		Machinery and equipment VND million	Other mining assets VND million	Motor vehicles VND million	Total VND million
			equipment and others VND million	and equipment VND million				
Cost								
Opening balance	17,797,784	93,148	239,043	27,355,934	5,095,927	195,812	50,777,648	
Additions	15,224	1,078	7,009	333,267	-	9,453	366,031	
Transfers from construction in progress	750,150	-	27,585	917,345	-	12,030	1,707,110	
Transfers (to)/from long-term prepaid expenses	(49)	-	(832)	92,418	-	-	91,537	
Transfers to intangible fixed assets	-	-	(23,217)	-	-	-	(23,217)	
Transfers to investment property	(1,220,894)	-	-	-	-	-	(1,220,894)	
Disposals/Written off	(10,578)	(248)	(1,672)	(123,715)	-	(16,792)	(153,005)	
Other (decrease)/increase	(4,279)	-	-	16,270	-	-	11,991	
Currency translation differences	(92,558)	-	-	(269,225)	-	-	(361,783)	
Decrease due to deconsolidation of MNS Feed and its subsidiaries	(1,252,707)	-	(30,814)	(1,404,053)	-	(33,739)	(2,721,313)	
Closing balance	15,982,093	93,978	217,102	26,918,241	5,095,927	166,764	48,474,105	

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

	Buildings and structures VND million	Leasehold improvements VND million	Office equipment and others VND million	Machinery and equipment VND million	Other mining assets VND million	Motor vehicles VND million	Total VND million
Accumulated depreciation							
Opening balance	3,518,651	82,040	212,293	11,239,569	1,339,998	63,333	16,455,884
Charge for the year	916,030	4,577	44,816	1,944,545	151,305	29,699	3,090,972
Transfers (to)/from long-term prepaid expenses	(35)	-	(767)	54,273	-	-	53,471
Transfers to intangible fixed assets	-	-	(19,154)	-	-	-	(19,154)
Transfers to investment property	(315,295)	-	-	-	-	-	(315,295)
Disposals/Written off	(4,170)	(248)	(826)	(90,810)	-	(16,617)	(112,671)
Reclassification	(23,415)	-	-	19,517	-	3,898	-
Currency translation differences	(42,797)	-	30	(177,796)	-	-	(220,563)
Decrease due to deconsolidation of MNS Feed and its subsidiaries	(592,292)	-	(19,290)	(974,758)	-	(23,828)	(1,610,168)
Closing balance	3,456,677	86,369	217,102	12,014,540	1,491,303	56,485	17,322,476
Net book value							
Opening balance	14,279,133	11,108	26,750	16,116,365	3,755,929	132,479	34,321,764
Closing balance	12,525,416	7,609	-	14,903,701	3,604,624	110,279	31,151,629

Included in tangible fixed assets were assets costing VND2,062,829 million which were fully depreciated as at 31 December 2021 (1/1/2021: VND2,220,364 million), but are still in active use.

As at 31 December 2021, tangible fixed assets with net book value of VND14,806,212 million (1/1/2021: VND15,048,524 million) were pledged with banks as security for loans granted to and bonds issued by the subsidiaries (Note 21).

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

12. Intangible fixed assets

	Land use rights VND million	Software VND million	Brand name VND million	Customer relationships VND million	Mining rights VND million	Mineral water resources VND million	Mineral water resources exploitation rights VND million	Technology VND million	Development costs VND million	Others VND million	Total VND million
Cost											
Opening balance	4,017,955	981,908	4,076,431	6,412,892	588,373	412,698	72,122	2,215,021	790,331	26,485	19,594,216
Additions	-	9,334	-	-	204,284	-	888	37,155	-	-	251,661
Increases from business combination (Note 5)	-	14,198	-	-	-	-	-	-	-	120,500	134,698
Transfers to long-term prepaid expenses	-	(310)	-	-	-	-	-	-	-	-	(310)
Transfers from tangible fixed assets	-	23,217	-	-	-	-	-	-	-	-	23,217
Transfers from construction in progress	-	16,146	-	-	-	-	-	-	-	-	16,146
Transfers to investment property	(37,536)	-	-	-	-	-	-	-	-	-	(37,536)
Written off	-	(1,402)	-	-	-	-	-	-	-	-	(1,402)
Currency translation differences	(2,757)	(24,536)	(104,082)	(21,376)	-	-	-	(143,571)	(63,707)	(970)	(360,999)
Decrease due to deconsolidation of MNS Feed and its subsidiaries	(213,685)	(58,004)	(1,645,999)	(2,670,099)	-	-	-	(669,433)	-	-	(5,257,220)
Closing balance	3,763,977	960,551	2,326,350	3,721,417	792,657	412,698	73,010	1,439,172	726,624	146,015	14,362,471



Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

	Land use rights VND million	Software VND million	Brand name VND million	Customer relationships VND million	Mining rights VND million	Mineral water resources VND million	Mineral water resources exploitation rights VND million	Technology costs VND million	Development costs VND million	Others VND million	Total VND million
Accumulated amortisation											
Opening balance	194,227	663,269	1,099,152	1,257,754	188,669	117,268	23,973	713,511	95,019	3,229	4,356,071
Charge for the year	142,705	117,760	205,548	253,746	47,064	21,935	3,321	98,714	42,599	5,112	938,504
Transfers to long-term prepaid expenses	-	(161)	-	-	-	-	-	-	-	-	(161)
Transfers from tangible fixed assets	-	19,154	-	-	-	-	-	-	-	-	19,154
Written off	-	(1,021)	-	-	-	-	-	-	-	-	(1,021)
Currency translation differences	-	(26,130)	(4,821)	(782)	-	-	-	(9,088)	(10,996)	(189)	(52,006)
Decrease due to deconsolidation of MNS Feed and its subsidiaries	(40,925)	(37,431)	(549,689)	(893,352)	-	-	-	(669,433)	-	-	(2,190,830)
Closing balance	296,007	735,440	750,190	617,366	235,733	139,203	27,294	133,704	126,622	8,152	3,069,711
Net book value											
Opening balance	3,823,728	318,639	2,977,279	5,155,138	399,704	295,430	48,149	1,501,510	695,312	23,256	15,238,145
Closing balance	3,467,970	225,111	1,576,160	3,104,051	556,924	273,495	45,716	1,305,468	600,002	137,863	11,292,760

Included in intangible fixed assets were assets costing VND62,493 million which were fully amortised as of 31 December 2021 (1/1/2021: VND621,642 million), but are still in active use.

As at 31 December 2021, intangible fixed assets with carrying value of VND591,246 million (1/1/2021: VND434,986 million) were pledged with banks as security for loans granted to subsidiaries (Note 21).

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

13. Investment property

	Land use rights VND million	Buildings and infrastructures VND million	Total VND million
Cost			
Opening balance	-	18,628	18,628
Transfers from tangible fixed assets	-	1,220,894	1,220,894
Transfers from intangible fixed assets	37,536	-	37,536
Currency translation differences	(3,487)	(98,769)	(102,256)
Closing balance	34,049	1,140,753	1,174,802
Accumulated depreciation			
Opening balance	-	4,110	4,110
Charge for the year	-	70,797	70,797
Transfers from tangible fixed assets	-	315,295	315,295
Currency translation differences	-	(25,457)	(25,457)
Closing balance	-	364,745	364,745
Net book value			
Opening balance	-	14,518	14,518
Closing balance	34,049	776,008	810,057

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 financial statements for the year ended 31 December 2021
(continued)

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

14. Construction in progress

	2021 VND million	2020 VND million
Opening balance	2,274,759	3,278,972
Additions during the year	2,315,665	3,101,890
Increases from business combination	2,827	150,908
Transfers to tangible fixed assets	(1,707,110)	(3,619,140)
Transfers to intangible fixed assets	(16,146)	(46,668)
Transfers to long-term prepaid expenses	(646,171)	(585,134)
Transfers to long-term receivables	(120,701)	-
Disposals	(14,089)	(65)
Written off	-	(12,657)
Currency translation differences	(4,470)	6,653
Decrease due to deconsolidation of MNS Feed and its subsidiaries	(62,737)	-
	<hr/>	<hr/>
Closing balance	2,021,827	2,274,759

Major constructions in progress as at the year-ended were as follows:

	31/12/2021 VND million	1/1/2021 VND million
Buildings and structures	353,777	342,841
Land compensation	337,970	774,196
Machinery and equipment	938,564	564,194
Software	13,160	4,528
Others	378,356	589,000
	<hr/>	<hr/>
	2,021,827	2,274,759

As at 31 December 2021, construction in progress with carrying value of VND1,446,340 million (1/1/2021: VND1,340,472 million) were pledged with banks as security for loans granted to and bonds issued by the subsidiaries (Note 21).

During the year, borrowing costs amounting to VND29,435 million were capitalised into construction in progress (2020: trial-run expenses, borrowing costs and amortisation of land use rights capitalised into construction in progress amounting to VND14,799 million, VND48,035 million and VND12,090 million, respectively).

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

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

15. Long-term prepaid expenses

	Other mining costs VND million	Prepaid land costs VND million	Land compensation costs VND million	Printing axles, tools and supplies VND million	Goodwill from equitisation 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	205,410	-	-	290,207	-	-	127,760	623,377
Increases from business combination	-	-	-	822	-	-	-	822
Transfers (to)/from short-term prepaid expenses	-	(46)	-	2,864	-	-	305	3,123
Transfers from long-term receivables	-	-	124,339	-	-	-	-	124,339
Transfers to tangible fixed assets	-	-	-	(38,066)	-	-	-	(38,066)
Transfers from intangible fixed assets	-	-	-	149	-	-	-	149
Transfers from/(to) construction in progress	106,227	(8,514)	433,138	64,568	-	30,429	20,323	646,171
Amortisation for the year	(128,316)	(39,806)	(79,828)	(458,139)	(3,134)	(29,622)	(355,554)	(1,094,399)
Disposals/Written off	-	-	-	(7,768)	-	(24,067)	(10,473)	(42,308)
Other increase/(decrease)	-	107	(46,748)	(247)	-	-	153	(46,735)
Decrease due to deconsolidation of MNS Feed and its subsidiaries	-	(96,597)	-	(12,937)	-	-	(6,927)	(116,461)
Closing balance	1,710,586	1,496,619	1,424,986	823,936	12,539	35,744	1,089,272	6,593,682

As at 31 December 2021, prepaid land costs, swine breeders, chicken breeders and tools and supplies with total carrying values of VND569,350 million (1/1/2021: VND561,866 million) were pledged with banks as security for loans granted to the subsidiaries (Note 21).

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

16. Deferred tax assets and liabilities

(a) Recognised deferred tax assets and liabilities

	31/12/2021 VND million	1/1/2021 VND million
Deferred tax assets:		
Accrued expenses and provisions (*)	312,216	58,764
Remeasurement of the net defined benefit liability (**)	653,730	1,490,456
Unrealised profits on intra-group transactions	32,003	21,322
Tax losses carried forward	185,644	202,507
Tangible fixed assets (*)	762	1,041
Net off (*)	(590,702)	-
Others	16,037	20,046
Total deferred tax assets	609,690	1,794,136
Deferred tax liabilities:		
Tangible fixed assets (*)	(1,248,701)	(1,348,088)
Intangible fixed assets	(2,167,063)	(2,820,805)
Unrealised losses on intra-group transactions	(11,439)	(45,054)
Accrued expenses, provisions and others	(105,633)	(435,031)
Investments in associates	(297,477)	-
Net off (*)	615,032	-
Others	(114)	(2,196)
Total deferred tax liabilities	(3,215,395)	(4,651,174)
Net deferred tax liabilities	(2,605,705)	(2,857,038)

(b) Movements of temporary differences during the year

	1/1/2021 VND million	Recognised in profit or loss VND million	Recognised in equity VND million	Business combination VND million	Decrease due to deconsolidation of MNS Feed and its subsidiaries VND million	31/12/2021 VND million
Accrued expenses, provisions and others	(376,267)	587,664	41,457	-	(46,271)	206,583
Remeasurement of the net defined benefit liability (**)	1,490,456	(442,723)	(394,003)	-	-	653,730
Unrealised profits/(losses) on intra-group transactions	(23,732)	44,307	-	-	(11)	20,564
Tax losses carried forward	202,507	(13,422)	(3,441)	-	-	185,644
Tangible fixed assets	(1,347,047)	58,537	38,954	-	1,617	(1,247,939)
Intangible fixed assets	(2,820,805)	152,557	75,096	(24,100)	450,189	(2,167,063)
Investments in associates	-	(297,477)	-	-	-	(297,477)
Others	17,850	22,403	-	-	-	40,253
	(2,857,038)	111,846	(241,937)	(24,100)	405,524	(2,605,705)

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

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

17. Goodwill

	VND million
Cost	
Opening balance	5,027,526
Business combination (Note 5)	25,159
	5,052,685
Closing balance	5,052,685
Accumulated amortisation	
Opening balance	1,196,026
Amortisation for the year	499,840
	1,695,866
Closing balance	1,695,866
Net book value	
Opening balance	3,831,500
Closing balance	3,356,819

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

18. Taxes

(a) Taxes receivable from State Treasury

	31/12/2021	1/1/2021
	VND million	VND million
Corporate income tax	41,898	66,518
Personal income tax	15	261
Other taxes	12,207	9,308
	54,120	76,087
	54,120	76,087

(b) Taxes payable to State Treasury

	1/1/2021	Incurred	Paid	Net-off/ Reclassified	Decrease due to deconsolidation of MNS Feed and its subsidiaries	31/12/2021
	VND million	VND million	VND million	VND million	VND million	VND million
Value added tax	155,859	9,821,164	(1,709,061)	(8,122,683)	(904)	144,375
Special consumption tax	58,171	580,376	(547,469)	-	-	91,078
Import-export tax	36	309,537	(309,418)	17	(172)	-
Corporate income tax	659,918	1,499,249	(1,652,600)	13,762	(57,748)	462,581
Personal income tax	33,211	394,320	(378,497)	(21,234)	(708)	27,092
Other taxes	34,107	909,891	(854,896)	(12,329)	-	76,773
	941,302	13,514,537	(5,451,941)	(8,142,467)	(59,532)	801,899
	941,302	13,514,537	(5,451,941)	(8,142,467)	(59,532)	801,899

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

19. Accrued expenses

	31/12/2021 VND million	1/1/2021 VND million
Advertising and promotion expenses	1,020,912	757,608
Bonus and 13 th month salary	907,902	632,890
Interest expense	710,036	910,860
Operation costs	440,674	360,013
Purchases not yet received invoices	316,383	173,670
Logistic expenses	312,945	286,640
Construction works	264,051	369,207
Consultant fees	172,704	42,429
Natural resource taxes and fees	159,702	25,767
Exhibition and market expenses	65,764	68,902
Sales discounts and sales support	64,299	415,411
Information and technology expenses	44,464	15,006
Others	516,855	647,014
	4,996,691	4,705,417

20. Other payables

	31/12/2021 VND million	1/1/2021 VND million
Short-term		
Payable to domestic banks under letter of credit arrangements (*)	1,404,689	-
Dividends payable	29,757	39,968
Trade union fees, social, health and unemployment insurance	19,148	23,800
Short-term deposits received	13,452	14,357
Payable for purchasing shares in CrownX	-	2,300,000
Others	46,320	94,001
	1,513,366	2,472,126
Long-term		
Long-term deposits received	38,823	27,894
Others	188,752	152,503
	227,575	180,397



Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

- (*) These were payables to domestic banks under letter of credit arrangements. The outstanding balances bore fixed fees at rates ranging from 4.7% to 6.5% per annum over the deferred payment period ranging from 4 to 6 months and were secured by 110 million shares of a subsidiary. In the event that, the Group misses payment when the term is due, these payables will be converted to borrowings. Movements of these payables during the year were as follows:

	2021 VND million	2020 VND million
Opening balance	-	-
Additions	4,313,935	3,928,633
Payments	(2,909,246)	(3,928,633)
Closing balance	1,404,689	-

21. Borrowings, bonds and finance lease liabilities

	31/12/2021 VND million	1/1/2021 VND million
Short-term borrowings, bonds and finance lease liabilities (a)		
Short-term borrowings	14,947,096	18,829,506
Current portion of long-term borrowings, bonds and finance lease liabilities	3,858,631	3,715,540
	18,805,727	22,545,046
Long-term borrowings, bonds and finance lease liabilities (b)		
Long-term borrowings, bonds and finance lease liabilities	43,230,549	43,181,583
Repayable within twelve months	(3,858,631)	(3,715,540)
Repayable after twelve months	39,371,918	39,466,043

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN/HN

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

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

	Movements during the year			31/12/2021
	1/1/2021	Decrease due to deconsolidation of MNS Feed and its subsidiaries	Repayments VND million	Carrying amounts/ Amounts within repayment capacity VND million
	VND million	VND million	VND million	VND million
Short-term borrowings	18,829,506	55,705,376	(58,367,919)	14,947,096
Current portion of long-term borrowings, bonds and finance lease liabilities	3,715,540	3,883,236	(3,740,145)	3,858,631
	22,545,046	59,588,612	(62,108,064)	18,805,727
		(1,225,137)	5,270	

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

	Currency	Annual interest rate	31/12/2021 VND million	1/1/2021 VND million
Secured bank loans	VND	2.4% – 8.7%	5,033,775	6,560,992
Secured bank loans	USD	2.9% – 5.2%	1,845,380	1,671,948
Unsecured bank loans	VND	1.5% – 5.5%	6,554,942	8,338,156
Unsecured bank loans	USD	1.1% – 2.5%	1,512,999	668,410
Unsecured loans from third parties	VND	6.5%	-	1,590,000
			14,947,096	18,829,506

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

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

- (i) 224 million shares of a subsidiary (1/1/2021: 210 million shares);
- (ii) fixed assets of a subsidiary with carrying value of VND14,846 million (1/1/2021: VND14,927 million);
- (iii) a part of inventories and short-term receivables of a subsidiary;
- (iv) current bank accounts with carrying value of VND81,527 million (1/1/2021: VND67,735 million); and
- (v) corporate guarantee of the Company and subsidiaries.

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

	31/12/2021	1/1/2021
	VND million	VND million
Long-term borrowings	8,088,738	8,081,895
Straight bonds	34,931,580	35,088,757
Finance lease liabilities	210,231	10,931
	43,230,549	43,181,583

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

	Currency	Annual interest rate	Year of maturity	31/12/2021	1/1/2021
				VND million	VND million
Long-term borrowings (*)					
Secured bank loans	VND	3.85% – 11.0%	2022 – 2028	3,500,738	3,443,895
Secured bank loans	USD	3.61%	2022 – 2023	4,588,000	4,638,000
				8,088,738	8,081,895
Straight bonds (**)					
(including issuance costs)	VND	7.08% – 10.9%	2022 – 2026	34,931,580	35,088,757
Finance lease liabilities (***)					
	VND	6.9% – 11.16%	2022 – 2035	210,231	10,931

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(*) Long-term borrowings

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

- (i) fixed assets of subsidiaries with carrying value of VND4,488,713 million (1/1/2021: VND4,213,513 million);
- (ii) construction in progress of subsidiaries with carrying value of VND435,411 million (1/1/2021: VND90,728 million);
- (iii) long-term prepaid expenses of subsidiaries with carrying value of VND558,990 million (1/1/2021: VND551,455 million);
- (iv) term deposits of the Company with carrying value of VND44,728 million (1/1/2021: cash in banks of the Company with carrying value of VND47,661 million);
- (v) 15% contributed capital of a subsidiary, and all related benefits; and
- (vi) corporate guarantee by subsidiaries.

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

() Straight bonds**

The carrying value of the outstanding issued bonds comprised the followings:

	31/12/2021 VND million	1/1/2021 VND million
Straight bonds	35,401,629	35,700,805
Unamortised bond issuance costs	(470,049)	(612,048)
	34,931,580	35,088,757

- (i) VND2,100 billion (1/1/2021: VND2,100 billion) bonds with a maturity of 10 years (2024) at an interest rate of 8.0% per annum in 10 years. The bonds were guaranteed by Credit Guarantee and Investment Facility and secured over 75.7 million shares (1/1/2021: 75.7 million shares) of a subsidiary;
- (ii) VND500 billion (1/1/2021: VND500 billion) bonds with a maturity of 5 years (2023) at an interest rate of 10.0% per annum in the first year and 3.25% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were secured over 51.6 million shares (1/1/2021: 51.6 million shares) of a subsidiary;
- (iii) VND1,500 billion (1/1/2021: VND1,500 billion) bonds with a maturity of 5 years (2023) at an interest rate of 10.0% per annum in the first year and 3.25% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were guaranteed by certain long-term assets of a subsidiary (1/1/2021: 154.8 million shares of another subsidiary);



Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

- (iv) VND500 billion (1/1/2021: VND500 billion) bonds with a maturity of 5 years (2024) at an interest rate of 10.2% per annum in the first year and 3.3% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were secured over 55.6 million shares (1/1/2021: 55.6 million shares) of a subsidiary;
- (v) VND300 billion (1/1/2021: VND300 billion) bonds with a maturity of 3 years (2022) at an interest rate of 10.0% per annum in the first year and 3.1% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were secured over 31.1 million shares (1/1/2021: 31.1 million shares) of a subsidiary;
- (vi) VND200 billion (1/1/2021: VND200 billion) bonds with a maturity of 3 years (2022) at an interest rate of 10.0% per annum in the first year and 3.1% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were secured over 20.8 million shares (1/1/2021: 20.8 million shares) of a subsidiary;
- (vii) VND500 billion (1/1/2021: VND500 billion) bonds with a maturity of 5 years (2024) at an interest rate of 10.2% per annum in the first year and 3.3% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were secured by certain long-term assets of a subsidiary (1/1/2021: 55.5 million shares of another subsidiary and certain long-term assets of a subsidiary);
- (viii) VND100 billion (1/1/2021: VND100 billion) bonds with a maturity of 3 years (2022) at an interest rate of 10.0% per annum in the first year and 3.1% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were secured over 10.7 million shares (1/1/2021: 13.4 million shares) of a subsidiary;
- (ix) VND190 billion (1/1/2021: VND190 billion) bonds with a maturity of 3 years (2022) at an interest rate of 10.0% per annum in the first year and 3.1% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were guaranteed by certain long-term assets of a subsidiary (1/1/2021: 25.4 million shares of another subsidiary and certain long-term assets of a subsidiary);
- (x) VND210 billion (1/1/2021: VND210 billion) bonds with a maturity of 3 years (2022) at an interest rate of 10.0% per annum in the first year and 3.1% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were secured over 22.3 million shares (1/1/2021: 27.2 million shares) of a subsidiary;
- (xi) VND1,600 billion (1/1/2021: VND1,600 billion) bonds with a maturity of 3 years (2023) 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. The bonds were guaranteed by the Company and certain long-term assets of a subsidiary for both years;
- (xii) VND1,000 billion (1/1/2021: VND1,000 billion) bonds with a maturity of 3 years (2023) 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. The bonds were guaranteed by the Company and certain long-term assets of a subsidiary for both years;

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

Form B 09 – DN/HN

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

- (xiii) VND700 billion (1/1/2021: VND700 billion) bonds with a maturity of 3 years (2023) 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 guaranteed by the Company and certain long-term assets of a subsidiary for both years;
- (xiv) VND1,000 billion (1/1/2021: VND1,000 billion) bonds with a maturity of 3 years (2023) at an interest rate of 10.0% per annum in the first year and 3.1% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were secured over 107.9 million shares (1/1/2021: 136 million shares) of a subsidiary;
- (xv) VND1,000 billion (1/1/2021: VND1,000 billion) bonds with a maturity of 3 years (2023) at an interest rate of 10.0% per annum in the first year and 3.1% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were secured over 107.9 million shares (1/1/2021: 136 million shares) of a subsidiary;
- (xvi) VND1,500 billion (1/1/2021: VND1,500 billion) bonds 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;
- (xvii) VND3,000 billion (1/1/2021: VND3,000 billion) bonds with a maturity of 3 years (2023) 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;
- (xviii) VND7,000 billion (1/1/2021: VND7,000 billion) bonds 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;
- (xix) VND4,000 billion (1/1/2021: VND4,000 billion) bonds with a maturity of 3 years (2023) at an interest rate of 10.0% per annum in the first year and 4.0% 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 2021, VND2,998 billion of the issued bonds were owned by the Company's subsidiaries and eliminated in the consolidated financial statements;
- (xx) VND600 billion (1/1/2021: VND600 billion) bonds 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;
- (xxi) VND1,000 billion (1/1/2021: VND1,000 billion) bonds 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;
- (xxii) VND1,000 billion (1/1/2021: VND1,000 billion) bonds with a maturity of 3 years (2023) at an interest rate of 10.0% per annum in the first year and 4.0% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. These bonds were unsecured;

112
HIT
VG
KF
PHO

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

- (xxiii) VND3,000 billion (1/1/2021: VND3,000 billion) bonds with a maturity of 5 years (2025) at an interest rate of 9.9% per annum in the first year, 10.9% per annum in the second year and 3.9% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were secured over 181 million shares (1/1/2021: 181 million shares) of a subsidiary. The bonds were also guaranteed by the Company;
- (xxiv) VND1,500 billion (1/1/2021: VND200 billion) bonds with a maturity of 5 years (2025 and 2026) at an interest rate of 9.2% per annum in the first year and 3.2% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were secured over 150 million shares (1/1/2021: 150 million shares) of a subsidiary and 38 million shares (1/1/2021: 38 million shares) of another subsidiary. The bonds were also guaranteed by the Company;
- (xxv) VND500 billion bonds with a maturity of 3 years (2024) at an interest rate of 10.0% 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.
- (xxvi) VND500 billion bonds with a maturity of 3 years (2024) 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.
- (xxvii) VND400 billion bonds with a maturity of 3 years (2024) at an interest rate of 10.0% per annum in the first year and 4.0% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. These bonds were unsecured.
- (xxviii) VND1,000 billion bonds with a maturity of 3 years (2024) at an interest rate of 9.2% per annum in the first year and 3.625% per annum plus the amalgamated average 12 months deposit rates of selected major banks in the remaining periods. The bonds were guaranteed by certain long-term assets of a subsidiary;
- (xxix) VND1,999 billion bonds with a maturity of 5 years (2026) at an interest rate of 9.5% 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. The bonds were guaranteed by the Company;

As at 31 December 2021, the associates of the Group held VND318,780 million (1/1/2021: VND652,458 million) of the issued bonds.

In addition, as disclosed in Note 6, in October 2021, a subsidiary issued exchangeable bonds, in which, a number of exchangeable bonds were issued to third parties was VND2,876,572 million. As at 1 December 2021, after the exchange completed, the Group derecognised the obligation of the related issued exchangeable bonds.

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(*) Finance lease liabilities**

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

	31/12/2021	1/1/2021
	VND million	VND million
Within one year	32,553	6,355
From two to five years	114,736	5,442
More than five years	225,620	-
	<hr/>	<hr/>
	372,909	11,797
	<hr/>	<hr/>

22. Provisions – long-term

	31/12/2021	1/1/2021
	VND million	VND million
Pensions	5,708,907	6,963,327
Mining rights fee	533,117	390,248
Mine rehabilitation	108,700	103,801
Severance allowance	18,357	48,962
	<hr/>	<hr/>
	6,369,081	7,506,338
	<hr/>	<hr/>

Movements of provisions during the year were as follows:

	Pensions	Mining	Mine	Severance	Total
	VND million	rights fee	rehabilitation	allowance	VND million
	VND million	VND million	VND million	VND million	VND million
Opening balance	6,963,327	390,248	103,801	48,962	7,506,338
Provision made during the year	17,683	216,016	4,899	691	239,289
Provision written back during the year	-	-	-	(2,930)	(2,930)
Remeasurement of the net defined benefit liability (*)	(483,845)	-	-	-	(483,845)
Provision utilised during the year	(201,538)	(73,147)	-	(946)	(275,631)
Currency translation differences	(586,720)	-	-	-	(586,720)
Decrease due to deconsolidation of MNS Feed and its subsidiaries	-	-	-	(27,420)	(27,420)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Closing balance	5,708,907	533,117	108,700	18,357	6,369,081
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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



Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

Form B 09 – DN/HN

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

dated 22 December 2014 of the Ministry of Finance)

23. Changes in owners' equity

	Share capital VND million	Capital surplus VND million	Other capital VND million	Foreign exchange differences VND million	Other equity funds VND million	Undistributed profits after tax VND million	Equity attributable to equity holders of the Company VND million	Non-controlling interests VND million	Total VND million
Balance as at 1 January 2020	11,689,464	11,084,357	(8,563,690)	11,033	-	28,558,952	42,780,116	9,108,291	51,888,407
Issuance of new shares	57,368	(60)	-	-	-	-	57,308	-	57,308
Capital contribution in subsidiaries by non-controlling interests	-	-	-	-	-	-	-	17,167	17,167
Transactions with non-controlling interests	-	-	-	-	-	(26,435,468)	(26,435,468)	(808,983)	(27,244,451)
Business combination	-	-	-	-	-	-	-	900,991	900,991
Net profit for the year	-	-	-	-	-	1,233,982	1,233,982	161,031	1,395,013
Dividends declared by the Company	-	-	-	-	-	(1,174,683)	(1,174,683)	-	(1,174,683)
Dividends declared by subsidiaries	-	-	-	-	-	-	-	(234,859)	(234,859)
Appropriation to bonus and welfare funds	-	-	-	-	-	(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 as at 31 December 2020	11,746,832	11,084,297	(8,563,690)	(226,972)	(284,952)	2,182,124	15,937,639	9,092,640	25,030,279

Masan Group Corporation and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2021 (continued)

Form B 09 – 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	Foreign exchange differences VND million	Other equity funds VND million	Undistributed profits after tax VND million	Equity attributable to equity holders of the Company VND million	Non-controlling interests VND million	Total VND million
Balance as at 1 January 2021	11,746,832	11,084,297	(8,563,690)	(226,972)	(284,952)	2,182,124	15,937,639	9,092,640	25,030,279
Issuance of new shares	58,515	(50)	-	-	-	-	58,465	-	58,465
Transactions with non-controlling interests	-	-	-	-	-	9,400,022	9,400,022	1,890,763	11,290,785
Business combination	-	-	-	-	-	-	-	116,553	116,553
Net profit for the year	-	-	-	-	-	8,562,882	8,562,882	1,538,499	10,101,381
Dividends declared by the Company (*)	-	-	-	-	-	(1,416,642)	(1,416,642)	-	(1,416,642)
Dividends declared by the subsidiaries	-	-	-	-	-	-	-	(2,015,242)	(2,015,242)
Appropriation to bonus and welfare funds	-	-	-	-	-	(3,041)	(3,041)	(4,964)	(8,005)
Remeasurement of the net defined benefit liability, net of tax	-	-	-	-	-	-	-	21,713	159,578
Impact due to deconsolidation of MNS Feed and its subsidiaries (Note 6)	-	-	175,543	-	-	-	175,543	(1,012,351)	(836,808)
Currency translation differences	-	-	-	(112,283)	-	-	(112,283)	(30,767)	(143,050)
Others	-	-	-	-	-	70,532	70,532	(71,174)	(642)
Balance as at 31 December 2021	11,805,347	11,084,247	(8,388,147)	(339,255)	(147,087)	18,795,877	32,810,982	9,525,670	42,336,652

(*) The Annual General Meeting of Shareholders of the Company on 1 April 2021 and Resolutions of Board of Management on 31 May 2021 and 3 December 2021 resolved to distribute dividends by cash amounting to 9.5% of par value per share and 2.5% of par value per share. In July and December 2021, the Company distributed the dividends by cash amounting to VND1,416,642 million to shareholders.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

24. Share capital and capital surplus

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

	31/12/2021		1/1/2021	
	Number of shares	VND million	Number of shares	VND million
Authorised share capital				
Ordinary shares	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
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 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:

	2021		2020	
	Number of shares	VND million	Number of shares	VND million
Opening balance	1,174,683,246	11,746,832	1,168,946,447	11,689,464
Issuance of new shares for cash (Note 25)	5,851,446	58,515	5,736,799	57,368
Closing balance	1,180,534,692	11,805,347	1,174,683,246	11,746,832

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

25. Employee stock ownership plans

The Company has 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 Annual General Meeting of Shareholders of the Company.

In June 2021, the Company issued 5,851,446 shares (2020: 5,736,799 shares) to employees at price as stipulated in the Board of Directors' resolution.

26. Off balance sheet items

(a) Operating lease commitments

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

	31/12/2021 VND million	1/1/2021 VND million
Within 1 year	1,588,922	2,030,535
Within 2 to 5 years	2,999,839	3,758,008
More than 5 years	1,409,901	2,023,820
	5,998,662	7,812,363

(b) Capital expenditure

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

	31/12/2021 VND million	1/1/2021 VND million
Approved and contracted	855,617	1,047,690
Approved but not contracted	1,378,147	1,094,316
	2,233,764	2,142,006



Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(c) Foreign currencies

	31/12/2021		1/1/2021	
	Original currency	VND million equivalent	Original currency	VND million equivalent
USD	14,416,772	326,544	12,988,342	298,544
EUR	8,071,934	205,576	10,166,623	285,438
JPY	341,132,473	66,309	149,538,241	33,005
THB	47,731,914	31,742	77,731,377	58,299
CNY	8,405,767	28,496	10,586,983	36,747
CAD	451,970	7,970	763,489	13,650
		666,637		725,683

(d) Forward contract

As at 31 December 2021, a subsidiary of the Company had the commitments to buy USD32 million equivalent to VND733,000 million under the foreign exchange contracts which were presented as an off balance sheet item (1/1/2021: Nil).

27. Revenue from sale of goods and provision of services

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

Net revenue comprised of:

	2021 VND million	2020 VND million
Total revenue		
▪ Sale of goods and others	89,791,619	78,868,319
Less revenue deductions		
▪ Sale discounts	1,078,350	1,518,872
▪ Sale returns	84,502	131,639
	1,162,852	1,650,511
	88,628,767	77,217,808

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

28. Cost of sales and services rendered

	2021 VND million	2020 VND million
Total cost of sales and services rendered		
▪ Goods sold and other sales	66,507,862	59,183,971
▪ Allowance for inventories	(13,896)	145,140
	66,493,966	59,329,111

29. Financial income

	2021 VND million	2020 VND million
Interest income from:		
▪ Deposits	506,963	231,914
▪ Other investing activities	122,676	522,240
Foreign exchange gains	410,280	215,787
Gains on transferring exchangeable bonds and loss of control in subsidiaries (Note 6)	5,699,147	-
Others	60,512	460,722
	6,799,578	1,430,663

30. Financial expenses

	2021 VND million	2020 VND million
Interest expenses	4,669,426	3,770,283
Bond and borrowing issuance costs and disposal costs of issued exchangeable bonds	590,271	238,152
UPAS letter of credit fees	81,596	74,696
Foreign exchange losses	202,118	263,095
Others	163,120	210,445
	5,706,531	4,556,671

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

31. Selling expenses

	2021 VND million	2020 VND million
Staff costs	3,024,634	3,635,660
Outside services	2,605,008	3,420,873
Promotion and advertising expense	3,308,859	3,071,506
Logistic expenses	1,340,098	1,165,065
Exhibition expenses	49,400	227,097
Others	1,458,339	1,645,886
	<hr/>	<hr/>
	11,786,338	13,166,087
	<hr/>	<hr/>

32. General and administration expenses

	2021 VND million	2020 VND million
Staff costs	1,402,043	1,174,506
Amortisation of fair value uplift on assets arising in business combinations	380,498	363,053
Amortisation of goodwill	499,840	487,231
Depreciation and amortisation	255,004	127,616
Office rental	108,566	92,062
System lease line and IT services	115,577	81,624
Research and development expenses	50,222	44,397
Outside services	392,906	240,400
Others	860,313	430,007
	<hr/>	<hr/>
	4,064,969	3,040,896
	<hr/>	<hr/>

33. Other income

	2021 VND million	2020 VND million
Support income from suppliers	190,629	132,747
Income from insurance claims	87,326	-
Gains from disposal of fixed assets	8,284	17,343
Negative goodwill from business combination	-	1,341,633
Others	214,911	121,539
	<hr/>	<hr/>
	501,150	1,613,262
	<hr/>	<hr/>

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

34. Other expenses

	2021 VND million	2020 VND million
Losses from disposal of fixed assets	30,611	171,934
Donation	65,000	-
Others	189,937	312,263
	<hr/> 285,548	<hr/> 484,197

35. Income tax

(a) Recognised in the consolidated statement of income

	2021 VND million	2020 VND million
Current tax expense		
Current year	1,499,473	1,136,361
Over provision in prior years	(224)	(50,168)
	<hr/> 1,499,249	<hr/> 1,086,193
Deferred tax benefit		
Origination and reversal of temporary differences	(95,426)	(158,576)
Write down of recognised deferred tax assets	(16,420)	2,209
	<hr/> (111,846)	<hr/> (156,367)
Income tax expense	<hr/> 1,387,403	<hr/> 929,826



Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

(b) Reconciliation of effective tax rate

	2021		2020	
	%	VND million	%	VND million
Accounting profit before tax	100.0%	11,488,784	100.0%	2,324,839
Tax at the Company's income tax rate	20.0%	2,297,757	20.0%	464,968
Effect of different tax rates in subsidiaries	(7.3%)	(835,165)	(16.0%)	(365,823)
Effect of consolidation transactions	0.0%	(3,087)	(10.0%)	(236,323)
Non-deductible expenses	0.5%	61,431	5.0%	119,951
Effect of share of profits in associates	(6.8%)	(779,328)	(23.0%)	(533,911)
Unrecognised deferred tax assets	9.5%	1,090,641	66.0%	1,532,353
Over provision in prior years	0.0%	(224)	(2.0%)	(50,168)
Tax losses utilised	(3.7%)	(428,202)	(0.1%)	(3,430)
Write down of recognised deferred tax assets	(0.1%)	(16,420)	0.1%	2,209
	12.1%	1,387,403	40.0%	929,826

(c) Applicable tax rates

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

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

(d) Tax contingencies

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

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

36. Significant transactions with related parties

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

Related party	Nature of transaction	Transaction value	
		2021 VND million	2020 VND million
Associates			
Vietnam Technological and Commercial Joint Stock Bank and its subsidiaries	Loans received	3,400,628	8,345,833
	Loans repaid	2,710,840	7,300,748
	Bonds issued (acting as an agent) (*)	4,399,980	21,900,139
	Bonds repurchased (acting as an agent)	109,198	38,824
	Bonds issuance fees	105,208	587,956
	Purchases of trading securities	6,567,146	-
	Sales of trading securities	4,571,678	1,250,000
	Interest expense	284,365	156,055
Other related parties			
Key management personnel	Remuneration to key management personnel (**)	185,652	181,279

As at and for the years ended 31 December 2021 and 2020, the Company and its subsidiaries have current and term deposit accounts and loans and payable balance with Vietnam Technological and Commercial Joint Stock Bank and its subsidiaries at normal commercial terms.

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

(**) No board fees were paid to the Board of Directors' members of the Company for the years ended 31 December 2021 and 2020.

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

Name	Position	2021	2020
		VND million	VND million
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	-	-

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

	2021	2020
	VND million	VND million
Chief Executive Officer		
<i>Mr Danny Le</i>		
Salaries, bonus and other benefits	12,247	9,535

37. Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2021 was based on the net profit attributable to ordinary shareholders of VND8,562,882 million (2020: VND1,233,982 million) of the Company and a weighted average number of ordinary shares outstanding of 1,178,017,769 shares during the year (2020: 1,171,068,277 shares), calculated as follows:

(i) *Net profit attributable to ordinary shareholders*

	2021	2020
	VND million	VND million
Net profit attributable to ordinary shareholders	8,562,882	1,233,982

(ii) *Weighted average number of ordinary shares*

	2021	2020
Issued ordinary shares at the beginning of the year	1,174,683,246	1,168,946,447
Effect of shares issued for cash	3,334,523	2,121,830
Weighted average number of ordinary shares during the year	1,178,017,769	1,171,068,277

38. Non-cash investing and financing activities

	2021	2020
	VND million	VND million
Acquisition of equity investments through occurrence of liabilities	5,214	2,300,000
Acquisition of fixed assets and construction in progress through occurrence of liabilities	689,637	332,632
Settlement of a part of exchanging bonds issued by a subsidiary through the exchange with the investment in MNS Feed	2,876,572	-
Depreciation and amortisation capitalised into construction in progress	-	12,090
Receivables from disposals of exchangeable bonds	283,750	-



Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

39. Contingent liabilities

As disclosed in Note 9(c), on 23 August 2021, MONRE has issued Decision No. 1640/QD/BTNMT (“Decision 1640”) to determine the MRF of Nui Phao Mine, replacing temporary MRF calculation in Decision 500 and Official Letter 3724. MONRE continued to use the taxable price applied for tungsten ore ($0.1\% < \text{WO}_3 < 0.3\%$) instead of the taxable price applied for industrial products. The official G-price according to Decision 1640 is VND1,831,085 per ton whereas the temporary G-price according to Decision 500 is VND775,026 per ton. Accordingly, Decision 1640 determines that the additional MRF due to different G-price during the period from 2015 to 2021 is VND394.5 billion.

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

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

Management of NPM believes that it had adequately provided for its liabilities for MRF from 2015 up to present based on its interpretation of relevant legislation relating to mining rights and natural resources tax. The Group’s management has been, therefore, also sent letters to different level of authorities to highlight the issues and seek for proper resolutions of NPM’s MRF.

In 2021, as instructed by the Prime Minister under Letter No. 978/VPCP-KTTH dated 28 February 2021 and Letter No. 5987/VPCP-KTTH dated 28 August 2021, the case is under reviewing and working by MOF, MONRE, Thai Nguyen PPC and Thai Nguyen Department of Finance, subject to report to the Prime Minister and National Assembly Committee on Economy. By reporting date, MONRE and Thai Nguyen PPC are working together to calculate the taxable price applied for NPM’s industrial products.

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

The ultimate outcome of the matter is presently not determined and may be subject to final taxable price applied for NPM’s industrial products and its ability to request MONRE to recalculate the MRF in Decision 1640. Accordingly, no provision for the additional MRF during the period from 2015 to 2021 as in Decision 1640 has been made in the consolidated financial statements.

Masan Group Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2021
(continued)

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

40. Post balance sheet events

In January 2022, the Company acquired 2,418,699 ordinary shares, equivalent to 3.24% equity interests of CrownX from a third party for a total consideration of VND5,188,010 million. As a result of this transaction, the Company's economic interests both directly and indirectly in CrownX has increased from 81.7% to 84.9%.

In February 2022, The SHERPA Company Limited, a subsidiary directly owned by the Company acquired 9,881,250 ordinary shares, equivalent to 31% equity interests of Phuc Long Heritage Corporation for a total consideration of VND2,490,900 million. As a result of this transaction, the Company's equity interests in Phuc Long Heritage has increased from 20% to 51% and Phuc Long Heritage became a subsidiary indirectly owned by the Company.

In March 2022, VCM Services and Trading Development Joint Stock Company issued 8,305,000 new ordinary shares, equivalent to 1.25% equity interests to CrownX, for a total consideration of VND749,584 million. As a result of these transactions, the Company's economic interests in WCM has increased from 68.6% to 71.5%.

8 March 2022

Prepared by:



Nguyen Huy Hung
Chief Accountant

Approved by:



Do Thi Quynh Trang
Chief Financial Officer



Danny Le
Chief Executive Officer



