



KPMG'S COPY

Masan MEATLife Corporation

Separate Financial Statements
for the year ended 31 December 2020



Masan MEATLife Corporation
Corporate Information

**Enterprise Registration
Certificate No.**

0311224517

7 October 2011

The Company's Enterprise Registration Certificate has been amended several times, the most recent of which is dated 14 December 2020. The Enterprise Registration Certificate and its amendments were issued by the Department of Planning and Investment of Ho Chi Minh City.

Board of Directors

Mr. Danny Le
Mr. Pham Trung Lam
Mr. Tran Phuong Bac
Mr. Neal Leroux Kok

Chairman
Member
Member
Member

Board of Management

Mr. Pham Trung Lam
Ms. Nguyen Thi Minh Hang

Chief Executive Officer
Chief Financial Officer

Supervisory Board

Ms. Doan Thi My Duyen
Ms. Pham Quynh Nga
Ms. Nguyen Thi Thu Hang

Chief Supervisor
Member
Member

Registered Office

10th Floor, Central Plaza Tower
17 Le Duan Street
Ben Nghe Ward, District 1
Ho Chi Minh City
Vietnam

Auditor

KPMG Limited
Vietnam

Masan MEATLife Corporation

Statement of the Board of Management

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

The Company’s Board of Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Company’s Board of Management:

- (a) the separate financial statements set out on pages 5 to 38 give a true and fair view of the unconsolidated financial position of the Company as at 31 December 2020, and of its unconsolidated results of operations and its unconsolidated 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; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Company’s Board of Management has, on the date of this statement, authorised the accompanying separate financial statements for issue.

On behalf of the Board of Management



Phạm Trung Lâm
Chief Executive Officer

Hồ Chí Minh City, 3 March 2021



KPMG Limited Branch
10th Floor, Sun Wah Tower
115 Nguyen Hue Street, Ben Nghe Ward
District 1, Ho Chi Minh City, Vietnam
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders Masan MEATLife Corporation

We have audited the accompanying separate financial statements of Masan MEATLife Corporation ("the Company"), which comprise the separate balance sheet as at 31 December 2020, the separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 3 March 2021, as set out on pages 5 to 38.

Board of Management's Responsibility

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the separate 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 separate 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 separate financial statements.

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

11-7/2021/CT-CP



Auditor's Opinion

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

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No: 20-01-00895-21-1



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

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

Ho Chi Minh City, 3 March 2021

Masan MEATLife Corporation
Separate balance sheet as at 31 December 2020

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

	Code	Note	31/12/2020 VND	1/1/2020 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		2,891,262,464,053	2,340,885,319,208
Cash and cash equivalents	110	4	1,176,073,253,973	683,578,280,096
Cash	111		47,073,253,973	52,878,280,096
Cash equivalents	112		1,129,000,000,000	630,700,000,000
Short-term financial investments	120		22,000,000,000	155,000,000,000
Held-to-maturity investments	123	5	22,000,000,000	155,000,000,000
Accounts receivable – short-term	130		1,589,031,346,092	1,377,960,908,191
Accounts receivable from customers	131	6	82,141,237,023	56,491,514,068
Prepayments to suppliers	132	7	432,057,432,017	366,078,064,740
Short-term loans receivable	135	8	937,650,000,000	584,800,000,000
Other short-term receivables	136	9	142,295,995,849	380,372,317,075
Allowance for doubtful debts	137	6	(5,113,318,797)	(9,780,987,692)
Inventories	140	10	102,140,377,965	121,398,871,431
Inventories	141		102,140,377,965	121,398,871,431
Other current assets	150		2,017,486,023	2,947,259,490
Short-term prepaid expenses	151		1,986,423,504	2,840,137,866
Taxes receivable from State Treasury	153		31,062,519	107,121,624

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



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

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

	Code	Note	31/12/2020 VND	1/1/2020 VND
Long-term assets (200 = 210 + 220 + 250 + 260)	200		9,904,132,572,551	6,875,819,608,026
Accounts receivable – long-term	210		2,756,000	2,756,000
Other long-term receivables	216		2,756,000	2,756,000
Fixed assets	220		461,254,552	647,071,056
Tangible fixed assets	221		231,120,224	278,856,128
Cost	222		488,745,318	402,450,318
Accumulated depreciation	223		(257,625,094)	(123,594,190)
Intangible fixed assets	227		230,134,328	368,214,928
Cost	228		690,403,000	690,403,000
Accumulated amortisation	229		(460,268,672)	(322,188,072)
Long-term financial investments	250	11	9,899,664,500,000	6,870,004,511,729
Investments in subsidiaries	251		9,899,664,500,000	6,694,450,622,729
Equity investments in other entities	253		-	175,553,889,000
Other long-term assets	260		4,004,061,999	5,165,269,241
Long-term prepaid expenses	261	12	4,004,061,999	5,165,269,241
TOTAL ASSETS (270 = 100 + 200)	270		12,795,395,036,604	9,216,704,927,234

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


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

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

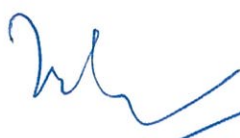
	Code	Note	31/12/2020 VND	1/1/2020 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		9,772,665,322,450	6,101,856,252,863
Current liabilities	310		6,029,655,921,740	2,560,473,071,875
Accounts payable to suppliers	311	13	2,742,722,363,752	1,948,060,627,082
Advances from customers	312		11,899,556,110	5,366,344,141
Taxes payable to State Treasury	313	14	4,621,894,902	8,218,654,521
Payables to employees	314		5,223,974	5,223,968
Accrued expenses	315	15	267,206,555,730	222,430,042,500
Other short-term payables	319	16(a)	2,009,990,327,272	7,862,179,663
Short-term borrowings	320	17(a)	993,210,000,000	368,530,000,000
Long-term liabilities	330		3,743,009,400,710	3,541,383,180,988
Other long-term payables	337	16(b)	620,693,878,024	417,869,847,802
Long-term borrowings	338	17(b)	3,111,844,095,436	3,111,844,095,436
Long-term provisions	342		10,471,427,250	11,669,237,750
EQUITY (400 = 410)	400		3,022,729,714,154	3,114,848,674,371
Owners' equity	410	18	3,022,729,714,154	3,114,848,674,371
Share capital	411	19	3,267,148,470,000	3,243,274,470,000
- Ordinary shares with voting rights	411a		3,267,148,470,000	3,243,274,470,000
Share premium	412		2,119,055,015,149	2,119,105,015,149
Accumulated losses	421		(2,363,473,770,995)	(2,247,530,810,778)
- Accumulated losses brought forward	421a		(2,247,530,810,778)	(2,355,876,584,519)
- Net (loss)/profit after tax for the current year	421b		(115,942,960,217)	108,345,773,741
TOTAL RESOURCES (440 = 300 + 400)	440		12,795,395,036,604	9,216,704,927,234

3 March 2021

Prepared by:



Tran Quang Be
Chief Accountant



Nguyen Thi Minh Hang
Chief Financial Officer

Approved by:



Pham Trung Lam
Chief Executive Officer

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

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

Form B 02 – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	2020 VND	2019 VND
Revenue from sales of goods	01	22	10,620,165,390,237	9,778,042,006,810
Revenue deductions	02	22	677,346,312,542	559,731,228,140
Net revenue (10 = 01 - 02)	10	22	9,942,819,077,695	9,218,310,778,670
Cost of sales	11	23	9,310,555,410,727	8,619,123,155,578
Gross profit (20 = 10 - 11)	20		632,263,666,968	599,187,623,092
Financial income	21	24	159,632,865,571	376,320,251,017
Financial expenses	22	25	282,676,619,901	260,783,543,446
<i>In which: Interest expense</i>	23		223,922,897,013	205,928,474,943
Selling expenses	25	26	474,474,287,594	455,061,372,929
General and administration expenses	26	27	150,839,359,221	150,891,655,372
Net operating (loss)/profit {30 = 20 + (21 - 22) - (25 + 26)}	30		(116,093,734,177)	108,771,302,362
Other income	31		160,591,686	11,788,328
Other expenses	32		9,817,726	437,316,949
Results of other activities (40 = 31 - 32)	40		150,773,960	(425,528,621)
Accounting (loss)/profit before tax (50 = 30 + 40)	50		(115,942,960,217)	108,345,773,741
Income tax expense – current	51	28	-	-
Income tax expense – deferred	52	28	-	-
Net (loss)/profit after tax (60 = 50 - 51 - 52)	60		(115,942,960,217)	108,345,773,741

3 March 2021

Prepared by:

Tran Quang Be
Chief Accountant

Approved by:

Nguyen Thi Minh Hang
Chief Financial Officer



Pham Trung Lam
Chief Executive Officer

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

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

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

	Code	2020 VND	2019 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting (loss)/profit before tax	01	(115,942,960,217)	108,345,773,741
Adjustments for			
Depreciation and amortisation	02	272,111,504	216,676,302
Allowances and provisions	03	(4,270,906,520)	11,093,988,676
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04	406,414,322	180,543,000
Profits from investing activities	05	(159,510,690,926)	(374,387,598,204)
Interest expense	06	223,922,897,013	205,928,474,943
Operating loss before changes in working capital	08	(55,123,134,824)	(48,622,141,542)
Change in receivables and other assets	09	(89,715,400,005)	(215,028,031,104)
Change in inventories	10	19,258,493,466	1,631,251,683
Change in payables and other liabilities	11	840,729,610,518	908,220,771,828
Change in prepaid expenses	12	2,014,921,604	(5,442,943,058)
		717,164,490,759	640,758,907,807
Interest paid	14	(17,288,679,339)	(2,551,493,806)
Other payments for operating activities	17	(1,594,572,875)	(1,227,937,383)
Net cash flows from operating activities	20	698,281,238,545	636,979,476,618
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets	21	(86,295,000)	(205,699,038)
Proceeds from disposals of long-term assets	22	-	1,635,719,000
Payments for granting loans and placement of term deposits	23	(2,084,150,000,000)	(739,800,000,000)
Receipts from collecting loans and withdrawal of term deposits	24	1,864,300,000,000	-
Payments for investments in subsidiaries	25	(5,200,777,300,000)	(600,000,000,000)
Proceeds from disposals of investments in a subsidiary	26	4,171,106,422,729	-
Receipts of interest and dividends	27	395,673,321,925	126,578,545,852
Net cash flows from investing activities	30	(853,933,850,346)	(1,211,791,434,186)

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

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

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

	Code	2020 VND	2019 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from shares issued	31	23,874,000,000	-
Proceeds from borrowings	33	2,054,730,000,000	461,688,600,360
Payments to settle loan principals	34	(1,430,050,000,000)	(93,158,600,360)
Net cash flows from financing activities	40	648,554,000,000	368,530,000,000
Net cash flows during the year (50 = 20 + 30 + 40)	50	492,901,388,199	(206,281,957,568)
Cash and cash equivalents at the beginning of the year	60	683,578,280,096	890,040,780,664
Effect of exchange rate fluctuations on cash and cash equivalents	61	(406,414,322)	(180,543,000)
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61) (Note 4)	70	1,176,073,253,973	683,578,280,096

3 March 2021

Prepared by:

Tran Quang Be
Chief Accountant

Approved by:

Nguyen Thi Minh Hang
Chief Financial Officer

Pham Trung Lam
Chief Executive Officer



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

Masan MEATLife Corporation

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

Form B 09 – DN

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

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

1. Reporting entity

(a) Ownership structure

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

The Company’s shares were traded on the Unlisted Public Company Market (“Upcom”) in accordance with the Decision No. 804/QD-SGDHN issued by the Ha Noi Stock Exchange on 2 December 2019.

(b) Principal activities

The principal activities of the Company are investment holding and to trade in livestock, poultry and aquaculture feeds and other products in accordance with its Enterprise Registration Certificate.

(c) Normal operating cycle

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

(d) Company structure

As at 31 December 2020, the Company had 3 directly owned subsidiaries (1/1/2020: 2 directly owned subsidiaries) as listed in Note 11, see Note 11 for movements of investments in subsidiaries during the year.

As at 31 December 2020, the Company has 14 dependent branches which are Phu Tho Branch, Ha Nam Branch, Nghe An Branch, Binh Dinh Branch, Dak Lak Branch, Vinh Long Branch, Hau Giang Branch, Dong Nai Branch, Quang Nam Branch, Thai Nguyen Branch, Tien Giang Branch, Hung Yen Branch, Hai Phong Branch and Can Tho Branch (1/1/2020: 14 dependent branches).

As at 31 December 2020, the Company had 781 employees (1/1/2020: 849 employees).

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

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

2. Basis of preparation

(a) Statement of compliance

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

The Company prepares and issues its consolidated financial statements separately. For a comprehensive understanding of the consolidated financial position of the Company and its subsidiaries, their consolidated results of operations and their consolidated cash flows, these separate financial statements should be read in conjunction with the consolidated financial statements.

(b) Basis of measurement

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

(c) Annual accounting period

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

(d) Accounting and presentation currency

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

3. Summary of significant accounting policies

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

(a) Foreign currency transactions

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

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate and the account transfer selling rate, respectively, at the end of the annual accounting period quoted by the commercial bank where the Company most frequently conducts transactions.

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

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

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
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(b) Cash and cash equivalents

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

(c) Investments

(i) *Held-to-maturity investments*

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

(ii) *Investments in subsidiaries*

For the purpose of these separate financial statements, investments in subsidiaries are initially recognised at cost which includes purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the subsidiary has suffered a loss, except where such a loss was anticipated by the Company's management before making the investment. The allowance is reversed if the subsidiary 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.

(iii) *Equity investments in other entities*

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

(d) Accounts receivable

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

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

Form B 09 – DN

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

(e) 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. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and direct selling expenses.

The Company applies the perpetual method of accounting for inventories.

(f) Tangible fixed assets

(i) *Cost*

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

(ii) *Depreciation*

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

- office equipment 3–5 years

(g) Intangible fixed assets

Software

Cost of acquiring 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 5 years.

(h) Long-term prepaid expenses

(i) Tools and instruments

Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Costs of tools and instruments are amortised on a straight-line basis over a period ranging from over 1 to 3 years.

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

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

(ii) Other long-term prepaid expenses

Other long-term prepaid expenses include repair and maintenance expenses which are stated at their costs and are amortised on a straight-line basis over a period ranging from 2 to 3 years.

(i) Accounts payable

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

(j) Provisions

A provision is recognised if, as a result of a past event, the Company 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.

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 Company are excluded.

(k) Share capital

Ordinary shares

Ordinary shares are recognised at issuance price less incremental costs directly attributable to the issue of shares, net of tax effects. Such costs are recognised as a deduction from share premium. The excess of proceeds from issuance of shares over the par value of shares issued is recorded as share premium.

(l) Taxation

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



Masan MEATLife Corporation

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

Form B 09 – DN

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

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

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

(m) Revenue from the sales of goods

Revenue from the sales of goods is recognised in the separate statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue from the sales of goods is recognised at the net amount after deducting sales discounts stated on the invoice.

(n) Financial income

Financial income comprises interest income from bank deposits and loans receivable, foreign exchange gains and dividend income from equity investments.

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

Dividend income is recognised when the right to receive dividends is established. Share dividends are not recognised as income. Dividends received which are attributable to the period before investment acquisition date are deducted from the carrying amount of the investment.

(o) Financial expenses

Financial expenses comprise interest expense on borrowings and foreign exchange losses.

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of 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.

Masan MEATLife Corporation

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

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(p) Leases

(i) *Leased assets*

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

(ii) *Lease payments*

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

(q) Related parties

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

(r) Employee stock ownership plans

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

(s) Comparative information

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

Masan MEATLife Corporation**Notes to the separate financial statements for the year ended 31 December 2020
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	31/12/2020	1/1/2020
	VND	VND
Cash on hand	1,522,669,862	631,460,978
Cash in banks	45,530,754,111	52,002,819,118
Cash in transit	19,830,000	244,000,000
Cash equivalents	1,129,000,000,000	630,700,000,000
	<hr/>	<hr/>
	1,176,073,253,973	683,578,280,096

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

5. Held-to-maturity investments – short-term

Held-to-maturity investments represented term deposits at banks denominated in VND with remaining terms to maturity of more than three months and less than twelve months from the balance sheet date and earned annual interest at 5.8% (1/1/2020: 6.2%).

6. Accounts receivable from customers – short-term

Accounts receivable from customers who are related parties:

	31/12/2020	1/1/2020
	VND	VND
<i>Subsidiaries</i>		
▪ 3F VIET Joint Stock Company	4,418,204,000	-
▪ Agro Nutrition International Joint Stock Company	1,261,601,715	300,404,775
▪ MNS Feed Tien Giang Company Limited	1,125,969,760	-
▪ Conco Binh Dinh Company Limited	-	2,368,431,555
	<hr/>	<hr/>

The amounts due from subsidiaries were unsecured, interest free and are receivable within 30 to 60 days from invoice date.

Masan MEATLife Corporation**Notes to the separate financial statements for the year ended 31 December 2020
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Movements of the allowance for doubtful debts during the years were as follows:

	2020 VND	2019 VND
Opening balance	9,780,987,692	-
Allowance made during the year	-	9,780,987,692
Written back during the year	(4,667,668,895)	-
Closing balance	5,113,318,797	9,780,987,692

7. Prepayments to suppliers – short-term

Prepayments to suppliers who are related parties:

	31/12/2020 VND	1/1/2020 VND
<i>Subsidiaries</i>		
▪ Agro Nutrition International Joint Stock Company	295,238,048,687	87,687,223,612
▪ MNS Feed Tien Giang Company Limited	85,118,178,465	-
▪ MNS Feed Thai Nguyen Company Limited	25,656,231,780	51,704,819,250
▪ MNS Feed Nghe An Company Limited	20,543,809,085	64,568,629,780
▪ Conco Binh Dinh Company Limited	-	107,272,638,772
▪ MNS Feed Vinh Long Company Limited	-	50,218,551,115

The prepayments to subsidiaries were unsecured and interest free.

Masan MEATLife Corporation**Notes to the separate financial statements for the year ended 31 December 2020
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Terms and conditions of short-term loans receivable in VND were as follows:

	Annual interest rate	Year of maturity	31/12/2020 VND	1/1/2020 VND
Subsidiaries:				
▪ MNS Meat Ha Nam Company Limited	6.5%	2021	387,000,000,000	199,800,000,000
▪ MEATDeli Sai Gon Company Limited (formerly known as “MNS Meat Sai Gon Company Limited”)	6.5%	2021	94,550,000,000	265,000,000,000
▪ MNS Farm Nghe An Company Limited	6.5%	2021	36,100,000,000	120,000,000,000
Masan Group Corporation, the parent company	6.5%	2021	150,000,000,000	-
A third party	6.5%	2021	270,000,000,000	-
			937,650,000,000	584,800,000,000

Loan receivables from the parent company, subsidiaries and third party are unsecured.

9. Other short-term receivables

	31/12/2020 VND	1/1/2020 VND
Interest receivable from loans to related parties	45,462,638,387	5,201,923,292
Dividends receivable from subsidiaries	83,063,297,600	365,313,561,504
Interest receivable from deposits at banks and loans to a third party	12,233,435,618	6,406,517,808
Other receivables from subsidiaries	557,775,920	2,247,968,743
Advances to employees	950,994,077	1,200,038,241
Short-term deposits	2,095,500	2,095,500
Others	25,758,747	211,987
	142,295,995,849	380,372,317,075



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Other short-term receivables comprised of following amounts due from related parties:

	31/12/2020 VND	1/1/2020 VND
Parent company		
▪ Masan Group Corporation	2,323,972,603	-
Subsidiaries		
▪ MNS Feed Company Limited	83,063,297,600	260,000,000,000
▪ MNS Meat Ha Nam Company Limited	22,005,065,789	2,912,961,645
▪ MEATDeli Sai Gon Company Limited (formerly known as “MNS Meat Sai Gon Company Limited”)	16,239,667,566	909,305,480
▪ MNS Farm Nghe An Company Limited	5,146,860,277	1,379,656,167
▪ Vietnamese – French Cattle Feed Joint Stock Company	116,169,852	238,561,995
▪ Conco Binh Dinh Company Limited	114,127,200	-
▪ Agro Nutrition International Joint Stock Company	33,874,215	105,313,561,504
▪ MNS Feed Tien Giang Company Limited	26,794,480	-
▪ MNS Feed Thai Nguyen Company Limited	9,003,322	-
▪ Proconco Can Tho One Member Company Limited	3,786,001	-
▪ MNS Feed Hau Giang Company Limited	588,000	-
▪ Proconco Hung Yen Trading and Production Company Limited	315,000	-
▪ MNS Feed Nghe An Company Limited	190,002	889,178,248
▪ MNS Feed Vinh Long Company Limited	-	1,120,228,500

Interest receivable from loans to the parent company and subsidiaries were unsecured and are receivable on the maturity date or repayment date of the related loan agreements, whichever earlier.

The other amounts due from subsidiaries were unsecured, interest free and are receivable on demand.

10. Inventories

	31/12/2020 VND	1/1/2020 VND
Merchandise inventories	102,140,377,965	121,398,871,431

There was no allowance for inventories as at 31 December 2020 and 1 January 2020.

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11. Long-term financial investments

	31/12/2020 VND	1/1/2020 VND
Investments in subsidiaries (a)	9,899,664,500,000	6,694,450,622,729
Equity investments in other entities (b)	-	175,553,889,000
	9,899,664,500,000	6,870,004,511,729

(a) Investments in subsidiaries

	31/12/2020		1/1/2020	
	% of equity owned/ voting rights	Cost VND	% of equity owned/ voting rights	Cost VND
MNS Feed Company Limited ("MNS Feed")	99.9%	7,283,990,000,000	99.9%	3,111,990,000,000
Agro Nutrition International Joint Stock Company ("ANCO") (*)	-	-	100.0%	3,581,563,422,729
MNS Meat Company Limited ("MNS Meat") (*)	100.0%	2,000,003,000,000	-	-
3F VIET Joint Stock Company ("3F VIET") (**)	51.0%	614,774,300,000	-	-
Others	-	897,200,000	-	897,200,000
		9,899,664,500,000		6,694,450,622,729

(*) During the year, the Company completed transfer of 100% ownership together with a call option (Note 11(b)) in ANCO to MNS Feed and acquire of 99.9% equity interest in MNS Meat from ANCO.

(**) In November 2020, the Company completed the acquisition from a third party of 51% equity interest in 3F VIET, a poultry food manufacturer.

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

There is no allowance from diminution in value of investments in subsidiaries of the Company as at 31 December 2020 and 1 January 2020.

Masan MEATLife Corporation

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

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

	MNS Feed VND	ANCO VND	MNS Meat VND	3F VIET VND	Others VND	Total VND
Opening balance	3,111,990,000,000	3,581,563,422,729	-	-	897,200,000	6,694,450,622,729
Additional investments	4,172,000,000,000	414,000,000,000	1,999,989,111,000	614,774,300,000	-	7,200,763,411,000
Transfer from investments						
in other entities	-	-	13,889,000	-	-	13,889,000
Disposal of investments	-	(3,995,563,422,729)	-	-	-	(3,995,563,422,729)
Closing balance	7,283,990,000,000	-	2,000,003,000,000	614,774,300,000	897,200,000	9,899,664,500,000

Detail information of the Company's subsidiaries are described as follows:

Name	Address	Principal activities
MNS Feed Company Limited	Song May Industrial Zone, Trang Bom District, Dong Nai Province, Vietnam	Investment holding;
Agro Nutrition International Joint Stock Company	Song May Industrial Zone, Trang Bom District, Dong Nai Province, Vietnam	To manufacture, process livestock, poultry and aquaculture feeds;
MNS Meat Company Limited	Song May Industrial Zone, Bac Son Commune, Trang Bom District, Dong Nai Province, Vietnam	Investment holding;
3F VIET Joint Stock Company	68 Nguyen Hue Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	To breed poultry and process and preserve meat;

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(b) Equity investments in other entities

	% of equity owned	1/1/2020 % of voting rights	Cost VND
MNS Meat Company Limited	0.001%	-	10,889,000
Other investments (*)	-	-	175,543,000,000
			<hr/> 175,553,889,000 <hr/>

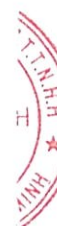
- (*) In 2016, ANCO, a subsidiary of the Company, granted a call option to an investor to buy 5% of ANCO's equity interest on a fully diluted basis at par value, which can be exercised within 10 years from January 2016. In February 2016, this option was acquired by the Company as part of the Company's overall restructuring and efforts to increase its equity interest in its subsidiaries, particularly ANCO and Vietnamese – French Cattle Feed Joint Stock Company, an indirect subsidiary. The Company recorded this transaction in equity investments.

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

	MNS Meat VND	Other investments VND	Total VND
Opening balance	10,889,000	175,543,000,000	175,553,889,000
Additional investments	3,000,000	-	3,000,000
Transfer to investments in subsidiaries	(13,889,000)	-	(13,889,000)
Disposal of investments	-	(175,543,000,000)	(175,543,000,000)
Closing balance	-	-	-

12. Long-term prepaid expenses

	Tools and instruments VND	Others VND	Total VND
Opening balance	4,520,597,697	644,671,544	5,165,269,241
Additions	845,611,800	687,007,598	1,532,619,398
Amortisation for the year	(2,219,301,862)	(474,524,778)	(2,693,826,640)
Closing balance	3,146,907,635	857,154,364	4,004,061,999



Masan MEATLife Corporation**Notes to the separate financial statements for the year ended 31 December 2020**
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	31/12/2020 VND	1/1/2020 VND
Vietnamese – French Cattle Feed Joint Stock Company	2,187,376,275,950	1,748,235,987,687
Other suppliers	555,346,087,802	199,824,639,395
	<hr/> 2,742,722,363,752	<hr/> 1,948,060,627,082

(b) Accounts payable to suppliers who are related parties

	31/12/2020 VND	1/1/2020 VND
<i>Subsidiaries</i>		
▪ Vietnamese – French Cattle Feed Joint Stock Company	2,187,376,275,950	1,748,235,987,687
▪ Proconco Hung Yen Trading and Production Company Limited	171,688,262,720	130,016,204,910
▪ Conco Binh Dinh Company Limited	145,020,554,574	-
▪ ANCO	52,086,866,325	32,565,908,650
▪ MNS Feed Hau Giang Company Limited	157,898,703,815	669,156,080
▪ MNS Feed Vinh Long Company Limited	396,000,000	-
▪ MNS Feed Tien Giang Company Limited	-	14,580,289,420
<i>Other related parties</i>		
▪ Masan Consumer Corporation	4,563,823,848	4,509,684,250
▪ VinCommerce General Commercial Services Joint Stock Company	81,864,791	-
	<hr/>	<hr/>

The amounts due to the subsidiaries and other related parties were unsecured, interest free and are payable within 30 to 60 days from invoice date.



Masan MEATLife Corporation**Notes to the separate financial statements for the year ended 31 December 2020**
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	1/1/2020 VND	Incurred VND	Paid VND	Net-off/ reclassified VND	31/12/2020 VND
Value added tax	-	76,059,105	-	(76,059,105)	-
Personal income tax	8,218,654,521	31,868,991,546	(33,028,722,737)	(2,437,028,428)	4,621,894,902
Other taxes	-	50,260,000	(50,260,000)	-	-
	<u>8,218,654,521</u>	<u>31,995,310,651</u>	<u>(33,078,982,737)</u>	<u>(2,513,087,533)</u>	<u>4,621,894,902</u>

15. Accrued expenses

	31/12/2020 VND	1/1/2020 VND
Sales discounts	207,230,066,842	169,669,987,563
Performance bonus	41,950,199,620	37,321,201,948
Advertising and promotion expenses	7,818,797,632	3,176,739,678
Interest expense	1,640,590,055	1,107,114,932
Transportation expenses	888,932,642	579,534,693
Others	7,677,968,939	10,575,463,686
	<u>267,206,555,730</u>	<u>222,430,042,500</u>

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16. Other payables

(a) Other short-term payables

	31/12/2020 VND	1/1/2020 VND
Payable to ANCO for acquisition of MNS Meat as the result of the restructuring (Note 11(a)) (*)	1,999,989,111,000	-
Interest expense payable to Masan Horizon Company Limited, a related party (**)	3,276,712,329	-
Other payables to related parties (***)	389,409,575	290,168,126
Others	6,335,094,368	7,572,011,537
	<hr/> 2,009,990,327,272	<hr/> 7,862,179,663

(*) According to share transfer agreement dated 29 December 2020, this amount was unsecured, interest fee and is payable by 31 August 2021.

(**) Interest expense payable to the related party was unsecured, interest free and is payables at the maturity of related loans (Note 17(a)).

(***) Other payables to related parties comprised of the following:

	31/12/2020 VND	1/1/2020 VND
Subsidiaries		
▪ MNS Feed Tien Giang Company Limited	389,409,575	30,000,000
▪ Agro Nutrition International Joint Stock Company	-	258,168,126
▪ Vietnamese - French Cattle Feed Joint Stock Company	-	2,000,000
	<hr/>	<hr/>

The amounts due to the subsidiaries were unsecured, interest free and are payable at call.

(b) Other long-term payables

	31/12/2020 VND	1/1/2020 VND
Interest expense payable to Vietnamese – French Cattle Feed Joint Stock Company, an indirect subsidiary	620,693,878,024	417,869,847,802
	<hr/>	<hr/>

Interest expense payables to the subsidiary were unsecured, interest free and are payable at the maturity of the related loans (Note 17(b)).

Masan MEATLife Corporation**Notes to the separate financial statements for the year ended 31 December 2020****(continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***17. Borrowings****(a) Short-term borrowings**

	1/1/2020 Carrying amount/ Amount within repayment capacity VND	Movements during the year		31/12/2020 Carrying amount/ Amount within repayment capacity VND
		Additions VND	Repayments VND	
Short-term borrowings	368,530,000,000	2,054,730,000,000	(1,430,050,000,000)	993,210,000,000

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

	Currency	Annual interest rate	31/12/2020 VND	1/1/2020 VND
Unsecured bank loans	VND	2.3% - 5.8%	593,210,000,000	368,530,000,000
Unsecured loan from Masan Horizon Company Limited, a related party	VND	6.5%	400,000,000,000	-
			993,210,000,000	368,530,000,000

(b) Long-term borrowings

	31/12/2020 VND	1/1/2020 VND
Long-term borrowings, repayable after 12 months	3,111,844,095,436	3,111,844,095,436

Terms and conditions of outstanding long-term borrowings in VND are as follows:

	Annual interest rate	Year of maturity	31/12/2020 VND	1/1/2020 VND
Unsecured loans from Vietnamese – French Cattle Feed Joint Stock Company, an indirect subsidiary				
▪ Loan 1	6.5%	2023	2,419,754,495,481	2,419,754,495,481
▪ Loan 2	6.5%	2023	692,089,599,955	692,089,599,955
			3,111,844,095,436	3,111,844,095,436

During the year, the subsidiary agreed to extend the repayment date of the loans from 2021 to 2023.

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18. Changes in owners' equity

	Share capital VND	Share premium VND	Accumulated losses VND	Total VND
Balance as at 1 January 2019	2,162,182,990,000	3,200,196,495,149	(2,355,876,584,519)	3,006,502,900,630
Shares issuance from share premium	1,081,091,480,000	(1,081,091,480,000)	-	-
Net profit for the year	-	-	108,345,773,741	108,345,773,741
Balance as at 1 January 2020	3,243,274,470,000	2,119,105,015,149	(2,247,530,810,778)	3,114,848,674,371
Shares issuance under employee stock ownership plans	23,874,000,000	(50,000,000)	-	23,824,000,000
Net loss for the year	-	-	(115,942,960,217)	(115,942,960,217)
Balance as at 31 December 2020	3,267,148,470,000	2,119,055,015,149	(2,363,473,770,995)	3,022,729,714,154

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Notes to the separate financial statements for the year ended 31 December 2020
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19. Share capital

The Company's authorised and issued share capital are as follows:

	31/12/2020		1/1/2020	
	Number of shares	VND	Number of shares	VND
Authorised share capital	326,714,847	3,267,148,470,000	324,327,447	3,243,274,470,000
Issued share capital				
Ordinary shares	326,714,847	3,267,148,470,000	324,327,447	3,243,274,470,000
Shares in circulation				
Ordinary shares	326,714,847	3,267,148,470,000	324,327,447	3,243,274,470,000

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 dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

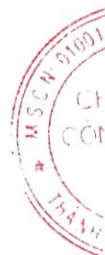
Movements of share capital during the year were as follows:

	2020		2019	
	Number of shares	VND	Number of shares	VND
Balance at beginning of the year	324,327,447	3,243,274,470,000	216,218,299	2,162,182,990,000
Shares issuance under employee stock ownership plans	2,387,400	23,874,000,000	-	-
Shares issuance from share premium	-	-	108,109,148	1,081,091,480,000
Balance at the end of the year	326,714,847	3,267,148,470,000	324,327,447	3,243,274,470,000

20. 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.

In October 2020, the Company issued 2,387,400 shares to employees at par for cash.



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

	31/12/2020 VND	1/1/2020 VND
Within 1 year	11,323,257,600	7,963,257,600
Within 2 to 5 years	1,372,449,600	8,215,707,200
	12,695,707,200	16,178,964,800

(b) Foreign currency

	31/12/2020		1/1/2020	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	451,269	10,379,183,320	259,421	5,995,220,234

22. Revenue from sales of goods

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

Net revenue comprised of:

	2020 VND	2019 VND
Total revenue		
▪ Sales of goods	10,620,165,390,237	9,778,042,006,810
Less revenue deductions		
▪ Sales discounts	677,326,492,692	558,924,333,396
▪ Sales returns	19,819,850	779,705,041
▪ Sales allowance	-	27,189,703
	677,346,312,542	559,731,228,140
Net revenue	9,942,819,077,695	9,218,310,778,670

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	2020 VND	2019 VND
Cost of goods sold	9,310,555,410,727	8,619,123,155,578

24. Financial income

	2020 VND	2019 VND
Dividends income from subsidiaries	83,063,297,600	330,470,365,973
Interest income from:		
▪ Banks	25,082,930,285	39,061,096,591
▪ Third parties	11,086,438,357	-
▪ Related parties	40,278,024,684	5,201,923,292
Realised foreign exchange gains	122,174,645	1,586,865,161
	159,632,865,571	376,320,251,017

25. Financial expenses

	2020 VND	2019 VND
Interest expense on loans from:		
▪ Banks	17,822,154,462	3,658,608,738
▪ Related parties	206,100,742,551	202,269,866,205
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	406,414,322	180,543,000
Others	58,347,308,566	54,674,525,503
	282,676,619,901	260,783,543,446

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26. Selling expenses

	2020 VND	2019 VND
Staff costs	214,352,142,447	217,356,745,370
Transportation expenses	83,127,899,781	65,271,731,167
Advertising and promotion expenses	78,419,681,323	63,625,071,166
Operating leases expense	14,348,756,400	12,308,647,207
Tools and supplies	1,181,373,963	905,887,405
Others	83,044,433,680	95,593,290,614
	<hr/> 474,474,287,594	<hr/> 455,061,372,929 <hr/>

27. General and administration expenses

	2020 VND	2019 VND
Staff costs	107,611,046,335	98,414,911,680
Operating leases expense	11,954,401,215	3,462,406,102
Office supplies	3,164,225,685	2,614,986,303
Depreciation and amortisation	272,111,504	216,676,302
Allowance for doubtful debts	(4,667,668,895)	9,780,987,692
Others	32,505,243,377	36,401,687,293
	<hr/> 150,839,359,221	<hr/> 150,891,655,372 <hr/>

28. Income tax

(a) Reconciliation of effective tax rate

	2020 VND	2019 VND
Accounting (loss)/profit before tax	(115,942,960,217)	108,345,773,741
Tax at the Company's tax rate	(23,188,592,043)	21,669,154,748
Non-deductible expenses	613,294,180	14,035,255,631
Tax exempt income	(16,612,659,520)	(66,094,073,195)
Unrecognised deferred tax assets	39,187,957,383	30,389,662,816
	<hr/> -	<hr/> - <hr/>

Masan MEATLife Corporation
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(b) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	31/12/2020		1/1/2020	
	Temporary difference VND	Tax value VND	Temporary difference VND	Tax value VND
Deductible temporary differences	545,342,970,030	109,068,594,006	371,990,919,304	74,398,183,861
Tax losses	1,464,745,407,395	292,949,081,479	1,652,610,512,586	330,522,102,517
	2,010,088,377,425	402,017,675,485	2,024,601,431,890	404,920,286,378

The tax losses expire in the following years:

Year of expiry	Status of tax review	Tax losses available VND
2021	Outstanding	276,539,154,648
2022	Outstanding	1,028,653,391,004
2024	Outstanding	136,965,125,553
2025	Outstanding	22,587,736,190
		1,464,745,407,395

The deductible temporary differences do not expire under current tax legislation except for interest expense. Interest expense that were exceeded capped amount under current tax registration will be carried forward up to 5 years. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits therefrom.

(c) Applicable tax rates

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

Masan MEATLife Corporation**Notes to the separate financial statements for the year ended 31 December 2020
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In addition to related party balances disclosed in other notes to the separate financial statements, the Company had the following significant transactions with related parties during the year:

	Transaction value	
	2020	2019
	VND	VND
<i>Parent company</i>		
Masan Group Corporation		
Loan granted	150,000,000,000	-
Interest income	2,323,972,603	-
<i>Subsidiaries</i>		
MNS Feed Company Limited		
Dividends income	83,063,297,600	330,470,365,973
Capital contribution	4,172,000,000,000	-
Disposal of investments	4,171,106,422,729	-
MNS Feed Tien Giang Company Limited		
Purchases of goods	263,721,501,140	301,745,535,540
Sales of goods	2,552,421,035	2,998,041,560
Warehouse rental fee	540,000,000	874,440,000
MNS Feed Thai Nguyen Company Limited		
Purchases of goods	159,081,890,880	137,291,188,830
Sales of goods	385,303,410	1,183,539,730
Warehouse rental fee	420,000,000	682,500,000
MNS Feed Vinh Long Company Limited		
Purchases of goods	-	182,697,171,940
Sales of goods	-	2,922,754,125
Warehouse rental fee	1,440,000,000	360,000,000
MNS Feed Hau Giang Company Limited		
Purchases of goods	501,639,210,025	439,799,080,620
Sales of goods	6,921,662,290	5,426,386,340
Warehouse rental fee	420,000,000	630,000,000
MNS Feed Nghe An Company Limited		
Purchases of goods	244,889,221,625	196,456,846,575
Sales of goods	126,400,930	327,403,440
Warehouse rental fee	420,000,000	614,250,000
Agro Nutrition International Joint Stock Company		
Purchases of goods	1,070,527,974,600	1,010,952,718,473
Sales of goods	969,038,940	2,573,478,745
Capital contribution	414,000,000,000	600,000,000,000
Purchases of investments	1,999,989,111,000	-



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	Transaction value	
	2020	2019
	VND	VND
MNS Meat Company Limited		
Capital contribution	3,000,000	-
MNS Meat Ha Nam Company Limited		
Sales of construction in progress	-	1,635,719,000
Purchases of goods	578,931,122	846,194
Loans granted	443,200,000,000	199,800,000,000
Loans collected	256,000,000,000	-
Interest income	18,868,983,577	2,912,961,645
MEATDeli Sai Gon Company Limited (formerly known as “MNS Meat Sai Gon Company Limited”)		
Loans granted	628,250,000,000	265,000,000,000
Loans collected	798,700,000,000	-
Interest income	15,300,554,805	909,305,480
MNS Farm Nghe An Company Limited		
Loans granted	490,000,000,000	120,000,000,000
Loans collected	573,900,000,000	-
Interest income	3,767,204,110	1,379,656,167
Vietnamese - French Cattle Feed Joint Stock Company		
Purchases of goods	5,324,668,548,615	4,906,132,652,698
Sales of goods	16,698,063,175	21,539,601,240
Interest expense	202,824,030,222	202,269,866,205
Proconco Can Tho One Member Company Limited		
Purchases of goods	2,583,523,250	1,434,374,975
Conco Binh Dinh Company Limited		
Purchases of goods	1,226,232,894,100	1,114,621,231,432
Sales of goods	1,783,477,065	5,016,077,320
Purchases of fixed assets	114,127,200	-
Proconco Hung Yen Trading and Production Co., Ltd		
Purchases of goods	498,016,643,585	325,215,366,560
Sales of goods	115,531,855	315,468,755
Warehouse rental fee	693,000,000	-
3F VIET Joint Stock Company		
Sales of goods	5,237,321,000	-
Capital contribution	613,000,000,000	-
Loans granted	2,700,000,000	-
Loans collected	2,700,000,000	-

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	Transaction value	
	2020	2019
	VND	VND
<i>Other related parties</i>		
Masan Consumer Corporation		
Information and technology expenses	8,983,588,158	9,981,471,408
Project management fee	513,924,254	365,403,555
Purchases of goods	153,616,015	7,211,200
NET Detergent Joint Stock Company		
Purchases of goods	27,683,998	-
Masan Horizon Company Limited		
Loan received	400,000,000,000	-
Interest expense	3,276,712,329	-
VinCommerce General Commercial Services Joint Stock Company		
Purchases of goods	502,133,559	-
Key management personnel		
Remuneration to key management personnel (*)	30,967,976,292	28,442,181,333

As at and for the year ended 31 December 2020 and 2019, the Company have current and term deposit accounts at Vietnam Technological and Commercial Joint Stock Bank, a related party at normal trading terms.

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

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

Name	Position	2020 VND
Board of Directors		
Mr Danny Le	Chairman	-
Mr Pham Trung Lam	Member	-
Mr Tran Phuong Bac	Member	-
Mr Neal Leroux Kok	Member	-
Chief Executive Officer		
Mr Pham Trung Lam		5,983,476,000

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The Company provides payment guarantee for its subsidiaries' borrowings from banks, with below outstanding balance at reporting date:

Subsidiaries	31/12/2020 VND
MNS Feed Hau Giang Company Limited	48,701,275,246
MNS Feed Nghe An Company Limited	37,515,503,772
MNS Feed Thai Nguyen Company Limited	22,254,022,666
Conco Binh Dinh Company Limited	17,656,028,973
Agro Nutrition International Joint Stock Company	169,375,175,585
MNS Meat Ha Nam Company Limited	95,824,630,158
MNS Farm Nghe An Company Limited	170,322,923,047

30. Non-cash investing and financing activities

	31/12/2020 VND	31/12/2019 VND
Acquisition of equity investments through occurrence of liabilities	1,999,989,111,000	-
Share issuance cost yet to be paid	50,000,000	-
Share issuance from share premium	-	1,081,091,480,000

31. Comparative information

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

3 March 2021

Prepared by:


Tran Quang Be
Chief Accountant

Approved by:


Nguyen Thi Minh Hang
Chief Financial Officer


Phan Trung Lam
Chief Executive Officer

