

**Masan MEATLife Corporation
and its subsidiaries**

Consolidated quarterly financial statements
for the period ended 30 September 2021



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 Huynh Viet Thang
Mr Neal Leroux Kok

Chairman
Member
Member
Member (from 1 April 2021)
Member (until 12 October 2021)

Board of Management

Mr Pham Trung Lam
Ms Nguyen Thi Minh Hang
Mr Nguyen Quoc Trung

Chief Executive Officer
Chief Financial Officer
Deputy Chief Executive Officer
of Meat Business

Audit Committee

Mr Huynh Viet Thang
Mr Tran Phuong Bac

Chairman (from 14 April 2021)
Member (from 14 April 2021)

Supervisory Board

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

Chief Supervisor (until 13 April 2021)
Member (until 13 April 2021)
Member (until 13 April 2021)

Registered Office

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

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

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

	Code	Note	30/9/2021 VND	1/1/2021 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		6,465,645,368,401	6,211,564,450,510
Cash and cash equivalents	110	5	801,553,852,222	1,635,795,211,649
Cash	111		288,453,852,222	115,495,211,649
Cash equivalents	112		513,100,000,000	1,520,300,000,000
Short-term financial investments	120		256,215,829,261	134,950,000,000
Trading securities	121	6(a)	256,165,829,261	-
Held-to-maturity investments	123	6(b)	50,000,000	134,950,000,000
Accounts receivable – short-term	130	7	2,373,239,523,578	1,990,001,817,972
Accounts receivable from customers	131		942,846,764,696	627,931,119,627
Prepayments to suppliers	132		248,113,957,579	85,724,798,419
Short-term loans receivable	135		1,228,300,000,000	1,290,000,000,000
Other short-term receivables	136		42,010,310,335	77,307,967,823
Allowance for doubtful debts	137		(88,031,509,032)	(92,114,531,528)
Shortage of assets awaiting resolution	139		-	1,152,463,631
Inventories	140	8	2,790,988,777,504	2,234,732,675,442
Inventories	141		2,814,762,555,715	2,262,342,474,609
Allowance for inventories	149		(23,773,778,211)	(27,609,799,167)
Other current assets	150		243,647,385,836	216,084,745,447
Short-term prepaid expenses	151	13(a)	139,476,916,669	123,438,517,357
Deductible value added tax	152		86,167,176,176	67,456,959,335
Taxes receivable from State Treasury	153		18,003,292,991	25,189,268,755

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

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

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

	Code	Note	30/9/2021 VND	1/1/2021 VND
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		11,670,506,888,185	11,745,889,703,075
Accounts receivable – long-term	210		36,123,463,809	32,405,791,605
Other long-term receivables	216	7	36,123,463,809	32,405,791,605
Fixed assets	220		8,405,173,548,707	8,384,846,294,660
Tangible fixed assets	221	9	4,867,976,767,156	5,007,399,190,225
Cost	222		6,859,909,303,407	6,632,821,701,303
Accumulated depreciation	223		(1,991,932,536,251)	(1,625,422,511,078)
Finance lease tangible fixed assets	224	10	366,851,090,956	22,278,740,158
Cost	225		370,311,154,518	22,761,303,606
Accumulated depreciation	226		(3,460,063,562)	(482,563,448)
Intangible fixed assets	227	11	3,170,345,690,595	3,355,168,364,277
Cost	228		5,198,505,528,456	5,198,505,528,456
Accumulated amortisation	229		(2,028,159,837,861)	(1,843,337,164,179)
Long-term work in progress	240		163,892,556,800	181,974,737,981
Construction in progress	242	12	163,892,556,800	181,974,737,981
Long-term financial investments	250		2,177,815,986,939	2,171,509,761,899
Investments in associates	252	6(c)	2,147,227,228,139	2,146,548,963,099
Equity investments in other entities	253	6(d)	30,588,758,800	30,588,758,800
Allowance for diminution in the value of long-term financial investments	254	6(d)	-	(5,627,960,000)
Other long-term assets	260		887,501,331,930	975,153,116,930
Long-term prepaid expenses	261	13(b)	708,077,046,785	766,265,266,034
Deferred tax assets	262		46,661,011,171	65,262,127,233
Goodwill	269	14	132,763,273,974	143,625,723,663
TOTAL ASSETS (270 = 100 + 200)	270		18,136,152,256,586	17,957,454,153,585

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

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

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

	Code	Note	30/9/2021 VND	1/1/2021 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		9,294,288,898,992	9,494,240,002,625
Current liabilities	310		5,289,012,047,026	7,369,795,640,876
Accounts payable to suppliers	311	15	1,270,667,375,484	1,211,902,007,419
Advances from customers	312		61,225,995,365	40,214,767,845
Taxes payable to State Treasury	313	16	94,063,141,326	89,188,157,901
Payables to employees	314		6,579,174,104	6,741,983,560
Accrued expenses	315	17	604,130,153,115	719,523,876,565
Unearned revenue	318		1,171,189,261	732,616,572
Other short-term payables	319	18	22,918,301,610	43,066,987,270
Short-term borrowings and bonds	320	19(a)	3,222,525,673,741	5,252,694,200,724
Bonus and welfare funds	322	20	5,731,043,020	5,731,043,020
Long-term liabilities	330		4,005,276,851,966	2,124,444,361,749
Other long-term payables	337		3,870,000,000	2,660,000,000
Long-term borrowings and bonds	338	19(b)	3,499,988,107,446	1,587,928,564,410
Deferred tax liabilities	341		467,822,307,116	499,705,073,935
Long-term provisions	342	21	33,596,437,404	34,150,723,404


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

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

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

	Code	Note	30/9/2021 VND	1/1/2021 VND
EQUITY (400 = 410)	400		8,841,863,357,594	8,463,214,150,960
Owners' equity	410	22	8,841,863,357,594	8,463,214,150,960
Share capital	411	23	3,267,148,470,000	3,267,148,470,000
<i>Ordinary shares with voting rights</i>	<i>411a</i>		<i>3,267,148,470,000</i>	<i>3,267,148,470,000</i>
Share premium	412		2,119,055,015,149	2,119,055,015,149
Other capital	414	24	(175,543,000,000)	(175,543,000,000)
Undistributed profits after tax	421		812,614,993,268	403,360,978,012
<i>Undistributed profits after tax brought forward</i>	<i>421a</i>		<i>403,360,978,012</i>	<i>140,019,641,401</i>
<i>Net profit after tax for the current period</i>	<i>421b</i>		<i>409,254,015,256</i>	<i>263,341,336,611</i>
Non-controlling interests	429		2,818,587,879,177	2,849,192,687,799
TOTAL RESOURCES (440 = 300 + 400)	440		18,136,152,256,586	17,957,454,153,585

Prepared by:


Tran Quang Be
Chief Accountant

28 October 2021


Nguyen Thi Minh Hang
Chief Financial Officer

Approved by:



Pham Trung Lam
Chief Executive Officer

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

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

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

	Code	Note	Three-month period ended 30/9/2021 VND	30/9/2020 VND	Nine-month period ended 30/9/2021 VND	30/9/2020 VND
Revenue from sales of goods	01	25	5,182,003,377,961	4,454,852,989,316	15,887,345,750,602	12,042,870,352,186
Revenue deductions	02	25	261,714,921,673	245,173,376,506	735,208,847,921	630,827,212,701
Net revenue (10 = 01 - 02)	10	25	4,920,288,456,288	4,209,679,612,810	15,152,136,902,681	11,412,043,139,485
Cost of sales	11	26	4,264,166,909,259	3,454,619,235,024	13,187,009,281,762	9,458,367,622,963
Gross profit (20 = 10 - 11)	20		656,121,547,029	755,060,377,786	1,965,127,620,919	1,953,675,516,522
Financial income	21	27	33,789,432,783	27,959,646,496	102,359,338,040	74,965,280,785
Financial expenses	22	28	129,257,439,167	122,230,104,887	384,447,556,773	376,869,057,532
<i>In which: Interest expense</i>	23		111,692,496,781	103,279,236,818	322,583,433,466	317,511,017,767
Share of profit in associates	24	6	1,130,784,611	10,833,431,862	1,278,265,040	11,180,568,143
Selling expenses	25	29	233,798,515,894	243,199,136,751	680,239,899,271	704,810,630,194
General and administration expenses	26	30	201,319,773,005	168,684,252,167	582,110,267,675	539,782,241,180
Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		126,666,036,357	259,739,962,339	421,967,500,280	418,359,436,544
Other income	31		946,454,704	1,472,685,810	87,576,913,025	10,353,114,981
Other expenses	32		5,108,557,324	5,389,429,090	16,375,324,039	15,016,731,251
Results of other activities (40 = 31 - 32)	40		(4,162,102,620)	(3,916,743,280)	71,201,588,986	(4,663,616,270)
Accounting profit before tax (50 = 30 + 40)	50		122,503,933,737	255,823,219,059	493,169,089,266	413,695,820,274


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

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

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

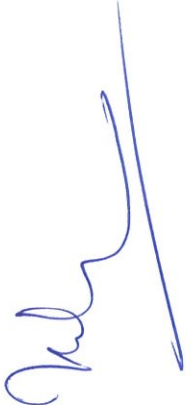
Code	Note	Three-month period ended		Nine-month period ended	
		30/9/2021	30/9/2020	30/9/2021	30/9/2020
		VND	VND	VND	VND
51	Income tax expense – current	38,886,455,477	61,431,788,995	127,801,533,389	155,132,904,562
52	Income tax benefit – deferred	(6,709,638,483)	(13,904,766,955)	(13,281,650,757)	(34,805,978,956)
60	Net profit after tax (60 = 50 - 51 - 52)	90,327,116,743	208,296,197,019	378,649,206,634	293,368,894,668
Attributable to:					
61	Equity holders of the Company	119,701,215,724	142,208,606,433	409,254,015,256	129,227,550,585
62	Non-controlling interests	(29,374,098,981)	66,087,590,586	(30,604,808,622)	164,141,344,083
Earnings per share					
70	Basic earnings per share	366	438	1,253	398


Prepared by:


Tran Quang Be
Chief Accountant

Approved by:

28 October 2021


Nguyen Thi Minh Hang
Chief Financial Officer


Pham Trung Lam
Chief Executive Officer

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

Masan MEATLife Corporation and its subsidiaries**Consolidated statement of cash flows for the period ended 30 September 2021
(Indirect method)****Form B 03a – DN/HN***(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	For the period ended 30/9/2021 VND	30/9/2020 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	493,169,089,266	413,695,820,274
Adjustments for			
Depreciation and amortisation	02	573,731,373,413	513,074,840,765
Allowances and provisions	03	(13,282,731,505)	(6,880,225,087)
Foreign exchange losses arising from revaluation of monetary items denominated in foreign currencies	04	248,151,759	1,098,758,447
Profits from investing activities	05	(95,162,807,778)	(81,447,272,187)
Interest expense and bond issuance costs	06	336,662,873,672	332,819,841,298
Operating profit before changes in working capital	08	1,295,365,948,827	1,172,361,763,510
Change in receivables and other current assets	09	(417,318,289,231)	173,246,923,447
Change in inventories	10	(552,420,081,106)	(528,793,873,134)
Change in payables and other liabilities	11	149,066,109,735	402,567,350,738
Change in prepaid expenses	12	68,769,508,422	(360,282,317,187)
Change in held-for-trading securities	13	(256,165,829,261)	-
		287,297,367,386	859,099,847,374
Payments of interest and bond issuance costs	14	(394,618,195,570)	(377,588,602,872)
Corporate income tax paid	15	(108,386,247,787)	(100,175,751,937)
Other payments for operating activities	17	(818,557,947)	(1,208,908,995)
Net cash flows from operating activities	20	(216,525,633,918)	380,126,583,570
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(477,409,452,186)	(825,274,028,819)
Proceeds from disposals of fixed assets	22	1,231,651,090	11,342,644,844
Payments for granting loans and placement of term deposits	23	(958,300,000,000)	(1,916,900,000,000)
Receipts from collecting loans and withdrawal of term deposits	24	1,154,900,000,000	898,400,000,000
Receipts of interest and dividends	27	134,161,397,455	46,648,351,155
Net cash flows from investing activities	30	(145,416,403,641)	(1,785,783,032,820)

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

Masan MEATLife Corporation and its subsidiaries

**Consolidated statement of cash flows for the period ended 30 September 2021
(Indirect method – continued)**

Form B 03a – DN/HN

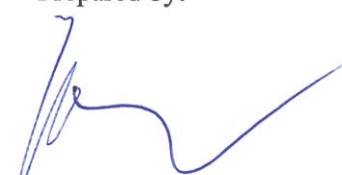
*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from capital contribution	31	-	10,000,000
Payment for share issuance cost	31	(50,000,000)	-
Proceeds from borrowings	33	10,697,209,046,612	7,172,381,663,862
Payments to settle loan principals	34	(11,136,758,171,485)	(6,120,729,202,048)
Payments of principal of finance lease liabilities	35	(4,875,129,132)	-
Payments of dividends	36	(27,530,627,600)	(27,530,627,600)
Net cash flows from financing activities	40	(472,004,881,605)	1,024,131,834,214
Net cash flows during the period (50 = 20 + 30 + 40)	50	(833,946,919,164)	(381,524,615,036)
Cash and cash equivalents at the beginning of the period	60	1,635,795,211,649	1,485,599,402,638
Effect of exchange rate fluctuations on cash and cash equivalents	61	(294,440,263)	(232,641,637)
Cash and cash equivalents at the end of the period (70 = 50 + 60 + 61) (Note 5)	70	801,553,852,222	1,103,842,145,965

28 October 2021

Prepared by:


Tran Quang Be
Chief Accountant

Approved by:


Nguyen Thi Minh Hang
Chief Financial Officer




Phan Trung Lam
Chief Executive Officer

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

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

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

These notes form an integral part of and should be read in conjunction with the accompanying consolidated 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 listed 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 Group is generally within 12 months.

Masan MEATLife Corporation and its subsidiaries

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

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

(d) Group's structures

As at 30 September 2021, the Group had 3 directly owned subsidiaries, 17 indirectly owned subsidiaries and 3 indirectly owned associates (1/1/2021: 3 directly owned subsidiaries, 17 indirectly owned subsidiaries and 3 indirectly owned associates). Information of the subsidiaries and associates are described as follows:

No.	Name	Principal activity	Address	Percentage of economic interests		Percentage of voting rights	
				30/9/2021	1/1/2021	30/9/2021	1/1/2021
Directly owned subsidiaries							
1	MNS Meat Company Limited (“MNS Meat”)	Investment holding	Lot A4, Street No. 2, Song May Industrial Zone, Bac Son Commune, Trang Bom District, Dong Nai Province, Vietnam	99.99%	99.99%	99.99%	99.99%
2	MNS Feed Corporation (formerly known as “MNS Feed Company Limited”) (“MNS Feed”)	To manufacture, process livestock, poultry and aquaculture feeds	Song May Industrial Zone, Trang Bom District, Dong Nai Province, Vietnam	99.99%	99.99%	99.99%	99.99%
3	3F VIET Joint Stock Company (“3F VIET”)	To breed cattle and poultry and process and preserve meat	68 Nguyen Hue Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	51.00%	51.00%	51.00%	51.00%
Indirectly owned subsidiaries							
1	MNS Feed Vinh Long Company Limited (“MNS Feed Vinh Long”)	(i) To manufacture, process livestock, poultry and aquaculture feeds	Co Chien Industrial Park, Son Dong Hamlet, Thanh Duc Commune, Long Ho District, Vinh Long Province, Vietnam	99.99%	99.99%	100.00%	100.00%

Masan MEATLife Corporation and its subsidiaries

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

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

No.	Name	Principal activity	Address	Percentage of economic interests		Percentage of voting rights	
				30/9/2021	1/1/2021	30/9/2021	1/1/2021
2	MNS Feed Thai Nguyen Company Limited (“MNS Feed Thai Nguyen”)	(i) To manufacture, process livestock, poultry and aquaculture feeds	Trung Thanh Industrial Park, Trung Thanh Commune, Pho Yen Town, Thai Nguyen Province, Vietnam	99.99%	99.99%	100.00%	100.00%
3	MNS Feed Tien Giang Company Limited (“MNS Feed Tien Giang”)	(i) To manufacture, process livestock, poultry and aquaculture feeds	Long Giang Industrial Park, Tan Lap 1 Ward, Tan Phuoc District, Tien Giang Province, Vietnam	99.99%	99.99%	100.00%	100.00%
4	MNS Feed Nghe An Company Limited (“MNS Feed Nghe An”)	(i) To manufacture, process livestock, poultry and aquaculture feeds	Nam Can Industrial Park, South East Nghe An Industrial Zone, Nghi Xa Ward, Nghi Loc District, Nghe An Province, Vietnam	99.99%	99.99%	100.00%	100.00%
5	MNS Feed Hau Giang Company Limited (“MNS Feed Hau Giang”)	(i) To manufacture, process livestock, poultry and aquaculture feeds	Street No. 4, Tan Phu Thanh Industrial Park – Phase 1, Tan Phu Thanh Commune, Chau Thanh A District, Hau Giang Province, Vietnam	99.99%	99.99%	100.00%	100.00%
6	Agro Nutrition International Binh Dinh One Member Limited Company (“ANCO Binh Dinh”)	(i) To manufacture, process livestock, poultry and aquaculture feeds	Lot B4.06, Nhon Hoi Industrial Park (Area A), Nhon Hoi District, Quy Nhon Town, Binh Dinh Province, Vietnam	99.99%	99.99%	100.00%	100.00%

Masan MEATLife Corporation and its subsidiaries

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

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

No.	Name	Principal activity	Address	Percentage of economic interests		Percentage of voting rights	
				30/9/2021	1/1/2021	30/9/2021	1/1/2021
7	Agro Nutrition International Joint Stock Company (“ANCO”)	(i) To manufacture, process livestock, poultry and aquaculture feeds	Song May Industrial Zone, Trang Bom District, Dong Nai Province, Vietnam	99.99%	99.99%	100.00%	100.00%
8	MNS Farm Nghe An Company Limited (“MNS Farm Nghe An”)	(ii) To breed swine	Con Son Hamlet, Ha Son Commune, Quy Hop District, Nghe An Province, Vietnam	99.99%	99.99%	100.00%	100.00%
9	MNS Meat Processing Company Limited (“MNS Meat Processing”)	(ii) Investment holding	10 th Floor, Central Plaza Tower, 17 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	99.99%	99.99%	100.00%	100.00%
10	MNS Meat Ha Nam Company Limited (“MNS Meat Ha Nam”)	(ii) To process and preserve meat and meat related products	Lot CN-02, Dong Van IV Industrial Zone, Dai Cuong Commune, Kim Bang District, Ha Nam Province, Vietnam	99.99%	99.99%	100.00%	100.00%
11	MEATDeli Sai Gon Company Limited (“MEATDeli Sai Gon”)	(ii) To process and preserve meat and meat related products	Tan Duc Industrial Park, Huu Thanh Ward, Duc Hoa District, Long An Province, Vietnam	99.99%	99.99%	100.00%	100.00%
12	MNS Farm Company Limited (“MNS Farm”)	(ii) Investment holding	10 th Floor, Central Plaza, 17 Le Duan Street, District 1, Ben Nghe Ward, Ho Chi Minh City, Vietnam	99.99%	99.99%	100.00%	100.00%

Masan MEATLife Corporation and its subsidiaries

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

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

No.	Name	Principal activity	Address	Percentage of economic interests		Percentage of voting rights	
				30/9/2021	1/1/2021	30/9/2021	1/1/2021
13	Vietnamese – French Cattle Feed Joint Stock Company (“Proconco”)	(i) To manufacture, process protein enriched and refined animal feeds	Bien Hoa I Industrial Park, Bien Hoa City, Dong Nai Province, Vietnam	75.15%	75.15%	75.15%	75.15%
14	Proconco Can Tho One Member Company Limited (“Proconco Can Tho”)	(i) To manufacture and trade feeds and raw material for manufacturing animal feeds	Industrial Park Tra Noc 1, Tra Noc Ward, Binh Thuy District, Can Tho City, Vietnam	75.15%	75.15%	75.15%	75.15%
15	Conco Binh Dinh Co., Ltd. (“Proconco Binh Dinh”)	(i) To manufacture, process feeds and raw material for manufacturing animal feeds	Nhon Hoa Industrial Park, Nhon Tho Ward, An Nhon Town, Binh Dinh Province, Vietnam	75.15%	75.15%	75.15%	75.15%
16	Proconco Hung Yen Trading and Production Co., Ltd (“Proconco Hung Yen”)	(i) To manufacture, process feeds, poultry feed and aquaculture feeds; and to breed water buffalo and cows	Yen Phu Hamlet, Giai Pham Commune, Yen My District, Hung Yen Province, Vietnam	75.15%	75.15%	75.15%	75.15%
17	3F VIET Food Company Limited (“3F VIET Food”)	(iii) To process and preserve meat and meat related product	Kien An Hamlet, An Lap Ward, Dau Tieng District, Binh Duong Province	51.00%	51.00%	100.00%	100.00%
Indirectly owned associates							
1	Thuan Phat Packing Joint Stock Company (“Thuan Phat”)	(i) To manufacture PP and PE package and trade plastic materials	Tan Bien Ward, Bien Hoa City, Dong Nai Province, Vietnam	25.00%	25.00%	25.00%	25.00%

Masan MEATLife Corporation and its subsidiaries

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

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

No.	Name	Principal activity	Address	Percentage of economic interests		Percentage of voting rights	
				30/9/2021	1/1/2021	30/9/2021	1/1/2021
2	Abattoir Long Binh Joint Stock Company (“Abattoir”)	(i) To perform abattoir and processing activities for cattle and poultry	Long Binh Ward, Bien Hoa City, Dong Nai Province, Vietnam	25.00%	25.00%	25.00%	25.00%
3	Vissan Joint Stock Company (“Vissan”)	(i) To process and trade fresh meat, processed foods and meat related products	420 No Trang Long Street, Ward 13, Binh Thanh District, Ho Chi Minh City, Vietnam	24.90%	24.90%	24.90%	24.90%

(i) These subsidiaries and the associates are indirectly owned by the Company through MNS Feed.

(ii) These subsidiaries are indirectly owned by the Company through MNS Meat.

(iii) This subsidiary is indirectly owned by the Company through 3F VIET.

The percentage of economic interests represent both the directly and indirectly effective economic interests of the Company and its subsidiaries in the subsidiaries and the directly effective economic interests of the Company and its subsidiaries in the associates.

As at 30 September 2021, the Group had 4,469 employees (1/1/2021: 4,323 employees).

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

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

2. Basis of preparation

(a) Statement of compliance

These 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.

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

(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. These consolidated financial statements are prepared for the period ended 30 September 2021.

(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.

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

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

3. Summary of significant accounting policies

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

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Non-controlling interests

Non-controlling interests (“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.

(iii) Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method. 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 the associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence until the date that significant influence ceases. The carrying amount of investments in associates is also adjusted for the alterations in the investor’s proportionate interest in the associates arising from changes in the associates’ equity that have not been included in the income statement (such as revaluation of fixed assets, or foreign exchange translation differences, etc.).

When the Group’s share of losses exceeds its interest in an associate, 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 associate.

(iv) Transactions eliminated on consolidation

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

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

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

(v) Business combination under common control

Business combination where the same group of investors (“the Controlling Investors”) 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 Investors. Such common control business combination is specifically excluded from the scope of Vietnamese Accounting Standard No. 11 – *Business Combination* and in selecting its accounting policies 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 Investors’ perspective. Any difference between the cost of acquisition and net assets value acquired is treated as a deemed distribution to or contribution from investors and recorded in undistributed profits after tax under equity.

The consolidated statement of income and consolidated statement of cash flows include the results of operations of the combining companies from the date of the business combination.

(vi) Business combination under non-common control

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 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 presently are exercisable are taken into account.

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 (Note 3(j)). 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.

(b) Foreign currency transactions

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

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate and account transfer selling rate, respectively, 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.

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

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

(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) *Held-to-maturity investments*

Held-to-maturity investments are those that the Company's or its subsidiaries' management 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.

(ii) *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 Group'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.

(e) Accounts receivable

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

(f) Inventories

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

The Group applies the perpetual method of accounting for inventories.

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

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

(g) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition 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.

(ii) Depreciation

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

▪ buildings and structures	4 – 20 years
▪ machinery and equipment	2 – 15 years
▪ motor vehicles	3 – 15 years
▪ office equipment	3 – 15 years
▪ biological assets	4 years

(h) Intangible fixed assets

(i) Land use rights

Land use rights comprise of:

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

Land use rights with indefinite term are stated at cost and are not amortised. Land use rights with definite term are stated at cost less accumulated amortisation. The initial cost of a 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 a period ranging from 35 to 49 years.

(ii) 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 a period ranging from 5 to 7 years.

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

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

(iii) Brand name

Brand name that is acquired by the Group on the acquisition of a subsidiary is recognised as intangible fixed asset and amortised on a straight-line basis over their estimated useful lives ranging from 9 to 20 years. The fair value of brand name acquired in a business combination is determined 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 on the acquisition of a subsidiary is recognised as intangible fixed asset and amortised on a straight-line basis over their estimated useful lives ranging from 16 to 20 years.

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) Technology

Technology that is acquired by the Group on the acquisition of a subsidiary is recognised as intangible fixed asset and amortised on a straight-line basis over their estimated useful lives of 5 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.

(i) Construction in progress

Construction in progress represents the costs of swine breeders and costs of construction and machinery which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of breeding the swines, construction and installation.

(j) Goodwill

Goodwill arises on the acquisition of subsidiaries and associates. 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 of a subsidiary is written down to recoverable amount as 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.

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

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

(k) Long-term prepaid expenses

(i) 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 regulation 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.

(ii) Tools and instruments

Tools and instruments 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. Costs of tools and instruments are amortised on a straight-line basis over a period ranging from 1 to 3 years.

(iii) Chicken and swine breeders

Chicken and swine breeders are recognised as prepaid expenses and amortised on a straight-line basis over their estimated useful lives ranging from 1 to 3 years. The amortisation cost of breeders that directly relates to farming of livestock in work in progress are capitalised as part of the cost of the work in progress.

(l) Accounts payable

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

(m) 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.

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.

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

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

(n) Straight bonds issued

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

(o) Equity

(i) 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 difference between the proceeds from issuance of shares and the par value of shares issued is recorded as share premium.

(ii) Other capital

Other capital is resulting from transactions involving equity instruments.

(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 to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted 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.

(q) Revenue from sales of goods

Revenue from the sales of goods is recognised in the consolidated 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.

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

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

(r) Financial income and financial expenses

(i) Financial income

Financial income comprises interest income from bank deposits and loans receivables and foreign exchange gains and dividend income from equity from equity investments in other entities.

Interest income is recognised in the consolidated 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 dividend is established.

(ii) Financial expenses

Financial expenses comprise interest expense on borrowings and bonds and associated issuance costs, allowance for diminution in the value of financial investments and foreign exchange losses.

Borrowing costs are recognised as an expense in the period 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.

(s) Leases

(i) Leased 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.

(i) Lease 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 MEATLife Corporation and its subsidiaries
Notes to the consolidated financial statements for the period ended 30 September 2021 (continued)

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

(t) 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 of the Company (after deducting any amounts appropriated to bonus and welfare funds for the annual accounting period) by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares, which comprise convertible bonds and share options. During the period, the Company had no potential ordinary shares and therefore does not present diluted EPS.

(u) 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.

(v) 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.

(w) 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 period consolidated 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 consolidated financial statements is not intended to present the Group’s consolidated financial position, consolidated results of operation or consolidated cash flows for the prior year.

4. Segment reporting

The Group operates as one business segment, which is meat value chain and one geographical segment, which is Vietnam.

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

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

5. Cash and cash equivalents

	30/9/2021	1/1/2021
	VND	VND
Cash on hand	4,322,775,897	2,283,647,862
Cash in banks	283,157,454,607	113,112,956,930
Cash in transit	973,621,718	98,606,857
Cash equivalents	513,100,000,000	1,520,300,000,000
Cash and cash equivalents in the consolidated statement of cash flows	801,553,852,222	1,635,795,211,649

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

6. Investments

	30/9/2021	1/1/2021
	VND	VND
Short-term financial investments		
▪ Trading securities (a)	256,165,829,261	-
▪ Held-to-maturity investments (b)	50,000,000	134,950,000,000
	256,215,829,261	134,950,000,000
Long-term financial investments		
▪ Investments in associates (c)	2,147,227,228,139	2,146,548,963,099
▪ Equity investments in other entities (d)	30,588,758,800	30,588,758,800
▪ Allowance for diminution in the value of long-term financial investments (d)	-	(5,627,960,000)
	2,177,815,986,939	2,171,509,761,899

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

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

(a) Trading securities

	Quantity	Carrying value VND	Allowance for diminution in value VND
Bonds	2,561,650	256,165,829,261	-

The Group has not determined the fair values of the trading securities 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 trading securities may differ from their carrying amounts.

(b) Held-to-maturity investments – short-term

Held-to-maturity investments – short-term represented term deposits at banks with remaining terms to maturity of more than three months and less than twelve months from the balance sheet date.

Masan MEATLife Corporation and its subsidiaries

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

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

(c) Investments in associates

	30/9/2021				1/1/2021			
	No. of shares	% of economic interests	% of voting rights	Carrying value under equity method VND	No. of shares	% of economic interests	% of voting rights	Carrying value under equity method VND
Vissan	20,180,026	24.9%	24.9%	2,135,490,172,000	20,180,026	24.9%	24.9%	2,135,490,172,000
Thuan Phat	490,000	25.0%	25.0%	4,980,266,018	490,000	25.0%	25.0%	4,289,329,696
Abattoir	900,000	25.0%	25.0%	6,756,790,121	900,000	25.0%	25.0%	6,769,461,403
				<u>2,147,227,228,139</u>				<u>2,146,548,963,099</u>

The Group has not determined the fair value of the equity investments in 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 amounts.

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

	Vissan VND	Thuan Phat VND	Abattoir VND	Total VND
Opening balance	2,135,490,172,000	4,289,329,696	6,769,461,403	2,146,548,963,099
Share of post-acquisition profit	-	690,936,322	587,328,718	1,278,265,040
Dividends declared	-	-	(600,000,000)	(600,000,000)
Closing balance	<u>2,135,490,172,000</u>	<u>4,980,266,018</u>	<u>6,756,790,121</u>	<u>2,147,227,228,139</u>

Masan MEATLife Corporation and its subsidiaries

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

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

(d) Equity investments in other entities

	30/9/2021			1/1/2021		
	No. of shares	% of equity and voting right	Carrying amount	Allowance for diminution in value	Carrying amount	Allowance for diminution in value
						Fair value VND
Dinh Vu Petroleum Service Port Joint Stock Company	2,164,600	5.41%	21,646,000,000	-	21,646,000,000	(5,627,960,000)
Donatraco	850,800	10.63%	8,942,758,800	-	8,942,758,800	-
			30,588,758,800	-	30,588,758,800	(5,627,960,000)
						24,960,798,800

Movements of the allowance for diminution in value of equity investments in other entities during the period were as follows:

	For the period ended	
	30/9/2021	30/9/2020
	VND	VND
Opening balance	5,627,960,000	8,441,940,000
Addition during the period	-	2,381,060,000
Written back during the period	(5,627,960,000)	(2,381,060,000)
Closing balance	-	8,441,940,000

Masan MEATLife Corporation and its subsidiaries**Notes to the consolidated financial statements for the period ended 30 September 2021
(continued)****Form B 09a – DN/HN***(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)***7. Accounts receivable**

As at 30 September 2021, included in prepayments to suppliers of the Group were VND152,788 million (1/1/2021: VND69,877 million) related to construction in progress.

Other receivables comprised of:

	30/9/2021 VND	1/1/2021 VND
Other short-term receivables		
Interest receivables	25,540,519,882	62,534,258,483
Advances to employees	3,823,222,585	2,324,001,905
Short-term deposits	6,461,943,607	5,139,283,628
Others	6,184,624,261	7,310,423,807
	<hr/> 42,010,310,335	<hr/> 77,307,967,823
Other long-term receivables		
Long-term deposits	36,123,463,809	32,405,791,605
	<hr/>	<hr/>

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

	For the period ended	
	30/9/2021	30/9/2020
	VND	VND
Opening balance	92,114,531,528	105,744,315,607
Allowance made during the period	4,523,469,503	5,114,344,480
Allowance utilised during the period	-	(6,469,263)
Written back during the period	(8,606,491,999)	(18,713,416,015)
	<hr/>	<hr/>
Closing balance	88,031,509,032	92,138,774,809
	<hr/>	<hr/>

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

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

8. Inventories

	30/9/2021		1/1/2021	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	280,038,616,558	-	459,084,932,233	-
Raw materials	1,651,879,743,461	(4,576,104,718)	1,168,506,803,921	(1,299,376,917)
Tools and supplies	108,375,454,930	-	103,156,978,499	(1,776,950,917)
Work in process	468,601,253,721	(2,250,876,544)	311,633,159,151	-
Finished goods	304,308,403,864	(16,946,796,949)	218,245,504,872	(24,533,471,333)
Merchandise inventories	1,559,083,181	-	1,715,095,933	-
	2,814,762,555,715	(23,773,778,211)	2,262,342,474,609	(27,609,799,167)

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

	For the period ended	
	30/9/2021 VND	30/9/2020 VND
Opening balance	27,609,799,167	21,119,126,801
Allowance made during the period	16,872,912,624	36,871,984,601
Written back during the period	(20,708,933,580)	(30,730,529,023)
Closing balance	23,773,778,211	27,260,582,379

Masan MEATLife Corporation and its subsidiaries

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

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

9. Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Biological assets		Total VND
					VND	VND	
Cost							
Opening balance	3,884,979,322,057	2,564,944,607,034	123,273,777,652	59,623,994,560	-	-	6,632,821,701,303
Additions	2,875,329,177	40,704,288,736	2,200,000,000	1,293,744,000	-	-	47,073,361,913
Transfer from construction in progress	80,149,346,765	108,459,382,610	177,834,408	-	3,701,168,369	192,487,732,152	
Disposals	(2,787,853,611)	(5,933,379,545)	(3,287,943,420)	-	(464,315,385)	(12,473,491,961)	
Closing balance	3,965,216,144,388	2,708,174,898,835	122,363,668,640	60,917,738,560	3,236,852,984	6,859,909,303,407	
Accumulated depreciation							
Opening balance	656,634,268,171	905,113,021,143	41,047,980,151	22,627,241,613	-	-	1,625,422,511,078
Charge for the period	143,857,422,020	208,381,484,531	15,132,909,797	7,227,511,354	469,422,226	375,068,749,928	
Disposals	(775,211,261)	(4,491,220,288)	(3,252,243,420)	-	(40,049,786)	(8,558,724,755)	
Closing balance	799,716,478,930	1,109,003,285,386	52,928,646,528	29,854,752,967	429,372,440	1,991,932,536,251	
Net book value							
Opening balance	3,228,345,053,886	1,659,831,585,891	82,225,797,501	36,996,752,947	-	-	5,007,399,190,225
Closing balance	3,165,499,665,458	1,599,171,613,449	69,435,022,112	31,062,985,593	2,807,480,544	4,867,976,767,156	

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

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

10. Finance lease tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Total VND
Cost				
Opening balance	-	20,950,856,339	1,810,447,267	22,761,303,606
Additions	347,131,754,710	-	418,096,202	347,549,850,912
Closing balance	347,131,754,710	20,950,856,339	2,228,543,469	370,311,154,518
Accumulated depreciation				
Opening balance	-	443,666,189	38,897,259	482,563,448
Charge for the period	-	2,670,377,970	307,122,144	2,977,500,114
Closing balance	-	3,114,044,159	346,019,403	3,460,063,562
Net book value				
Opening balance	-	20,507,190,150	1,771,550,008	22,278,740,158
Closing balance	347,131,754,710	17,836,812,180	1,882,524,066	366,851,090,956

Masan MEATLife Corporation and its subsidiaries

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

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

11. Intangible fixed assets

	Land use rights VND	Software VND	Brand name VND	Customer relationships VND	Technology VND	Total VND
Cost						
Opening balance and closing balance	219,899,009,016	61,847,220,755	1,814,782,021,840	2,535,977,276,845	566,000,000,000	5,198,505,528,456
Accumulated amortisation						
Opening balance	34,330,989,548	31,400,105,269	483,374,833,549	728,231,235,813	566,000,000,000	1,843,337,164,179
Charge for the period	4,540,959,437	6,819,590,070	77,211,001,823	96,251,122,352	-	184,822,673,682
Closing balance	38,871,948,985	38,219,695,339	560,585,835,372	824,482,358,165	566,000,000,000	2,028,159,837,861
Net book value						
Opening balance	185,568,019,468	30,447,115,486	1,331,407,188,291	1,807,746,041,032	-	3,355,168,364,277
Closing balance	181,027,060,031	23,627,525,416	1,254,196,186,468	1,711,494,918,680	-	3,170,345,690,595

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

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

12. Construction in progress

	For the period ended	
	30/9/2021	30/9/2020
	VND	VND
Opening balance	181,974,737,981	353,241,217,535
Additions	202,416,728,056	696,803,107,698
Transfer to tangible fixed assets	(192,487,732,152)	(84,083,565,550)
Transfer to short-term prepaid expenses	(1,391,488,600)	(1,029,889,183)
Transfer from/(to) long-term prepaid expenses	(26,619,688,485)	10,211,601,175
Closing balance	163,892,556,800	975,142,471,675

Major constructions in progress at the period-end were as follows:

	30/9/2021	1/1/2021
	VND	VND
Machinery and equipment	76,445,410,286	101,949,035,951
Buildings and structures	77,169,637,477	65,934,569,800
Others	10,277,509,037	14,091,132,230
	163,892,556,800	181,974,737,981

13. Prepaid expenses**(a) Short-term prepaid expenses**

	30/9/2021	1/1/2021
	VND	VND
Chicken breeders	102,909,180,172	81,879,962,385
Tools and supplies	20,174,361,541	22,946,828,578
Prepaid insurance expenses	1,839,708,720	2,531,295,441
Prepaid operating leases	3,564,832,659	2,315,939,143
Other short-term prepaid expenses	10,988,833,577	13,764,491,810
	139,476,916,669	123,438,517,357

Masan MEATLife Corporation and its subsidiaries

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

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

(b) Long-term prepaid expenses

	Prepaid land costs VND	Tools and instruments VND	Swine breeders VND	Others VND	Total VND
Opening balance	597,327,305,629	34,638,259,509	59,003,097,233	75,296,603,663	766,265,266,034
Additions	-	11,325,291,147	22,813,583,049	3,513,062,441	14,838,353,588
Transfer from/(to) construction in progress	-	4,152,605,436	-	(346,500,000)	26,619,688,485
Transfer to other receivable	-	-	-	(977,238,640)	(977,238,640)
Disposals	-	(23,280,000)	(18,378,795,870)	-	(18,402,075,870)
Reclassification	106,683,665	(246,648,251)	-	139,964,586	-
Amortisation for the period	(11,203,932,017)	(19,173,973,996)	(23,669,412,797)	(26,219,628,002)	(80,266,946,812)
Closing balance	586,230,057,277	30,672,253,845	39,768,471,615	51,406,264,048	708,077,046,785

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

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

14. Goodwill

	VND
Cost	
Opening balance and closing balance	144,832,662,517
Accumulated amortization	
Opening balance	1,206,938,854
Charge for the period	10,862,449,689
Closing balance	12,069,388,543
Net book value	
Opening balance	143,625,723,663
Closing balance	132,763,273,974

15. Accounts payable to suppliers – short-term

(a) Accounts payable to suppliers detailed by significant suppliers

	30/9/2021		1/1/2021	
	Cost VND	Amount within payment capacity VND	Cost VND	Amount within payment capacity VND
Hum Joint				
Stock Company	93,941,401,629	93,941,401,629	112,533,147,814	112,533,147,814
Other suppliers	1,176,725,973,855	1,176,725,973,855	1,099,368,859,605	1,099,368,859,605
	1,270,667,375,484	1,270,667,375,484	1,211,902,007,419	1,211,902,007,419

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

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

(b) Accounts payable to suppliers who are related parties

	30/9/2021		1/1/2021	
	Cost VND	Amount within payment capacity VND	Cost VND	Amount within payment capacity VND
Associates				
Thuan Phat	560,252,237	560,252,237	4,144,420,506	4,144,420,506
Abattoir	234,742,840	234,742,840	566,385,400	566,385,400
Other related parties				
Masan Consumer Corporation	41,028,144,330	41,028,144,330	22,923,950,274	22,923,950,274
Masan Industrial One Member Company Limited	937,583,730	937,583,730	-	-
Wincommerce General Commercial Services Joint Stock Company (formerly known as “Vincommerce General Commercial Services Joint Stock Company”)	49,503,370	49,503,370	96,591,591	96,591,591
	42,810,226,507	42,810,226,507	27,731,347,771	27,731,347,771

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

Masan MEATLife Corporation and its subsidiaries

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

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

16. Taxes payable to State Treasury

	1/1/2021 VND	Incurred VND	Paid VND	Net-off/Reclassified /Refund VND	30/9/2021 VND
Value added tax	2,853,408,053	49,613,550,066	(7,296,328,194)	(43,911,648,605)	1,258,981,320
Import-export tax	42,733,644	43,652,211,769	(43,535,413,957)	(159,531,456)	-
Corporate income tax	77,109,536,433	127,801,533,389	(108,386,247,787)	(7,139,432,737)	89,385,389,298
Personal income tax	9,175,445,371	38,478,845,604	(38,660,407,105)	(5,575,216,962)	3,418,666,908
Other taxes	7,034,400	362,744,516	(369,675,116)	-	103,800
	89,188,157,901	259,908,885,344	(198,248,072,159)	(56,785,829,760)	94,063,141,326

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

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

17. Accrued expenses

	30/9/2021 VND	1/1/2021 VND
Sales discounts	282,267,083,335	319,777,308,156
Advertising and promotion expenses	22,422,656,330	30,195,906,640
Performance bonus and 13 th salary	100,027,782,451	88,668,006,045
Interest expense	34,192,810,635	67,447,906,749
Transportation expense	25,243,162,494	8,961,029,431
Construction costs	57,367,602,620	172,437,425,556
Others	82,609,055,250	32,036,293,988
	<hr/> 604,130,153,115	<hr/> 719,523,876,565 <hr/>

18. Other short-term payables

	30/9/2021 VND	1/1/2021 VND
Dividends payable	70,000	27,530,697,600
Interest expense payable	1,478,794,521	4,755,506,850
Trade union fee, social and health insurances	8,329,160,644	544,072,657
Short-term deposits received	1,887,056,592	1,890,698,011
Others	11,223,219,853	8,346,012,152
	<hr/> 22,918,301,610	<hr/> 43,066,987,270 <hr/>

Masan MEATLife Corporation and its subsidiaries

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

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

19. Borrowings and bonds

(a) Short-term borrowings and bonds

	1/1/2021 Carrying amount VND	Movements during the period		30/9/2021 Carrying amount VND
		Addition VND	Repayment VND	Reclassification VND
Short-term borrowings	2,762,890,840,186	8,597,599,662,536	(8,779,174,363,937)	-
Current portion of long-term borrowings	497,581,005,758	451,761,576,624	(357,583,807,548)	824,418,905
Current portion of long-term finance lease liabilities	5,712,550,866	48,613,338,388	(4,875,129,132)	(824,418,905)
Current portion of long-term bonds	1,986,509,803,914	13,490,196,086	(2,000,000,000,000)	-
	5,252,694,200,724	9,111,464,773,634	(11,141,633,300,617)	-
				3,222,525,673,741

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

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

(b) Long-term borrowings and bonds

	30/9/2021	1/1/2021
	VND	VND
Long-term borrowings	1,822,336,472,687	2,080,290,896,158
Straight bonds (i)	1,965,214,596,920	1,986,509,803,914
Finance lease liabilities	353,646,572,795	10,931,224,876
	<hr/>	<hr/>
	4,141,197,642,402	4,077,731,924,948
Repayable within 12 months	(641,209,534,956)	(2,489,803,360,538)
	<hr/>	<hr/>
Repayable after 12 months	3,499,988,107,446	1,587,928,564,410
	<hr/>	<hr/>

(i) Straight bonds

The carrying amount of the bonds comprised of:

	30/9/2021	1/1/2021
	VND	VND
Straight bonds	1,999,980,000,000	2,000,000,000,000
Unamortised bond issuance costs	(34,765,403,080)	(13,490,196,086)
	<hr/>	<hr/>
	1,965,214,596,920	1,986,509,803,914
	<hr/>	<hr/>

The bonds of the Group as at 30 September 2021 have a maturity term of 5 years (2026) and bear annual interest rate of 9.5% in the first year and 3.9% plus the amalgamated average 12 months individual deposit rates of selected banks in each subsequent six-month period.

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

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

Movements of bonds issuance costs during the period were as follows:

	For the period ended	
	30/9/2021	30/9/2020
	VND	VND
Opening balance	13,490,196,086	17,001,960,791
Additions during the period	35,354,647,200	16,900,000,000
Amortisation during the period	(14,079,440,206)	(15,308,823,531)
Closing balance	34,765,403,080	18,593,137,260

20. Bonus and welfare funds

This fund is established by appropriating from undistributed profits after tax as approved by the Board of Directors of the Company or its subsidiaries. This fund is used to pay bonus and welfare to the employees of the Group's entities in accordance with the Group's bonus and welfare policies.

There were no movements of bonus and welfare funds during the period.

21. Long-term provisions

	30/9/2021	1/1/2021
	VND	VND
Provision for severance allowance	27,397,033,000	27,951,319,000
Provision for site restoration	6,199,404,404	6,199,404,404
	33,596,437,404	34,150,723,404

Movements of long-term provision during the period were as follows:

	Severance allowance	Site restoration	Total
	VND	VND	VND
Opening balance	27,951,319,000	6,199,404,404	34,150,723,404
Addition during the period	264,271,947	-	264,271,947
Provision utilised during the period	(818,557,947)	-	(818,557,947)
Closing balance	27,397,033,000	6,199,404,404	33,596,437,404

Masan MEATLife Corporation and its subsidiaries

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

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

22. Changes in owners' equity

	Share capital VND	Share premium VND	Other capital VND	Undistributed profits after tax VND	Non-controlling interests VND	Total VND
Balance as at 1 January 2020	3,243,274,470,000	2,119,105,015,149	(175,543,000,000)	140,019,641,401	2,196,339,816,285	7,523,195,942,835
Net profit for the period	-	-	-	129,227,550,585	164,141,344,083	293,368,894,668
Capital contribution by non-controlling interests	-	-	-	-	10,000,000	10,000,000
Balance as at 30 September 2020	3,243,274,470,000	2,119,105,015,149	(175,543,000,000)	269,247,191,986	2,360,491,160,368	7,816,574,837,503
Balance as at 1 January 2021	3,267,148,470,000	2,119,055,015,149	(175,543,000,000)	403,360,978,012	2,849,192,687,799	8,463,214,150,960
Net profit/(loss) for the period	-	-	-	409,254,015,256	(30,604,808,622)	378,649,206,634
Balance as at 30 September 2021	3,267,148,470,000	2,119,055,015,149	(175,543,000,000)	812,614,993,268	2,818,587,879,177	8,841,863,357,594

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

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

23. Share capital

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

	30/9/2021		1/1/2021	
	Number of shares	VND	Number of shares	VND
Authorised share capital	326,714,847	3,267,148,470,000	326,714,847	3,267,148,470,000
Issued share capital				
Ordinary shares	326,714,847	3,267,148,470,000	326,714,847	3,267,148,470,000

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

There were no movements of share capital during the period.

24. Other capital

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 Proconco. The Company recorded this equity transaction in other capital.

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

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

25. Revenue from sales of goods

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

Net revenue comprised of:

	For the period ended	
	30/9/2021	30/9/2020
	VND	VND
Total revenue		
▪ Finished goods sold and others	15,887,345,750,602	12,042,870,352,186
Less revenue deductions		
▪ Sales discounts	732,219,376,272	629,712,675,840
▪ Sales returns	2,964,514,983	1,114,536,861
▪ Sales allowances	24,956,666	-
	735,208,847,921	630,827,212,701
Net revenue	15,152,136,902,681	11,412,043,139,485

26. Cost of sales

	For the period ended	
	30/9/2021	30/9/2020
	VND	VND
Total cost of sales		
▪ Finished goods sold and others	13,190,845,302,718	9,452,226,167,385
▪ (Written back)/allowance for inventories	(3,836,020,956)	6,141,455,578
	13,187,009,281,762	9,458,367,622,963

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

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

27. Financial income

	For the period ended	
	30/9/2021	30/9/2020
	VND	VND
Interest income from		
▪ Deposits at banks	33,748,777,598	25,306,355,963
▪ Other investing activities	62,393,481,256	43,708,219,178
Dividend income	425,400,000	-
Realised foreign exchange gains	5,726,600,092	5,950,705,644
Unrealised foreign exchange gains arising from revaluation of monetary items denominated in foreign currencies	44,767,511	-
Others	20,311,583	-
	<hr/>	<hr/>
	102,359,338,040	74,965,280,785
	<hr/>	<hr/>

28. Financial expenses

	For the period ended	
	30/9/2021	30/9/2020
	VND	VND
Interest expense on loans from:		
▪ Bondholders	122,732,590,010	133,169,442,294
▪ Banks and third parties	189,721,528,390	182,862,780,952
▪ A related party	10,129,315,066	1,478,794,521
Bond issuance costs	14,079,440,206	15,308,823,531
Realised foreign exchange losses	1,107,347,857	1,691,413,867
Unrealised foreign exchange losses arising from revaluation of monetary items denominated in foreign currencies	292,919,270	1,098,758,447
(Written back)/allowance for diminution in the value of long-term financial investments	(5,627,960,000)	-
Others	52,012,375,974	41,259,043,920
	<hr/>	<hr/>
	384,447,556,773	376,869,057,532
	<hr/>	<hr/>

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

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

29. Selling expenses

	For the period ended	
	30/9/2021	30/9/2020
	VND	VND
Staff costs	231,568,615,285	246,451,170,082
Advertising and promotion expenses	111,016,784,993	167,533,872,962
Transportation expense	184,349,589,954	127,202,905,049
Operating leases expense	21,548,812,379	26,682,632,692
Depreciation and amortisation	18,945,603,955	13,838,341,251
Tools and supplies	10,906,829,631	16,258,225,195
Others	101,903,663,074	106,843,482,963
	<hr/>	<hr/>
	680,239,899,271	704,810,630,194
	<hr/>	<hr/>

30. General and administration expenses

	For the period ended	
	30/9/2021	30/9/2020
	VND	VND
Amortisation of fair value uplift of fixed assets and goodwill arising in business combination	197,219,876,947	209,849,348,538
Staff costs	187,197,953,785	180,230,405,883
Operating leases expense	17,509,581,884	16,516,193,805
Depreciation and amortisation	45,599,099,592	30,868,035,777
Office supplies	6,674,243,743	7,337,381,093
Written back allowance for doubtful debts	(4,083,022,496)	(13,599,071,535)
Others	131,992,534,220	108,579,947,619
	<hr/>	<hr/>
	582,110,267,675	539,782,241,180
	<hr/>	<hr/>

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

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

31. Basic earnings per share

The calculation of basic earnings per share for the period ended 30 September 2021 was based on the profit attributable to ordinary shareholders after deducting the amounts appropriated to bonus and welfare funds for the period, of VND409,254 million (for the period ended 30 September 2020: VND129,228 million) and a weighted average number of ordinary shares outstanding of 326,714,847 shares during the period (for the period ended 30 September 2020: 324,327,447 shares), calculated as follows:

(i) Net profit attributable to ordinary shareholders

	For the period ended	
	30/9/2021	30/9/2020
	VND	VND
Net profit attributable to ordinary shareholders	409,254,015,256	129,227,550,585

(ii) Weighted average number of ordinary shares

	For the period ended	
	30/9/2021	30/9/2020
Issued ordinary shares at the beginning of the period	326,714,847	324,327,447
Weighted average number of ordinary shares	326,714,847	324,327,447

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

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

32. Significant transactions with related parties

In addition to related party balances disclosed in other notes to the consolidated financial statements, the Group had the following significant transactions with related parties during the period:

	Transaction value	
	For the period ended	
	30/9/2021	30/9/2020
	VND	VND
<i>Parent company</i>		
Masan Group Corporation		
Sales of goods	1,718,314,819	6,696,612,563
Loan received and paid	-	1,000,000,000,000
Lending received	150,000,000,000	-
Interest received	2,697,945,206	-
Interest income	5,612,421,671	-
Interest expense	-	1,478,794,521
<i>Associates</i>		
Abattoir Long Binh Joint Stock Company		
Processing fee	5,654,565,160	4,786,742,128
Dividends income	600,000,000	500,000,000
Thuan Phat Packing Joint Stock Company		
Purchases of goods	41,661,015,757	20,727,811,709
Vissan Joint Stock Company		
Dividends income	-	10,090,013,000
<i>Other related parties</i>		
Masan Consumer Corporation		
Project management fee and information and technology expense	35,059,251,336	35,981,981,798
Purchases of goods	1,173,742,099	1,677,628,567
Sales of goods	713,798,273	13,315,047,970
Masan Jinju Joint Stock company		
Purchases of goods	366,860,737	62,933,975
Sales of goods	43,735,619,125	17,302,551,945
Sales of fixed assets	-	7,542,750,000
Masan HD One Member Company Limited		
Sales of goods	3,335,006,802	1,643,145,675
Purchases of goods	-	2,900,100

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

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

	Transaction value	
	For the period ended	
	30/9/2021	30/9/2020
	VND	VND
Masan Industrial One Member Company Limited		
Purchases of goods	2,591,314,242	988,350,237
Sales of goods	10,688,702,822	6,794,734,335
Masan Brewery Distribution One Member Company Limited		
Purchases of goods	1,063,835,560	5,202,000
NET Detergent Joint Stock Company		
Purchases of goods	-	173,134,991
Hi-Fresh Company Limited		
Sales of goods	267,638,322	-
Masan Blue Corporation		
Sales of goods	576,777	189,218,448
Nui Phao Mining Company Limited		
Sales of goods	-	3,636,364
Masan Horizon Company Limited		
Loan paid	400,000,000,000	-
Interest paid	13,406,027,395	-
Interest expense	10,129,315,066	-
Wincommerce General Commercial Services Joint Stock Company (formerly known as “Vincommerce General Commercial Services Joint Stock Company”)		
Purchases of goods	1,889,943,027	1,443,395,259
Sales of goods	1,331,243,136,356	384,104,452,706
Key management personnel		
Remuneration to key management personnel	30,123,800,219	26,985,736,348

As at and for the period ended 30 September 2021, the Company and its subsidiaries have current and term deposit accounts at Vietnam Technological and Commercial Joint Stock Bank, a related party at normal trading terms.

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

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

33. Post balance sheet events

On 28 September 2021, the Board of Directors and General Meeting of Shareholders of the Company approved the issuance of bonds, which a total number of bonds was 7,283,990 bonds, equivalent to the total par value of 7,283,990,000,000 VND. As at 18 October 2021, the Company completed the issuance of these bonds.

On 18 October 2021, the Board of Directors approved the increase of charter capital of the Company through the issuance of new shares under the employee stock option plan (“ESOP”), in which the number of new shares issued was 273,600 shares, equivalent to the total par value of VND2,736,000,000.

There has been no other significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements.

34. Explanation of the net profit movement

The Group’s net profit after tax of 3Q 2021 was VND90.32 billion which was decreased by 57% or VND117.97 billion compared to the same period last year, mainly due to the following reasons:

- The gross profit was VND656.12 billion, decreased by VND98.94 billion (-13%) compared to the same period last year, mainly due to the gross loss of VND87.23 billion from 3F VIET Joint Stock Company in 3Q 2021;
- General and administration expenses was increased by VND32.64 billion (+19%) mainly due to the consolidation of 3F VIET Joint Stock Company since 4Q 2020.

28 October 2021

Prepared by: 
Tran Quang Be
Chief Accountant

Approved by: 
Nguyen Thi Minh Hang
Chief Financial Officer


Phạm Trung Lâm
Chief Executive Officer