

M A S A N
G R O U P



Vietnam's Business Pioneer

Annual Report 2009

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Dr. Nguyen Dang Quang, Chairman

Chairman's Letter

Dear Shareholders,

Masan Group was established with the objective of becoming Vietnam's business pioneer where passion breeds success and talent creates value for our shareholders. We aim to be a leading private sector group anchored in Vietnam's value. Throughout our corporate history, we have prided ourselves on being entrepreneurial, nurturing talent, promoting a "can do" attitude, and delivering value to shareholders.

I am pleased to announce that 2009 was a transformative and strong year for Masan Group. In addition to seeing our vision validated with capital from reputable international partners, we also witnessed great success with the Group's listing on the Ho Chi Minh City Stock Exchange in November. The listing of the Group was the culmination of more than a decade of business building and value creation efforts.

Some milestones I would like to highlight include:

- In June 2009, Mekong Capital, a Vietnam-focused private equity fund invested in Masan Food and joined its Supervisory Board as an observer;

- In September and October 2009, TPG and BankInvest invested in Masan Group, joining the Board of Directors as an observer and a full member, respectively;
- On November 5, 2009, Masan Group was officially listed on the Ho Chi Minh City Stock Exchange. At a closing price of VND43,200 per share, Masan Group became the sixth largest company based on market capitalization and, as of December 31, 2009, had the sixth largest weighting on the VN; and
- In December 2009, House Foods of Japan purchased 9,000,000 primary shares of Masan Group.

In 2008, at the height of the global economic crisis, our businesses flourished both in terms of profitability and market share growth. This year, I am glad to announce that the results of our businesses outperformed the market again. Supported by our push into the convenience food category, Masan Food's net sales increased from VND1,922 billion in 2008 to VND3,958 billion in 2009, representing a 105.9% rise.

Net profits after tax for Masan Food and Techcombank were VND669 billion and VND1,700 billion in 2009, representing a 67.2% and 43.7% increase from 2008, respectively. Adjusting for goodwill amortization in relation to our pre-listing restructuring and for the interest expense accrued on the zero coupon convertible bond, the Group's net profit after tax was VND987 billion. In the face of a challenging capital raising market, we also raised significant capital from reputable financial and strategic investors, such as TPG, BankInvest and House Foods of Japan.

On the whole, our 2009 achievements validate Masan's strategy of being selective with the sectors in which we operate, attracting the best professional management teams and working closely with our financial and strategic partners to ensure business discipline and strong execution.

Given our solid foundation that was further strengthened by our 2009 achievements, I am excited about the Group's prospects in 2010 and beyond. As Vietnam continues to modernize and present many opportunities, particularly in sectors where we are invested such as consumer goods and financial services, our existing businesses are forecasted to deliver approximately 30-50% growth in net profit in 2010.

In line with our growth strategy, we have strengthened our Business Development team significantly to further support these initiatives, specifically with subsidiary management, capital raising, research, new business development and M&A deal execution. Our excellent professionals, strong capital position, reputable partners and risk management discipline will be a driving force in our ability to enter into new sectors.

I would like to express gratitude and appreciation to the people and partners of Masan who made this year's success possible. With the objective of building on 2009's growth momentum and realizing our vision to be Vietnam's private sector champion and business partner of choice, the Board and I look forward to working with our stakeholders to deliver strong returns in 2010.

Yours sincerely,



Nguyen Dang Quang
Chairman of the Board
April 10, 2010

2009 SELECTED FINANCIAL INFORMATION

	Audited	Pro forma
Share information		
Share price as at 31 December (VND)	34,200	34,200
Numbers of shares issued (share)	485,399,820	485,399,820
Market capitalization (VND)	16,601	16,601
Market capitalization (USD million at USD:VND~1:19,000)	874	874
Income statement		
Revenue (VND billion)	3,958	3,958
Revenue growth rate	105.9%	105.9%
Net profit (VND billion)	680	987
Net profit growth rate	69.8%	55.0%
Net profit attributable to shareholders (VND billion)	417	719
Balance sheet		
Cash and cash equivalents as at year end (VND)*	1,900	1,900
Debt (VND)	1,422	1,422
Book value of equity (VND billion)	4,762	4,714
Total assets (VND billion)	7,017	6,969

(*) : Cash and cash equivalents include cash and cash equivalents, and short-term investments.



VISION



CATALYST



TALENT



We are

The Face of Modern Vietnam
Reaching Out to Consumers
Passionate about Leadership
Relentless in Delivering Shareholder Value
A Culture of Talent and Professionals
A Group that Values Relationships



Madhur Maini, Chief Executive Officer

Our Vision and Strategy

Our Vision is to be **Vietnam's largest private sector group** with an aim to be the market leader in every sector in which we operate.

We have worked to be a **catalyst** that **brings together vision, execution and discipline**. Our strategy is to provide a platform where talent, partners and capital **crystallize Vietnam's value for our shareholders**.

We are **focused on the consumer, services, resources and infrastructure sectors** and will continue to **build on and invest in our existing businesses**, while pursuing selected opportunities to **accelerate our growth through mergers and acquisitions and new ventures**.

Risk management through **stringent capital allocation** and adoption of **best global practices** is both a strategy and execution tool for us.

Ours is a culture that promotes **leadership, teamwork, innovation** and a **"can do"** attitude.



The Face of Modern Vietnam

Vietnam is a vibrant and dynamic country driven by one of the youngest populations in the world with a large and motivated workforce. Passionate, educated and globally connected, Vietnam's people are demanding greater opportunities as well as better products and services in the pursuit of a modern lifestyle. Catering to this domestic consumption story and supported by its wealth of natural resources, Vietnam's economy and its private sector have grown significantly and consistently over the past decade.

With the same passion and energy of the Vietnamese people, Masan Group aims to be a catalyst of this modernisation trend by building and investing in businesses that service Vietnam's emerging consumers.

Reaching Out to Consumers

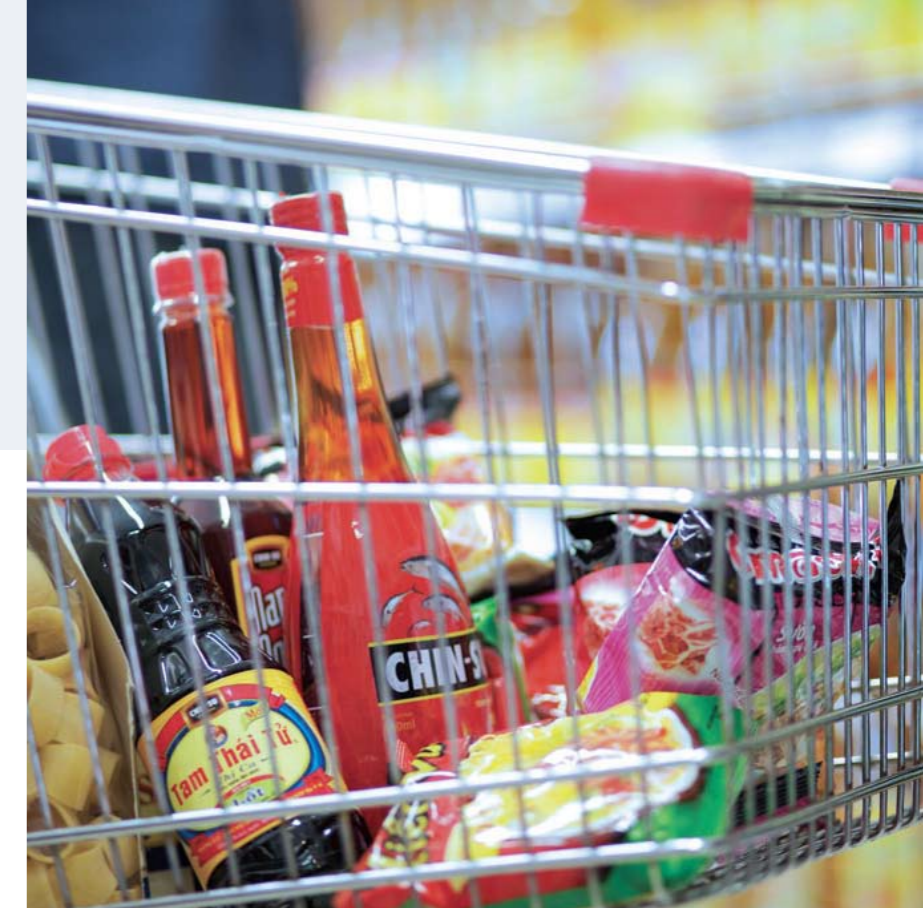
TRUSTED BRANDS

Modern Vietnam is characterized by a young and increasingly brand conscious populace. Consumers are shifting from unbranded and unpackaged products to branded products that promise quality and consistency. By combining its in-depth understanding of Vietnam's culture, demands and aspirations with global practices, Masan has created, invested in and built some of the market's leading and most recognizable brands.

- Masan Food dominates the premium market segments for all categories of condiments and convenience food where it competes.
- Techcombank's partnership with HSBC, a leading global financial institution, has helped attract banking clients who trust Techcombank's association with best-in-class strategic partner.

EXTENSIVE DISTRIBUTION NETWORK

Vietnam's markets are highly fragmented and the ability to gain access to 86 million people is a key sustainable competitive advantage. The Group has successfully created demand for its products and services, making it well positioned to capture a disproportionate market and mind share. The extensive network of Masan Group's businesses is unrivalled with approximately 126,000 points of sale for Masan Food's products and over 7,000 Techcombank ATMs, branches and sub-branches across the country.



Passionate about Leadership

With our “can do” attitude, we are passionate about achieving results.

Leadership defines our culture as we challenge employees to make a difference by executing their ideas and maximizing their potential.

We are passionate about building businesses that are market leaders in their respective sectors, and have done so successfully. As of December 31, 2009, we were the sixth largest company on the Ho Chi Minh City Stock Exchange by market capitalization. Masan Food is now the market leader in soya sauce, fish sauce, chilli sauce and noodle products in Vietnam, which is an economy made up of 86 million people driven by consumption. Techcombank, focused on providing core banking products and services to retail clients as well as small and medium sized enterprises, has one of the most extensive financial services networks in Vietnam. In 2009, Techcombank was one of the largest commercial joint stock banks with total assets of VND92,582 billion and the most profitable amongst the commercial joint stock banks in terms of return on assets.



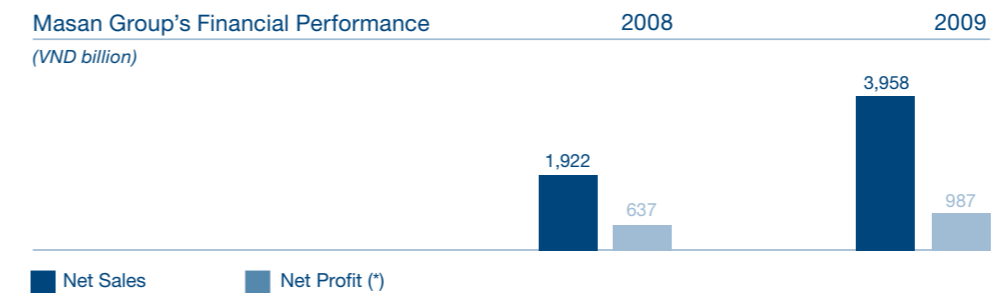
Relentless in Delivering Shareholder Value

Masan Group is focused on enhancing shareholder value and delivering consistent returns by leveraging on the development of modern Vietnam and effectively managing risks. The Group operates with a high level of professionalism and discipline when analyzing, structuring and executing its business building initiatives. As a result, Masan Group now has one of the country's largest market capitalization and has been instrumental in building premier businesses.

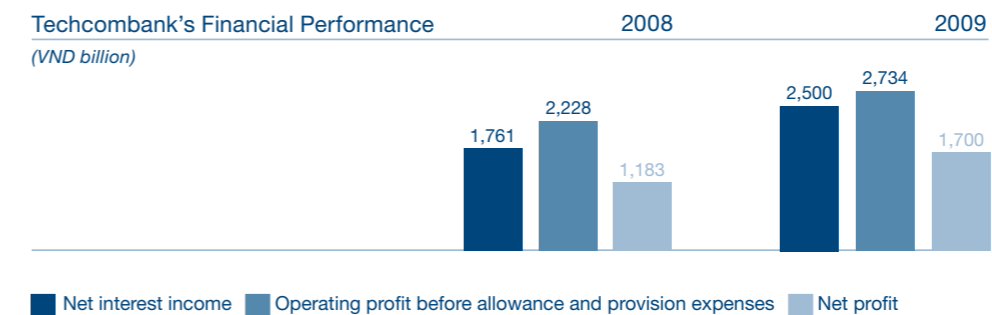
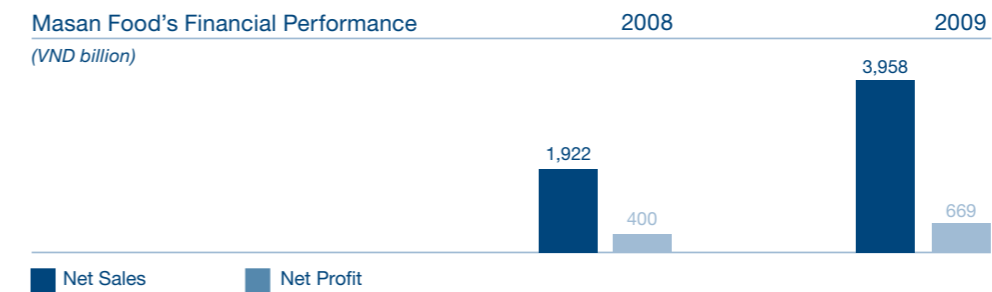
Masan Group's sector focus has been on fast growing industries where scale is possible, such as staple culinary products and the underpenetrated retail and SME banking markets. The Group's strong financial performance and growth are the result of its relentless focus on professional execution and sector discipline.

- With revenue of almost VND4,000 billion, Masan Food, one of the largest advertisers in the consumer industry, is a market leader in fish sauce, soya sauce, chilli sauce and has the fastest growing instant noodles business in Vietnam.
- With HSBC as its strategic partner, Techcombank has the seventh largest balance sheet of VND92,582 billion and the highest return on assets for a private sector bank in Vietnam.
- Both Masan Food and Techcombank are pan-national businesses, with employees, factories, distribution centers, branches, ATMs and points of sale across the country.

GROUP FINANCIAL HIGHLIGHTS



(*) Net profit of Masan Group is pro forma. A discussion on the basis and assumptions of the pro forma is set out in the Management Report. Audited financials are presented in the Financial Report.



A Culture of Talent and Professionals

Masan Group is managed by seasoned and talented professionals. Our management team has a multinational background with a demonstrated ability to execute in Vietnam.

Backgrounds of the key executives at Masan:

- Masan Group: Accenture, AllianceBernstein, Deutsche Bank, J.P. Morgan, KPMG Corporate Finance, Lehman Brothers, Merrill Lynch, and Morgan Stanley
- Masan Food: Kimberly-Clark, Nestle, Procter & Gamble, and Unilever
- Techcombank: Citibank, DBS, HSBC (more than a dozen executives seconded from HSBC), and Standard Chartered Bank

We retain talent by allowing our professionals to explore and test their boundaries, and rewarding them by making them shareholders.



MANAGEMENT TEAM



NGUYEN THIEU NAM
Deputy Chief Executive Officer
Head of Local Execution

Thieu Nam is Head of Local Execution. He joined Masan Group in 1997 as a Director with Masan Food. Prior to 1997, he held several managerial positions, including General Director of Da My JSC and Member of Techcombank's Board of Directors. Thieu Nam graduated from Vietnam's University of Commerce with a B.A. degree in Economics.



DR. TRAN VAN MINH
Chief Strategy Officer

Dr. Tran Van Minh has over 12 years of experience in marketing research, marketing/sales consulting, management accounting, financial modeling, and teaching with ACNielsen Vietnam, University of Waterloo, McMaster University and Dun & Bradstreet, Canada. Dr. Minh was a postdoctoral fellow at the University of Pennsylvania, USA.



TRAN THI MINH NGUYET
Head of Operations

Minh Nguyet has held Chief Accountant positions at Masan Group as well as other companies since 1997. Minh Nguyet has a Bachelor degree in Foreign Trade from Vietnam's Commerce University and a Bachelor degree in Business Administration from the Economic University of Vietnam.



NGUYEN BICH HA NGUYEN
Director
Local Execution

Nguyen holds a key role in Local Execution. Nguyen was an Investment Manager and Assistant to the General Manager at Masan. He has extensive experience in sourcing, appraising and implementing investment opportunities when he worked for the Department of Planning and Investment Services in Binh Duong Province, Vietnam. Nguyen has an MBA and a Bachelor of Economics from Ho Chi Minh City University of Economics, Vietnam.



MICHAEL NGUYEN
Director
Business Development

Michael leads Masan Group's M&A and corporate finance activities. Prior to Masan, he was an investment banker at J.P. Morgan where he worked in New York City, USA, and Vietnam. Michael graduated from Harvard University with a B.A. in Sociology.



PREETINDER S. PANJRATH
Director
Business Development

Preetinder has wide experience in fundamental research, financial modeling, competitive analysis and sizing new market opportunities. Prior to joining Masan Group, Preetinder was a Technology Analyst at Deutsche Bank New York and had over 6 years of work experience in various managerial roles at Oracle, USA. Preetinder holds an MBA from INSEAD, France, and an undergraduate degree in Mechanical Engineering from Thapar Institute of Engineering and Technology, Punjab, India.



TRAN QUANG CHUC
Director
Head of Legal

Chuc heads Legal Team of Masan Group. Before joining the Group, Chuc was a lawyer for Allens Arthur Robinson and YKVN Lawyers and the Chief Legal Counsel for TNK Capital Partners. Prior to practicing law, Chuc was a lecturer in law at the Hanoi Banking Institute. Chuc holds an LLM from University of Melbourne, Australia and an LLB from Hanoi Law School.



HANH N. HUYNH
Vice President
Business Development

Hanh is responsible for sourcing and evaluating new business opportunities, deal execution and collaborating with subsidiaries and affiliated companies. Prior to joining Masan Group, Hanh had extensive experience in equity research, financial modeling and valuation analyses at global investment firm AllianceBernstein, US Growth Equities Research team, in New York and San Francisco. Hanh graduated magna cum laude from University of San Francisco with a B.S. in Business Administration.



SAMRESH KUMAR
Vice President
Business Development

Samresh has more than eight years of rich experience across diverse sectors and geographies in Private Equity and Strategic Investments with SUN Group, Management Consulting with Accenture, Business Development with Kalpan Hydro, and an entrepreneurial stint in Investment Banking. Samresh graduated with a PGDM from the Indian Institute of Management, Calcutta, India and a Bachelor of Technology in Mechanical Engineering from the Indian Institute of Technology, Delhi, India.



TA THI THUY TRANG
Chief Accountant
Operations

Thuy Trang has extensive experience in management and financial accounting. Prior to joining Masan Group, she was Chief Accountant at TUV SUD PSB Vietnam Co., and General Accountant at OV Container Line Representative Office Co. and Masan Convenient Store Chain JSC.



PARITOSH GUPTA
Senior Associate
Business Development

Paritosh previously worked with Lehman Brothers in India as part of the Asia Special Situations Group, a proprietary investment desk, analyzing investment opportunities in the mid-cap and private space across industries and the capital structure. He has a PGDM from the Indian Institute of Management, Bangalore and a Bachelor of Technology in Chemical Engineering from the Indian Institute of Technology, Bombay.



DANNY LE
Senior Associate
Business Development

Prior to joining Masan Group, Danny was an investment banker at Morgan Stanley, working with multinational financial institution clients to execute M&A, capital markets and privatization transactions. Danny graduated from Bowdoin College with a B.A. in Sociology.



NGUYEN THAO ANH
Associate
Business Development

Anh previously worked with KPMG Corporate Finance, Singapore, where she advised clients on business valuations and fairness opinions for M&A, financial reporting, and restructuring purposes.



NGUYEN THI HONG VAN
Senior Analyst
Business Development

Prior to joining Masan Group, Van was an investment analyst for Asset Management Consulting AG of Switzerland where she was responsible for equity, industry, economic and regulatory research. Van has a Bachelor of Science from Banking Institute and a Bachelor of Arts from University of Social Sciences and Humanities, Ho Chi Minh City, Vietnam.



DANG VAN DUC
Analyst
Local Execution

Prior to joining Masan Group, Duc was an auditor with Auditing and Accounting Services Company. Duc holds a Bachelor of Economics from University of Economics, Ho Chi Minh City, Vietnam.



NGUYEN DANG HIEU
Senior Analyst
Business Development

Hieu previously worked at TIM Vietnam Tiger Fund, where he analyzed Vietnamese listed companies. He prepared financial models, wrote research reports and proposed investment recommendations. Hieu graduated from National University of Singapore with a Bachelor of Business Administration and was a Certified Financial Risk Manager.

SUPERVISORY BOARD



NGUYEN QUYNH LAM
Head of the Supervisory Board

Quynh Lam is Head of Supervisory Board of Masan Group, and Member of Supervisory Board of Masan Food and Techcombank. He has extensive experience of more than 20 years in managerial and accounting positions. Prior to joining Masan Group, Quynh Lam worked at the Finance and Pricing Department in Son La province, Da My JSC and La Giang Commerce JSC. Quynh Lam has a Bachelor of Economics from University of Mining and Geology, Vietnam.



NGUYEN THU HIEN
Member of the Supervisor Board

Thu Hien has more than 20 years of experience in the banking industry as well as with the Group. Prior to joining Masan Group, she worked for Incombank, Techcombank and Masan Food. Thu Hien holds a Bachelor degree of Economics, University of Economics, Baku City, the Union of Soviet Socialist Republics.



DANG NGOC CA
Legal Officer
Member of the Supervisory Board

Ngoc Ca is a legal officer and a member of the Supervisory Board. Prior to joining Masan Group, Ngoc Ca was an Associate at Allens Arthur Robinson and Paralegal at Luat Viet law firm, Vietnam. Ngoc Ca holds an LLB from Ho Chi Minh City University of Law.

A Group that Values Relationships

At Masan, shareholders, financial investors, strategic partners, entrepreneurs and management are our partners. Our relationships are built on trust and transparency, and we aim to be the business partner of choice in Vietnam.

In 2009, amidst a challenging economic environment, our reputation for valuing relationships enabled us to attract the best new hires and significant investments from respected firms such as Mekong Capital, TPG, BankInvest and House Foods of Japan.

The partnership model also allows us to strengthen our corporate governance at all levels within the organization. At Masan Group, BankInvest has one seat on the Board of Directors and TPG is an observer of the Group's performance. Techcombank has two board members from HSBC. It is also managed daily by a strong management team with seasoned executives seconded from HSBC.



PROFILE OF OUR PARTNERS

BANK INVEST

The BankInvest Group was founded in Denmark in 1969 and is one of the largest asset managers in Scandinavia with USD20 billion under management, of which USD4 billion is invested in emerging markets.

In 2006, BankInvest launched the Private Equity New Markets (PENM) fund and currently has two funds with a capital of approximately USD240 million. Through PENM, BankInvest provides capital and business know-how and focuses on medium sized companies with high growth opportunities. Since 2007, BankInvest has officially become a strategic partner of 12 Vietnam enterprises including Masan Group.



TPG Growth is the middle market and growth equity investment platform of TPG, the global private investment firm. With more than USD2.5 billion under management, TPG Growth targets investments in a broad range of industries and geographies, utilizing leveraged buyout, growth equity, and private investment in public equity (PIPE) structures. The firm is backed by the resources of TPG with more than USD48 billion of assets under management. TPG Growth has offices in the United States, China and India.

TPG Growth is an investor of Masan Group.



Founded in 1913 and listed on both Tokyo and Osaka Stock Exchanges since 1971, House Foods' stable of products includes curry, seasonings, spices, packaged foods, pre-cooked foods, drinks, snacks and other products. It has offices, manufacturing facilities and R&D centres across Japan, the People's Republic of China, and Taiwan, and in the United Kingdom and the United States.

House Foods is an investor of Masan Group.



Mekong Capital is a Vietnam-focused private equity firm, focusing on growth equity in Vietnamese companies. The firm has three existing funds under management, a team of 37 plus full-time people in Ho Chi Minh City and Hanoi, more than 20 completed Private Equity investments since its establishment in 2001, and a track record of strong growth at its investee companies.

Mekong Capital creates shareholder value by investing in well managed companies, and working closely with them to continuously build their management, leadership and corporate culture in a way that leads to long term growth and value creation.

Mekong Capital is an investor of Masan Food.



The HSBC Group is one of the largest banking and financial services organizations in the world and the largest foreign bank in Vietnam in terms of investment capital, network, product range, staff and customer base. In September 2008, HSBC became the first foreign bank to obtain official approval from the State Bank of Vietnam to set up a wholly foreign-owned bank in Vietnam.

On December 29, 2005, HSBC acquired a 10% stake in Techcombank and has subsequently raised its stake to 20% in September 2008, becoming the first foreign bank in Vietnam to hold a 20% interest in a domestic bank. HSBC has two board seats and has seconded many of its professionals in senior positions to Techcombank.

Transformative 2009

Despite the lingering impact of the global recession in 2009, Masan had a historic year. Besides our listing on the Ho Chi Minh Stock Exchange on November 5, 2009, Masan Group successfully raised growth capital and strengthened our relationship with our partners. This is a testament to the market's confidence in our management's ability to execute and deliver on the growth potential of the Group.

We successfully raised more than USD100 million from reputable global partners. BankInvest, a Denmark-based fund manager with more than USD20 billion in assets under management, became the largest foreign shareholder of Masan Group. As part of our successful capital raising efforts, we issued VND630 billion in convertible bonds to TPG. We are also proud to welcome House Foods, a leading Japanese group specialising in processed food, as our investor.

On the back of the Group's strong financial performance in 2008, Masan Group continued to achieve considerable top and bottom line growth in 2009. Specifically, net revenue increased by 105.9% from VND1,922 billion in 2008 to VND3,958 billion in 2009. Further, on a pro forma basis, net profit after tax rose substantially to VND987 billion in 2009 from VND637 billion in 2008, representing a growth rate of 54.9%.



Our Businesses

Masan Food

Masan Food is one of Vietnam's largest food companies boasting market leadership in the production and sale of fish sauce, soya sauce, chilli sauce and instant noodles. It markets its products in both the premium and mass-market segments under brand names such as Chin-Su, Tam Thai Tu, Nam Ngu, Rong Viet, Omachi and Tien Vua. Many of the company's products are ranked among the top 25 brands in Vietnam and possess strong market leadership positions. Masan Food's products are available at over 126,000 points of sale across Vietnam, a vast and efficient sales and distribution infrastructure that acts as a high barrier of entry for new entrants and a conduit for new product introductions.

Masan Food is led by a team of professionals who have had considerable experience and expertise in the consumer sector, having served for multinational companies including Kimberley-Clark, Nestle, Procter & Gamble, and Unilever.

2009 Financial & Business Highlights

- Net revenue and net profit after tax grew 105.9% and 67.2%, respectively, to VND3,958 billion and VND669 billion.
- Masan Food's products have significant market share: soya sauce products of 85.0%, fish sauce of 59.3%, chilli sauce of 40.0% and premium-segment-targeted instant noodles of 45.0% according to ACNielsen.
- 2009 launches included new Omachi instant noodles, Chin-Su Soy Sauce mixed with garlic and chilli, Tam Thai Tu Soy Sauce fortified with iodine, Chin-Su Fish Sauce 'Nuoc Mam Nhi' and Nam Ngu II, a new fish sauce targeting the mass-market.
- Five of Masan Food's brands received the Golden Prize for health and safety from the Vietnam Food Administration under the Ministry of Health.
- In June 2009, Masan Food inaugurated a new manufacturing facility in Hai Duong with a capacity of over 60 million instant noodles packages per month.
- Masan Food's distribution network, already one of the largest in Vietnam, extended its reach in the market further. With more than 140 distributors, Masan Food had approximately 126,000 points of sales by year end, representing a 32.0% year-over-year increase. Masan Food's sales team grew 53.0% to more than 1,300 salespersons over the course of the year.
- Charter capital: VND630 billion



Techcombank

Techcombank is one of the largest and most profitable private sector banks in Vietnam. It focuses on serving Vietnam's growing retail sector and small and medium sized enterprises. The bank has built a nationwide network that allows customers to conduct transactions at more than 7,000 ATMs and over 180 branches and sub-branches. In 2006, Techcombank entered into a strategic partnership with HSBC, further enhancing the bank's operations and strengthening its brand. HSBC currently also holds a 20% stake in the bank.

2009 Financial & Business Highlights

- Driven by the Bank's strong net income growth, Techcombank's ROA of 2.2% was the highest of any Vietnamese bank. ROE rose to 26.3% in 2009, the second highest level among Vietnamese banks.
- Techcombank achieved strong asset growth, making it Vietnam's third largest joint stock commercial bank in terms of assets. Total assets reached VND92,582 billion as of December 31, 2009, marking a 56.7% increase over the previous year.
- The Bank operates with a high degree of discipline in risk management, including its lending practices. This is demonstrated by a deposit-to-loans ratio of 1.5 as of December 31, 2009.
- Techcombank has rapidly grown its branch network in order to increase

the Bank's reach, expand its customer network and improve its service platform. As of December 31, 2009, the Bank had 51 branches, including its head office in Hanoi, and 135 Techcombank Sales Outlets (TSO), totalling 186 locations. This represents a 113.8% increase over its network of 87 locations in 2006, and approximately 12 times more than the 14 locations that it operated in 2002.

- Charter Capital: VND5,400 billion



Management Report

Management Report

OVERVIEW

The global economic downturn in 2009 posed serious challenges to Vietnam's economy. However, Masan Group was able to close many transformative deals and delivered strong financial results.

Over the past year, Masan Group raised over US\$100 million in capital from reputable investors and partners such as TPG, BankInvest and House Foods of Japan. On November 5, 2009, Masan Group was officially listed on the Ho Chi Minh City Stock Exchange and became a top-ten listed private sector company by market capitalization. Our demonstrated ability to execute transactions and raise capital has positioned us to grow our current businesses and leverage on new opportunities in scalable, high growth sectors as Vietnam's economy undergoes its transformation.

We also achieved our financial targets, generating an audited net profit after tax of VND680 billion, a 69.8% increase from 2008. On a pro forma basis, Masan Group generated a net profit after tax of VND987 billion, a 55.0% increase from 2008. The Group's financial performance was driven

by record results from its core businesses, namely Masan Food and Techcombank. Masan Food generated net sales of VND3,958 billion, a 105.9% increase from 2008, and exceeded its full year target of VND3,400 billion. Audited net profit after tax was VND669 billion, a 67.2% increase from 2008 and 33.7% higher than the full year target of VND500 billion. Techcombank announced an audited pre-tax profit of VND2,253 billion, a 39.4% increase from 2008 and exceeded its adjusted target of VND2,200 billion. The bank generated a net profit after tax of VND1,700 billion in 2009, a 43.7% increase from 2008. Techcombank's growth was primarily driven by a 62.6% and 57.4% growth in total loans and customer deposits, respectively, to VND42,093 billion and VND62,347 billion, respectively. Furthermore, the bank outperformed the overall banking sector, which witnessed a year-over-year growth in deposits and loans of 27.0% and 37.7%, respectively, according to the State Bank of Vietnam.

With our leading businesses, ability to access capital and proven deal making expertise, we believe Masan Group is well positioned to deliver earnings growth of 30 to 50% in 2010.

BUSINESS ENVIRONMENT

The global economic crisis persisted in 2009 and continued to have a material impact on the world economy. Particularly, the economy of Vietnam continued to face high bank loan interest rates, fluctuating exchange rates and inflationary pressures. These factors impacted all enterprises in Vietnam in 2009. Going forward the economic environment seems favorable as GDP growth is expected to bounce back to 2008 levels by year-end 2010 and the government's stimulus plan was well received. In addition, rate volatility is expected to stabilize, but inflationary concerns still persist. Overall the business environment seems favorable going into 2010.

The firm's business outlook is directly tied to the economic prospects of Vietnam. Thus if Vietnam should experience another recession, this will materially impact the company. Further, inflationary pressures and the growing trade deficit remain a risk to the company's underlying operations.

FACTORS INFLUENCING OUR BUSINESS RESULTS

Risk factors that may affect Masan's businesses and financial results include regulatory, business, competition and operational risks as well as other factors that may be beyond our control.

The Group's subsidiaries and associates operate in industries that face significant competition and their market leading positions may be challenged if their competitors make significant strides to capture market share.

In particular, Techcombank may face tougher competition from both local and foreign financial institutions as a result of Vietnam joining the World Trade Organisation in 2007. Vietnam's commitment to reforming the banking industry will promote foreign institutions with scale and global expertise to enter Vietnam and directly compete with local banks such as Techcombank.

Masan invests significantly in marketing and brand building to promote its products and services. If Masan fails to capitalize on such efforts, the Group's financial results would be adversely impacted.

Masan Group's success is dependent on the performance of the company's management and employees. Although neither Masan Food nor Techcombank is solely reliant on any individual, manager or board member, the prospects of Masan are directly tied to the skills, capabilities and efforts of the firm's human capital. Also, the success of the firm is impacted by the ability of Masan to recruit and retain skilled employees.

The quality of raw materials, customer service and risk management discipline are also core factors that may impact Masan's underlying operations. Failure to meet and maintain the high standard of raw materials, customer service and risk management capabilities may adversely impact our financial performance.

The firm's business outlook is directly tied to the economic prospects of Vietnam. Thus, if Vietnam should experience an economic recession, this will materially impact the Group. Inflationary pressures and the growing trade deficit also remain a risk to the Group's underlying operations.

BALANCE SHEET	2008	2009	2008	2009
Figures in VND million	Audited	Audited	Pro forma	Pro forma
Current assets	1,215,821	2,441,831	1,215,821	2,441,831
Cash and cash equivalents	97,479	1,123,616	97,479	1,123,616
Short-term investments	308,900	776,000	308,900	776,000
Net accounts receivable - trade	112,960	54,938	112,960	54,938
Other receivables	480,576	227,998	480,576	227,998
Inventories	183,397	199,466	183,397	199,466
Other current assets	32,509	59,813	32,509	59,813
Non-current assets	359,572	4,575,263	4,231,388	4,527,252
Fixed assets	259,928	605,360	259,928	605,360
Tangible fixed assets	201,369	465,483	201,369	465,483
Finance lease tangible fixed assets	14,646	14,096	14,646	14,096
Intangible fixed assets	43,858	72,865	43,858	72,865
Construction in progress	55	52,916	55	52,916
Long term investments	71,918	3,919,827	3,943,734	3,871,816
Other long-term assets	27,726	50,076	27,726	50,076
TOTAL ASSETS	1,575,393	7,017,094	5,447,209	6,969,083

BALANCE SHEET	2008	2009	2008	2009
Figures in VND million	Audited	Audited	Pro forma	Pro forma
Current liabilities	666,853	1,210,937	1,566,853	1,210,937
Short-term borrowings and liabilities	297,333	687,260	297,333	687,260
Current account payables	159,564	267,168	159,564	267,168
Advance from customers	4,599	11,267	4,599	11,267
Tax payables	66,771	77,417	66,771	77,417
Payroll payables	9,120	148	9,120	148
Accured expenses	27,155	163,590	27,155	163,590
Related-company payables	100,077	131	100,077	131
Other current liabilities	2,234	3,956	902,234	3,956
Non-current liabilities	35,746	736,618	35,746	736,618
Long-term borrowings and liabilities	34,313	734,723	34,313	734,723
Other non-current liabilities	1,433	1,895	1,433	1,895
TOTAL LIABILITIES	702,599	1,947,555	1,602,599	1,947,555
Chartered capital	32,000	4,853,998	2,531,797	4,853,998
Capital surplus	0	1,421,817	472,019	1,421,817
Other reserves	227,892	(1,947,256)	227,892	(1,947,256)
Retained earnings	213,319	434,707	213,319	386,696
Bonus & welfare funds	(1,391)	(1,178)	(1,391)	(1,178)
TOTAL EQUITY	471,820	4,762,088	3,443,636	4,714,077
MINORITY INTEREST	400,974	307,451	400,974	307,451
TOTAL RESOURCES	1,575,393	7,017,094	5,447,209	6,969,083

INCOME STATEMENT	2008	2009	2008	2009
Figures in VND million	Audited	Audited	Pro forma	Pro forma
Total revenue	2,003,550	4,078,147	2,00,550	4,078,147
Less sales deductions	(81,462)	(120,333)	(81,462)	(120,333)
Net sales	1,922,088	3,957,814	1,922,088	3,957,814
Cost of Goods Sold	(1,324,167)	(2,583,876)	(1,324,167)	(2,583,876)
Gross profit	597,921	1,373,938	597,921	1,373,938
Selling, General & Administrative expenses	(222,994)	(742,038)	(222,994)	(740,601)
Financial income	134,525	160,292	134,525	160,292
Financial expense	(58,297)	(103,130)	(58,297)	(89,480)
Net operating profit	451,155	689,062	451,155	704,149
Net other income / (expense)	3,758	(4,146)	3,758	(4,146)
Share of associate's results	0	48,010	236,617	340,033
Profit before tax	454,913	732,926	691,530	1,040,036
Income tax expense	(54,808)	(53,408)	(54,808)	(53,408)
Profit after tax	400,105	679,518	636,722	986,628
Attributable to				
Minority interest	189,770	262,944	172,966	268,017
Equity holders of the company	210,335	416,574	463,756	718,611

DISCUSSION ON AUDITED VS. PRO FORMA RESULTS

In the accompanying analysis of financial information, Masan Group compares business results on an audited and pro forma basis. The audited and pro forma financial statements are prepared based on consolidation at the Group level (i.e. merger accounting). However, the pro forma consolidated income statements and balance sheets of the Group assume that the current group structure had been in place from the Controlling Shareholders' perspective from 2008. As of December 31, 2009, Masan Group owned 72.8% of Masan Food and 19.99% of Techcombank, respectively. All material intra-group transactions and balances have been eliminated on consolidation.

The pro forma financials more accurately reflect Masan Group's results of operations by adjusting for the following:

- The impact of restructuring and incorporating Techcombank's 2008 and 2009 profits as if Masan Group had acquired its interest in Techcombank on January 1, 2008;

- Adding back the impact of the amortization expense generated by restructuring our 19.99% stake in Techcombank (under Vietnamese Accounting Standards, goodwill is amortized); and
- Adding back the impact of the interest expense in connection to the zero coupon convertible bonds issued in November 2009, which are not accrued for conversion purposes and because the conversion price is approximately 50% of listed market price.

In addition, the audited financials take into account the restructuring of Masan Group's interest in Techcombank, which was completed at the end of August 2009. As a result, only a portion of Techcombank's financial results, less amortization of the related goodwill, are reflected in Masan Group's income statement for the year ended December 31, 2009.

AUDITED RESULTS

Revenue

Net sales increased by 105.9% from VND1,922 billion in 2008 to a record VND3,958 billion in 2009. The significant growth was primarily driven by Masan Food's success in expanding market share in sauces and instant noodles, particularly in the mid-market segment with Nam Ngu fish sauce, Tam Thai Tu soya sauce and Tien Vua instant noodle. Additionally, the launch of two new products, namely Nam Ngu De Nhi fish sauce and Tien Vua instant noodles, was a key driver for revenue growth. Masan Food's ability to capture greater market share was supported by the growth of its distribution network, competitive pricing, as well as its ability to meet consumers' taste and demand.

Cost of Goods Sold

Cost of goods sold as a percentage of net sales decreased from 68.9% in 2008 to 65.3% in 2009. This was due to Masan Food's ability to decrease fixed costs with greater production scale and higher production efficiency. Further, by expanding into the mid-market segment with products that can be manufactured at a lower cost, cost of goods sold as a percentage of net sales decreased.

Selling, General & Administration Expenses

Selling, General & Administration expenses (SG&A) as a percent of net sales grew from 11.6% in 2008 to 18.7% in 2009. This was a direct result of Masan Group's investment in branding and marketing and the introduction of new products in the fish sauce and the instant noodle market.

Financial Income

Financial income as a percentage of net sales decreased from 7.0% in 2008 to 4.1% in 2009. Masan Group produced financial income of VND160 billion. Financial income amounted to VND160 billion in 2009, derived mainly from interest earned from bank deposits and loans and gains from investment activities. At Masan Group company level, the financial income was generated from dividends from Techcombank shares.

Financial Expense

Financial expense as a percentage of net sales reduced from 3.0% in 2008 to 2.6% in 2009. Financial expense of VND103 billion in 2009 was mainly interest expense of borrowings to fund working capital and capital expenditures in building new production facilities in Binh Duong and Hai Duong provinces. At Masan Group company level, financial expense included interest expense accrued on four zero-coupon convertible bonds issued to TPG.

Net Operating Profit

Net operating profit amounted to VND689 billion, a 52.7% increase from 2008. The Group achieved a net operating profit margin of 17.4%, down from 23.5% in 2008. This decrease was due to the significant increase in SG&A from the aggressive investment in brand building and our distribution network.

Share of Associate's Results

Share of associate's results of VND48 billion represents the Group's share of Techcombank's profit for its equity interest in the Bank. The Group owns 19.99% of Techcombank subsequent to our restructuring carried out at the end of August 2009. As such, the Group's profit before tax in 2009 was contributed by our share of Techcombank's 2009 net profit, in proportion to our four month holdings.

Net Profit After Tax

Profit after tax was VND680 billion, representing a 69.8% increase from VND400 billion in 2008. The increase was contributed by solid results of Masan Food and Techcombank.

Total Assets

Total assets quadrupled in 2009 to VND7,017 billion from 2008. This is the result of our restructuring as well as our capital raising efforts.

Cash and Cash Equivalents

The Group had a strong cash position of VND1,124 billion as at December 31, 2009, which will allow it to fund future growth opportunities.

Borrowings

As at December 31, 2009, short-term and long-term borrowings amounted to VND1,422 billion, representing 20.3% of total assets, slightly lower than 21.1% in 2008. Borrowings were predominantly loans at Masan Food and its subsidiaries to fund their operations and capital expenditure. The Group does not borrow from Techcombank as part of our corporate governance policy to avoid any conflict of interest.

PRO FORMA FINANCIAL RESULTS

Share of Associate's Results

Pro forma share of associate's results was VND237 billion in 2009 and VND340 billion in 2009 based on the assumption that the Group had owned 19.99% of Techcombank since January 1, 2008.

Net Profit After Tax

Masan Group generated a pro forma net profit after tax of VND987 billion in 2009 compared to VND637 billion in 2008, representing a considerable 55.0% increase. The increase is primarily attributable to the full-year share of profit of Techcombank excluding the goodwill amortization arising from the acquisition of Techcombank's shares and excluding the interest expense accrued on four zero-coupon convertible bonds issued to TPG.

A detail discussion on the difference between audited and pro forma financial results is presented elsewhere in this report.

Financial Report

Corporate Information

Business Registration Certificate No 4103002877 18 November 2004

The Company's Business Registration Certificate has been amended several times, the most recent of which is dated 26 December 2009. The Business Registration Certificate was issued by the Department of Planning and Investment of Ho Chi Minh City.

Board of Management

Mr Nguyen Dang Quang
 Mr Ho Hung Anh
 Ms Nguyen Hoang Yen
 Mr Nguyen Thieu Nam
 Mr Madhur Maini
 Mr Lars Kjaer
 Mr Nguyen Thanh Hai
 Ms Nguyen Ngoc Ha
 Mr Dao Duc Dua
 Ms Pham Thi Anh Tuyet
 Mr Vu Thanh Hoan
 Mr Nguyen Gia Hien

Chairman
 Vice chairman
 Member (from 11 July 2009)
 Member (from 11 July 2009)
 Member (from 11 July 2009)
 Member (from 9 Oct 2009)
 Member (to 11 July 2009)
 Member (to 11 July 2009)
 Member (to 11 July 2009)
 Member (to 11 July 2009)
 Member (to 11 July 2009)
 Member (to 11 July 2009)

Registered Office

Suite 802, Central Plaza
 17 Le Duan Street
 Ben Nghe Ward, District 1
 Ho Chi Minh City
 Vietnam

Auditors

KPMG Limited
 Vietnam

Report of the Board

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

The Board of Management is responsible for preparing the consolidated financial statements of Ma San Group Corporation (formerly known as Masan Shipping Corporation) ("the Company") and its subsidiaries (collectively "the Group") as at and for the year ended 31 December 2009 in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and accounting principles generally accepted in Vietnam. In preparing those financial statements, the Board of Management is required to:

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

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

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

APPROVAL OF THE FINANCIAL STATEMENTS

I, Nguyen Dang Quang, being the Chairman of the Board of Management and on behalf of the Board of Management, do hereby approve the accompanying consolidated financial statements as of and for the year ended 31 December 2009, which were prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and accounting principles generally accepted in Vietnam.

On behalf of the Board of Management



Nguyen Dang Quang
 Chairman
 Ho Chi Minh City, March 31, 2010

Audit Opinion

INDEPENDENT AUDITOR'S REPORT

To the Shareholders
Ma San Group Corporation (formerly known as Masan Shipping Corporation)

Audit Scope

We have audited the accompanying consolidated balance sheet of Ma San Group Corporation (formerly known as Masan Shipping Corporation) ("the Company") and its subsidiaries (collectively "the Group") as of 31 December 2009 and the related consolidated statements of income, changes in equity and cash flows for the year then ended and the explanatory notes thereto. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Audit opinion

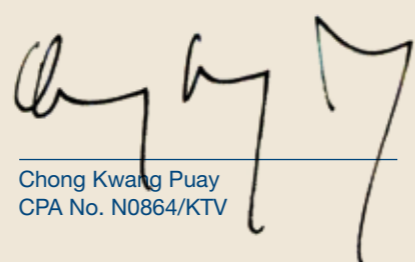
In our opinion, the consolidated financial statements of the Group give a true and fair view of the consolidated financial position of the Group as of 31 December 2009 and the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and accounting principles generally accepted in Vietnam.

KPMG Limited

Vietnam
Investment Certificate No: 011043000345
Audit Report No: 09-01-542



Nguyen Thanh Nghi
CPA No. 0304/KTV
Deputy General Director



Chong Kwang Puay
CPA No. N0864/KTV

Ho Chi Minh City, March 31, 2010

Consolidated Balance Sheet

At 31 December 2009

	Code	Note	31/12/2009 VND million	31/12/2008 VND million
ASSETS				
Current assets	100		2,441,831	1,215,821
Cash and cash equivalents	110	4	1,123,616	97,479
Cash	111		523,616	97,479
Cash equivalents	112		600,000	-
Short-term investments	120	12	776,000	308,900
Short-term investments	121		776,000	308,900
Accounts receivable – short-term	130	5	282,936	593,536
Accounts receivable – trade	131		56,830	113,475
Prepayments to suppliers	132		68,714	35,917
Related-company receivables	133		517	410,931
Other receivables	135		158,767	33,728
Allowance for doubtful debts	139		(1,892)	(515)
Inventories	140	6	199,466	183,397
Inventories	141		237,288	190,420
Allowance for inventories	149		(37,822)	(7,023)
Other current assets	150		59,813	32,509
Short-term prepayments	151		3,950	8,213
Deductible value added tax	152		47,678	12,863
Taxes and other receivables from State Treasury	154	7	6,550	7,646
Other current assets	158		1,635	3,787

Consolidated Balance Sheet

At 31 December 2009

	Code	Note	31/12/2009 VND million	31/12/2008 VND million
Long-term assets	200		4,575,263	359,572
Fixed assets	220		605,360	259,928
Tangible fixed assets	221	8	465,483	201,369
Cost	222		597,478	281,838
Accumulated depreciation	223		(131,995)	(80,469)
Finance lease tangible fixed assets	224	9	14,096	14,646
Cost	225		16,871	15,011
Accumulated depreciation	226		(2,775)	(365)
Intangible fixed assets	227	10	72,865	43,858
Cost	228		82,688	51,410
Accumulated amortisation	229		(9,823)	(7,552)
Construction in progress	230	11	52,916	55
Long-term investments	250	12	3,919,827	71,918
Investments in associate	252		3,919,827	-
Other long-term investments	258		-	71,918
Other long-term assets	260		50,076	27,726
Long-term prepayments	261	13	11,885	17,147
Deferred tax assets	262	14	25,420	5,698
Other long-term assets	268		8,603	118
Goodwill	269	15	4,168	4,763
TOTAL ASSETS	270		7,017,094	1,575,393

	Code	Note	31/12/2009 VND million	31/12/2008 VND million
RESOURCES				
LIABILITIES	300		1,947,555	702,599
Current liabilities	310		1,210,937	666,853
Short-term borrowings and liabilities	311	16	687,260	297,333
Accounts payable – trade	312		267,168	159,564
Advances from customers	313		11,267	4,599
Taxes payable to State Treasury	314	17	77,417	66,771
Payables to employees	315		148	9,120
Accrued expenses	316	18	163,590	27,155
Related-company payables	317	19	131	100,077
Other payables	319	20	3,956	2,234
Long-term borrowings and liabilities	330		736,618	35,746
Long-term borrowings and liabilities	334	21	734,723	34,313
Provision for severance allowance	336	22	1,895	1,433
EQUITY	400		4,762,088	471,820
Equity	410		4,762,088	471,820
Share capital	411	23	4,853,998	32,000
Capital surplus	412	23	1,421,817	-
Other reserves	418		(1,947,256)	227,892
Bonus and welfare funds	419		(1,178)	(1,391)
Retained profits	420		434,707	213,319
MINORITY INTERESTS	439		307,451	400,974
TOTAL RESOURCES	440		7,017,094	1,575,393

Prepared by:

Lahal

Ta Thi Thuy Trang
Chief Accountant
Ho Chi Minh City, March 31, 2010

Approved by:

Nguyen Dang Quang

Nguyen Dang Quang
Chairman



Consolidated Statement of Income

For the year ended 31 December 2009

	Code	Note	2009 VND million	2008 VND million
Total revenue	01	24	4,078,147	2,003,550
Less sales deductions	02	24	(120,333)	(81,462)
Net sales	10		3,957,814	1,922,088
Cost of sales	11	25	(2,583,876)	(1,324,167)
Gross profit	20		1,373,938	597,921
Financial income	21	26	160,292	134,525
Financial expenses	22	27	(103,130)	(58,297)
Selling expenses	24		(636,751)	(150,043)
General and administration expenses	25		(105,287)	(72,951)
Net operating profit	30		689,062	451,155
Results of other activities	40			
Other income	31	28	18,632	9,443
Other expenses	32	29	(22,778)	(5,685)
Share of profit in associate	40	30	48,010	-
Profit before tax	50		732,926	454,913
Income tax expense – current	51	31	(73,130)	(58,985)
Income tax expense – deferred	52	31	19,722	4,177
Net profit (carried forward to next page)	60		679,518	400,105

	Code	Note	2009 VND million	2008 VND million
Net profit (brought forward from previous page)	60		679,518	400,105
Attributable to:				
Minority interests	61		262,944	189,770
Equity holders of the Company	62		416,574	210,335
Earnings per share		34		
Basic earnings per share in VND	70		2,677	65,730
Diluted earnings per share in VND	70		2,675	65,730

Prepared by:

Lahal

Ta Thi Thuy Trang
Chief Accountant

Approved by:



Nguyen Dang Quang
Chairman

Ho Chi Minh City, March 31, 2010

Consolidated Statement of Changes in Equity

For the year ended 31 December 2009

	Share capital VND million	Other reserves VND million	Bonus and welfare funds VND million	Retained profits VND million	Equity attributable to equity holders of Company VND million	Minority interests VND million	Total VND million
Balance at 1 January 2008	32,000	238,889	(263)	42,310	312,936	302,197	615,133
Increase in deemed equity	-	7,852	-	-	7,852	7,148	15,000
Net profit for the year	-	-	-	210,335	210,335	189,770	400,105
Appropriation to bonus and welfare funds	-	-	419	(419)	-	-	-
Utilisation of bonus and welfare funds	-	-	(1,542)	-	(1,542)	(1,403)	(2,945)
Share dividends from retained earnings	-	39,843	-	(39,843)	-	-	-
Effect of treasury shares bought back by subsidiary	-	(22)	-	-	(22)	(1,792)	(1,814)
Acquisition of minority interests by the Group	-	(11,668)	-	-	(11,668)	(42,117)	(53,785)
Deemed acquisition from minority interests	-	5,343	(5)	936	6,274	(6,274)	-
Additional payable on finalisation of purchase price on acquisition of interests in subsidiaries	-	(52,345)	-	-	(52,345)	(47,655)	(100,000)
Increase in minority interests in subsidiaries	-	-	-	-	-	1,100	1,100
Balance at 31 December 2008	32,000	227,892	(1,391)	213,319	471,820	400,974	872,794

	Share capital VND million	Capital surplus VND million	Other reserves VND million	Bonus and welfare funds VND million	Retained profits VND million	Equity attributable to equity holders of Company VND million	Minority interests VND million	Total VND million
Balance at 1 January 2009	32,000	-	227,892	(1,391)	213,319	471,820	400,974	872,794
Increase in deemed equity	-	-	6,670	-	-	6,670	6,071	12,741
Dividends declared by subsidiary (Ma San Food Corporation) in the form of exchangeable bonds issued by parent company and cash	-	-	-	-	(200,252)	(200,252)	(182,310)	(382,562)
Deemed acquisition from minority interests	-	-	10,979	(168)	8,338	19,149	(19,149)	-
Increase in minority interests in subsidiaries	-	-	-	-	-	-	1,000	1,000
Acquisition from minority interest after group restructuring	-	-	(933,496)	-	-	(933,496)	(154,046)	(1,087,542)
Acquisition of minority interests in subsidiary by the Group	-	-	(528)	-	-	(528)	(5,472)	(6,000)
Share capital issued	4,821,998	1,421,817	-	-	-	6,243,815	-	6,243,815
Effect of shares issued on acquisition of under common control subsidiaries	-	-	(1,258,773)	-	-	(1,258,773)	-	(1,258,773)
Net profit for the year	-	-	-	-	416,574	416,574	262,944	679,518
Appropriation to bonus and welfare funds	-	-	-	3,272	(3,272)	-	-	-
Utilisation of bonus and welfare funds	-	-	-	(2,891)	-	(2,891)	(2,561)	(5,452)
Balance at 31 December 2009	4,853,998	1,421,817	(1,947,256)	(1,178)	434,707	4,762,088	307,451	5,069,539

Prepared by:

Lahal

Ta Thi Thuy Trang
Chief Accountant
Ho Chi Minh City, March 31, 2010

Approved by:

Nguyen Dang Quang
Nguyen Dang Quang
Chairman



The accompanying notes are an integral part of these financial statements

The accompanying notes are an integral part of these financial statements

Consolidated Statement of Cash Flows

For the year ended 31 December 2009

	Code	Note	2009 VND million	2008 VND million
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	01		732,926	454,913
Adjustments for				
Depreciation and amortization	02		71,346	34,114
Allowances and provisions	03		39,529	4,499
Loss on disposal of fixed assets and other long-term assets	04		523	2,083
Income from selling shares	04		(53,454)	-
Interest income and dividend income	05		(93,571)	(121,943)
Interest expense	06		88,976	50,968
Share of profit in associate	07		(48,010)	-
Operating profit before changes in working capital	08		738,265	424,634
Change in receivables and other assets	09		32,870	(7,734)
Change in inventories	10		(54,221)	(61,339)
Change in payables and other liabilities	11		237,547	83,112
			954,461	438,673
Interest paid	13		(74,777)	(50,968)
Corporate income tax paid	14		(70,260)	(35,722)
Other payments for operating activities	16		(5,452)	(2,945)
Net cash generated from operating activities	20		803,972	349,038

	Code	Note	2009 VND million	2008 VND million
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(411,673)	(141,627)
Proceeds from disposals of fixed assets and other long-term assets	22		229	4,457
Loans provided to Viet Capital Securities Joint Stock Company	23		-	(300,000)
Collections on loans to Viet Capital Securities Joint Stock Company	23		250,000	-
Collections on loans to subsidiary's BOM member	23		5,000	-
Loans provided to parent company	23		(58,543)	(323,169)
Collections on loans to parent company	23		56,714	301,283
Loans provided to individual	23		(105,915)	-
Collections on loans to individual	23		105,915	1,000
Term deposit to banks	24		(726,000)	-
Term deposit received	24		-	110
Payments for investments in subsidiaries and other entities	25		(331,000)	(62,920)
Proceeds from disposals of other long-term investments	26		14,282	-
Receipts of interest and dividends	27		68,403	117,394
Net cash used in investing activities	30		(1,132,588)	(403,472)

Consolidated Statement of Cash Flows

For the year ended 31 December 2009

	Code	Note	2009 VND million	2008 VND million
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from shares issued	31		1,163,425	15,000
Proceeds from minority interest capital contribution to subsidiaries	31		1,000	1,100
Payment for treasury shares bought back by subsidiary	32		-	(1,814)
Proceeds from short-term and long-term borrowings	33		2,493,524	1,342,802
Payments to settle debts	34		(2,303,186)	(1,223,538)
Payments of dividends	36		(10)	-
Net cash generated from financing activities	40		1,354,753	133,550
Net cash flows during the year	50		1,026,137	79,116
Cash and cash equivalents at the beginning of the year	60		97,479	18,363
Cash and cash equivalents at the end of the year	70	4	1,123,616	97,479

NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS NON-CASH INVESTING AND FINANCING ACTIVITIES

	2009 VND million	2008 VND million
Cost of long-term investments acquired by the Company as capital contributions from shareholders	5,093,132	-
Acquisition of exchangeable bonds issued by parent company by setting off against receivable from parent company	400,000	-
Dividends paid by subsidiary in the form of exchangeable bonds issued by parent company	382,551	-
Proceeds from disposal of other long-term investments not received	128,539	-
Dividends received in the form of bonus shares	-	2,184
Additional payable on finalisation of purchase price on acquisition of interests in subsidiaries	-	100,000

Prepared by:

Lahal

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Approved by:



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Chairman

Ho Chi Minh City, March 31, 2010

Notes to the Consolidated Financial Statements

For the year ended 31 December 2009

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

1. REPORTING ENTITY

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

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

The principal activities of the subsidiaries are described as follows:

Name	Principal activity	Percentage of ownership at	
		31/12/2009	31/12/2008
Hoa Bang Lang Consultant Company Limited	Investment holding	100%	-
Orchid Consultant Company Limited	Investment holding	100%	-
Ma San Food Corporation	Trading and distribution	72.8%	52.3%
Masan Industrial Corporation	Food sauce and instant noodle manufacturing	72.8%	52.3%
Viet Tien Food Technology Joint Stock Company	Food sauce manufacturing	72.8%	50.7%
Minh Viet Packaging Joint Stock Company	Packaging	72.8%	52.3%
Hoa Sen Food Technology Joint Stock Company	Food manufacturing	72.8%	52.3%
Ma San PQ Corporation	Food sauce manufacturing	68.8%	49.4%
Ma San HD Joint Stock Company	Food sauce and instant noodle manufacturing	72.8%	-

All the subsidiaries are incorporated in Vietnam.

The percentage of ownership represents the effective percentage ownership of the common controlling shareholders both directly and indirectly in the subsidiaries.

As at 31 December 2009 the Group had 5,079 employees (31/12/2008: 4,177 employees).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of financial statement preparation

(i) General basis of accounting

The financial statements, expressed in Vietnam Dong rounded to the nearest million (“VND million”), have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and accounting principles generally accepted in Vietnam.

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

On 31 August 2009, the Company entered into a reorganization and became a holding company for 54.8% of Ma San Food Corporation (“Masan Food”), a then fellow subsidiary. Masan Food directly owns the controlling interests in Viet Tien Food Technology Joint Stock Company, Ma San PQ Corporation, Ma San HD Joint Stock Company, Minh Viet Packaging Joint Stock and Masan Industrial Corporation. Masan Industrial Corporation directly owns the controlling interest in Hoa Sen Food Technology Joint Stock Company. To effect the above transaction, the parent company, Ma San Corporation, transferred 54.8% equity interest of Masan Food to the Company as consideration for the Company’s issuance of 125,877,284 new shares to the parent company.

Following the acquisition, the Company became the parent company of the companies comprising the Group. As the companies that took part in the above reorganisation are controlled by the same group of shareholders (“the Controlling Shareholders”) before and after the reorganisation, this reorganisation meets the definition of business combination under common control because there is a continuation of the risks and benefits to the Controlling Shareholders. Such common control business combination is specifically excluded from the scope of Vietnamese Accounting Standard 11 Business Combination and in selecting its accounting policy with respect to this transaction, the Group has considered Vietnamese Accounting Standard 01 Framework and Vietnamese Accounting Standard 21 Presentation of Financial Statements. Based on these standards, the Group has prepared these consolidated financial statements using the merger (“carry-over”) basis of accounting as if the Group has always been in existence. The assets and liabilities of the combining companies are consolidated using the existing book values from the Controlling Shareholders’ perspective. Any difference between the cost of acquisition and net assets acquired is treated as a deemed distribution to or contribution from shareholders and recorded directly in equity. Deemed increase in equity is recorded in other reserves to reflect the acquisition of subsidiaries under the merger basis of accounting as if the Group had always been in existence.

Subsequently, the Company acquired further equity interests in Masan Food and at 31 December 2009, the Company held 72.8% of the equity interests in Masan Food.

The consolidated income statements, consolidated statements of changes in equity and consolidated cash flow statements of the Group include the results of operations of the companies now comprising the Group as if the group structure had been in existence from the Controlling Shareholders’ perspective throughout the entire periods referred to in this report (or where the companies were incorporated at a date later than 1 January 2008, for the period from the date of incorporation to the end of the relevant reporting periods). The consolidated balance sheets of the Group as at 31 December 2009 and 31 December 2008 have been prepared to present the state of affairs of the companies now comprising the Group as at the respective dates as if the group structure had been in existence as at the respective dates. All material intra-group transactions and balances have been eliminated on consolidation.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of financial statement preparation (continued)

(ii) Basis of consolidation

Subsidiaries

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

Associates (equity accounted investees)

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity. Associates are accounted for using the equity method (equity accounted investees) and are initially recognized at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated amortization on the goodwill. The consolidated financial statements include the Group's share of the income and expenses of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Minority interests

On the acquisition of minority interest after obtaining control or disposal to a minority interest in a subsidiary without loss of control, the difference between the cost of acquisition or proceeds on disposal and the book carrying amount of the net assets acquired or disposed at the date of exchange is recorded directly in equity.

Transactions eliminated on consolidation

Intra-group balances, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains and losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

(b) Fiscal year

The fiscal year of the Company is from 1 January to 31 December.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Foreign currency transactions

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at rates of exchange ruling at the balance sheet date. Transactions in currencies other than VND during the year have been translated into VND at rates approximating those ruling at the transaction dates.

All foreign exchange differences are recorded in the statement of income in accordance with Vietnamese Accounting Standard No. 10 ("VAS 10") – The Effects of Changes in Foreign Exchange Rates.

On 15 October 2009, the Ministry of Finance issued Circular No. 201/2009/TT-BTC providing guidance on recognition of foreign exchange differences. This Circular requires that foreign exchange differences arising from period end translation of current monetary assets and liabilities denominated in currencies other than VND be recorded in the Foreign Exchange Difference Account in equity; and that such exchange differences be subsequently reversed at the beginning of the following period. The Group chose to continue applying VAS 10 for recognition of foreign exchange differences.

(d) Cash and cash equivalents

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

(e) Investments

Investments in term deposits and debt instruments; and investments in equity instruments of entities over which the Group has no control or significant influence are stated at cost. Allowance is made for reductions in investment values which in the opinion of the management are not temporary. The allowance is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the allowance was recognized. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognized.

(f) Accounts receivable

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

(g) 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 selling expenses.

The Group apply the perpetual method of accounting for inventory.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure have 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 are capitalized 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	5-25 years
▪ leasehold improvements	3-5 years
▪ office equipment	3-6 years
▪ machinery and equipment	3-12 years
▪ motor vehicles	3-6 years

(i) Finance lease tangible fixed assets

Leases in terms of which the Group 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 leased assets is computed on a straight-line basis over the estimated useful lives of items of the leased assets. The estimated useful lives of leased assets are consistent with the useful lives of tangible fixed assets as described in accounting policy 2(h).

(j) Intangible fixed assets

(i) Land use rights

Land use rights are stated at cost less accumulated amortization. The initial cost of a land use right comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use right. Amortization is computed on a straight-line basis over their useful lives ranging from 40 to 47 years.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Intangible fixed assets (continued)

(ii) Software

Cost of acquisition of new software, which is not an integral part of the related hardware, is capitalized and treated as an intangible asset. Software is amortized on a straight-line basis over four years.

(iii) Brand name

Cost of acquisition of brand name is capitalized and treated as an intangible assets. Brand name is amortized on a straight-line basis over five years.

(k) Construction in progress

Construction in progress represents the cost of construction and machinery which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

(l) Long-term prepayments

(i) Prepaid land costs

Prepaid land costs comprise prepaid land lease rentals and other costs incurred in conjunction with securing the use of leased land. These costs are recognized in the statement of income on a straight-line basis over the term of the lease from 47 to 50 years.

(ii) Tools and supplies and printing axles

Tools and supplies and printing axles are stated at cost and amortized over their useful lives ranging from six months to two years.

(m) Goodwill

Goodwill arises on acquisition of subsidiaries, associates and joint ventures from third parties. The cost of goodwill represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (negative goodwill), it is recognized immediately in profit or loss.

Goodwill is measured at cost less accumulated amortization. Goodwill is amortized over 10 years. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying value of the investment.

(n) Trade and other payables

Trade and other payables are stated at their cost.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Provisions

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

(p) Taxation

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

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, 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 realization or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the balance sheet date.

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

(q) Share capital

(i) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.

(ii) Treasury shares

When share capital recognized as equity is purchased, the amount of the consideration paid, which includes directly attributable cost, net of any tax effects, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transactions is transferred to/from capital surplus.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Revenue

(i) Goods sold

Revenue from the sale of goods is recognized in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

(ii) Dividend income

Dividends are recognized when the Group's right to receive payment is established.

Share dividends are recognized as dividend income at the par value of the shares received.

(s) Operating lease payments

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

(t) Borrowing costs

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

(u) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighed average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(v) Segment reporting

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

Notes to the Consolidated Financial Statements

For the year ended 31 December 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Related parties

Parties are considered to be related 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. Parties are also considered to be related if they are subject to common control or common significant influence.

(x) Share – based payments

Shares issued to employees are recorded at their par value. Redemption of such shares performed by related companies outside the Group is not recorded by the Group.

(y) Off balance sheet items

Amounts which are defined as off balance sheet items under the Vietnamese Accounting System are disclosed in the relevant notes to these financial statements.

3. SEGMENT REPORTING BY BUSINESS

Business segments

	Food and sauce		Financial services		Total	
	2009 VND million	2008 VND million	2009 VND million	2008 VND million	2009 VND million	2008 VND Million
Segment revenue	3,957,814	1,922,088	-	-	3,957,814	1,922,088
Segment results	668,652	400,004	48,010	-	716,662	400,004
Unallocated expense/income					(37,144)	101
Total results					679,518	400,105
Segment assets	2,400,230	1,537,191	3,919,827	-	6,320,057	1,537,191
Unallocated assets					671,617	32,504
Total assets					6,991,674	1,569,695
Segment liabilities	1,296,976	702,594	-	-	1,296,976	702,594
Unallocated liabilities					650,579	5
TOTAL LIABILITIES					1,947,555	702,599

Segment assets exclude deferred tax assets.

Geographical segments

The Group operates in one geographical segment which is in Vietnam.

Capital expenditure, amortization and depreciation charges relate only to the food and sauce business segment and are disclosed in the relevant notes to the financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2009

4. CASH AND CASH EQUIVALENTS

	31/12/2009 VND million	31/12/2008 VND million
Cash on hand	1,203	2,776
Cash in bank	522,236	94,703
Cash in transit	177	-
Cash equivalents	600,000	-
Cash and cash equivalents in the statement of cash flows	1,123,616	97,479

Cash at 31 December 2009 of the Group included amounts denominated in currencies other than VND amounting to VND7,666 million (31/12/2008: VND11,738 million).

5. ACCOUNTS RECEIVABLE – SHORT-TERM

Accounts receivables include the following amounts due from related parties:

	31/12/2009 VND million	31/12/2008 VND million
Amounts due from Ma San Corporation - parent company		
Non-trade	517	398,897
Amounts due from other related companies		
Trade	-	240
Non-trade	-	11,794
	517	410,931

At 31 December 2009, the non-trade amounts due from Ma San Corporation (previously known as Masan Group Corporation) included advances for office rental amounting to VND517 million (31/12/2008: VND726 million). The advances were unsecured, interest free and repayable on demand.

5. ACCOUNTS RECEIVABLE – SHORT-TERM (CONTINUED)

Other short-term receivables comprised:

	31/12/2009 VND million	31/12/2008 VND million
Advances	32	644
Accrued interest receivable from deposits at banks	29,067	-
Receivable from Viet Capital Securities	128,539	-
Advances to the Company's shareholders	-	32,000
Others	1,129	1,084
	158,767	33,728

Receivables from Viet Capital Securities represent receivables for disposal of Masan Food Corporation's other long-term investments in equity interests and exchangeable bonds amounting to VND108 billion and VND20 billion, respectively. The receivables are repayable within one year from 28 December 2009.

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

	2009 VND million	2008 VND million
Opening balance	515	-
Increase in allowance during the year	1,377	515
Closing balance	1,892	515

As at 31 December 2009, trade receivables of the Group amounting to VND1,102 million were pledged to secure borrowings granted to Minh Viet Packaging Joint Stock Company and Viet Tien Food Technology Joint Stock Company, Masan Food's subsidiaries (31/12/2008: VND21,502 million).

Notes to the Consolidated Financial Statements

For the year ended 31 December 2009

6 INVENTORIES

	31/12/2009 VND million	31/12/2008 VND million
Goods in transit	15,681	4,861
Raw materials	145,202	116,716
Tools and supplies	496	706
Work in progress	48,365	24,849
Finished goods	27,544	43,288
	<u>237,288</u>	<u>190,420</u>
Allowance for inventories	(37,822)	(7,023)
	<u>199,466</u>	<u>183,397</u>

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

	2009 VND million	2008 VND million
Opening balance	7,023	5,637
Increase in allowance during the year	40,732	4,252
Allowance utilised during the year	(7,352)	(2,598)
Written back	(2,581)	(268)
Closing balance	<u>37,822</u>	<u>7,023</u>

As at 31 December 2009 inventories of the Group with a carrying value of VND31,049 million (31/12/2008: VND21,362 million) were pledged with banks as security for loans granted to a subsidiary of Masan Food, Minh Viet Packaging Joint Stock Company.

7. TAXES AND OTHER RECEIVABLES FROM STATE TREASURY

	31/12/2009 VND million	31/12/2008 VND million
Import-export tax refundable from State Treasury	6,546	7,646
Other receivables from State Treasury	4	-
	<u>6,550</u>	<u>7,646</u>

8. TANGIBLE FIXED ASSETS

	Buildings VND million	Leasehold improvements VND million	Office equipment VND million	Machinery and equipment VND million	Motor vehicles VND million	Total VND million
Cost						
Opening balance	50,828	1,175	7,897	206,397	15,541	281,838
Additions	70,424	-	7,756	193,703	3,454	275,337
Transfers from construction in progress	3,203	-	444	39,626	-	43,273
Transfers to finance lease tangible fixed assets	-	-	-	(1,860)	-	(1,860)
Disposals	-	-	(68)	(198)	(844)	(1,110)
Reclassifications	-	-	288	1,672	(1,960)	-
Closing balance	<u>124,455</u>	<u>1,175</u>	<u>16,317</u>	<u>439,340</u>	<u>16,191</u>	<u>597,478</u>

Notes to the Consolidated Financial Statements

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8. TANGIBLE FIXED ASSETS (CONTINUED)

	Buildings VND million	Leasehold improvements VND million	Office equipment VND million	Machinery and equipment VND million	Motor vehicles VND million	Total VND million
Accumulated depreciation						
Opening balance	9,718	288	1,853	61,484	7,126	80,469
Charge for the year	5,106	387	2,744	42,154	2,427	52,818
Transfers to finance lease tangible fixed assets	-	-	-	(266)	-	(266)
Disposals	-	-	(17)	(165)	(844)	(1,026)
Reclassifications	-	-	52	253	(305)	-
Closing balance	14,824	675	4,632	103,460	8,404	131,995
Net book value						
Opening balance	41,110	887	6,044	144,913	8,415	201,369
Closing balance	109,631	500	11,685	335,880	7,787	465,483

Included in the cost of tangible fixed assets were assets costing VND7,946 million which were fully depreciated as of 31 December 2009 (31/12/2008: VND13,572 million), but which are still in active use.

At 31 December 2009 tangible fixed assets with a carrying value of VND93,843 million (31/12/2008: VND85,308 million) were pledged with banks as security for loans granted to the Group. Referring to notes 21(c), (d) and (e), certain items of fixed assets will be pledged to secure those borrowings when the borrowings have been drawn down and the lists of pledged assets drawn up with the lenders.

The carrying amount of tangible fixed assets retired from active use and held for disposal amounted to VND9,269 million as of 31 December 2009 (31/12/2008: Nil).

The carrying amount of temporarily idle equipment in tangible fixed assets amounted to VND429 million as of 31 December 2009 (31/12/2008: Nil).

9. FINANCE LEASE TANGIBLE FIXED ASSETS

	Machinery and equipment VND million
Cost	
Opening balance	15,011
Transfer from tangible fixed assets	1,860
Closing balance	16,871
Accumulated depreciation	
Opening balance	365
Transfer from tangible fixed assets	266
Charge for the year	2,144
Closing balance	2,775
Net book value	
Opening balance	14,646
Closing balance	14,096

The production equipment was leased by a subsidiary of Masan Food, Masan Industrial Corporation, under various finance lease agreements with Vietcombank Finance Lease Company, Ho Chi Minh City Branch. At the end of each of the leases Masan Industrial Corporation has the option to purchase the equipment at a beneficial price. The leased equipment secure the lease obligations.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2009

10. INTANGIBLE FIXED ASSETS

	Land use rights VND million	Software VND million	Brand name VND million	Total VND million
Cost				
Opening balance	49,106	2,304	-	51,410
Additions	25,305	2,227	-	27,532
Transfer from long-term prepayments	3,200	-	546	3,746
Closing balance	77,611	4,531	546	82,688
Accumulated amortization				
Opening balance	7,160	392	-	7,552
Amortization for the year	1,189	946	109	2,244
Transfer from long-term prepayments	-	-	27	27
Closing balance	8,349	1,338	136	9,823
Net book value				
Opening balance	41,946	1,912	-	43,858
Closing balance	69,262	3,193	410	72,865

At 31 December 2009 land use rights with a carrying value of VND40,902 million (31/12/2008: VND39,074 million) were pledged with banks as security for loans granted to the Group.

11. CONSTRUCTION IN PROGRESS

	2009 VND million	2008 VND million
Opening balance	55	5,157
Additions during the year	96,393	5,525
Transfer to tangible fixed assets	(43,273)	(10,307)
Transfer to long-term prepayments	(259)	(320)
Closing balance	52,916	55

12. INVESTMENTS

	31/12/2009 VND million	31/12/2008 VND million
Long-term investments		
Investment in associate	3,919,827	-
Other long term investments in equity interests	-	71,918
	3,919,827	71,918
Short-term investments		
Short-term loan to an individual	-	6,275
Term deposits to banks	726,000	-
Short-term loan to Viet Capital Securities Joint Stock Company, a shareholder of Ma San Food Corporation	50,000	302,625
	776,000	308,900

Investment in associate represents investment in 19.99% equity interest of Vietnam Technological and Commercial Joint Stock Bank ("Techcombank"). The shares were acquired by issuing new shares and debt instruments.

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12. INVESTMENTS (CONTINUED)

Term deposits to banks represent deposits with original terms to maturity of more than three months from their transaction dates. The term deposits are denominated in Vietnam Dong and earned interest rates from 8.5% to 9.8% per annum during the year (2008: Nil).

The short-term loan given to Viet Capital Securities Joint Stock Company was unsecured, bore interest at 15% per annum and is repayable on demand under the renewed loan agreement.

13. LONG-TERM PREPAYMENTS

	Prepaid land costs VND million	Printing Axles VND million	Tools and supplies VND million	Total VND million
Opening balance	5,707	2,695	8,745	17,147
Additions	-	2,139	10,271	12,410
Transfer from construction in progress	-	-	259	259
Transfer to intangible fixed assets	(3,200)	-	(518)	(3,718)
Disposals	-	(668)	-	(668)
Amortization for the year	(61)	(3,825)	(9,659)	(13,545)
Closing balance	2,446	341	9,098	11,885

14. DEFERRED TAX ASSETS

Recognized deferred tax assets

	31/12/2009 VND million	31/12/2008 VND million
Allowance for inventories	55	410
Allowance for doubtful debts	-	21
Accrued sales discount	7,858	4,755
Accrued transportation costs	4,229	402
Accrued advertising and promotion expenses	8,651	-
Other accruals	710	110
Tax loss carry-forwards	3,917	-
	25,420	5,698

15. GOODWILL

	VND million
Cost	
Opening balance/closing balance	5,954
Accumulated amortization	
Opening balance	1,191
Amortization for the year	595
Closing balance	1,786
Net book value	
Opening balance	4,763
Closing balance	4,168

Notes to the Consolidated Financial Statements

For the year ended 31 December 2009

16. SHORT-TERM BORROWINGS AND LIABILITIES

	Note	31/12/2009 VND million	31/12/2008 VND million
Short-term borrowings			
Loans from Vietcombank			
Loan 1	(a)	69,050	84,754
Loan 2	(b)	19,599	19,784
Loan 3	(c)	269,806	91,937
Loan 4	(d)	33,086	-
Loan 5	(e)	68,749	-
Loan from BIDV	(f)	-	58,000
Loan from HSBC	(g)	12,468	14,104
Loan from Vietinbank			
Loan 1	(h)	24,507	17,874
Loan 2	(i)	166,450	-
Loan from individual	(j)	466	410
		664,181	286,863
Current portion of long-term loans (see note 21)		23,079	10,470
		687,260	297,333
Closing balance			

(a) This loan is granted to Ma San Food Corporation, a subsidiary, and is secured by its investments in its subsidiaries, Minh Viet Packaging Joint Stock Company and Viet Tien Food Technology Joint Stock Company.

The USD facility under this loan bore interest at rates ranging from 6.44% to 8.81% (2008: 7.00% to 9.81%) per annum during the year.

The VND facility under this loan bore interest at rates ranging from 6.00% to 11.28% (2008: 11.28% to 21.00%) per annum during the year.

16. SHORT-TERM BORROWINGS AND LIABILITIES (CONTINUED)

(b) This loan is granted to Viet Tien Food Technology Joint Stock Company and is unsecured.

The USD facility under this loan bore interest rates ranging from 4.73% to 7.00% (2008: 7.00%) per annum during the year.

The VND facility under this loan bore interest rates ranging from 7.62% to 12.56% (2008: 10.20% to 21.00%) per annum during the year.

(c) This loan is granted to Masan Industrial Corporation with a maximum facility of VND300 billion and is secured by land use right with carrying value as at 31 December 2009 of VND33,591 million (31/12/2008: VND34,439 million) and tangible fixed assets with a carrying value as at 31 December 2009 of VND14,725 million (31/12/2008: VND17,423 million).

The USD facility under this loan bore interest at rates ranging from 3.30% to 8.00% (2008: 6.30% to 6.85%) per annum during the year.

The VND facility under this loan bore interest at rates ranging from 6.00% to 12.00% (2008: 10.56% to 21.00%) per annum during the year.

(d) This loan is granted to Minh Viet Packaging Joint Stock Company and has the maximum facility of VND50 billion. The loan was secured by machinery with carrying value as at 31 December 2009 of VND34,027 million. The loan is denominated in USD and bore interest at rates ranging from 3.00% to 7.00% per annum during the year.

(e) This loan is granted to Ma San HD Joint Stock Company and has the maximum facility of VND80 billion. The loan was guaranteed by Masan Food Corporation. The loan bore interest at rates ranging from 10.50% to 12.00% per annum during the year.

(f) This loan is granted to Ma San Food Corporation with a maximum facility of VND70 billion. The loan was secured by houses and land use rights owned by Mr Nguyen Dang Quang and Mrs Nguyen Hoang Yen, the chairman and a member, respectively, of Ma San Food Corporation's Board of Management. The loan bore interest at rates ranging from 11.50% to 20.50% per annum during the year 2008. This loan has been fully paid during the year.

(g) This USD facility is granted to Minh Viet Packaging Joint Stock Company with the maximum facility of USD1,500,000. The loan was secured by inventory and trade receivables of Minh Viet Packaging Joint Stock Company as at 31 December 2009 amounting to VND31,049 million and VND1,102 million, respectively (31/12/2008: VND21,362 million and VND9,020 million, respectively). The loan was also guaranteed by Masan Food Corporation. The loan bore interest at rates ranging from 4.27% to 8.24% (2008: 5.05% to 8.24%) per annum during the year.

(h) This loan is granted to Viet Tien Food Technology Joint Stock Company with a maximum facility of VND98,000 million. The loan is secured by tangible fixed assets with a carrying value as at 31 December 2009 of VND15,346 million (31/12/2008: VND19,828 million), land use right with net book value as at 31 December 2009 of VND4,516 million (31/12/2008: VND4,635 million) and trade receivables of Viet Tien Food Technology Joint Stock Company as at 31 December 2009 amounting to VND152,329 million (31/12/2008: VND12,482 million). The loan is denominated in VND and bore interest at rates ranging from 6.15% to 12.92% (2008: 11.76% to 20.20%) per annum during the year.

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For the year ended 31 December 2009

16. SHORT-TERM BORROWINGS AND LIABILITIES (CONTINUED)

- (i) This loan is granted to Masan Industrial Corporation with a maximum facility of VND180 billion and is secured by trade receivables of Masan Industrial Corporation as at 31 December 2009 amounting to VND441,927 million. The loan is denominated in VND and bore interest at rates ranging from 6.00% to 6.05% per annum during the year.
- (j) This is an unsecured and interest free loan from the General Directors of Minh Viet Packaging Joint Stock Company and Masan Industrial Corporation. The loan is repayable at call.

17. TAXES PAYABLE TO STATE TREASURY

	31/12/2009 VND million	31/12/2008 VND million
Value added tax	19,834	12,210
Import-export tax	739	-
Corporate income tax	56,359	53,487
Other taxes	485	1,074
	<u>77,417</u>	<u>66,771</u>

18. ACCRUED EXPENSES

	31/12/2009 VND million	31/12/2008 VND million
Transportation expenses	16,914	1,766
Bonus and 13th month salary	4,196	2,640
Advertising and promotion expenses	78,463	-
Sales discount	31,432	19,021
Accrued interest payables	13,650	-
Accrued withholding tax	1,437	-
Others	17,498	3,728
	<u>163,590</u>	<u>27,155</u>

19. RELATED-COMPANY PAYABLES

	31/12/2009 VND million	31/12/2008 VND million
Amounts due to Ma San Corporation – parent company		
Trade	-	20
Non-trade	102	100,000
Amounts due to other related companies		
Trade	29	57
	<u>131</u>	<u>100,077</u>

The non-trade amounts due to Ma San Corporation as at 31 December 2009 were unsecured, interest free and repayable on demand (2008: bore interest at 12% per annum during the year).

The trade amounts due to other related companies were unsecured, interest free and payable at call.

20. OTHER PAYABLES

	31/12/2009 VND million	31/12/2008 VND million
Social and health insurance	1,723	417
Dividends payable	840	840
Others	1,393	977
	<u>3,956</u>	<u>2,234</u>

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21. LONG-TERM BORROWINGS AND LIABILITIES

	Note	31/12/2009 VND million	31/12/2008 VND million
Long-term borrowings			
Loans from Vietcombank			
Loan 1	(a)	19,600	25,205
Loan 2	(b)	1,381	1,608
Loan 3	(c)	12,009	-
Loan 4	(d)	7,733	-
Loan 5	(e)	15,033	-
Loan 6	(f)	5,815	-
Loan from BIDV Bank	(g)	-	470
Loan from ACB Bank			
Loan 1	(h)	7,751	9,779
Loan 2	(h)	8,638	-
Loan from Ocean Bank	(i)	43,398	-
Long-term bonds issued	(j)	630,000	-
		751,358	37,062
Finance lease liabilities	(k)	6,444	7,721
		757,802	44,783
Repayable within twelve months			
Loans from Vietcombank			
Loan 1	(a)	(5,600)	(5,605)
Loan 2	(b)	(395)	(368)
Loan 5	(e)	(2,640)	-
Loan from BIDV Bank	(g)	-	(470)
Loan from ACB Bank	(h)	(4,504)	(2,445)
Loan from Ocean Bank	(i)	(8,137)	-
Finance lease liabilities	(k)	(1,803)	(1,582)
		(23,079)	(10,470)
Repayable after twelve months		734,723	34,313

21. LONG-TERM BORROWINGS AND LIABILITIES (CONTINUED)

- (a) This loan is granted to Masan Industrial Corporation, a subsidiary, and is secured by tangible fixed assets with carrying value as at 31 December 2009 of VND23,067 million (31/12/2008: VND25,772 million). The loan has a maximum facility of VND35 billion and bore interest at a rate 10.85% (2008: 11.64% to 21.00%) per annum during the year. The outstanding balance as at 31 December 2009 is repayable in 7 equal semi-annual instalments of VND2,800 million each.
- (b) This loan is granted to Masan Industrial Corporation. The loan is in USD and the principal outstanding as at 31 December 2009 amounted to USD77,000 (31/12/2008: USD98,690). The loan is secured by tangible fixed assets with carrying value as at 31 December 2009 of VND1,594 million (31/12/2008: VND1,691 million) and bore interest at a rate equal to 6-month Libor plus 2.50% (2009: 4.00% to 5.70% and 2008: 7.00% to 7.70% per annum during the year). The outstanding balance as at 31 December 2009 is repayable in 7 equal semi-annual instalments of USD 11,000 each.
- (c) This loan is granted to Masan Industrial Corporation and is secured by buildings, plants and equipments financed by the loan. The loan has a maximum facility of VND190 billion and bore interest at a rate of 6.50% (2008: nil) per annum during the year. As at 31 December 2009, the loan has not been fully withdrawn and there was no repayment schedule.
- (d) This loan is granted to Masan Industrial Corporation with a maximum facility of VND45,350 million. The loan is secured by machineries financed by the loan and bore interest at a rate of 6.50% per annum during the year. As at 31 December 2009, the loan has not been fully withdrawn and there was no repayment schedule.
- (e) This loan is granted to Masan Industrial Corporation and is secured by machineries financed by the loan. The loan has a maximum facility of VND17.6 billion and bore interest at a rate of 6.70% per annum during the year. The loan is repayable in 16 equal quarterly instalments of VND880 million each beginning on 13 April 2010 and a final instalment comprising the remaining balance on 14 April 2014.
- (f) This loan is granted to Masan HD Joint Stock Company and is guaranteed by Ma San Food Corporation. The loan has a maximum facility of VND163 billion and bore interest at a rate 10.50% per annum during the year. As at 31 December 2009, the loan has not been fully withdrawn and there was no repayment schedule.
- (g) This loan is granted to Hoa Sen Food Technology Joint Stock Company and is secured by tangible fixed assets with carrying value as at 31 December 2008 of VND2,492 million. The loan bore interest at rates ranging from 12.00% to 21.00% per annum during the year 2008. The loan has been fully paid on 25 June 2009.
- (h) These loans are granted to Minh Viet Packaging Joint Stock Company and are secured by its buildings, plant and equipment with net book value as at 31 December 2009 of VND5,084 million (31/12/2008: VND18,102 million) and its land use right with carrying value as at 31 December 2009 of VND2,795 million (31/12/2008: VND2,872 million). The loans include:
- Loan 1 is granted with a maximum facility of USD720,000. The loan bore interest at a rate equal to the 6-month SIBOR plus 1.9% (2009: 6% per annum; 2008: 10.1% per annum). The remaining balance as at 31 December 2009 amounting to USD432,000 is repayable in 6 equal semi-annual instalments of USD72,000 each.

Loan 2 is granted with a maximum facility of USD600,000. The loan bore interest at 7.6% per annum during the year. The principal outstanding as at 31 December 2009 amounted to USD481,460 and is repayable in 8 equal semi-annual instalments of USD53,520 each beginning on 16 March 2010 and a final instalment comprising the remaining balance on 16 September 2013.

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21. LONG-TERM BORROWINGS AND LIABILITIES (CONTINUED)

(i) This loan is granted to Ma San HD Joint Stock Company and is guaranteed by Ma San Food Corporation. The loan has a maximum facility of VND84 billion and has not been fully withdrawn as at 31 December 2009. The loan bore interest at a rate 10.50% per annum during the year. The loan is repayable in 16 equal quarterly instalments of VND2,712 million each starting from 22 May 2010.

(j) The bonds payable represent three convertible bonds, with a principal of VND180 billion each, entered into with TPG Star Masan, Limited, TPG Star Masan II, Limited and TPG Star Masan III, Limited (collectively "TPG"); and a convertible bond with a principal of VND90 billion entered into with TPG Star Masan, Limited.

Interest is charged at 15% p.a., compounded annually and payable on redemption of the bond. The effective interest rate is 17.3625% p.a. Interest is not payable if the conversion option is exercised. The bonds mature on 10 November 2012.

Conversion price was preliminarily determined at VND20,374 per share and the valuation will be adjusted based on a multiple of the Group's 2010 earnings and for any dilution.

The bonds are secured on 8,820,000 of the Company's shares in Ma San Food Corporation. If the average transacted price of the Company's listed shares drops below 50% of the prevailing conversion price for a period of 20 trading days, the pledged shares shall be increased by 100%, or other assets as agreed between the Company and TPG Star Masan shall be pledged. If the average transacted price of the Company's listed shares rises above 100% of the prevailing conversion price for a period of 10 trading days, the pledged shares will be reduced by 50%.

The bonds may be converted into shares in the Company from 1 April 2011 to the bond's maturity date at the option of the bondholder. However, at any time after the audited consolidated financial statements for the year ended 31 December 2010 have been provided to the bondholder, and the trading price of the Company's listed shares exceeds 200% of the then applicable conversion price for a continuous period of 90 trading days, the Company has the option to require the bond to be converted into shares at that conversion price.

Where there are rights issue, the bondholder is entitled to the same rights, on the same terms, as if it were the person entitled to those rights. If this is not possible, the bondholder shall be paid an amount equivalent to the fair value of those rights.

21. LONG-TERM BORROWINGS AND LIABILITIES (CONTINUED)

(k) The future minimum lease payments under non-cancellable finance leases were:

	31/12/2009 VND million			31/12/2008 VND million		
	Payments	Interest	Principal	Payments	Interest	Principal
Within one year	2,120	317	1,803	2,174	592	1,582
Within two to five years	5,042	401	4,641	7,101	962	6,139
	<u>7,162</u>	<u>718</u>	<u>6,444</u>	<u>9,275</u>	<u>1,554</u>	<u>7,721</u>

At 31 December 2009, finance lease liabilities denominated in foreign currencies amounted to USD299,444, equivalent to VND5,372 million (31/12/2008: USD385,000, equivalent to VND6,516 million).

The finance lease liabilities are secured by the finance lease tangible fixed assets in Note 9.

22. PROVISIONS FOR SEVERANCE ALLOWANCE

Movements of provisions for severance allowance during the year were as follows:

	2009 VND million	2008 VND million
Opening balance	1,433	1,100
Provision made during the year	1,157	668
Provision used during the year	(695)	(335)
Closing balance	<u>1,895</u>	<u>1,433</u>

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

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22. PROVISIONS FOR SEVERANCE ALLOWANCE (CONTINUED)

Pursuant to Law on Social Insurance, effective from 1 January 2009, the Group and its employees are required to contribute to an unemployment insurance fund managed by the Vietnam Social Insurance Agency. The contribution to be paid by each party is calculated at 1% of the lower of the employees' basic salary and 20 times the general minimum salary level as specified by the Government from time to time. With the implementation of the unemployment insurance scheme, the Group is no longer required to provide severance allowance for the service period after 1 January 2009. However, severance allowance to be paid to existing eligible employees as of 31 December 2008 will be determined based on the eligible employees' years of service as of 31 December 2008 and their average salary for the six-month period prior to the termination date.

For the year ended 31 December 2009, the Group contributed VND1,472 million (2008: Nil) to the unemployment insurance fund and the amount is recorded as part of labour and staff costs in the consolidated statement of income.

23. SHARE CAPITAL

The Company's authorised and issued share capital comprise:

	31/12/2009		31/12/2008	
	Number of shares	VND million	Number of shares	VND million
Authorised share capital	485,399,820	4,853,998	320,000	32,000
Issued share capital				
Ordinary shares	485,399,820	4,853,998	320,000	32,000
Capital surplus	-	1,421,817	-	-

All ordinary shares previously had a par value of VND100,000. On 11 July 2009, the Board of Management of the Company resolved to approve a share split at a ratio of 1:10. The number of ordinary shares after the share split was 3,200,000 shares at a par value of VND10,000 each. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

23. SHARE CAPITAL (CONTINUED)

Movements in issued share capital during the year were as follows:

	2009		2008	
	Number of shares	VND million	Number of shares	VND million
Balance at beginning of the year	320,000	32,000	320,000	32,000
Effect of the share split	2,880,000	-	-	-
Issuance of new shares for acquisition of shares in Vietnam Technological and Commercial Joint Stock Bank ("Techcombank")	249,979,671	2,499,797	-	-
Issuance of new shares for acquisition of shares in Ma San Food Corporation	181,880,248	1,818,802	-	-
Issuance of new shares in cash	50,339,901	503,399	-	-
Balance at end of the year	485,399,820	4,853,998	320,000	32,000

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24. TOTAL REVENUE

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

Net sales comprised:

	2009 VND million	2008 VND million
Total revenue		
▪ Sales of finished goods	4,070,481	2,003,550
▪ Services and other sales	7,666	-
Less sales deductions		
▪ Sales discounts	(119,391)	(69,102)
▪ Sales returns	(929)	(12,360)
▪ Sales allowances	(13)	-
Net sales	<u>3,957,814</u>	<u>1,922,088</u>

25. COST OF SALES

	2009 VND million	2008 VND million
Total cost of sales		
▪ Finished goods sold	2,545,057	1,319,014
▪ Printing axles disposed	668	1,169
▪ Allowance for inventories	38,151	3,984
	<u>2,583,876</u>	<u>1,324,167</u>

26. FINANCIAL INCOME

	2009 VND million	2008 VND million
Interest income from deposits	29,628	651
Interest income from loans to individuals	8,063	3,911
Interest income from loans to parent	19,656	58,183
Interest income from loans to Viet Capital Securities Joint Stock Company, an investor in a subsidiary and the Company	34,750	49,434
Interest income from investment in exchangeable bonds issued by parent	1,474	-
Dividend income from other long-term investment	-	7,580
Share dividend declared by investees	-	2,184
Foreign exchange gains	2,846	10,246
Income from selling shares	53,454	-
Interest income from overdue debts	-	2,303
Others	10,421	33
	<u>160,292</u>	<u>134,525</u>

27. FINANCIAL EXPENSES

	2009 VND million	2008 VND million
Interest expenses payable to banks	56,930	50,968
Interest expenses payable to parent	1,957	-
Interest expenses payable to individuals	30,089	-
Foreign exchange losses	14,154	7,329
	<u>103,130</u>	<u>58,297</u>

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28. OTHER INCOME

	2009 VND million	2008 VND million
Proceeds on disposals of fixed assets	229	4,124
Proceeds on disposals of printing axles	-	333
Income from scrap sales	11,838	2,984
Transaction fee rebate	4,447	202
Others	2,118	1,800
	<u>18,632</u>	<u>9,443</u>

29. OTHER EXPENSES

	2009 VND million	2008 VND million
Net book value of disposed fixed assets	84	5,371
Cost of scrap sales	9,876	-
Tax penalty	7,068	-
Import tax not refundable	5,194	-
Others	556	314
	<u>22,778</u>	<u>5,685</u>

30. SHARE OF PROFIT IN ASSOCIATE

	2009 VND million	2008 VND million
Share of profit in associate	132,661	-
Amortization of goodwill	(84,651)	-
	<u>48,010</u>	<u>-</u>

31. INCOME TAX

(a) Recognized in the statement of income

	2009 VND million	2008 VND million
Current tax expense		
Current year	73,130	58,523
Under provision in prior years	-	462
	<u>73,130</u>	<u>58,985</u>
Deferred tax income		
Origination and reversal of temporary differences	(15,805)	(4,275)
Deferred tax assets not previously recognized	-	(520)
Benefit of tax losses recognized	(3,917)	-
Effect of change in tax rate	-	618
	<u>(19,722)</u>	<u>(4,177)</u>
Income tax expense	<u>53,408</u>	<u>54,808</u>

Notes to the Consolidated Financial Statements

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31. INCOME TAX (CONTINUED)

(b) Reconciliation of effective tax rate

	2009		2008	
	%	VND million	%	VND million
Profit before tax		732,926		454,913
Tax at CIT rate applicable	25.00%	183,232	28.00%	127,376
Effect of change in tax rate	-	-	0.14%	618
Tax incentives	(0.04%)	(279)	(0.02%)	(104)
Effect of different tax rates in subsidiaries	(17.56%)	(128,724)	(15.58%)	(70,892)
Effect of higher tax rate on other income and expense	(0.08%)	(608)	-	-
Non-deductible expenses	0.54%	3,956	0.13%	602
Tax exempt income	(1.64%)	(12,003)	(0.60%)	(2,734)
Deferred tax assets not previously recognized	1.07%	7,834	(0.12%)	(520)
Under provision in prior years	-	-	0.10%	462
	7.29%	53,408	12.05%	54,808

Pursuant to Circular No. 03/2009/TT-BTC (“Circular 03”) issued by the Ministry of Finance on 13 January 2009, the operations of the Company’s subsidiary, Minh Viet Packaging Joint Stock Company (“Minh Viet”), meet the definition of Small and Medium Enterprises and Minh Viet is therefore entitled to a 30 percent reduction of current income tax expense for the fourth quarter of 2008. The amount of income tax reduction for the fourth quarter of 2008 has been computed based on one fourth of the taxable profit for the year in accordance with the guidance in Circular 03.

(c) Applicable tax rates

Under the terms of its Business Registration Certificate, the Company has an obligation to pay the government corporate income tax (“CIT”) at the rate of 28% of taxable profits. Effective 1 January 2009, the Company’s income tax rate is reduced from 28% to 25% due to a change in the income tax law.

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

31. INCOME TAX (CONTINUED)

(d) Tax contingencies

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

32. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

In addition to related party balances and transactions disclosed in other notes to these financial statements, the Group has the following transactions with related parties during the year:

Related Party	Nature of transaction	2009	2008
		VND million	VND million
Parent Company			
Ma San Corporation	Purchase consideration for interests in subsidiaries	-	100,000
(formerly known as Masan Group Corporation)	Loan provided to Ma San Corporation	58,543	323,169
	Interest and loan repayment by Ma San Corporation	76,370	360,626
	Acquisition of exchangeable bonds issued by parent company by setting off against loan receivable from parent company	400,000	-
Board of Management members			
Board of Management members	Loan received and interest expenses	930,089	-
	Capital contributed	1,030,134	-
	Remuneration to a member of Board of Management	161	133
Other related parties			
Nguyen Quynh Lam – a shareholder of Ma San Group Corporation	Loan collections from Nguyen Quynh Lam	-	1,000
	Capital contributed	18,305	-

Notes to the Consolidated Financial Statements

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33. COMMITMENTS

(a) Capital expenditure

As at 31 December 2009, the Group had the following outstanding capital commitments approved but not provided for in the balance sheet:

	31/12/2009 VND million	31/12/2008 VND million
Approved and contracted	206,904	-
Approved but not contracted	428,947	15,395
	635,851	15,395

(b) Leases

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

	31/12/2009 VND million	31/12/2008 VND million
Within one year	32,513	12,692
Within two to five years	71,838	9,488
More than five years	26,584	26,934
	130,935	49,114

34. EARNINGS PER SHARE

(a) Basic earnings per share

(i) Net profit attributable to ordinary shareholders

The calculation of basic earnings per share at 31 December 2009 was based on the profit attributable to ordinary shareholders of VND416,574 million (2008: VND210,335 million) of the Group and a weighted average number of ordinary shares outstanding of 155,608,815 shares (2008: 3,200,000 shares), calculated as follows:

	2009 VND million	2008 VND million
Net profit attributable to ordinary shareholders	416,574	210,335

(i) Weighted average number of ordinary shares

	2009	2008
Issued ordinary shares at the beginning of the year	3,200,000	3,200,000
Effect of shares issued during the year	152,408,815	-
Weighted average number of ordinary shares at the end of the year	155,608,815	3,200,000

Issued ordinary shares at the beginning of 2008 have been adjusted to reflect share split at a ratio of 1:10 on 11 July 2009. Earnings per share for the year ended 31 December 2008 have also been adjusted accordingly to reflect this share split.

(b) Diluted earnings per share

The calculation of diluted earnings per share for 2009 was based on profit attributable to shareholders and a weighted average number of ordinary shares outstanding after adjustment for the effect of all diluted potential ordinary shares arising on a convertible bond (see note 21(j)). The convertible price is based on the Group's 2010 earnings but for the purpose of this computation, the preliminarily determined price of VND20,374 per share was used.

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34. EARNINGS PER SHARE (CONTINUED)

(b) Diluted earnings per share (continued)

(i) Net profit attributable to ordinary shareholders (diluted)

	2009 VND million	2008 VND million
Net profit attributable to ordinary shareholders (basic)	416,574	210,335
Interest expense on convertible bonds, net of tax	11,316	-
Net profit attributable to shareholders (diluted)	<u>427,890</u>	<u>210,335</u>

(ii) Weighted average number of ordinary shares (diluted)

	2009	2008
Weighted average number of ordinary shares (basic)	155,608,815	3,200,000
Effect of conversion of convertible bonds	4,320,648	-
Weighted average number of ordinary shares (diluted)	<u>159,929,463</u>	<u>3,200,000</u>

35. SHARE BASED PAYMENT PLAN

The number of a subsidiary's shares issued by the subsidiary to its employees for services rendered is as follows

	2009	2008
Employees	1,067,998	266,209
Members of the Board of Directors (excluded from employees numbers)	<u>60,625</u>	<u>39,843</u>

Prepared by:

Lahal

Ta Thi Thuy Trang
Chief Accountant

Approved by:



Nguyen Dang Quang
Chairman

Ho Chi Minh City, March 31, 2010

Further Information

CORPORATE INFORMATION

The Group was incorporated on April 1, 1996, officially changed its name to Ma San Group Corporation in August 2009, and was successfully listed on the Ho Chi Minh Stock Exchange on November 5, 2009.

Masan Group is a private sector organization. The Group has Masan Food as its direct subsidiary and Techcombank as its affiliate.

As of December 31, 2009, the Group had 5,079 employees. In addition to salary, employees have social and health insurance as well as other benefits defined by local law. Masan also applies Employee Stock Ownership Plan and remunerates the management team with equity.

CORPORATE GOVERNANCE

Governance Structure

Approval	Annual General Meeting		
Validation	Board of Directors	Supervisory Board	
Strategic Management	Management Board		
	Chief Executive Officer		
	Deputy Chief Executive Officer		
	Head of Operations		
	Chief Accountant		
Implementation	Business Development	Local Execution	Finance and Operations

Board of Directors

The Board of Directors is elected by shareholders to oversee the activities of the Group. Members of the Board of Directors meet regularly to discuss strategic decisions raised by the Management Board. Details on the responsibilities of the Board are presented in the Board of Directors section. In the 2009 audited financial statements, the Board is referred to as the Board of Management, in accordance with KPMG's convention.

Supervisory Board

The Supervisory Board oversees activities of the Board of Directors and the Management Board.

The Management Board

The Management Board's prime responsibilities include strategic management, resource allocation at senior management level, financial accounting and controls, capital management, governance, and internal control.

Business Development

The Business Development professionals are responsible for providing strategy and transactional support for existing businesses and hands-on execution for new businesses.

Local Execution and Project Management

The Local Execution Team provides critical support to our subsidiaries and affiliates with their strong understanding of and substantial access to Vietnam's local markets and resources. The team has extensive experience in dealing with government agencies and project execution and management.

Finance and Operations

This team comprises Finance and Accounting, Legal, Investor Relations and Administration. Its responsibilities include financial reporting, complying with laws and regulations, working with our investors and managing the day to day operations of the company

BOARD OF DIRECTORS

Board Responsibility and Delegation of Authority

The Board has two executive members, and four independent non-executive members. The Board is chaired by an independent Director. The roles of the Chairman and Chief Executive Officer are separate. During the year, there were no changes in the structure of the Board of Directors except for the appointment of a new Director, Lars Kjaer representing BankInvest, at the General Meeting of Shareholders.

Members of the Management Board include:

- Dr. Nguyen Dang Quang, Chairman
- Mr. Ho Hung Anh, Vice Chairman
- Mr. Madhur Maini, Member
- Mr. Nguyen Thieu Nam, Member
- Ms. Nguyen Hoang Yen, Member
- Mr. Lars Kjaer, Member

The Chairman plays an important leadership role and is involved in

- chairing meetings of the Board and providing effective leadership to it;
- maintaining dialogue with the Chief Executive Office and providing appropriate strategic input;
- monitoring the performance of the Board; and
- being a respected ambassador for the Group, including chairing meetings of shareholders and dealing with political and regulatory parties.

The Board is responsible for charting the direction, strategies and financial objectives of the Group and monitoring the progress in relation to such matters. It does not form committees under itself.

Non-executive members regularly communicate with the management of the Group to understand the progress and performance of the operations.

Board Meetings

The Board regularly meets to discuss the direction, strategy and progress of development of the business. Typically, the topics at the Board meetings include:

- reports on major projects and current business issues;
- reports on financial performance;
- specific business proposals;
- minutes of the previous meeting, and outstanding issues.

Activities of the Board

In 2009, the Board frequently met to discuss restructuring, listing of Masan, future strategies of the Group, and investment opportunities. In 2009 the Board's activities included:

- proposing to the General Meeting of Shareholders the issuance of new ordinary shares to strategic investors in the form of a private placement to less than 100 investors;
- preparing the issuance plan and the plan to use the proceeds from the issuance;
- selecting specific strategic investors;
- deciding the subscription price, the timing for issuance and other matters in relation to the issuance;
- deciding the transactions and the terms and conditions of the agreement to be signed between the strategic investors and the Group in relation to the issuance;
- deciding business development plan and annual budget; and
- proposing the issuance of convertible bonds to TPG.

The Board also appointed members of the Management Board, the Chief Accountant and the Chief Financial Officer of the Group.

There were no separate meetings of non-executive Board members. Activities of the Board involved all members.

MANAGEMENT BOARD

On 31 August, 2009, the Board of Directors appointed members of the Management Board. At regular meetings, the Management Board reviews development within the businesses, discusses matters of Group strategy and formulates recommendations. The Chief Executive Officer chairs the Management Board.

As of December 31, 2009, there were no changes in the structure and personnel of the Management Board. Members of the Management Board include:

- Mr. Madhur Maini, Chief Executive Officer
- Mr. Nguyen Thieu Nam, Deputy Chief Executive Officer
- Ms. Tran Thi Minh Nguyet, Head of Operations
- Ms. Ta Thi Thuy Trang, Chief Accountant

SUPERVISORY BOARD

Members of the Supervisory Board were appointed by the General Meeting of Shareholders. The Supervisory Board supervises the activities and performance of the Board of Directors.

The Supervisory Board comprised the following members:

- Mr. Nguyen Quynh Lam, Head of Supervisory Board
- Ms. Nguyen Thu Hien, Member
- Mr. Dang Ngoc Ca, Member

Activities of the Supervisory Board

The Supervisory Board oversees activities of the Board and the Management Board in compliance with the Group's Charter, the Internal Corporate Governance Regulations of the Group and relevant laws. The Supervisory Board participates in regular and extraordinary meetings of the Board and a shareholders' meeting.

INTERNAL CORPORATE GOVERNANCE RULES

The Group's Internal Corporate Governance Rules were approved during a Shareholder Meeting held on 9 October 2009. Objectives of the Internal Corporate Governance Rules are to:

- ensure an effective corporate governance plan;
- ensure shareholders' rights;
- ensure equal rights among shareholders;
- ensure equal rights for related parties;
- enhance transparency; and
- monitor the performance of the Board of Directors and the Supervisory Board.

The Internal Corporate Governance Rules define responsibilities and delegation of authority of the Board of Directors, members of the Board of Directors, the Supervisory Board, and members of the Supervisory Board.

Eleven out of 13 members of the Board, the Management Board and the Supervisory Board have qualifications in business administration.

Remuneration of the Board, the Supervisory Board, and the Management Board

The Group is developing policies on remuneration for members of the Board and the Supervisory Board. Remuneration of the Management Board comprises a fixed component as well as a variable component.

SHAREHOLDER INFORMATION

	31 Dec 2009		31 Dec 2008	
	in share	in %	in share	in %
Significant shareholders				
Ma San Corporation	250,421,247	51.5907%	0	0.0000%
State				
	0	0	0	0
Founding shareholders				
Nguyen Dang Quang	10	0.0000%	0	0.0000%
Ho Hung Anh	21,768,269	4.5693%	0	0.0000%
Foreign institutional shareholders				
BankInvest	54,684,328	11.2658%	0	0.0000%
House Foods	9,000,000	1.8541%	0	0.0000%

Ma San Corporation

Ma San Corporation was incorporated on September 13, 2009. Its registered activities cover market research and commercial promotion, investment, management and technology transfer consulting, establishment and management of investment projects, office leasing and real estate business.

Founding shareholders

Nguyen Dang Quang was Chairman of Masan Group and Ho Hung Anh was Vice Chairman of Masan Group as of December 31, 2009. As of the date of this report, they are still in their positions.

Foreign institutional shareholders

Further information about BankInvest and House Foods is provided in Profile of our Partners section. BankInvest is located at room 1601, 16th Floor, Sun Wah Tower, 115 Nguyen Hue Blvd, District 1, Ho Chi Minh, Vietnam.

House Foods is located at 6-3 Kioi-cho Chiyoda-ward, Toyko 102-8560, Japan.

SHAREHOLDINGS AND CHANGES IN SHAREHOLDINGS OF THE BOARD DURING 2009

	2009 in %	2008 in %	Increase
Nguyen Dang Quang, Chairman	0.0000%	0.0000%	0.0000%
Ho Hung Anh, Vice Chairman	4.4846%	0.0000%	4.4846%
Madhur Maini, Chief Executive Officer	0.1238%	0.0000%	0.1238%
Nguyen Thieu Nam, Deputy Chief Executive Officer	0.0227%	0.0000%	0.0227%
Nguyen Hoang Yen, Member	4.4869%	0.0000%	4.4869%
Lars Kjaer, Member	0.0000%	0.0000%	0.0000%

INFORMATION RELATED TO TRADING AND TRANSFER OF SHARES OF THE BOARD AND THE SUPERVISORY BOARD MEMBERS

During the year, there were three transactions involving Masan shares conducted by related persons of the Board and the Supervisory Board members. The table below sets out the transactions:

Trading/Transfer date	Related persons and relationship with the Board and Supervisory Board members	Number of shares sold
November 10, 2009	Nguyen Thi Thu Ha, sister of Nguyen Thi Thu Hien, Member of the Supervisory Board	5,000
December 24, 2009	Nguyen Thi Thu Ha, sister of Nguyen Thi Thu Hien, Member of the Supervisory Board	100
December 29, 2009	Nguyen Thieu Quang, brother of Nguyen Thieu Nam, Deputy Chief Executive Officer	966,994

EQUITY INFORMATION

As at 31 December, otherwise stated	2009
Share price (VND)	34,200
52 week high share price (VND)	45,300
52 week low share price (VND)	32,600
Number of shares issued (share)	485,399,820
Number of ordinary shares (share)	485,399,820
Number of preference shares (share)	0
Number of treasury shares (share)	0
Dividend yield (%)	0
Number of convertible bonds (bond)	4
Principal amount of convertible bonds (VND billion)	630

FORWARD-LOOKING STATEMENTS

This report contains information that may constitute “forward-looking statements.” Generally, the words “believe,” “expect,” “intend,” “estimate,” “anticipate,” “project,” “will” and similar expressions identify forward-looking statements, which generally are not historical in nature. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future - including statements relating to volume growth, share of sales and earnings per share growth, and statements expressing general views about future operating results - are forward-looking statements.

Management believes that these forward-looking statements are reasonable as and when made. However, caution should be taken not to place undue reliance on any such forward-looking statements because such statements speak only as of the date when made. Masan Group Corporation undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause audited results to differ materially from our company’s historical experience and our present expectations or projections. These risks and uncertainties include, but are not limited to, those described elsewhere in this report and those described from time to time in our future reports filed with the Ho Chi Minh City Stock Exchange.

Glossary of Terms

ATM	Automatic Teller Machine
BankInvest	BankInvest Group
HSBC	The Hongkong and Shanghai Banking Corporation
House Foods	House Foods Corporation Inc
M&A	Mergers and Acquisitions
Masan	a term referring to Masan Group, Masan Food and their subsidiaries, and Techcombank
Masan Group or the Group	Ma San Group Corporation
Masan Food	Ma San Food Corporation
Mekong Capital	Mekong Capital Ltd
MNC	Multinational Company
R&D	Research and Development
ROA	Return On Assets
ROE	Return On Equity
SG&A	Selling, General and Administration expenses
Techcombank or the Bank	Vietnamese Technological and Commercial Joint Stock Bank
The Board	The Board of Directors
TPG	Texas Pacific Group
USD	United States Dollar
VND	Vietnam Dong

Contact

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