

**Ma San Group Corporation (formerly known as
Masan Shipping Corporation) and its subsidiaries**

Consolidated Financial Statements for the year
ended 31 December 2009

**Ma San Group Corporation (formerly known as Masan Shipping Corporation)
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	Chairman
Mr Ho Hung Anh	Vice chairman
Ms Nguyen Hoang Yen	Member (from 11 July 2009)
Mr Nguyen Thieu Nam	Member (from 11 July 2009)
Mr Madhur Maini	Member (from 11 July 2009)
Mr Lars Kjaer	Member (from 9 Oct 2009)
Mr Nguyen Thanh Hai	Member (to 11 July 2009)
Ms Nguyen Ngoc Ha	Member (to 11 July 2009)
Mr Dao Duc Dua	Member (to 11 July 2009)
Ms Pham Thi Anh Tuyet	Member (to 11 July 2009)
Mr Vu Thanh Hoan	Member (to 11 July 2009)
Mr Nguyen Gia Hien	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

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, Vietnam



KPMG Limited
10th Floor, Sun Wah Tower
115 Nguyen Hue Street
District 1, Ho Chi Minh City
The Socialist Republic of Vietnam

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INDEPENDENT AUDITORS' 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

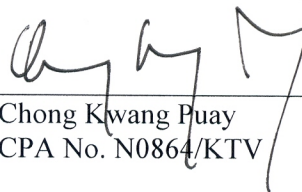
Audit Report No: 09-01-542



Nguyen Thanh Nghi

CPA No. 0304/KTV

Deputy General Director



Chong Kwang Puay

CPA No. N0864/KTV

Ho Chi Minh City, 31 MAR 2010

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
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

The accompanying notes are an integral part of these financial statements

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Consolidated balance sheet at 31 December 2009 (continued)

	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
<i>Cost</i>	222		597,478	281,838
<i>Accumulated depreciation</i>	223		(131,995)	(80,469)
Finance lease tangible fixed assets	224	9	14,096	14,646
<i>Cost</i>	225		16,871	15,011
<i>Accumulated depreciation</i>	226		(2,775)	(365)
Intangible fixed assets	227	10	72,865	43,858
<i>Cost</i>	228		82,688	51,410
<i>Accumulated amortisation</i>	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

The accompanying notes are an integral part of these financial statements

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

Consolidated balance sheet at 31 December 2009 (continued)

	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

Approved by:



Nguyen Dang Quang
Chairman

31 MAR 2010

The accompanying notes are an integral part of these financial statements

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
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

The accompanying notes are an integral part of these financial statements

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

Consolidated statement of income for the year ended 31 December 2009 (continued)

	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

Nguyen Dang Quang
Chairman

31 MAR 2010

The accompanying notes are an integral part of these financial statements

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Consolidated statement of changes in equity for the year ended 31 December 2009

	Share capital	Other reserves	Bonus and welfare funds	Retained profits	Equity attributable to equity holders of Company	Minority interests	Total
	VND million	VND million	VND million	VND million	VND million	VND million	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

The accompanying notes are an integral part of these financial statements

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Consolidated statement of changes in equity for the year ended 31 December 2009 (continued)

	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

31 MAR 2010

The accompanying notes are an integral part of these financial statements

Approved by:



Nguyen Dang Quang
Chairman

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

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 amortisation	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

The accompanying notes are an integral part of these financial statements

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

Consolidated statement of cash flows for the year ended 31 December 2009 (continued)

	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)

The accompanying notes are an integral part of these financial statements

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

Consolidated statement of cash flows for the year ended 31 December 2009 (continued)

	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

The accompanying notes are an integral part of these financial statements

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

Consolidated statement of cash flows for the year ended 31 December 2009 (continued)

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

Ta Thi Thuy Trang
Chief Accountant

Approved by:



Nguyen Dang Quang
Chairman

31 MAR 2010

The accompanying notes are an integral part of these financial statements

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

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).

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

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.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

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.

(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 recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated amortisation 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.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with 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.

(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 recognised. 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 recognised.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

(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.

(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 capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

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

▪ buildings and structures	5-25 years
▪ leasehold improvements	3-5 years
▪ office equipment	3-6 years
▪ machinery and equipment	3-12 years
▪ motor vehicles	3-6 years

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

(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 amortisation. 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. Amortisation is computed on a straight-line basis over their useful lives ranging from 40 to 47 years.

(ii) Software

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

(iii) Brand name

Cost of acquisition of brand name is capitalised and treated as an intangible assets. Brand name is amortised 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.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

(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 recognised 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 amortised 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 recognised immediately in profit or loss.

Goodwill is measured at cost less accumulated amortisation. Goodwill is amortised 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.

(o) Provisions

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

(p) Taxation

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

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

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 realisation 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 recognised 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 realised.

(q) Share capital

(i) Ordinary shares

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

(ii) Treasury shares

When share capital recognised as equity is purchased, the amount of the consideration paid, which includes directly attributable cost, net of any tax effects, is recognised 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 recognised as an increase in equity, and the resulting surplus or deficit on the transactions is transferred to/from capital surplus.

(r) Revenue

(i) Goods sold

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

(ii) Dividend income

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

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

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

(s) Operating lease payments

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

(t) Borrowing costs

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

(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.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

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

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2009

(continued)

4. Cash and cash equivalents

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

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	31/12/2008
	VND million	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
	<hr/>	<hr/>
	517	410,931
	<hr/> <hr/>	<hr/> <hr/>

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.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

5. Accounts receivable – short-term (continued)

Other short-term receivables comprised:

	31/12/2009	31/12/2008
	VND million	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
	<hr/>	<hr/>
	158,767	33,728
	<hr/>	<hr/>

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	2008
	VND million	VND million
Opening balance	515	-
Increase in allowance during the year	1,377	515
	<hr/>	<hr/>
Closing balance	1,892	515
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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).

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

6. Inventories

	31/12/2009	31/12/2008
	VND million	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
	<hr/>	<hr/>
	237,288	190,420
Allowance for inventories	(37,822)	(7,023)
	<hr/>	<hr/>
	199,466	183,397
	<hr/> <hr/>	<hr/> <hr/>

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

	2009	2008
	VND million	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)
	<hr/>	<hr/>
Closing balance	37,822	7,023
	<hr/> <hr/>	<hr/> <hr/>

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

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

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	124,455	1,175	16,317	439,340	16,191	597,478
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

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

8. Tangible fixed assets (continued)

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
	<hr/>
Closing balance	16,871
	<hr/>
Accumulated depreciation	
Opening balance	365
Transfer from tangible fixed assets	266
Charge for the year	2,144
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Closing balance	2,775
	<hr/>
Net book value	
Opening balance	14,646
Closing balance	14,096
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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.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

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
<hr/>				
Closing balance	77,611	4,531	546	82,688
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Accumulated amortisation				
Opening balance	7,160	392	-	7,552
Amortisation for the year	1,189	946	109	2,244
Transfer from long-term prepayments	-	-	27	27
<hr/>				
Closing balance	8,349	1,338	136	9,823
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Net book value				
Opening balance	41,946	1,912	-	43,858
Closing balance	69,262	3,193	410	72,865
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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)
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Closing balance	52,916	55
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Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

12. Investments

	31/12/2009	31/12/2008
	VND million	VND million
Long-term investments		
Investment in associate	3,919,827	-
Other long term investments in equity interests	-	71,918
	<hr/>	<hr/>
	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
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	776,000	308,900
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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.

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	Printing Axles	Tools and supplies	Total
	VND million	VND million	VND million	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)
Amortisation for the year	(61)	(3,825)	(9,659)	(13,545)
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Closing balance	2,446	341	9,098	11,885
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Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

14. Deferred tax assets

Recognised deferred tax assets

	31/12/2009	31/12/2008
	VND million	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	-
	<hr/>	<hr/>
	25,420	5,698
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15. Goodwill

	VND million
Cost	
Opening balance/closing balance	5,954
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Accumulated amortisation	
Opening balance	1,191
Amortisation for the year	595
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Closing balance	1,786
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Net book value	
Opening balance	4,763
Closing balance	4,168
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Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

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
Closing balance		687,260	297,333

- (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.

- (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.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

16. Short-term borrowings and liabilities (continued)

- (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.
- (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.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

17. Taxes payable to State Treasury

	31/12/2009	31/12/2008
	VND million	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
	<hr/>	<hr/>
	77,417	66,771
	<hr/>	<hr/>

18. Accrued expenses

	31/12/2009	31/12/2008
	VND million	VND million
Transportation expenses	16,914	1,766
Bonus and 13 th 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
	<hr/>	<hr/>
	163,590	27,155
	<hr/>	<hr/>

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

19. Related-company payables

	31/12/2009	31/12/2008
	VND million	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
	<hr/>	<hr/>
	131	100,077
	<hr/>	<hr/>

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

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

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

- (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.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

21. Long-term borrowings and liabilities (continued)

- (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.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

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.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

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
	7,162	718	6,444	9,275	1,554	7,721

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	1,895	1,433

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.

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.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2009 (continued)

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.

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

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

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	<hr/> 3,957,814	<hr/> 1,922,088 <hr/>

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
	<hr/> 2,583,876	<hr/> 1,324,167 <hr/>

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

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
	<hr/> 160,292	<hr/> 134,525

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
	<hr/> 103,130	<hr/> 58,297

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

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
	<hr/>	<hr/>
	18,632	9,443
	<hr/>	<hr/>

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
	<hr/>	<hr/>
	22,778	5,685
	<hr/>	<hr/>

30. Share of profit in associate

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

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

31. Income tax

(a) Recognised in the statement of income

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

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

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 recognised	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.

(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.

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2009

(continued)

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 VND million	2008 VND million
Parent Company			
Ma San Corporation (formerly known as Masan Group Corporation)	Purchase consideration for interests in subsidiaries	-	100,000
	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	-

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)

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
	<hr/>	<hr/>
	635,851	15,395
	<hr/> <hr/>	<hr/> <hr/>

(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
	<hr/>	<hr/>
	130,935	49,114
	<hr/> <hr/>	<hr/> <hr/>

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

**Notes to the consolidated financial statements for the year ended 31 December 2009
(continued)**

34. Earnings per share

(a) Basic earnings per share

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:

(i) Net profit attributable to ordinary shareholders

	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.

(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)	427,890	210,335

Ma San Group Corporation (formerly known as Masan Shipping Corporation) and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2009 (continued)

34. Earnings per share (continued)

(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	-
	<hr/>	<hr/>
Weighted average number of ordinary shares (diluted)	159,929,463	3,200,000
	<hr/> <hr/>	<hr/> <hr/>

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)	60,625	39,843
	<hr/>	<hr/>

Prepared by:

Lahal

Ta Thi Thuy Trang
Chief Accountant

Approved by:



Nguyen Dang Quang
Chairman

31 MAR 2010