

CÔNG TY CỔ PHẦN TẬP ĐOÀN  
MASAN  
MASAN GROUP CORPORATION

CỘNG HOÀ XÃ HỘI CHỦ NGHĨA VIỆT NAM  
Độc lập - Tự do - Hạnh phúc  
THE SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness

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Ho Chi Minh City, 18 April 2022

**CÔNG BỐ THÔNG TIN BẤT THƯỜNG**  
**EXTRAORDINARY INFORMATION DISCLOSURE**

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**To:** State Securities Commission of Vietnam  
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1. Tên tổ chức/*Name of organization*: Công ty Cổ phần Tập đoàn Masan / *Masan Group Corporation*

- Mã chứng khoán/Mã thành viên/ *Stock code/ Broker code*: MSN

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2. Nội dung thông tin công bố: Thông cáo báo chí về kết quả kinh doanh Quý 1/2022.

*Contents of disclosure: Immediate release on the unaudited management "The detailed commentary on its unaudited management accounts for the first quarter of 2022.*

(Đối với trường hợp đính chính hoặc thay thế thông tin đã công bố cần giải trình rõ nguyên nhân đính chính hoặc thay thế)/*In case of correction or replacement of previously disclosed information, explanation is needed*)

3. Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày 18/04/2022 tại đường dẫn [https://masangroup.com/msnew/investor-center/?lang\\_ui=vn](https://masangroup.com/msnew/investor-center/?lang_ui=vn).

*This information was disclosed in the folder Corporate Announcements of section Investor Center on the Company's website on 18/04/2022 at [https://masangroup.com/msnew/investor-center/?lang\\_ui=en](https://masangroup.com/msnew/investor-center/?lang_ui=en)*



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**Tài liệu đính kèm/Attached documents:**

Tài liệu liên quan đến nội dung thông tin công bố như nêu tại mục 2/*Documents related to disclosed information at mentioned in paragraph 2.*

**ĐẠI DIỆN TỔ CHỨC**  
**ORGANIZATION REPRESENTATIVE**  
Người được ủy quyền công bố thông tin  
*Authorized representative for information disclosure*  
**LUẬT SƯ TRƯỞNG / GENERAL COUNSEL**



**FOR IMMEDIATE RELEASE**

**Masan Group's Profits Up 8x in 1Q2022;  
TCX Continues to Power Growth for Masan**

**Ho Chi Minh City, 28 April 2022** – Masan Group Corporation (**HOSE: MSN**, “Masan” or the “Company”), today released its unaudited management accounts for the first quarter of 2022 (“1Q2022”).

“Our traditional consumer-centric philosophy has evolved into a consumer-tech mindset and platform. Artificial Intelligence is core to this consumer-tech transformation and how we will serve each consumer uniquely and more cost effectively. Today, we now have a strong AI and ML platform that can drive value to our consumers’ daily lives. AI and ML is the only way to serve our consumers exactly what they want whether off or online,” said Dr. Nguyen Dang Quang, Chairman of Masan Group.

**1Q2022 Key Takeaways:**

- **The CrownX** (“TCX”), Masan’s integrated consumer-retail platform that consolidates WinCommerce (“WCM”) and Masan Consumer Holdings (“MCH”), grew net revenue year-over-year (“YoY”) by 7.3% to VND13,450 billion in 1Q2022, compared to VND12,533 billion in 1Q2021, driven by strong revenue growth in MCH and new store additions at WCM.
  - WCM: Significantly expanded store count year-to-date (“YTD”), opening 109 new locations in 1Q2022. As a result, WCM revenue was up 0.8% YoY compared to 1Q2021, and up 5.7% versus 4Q2021. With 300 new stores expected to be opened in 2Q2022, in addition to growth in existing stores, WCM is on track to deliver ~6% revenue growth in 2Q2022 YoY, signaling strong growth momentum for remainder of FY2022.
  - MCH: delivered net revenue growth of 17.4% YoY in 1Q2022, reaching VND6,448 billion, driven by double-digit growth in nearly all categories. Based on accelerating product launches and growth in existing categories, MCH is on track to deliver ~30% growth in topline for 2Q2022 YoY.
- TCX’s EBITDA in 1Q2022 was VND1,643 billion, up 35.1% YoY.
  - WCM: EBITDA reached VND164 billion in 1Q2022, representing an EBITDA margin of 2.2%, an improvement of 40 basis points (“bps”) YoY, despite new store openings which typically take time to ramp up.
  - MCH: MCH delivered gross margin of 40.7% in 1Q2022, improvement of 100 bps versus 1Q2021. EBITDA margins were also higher at 22.7%, up 80 bps versus same period last year. As a result, MCH delivered VND1,466 billion in EBITDA, growth of 28.4% YoY. While higher raw material costs are expected to slightly pressure 2Q2022 margins, management expects greater operational efficiency, cost saving initiatives (such as optimizing sales and promotion activities), and passing on supply side cost pressures where required will result in 20%+ EBITDA margin for FY2022.
- **Masan MEATLife’s** (“MML”): As a result of deconsolidation of feed business, revenue declined by 80.2% YoY to VND931 billion in 1Q2022, comprising entirely of sales of meat products. On a like-for-like basis, which excludes feed segment contribution, MML net revenue was only down by 5.4% due to lower pig prices offset by higher sales volume. Despite higher soft commodity prices, branded pork meat (“MEATDeli”) EBITDA margins improved by 1,540 basis points (“bps”) in 1Q2022 YoY, while chicken segment (“3F VIET”) EBITDA margins improved by 670 bps. Management expects the trend of rising meat prices will continue thereby supporting margins, while expansion of product portfolio and increased availability (growth of WCM network and other channels) will lead to higher revenues from 2Q2022 onwards.
- **Masan High-Tech Materials** (“MHT”): Driven by rising commodity prices and strong demand, MHT delivered net revenue of VND3,930 billion in 1Q2022, up 32.6% YoY, EBITDA of VND878 billion, up 83.7% YoY, and net profit of VND126 billion. Expectations for revenue growth in

2Q2022 are more than 30% YoY, driven by higher commodity prices. Management is working on initiatives to go further downstream to improve profitability and unlock further value.

- **Techcombank** (“TCB”), Masan’s associated company, delivered profit before tax growth of 23% YoY to reach VND6.8 trillion in 1Q2022. For detailed results, please refer to the bank’s website.

### **Consolidated Financial Results**

- **Net Revenue:** Masan’s consolidated net revenue reached VND18,189 billion in 1Q2022, a decline of 8.9% versus VND19,977 billion in 1Q2021, mainly due to deconsolidation of the feed segment. Excluding 2021 feed revenue for a like-for-like<sup>1</sup> comparison, net revenue grew by 11.9% in 1Q2022 YoY, driven by double-digit growth at MCH and MHT, and low-single digit growth at WCM.
- **EBITDA:** 1Q2022 consolidated EBITDA grew by 16.3% YoY to VND3,655 billion as EBITDA margin reached 20.1% in 1Q2022 versus 15.7% in 1Q2021, primarily driven by TCX increasing EBITDA by 35.1% YoY. On a like-for-like basis, consolidated EBITDA was up 28.9% in 1Q2022 YoY.
- **Net Profit After Tax (“NPAT”):** NPAT Pre-MI (before minority interests) grew by 452.5% to VND1,895 billion in 1Q2022, compared to VND343 billion in 1Q2021. NPAT Post-MI (after minority interests) grew by 753.5% in 1Q2022 to VND1,596 billion compared to VND187 billion in 1Q2021.
- **Balance Sheet Highlights:** Net Debt<sup>2</sup> to LTM (Last 12 Months) EBITDA reached 2.7x at end of 1Q2022 compared to 2.2x at the end of FY2021, mainly due to lower cash balance.
  - Cash and cash equivalent balance reached VND12,936 billion as of end 1Q2022, lower compared to end of FY2021, mainly due to the acquisition of additional stake in The CrownX, additional stake in Phuc Long Heritage and capital expenditures in 1Q2022.
  - At the end of 1Q2022, MSN’s consolidated gross debt reached VND58,436 billion, an increase of VND258 billion compared to end of FY2021.
  - Net debt was VND45,500 billion at the end 1Q2022, compared to VND35,540 billion at the end of FY2021, mainly due to lower cash balance.
  - Capital Expenditure (“Capex”) in 1Q2022 reached VND843 billion, compared to VND675 billion in same period last year.

### **FY2022 Forecast:**

On a preliminary basis, subject to change and customary corporate approvals, Masan’s FY2022 financial forecast expects consolidated net revenue to be between VND90 trillion and VND100 trillion, representing a growth of 22% and 36%, compared to VND74.2 trillion (excluding feed segment revenue) in FY2021. In FY2021, revenue contribution from only consumer businesses (excluding feed and MHT) was 68%, which is expected to improve to 85% in FY2022. NPAT Pre-MI is expected to be within the range of VND6.9 trillion and VND8.5 trillion, a growth of 82% to 124% compared to VND3.8 trillion in FY2021 (which excludes one-time gains/losses and feed segment contribution in 2021).

- **The Crown X** expects to deliver net revenue within the range of VND68 trillion and VND76 trillion in FY2022, up 17% to 31% compared to FY2021.
  - **WCM** is expected to deliver net revenue within range of VND38 and 40 trillion in FY2022, up 23% to 29% YoY driven by revenue growth in existing stores and expansion of store count. Expansion of new formats, focus on fresh products, private label, and expansion of CVLife model will provide further growth drivers. Target to increase profitability through better supplier terms, lower logistics costs and improved distribution capabilities.
  - **MCH’s** net revenue is expected reach between VND34 and 40 trillion in FY2022, up 18 to 39% versus FY2021, driven by premiumization, growth of core categories, innovations, and expanded availability at WCM’s location and other modern trade retailers.

<sup>1</sup> MML spun off its feed business at the end of November 2021.

<sup>2</sup> Net debt and cash and cash equivalents include short-term investments (such as term deposits) and interest-bearing receivables related to treasury activities.

- **MML** expects to deliver net revenue between VND5 and 6.5 trillion, up 11 to 45% YoY (excluding feed segment), driven by expanded branded pork and chicken product portfolio and increased distribution through WCM's locations. Profitability is expected to improve with higher utilization rates and growth in processed meat sales.
- **MHT** expects to deliver net revenue between VND14.5 and 15 trillion, up 7 to 11% on the back of continued improvement to tungsten market fundamentals in 2022 and strength in commodity markets in general.
- **TCB:** Masan believes the bank will be able to deliver consistent earnings growth and has reflected this view into its preliminary forecast for FY2022.
- **New Businesses:**
  - Phuc Long: Revenue expected to reach between VND2.5 and 3 trillion in FY2022, driven by expansion of network through own stores and WCM kiosks, and product portfolio expansion in tea and coffee categories.
  - Mobicast/Reddi: Target to reach 500K - 1 million subscribers in FY2022.

## Commentary by Business Segments

### The CrownX: Transforming from a traditional business into a disruptive, tech-empowered consumer organization

- Over the course of the first 4 months of 2022, Masan has achieved significant milestones to transform TCX from a traditional consumer-retail business into an O<sup>2</sup> consumer tech ecosystem.
  - Masan continued to fine-tune its **mini mall concept** which combines WinMart (grocery), Techcombank (financial services), Phuc Long (tea and coffee), pharmacy (health and well-being) and Reddi (telecom), all under one roof to better serve consumers and increase its addressable consumer wallet share from 25% to 60-80%. Initial success of mini mall concept has been evidenced by higher foot traffic and lower breakeven revenue for WCM locations. Masan plans to roll-out the concept nationwide.
  - TCX aims to leverage **AI and ML capabilities** to drive cost efficiencies and business value across Masan's core business activities including retail store selection, demand & supply planning, product assortment, commercial sales & marketing and product development. Over the long-term, developing a true retail AI platform will enable Masan to deliver fintech solutions to the unbanked consumers, a personalized loyalty program, and convenient access to goods via online grocery and smart supply chain.

### WCM: The only major retailer to grow store network in 1Q2022, with improving profitability

- **1Q2022 Revenue Highlights:** WCM delivered VND7,297 billion in net revenue for 1Q2022, up 0.8% YoY and opened 109 new stores. 1Q2022 net revenue was up 5.7% compared to 4Q2021, signaling strong growth momentum for remainder of FY2022. WCM was the only major retailer expanding store network YTD 2022. With nearly 200 stores already operational as of April 2022, management is confident of achieving its target of opening 1,000 new mini markets nationwide in 2022.
  - **Mini mall concept:** Continued to show positive momentum with several key milestones achieved in 1Q2022 such as the expansion of an experienced management team to scale up the mini mall concept and focus on lifestyle marketing for young, savvy consumers. Pilot mini mall stores running in 5 locations during 1Q2022 witnessed, on average, a ~30% increase in foot traffic and helped to reduce breakeven revenue required per day per location from VND25 million/day to less than VND14 million/day. Mini mall stores in Tier 2 cities drew higher number of consumers opening bank accounts for the first time, underscoring the under-penetration of financial services in sub-urban and rural areas. Piloted pharmacy kiosks also continued to perform well, as average revenue/m<sup>2</sup>/month was more than 2x higher than the grocery segment in 1Q2022.
  - **Franchise model** is a key part of WCM's strategy to scale-up its footprint and platform efficiently and drive the trend towards higher modern trade penetration in Vietnam. In 1Q2022, there were 2 operating franchise stores being piloted, with performance on par with stores operated by WCM in the similar region. WCM continues to identify the optimal business model and better understand how to best partner with the franchisees before nationwide rollout.
  - **Minimarket (WinMart+ or WMP) Highlights:** WMP delivered net revenue of VND4,756 billion in 1Q2022, up 4.2% compared to 1Q2021. Growth in WinMart+ segment was due to higher number of stores, fresh-focus assortment, improved store concept and consumers preference for shopping in minimarkets. 2,708 minimarkets were operational as of end 1Q2022, out of which 2,138 were LFL stores. Revenue/m<sup>2</sup> from LFL stores was down 4.4% YoY in 1Q2022, and down 1.2% compared to 4Q2021. Average bill size was up 18.0% compared to last year, though average bills per day was down 18.9%.
    - **New Store Performance:** 169 new minimarkets opened in first nine months of 2021 have ramped up as per expectations, with 59% of stores already delivering break-even store level EBIT. 296 minimarkets opened in 4Q2021 need more time to ramp up, though 33% had already achieved break-even as of end on 1Q2022.
  - **Supermarket (WinMart or WMT) Highlights:** WMT delivered net revenue of VND2,510 billion in 1Q2022, down 5.0% compared to same period last year. Net

revenue for supermarket segment was up 24.5% compared to 4Q2021, due to COVID-19 related lockdowns being lifted and an early Tet holiday in 2022. LFL stores revenue/m<sup>2</sup> was down 6.2% YoY in 1Q2022 and up 29.1% compared to 4Q2021. For supermarket located outside of Vincom Retail locations (“VRE”), revenue was down 4.2% YoY, compared to 9.5% down for supermarkets located inside. As a result, EBITDA margin for WMT supermarkets located outside of VRE shopping malls was 9.2%, 670 bps higher compared to stores located inside. Average bill size was up 17.4% compared to last year, though average bills per day was down 21.2% in the same period.

- **New Supermarket Pilot Stores:** with better layout, store design and focus on fresh products, continued to perform well and achieved on an average 7.9% growth in revenue/m<sup>2</sup> compared to revenue/m<sup>2</sup> for existing stores.
- **1Q2022 Profitability Highlights:** WCM delivered positive EBITDA margin of 2.2% in 1Q2022, improvement of 40 bps compared to 1Q2021, despite operating 496 new minimarkets and 2 new supermarket compared to 1Q2021.
  - EBITDA margin improvement in 1Q2022 was driven by higher Total Commercial Margin (“TCM”) for retail revenue, as negotiations completed with over 1,000 suppliers in 2021 continue to deliver results. TCM margin for 1Q2022 was 28.5%, increase of 260 bps compared to 1Q2021. 70 bps improvement in logistics costs as higher percentage of goods flowed through WCM’s distribution centers. 50 bps deterioration in shrinkage expenses due to higher focus on fresh products.
  - EBITDA margins in 2H2022 are expected to more than double compared to 1Q2022 margin, as Masan expands the mini mall concept, which improves foot-traffic and EBITDA margins at the store level.

**MCH: 17% topline growth in 1Q2022; EBITDA margins strong at 22.7%**

- **1Q2022 Revenue Highlights:** MCH continued strong growth momentum to achieve VND6,448 billion in topline for 1Q2022, growth of 17.4% YoY. Driven by 6.8% growth in seasonings, 34.5% in convenience foods, 57.6% in processed meat and 14.8% in beer, offset by lower growth in home and personal care segment.
  - As the lockdown was over in October 2021 and Tet Holiday in 2022, revenue in 4Q2021 grew significantly. Despite a high base effect from 4Q2021, ~20% YoY growth in 1Q2022 is encouraging and bodes well for the remainder of 2022.
  - Modern trade (“MT”) and urbanization strategy accelerated with 3% growth in MT sales in 1Q2022 YoY. MT sales contribution was 10% of total sales in 1Q2022 versus 10% in 1Q2021. Increased synergies with WCM were evident with sales of MCH products through WCM network growing 23% in 1Q2022 YoY.
  - Innovations contributed VND373 billion in revenue for 1Q2022 (5.8% revenue contribution), compared to VND365 billion in 1Q2021 (6.6% revenue contribution).
- **1Q2022 Category Highlights:**
  - **Seasonings:** Category delivered VND1,918 billion in revenue for 1Q2022, up 6.8% YoY. Contribution to overall MCH sales was 30%. Premiumization continues to be a key growth driver; 15.1% sales contribution by premium fish sauce versus total fish sauce sales in 1Q2022 versus 13.5% in 1Q2021. Revenue for fish sauce down 11.5% in 1Q2022 YoY due to the effect of earlier Tet holiday. Soya sauce, chili sauce, and granules grew by 24.7%, 79.8% and 4.4%, respectively. Granules has now become a strong growth driver for the seasonings segment, with revenue contribution of 10.0% to total category sales in 1Q2022.
  - **Convenience Foods:** Category grew 34.5% YoY in 1Q2022 and delivered revenue of VND2,067 billion, with contribution to overall MCH sales at 32%. Premium segment contributed 45.4% of category revenue in 1Q2022 while home meal replacements (“HMR”) contributed 10.5% of overall category revenue in 1Q2022. HMR category sales growing at a fast rate due to successful new innovations like Pho, Hu Tieu and Mien. Expect category to continue growing in double-digits as the core brands continue to gain share and new product launches continue to perform well.
  - **Processed Meat:** Delivered 57.6% revenue growth in 1Q2022 to achieve revenue of VND399 billion. Contribution to overall MCH revenue increased to 6.2% in 1Q2022 versus 4.6% in 1Q2021. “Ponnie” brand leads the market in the

pasteurized sausage segment, with revenues up ~2x compared to 1Q2021 YoY. “Heo Cao Boi” brand, on the other hand, has become a preferred choice for young consumers, as revenues went up 34.4 % YoY.

- **Total Beverages:** Beverages category returned to double-digit growth in 1Q2022, as effects of COVID-19 related restrictions continued to be removed. Beverages segment including energy drinks, bottled water, nutritional drinks, coffee and beer, achieved revenue of VND1,492 billion, up 7.1% YoY. Category contributed 23.1% of overall MCH revenues. Management expects sales to grow faster in FY2022, as the effects of COVID-19 recede further.
- **Home Personal Care:** HPC category contributed VND352 billion in net revenue in 1Q2022, down 8.7% YoY, down mainly due to the early Tet in 2022. HPC category contributed 5.5% to overall MCH sales, with contribution expected to grow further. Portfolio expansion on track with innovative products set to be launched in powder detergent and dish-wash category.
- **1Q2022 Profitability Highlights:**
  - **Gross Margin:** Gross margin for 1Q2022 was 40.7%, improvement of 100 bps compared to 1Q2021. 1Q2022 gross margins were higher for seasonings, convenience foods, processed meat, coffee and beer segments, while lower for beverages and HPC. Though higher soft commodity prices may slightly affect gross margin in 2Q2022, management is committed to delivering ~40% gross margin for FY2022 at a consolidated level, through cost cutting initiatives, muted price hikes where required to pass on inflationary pressures, and improvement in individual category margins.
  - **EBITDA Margin:** 22.7% in 1Q2022, up 190 bps compared to 1Q2021, as gross margins improved by 100 bps, while SG&A as percentage of revenue was down 180 bps. Management is committed to delivering 20%+ EBITDA margin for FY2022, through passing on inflationary supply side cost pressures where required and optimizing sales and promotion activities to reduce operational costs.

#### **Phuc Long Heritage: Acquired controlling stake in January 2022**

- **1Q2022 Revenue Highlights:** Net revenue consolidated in MSN accounts for 2 months of 1Q2022 was VND257 billion, with 70% generated from flagship stores, 14% from kiosks, and remaining from mini-stores and B2B sales. Phuc Long Heritage operated 78 flagship stores, 13 mini-stores, and 760 kiosks as of end 1Q2022.
- **1Q2022 Profitability Highlights:** 68.6% gross margin in 1Q2022 and 18.3% EBITDA margin.
- **2022 Expansion Plan:** Network expansion by opening 100 more flagship stores and more than 400 kiosks in WCM locations. Focus to consolidate leading position in major cities and accelerate kiosk expansion to target Tier 2 cities. Product portfolio expansion with signature coffee collection to build up brand equity in flagship stores. For kiosks, Phuc Long Heritage aims to build new menu items at attractive price points to improve customer traffic at WCM locations.

#### **MML: Transformed into a Fully Branded Consumer Platform, Focus on Scaling up and Improving Profitability**

- **1Q2022 Revenue Highlights:**
  - Net revenue for 1Q2022 was VND931 billion, down 80.2% versus VND4,704 billion in 1Q2021, mainly due to deconsolidation of feed segment in November 2021.
  - On a like-for-like basis, net revenue was down only 5.4% YoY, due to lower pig farm revenue as a result of lower live hog prices.
  - **Branded Pork:** achieved revenue of VND351 billion in 1Q2022, down only 3.8% YoY, mainly due to lower average price for pork, as volume sold was up 7.8% in the same period. Meat revenue is expected to scale up significantly in FY2022, due to expansion of processed meat portfolio and increased distribution through WCM and other MT channels. Higher pork volumes would result in higher capacity utilization of pork processing facilities, which would lead to higher operating margins as well. MML continues to expand distribution through other MT and GT channel including wet markets, which would help to change consumers’ habits of high-quality pork consumption.

- Pig farm revenue was VND197 billion in 1Q2022, down 57.1% YoY, as live hog prices were on average 25% lower in 1Q2022 compared to 1Q2021. Pig prices have stabilized in 1Q2022 and are expected to increase due to higher soft commodity prices.
- **Branded Chicken:** 3F Viet segment, comprising the full chicken production value chain, delivered revenue of VND373 billion, up 31.4% YoY. Chicken volumes were up 16.5% YoY, while average price was up 13.8% during the same period. Synergies from 3F Viet's integration with Masan Group's ecosystem has led to MML's chicken brands becoming available throughout WCM's ecosystem.
- **1Q2022 Profitability Highlights:**
  - **Gross Margin:** 6.0% gross margin in 1Q2022, lower compared to 14.3% in 1Q2021 due to deconsolidation of feed and lower live hog prices. Branded pork meat segment gross margin improved significantly to 12.1% in 1Q2022, compared to (10.5)% in 1Q2021, due to higher synergies from the integrated meat business, coupled with increasing scale and higher porker utilization rates. Integrated chicken segment delivered gross margin of (1.8)% in 1Q2022, improvement of 870 bps compared to (10.5)% in 1Q2021. Profitability expected to improve further in FY2022, due to higher mix of B2C sales and synergies arising because of greater integration with Masan's ecosystem
  - **EBITDA Margin:** MML delivered (3.0)% EBITDA margin in 1Q2022, compared to 10.6% in 1Q2021, due to above mentioned reasons. Branded pork meat EBITDA margins improved by 1,320 bps, while chicken segment by 670 bps in 1Q2022 YoY. Management aims to improve consolidated MML EBITDA margins, by scaling up the business through sustainable pig supply, higher utilization rates, increased penetration in WCM and other distribution channels, and further expansion into processed meat.

#### **MHT: Robust Market Fundamentals Continue to Support Growth**

- **Net Revenue:** MHT achieved net revenue of VND3,930 billion for 1Q2022, 32.6% increase compared to VND2,963 billion in 1Q2021.
  - Tungsten revenues were 34% higher on the back of increased volumes and pricing.
  - Fluorspar revenues were up by 7.7% at VND353 billion with lower sales volumes being offset by higher realized pricing. Bismuth revenues were at VND65 billion (1Q2021 VND35 billion).
  - There were no copper sales during 1Q2022 as management continues to seek opportunities to monetize the copper stocks. The mark to market value of the recoverable metals in the copper concentrate inventory approximates VND3,000 billion on 31 March 2022, a further VND700 billion increases from 31 December 2021.
- **EBITDA:** 1Q2022 EBITDA increased by 83.7% to VND878 billion. EBITDA margins for 1Q2022 were 22% (1Q2021: 16%), however EBITDA margins were reducing in the latter part of the quarter as increasing energy prices flowed through to the H.C. Starck ("HCS") business. Management is working with its customer base to soften the impact of the rising energy prices and has no choice other than to increase prices for its products at the current time.
- **NPAT Post-MI:** MHT delivered NPAT Post-MI of VND123 billion for 1Q2022, a VND416 billion increase over the same period last year on the back of improved volumes for tungsten and pricing for all products, offset by rising input and production costs caused by the inflationary factors being felt throughout the world.

#### **TCB: Reported Profit before Tax Grew 23.0% YoY to reach VND6.8 trillion in 1Q2022**

For more detailed information about TCB's business performance and financial results, please refer to the bank's website.

## 1Q2022 Consolidated Financial<sup>3</sup> Highlights

### Income Statement (1/2)

VND Billion	1Q2022	1Q2021	Growth
<b>Net Revenue</b>	<b>18,189</b>	<b>19,977</b>	<b>(8.9)%</b>
The CrownX	13,450	12,533	7.3%
Masan Consumer Holdings	6,448	5,494	17.4%
WinCommerce	7,297	7,242	0.8%
Masan MEATLife	931	4,704	(80.2)%
Phuc Long Heritage	257	-	-
Masan High-Tech Materials	3,930	2,963	32.6%
<b>Gross Profit</b>	<b>5,089</b>	<b>4,314</b>	<b>18.0%</b>
The CrownX	4,193	3,443	21.8%
Masan Consumer Holdings	2,622	2,183	20.1%
WinCommerce	1,620	1,293	25.3%
Masan MEATLife	56	671	(91.7)%
Phuc Long Heritage	176	-	-
Masan High-Tech Materials	683	189	261.3%
<b>Gross Margin</b>	<b>28.0%</b>	<b>21.6%</b>	
The CrownX	31.2%	27.5%	
Masan Consumer Holdings	40.7%	39.7%	
WinCommerce	22.2%	17.9%	
Masan MEATLife	6.0%	14.3%	
Phuc Long Heritage	68.5%	-	
Masan High-Tech Materials	17.4%	6.4%	
<b>SG&amp;A<sup>4</sup></b>	<b>(3,965)</b>	<b>(3,631)</b>	<b>9.3%</b>
The CrownX	(3,289)	(2,869)	14.6%
Masan Consumer Holdings	(1,418)	(1,307)	8.5%
WinCommerce	(1,784)	(1,562)	14.2%
Masan MEATLife	(179)	(394)	(54.5)%
Phuc Long Heritage	(146)	-	-
Masan High-Tech Materials	(286)	(229)	25.0%
<b>SG&amp;A as % of Net Revenue</b>	<b>21.8%</b>	<b>18.2%</b>	
The CrownX	24.5%	22.9%	
Masan Consumer Holdings	22.0%	23.8%	
WinCommerce	24.4%	21.6%	
Masan MEATLife	19.3%	8.4%	
Phuc Long Heritage	56.8%	-	
Masan High-Tech Materials <sup>5</sup>	7.3%	7.7%	
Share of Profit in Associates	1,194	947	26.1%
D&A	1,338	1,477	(9.4)%
<b>EBITDA<sup>5</sup></b>	<b>3,655</b>	<b>3,142</b>	<b>16.3%</b>
The CrownX	1,643	1,216	35.1%
Masan Consumer Holdings	1,466	1,142	28.4%
WinCommerce	164	131	25.0%
Masan MEATLife	(28)	498	-
Phuc Long Heritage	47	-	-
Masan High-Tech Materials	878	478	83.7%
Techcombank Contribution	1,178	943	24.9%
<b>EBITDA Margin</b>	<b>20.1%</b>	<b>15.7%</b>	
The CrownX	12.2%	9.7%	
Masan Consumer Holdings	22.7%	20.8%	
WinCommerce	2.2%	1.8%	
Masan MEATLife	(3.0)%	10.6%	
Phuc Long Heritage	18.3%	-	
Masan High-Tech Materials	22.3%	16.1%	

<sup>3</sup> Financial numbers are based on unaudited management figures and in accordance to Vietnamese Accounting Standards.

<sup>4</sup> MSN's consolidated SG&A is higher than total of subsidiaries' SG&A expenses due to holding company expenses.

<sup>5</sup> EBITDA includes contribution from TCB. EBITDA for WCM, includes income from suppliers in the form of "back margin" which, depending in the contract terms, are recognized as other income & financial income under VAS, amounting to VND19 billion in 1Q2022 compared to VND35 billion in 1Q2021.

## Income Statement (2/2)

VND Billion	1Q2022	1Q2021	Growth
<b>Net Financial (Expense)/Income<sup>6</sup></b>	<b>(290)</b>	<b>(1,167)</b>	
Financial Income	1,006	216	
Financial Expense	(1,296)	(1,383)	
Other Income/(Expenses)	46	24	
Corporate Income Tax	(179)	(144)	
NPAT Pre-MI	1,895	343	452.5%
<b>NPAT Post-MI</b>	<b>1,596</b>	<b>187</b>	<b>753.5%</b>

## Balance Sheet Highlights

VND Billion	1Q2022	FY2021	FY2020
<b>Cash and Cash Equivalents<sup>7</sup></b>	<b>12,936</b>	<b>22,638</b>	<b>8,169</b>
<b>Debt</b>	<b>58,436</b>	<b>58,178</b>	<b>62,011</b>
Short-term Debt	19,183	18,806	22,545
Long-term Debt	39,253	39,372	39,466
<b>Total Assets</b>	<b>124,284</b>	<b>126,093</b>	<b>115,737</b>
<b>Total Equity</b>	<b>36,738</b>	<b>42,337</b>	<b>25,030</b>
Total Equity Excluding MI	27,487	32,811	15,938
<b>Outstanding Number of Shares (million shares)</b>	<b>1,181</b>	<b>1,181</b>	<b>1,175</b>

## Key Financial Ratios

VND Billion	1Q2022	FY2021	FY2020
<b>Net Debt to EBITDA<sup>8</sup></b>	<b>2.7x</b>	<b>2.2x</b>	<b>5.2x</b>
<b>ROAA</b>	<b>10%</b>	<b>8%</b>	<b>1%</b>
<b>ROAE</b>	<b>46%</b>	<b>35%</b>	<b>4%</b>
<b>FFO<sup>9</sup> to Debt</b>	<b>12%</b>	<b>11%</b>	<b>7%</b>
<b>FCF<sup>10</sup></b>	<b>921</b>	<b>3,407</b>	<b>1,943</b>
<b>Cash Conversion Cycle</b>	<b>47</b>	<b>38</b>	<b>43</b>
Inventory Days <sup>11</sup>	73	69	68
Receivable Days <sup>12</sup>	10	9	6
Payable Days	36	41	32
<b>CAPEX</b>	<b>(843)</b>	<b>(2,805)</b>	<b>(3,678)</b>

<sup>6</sup> These financial items include one-off income in 1Q2022.

<sup>7</sup> Cash and cash equivalent include short-term investments (primarily term deposits between 3 and 12 months) and receivables related to treasury activities and investments (including certain interest-bearing receivables).

<sup>8</sup> Net Debt to EBITDA ratio uses the "Cash and cash equivalent" as per footnote 7.

<sup>9</sup> FFO: Last Twelve-Month ("LTM") Funds From Operations is calculated based on EBITDA, excluding contribution from TCB, and adjusted for net financial expense, and adjusted for corporate income tax paid within the reporting period.

<sup>10</sup> FCF: LTM Free Cash Flow is calculated from EBITDA, excluding contribution from TCB, and adjusted for changes in working capital, and corporate income tax paid within the reporting period and CAPEX.

<sup>11</sup> Inventory days is calculated based on inventory balances and divided by LTM COGS.

<sup>12</sup> Receivable and Payable days are calculated based on balances excluding those that are not related to operating activities divided by LTM Revenue or LTM COGS.

## Key Subsidiary Information

### MCH

VND Billion	1Q Growth
<b>Net Revenue<sup>13</sup></b>	<b>17.4%</b>
Seasonings	6.8%
Convenience Foods <sup>14</sup>	34.5%
Processed Meat	57.6%
Beverages (incl. coffee & beer)	7.1%
Home and Personal Care	(8.7)%
<b>Gross Profit</b>	<b>20.1%</b>
<b>EBITDA</b>	<b>21.8%</b>

### WCM

	1Q2022	FY2021	FY2020
<b>End of Period Store Count</b>	<b>2,832</b>	<b>2,741</b>	<b>2,354</b>
WinMart	124	122	123
WinMart+	2,708	2,619	2,231
<b>New Stores</b>			
WinMart	2	-	1
WinMart+	107	390	84

Key B2C Performance Highlights	1Q2022	1Q2021
<b>LFL growth<sup>15</sup> in revenue/m<sup>2</sup></b>		
WinMart	(6.2)%	(15.8)%
WinMart+	(4.4)%	4.1%
<b>EBITDA margin</b>	2.2%	1.8%

### MHT

Average Commodity Prices <sup>16</sup>	Unit	Avg. 1Q2022	Avg. 1Q2021	% Change	31.02.22	31.03.21
APT European Low	USD/mtu <sup>17</sup>	337	252	33%	345	268
Bismuth Low	USD/lb	3.9	3.2	22%	3.8	3.5
Copper	USD/t	9,983	8,522	17%	10,337	9,005
Fluorspar Acid Grade <sup>18</sup>	USD/t	439	423	4%	408	427
Cobalt	USD/lb	33.2	20.5	62%	37.1	22.9

<sup>13</sup> These numbers are based on management figures.

<sup>14</sup> Includes instant noodle, home meal replacements, instant congee and other convenience foods.

<sup>15</sup> LFL: Same store sales growth compares the performance of stores opened before 1 January 2021 and is still in operation as of the date of this reporting period to the performance for the same period last year.

<sup>16</sup> Metals Bulletin.

<sup>17</sup> MTU mean metric ton unit (equivalent to 10 kilograms). To approximate tungsten sales for every 1 ton of contained tungsten, multiply the number by 100, the USD/mtu price and by the price realization percentage (which is subject to contracts and the nature of the end, tungsten chemical product).

<sup>18</sup> Industrial Minerals.

## **MASAN GROUP CORPORATION**

Masan Group Corporation (“Masan” or the “Company”) believes in doing well by doing good. The Company’s mission is to provide better products and services to the 100 million people of Vietnam, so that they can pay less for their daily essentials. Masan aims to achieve this by driving productivity with technological innovations, trusted brands, and focusing on fewer but bigger opportunities that impact the most lives.

Masan Group’s member companies and associates are industry leaders in branded fast moving consumer goods, branded meat, modern retail, F&B retail, financial services, telecommunications, and value-add chemical processing, altogether representing segments of Vietnam’s economy that are experiencing the most transformational growth.

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