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*“It is our mission, passion and promise to provide every Vietnamese household with **affordable, safe, and quality branded meat products.**”*

CHAIRMAN'S LETTER

Dear Shareholders,

Despite great macro turbulence especially in the world arena, 2016 continued to be another brilliant year for Masan Nutri-Science ("MNS") as we concluded it on an exceptionally high note. Not only did we grow our sale volume to over 2.5 million tons in kinds, a 29% increase versus year ago, but we did score a record high of VND1,538 billion of net profit after tax, up 406% compared to VND304 billion in 2015. Higher productivity, a robust balance sheet, dominant market shares and a strong customer base were all key features of last year.

However, though striking these financial results might look, nowhere they are as impressive as the strategic initiatives we have taken to become the first integrated meat player in Vietnam as follows:

- Utilizing our consumer-centric strategy and applying international technology, we launched innovative, cutting-edge products under the industry's first power brand, Biozeem. Bio-zeem product line is proven to increase farmer's productivity. The value we have delivered to our farmers has been validated by our market position: we are now the champion animal feed player in terms of market share (excluding captive feed sales). I am very confident that our innovation pipeline for 2017 will continue enabling our farmers to lift up their productivity levels to international standards;
- We started construction of our first pig farm in Nghe An province in northern Vietnam and full ramp-up is expected to produce up to 230,000 porkers per annum. I want to be clear that we have no plans to sell the actual livestock, but rather further process the porkers into value-added, branded meat products to serve Vietnamese

consumers. The farm is wholly owned by MNS and serves as a strategic platform to deliver our promise of providing safe meat at affordable price points. To put this in perspective, feed only accounts for one third of a pig's productivity, while farming contributes two thirds. We are fortunate to have a dedicated team of experts who have significant experience in pig farming that will help deliver an international style farm in terms of productivity and bio-security. The farm is expected to commence operation in the first half of 2018. We also forged a strategic partnership with Vissan – Vietnam's largest branded meat company, which has significant potential with our farm platform.

- Kohlberg Kravis Roberts ("KKR"), recently became our strategic partner and this is itself a strong validation of our consumer centric strategy and purpose. KKR's global network and team – which includes significant agricultural experience – will support MNS as we accelerate our strategic execution to become the first integrated consumer meat platform in Vietnam.

Sure enough, such strong performance reflects our commitment to advancing the interests of our shareholders and all other stakeholders alike. The first and foremost question we used to ask ourselves is, as a responsible corporate, what should we do to make the greatest impact on the company's most vital component, our consumers? What might 90 million consumers need from us?

We soon learned that Vietnamese consumers are deeply troubling with a basic need: the need for safe and affordable meat. Our consumers are paying double the price of meat compared to that of the U.S while we are

at only one-tenth of their average purchasing power. Consumers are not only spending more of their relative income for meat products, but what worse is they are spending it on unhygienic and unsafe products. This means less investment for the future, and simply, less meat. One out of five children, particularly in the rural, lacks the recommended amount of animal protein, and since we are a “young country”, this greatly affects not only our economy but also the physical future growth of our young populations.

Vietnam has been one of the fastest growing economies over the past two decades with approximately US\$ 2,200 GDP per capita today; however, it sadly remains a poor country. Malnutrition is still an epidemic – we do not have the capability to universally provide our children – the future of the nation with sufficient animal protein intake. And that dilemma has happened with an agricultural country where raising livestock is one of its expertise. Quite ironic, isn't it? While in the older generations like mine, the big unmet need was to have enough rice to eat, the big unmet need nowadays is to have safe and affordable meat products with every meal. So how do we make a change? And the establishment of Masan Nutri-Science is true-to-form our answer.

Given that eating healthier is now a must, it is our mission, passion and promise to provide every Vietnamese household with affordable, safe, and quality branded meat products for each and every single meal and be their choice for everyday nutrition. Here, I want to hone in on one critical factor, affordability. In order to deliver on our promise to make safe meat affordable, we need to drive efficiency and productivity across the animal protein value chain. As Vietnam becomes a member of more international trade agreements, we will see more and more players entering the meat sector. Hence, failing to be truly efficient and productive on a large scale poses a threat to the competitiveness of the entire domestic

animal protein sector, which contributes approximately 9 percent of Vietnam's GDP. Unless the widespread inefficiency and low productivity are properly tackled, they will probably lead to a potential dependency on foreign companies for animal protein needs.

Therefore, at MNS we have a right as well as a responsibility to protect our animal protein industry by optimizing efficiency and productivity to improve both farmers' and consumers' lives while unlocking the sector's limitless value. In doing so, MNS will continue to dial up innovation, further propel its power brands, blend in international best practices and local relevances, and lastly formulate a “true 3F” business model (Feed-Farm-Food) in order to bridge the productivity gap between Vietnam and that of the developed world while maximizing collective shareholders' values.

Going forward, we envision our 2020 business to garner over 50% market share in the feed business and over 5% of market share in meat. That will translate financially into US\$4 billion in revenue, of which 75% revenue is from feed platform and the rest from meat, and US\$450 million in EBITDA.

With the passion, commitment, entrepreneurial spirit and dynamic creativity that I see in each and every MNS employee, together with the foundation and platform we have laid down in order to make our vision a reality, 2017 will certainly be another milestone to claim towards our 4-year well-defined win cause above.

So let's soar to the height of accelerated development and excellence.

Yours truly,



Pham Phu Ngoc Trai
Chairman





OUR STORY



WHO WE ARE

Masan Nutri-Science (“MNS”) is Vietnam’s first integrated meat platform. We are currently the largest pig feed producer (excluding captive market) and second largest overall feed producer in Vietnam. Masan Nutri-Science currently has built the industry first power brand, Bio-zeem, an umbrella brand for products with a proprietary enzyme which improves feed conversion ratios. 2016 combined sale volume reached over 2.5 million tons, covering a broad spectrum of feed types (pig feed, poultry feed, cow feed and aqua feed). Masan Nutri-Science has the most extensive nationwide distribution network with over 4,500 dealers across Vietnam and 13 manufacturing facilities strategically built across the nation to better serve our consumer as of December 31, 2016.

We apply a “consumer-centric” approach through break-through innovations to raise the productivity of our farmers and to develop and own a true 3F model (Feed-Farm-Food) to be the leading provider of safe and affordable meat products. Our ultimate mission is for

Vietnamese consumers to pay half as much for their daily animal protein needs (branded meat products) by enhancing the productivity across the value chain to international standards.

Our vision is simple but ambitious: **“To enrich Vietnamese people’s lives by providing real, delicious and affordable animal protein for each and every meal.”**

We aim **to be and be recognized as the leader in providing branded animal protein solutions across the value chain for everyone, every family, every day in Vietnam by driving productivity to global standards.**

We envision our 2020 business to garner over 50% market share in the feed sector and over 5% of market share in meat. This will translate into US\$4 billion in revenue, of which 75% revenue is from our feed platform and 25% from our meat platform and delivering US\$450 million in EBITDA.

3F Model is a Must

Our strategy is to transform the inefficient US\$18 billion animal protein market by building a branded and productive Feed-Farm-Food (“3F”) platform. The 3F model is a must to make meat affordable (Vietnamese are paying nearly twice the price compared to US consumers), and to meet the growing demand for branded, hygienic and traceable meat products.

Animal feed is our entry point as it accounts for over 33 percent of the productivity across the animal protein value chain. We have been able to quickly become the leading player in the animal feed space by applying our consumer centric business model. We deeply interact with farmers to obtain deep insights and develop innovative products

by bringing in international technology to address their big unmet needs and raise their productivity level. In addition, we built the industry first power brand “Bio-zeem”, to increasingly gain farmers’ trust and loyalty. We are applying the same logic as we move downstream which we believe will enable us to develop branded meat products to serve 90 million consumers.

This unique strategy will enable us to consolidate market share and be the champion integrated meat player. Our transformation from a purely feed producer into a branded meat platform has been completed this year by forging a strategic partnership with VISSAN, and the establishment of our hi-tech pig farm, Masan Nutri-Farm, in Nghe An province.



“ We aim to become the first Integrated Branded Meat platform in Vietnam with a focus to provide safe and affordable meat to 90 million consumers ”





“ *US\$4 billion in revenue, of which 75% of revenue is from feed platform and the rest from meat, and US\$450 million in EBITDA by 2020.* ”

Platform for Transformation

MNS has a unique business model to unlock and capture Vietnam's animal protein value chain. We aim to become the first branded integrated meat platform in Vietnam with a focus to improve productivity across the entire animal protein value chain. MNS chose Feed as our entry into this sector since it plays a critical role in productivity and accounts for 65-75 percent of total production cost. Our mission is to provide 90 million Vietnamese consumers with safe and affordable meat products.

In order to achieve this, we have to invest in our operating platform: power brands, innovation, distribution network, production facilities and most importantly, talent.



“ Our ultimate deliverable is to provide 90 million Vietnamese consumers with safe, traceable and affordable meat products. ”



Power Brand

Our marketing team has a proprietary database of deep consumer insights and bottom-up industry trends, enabling us to innovate for our consumers and in turn creating strong customer loyalty and trust.

We have launched a breakthrough product, Bio-zeem in July 2015, which now accounts for 60 percent of our pig feed portfolio. Bio-zeem products are widely advertised and able to reach over 50 million viewers per month. With an innovative communication strategy, Bio-zeem became the industry's first power brand: over 90% in both loyalty rate, brand awareness and now top-of-mind choice for animal feed products. In addition, 95% of farmers have continue to use Bio-zeem products after initial trial¹.

Since the launch of Bio-zeem, we have become the leading pig feed player as of year-end 2016, of which Bio-zeem products account for 60% of our pig feed portfolio in less than one year, compared to just 25% as of year-end 2015.

Our market share gain was supported by delivering a full service solution to farmers including technical assistance and farming workshops, thus creating greater brand loyalty.



Innovation – MASAN WAY

Bio-zeem is our unique enzyme product that strengthens a pig's immune system and significantly improves feed conversion ratio ("FCR"), boosts resistance and reduces common diseases of pigs.

Our Bio-zeem innovation has been validated by our customers, significantly improving farming productivity. According to actual results of farming trials done by Center for Research and Technology Transfer, Ho Chi Minh University of Agriculture and Forestry, our Bio-zeem enables farmers to sell their pigs 12 days earlier, improves FCR up to 6% for porkers and reduces diarrhea rate by 50% for piglets².

In addition, we were the first company to have successfully removed antibiotics from our feed while preserving the same growth yield, animal health, meat quality and disease toleration with verified results. Being the first company to do this has shown our commitment to continue innovating to create quality products for the customers and set new health standards for the entire animal protein industry.

“Bio-zeem enables farmers to sell their pigs 12 days earlier and improves FCR up to 6%”

1. Nielsen

2. Ho Chi Minh University of Agriculture and Forestry

Seasoned management team

In a market where experienced talent is scarce, we have invested in building a strong management team at all levels in our organization. We believe in hiring professionals who have a mix of international experience and a track record of business execution in emerging markets.

We employ nearly 4,000 people. Our team is spearheaded by the former President and CEO of PepsiCo Indochina cum Head of Corporate Affairs of PepsiCo Southeast Asia, the former Head of Sales and Distribution of Masan Consumer, and other executives who held senior roles at P&G, Unilever, Cargill and Masan Consumer. With the right operating

model and team, MNS is well positioned to deliver on its mission.

Most importantly, we believe in hiring professionals who demonstrate our entrepreneurial values and are project managers of transformative initiatives within a fast-growing organization. Our team is comprised of young, global, proven and flexible professionals who can execute on diverse projects to create maximum shareholder value.

Our dedicated team of professionals have been instrumental to our transformation to become the largest animal feed player and developing the first integrated branded meat platform

“*Masan Nutri-Science employs nearly 4,000 people*”



Leading Distribution Network

We transformed our distribution model to serve farmers directly by developing a wide distribution network across Vietnam with over 850 salesmen who service 4,500 dealers nationwide, many of which are exclusive. Our aim is to increase the number of dealers to 6,000 and our product availability to 66% from 20% in previous year.

In the meat industry, our associate company Vissan has a leading distribution network

of over 130,000 points of sale and 1,000 supermarkets and convenience stores, as well as a global export network.

We have taken great steps to significantly strengthen our distribution system in order to better serve our customers. With proven capability to expand market share and a strong sales team, we are winning pig feed market and on-track to become the leading Consumer-Agri company.

“ We developed a wide distribution network across Vietnam with over 850 salesmen who service 4,500 dealers nationwide.”



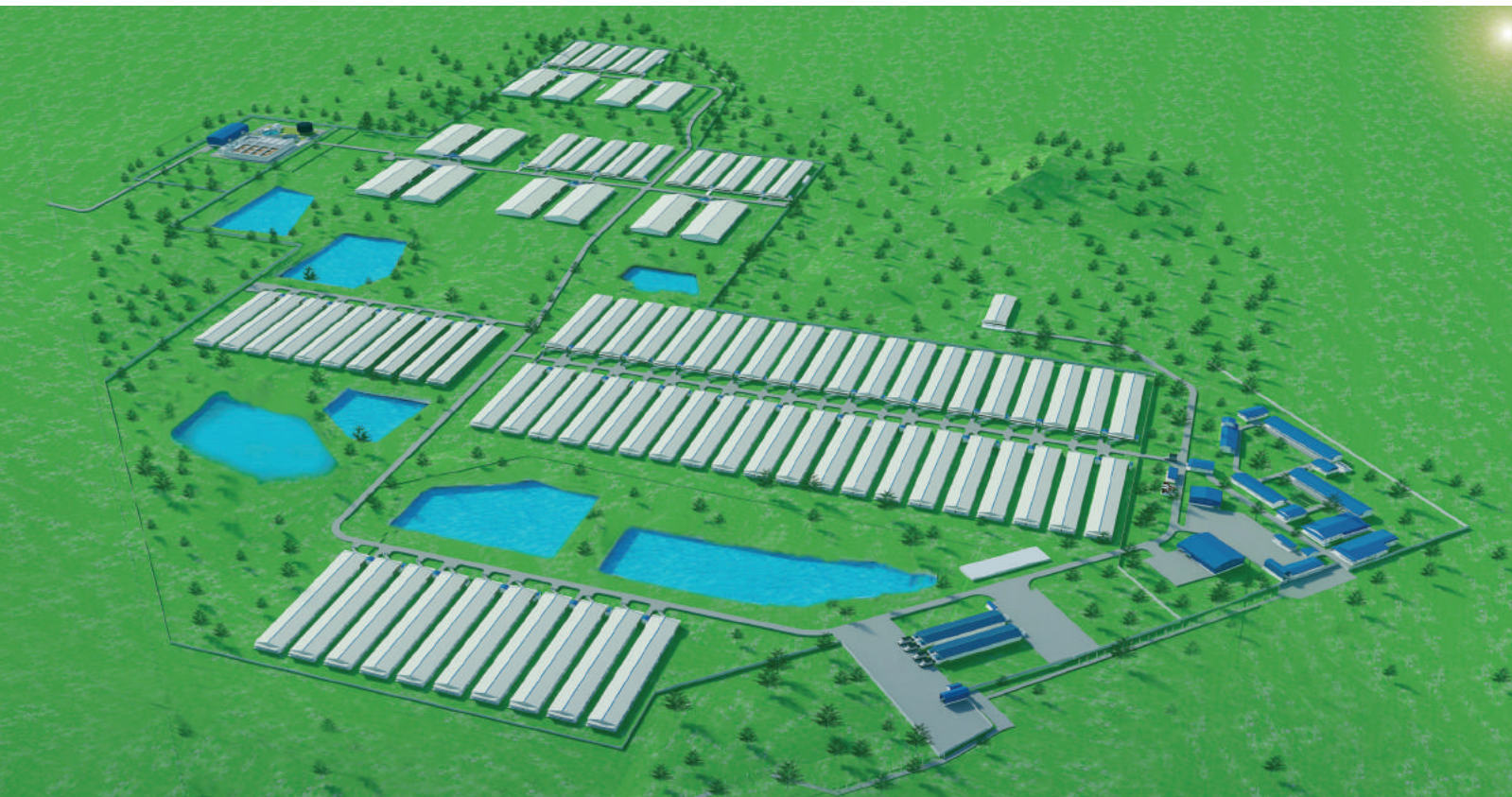
World-class Facilities

Currently, Masan Nutri-Science operates 13 best-in-class animal feed manufacturing facilities across Vietnam. Total capacity as of end of 2016 is approximately 3 million tons.

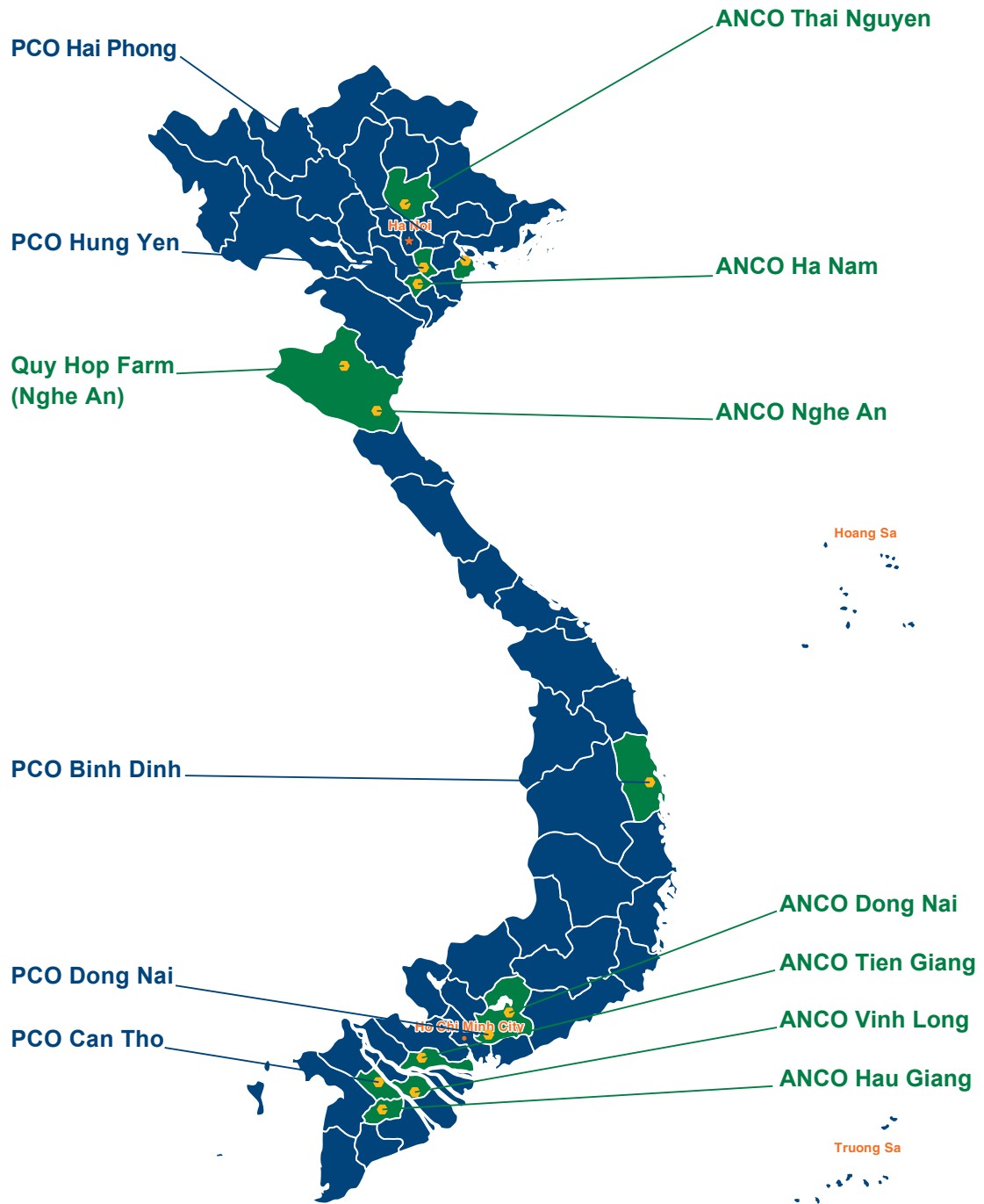
In November 2016, Masan Nutri-Science broke ground to build a 100 hectares pig farm in Nghe An province. This was only the 1st phase a 223.7 hectares pig farm which is projected to product up to 250,000 porkers per year. This is MNS's first modern, large scale pig farm with state-of-the-art waste water treatment system and biogas electricity plant. We plan to spend VND200 billion on environmentally friendly facilities such as a

waste water treatment plant and a biogas electricity plant as a part of our continued focus on improving the environment in Vietnam.

The new farm is projected to start producing mature porkers in the first half of 2018. With the partnership with Vissan, Vietnam's largest meat and meat product producer, we have been working on a fully integrated 3F business model to service the entire value chain of the Vietnamese animal protein industry. We believe we are well on track to fulfil our objective of serving 90 million Vietnamese consumers with traceable, safe and affordable meat by 2020.



Masan Nutri-Farm in Nghe An





SUSTAINABILITY REPORT



Doing Well by Doing Good

At Masan, we do not have a job. We have a purpose, which is a passion to improve the spiritual and material lives of Vietnamese people day-by-day. With that unwavering focus in mind, we are on our path to turn ambitions into goals and bring our dreams to reality, day in and day out.

Since our establishment in April 2015, we have one solid, vital core value. That is our commitment to serve and better the lives of millions of Vietnamese families. Through our operations, we aim to create sustainable growth by capitalizing on Vietnam's meat consumption via large-scale operating

platforms while mitigating our environmental impacts and promote positive social change.

Each day, our talents work relentlessly to bring the best products and services to satisfy big unmet needs. We make an effort to give meaningful contribution to the economy and create the future's value for over 90 million Vietnamese at our service. We understand the unfulfilled needs for animal proteins and the lack of accessibility for traceable, quality meat. Thus, we continuously innovate to improve and adapt in order to provide our consumers with the best solution for animal protein sources which are cost saving, healthier and easily accessible.

Our relentless effort would be incomplete without addressing the importance of protecting the environment and reducing our carbon footprint. Driven by the importance of such responsibility, MNS always plans ahead while constructing our manufacturing plants to minimize environmental impacts with state-of-the-art waste processing equipment. Even when our plants are operational, we keep increasing the efficiencies to keep our adverse impact on the environmental absolutely minimal.

Environment Sustainability

We took the initiative to invest VND200 billion to complete one of the most advanced water treatment system in Vietnam at Masan Nutri-Farm, Nghe An Province. Not only we can purify waste water to reach the highest standard, we are also able to re-circulate 70% of treated water for farm use. Our high-tech pig farm in Nghe An is considered to be Vietnam's most advanced, which can produce biogas from its operation and provide electricity self-sufficiently.

Responsible Procurement

The main materials in the finished Masan Nutri-Science products include rice bran, soybean residue, corn, rapeseed oil cake and meat powder. We use the raw materials supplied by both domestic and foreign sources. Materials purchased from abroad are based on the agreements signed six months in advance and controls on price based on energy components, proteins and nutrients. Domestic materials are purchased by the staff at each factory. Short-term agreements and prices usually are reviewed weekly due to market fluctuation.

Talents Sustainability

At MNS, our talents are the key to our success. We have total of 3,934 employees. We are proud to be one of the best places to work in Vietnam thanks to our long-term strategy to attract and retain talents to ensure sustainable growth.

Our approach to retain talents is clearly defined: we build experience and leadership, create a performance-based culture, supplement technical and soft skills and ensure our people's well-being. We also have long-term plans to prepare our best employees for future executive roles through rigorous training sessions.

We ask our employees to look at problems differently to quickly realize their potential and maximize their growth opportunities. While capturing the best talents in the industry, we understand that growth comes from the physical, mental and emotional well-being of employees across all functions.

We reward our employees fairly and proportionally with their performance and contribution to our businesses. Our key talents are also shareholders, who promote an entrepreneurial culture and long-term thinking.

We invest in continuing education and training programs for qualified and/or applicable employees. These programs provide employees with opportunities to enhance his or her skills and knowledge. In addition, each of our facilities provides specific localized instruction to employees, depending upon their role.



We also maintain accident and health insurance for all employees. They are also entitled to standard working hours, rest break and annual leave as regulated by the Labor Code.

Safety

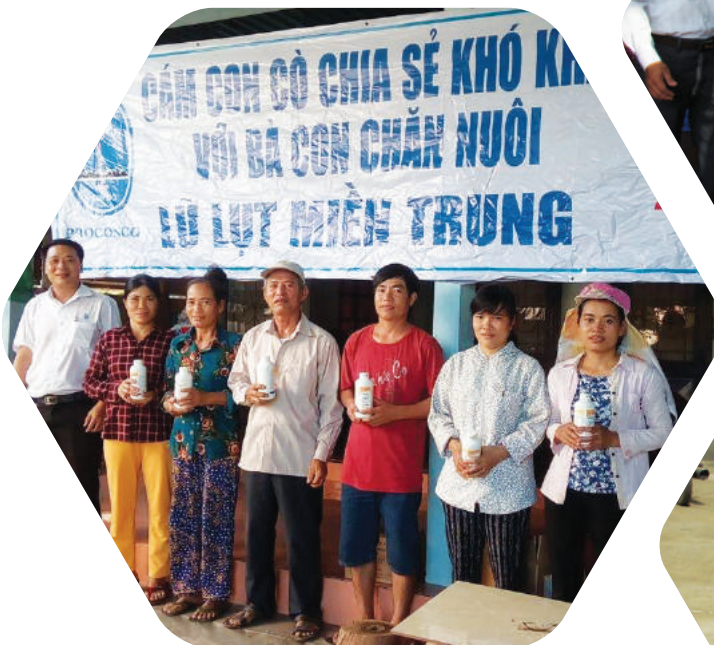
Our employees are our most valuable asset, and a sign of our commitment to ensure the well-being of our employees is reflected by our safety track record. We are responsible for providing our employees with sufficient protective equipment, occupational safety and hygiene, and improvement of working conditions in the work place. We have also carried out an extensive safe work training in order to equip employees with positive safety habits not only to be used at work but also to embed this mindset throughout their daily activities.

Community Service

Our business would not be sustainable without being a responsible corporate citizen. As a result, we have invested in many giving back initiatives that would better the lives of the less fortunate. Many of them are farmers, who happen to be our

customers. Thus, we want to create value for our customers not just by our products but also by giving a hand to communities in need. Our ultimate goal is to create long-term value and promote positive social change in areas that we operate and live in. Some of Masan Nutri-Science proudest moments in adding value to the community include:

- 50 houses built since 2012 by Proconco for “Con Co Homes” program for employees unable to afford decent housing.
- VND150 million by Masan Nutri-Science to upgrade Ha Son kindergarten at Ha Son village, Quy Hop township, Nghe An province. We also constructed 5km of road and a local electricity grid for Ha Son village.
- Over VND1,5 billion in grants and 1,200 Tet gift packages by Masan Nutri-Science for farmers and families who live in poverty in Dong Nai, Quang Nam and Long An provinces.



““ Our ultimate goal is to create long-term value and promote positive social change in areas that we operate and live in ””



““ #23 Top 100 best places to work in Vietnam in 2016³ ””

- 30 cows for impoverished cow-breeders in Loc Giang village, Long An province.
- Housing construction for Agent Orange victims by ANCO and border patrol troops in Hoang Sa and Truong Sa islands by Proconco.
- VND500 million by Masan Nutri-Science to the Orange Initiative, organized by the Peace and Development fund to aid people with disabilities and victims of Agent Orange.

Awards

- Both Proconco and ANCO are recognized as “Vietnam Top Quality Product 2016” as voted by The Gioi Tiep Thi newspaper and consumers.
- Proconco got the certificate of Top 500 Largest Companies of Vietnam awarded by Vietnam Report Joint Stock Company (Vietnam Report) in 2015.
- Proconco is ranked among the world’s Top 80 best feed producers as voted by Feed International Magazine.
- Masan is ranked 23rd as the best place to work in Vietnam by Anphabe in 2016.

3. Anphabe

Looking Forward

At Masan, sustainability means harmonious co-existence and interaction between our various stakeholders and the environment. Our belief in “Doing well by doing good” exemplifies our commitment to sustainable business practices and has underpinned our remarkable achievements over the course of our corporate history.

For us, success is not only measured by our financial results but also from the positive social impact we create. Our sustainable business practices are a natural extension of our core desire to enable Vietnamese consumers to pay less for their daily basic needs, leaving them with more to improve their lives and invest in their future.

At Masan, we believe that “Basic is value”. Doing good is a basic value.



MANAGEMENT REPORT

VIETNAM ANIMAL PROTEIN POTENTIAL



At first glance, Vietnam's animal protein industry appears to have reached its potential with a total market size of US\$18 billion, equivalent to over 9% of national GDP. The entire value chain includes animal feed, farming and end-consumer products, both fresh and processed. However, Vietnam is still far away from realizing the full potential of this sector. The animal protein sector is not only fragmented, but also inefficient and unproductive compared to the developed world. To be more specific, Vietnamese farmers require 3.5 to 4 kilograms of feed on average to produce 1 kilogram of pork, versus 2.5 kilograms in the United States.

The result is that Vietnamese consumers pay 1.5 to 2 times the price of meat products compared to the United States, while GDP per capita of a Vietnamese is one one-tenth of an American. Affordability is a key issue. At a

grass root level, millions of Vietnamese do not have the appropriate levels of protein required for good health on a daily basis. In particular, the rural population which accounts for almost 70% of Vietnam population consume less than half of what is recommended by WHO. Vietnam's meat consumption per capita is 40 kilograms which is substantially lower than China (60 kilograms), Korea (65 kilograms), the EU (75 kilograms) and the United States (over 100 kilograms). So what are the keys to transforming and unlocking the animal protein sector?

First, Vietnam needs to invest in innovation to close the aforementioned productivity gap across the entire value chain. This requires a fully integrated 3F (Feed-Farm-Food) business model in order to ultimately transfer the benefits to the end consumers. Vietnamese will not only benefit from lower prices, but

they will be guaranteed safe, traceable and affordable animal protein products.

Second, consumers require more value-added animal protein products. Today, processed and value-added products contribute less than 1% to the meat sector. Innovative products will drive meat consumption in Vietnam and in particular in the rural where 70% of the population reside. This has been a driving force in China's meat consumption growth as manufacturers have been able to provide value-added products that serve the daily animal protein needs of consumers at price points much lower than fresh meat.

Third, consolidation will be critical as Vietnam's animal protein industry is highly fragmented and small in scale. There are over 200 feed companies and over 9 million farming households but only about 18,000 farms of medium and large scales. The government

has introduced robust strategies to develop the industry in order to increase farming scale. Scale will directly lead to livestock productivity while improving profits across the value chain and make animal protein products much more affordable.

Global animal protein players also recognize the current challenges and the big value creation opportunity. With free trade agreements coming into effect in the near future, Vietnam's market is becoming more accessible to competitors from abroad. Competition will be fierce, but there is an opportunity for a home-grown companies, such as MNS, to transform the market and capture the value.

Vietnam's animal protein industry has great potential for growth, but will be realized only if we could resolve existing limitations.

MANAGEMENT DISCUSSION & ANALYSIS

Financial Indicators	Unit	2016
Liquidity ratios		
Current ratio	Time	1.2
Quick ratio	Time	0.7
Capital structure		
Total liabilities/Total asset	Time	0.8
Total liabilities/Total equity	Time	3.1
Net debt/EBITDA	Time	1.4
Profitability ratio		
Net margin	%	8.1%
ROE	%	44.6%
ROA	%	10.9%

Revenue

Masan Nutri-Science generated VND24,423 billion in net sales, reflecting the first full year of consolidation. Masan Nutri-Science, on a like-for-like basis generated 19.5% growth. Our volume in 2016 increased by 29% to more than 2.5 million tons from 1.9 million tons in 2015. Growth was driven by animal feed brand “Bio-zeem”, accounting for 36% of MNS’s consolidated sales in 2016, and integration and turnaround of Proconco and ANCO by implementing an FMCG-like approach to an agricultural business.

Cost of Goods Sold

Our cost of goods sold (as a percentage of net sales) decreased to 78% in 2016 from 80% in the same period in 2015. This improvement is due to the successful launch of higher value “Bio-zeem” products, operational efficiencies, and further integration and transformation of ANCO and Proconco.

Gross Profit & Gross Margin

Our gross profit increased by 51% from VND3,505 billion in 2015 to VND5,280 billion in 2016. Our gross margin increased to 22% in 2016 from 20% in 2015 as a result of the rationales mentioned above.

Selling, General & Administrative Expenses

Selling, general and administration expenses were up 22% in 2016 to VND2,834 billion compared to VND2,312 billion in 2015. Selling, general and administration expenses as a percentage of net sales decreased from 13% in 2015 to 12% in 2016. The decrease was a result of our control cost initiatives across functions.

Net Profit After Tax and Minority Interest

In 2016, MNS reported net profit after tax of VND1,538 billion, up 406% compared to VND304 billion in 2015. The key drivers for the net profit increase include record volume sales, improvement in gross margin greater operational efficiencies.

Cash and Cash Equivalents

MNS had a strong consolidated cash position (including short-term investments) of VND4,212 billion as of 31 December 2016 compared to VND3,173 billion as of 31 December 2015, an increase of 33%. The increase in our cash position reflects organic cash flows from our feed business.

Fixed Assets

As of 31 December 2016, fixed assets amounted to VND5,819 billion compared to VND5,780 billion, as of 31 December 2015. The increase was mainly due to our expansion in new facility in Nghe An.

Total Assets

As of 31 December 2016, MNS total assets were VND18,142 billion, increased by 27% from VND14,286 billion as of 31 December 2015 due to the increase in long-term investments.

Long-term Investments

Long term investments of MNS as of 31 December 2016 was VND2,183 billion compared to VND52 billion as of 31 December 2015, an increase of 4098%. The increase is mainly due to MNS’s investment in our associate of VND2,135 billion to acquire 24.9% stake in Vissan in 2016.

Borrowings

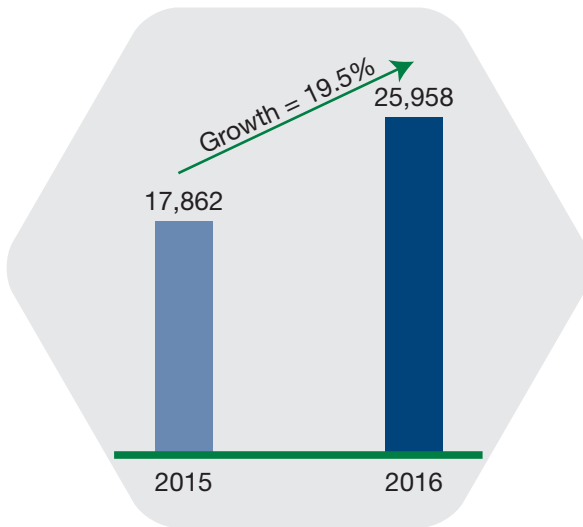
As of 31 December 2016, short-term and long-term borrowings increased by 55% to VND8,565 billion compared to VND5,529 billion as of 31 December 2015. Much of the increase in borrowings came from bond issuance in order to acquire 24.9% stake in Vissan and higher working capital to fund organic expansion.

Owner’s Equity

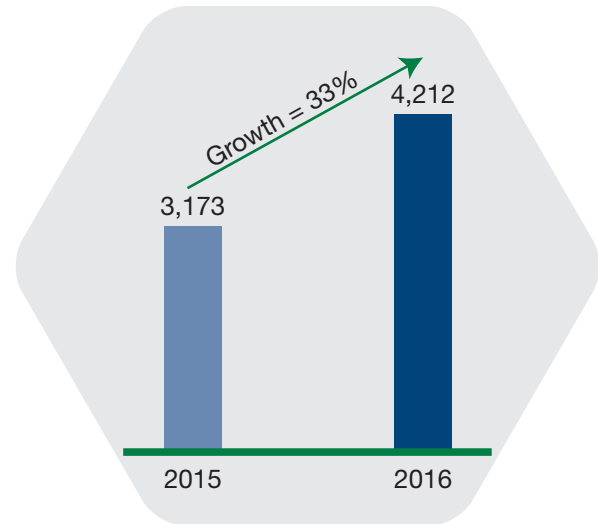
Our owner’s equity decreased to VND4,415 billion as of 31 December 2016 from VND5,735 billion in the same period in 2015, or 23% decrease. This decrease is mainly due to the lower non-controlling interest, resulting from our increasing ownership of our subsidiaries Proconco and ANCO in 2016.

2016 Financial Highlights

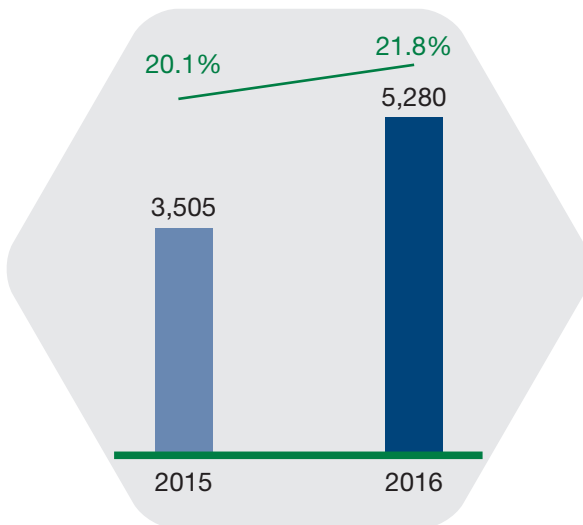
Revenue (VND bn)



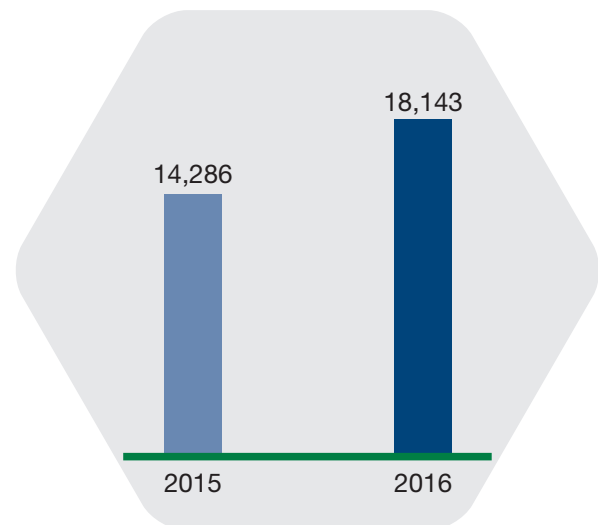
Cash & Cash Equivalents (VND bn)



Gross Profit & Gross Margin (VND bn)



Total Assets (VND bn)



2017 Outlook

	Plan 2017		Actual 2016	Growth Rate	
	Low End	High End		Low End	High End
Net Sales Volume (Thousand tons)	2,750	3,050	2,500	8.82%	20.70%
Net Sales (VND billion)	27,032	30,280	24,423	11.79%	23.98%
Net Profit after Tax (VND billion)	1,572	2,316	1,970	-20.05%	8.43%



FINANCIAL REPORT



Masan Nutri-Science Corporation
(formerly known as Masan Nutri-Science Company Limited)
Corporate Information

Business Registration

Certificate No.

0311224517

7 October 2011

The Company's Business Registration Certificate has been amended several times, the most recent of which is by Business Registration Certificate No. 0311224517 dated 17 March 2016. The Business Registration Certificate and its amendments were issued by the Ho Chi Minh City Planning and Investment Department.

Board of Directors

Mr Pham Phu Ngoc Trai

Chairman

Mr Yew Kean Lai

Vice-chairman (from 30 March 2016)

Mr Danny Le

Member

Mr Pham Trung Lam

Member (from 30 March 2016)

Board of Management

Mr Danny Le

Chief Executive Officer

Registered Office

10th Floor, Central Plaza Tower

17 Le Duan Street

Ben Nghe Ward, District 1

Ho Chi Minh City

Vietnam

Auditor

KPMG Limited

Vietnam

Statement of the Board of Management

The Board of Management of Masan Nutri-Science Corporation (formerly known as Masan Nutri-Science Company Limited) (“the Company”) presents this statement and the accompanying consolidated financial statements of the Company and its subsidiaries (collectively “the Group”) for the year ended 31 December 2016.

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

- (a) the consolidated financial statements set out on pages 35 to 41 give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Group will not be able to pay its debts as and when they fall due.

The Board of Management has, on the date of this statement, authorised the accompanying consolidated financial statements for issue.

On behalf of the Board of Management




Danny Le
Chief Executive Officer

Ho Chi Minh City, 15 March 2017

INDEPENDENT AUDITOR'S REPORT

To the Shareholders

Masan Nutri-Science Corporation

(formerly known as Masan Nutri-Science Company Limited)

We have audited the accompanying consolidated financial statements of Masan Nutri-Science Corporation (formerly known as Masan Nutri-Science Company Limited) ("the Company") and its subsidiaries (collectively "the Group"), which comprise the consolidated balance sheet as at 31 December 2016, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 15 March 2017, as set out on pages 35 to 41.

Board of Management's Responsibility

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of Management, as well as evaluating the overall presentation of the financial statements.

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

Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2016 and of its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No.: 16-01-937(b)



Nguyen Thanh Nghi

Practicing Auditor Registration

Certificate No. 0304-2013-007-1

Deputy General Director

Chang Hung Chun

Practicing Auditor Registration

Certificate No. 0863-2013-007-1

Ho Chi Minh City, 15 March 2017

Consolidated balance sheet

as at 31 December 2016

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

	Code	Note	31/12/2016 VND	1/1/2016 VND
ASSETS				
Current assets				
(100 = 110 + 120 + 130 + 140 + 150)	100		8,621,977,042,377	7,118,770,962,711
Cash and cash equivalents	110	4	4,212,026,690,424	3,172,750,783,623
Cash	111		150,676,690,424	164,350,783,623
Cash equivalents	112		4,061,350,000,000	3,008,400,000,000
Short-term financial investments	120	5	130,000,000	4,000,000,000
Held-to-maturity investments	123		130,000,000	4,000,000,000
Accounts receivable – short-term	130	6	968,365,057,664	1,426,032,903,466
Accounts receivable from customers	131		805,672,598,710	433,205,744,968
Prepayments to suppliers	132		170,126,014,218	231,374,489,175
Receivables on short-term lending loans	135		-	762,400,000,000
Other short-term receivables	136		25,702,135,096	24,451,777,600
Allowance for doubtful debts	137		(33,135,690,360)	(25,497,613,959)
Shortage of assets awaiting resolution	139		-	98,505,682
Inventories	140	7	3,413,854,116,329	2,463,798,973,550
Inventories	141		3,427,916,241,324	2,463,798,973,550
Allowance for inventories	149		(14,062,124,995)	-
Other current assets	150		27,601,177,960	52,188,302,072
Short-term prepaid expenses	151		22,683,769,965	23,204,188,912
Deductible value added tax	152		3,142,409,329	25,832,831,188
Taxes receivable from State Treasury	153	14(a)	1,774,998,666	3,151,281,972

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

Consolidated balance sheet

as at 31 December 2016 (continued)

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

	Code	Note	31/12/2016 VND	1/1/2016 VND
Long-term assets				
(200 = 210 + 220 + 240 + 250 + 260)	200		9,520,834,493,427	7,167,241,399,564
Accounts receivable – long-term	210	6	809,164,859,517	814,210,057,741
Receivables on long-term lending loans	215		765,700,000,000	813,500,000,000
Other long-term receivables	216		43,464,859,517	710,057,741
Fixed assets	220		5,818,935,026,371	5,779,519,140,564
Tangible fixed assets	221	8	1,640,941,510,106	1,310,789,618,941
Cost	222		2,001,476,136,112	1,472,583,207,595
Accumulated depreciation	223		(360,534,626,006)	(161,793,588,654)
Intangible fixed assets	227	9	4,177,993,516,265	4,468,729,521,623
Cost	228		4,802,313,807,462	4,772,408,559,712
Accumulated amortisation	229		(624,320,291,197)	(303,679,038,089)
Long-term work in progress	240		312,334,484,067	269,695,770,330
Construction in progress	242	10	312,334,484,067	269,695,770,330
Long-term financial investments	250	5	2,183,467,353,574	52,013,459,711
Investments in associates	252		2,161,821,353,574	31,279,579,711
Equity investments in other entities	253		21,646,000,000	21,646,000,000
Allowance for diminution in the value of long-term financial investments	254		-	(912,120,000)
Other long-term assets	260		396,932,769,898	251,802,971,218
Long-term prepaid expenses	261	11	236,204,327,532	155,144,616,770
Deferred tax assets	262	12	160,728,442,366	96,658,354,448
TOTAL ASSETS (270 = 100 + 200)	270		18,142,811,535,804	14,286,012,362,275

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

Consolidated balance sheet

as at 31 December 2016 (continued)

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

	Code	Note	31/12/2016 VND	1/1/2016 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		13,727,830,582,212	8,551,065,436,754
Current liabilities	310		7,378,598,366,793	3,297,398,764,455
Accounts payable to suppliers	311	13	1,257,555,401,679	743,521,432,488
Advances from customers	312		26,410,007,109	92,725,273,273
Taxes payable to State Treasury	313	14(b)	115,455,828,731	128,082,079,350
Payables to employees	314		199,833,796,781	241,525,180,695
Short-term accrued expenses	315	15(a)	1,472,676,153,904	923,349,476,888
Other short-term payables	319	16	1,365,518,070,704	99,133,242,179
Short-term borrowings	320	17(a)	2,935,418,064,865	1,062,934,436,562
Bonus and welfare funds	322	18	5,731,043,020	6,127,643,020
Long-term liabilities	330		6,349,232,215,419	5,253,666,672,299
Long-term accrued expenses	333	15(b)	37,163,699,303	50,827,652,245
Long-term borrowings and bonds	338	17(b)	5,629,858,333,332	4,466,325,000,000
Deferred tax liabilities	341	12	650,371,862,664	704,856,079,380
Long-term provisions	342	19	31,838,320,120	31,657,940,674
EQUITY (400 = 410)	400		4,414,980,953,592	5,734,946,925,521
Owners' equity	410	20	4,414,980,953,592	5,734,946,925,521
Share capital/contributed capital	411	21	2,000,010,000,000	2,000,010,000,000
<i>Shares with voting rights</i>	411a		2,000,010,000,000	-
Other capital	414	22	(175,543,000,000)	-
Undistributed profits after tax	421		870,464,655,231	782,098,071,882
<i>Undistributed profits brought forward</i>	421a		-	297,872,073,093
<i>Net profit for the current year</i>	421b		870,464,655,231	484,225,998,789
Non-controlling interest	429		1,720,049,298,361	2,952,838,853,639
TOTAL RESOURCES				
(440 = 300 + 400)	440		18,142,811,535,804	14,286,012,362,275

15 March 2017

Prepared by: 

Approved by:



Nguyen Thi Minh Hang
Chief Accountant



Danny Le
Chief Executive Officer

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

Consolidated statement of income

for the year ended 31 December 2016

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

	Code	Note	2016 VND	2015 VND
Revenue from sale of goods	01	25	25,958,089,844,388	17,861,655,219,513
Revenue deductions	02	25	1,535,425,229,861	719,819,632,270
Net revenue (10 = 01 - 02)	10	25	24,422,664,614,527	17,141,835,587,243
Cost of sales	11	26	19,142,426,195,124	13,636,919,232,604
Gross profit (20 = 10 - 11)	20		5,280,238,419,403	3,504,916,354,639
Financial income	21	27	239,199,881,049	143,767,525,943
Financial expenses	22	28	572,848,731,951	339,619,109,699
<i>In which: Interest expense</i>	23		<i>558,191,657,845</i>	<i>328,337,138,548</i>
Share of profit in associates	24	29	3,514,455,999	84,461,697,167
Selling expenses	25	30	2,159,404,944,719	1,375,129,294,132
General and administration expenses	26	31	674,672,371,224	936,921,781,379
Net operating profit				
{30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		2,116,026,708,557	1,081,475,392,539
Other income	31	32	178,428,039,294	8,657,547,662
Other expenses	32	33	8,300,343,563	39,860,530,198
Results of other activities				
(40 = 31 - 32)	40		170,127,695,731	(31,202,982,536)
Accounting profit before tax				
(50 = 30 + 40)	50		2,286,154,404,288	1,050,272,410,003
Income tax expense – current	51	34	434,756,416,772	333,774,333,336
Income tax benefit – deferred	52	34	(118,554,304,634)	(65,719,911,191)
Net profit after tax				
(60 = 50 - 51 - 52) (carried forward)	60		1,969,952,292,150	782,217,987,858

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

Consolidated statement of income

for the year ended 31 December 2016 (continued)

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

	Code	Note	2016 VND	2015 VND
Net profit after tax				
(60 = 50 - 51 - 52) (brought forward)	60		1,969,952,292,150	782,217,987,858
Attributable to:				
Equity holders of the Company	61		1,538,230,348,885	304,231,879,912
Non-controlling interest	62		431,721,943,265	477,986,107,946
Earnings per share				
Basic earnings per share	70	35	7,691	-

15 March 2017

Prepared by:

Nguyen Thi Minh Hang
Chief Accountant

Approved by:



Danny Le
Chief Executive Officer

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

Consolidated statement of cash flows

for the year ended 31 December 2016

Form B 03 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC dated
22 December 2014 of the Ministry of Finance)

	Code	2016 VND	2015 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	2,286,154,404,288	1,050,272,410,003
Adjustments for			
Depreciation and amortisation	02	538,318,867,482	436,991,617,763
Allowances and provisions	03	22,644,381,396	5,487,534,138
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04	3,486,129,935	2,003,483,570
(Profits)/losses from other investing activities	05	(230,638,693,669)	103,850,580,906
Interest expense	06	558,191,657,845	328,337,138,548
Operating profit before changes in working capital	08	3,178,156,747,277	1,926,942,764,928
(Increase)/decrease in receivables	09	(232,014,403,545)	177,716,388,759
(Increase)/decrease in inventories	10	(964,117,267,774)	731,894,611,309
Increase in payables and other liabilities	11	792,084,504,827	519,122,932,280
Increase in prepaid expenses	12	(16,809,165,221)	(52,911,996,094)
		2,757,300,415,564	3,302,764,701,182
Interest paid	14	(512,253,998,831)	(306,341,704,146)
Corporate income tax paid	15	(457,461,056,807)	(274,814,511,861)
Other payments for operating activities	17	(396,600,000)	(30,401,437,593)
Net cash flows from operating activities	20	1,787,188,759,926	2,691,207,047,582
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets	21	(746,032,512,541)	(399,592,360,922)
Proceeds from disposals of fixed assets	22	6,505,129,702	1,498,553,361
Payments for granting loans	23	(5,889,400,000,000)	(2,934,900,000,000)
Placement of term deposits	23	(668,130,000,000)	(10,751,446,000,000)
Receipts from collecting loans	24	6,699,600,000,000	629,000,000,000
Withdrawal of term deposits	24	672,000,000,000	11,946,946,000,000

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

Consolidated statement of cash flows

for the year ended 31 December 2016 (continued)

Form B 03 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC dated
22 December 2014 of the Ministry of Finance)

	Code	2016 VND	2015 VND
Payments for investments in subsidiaries and associates	25	(4,043,372,743,600)	(3,158,696,441,143)
Acquisition of subsidiaries, net of cash acquired	25	-	693,239,417,670
Collections on investments in other entities	26	7,650,000,000	4,000,000,000
Receipts of interest and dividends	27	184,352,152,800	198,101,567,037
Net cash flows from investing activities	30	(3,776,827,973,639)	(3,771,849,263,997)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for treasury shares repurchased by a subsidiary	32	-	(1,168,242,992,000)
Proceeds from borrowings and bonds	33	13,771,907,010,188	9,195,431,776,974
Payments to settle loan principals	34	(10,712,923,381,885)	(4,310,825,397,319)
Payments of dividends	36	(30,052,749,879)	(93,000,000,000)
Net cash flows from financing activities	40	3,028,930,878,424	3,623,363,387,655
Net cash flows during the year (50 = 20 + 30 + 40)	50	1,039,291,664,711	2,542,721,171,240
Cash and cash equivalents at the beginning of the year	60	3,172,750,783,623	630,176,292,892
Effect of exchange rate fluctuations on cash and cash equivalents	61	(15,757,910)	(146,680,509)
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61) (Note 4)	70	4,212,026,690,424	3,172,750,783,623

15 March 2017

Prepared by:





Nguyen Thi Minh Hang
Chief Accountant


Approved by:



Danny Le
Chief Executive Officer



**GENERAL
CORPORATE
INFORMATION**



CORPORATE HISTORY

Masan Nutri-Science was incorporated on 7 October 2011 under the name Công ty TNHH MTV Hoa Kim Ngân (English name: Honeysuckle Company Limited). Masan Nutri-Science (“MNS”) is currently one of Vietnam’s leading consumer-agri producers as the largest pig feed producer (external market) and second largest overall feed producer in Vietnam. Masan Nutri-Science currently has three key brands, ANCO, Proconco and Bio-zeem as an umbrella brand for products with a proprietary enzyme which improves feed conversion ratios.

Key events in our company history include:

- In December 2010, Meiji Corporation was established under the name Hoa Muoi Gio Company Limited.
- In October 2011, Masan Nutri-Science was incorporated under the name Công ty TNHH MTV Hoa Kim Ngân (English name: Honeysuckle Company Limited).
- In August 2012, Meiji acquired 40% stake at Proconco.
- In October 2011, Honeysuckle Company Limited changed its name into Sam Kim Company Limited.
- In September 2013, Hoa Muoi Gio Company Limited was converted into a joint stock company and changed its name to Masan Agri Corporation.
- In July 2014, Sam Kim Company Limited acquired 70% stake at ANCO.
- In October 2014, Shika Company Limited and Kenji Company Limited were formed.
- In December 2014, Shika increased its ownership to 99.99% stake at Masan Agri Corporation (Meiji).
- In late 2014, Sam Kim Limited acquired 99.99% stake at Shika.
- In January and February 2015, Kenji acquired 13.06% stake at Proconco.
- In March 2015, Sam Kim Limited held 100% Kenji’s charter capital.
- In April 2015, Masan acquired Sam Kim, the controlling shareholder of Proconco and ANCO. The acquired company was subsequently renamed Masan Nutri-Science Company Limited. The acquisition of Masan Nutri-Science immediately made Masan Vietnam’s largest local animal feed player with a leadership position in the pig feed segment. Masan Nutri-Science is the Company’s first step to transform Vietnam’s animal protein industry and ultimately reach consumers with branded meat products.
- In July 2015, Sam Kim changed its name to Masan Nutri-Science Company Limited.
- In March 2016, Masan Nutri-Science was converted into a joint stock company and renamed as Masan Nutri-Science Corporation; ANCO acquired 14% stake in VISSAN through strategic partnership auction.
- In May 2016, Masan Nutri-Science increased its direct ownership in ANCO from 70% to 99.99%.
- In June 2016, ANCO increased its stake in VISSAN to 24.94%.
- In June 2016, Masan Nutri-Farm (N.A) was established.
- In November 2016, Masan Nutri-Farm (N.A) broke ground the high-tech pig farm in Nghe An, marking our full integration of 3F (Feed - Farm –Food) business model to serve the entire value chain of the Vietnamese animal protein industry.

CORPORATE GOVERNANCE

Approval	General Meeting of Shareholders	
Validation	Board of Directors	Supervisory Board
Strategic Management	Management Board	
	<ul style="list-style-type: none"> ● Chief Executive Officer ● Chief Accountant 	

Board of Directors

The Board of Directors (the “Board”) is elected by shareholders to oversee the activities of MNS. Members of the Board of Directors meet regularly to discuss the strategic decisions raised by the Management Board. Details on the responsibilities of the Board are presented in the Board of Directors section.

Supervisory Board

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

Management Board

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

Board of Directors

Board Responsibility and Delegation of Authority

The Board of Directors is chaired by the Chairman.

Members of the Board of Directors include:

- **Mr. Pham Phu Ngoc Trai – Chairman of the Board of Directors**

Mr. Pham Phu Ngoc Trai has more than 30 years of experience in various FMCGs businesses including state-owned enterprises, joint-ventures and foreign company spanning across Vietnam and countries worldwide.

He was among the very first Vietnamese senior leaders in charge of regional business in a leading multi-national company in the early stage of Vietnamese economic reform and remains highly regarded for his extensive experiences in the business community.

Prior to joining Masan, he was Chairman and CEO of PepsiCo Indochina, and Head of Corporate Affairs of PepsiCo Southeast Asia.

Apart from his track-record profession, Mr. Pham Phu Ngoc Trai is known to be the leading advocate of local corporate social responsibility (CSR) movement almost 20 years. He has been elected to leadership positions at various social, NGO and business associations, including Leading Business Club of Vietnam (“LBC” – a member of the Vietnam Chamber of Commerce and Industry), Saigon Times Foundation, Association of Disadvantaged Patients in Ho Chi Minh City, and Saigon Golf Association.

● Mr. Danny Le – Vice Chairman of the Board of Directors

Danny Le played a critical role in the transformation of Masan Nutri-Science from a pure feed platform into a branded integrated meat platform. He is responsible for the strategic direction of Masan Nutri-Science and forged a partnership with global investment firm KKR.

Prior to joining Masan Group, Danny advised financial institutions at Morgan Stanley, New York, working with multinational clients to execute M&A, capital markets and privatization transactions.

Mr. Danny Le has a Bachelor's degree from Bowdoin College, USA.

● Mr. Yew Kean Lai - Vice Chairman of the Board of Directors

Mr. Yew Kean Lai was one of the founders and Chairman of Agro Nutrition International Joint Stock Company (ANCO) from 2004 to 2014. He is responsible for ANCO's product formula.

Mr. Yew has a Bachelor of Science from University of Malaya, Malaysia.

● Mr. Pham Trung Lam - Member

Mr. Pham Trung Lan is CEO of Masan Nutri-Science. He was instrumental in the successful integration of ANCO and Proconco and transforming Masan Nutri-Science into the leading animal feed player (excluding captive feed) in Vietnam. He will lead the execution of MNS' integrated branded meat strategy. He played a critical role in building Masan Consumer's nationwide distribution network.

Before joining Masan, he was with Unilever and Nestlé Vietnam.

Mr. Lam has a Bachelor in Business Administration from Economics University.

The Chairman plays an important leadership role and is involved in:

- Chairing meetings of the Board and providing its effective leadership;
- Maintaining dialogue with the Management Board and providing appropriate strategic input;
- Monitoring the performance of the Board; and

Board Meetings

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

- Reports on major projects and current business issues;
- Reports on financial performance and corporate governance;
- Specific business proposals; and
- Minutes from the previous meeting and outstanding issues.

Activities of the Board

In 2016, members of the Board mainly were involved with the discussion and approval of the following items:

- Simplifying the Company's capital structure and corporate structure;
- Increasing ownership at ANCO;
- Raising capital for a new farming company
- Deciding business development plans and annual budgets for each of our businesses and subsidiaries;
- Payment of cash dividend and issuance of shares from the Company's owners' equity; and
- Other activities

Management Board

The Management Board is responsible for implementation the Company's business development plan and business performance reporting. The Chief Executive Officer chairs the Management Board.

Currently, the Management Board is comprised of two executives, the Chief Executive Officer and the Chief Accountant. Members of the Management Board include:

- **Mr. Pham Trung Lam – Chief Executive Officer**
For profile, please see Board of Directors section

- **Ms. Nguyen Thi Minh Hang – Chief Accountant**
Ms. Nguyen Thi Minh Hang has more than 20 years of experience of financial accounting at various commercial and manufacturing companies. She was formerly Chief Financial Officer at ScanCom, a Danish investment company; and Chief Financial Officer at Triumph International.

Ms. Hang has a Master's Degree in International Accounting from Swinburne University, Australia. She is also a Chartered Professional Accountant (CPA) of Australia.

Supervisory Board

Members of the Supervisory Board were appointed at the Annual General Meeting of Shareholders.

The Supervisory Board is composed of the following members:

- **Ms. Doan Thi My Duyen – Head of the Supervisory Board**
Ms. Doan Thi My Duyen is the Head of the Supervisory Board at MNS and Chief Accountant at Masan Group. She has over 10 years' experience in finance at various industries, including manufacturing, trading, services and construction. She was formerly with KPMG Ltd., Vietnam.

Ms. Doan Thi My Duyen has a Master's degree in Corporate Finance and Accounting from the Ho Chi Minh City's University of Economics. She is also a member of Association of Chartered Certified Accountants (ACCA).

- **Ms. Dao Thi Mai Hoa – Member**
Ms. Dao Thi Mai Hoa is a member of the Supervisory Board of MNS and Senior Associate of Business Development at Masan Group. She has nearly 10 years' experience in investment and finance industry. She was formerly with SSI Securities company and Savills Vietnam.

Ms. Hoa has a Bachelor's degree in Business Administration, a major in Finance from the National University of Singapore, Singapore.

- **Mr. Nguyen Hoang Tung – Member**
Mr. Nguyen Hoang Tung is a member of the Supervisory Board of MNS and Chief Financial Officer of Masan Consumer Holdings. Prior to joining Masan, he held senior financial positions at various corporations in Canada. He holds an MBA in Strategic Planning and a Master in International Accounting. He is also a Chartered Professional Accountant (CPA) of Canada.

Activities of the Supervisory Board

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

Shareholder Information

As of 31 December 2016, Masan Group's charter capital is VND2,000,010,000,000; and is converted into 200,001,000 common shares.

CORPORATE STRUCTURE

As of 31 December 2016



SUBSIDIARIES AND ASSOCIATES

Shika Company Limited (Shika)

Shika is established in the form of a limited liability company members on October 3, 2014 with registered business lines such as: investment consultant, business liaisons and trade promotion, management consulting, market research. 99.99% of Shika is owned by MNS.

Kenji Company Limited (Kenji)

Kenji was established on October 24, 2014 in the form of one-member limited liability company with registered business lines such as investment consultant, business liaisons and trade promotion, management consulting, market research. Kenji is owned 100% by MNS.

Meiji Corporation (Meiji)

Meiji was established on December 14, 2010 under the name Hoa Muoi Gio Company Limited with registered business lines of management consulting and market research. Meiji has been converted to a joint stock company, in which Shika holds 99.99% the company's chartered capital.

Agro Nutrition International Joint Stock Company (ANCO)

ANCO was formerly established in 2003 as the Agro Nutrition International Joint Venture - a joint venture between Vietnam and Malaysia. In 2009, the JV was officially converted to the form of Joint stock company as Agro Nutrition International JSC (ANCO). Business registration of ANCO include animal and aqua feed manufacturing, import and export of animal feed and aquaculture, goods distribution of feed ANCO is famous with product line including pig feed with completed range of development phases of pig such as sows, piglets and fattening.

At Dec 31, 2016, MNS owns 99.99% of the charter capital of ANCO.

Vietnam Meat Industries Limited Company (VISSAN)

VISSAN is one of Vietnam's largest branded meat producers with a yearly capacity of 10,000 tons sterilized sausage, 5,000 tons canned products, three pig slaughter lines with a capacity of 2,400 heads/shift and two cattle slaughter lines with a capacity of 300 heads/shift.

Masan Nutri-Farm

We have commenced development of the first phase of our big scaled pig farm in Nghe An Province. We have acquired 223.7 hectares of land for the project, which we believe will be the largest farm in the province. We expect to produce up to 250,000 pigs per year with the first produce to be marketed in 2018.

Vietnamese – French Cattle Feed Joint Stock Company (Proconco)

Proconco was formerly established on April 2nd, 1991 as Vietnamese French Production of Animal Feed Joint Venture. Proconco completed the transformation into a joint stock company in 2008. Business registration Proconco include animal and aqua feed production, breeding and purchasing pigs, chickens, aquaculture, production of plastic packaging, leasing factories.

Proconco has achieved the ISO 9001-2000 certified and HACCP, and was voted as Vietnam High Quality Products for years by consumers. Feed products for cattle, poultry and aqua with brand "Con Cò" have always been highly trusted by farmers. "Con Cò" brand is one of the oldest and most premium brands in the animal feed industry in Vietnam. In addition, Proconco also has other brands like Delice, Porcy, and Ami...

At Dec 31, 2016, MNS owns directly and indirectly 75.15% of the shares of Proconco.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements contained in this report that are not statements of historical fact constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms, such as “anticipate”, “believe”, “can”, “could”, “estimate”, “anticipate”, “project”, “expect”, “intend”, “may”, “plan”, “aim”, “will” and “would” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), planned projects and other matters discussed in this document regarding matters that are not historical fact. These forward-looking statements and any other projections contained in this report involve known and unknown risks, uncertainties and other factors that may cause our actual financial results, performance or achievements to be materially different from any future financial results, performance or achievements expressed or implied by such forward-looking statements or other projections.

Forward-looking statements are based on our beliefs and assumptions, which in turn are based on currently available information. We are in the business of acquiring, actively building, managing and investing in market-leading businesses in several of the fastest growing areas of the Vietnamese economy. Our outlook is predominantly based on our interpretation of what we consider to be the key economic factors affecting our business, the Vietnamese economy and the sectors we operate in. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Actual results may differ materially from information contained in the forward-looking statements as a result of a number of factors, many of which are beyond our control. Accordingly, investors are cautioned not to place undue reliance on the forward-looking statements in this report. These statements speak only as of the date of this report or the respective dates indicated in this report, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

GLOSSARY OF TERMS

3F	Feed – Farm - Food
ANCO	Agro Nutrition Company JSC
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CSR	Corporate Social Responsibility
FMCG	Fast-moving Consumer Goods
GDP	Gross Domestic Product
GSO	Government Statistics Office (Vietnam)
JSC	Joint Stock Company
M&A	Mergers and Acquisitions
Masan	A term referring to Masan Nutri-Science, inclusive of subsidiaries and affiliates, as a whole
Masan Group or the Group	Masan Group Corporation
Masan Nutri-Farm NA	Masan Nutri-Farm (N.A) LLC.
Masan Nutri-Science or MNS	Masan Nutri-Science JSC
MNC	Multinational Company
NIM	Net Interest Margin
Proconco	Vietnamese-French Cattle Feed JSC.
SG&A	Selling, General and Administration expenses
The Board	The Board of Directors
US\$	U.S. Dollar
VISSAN	Vissan Joint Stock Company
VND	Vietnamese Dong

