



**MASAN CONSUMER CORPORATION**  
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## **REPORT OF CHIEF EXECUTIVE OFFICER ON 2015 RESULTS AND 2016 BUSINESS PLAN**

### **I. BUILDING COMPANY'S VALUES – TOTAL SHAREHOLDER RETURN**

We believe in: (i) transforming our categories through innovation, building brands and redefining our existing categories to enlarge our addressable markets; (ii) investing behind our platforms, a strong portfolio of brands and a deep distribution network; (iii) through the partnership agreements with Singha, we have an opportunity to better serve the 250 million consumers of Inland ASEAN; and (iv) becoming a place where professionals are warmly welcomed and facilitated to enrich their talents - only then we can continuously drive change to reach a sustainable growth and create more value for the company.

### **II. 2015 BUSINESS RESULTS SUMMARY**

Masan Consumer has achieved:

1. Revenue in 2015 of VND13,212 billion, up 1% as compared to 2014 and its net profit after tax of VND2,901 billion, a 15.3% decrease compared to 2014 primarily due to the following reasons:
  - a. 47% lower financial income (VND1,151 billion in 2015 compared to VND2,171 billion in 2014). The decline was attributable to lower cash balance during 2015 and lower interest rate as a result of competitive financial markets. In addition to that, 2014 also benefited from a one-time capital gain from the disposal of a packaging subsidiary.
  - b. Gross profit of VND5,948 billion in 2015, an increase of 6.1% compared to 2014 primarily due to higher operational efficiency, lower raw material prices and cost saving initiatives.
2. Building power brands, investing to build a platform for future transformation: (i) Today, our brands are some of the most recognizable and most loved in their respective categories. 98% of Vietnamese household have a Masan product; (ii) Commissioned new facility in Nghe An, increasing capacity in order to better serve our customers; (iii) Grown our vast network for greater speed to market for new product launches and promotional initiatives (grown our points of sale to 190,000 for our food portfolio and 100,000 for our beverage portfolio); (iv) Successfully finished implementing our DMS program across all of our distributors and salesmen; (v) Established strategic partnership with Singha which was considered the largest M&A deal in Vietnam's corporate history.
3. "To better serve the 250 million consumers of Inland ASEAN": We aim to go abroad again, completing a full cycle in our development and beginning another journey overseas. The 20 years after our establishment, we have broadened our purpose, which is "to better serve the 250 million consumers of inland ASEAN", a region comprising Vietnam, Thailand, Myanmar, Cambodia and Laos.

### **III. 2016 TARGETS**

Masan Consumer Corporation has set the targets for growth in revenue and net profit for 2016 as follows:

<b>Targets</b>	<b>VND billion</b>
Revenue	<b>14,500 – 15,500</b>
Net profit	<b>2,800 – 3,000</b>

#### **IV. 2016 BUSINESS STRATEGY AND PLAN**

1. Investments in our platform will begin to pay off, with increased capacity, a larger addressable market, a strong portfolio of brands, and a deep distribution network.
2. Through the partnership agreements with Singha signed in late 2015, we have an opportunity to better serve the 250 million consumers of Inland ASEAN. Masan aims to launch products in Thailand and eventually expand to neighboring markets within Inland ASEAN. As these markets are relatively new to Masan Consumer and are relatively mature, we may experience greater challenges than operating in Vietnam.
3. Continue to invest and grow our core citadel categories of Seasoning, Convenience foods, Coffee and Liquid beverages with breakthrough innovations.
4. Complete the restructuring of Company's operations, product supply infrastructure and management platform to support the realization of 2016 Business Plan.
5. Invest behind the most important asset of Masan, our people. We are committed to develop the next generation of Vietnamese leaders.

"To serve and improve the spiritual and physical lives of the 250 million consumers of Inland ASEAN consumers each and every day."

*Dated April 11, 2016*  
**Chief Executive Officer**

*(signed and sealed)*

**Seokhee Won**