



MASAN CONSUMER CORPORATION
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ENGLISH TRANSLATION

Ho Chi Minh City, April 11, 2016

**REPORT OF THE SUPERVISORY BOARD
AT THE 2016 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

- Pursuant to the functions and duties of the Supervisory Board according to the Law on Enterprises, Law on Securities and Charter of Masan Consumer Corporation (the “Company”);
- Based on the 2015 financial statements of the Company audited by KPMG.

The Supervisory Board would like to report the General Shareholders’ Meeting on the reviewing results of the Company’s 2015 financial position and the management activities of the Board of Directors and Chief Executive Officer in 2015 as follows:

I. The Supervisory Board’s activities in 2015:

In 2015, the Supervisory Board:

1. Fulfilled its functions in supervising the activities of the Board of Directors (the “Board”) and CEO based on the Company’s Charter and legal regulations; checking the compliance of decisions by the Board and CEO.
2. Checking and monitoring the implementation of 2015 business plan; supervising the implementation of Annual General Meeting (AGM) resolutions.
3. Controlling the orders and procedures for issuing regulations, policies, procedures and other documents of the Company.
4. Checking the legality, rationality, integrity and prudence in the business management and operations, in accounting and reporting principles;
5. Reviewing the report of the independent auditor and reports of internal auditing systems for the Board of Directors’ approval. The business result and accounting figures have been checked carefully to ensure the accuracy and legality in bookkeeping. The Company’s and its subsidiaries’ financial statements have been audited by KPMG and ensured to reflect fairly and rationally the key financial aspects of the Company, and checked to comply with Vietnamese Accounting Principles, Vietnamese Accounting Practices and other principles according to legal regulations.

6. Reviewing the Company's annual and half-year business and financial statements, reports on the Board of Directors' management; reviewing documents for the AGM.
7. In 2015, the Supervisory Board had 2 meetings: (i) approving the reviewing results of 2014 financial statements audited by KPMG, and (ii) approving the reviewing results of 2015 half-year financial statements reviewed by KPMG.
8. In 2015, the Supervisory Board did not get compensation.

II. The Company's 2015 financial position:

Table 1: CONSOLIDATED BALANCE SHEET

Unit: VND 1,000

Figures	31/12/2015	31/12/2014	% (2015/2014)
Asset			
Current Assets	4,736,863,861	9,180,555,940	52%
Cash and equivalent	3,366,663,622	3,595,756,093	94%
Short-term Investments	-	3,717,598,214	0%
Short-term Receivables	524,172,872	928,165,336	56%
Inventories	790,231,722	912,218,131	87%
Other Current Assets	55,795,645	26,818,166	208%
Long-term Assets	12,853,782,649	14,776,047,816	87%
Long-term Receivables	7,123,035,720	9,655,240,536	74%
Fixed Assets	4,047,507,546	3,323,436,866	122%
Long-term work in progress	719,382,303	719,169,776	100%
Long-term Investments	254,802,293	388,075,056	66%
Other Long-term Assets	709,054,787	690,125,582	103%
TOTAL ASSETS	17,590,646,510	23,956,603,756	73%
Resources			
Liabilities	4,775,199,506	11,064,868,554	43%
Short-term liabilities	4,149,379,994	6,957,254,781	60%
Long-term borrowings and liabilities	625,819,512	4,107,613,773	15%
Owners' equity	12,815,447,004	12,891,735,202	99%
Share capital	5,351,601,170	5,313,263,220	101%
Share premium	5,088,056,395	5,088,056,395	100%
Other capital	(265,775,657)	(265,775,657)	100%
Treasury shares	(1,640,252,631)	(1,640,252,631)	100%
Investment and development fund	22,731,973	22,731,973	100%
Undistributed profit after tax	2,984,708,427	3,245,457,981	92%
Non-controlling interests	1,274,377,327	1,128,253,921	113%
TOTAL RESOURCES	17,590,646,510	23,956,603,756	73%

Table 2: CONSOLIDATED INCOME STATEMENT**Unit: VND 1,000**

Figures in VND 1,000	2015	2014	% (2015/2014)
Revenue from sales of goods and provision of services	13,395,193,258	13,356,824,174	100%
Revenue deductions	(183,268,214)	(230,015,088)	80%
Net revenue	13,211,925,044	13,126,809,086	101%
Cost of sales	(7,264,239,572)	(7,522,653,011)	97%
Gross profit	5,947,685,472	5,604,156,075	106%
Financial Income	1,151,095,980	2,171,360,512	53%
Financial Expenses	(483,121,283)	(511,088,556)	95%
Share of profit in associates	14,377,237	73,608,418	20%
Selling Expenses	(2,451,004,233)	(2,533,483,012)	97%
General & Administration Expenses	(743,978,471)	(646,663,608)	115%
Net Operating Profit	3,435,054,702	4,157,889,829	83%
Other Income	4,260,888	21,794,910	20%
Other Expenses	(12,772,931)	(25,610,788)	50%
Accounting Profit Before Tax	3,426,542,659	4,154,073,951	82%
Income tax expense – current	(550,865,520)	(964,014,338)	57%
Income tax benefit/ (expenses) – deferred	25,040,546	234,866,100	11%
Net profit after tax	2,900,717,685	3,424,925,713	85%
Non-controlling interests	78,377,515	157,665,928	50%
Equity holders of the Company	2,822,340,170	3,267,259,785	86%
Basic Earnings per share	5,479	6,171	89%

Comments:

1. The Company's 2015 Financial Statements were prepared in compliance with VAS and audited by KPMG; the reported figures reflect fairly and rationally the financial situation of the Company. Accounting books have been well maintained to record clearly and sufficiently the business expenses and results in the reporting period.
2. In 2015, the Company's consolidated revenue was VND13,395 billion, obtaining 86% of the Targets approved by the AGM with the support from growth across product categories. Especially, financial income continued to contribute a significant portion to the Company's profit thanks to the big amount of cash and equivalents.

The Company continued to focus on the 2 key categories of condiments and instant noodles. In addition to premium brands of Chin-su and Omachi, the Company promoted penetration into medium and mass segments with Nam Ngu fish sauce, Tam Thai Tu soya sauce and Sagami and Kokomi instant noodles.

2015 was also the year recorded a strong growth of beverages, reflected in the strong growth of two brands Wake-up and coffee-flavored energy drink Wake-up 247, contributed a fair portion into the revenue and profit of the Company.

The Company's 2014 consolidated net profit was VND3,425 billion, obtaining 81% of the Target approved by the AGM. 2015 earnings per share is VND5,479.

3. In January 2015, Masan Food Company Limited – a subsidiary of the Company acquire s 99,99% stake in Saigon Nutrifood, a processed meat manufacturer with the key products are pasteurized sausages and canned food, to go further in the animal-based protein market.
4. In November 2015, Nghe An factory of the Company has been inaugurated and official gone into operation on schedule, aims to expand production, saving logistic costs.
5. In December 2015, Masan Beverage Company Limited (“Masan Beverage”) – a subsidiary of the Company acquire a 65% stake in Quang Ninh Mineral Water, together with Vinh Hao Mineral Water Joint Stock Company (“Vinh Hao”) to make the Company is now the largest local mineral water company in Vietnam, and to expend Masan's shares in the bottle beverage market.
6. In December 2015, our parent company, MasanConsumerHoldings, signed agreements to become a strategic partner of Singha, making an important step and creating favourable conditions to better serve the 250 million people of Inland ASEAN.
7. In January 2016, Masan Beverage additional acquired a 20.29% stake in Vinh Hao, increased its ownership in Vinh Hao to 84.23% and in February 2016, Masan Beverage also increased its ownership in Vinacafe Bien Hoa Joint Stock Company to 60.16%.
8. The Company made ordinary and extraordinary reports and disclosures in compliance with disclosure regulations for large-scale public companies on the stock exchange. Quarterly, semi-annual and annual financial statements, management reports... were disclosed in a timely manner and posted on the Company's website, facilitating the provision of official information to shareholders and investors.

III. Review of the governance by the Board of Directors in 2015

1. In 2015, the Board of Directors fully observed the legal regulations and the Company's charter, executed the AGM resolutions successfully.
2. The Board of Directors Meetings was be held on a quarterly basis in accordance with the law and the Charter of the Company. In 2015, the Board of Directors worked actively and efficiently, closely co-ordinated with the CEO and Board of Management to determine directions and solve business requirements in a timely manner, leading to the impressive business results for the Company and great value for the shareholders in 2015.
3. Resolutions by the Board of Directors were issued in compliance with the functions and duties of the Board according to legal regulations and the Company's Charter.

IV. Review of the management by the CEO in 2015:

1. With the Board of Management, CEO carried out the decisions and resolutions of AGM and BOD in a timely and complete manner, and implemented the Company's business plan successfully; proactively prepared plans for managing and performing business operations, and developed the efficiency of the organizational and managerial structure of the Company.
2. The Board of Management co-ordinated closely and proactively in sourcing, directing business operations, and ensuring jobs and improving income for employees.
3. The Board of Management regularly held meetings to discuss business plans of the Company and its subsidiaries, give directions, correct and improve shortcomings.

We wish great success to the meeting.

ON BEHALF OF THE SUPERVISORY BOARD

Head of the Supervisory Board

(Signed and sealed)

Nguyen Quynh Lam