



KKR Backs Masan Group to be Vietnam's Future Consumer Champion

April 2, 2017

\$250 million investment, including \$150 million in Masan Nutri-Science, to Accelerate Company Growth

HO CHI MINH CITY, Vietnam & SINGAPORE--(BUSINESS WIRE)-- Masan Group Corporation (**HOSE:MSN**, "Masan Group" and the "Company"), today announced that KKR, a leading global investment firm, has entered into definitive agreements to invest a total of US\$250 million in Masan Group and in its branded meat platform, Masan Nutri-Science (the "Transaction"). KKR's investment is comprised of a US\$100 million purchase of secondary shares of Masan Group from PENM Partners, an independent Danish private equity company, and a US\$150 million primary investment in Masan Nutri-Science for a 7.5% stake. This is KKR's second investment in Masan; KKR previously invested US\$359 million in Masan Consumer.

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Mr. Ming Lu, Member of KKR and Head of Asia Private Equity said, "Masan Group is a world-class partner in Vietnam. We admire and respect their capabilities to strategically transform businesses by driving change to serve 90 million consumers with quality and affordable daily products. We have witnessed them develop a seasonings company into a US\$2 billion diversified consumer group and look forward to again backing Masan as they execute their growth plans."

Mr. Nguyen Dang Quang, Chairman of Masan Group, said, "At Masan, we believe that value comes from serving the daily basic needs of 90 million Vietnamese consumers, allowing our people to pay less for quality products and services. In a country where daily essentials such as packaged food and beverage, fresh food (meat), and financial services take up half of the average person's wallet share, being able to deliver value for money is meaningful to our people and society. With KKR's investment in Masan, we will be in a stronger position to deliver on our commitment to Vietnamese consumers."

Vietnam's US\$18 billion meat sector lacks productivity and is highly fragmented (the market leader has less than 1% share), leading to consumers paying more for less. Masan believes that addressing this large unmet need requires increasing productivity across the entire animal protein value chain. In 2016, Masan completed its integrated ("feed-farm-food") branded meat platform by cementing its leading position in the animal feed business, entering into pig farming and becoming VISSAN's strategic partner. KKR's global network and team — which includes significant agricultural experience — will support Masan Nutri-Science as it accelerates its execution strategy to deliver on its vision to become the first integrated consumer meat platform in Vietnam.

"This investment underscores our commitment to Vietnam in particular and to ASEAN generally," said Ashish Shastri, Member of KKR and Head of KKR Southeast Asia. "Vietnam holds great opportunity with its growing economy and favorable demographic trends. KKR is committed to investing in the market by partnering with leading companies such as Masan Nutri-Science."

As Masan Nutri-Science moves into its next stage of transformation, Mr. Danny Le, Head of Business Development of Masan Group, will step down as Chief Executive Officer of Masan Nutri-Science and be responsible for strategy as Vice Chairman. Mr. Pham Trung Lam will lead Masan Nutri-Science as Chief Executive Officer to build the company into a leading branded meat business. Mr. Pham was previously Head of Sales at Masan Consumer, where he was instrumental in building Masan's national distribution network to reach 250,000 point of sales, the highest for a food and beverage company in Vietnam. As a result, today, the company estimates that 98% of Vietnamese families have at least one Masan product in their homes. He is supported at Masan Nutri-Science by a unique mix of animal protein and FMCG experts that are passionate about enabling Vietnamese consumers to enjoy delicious, affordable, and safe meat with their meals.

Mr. Pham Phu Ngoc Trai, Chairman of Masan Nutri-Science, said, "Our team at Masan Nutri-Science are not only professionals, but are entrepreneurs who want to transform the animal protein sector with innovation that increases productivity and brands that consumers trust and love. We have started in the feed, and I look forward to partnering with KKR to complete our story with consumer meat products."

Commenting on PENM's US\$100 million sale of Masan shares to KKR, Hans Christian Jacobsen, Managing Partner of PENM, stated, "Since our first investment nine years ago, we have had the pleasure of witnessing Masan's transformation from a small seasonings company into one of the largest and fastest growing consumer-focused businesses in Vietnam. Masan has been PENM's most successful investment in Vietnam and we look forward to continue partnering with them through our other funds and serving on their Board of Directors."

KKR invests from its Asian Fund II. The transaction is subject to customary corporate and regulatory approvals.

ABOUT MASAN GROUP CORPORATION

Masan Group Corporation ("Masan" and the "Company") believes in doing well by doing good. The Company's mission is to provide better products and services to the 90 million people of Vietnam, so that they can pay less for their daily basic needs. 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 meat, packaged food and beverage, resources, and financial services, altogether representing segments of Vietnam's economy that are experiencing the most transformational growth.

ABOUT MASAN NUTRI-SCIENCE

Masan Nutri-Science, a subsidiary of Masan Group, is Vietnam's largest fully-integrated ("feed-farm-food" business model) branded meat platform, focused on driving productivity in Vietnam's animal protein industry and ultimately directly serving consumers with traceable, quality and affordable meat products, a US\$18 billion opportunity.

In 2016, Masan Nutri-Science sold over 2.5 million tons of animal feed through its national network of over 4,500 dealers and 13 feed facilities, generating approximately US\$1.1 billion in sales. Growth was driven by animal feed brand "Bio-zeem" and integration and turnaround of Proconco and ANCO by implementing an FMCG approach to an agricultural business. In the same year, Masan Nutri-Science completed its feed-farm-food (3F) model with the groundbreaking of a scale and high-technology pig farm in Nghe An and becoming a strategic partner of VISSAN, Vietnam's largest meat company.

ABOUT KKR

KKR is a leading global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit and hedge funds. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation at the asset level. KKR invests its own capital alongside its partners' capital and brings opportunities to others through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. L.P. (NYSE:KKR), please visit KKR's website at www.kkr.com and on Twitter [@KKR_Co](https://twitter.com/KKR_Co).

ABOUT PENM PARTNERS

PENM Partners is an independent Danish private equity company. PENM Partners offers equity capital and strategic partnership to unlisted Vietnamese companies under the name Private Equity New Markets (PENM). PENM Partners, through its four funds, manages USD550 million, and is focused on unlisted companies with a proven track record and a strong future development potential. The capital from PENM will typically be applied towards expansion, growing the business through investments or acquisitions.

This press release contains forward-looking statements regarding Masan's expectations, intentions or strategies that may involve risks and uncertainties. These forward-looking statements, including Masan's expectations, involve known and unknown risks, uncertainties and other factors, some of which are beyond Masan's control, which may cause Masan's actual results of operations, financial condition, performance or achievements to be materially different from those expressed or implied by the forward-looking statements. You should not rely upon forward-looking statements as predictions, future events or promises of future performance.

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