



Masan High-Tech Materials Corporation

Separate Interim Financial Statements
for the six-month period ended 30 June 2021



Masan High-Tech Materials Corporation Corporate Information

Enterprise Registration

Certificate No. 0309966889 27 April 2010

The Company's Enterprise Registration Certificate has been amended several times, the most recent of which was dated 14 December 2020. The Certificate and its amendments were issued by the Department of Planning and Investment of Ho Chi Minh City. The first Business Registration Certificate No. 0309966889 was issued on 27 April 2010.

Investment Certificate No. 41122000131 2 August 2013

The Investment Certificate was issued by the People's Committee of Ho Chi Minh City to the Company to implement the investment of "Ma San Resources Corporation" which has a term of 10 years from the date of the Investment Certificate.

Board of Directors

Mr. Danny Le	Chairman
Mr. Nguyen Thieu Nam	First Vice Chairman
Mr. Craig Richard Bradshaw	Member
Mr. Akira Osada	Member (<i>from 12/4/2021</i>)
Ms. Nguyen Thu Hien	Independent member (<i>from 12/4/2021</i>)
Mr. Nguyen Van Thang	Member (<i>until 12/4/2021</i>)

Board of Management

Mr. Craig Richard Bradshaw	General Director
Mr. Hady Seyeda	Deputy General Director (<i>from 12/4/2021</i>)
Mr. Stuart James Wells	Chief Financial Officer

Registered Office

Suite 802, 8th Floor, Central Plaza Building
No. 17 Le Duan, Ben Nghe Ward, District 1
Ho Chi Minh City
Vietnam

Auditor

KPMG Limited
Vietnam

Masan High-Tech Materials Corporation Statement of the Board of Management

The Board of Management of Masan High-Tech Materials Corporation (“the Company”) presents this statement and the accompanying separate interim financial statements of the Company as of and for the six-month period ended 30 June 2021.

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

- (a) the separate interim financial statements set out on pages 5 to 22 give a true and fair view of the unconsolidated financial position of the Company as at 30 June 2021, and of its unconsolidated results of operations and its unconsolidated cash flows of the Company for the six-month period then ended in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company 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 these accompanying separate interim financial statements for issue.

On behalf of the Board of Management



Craig Richard Bradshaw
General Director

Ho Chi Minh City, 20 August 2021



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INTERIM FINANCIAL STATEMENTS REVIEW REPORT

To the Shareholders Masan High-Tech Materials Corporation

We have reviewed the accompanying separate interim financial statements of Masan High-Tech Materials Corporation (“the Company”), which comprise the separate balance sheet as at 30 June 2021, the related separate statements of income and cash flows for the six-month period then ended and the explanatory notes thereto which were authorised for issue by the Company’s Board of Management on 20 August 2021, as set out on pages 5 to 22.

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express a conclusion on these separate interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not give a true and fair view, in all material respects, of the unconsolidated financial positions of the Company as at 30 June 2021 and of its unconsolidated results of operations and its unconsolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

KPMG Limited

Vietnam

Review Report No.: 21-02-00185-21-2



Doan Thanh Toan
Practicing Auditor Registration
Certificate No.: 3073-2019-007-1
Deputy General Director

Hanoi, 20 AUG 2021

Phan My Linh
Practicing Auditor Registration
Certificate No.: 3064-2019-007-1

Masan High-Tech Materials Corporation
Separate balance sheet as at 30 June 2021

Form B 01a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2021 VND'000	1/1/2021 VND'000
ASSETS				
Current assets (100 = 110 + 130 + 150)	100		86,318,217	1,102,056,861
Cash and cash equivalents	110	7	36,484,979	51,739,750
Cash	111		484,979	739,750
Cash equivalents	112		36,000,000	51,000,000
Accounts receivable – short-term	130		47,627,027	1,050,317,111
Prepayments to suppliers	132		1,129,223	-
Other receivables	136	8	46,497,804	1,050,317,111
Other current assets	150		2,206,211	-
Short-term prepaid expenses	151		2,206,211	-
Long term assets (200 = 210 + 220 + 250)	200		15,156,476,389	14,156,476,389
Accounts receivable – long-term	210		3,000,000,000	2,000,000,000
Other long-term receivables	216	8	3,000,000,000	2,000,000,000
Fixed assets	220		-	-
Intangible fixed assets	227		-	-
<i>Cost</i>	228		137,950	137,950
<i>Accumulated amortisation</i>	229		(137,950)	(137,950)
Long-term financial investments	250		12,156,476,389	12,156,476,389
Investment in a subsidiary	251	9	12,156,476,389	12,156,476,389
TOTAL ASSETS (270 = 100 + 200)	270		15,242,794,606	15,258,533,250

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

Masan High-Tech Materials Corporation
Separate balance sheet as at 30 June 2021 (continued)

Form B 01a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/6/2021 VND'000	1/1/2021 VND'000
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		3,085,548,655	3,101,408,455
Current liabilities	310		1,085,548,655	1,101,408,455
Accounts payable to suppliers	311		25,949,013	32
Taxes payable to State Treasury	313		70,538	406,630
Accrued expenses	315	10	46,722,634	88,151,323
Other short-term payables	319	11	12,806,470	12,850,470
Short-term bonds	320	12	1,000,000,000	1,000,000,000
Long-term liabilities	330		2,000,000,000	2,000,000,000
Long-term bonds	338	12	2,000,000,000	2,000,000,000
EQUITY (400 = 410)	400		12,157,245,951	12,157,124,795
Equity	410	13	12,157,245,951	12,157,124,795
Share capital	411	14	10,991,554,200	10,991,554,200
- Ordinary shares with voting rights	411a		10,991,554,200	10,991,554,200
Share premium	412	14	1,098,259,892	1,098,259,892
Retained profits after tax	421		67,431,859	67,310,703
- Retained profits brought forward	421a		67,310,703	59,385,554
- Retained profit for the current period/year	421b		121,156	7,925,149
TOTAL RESOURCES (440 = 300 + 400)	440		15,242,794,606	15,258,533,250

20 August 2021

Prepared by:



Nguyen Thi Thanh Mai
Chief Accountant

Reviewed by:



Stuart James Wells
Chief Financial Officer

Approved by:



Craig Richard Bradshaw
General Director

The accompanying notes are an integral part of these separate interim financial statements

Masan High-Tech Materials Corporation
Separate statement of income for the six-month period ended 30 June 2021

Form B 02a – DN

*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	From 1/1/2021 to 30/6/2021 VND'000	From 1/1/2020 to 30/6/2020 VND'000
Financial income	21	15	137,892,353	152,387,804
Financial expenses	22	16	134,219,142	152,076,526
General and administration expenses	26		3,346,520	1,661,148
Net operating profit/(loss) (30 = 21 - 22 - 26)	30		326,691	(1,349,870)
Other expenses	32		-	(501,547)
Results of other activities (40 = - 32)	40		-	501,547
Accounting profit/(loss) before tax (50 = 30 + 40)	50		326,691	(848,323)
Income tax expense – current	51	17	205,535	(6,358,690)
Net profit after tax (60 = 50 - 51)	60		121,156	5,510,367

20 August 2021

Prepared by:

Nguyen Thi Thanh Mai
Chief Accountant

Reviewed by:

Stuart James Wells
Chief Financial Officer

Approved by:

CÔNG TY
CỔ PHẦN
MASAN
HIGH-TECH
MATERIALS
QUẬN T. PHỐ CHÍ MINH

Craig Richard Bradshaw
General Director

The accompanying notes are an integral part of these separate interim financial statements

Masan High-Tech Materials Corporation
Separate statement of cash flows for the six-month period ended 30 June 2021
(Indirect method)

Form B 03a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code Note	From 1/1/2021 to 30/6/2021 VND'000	From 1/1/2020 to 30/6/2020 VND'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax	01	326,691	(848,323)
Adjustments for			
Profits from investing activities	05	(137,892,353)	(152,387,804)
Interest expense	06	134,219,142	151,502,740
Operating loss before changes in working capital	08	(3,346,520)	(1,733,387)
Change in receivables	09	(829,225)	(1,648,718)
Change in payables and other liabilities	11	(671,850)	472,166
Change in prepaid expenses	12	(2,206,211)	(266,212)
		(7,053,806)	(3,176,151)
Interest paid	14	(135,875,649)	(151,084,924)
Income tax paid	15	(245,627)	(300,000)
Net cash flows from operating activities	20	(143,175,082)	(154,561,075)
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts of interests and dividend	27	141,411,661	156,383,691
Net cash flows from investing activities	30	141,411,661	156,383,691

The accompanying notes are an integral part of these separate interim financial statements

Masan High-Tech Materials Corporation
Separate statements of cash flows for the six-month period ended 30 June 2021
(Indirect method - continued)

Form B 03a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code Note	From 1/1/2021 to 30/6/2021 VND'000	From 1/1/2020 to 30/6/2020 VND'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for transaction cost for 2020 shares issuance	31	(13,491,350)	-
Net cash flows from financing activities	40	(13,491,350)	-
Net cash flows during the period (50 = 20 + 30 + 40)	50	(15,254,771)	1,822,616
Cash and cash equivalents at the beginning of the period	60	51,739,750	4,273,418
Cash and cash equivalents at the end of the period (70 = 50 + 60)	70	36,484,979	6,096,034

20 August 2021

Prepared by:



Nguyen Thi Thanh Mai
Chief Accountant

Reviewed by:



Stuart James Wells
Chief Financial Officer

Approved by:



CÔNG TY
 CỔ PHẦN
MASAN
HIGH-TECH
MATERIALS
 QUẬN BÌNH THẠNH, TP. HỒ CHÍ MINH

Craig Richard Bradshaw
General Director

The accompanying notes are an integral part of these separate interim financial statements

Masan High-Tech Materials Corporation
Notes to the separate interim financial statements for the six-month period ended
30 June 2021

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance))

These notes form an integral part of and should be read in conjunction with the accompanying separate interim financial statements.

1. Reporting entity

Ownership and company structure

Masan High-Tech Materials Corporation (“the Company” or “MHT”) is incorporated as a joint stock company in Vietnam. The principal activity of the Company is investment holding.

As at 30 June 2021, the Company had 2 employees (1/1/2021: 2 employees).

2. Basis of preparation

(a) Statement of compliance

The separate interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

The Company prepares and issues its consolidated interim financial statements separately. For a comprehensive understanding of the consolidated financial position of the Company and its subsidiaries (collectively referred to as “the Group”), and their consolidated results of operations and their consolidated cash flows for the six-month period then ended, these separate interim financial statements should be read in conjunction with the consolidated interim financial statements of the Group for the six-month period ended 30 June 2021.

(b) Basis of measurement

The separate interim financial statements, except for the separate statement of cash flows, are prepared on the accrual basis using the historical cost concept. The separate statement of cash flows is prepared using the indirect method.

(c) Annual accounting period

The annual accounting period of the Company is from 1 January to 31 December.

(d) Accounting and presentation currency

The Company’s accounting currency is Vietnam Dong (“VND”), which is also the currency used for financial statement presentation purpose. All amounts have been rounded to the nearest thousand (VND’000), unless otherwise indicated.



Masan High-Tech Materials Corporation
Notes to the separate interim financial statements for the six-month period ended
30 June 2021 (continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

3. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Company in the preparation of these separate interim financial statements.

The accounting policies that have been adopted by the Company in the preparation of these separate interim financial statements are consistent with those adopted in the preparation of the latest separate annual financial statements.

(a) Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate for assets and account transfer selling rate for liabilities at the end of the annual accounting period quoted by the commercial bank where the Company most frequently conducts transactions.

All foreign exchange differences are recorded in the separate statement of income.

(b) Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amount of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(c) Investments in a subsidiary

Investment in a subsidiary is initially recognised at cost which includes purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the investee has suffered a loss, except where such a loss was anticipated by the Company's Board of Management before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(d) Accounts receivable

Accounts receivable from customers and other receivables are stated at cost less allowance for doubtful debts.

Masan High-Tech Materials Corporation
Notes to the separate interim financial statements for the six-month period ended
30 June 2021 (continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC
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(e) Intangible fixed assets

Software

Cost of acquisition of new software, which is not an integral part of the related hardware, is recognised as an intangible asset. Acquired software costs are amortised on a straight-line basis over three (3) to eight (8) years.

(f) Accounts payable

Accounts payable to suppliers and other payables are stated at their cost.

(g) Business cooperation contract

Business Cooperation Contracts (“BCC”) are those under which contracting parties agree to carry out specific business activities that do not require an establishment of legal entity. The Company accounts for each BCC according to its substance and its rights and obligations under the contract. Where the Company makes contributions in the form of financial assets to the other parties and as a result obtaining a contractual right to receive cash or other financial assets from those parties under the BCC, the Company recognise a financial asset. Where distributions of profits from the other BCC parties have the substance of finance income, they are recognised as financial income based on the rate of returns as agreed by contracting parties. Distributions which are contingent on the ultimate operating results of the BCC are recognised as income only as when the ultimate operating results of the BCC can be determined reliably.

(h) Bonds issued

At initial recognition, bonds are measured at cost which comprises proceeds from issuance net of issuance costs. Any discount, premium or issuance costs are amortised on a straight-line basis over the term of the bond.

(i) Equity

Ordinary shares

Ordinary share capital is classified as equity. The excess of proceeds contributed over the par value of shares issued is recorded as share premium. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from share premium.

Masan High-Tech Materials Corporation
Notes to the separate interim financial statements for the six-month period ended
30 June 2021 (continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC
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(j) Taxation

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using tax rates enacted or substantively enacted at end of the accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(k) Financial income and financial expenses

(i) *Financial income*

Financial income comprises interest income from deposits and loans, profit distribution from BCC and foreign exchange gains. Interest income is recognised as it accrues in the separate statement of income.

(ii) *Financial expenses*

Financial expenses comprise interest expenses on borrowings, bonds, facility fees, financing costs, transaction costs and foreign exchange losses.

(l) Income from distributed profits

Income from distributed profits from a subsidiary is recognized when the right to receive profit distribution is established. Distributed profits received which are attributable to the period before investment acquisition date are deducted from the carrying amount of the investment.

(m) Borrowing costs

Borrowings costs comprise interest expenses on borrowings, facility fees, financing costs and transaction costs. Borrowing costs are recognised as an expense in the period in which they are incurred.

Masan High-Tech Materials Corporation
Notes to the separate interim financial statements for the six-month period ended
30 June 2021 (continued)

Form B 09 – DN

*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

(n) Related parties

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or to exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party. Related parties that are individuals refer to key management personnel who have authority and responsibility for planning, directing and controlling the activities of the Company, including directors and officers of the Company. Related companies refer to subsidiaries and associates of the Company, the shareholders and the ultimate parent company and their subsidiaries and associates.

4. Seasonality of operations

The Company does not have any seasonal operations of which may affect the Company's operating results for the six-month period ended 30 June 2021.

5. Changes in accounting estimates

In preparing the annual and interim separate financial statements, the management has made several accounting estimates. Actual results may differ from these estimates. During the six-month period ended 30 June 2021, there was no significant change in the accounting estimates made at the end of the previous annual accounting period affecting the separate financial statements.

6. Unusual items

The Company does not have any unusual items which may affect the Company's separate financial statements for the six-month period ended 30 June 2021.

7. Cash and cash equivalents

	30/6/2021	1/1/2021
	VND'000	VND'000
Cash in banks	484,979	739,750
Cash equivalents	36,000,000	51,000,000
	<hr/>	<hr/>
	36,484,979	51,739,750
	<hr/>	<hr/>

Masan High-Tech Materials Corporation
Notes to the separate interim financial statements for the six-month period ended
30 June 2021 (continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC
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8. Other short-term and long-term receivables

	30/6/2021	1/1/2021
	VND'000	VND'000
Short-term receivables		
Distribution of profit receivable from BCC (a)	46,442,804	49,962,111
Receivables under BCC with NPM (b)	-	1,000,000,000
Others	55,000	355,000
	46,497,804	1,050,317,111
Long-term receivables		
Receivables under BCC with NPM (b)	2,000,000,000	1,000,000,000
Receivables under BCC with MTC (c)	1,000,000,000	1,000,000,000
	3,000,000,000	2,000,000,000

- (a) The distribution of profit receivable from BCC is attributable to the accrual of the Company's entitlement in current year's operating results of the BCC which the Company entered into with its subsidiaries, Nui Phao Mining Co., Ltd ("NPM") and Masan Tungsten LLC ("MTC") (Note 8(b)).
- (b) Receivables under BCC represents contribution to NPM under Business Cooperation Contracts ("BCCs") dated 21 September 2018 and amended several times thereafter according to which the Company uses the bond proceeds of VND1,000 billion, VND500 billion and VND500 billion respectively for business cooperation activities with NPM. The BCCs have cooperation terms of sixty (60) months from the payment date of last contribution (VND500 billion) on 28 May 2019. The repayment of all or partial amounts of contribution for the BCC will be agreed by both parties before the end of the cooperation term. Accordingly, both parties agreed that the initial repayment schedule of the first contribution of VND1,000 billion in September 2021 was rescheduled to be within the cooperation term.
- (c) The other long-term receivables under BCC represents contribution to MTC under BCC dated 16 November 2018 and amended several times thereafter according to which the Company uses the bond proceeds of VND1,000 billion for business cooperation activities with MTC. The BCCs have terms of sixty (60) months of cooperation from when MTC received the proceeds from business cooperation contract in November 2018.

The sharing of profits under the above-mentioned BCCs in (b) and (c) are based on the agreed rate as stipulated in the BCCs and their amendments.



Masan High-Tech Materials Corporation
Notes to the separate interim financial statements for the six-month period ended
30 June 2021 (continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC
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9. Long-term financial investments

	30/6/2021		1/1/2021	
	Cost VND'000	Fair value VND'000	Cost VND'000	Fair value VND'000
Investment in a subsidiary				
Investment in Masan Thai Nguyen Resources Company Limited (“MRTN”)	12,156,476,389	(*)	12,156,476,389	(*)

MRTN is an investment holding company, incorporated in Vietnam. The direct and indirect percentage of economic interests of the Company at MRTN is 100% as at 30 June 2021 (1/1/2021: 100%).

(*) The Company has not determined the fair values of the equity investments for disclosure in separate financial statements because information about their market prices are not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair values of the equity investments may differ from their carrying amounts.

10. Accrued expenses

	30/6/2021 VND'000	1/1/2021 VND'000
Accrued interest expenses	43,143,155	45,058,494
Share issuance fee	3,184,479	42,624,809
Others	395,000	468,020
	46,722,634	88,151,323

Masan High-Tech Materials Corporation
Notes to the separate interim financial statements for the six-month period ended
30 June 2021 (continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

11. Other short-term payables

Other payables included the following amounts:

	30/6/2021	1/1/2021
	VND'000	VND'000
Amounts due to Masan Horizon Company Limited (“MH”)		
– the immediate parent company		
Non-trade – short-term (*)	2,511,785	2,511,785
Amount due to Nui Phao Mining Company Ltd – a subsidiary		
Non-trade – short-term (*)	10,294,685	10,294,685
Others	-	44,000
	12,806,470	12,850,470
	12,806,470	12,850,470

(*) Amounts due to related parties were unsecured, interest-free and repayable based on agreement between the parties.

12. Bonds

	30/6/2021	1/1/2021
	VND'000	VND'000
Long-term bonds issued	3,000,000,000	3,000,000,000
Repayable within twelve months	(1,000,000,000)	(1,000,000,000)
	2,000,000,000	2,000,000,000
	2,000,000,000	2,000,000,000

Terms and conditions of outstanding long-term bonds denominated in VND were as follows:

		Year of maturity	30/6/2021	1/1/2021
			VND'000	VND'000
Long-term bonds issued				
▪ Secured bond issued	(a)	2021	1,000,000,000	1,000,000,000
▪ Secured bond issued	(b)	2023	1,500,000,000	1,500,000,000
▪ Secured bond issued	(c)	2024	500,000,000	500,000,000
			3,000,000,000	3,000,000,000
			3,000,000,000	3,000,000,000

Masan High-Tech Materials Corporation
Notes to the separate interim financial statements for the six-month period ended
30 June 2021 (continued)

Form B 09 – DN

*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

- (a) The VND denominated bonds issued by the Company with a three-year term bore interest rate of 9.8% per annum for the first twelve months. After the first twelve months, the applicable interest rate per annum will be adjusted every six months and calculated as the average twelve-month saving deposit rate of related reference banks plus 3.2%. The representatives of the bondholders is Techcom Securities Company JSC – the ultimate parent company’s associate. The bond proceeds were used for the business cooperation activities with NPM (Note 8(b)). The bond was secured by a part of certain long term assets of NPM.
- (b) The VND denominated bonds issued by the Company with a five-year term bore interest rate of 10% per annum for the first twelve months. After the first twelve months, the applicable interest rate per annum will be adjusted every six months and calculated as the average twelve-month saving deposit rate of related reference banks plus 3.25%. The representatives of the bondholders is Techcom Securities JSC. The bond proceeds were used for the business cooperation activities with NPM and MTC (Note 8(b) and (c)). The bond was secured by a part of certain long term assets of NPM.
- (c) The VND denominated bonds issued by the Company with a five-year term bear interest rate of 10.2% per annum for the first twelve months. After the first twelve months, the applicable interest rate per annum will be adjusted every six months and calculated as the average twelve-month saving deposit rate of related reference banks plus 3.3%. The representatives of the bondholders is Techcom Securities Company JSC. The bond proceeds were used for the business cooperation activities with NPM (Note 8(b)). The bond was secured by a part of certain long term assets of NPM.

13. Changes in equity

	Share capital VND’000	Share premium VND’000	Retained profits after tax VND’000	Total VND’000
Balance at 1/1/2020	9,892,398,780	145,709,384	59,385,554	10,097,493,718
Net profit for the period	-	-	5,510,367	5,510,367
Balance at 30/6/2020	9,892,398,780	145,709,384	64,895,921	10,103,004,085
Balance at 1/1/2021	10,991,554,200	1,098,259,892	67,310,703	12,157,124,795
Net profit for the period	-	-	121,156	121,156
Balance at 30/6/2021	10,991,554,200	1,098,259,892	67,431,859	12,157,245,951

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14. Share capital

The Company's authorised and issued share capital comprised:

	30/6/2021		1/1/2021	
	Number of shares	VND'000	Number of shares	VND'000
Authorised share capital	1,099,155,420	10,991,554,200	1,099,155,420	10,991,554,200
Issued share capital				
Ordinary shares	1,099,155,420	10,991,554,200	1,099,155,420	10,991,554,200
Shares in circulation				
Ordinary shares	1,099,155,420	10,991,554,200	1,099,155,420	10,991,554,200
Share premium	-	1,098,259,892	-	1,098,259,892

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

Share premium represents the excess of the proceeds on issuance of shares over the par value.

Included in the shares in circulation are 109,915,542 of ordinary shares issued to Mitsubishi Material Corporation (the Investor) on 26 October 2020 for the consideration of VND2,094,330,737,268. In relation to this issuance, the Company also granted a put option to the Investor. In the event that (i) the Company and the Investor (or their affiliate) fail to establish a joint operation of midstream tungsten business after closing date of these shares issuance or (ii) if there is a change in control in the Company, the Investor will have an irrevocable right to request the Company or its nominee to purchase all shares issued above at the amount equal to consideration of VND2,094,330,737,268 less the aggregate of any proceeds received by the Investor from disposing the Company's shares, dividends and distributions paid by the Company subject to customary adjustments from dilutive events. The deadline to take actions necessary to effect the completion the put option is 18 month from the date that the Company receives put option exercise notice from the Investor. The exercise of the put option will be subject to approval of Board of Directors, shareholders and Vietnamese regulators.



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15. Financial income

	From 1/1/2021 to 30/6/2021 VND'000	From 1/1/2020 to 30/6/2020 VND'000
Interest income	720,271	68,628
Distribution of profit from BCC	137,172,082	152,319,176
	137,892,353	152,387,804

16. Financial expenses

	From 1/1/2021 to 30/6/2021 VND'000	From 1/1/2020 to 30/6/2020 VND'000
Interest expense	133,845,548	151,502,740
Others	373,594	573,786
	134,219,142	152,076,526

17. Income tax

(a) Reconciliation of effective tax rate

	From 1/1/2021 to 30/6/2021 VND'000	From 1/1/2020 to 30/6/2020 VND'000
Accounting profit/(loss) before tax	326,691	(848,323)
Tax at the Company tax rate	65,338	(169,665)
Under/(over) provision in prior year	140,197	(6,358,690)
	205,535	(6,528,355)
Deferred tax assets not recognised	-	169,665
	205,535	(6,358,690)

(b) Applicable tax rates

The Company has an obligation to pay the government income tax at the rate of 20% of taxable profits.

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18. Significant transactions with related parties

In addition to related party balances and transactions disclosed in other notes to these separate interim financial statements, the Company had the following significant balances and transactions with related parties during the year:

(a) Related party balances

As at and for the six-month period ended 30 June 2021, the Company has current and term deposit accounts at Vietnam Technological and Commercial Joint Stock Bank (“TCB”) at normal commercial terms.

As at 30 June 2021, associates of the ultimate parent company held VND217,335 million (1/1/2021: VND67,856 million) of the issued bonds of the Company.

(b) Related party transactions

Related Parties	Nature of transactions	From 1/1/2021 to 30/6/2021 VND’000	From 1/1/2020 to 30/6/2020 VND’000
Ultimate holding company’s associate			
TCB and its subsidiaries	Bond interest (i)	7,023,877	14,017,682
Subsidiaries			
Nui Phao Mining Co., Ltd	Distribution of profit from BCC	91,603,443	101,724,483
Masan Tungsten LLC	Distribution of profit from BCC	45,568,639	50,594,693
Key management personnel			
	Salary, bonus and other benefits (ii)	11,170,948	21,671,653

- (i) The bonds are listed and sold to a broader group of investors pursuant to arrangement agreements.
- (ii) No board fees were paid to Board of Directors members for the six-month period ended 30 June 2021 and 30 June 2020.

