



Masan High-Tech Materials Corporation
(formerly known as Masan Resources Corporation)

Standalone quarterly financial statements
for the period ended 30 September 2020

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 6 August 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. Nguyen Van Thang	Member
Mr. Craig Richard Bradshaw	Member

Board of Management

Mr. Craig Richard Bradshaw	General Director
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

Masan High-Tech Materials Corporation
Standalone balance sheets as at 30 September 2020

Form B 01a – DN/HN

(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/9/2020 VND'000	1/1/2020 VND'000
ASSETS				
Current assets (100 = 110 + 120 + 130 + 150)	100		737,276,110	711,706,777
Cash and cash equivalents	110	4	4,344,032	4,273,418
Cash	111		344,032	273,418
Cash equivalents	112		4,000,000	4,000,000
Accounts receivable – short-term	130		730,641,497	707,433,359
Prepayments to suppliers	132		1,328,686	-
Other receivables	136	5	729,312,811	707,433,359
Other current assets	150		2,290,581	-
Short-term prepaid expenses	151		2,290,581	-
Long term assets (200 = 210 + 220 + 250)	200		12,454,770,460	12,454,770,460
Accounts receivable – long-term	210		3,000,000,000	3,000,000,000
Other long-term receivables	216	5	3,000,000,000	3,000,000,000
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	6	9,454,770,460	9,454,770,460
Investment in a subsidiary	251		9,454,770,460	9,454,770,460
TOTAL ASSETS (270 = 100 + 200)	270		13,192,046,570	13,166,477,237

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

Masan High-Tech Materials Corporation
Standalone balance sheets as at 30 September 2020 (continued)

Form B 01a – DN/HN
(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/9/2020 VND'000	1/1/2020 VND'000
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		3,089,124,190	3,068,983,519
Current liabilities	310		1,089,124,190	68,983,519
Accounts payable to suppliers	311		330,032	330,000
Taxes payable to State Treasury	313		1,200	6,860,237
Accrued expenses	315	7	75,986,488	48,986,812
Other short-term payables	319	8	12,806,470	12,806,470
Short-term borrowings	320	9	1,000,000,000	-
Long-term liabilities	330		2,000,000,000	3,000,000,000
Long-term borrowings, bonds and financial lease liabilities	338	9	2,000,000,000	3,000,000,000
EQUITY (400 = 410)	400		10,102,922,380	10,097,493,718
Equity	410	10	10,102,922,380	10,097,493,718
Share capital	411	11	9,892,398,780	9,892,398,780
- Ordinary shares with voting rights	411a		9,892,398,780	9,892,398,780
Share premium	412	11	145,709,384	145,709,384
Undistributed profit after tax	421		64,814,216	59,385,554
- Undistributed profit brought forward	421a		59,385,554	-
- Undistributed profit for the current year	421b		5,428,662	59,385,554
TOTAL RESOURCES (440 = 300 + 400)	440		13,192,046,570	13,166,477,237

30 October 2020

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 standalone financial statements

Masan High-Tech Materials Corporation

Standalone statements of income for the period ended 30 September 2020

Form B 02a – DN/HN

(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	From 1/7/2020 to 30/9/2020 VND'000	From 1/7/2019 to 30/9/2019 VND'000	From 1/1/2020 to 30/9/2020 VND'000	From 1/1/2019 to 30/9/2019 VND'000
Financial income	21	12	77,022,621	77,021,677	229,410,425	206,904,809
Financial expenses	22	13	75,689,900	75,627,930	227,766,426	203,647,936
General and administration expenses	26		1,414,426	905,748	3,075,574	2,004,406
Net operating (loss)/profit (30 = 21 - 22 - 26)	30		(81,705)	487,999	(1,431,575)	1,252,467
Other income	31		-	-	-	-
Other expenses	32		-	-	(501,547)	-
Results of other activities (40 = 31 - 32)	40		-	-	501,547	-
Accounting (loss)/profit before tax (50 = 30)	50		(81,705)	487,999	(930,028)	1,252,467
Income tax expense / (credit)	51		-	-	(6,358,690)	-
Net profit after tax (60 = 50)	60		(81,705)	487,999	5,428,662	1,252,467

30 October 2020

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 standalone financial statements

Masan High-Tech Materials Corporation**Standalone statements of cash flows for the period ended 30 September 2020****(Indirect method)****Form B 03a – DN/HN***(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

	Code	From 1/1/2020 to 30/9/2020 VND'000	From 1/1/2019 to 30/9/2019 VND'000
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss)/profit before tax	01	(930,028)	1,252,467
Adjustments for			
Profits from investing activities	05	(229,410,425)	(206,904,809)
Interest expense and borrowing fees	06	227,766,426	203,647,936
Operating loss before changes in working capital	08	(2,574,027)	(2,004,406)
Change in receivables and other current assets	09	(1,637,453)	170,778
Change in payables and other liabilities	11	528,818	(4,388,767)
Change in prepaid expenses	12	(2,290,581)	(461,104)
		(5,973,243)	(6,683,499)
Interest paid	14	(201,495,884)	(169,161,642)
CIT paid	15	(300,000)	-
Net cash flows from operating activities	20	(207,769,127)	(175,845,141)
CASH FLOWS FROM INVESTING ACTIVITIES			
Contribution for Business Cooperation Contract (“BCC”)	23	-	(500,000,000)
Proceeds from loan conversion received	24	-	3,945,518,100
Capital contribution to subsidiary	25	-	(4,314,434,887)
Receipt of interest	27	207,839,741	544,865,665
Net cash flows from investing activities	30	207,839,741	(324,051,122)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	33	-	500,000,000
Net cash flows from financing activities	40	-	500,000,000
Net cash flows during the year (50 = 20 + 30)	50	70,614	103,737
Cash and cash equivalents at the beginning of the period	60	4,273,418	3,288,566
Cash and cash equivalents at the end of the p (70 = 50 + 60) (Note 4)	70	4,344,032	3,392,303

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

Masan High-Tech Materials Corporation
Separate statements of cash flows for the period ended 30 September 2020
(Indirect method - continued)

Form B 03a – DN/HN

*(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

30 October 2020

Prepared by:



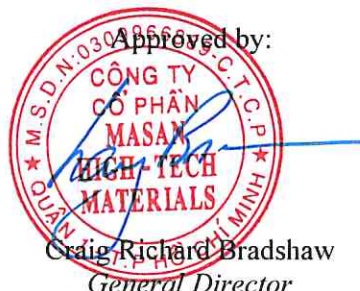
Nguyen Thi Thanh Mai
Chief Accountant

Reviewed by:



Stuart James Wells
Chief Financial Officer

Approved by:



CÔNG TY
CÓ PHẦN
MASAN
HIGH-TECH
MATERIALS
QUẬN TÂY HỒ, TP. HỒ CHÍ MINH

Craig Richard Bradshaw
General Director

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

Masan High-Tech Materials Corporation

Notes to the standalone financial statements for the period ended 30 September 2020

Form B 09a – DN/HN

(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/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 financial statements.

1. Reporting entity

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

2. Basis of preparation

(a) Statement of compliance

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

The Company prepares and issues its consolidated quarterly financial statements separately. For a comprehensive understanding of the consolidated financial position of the Company and its subsidiaries (collectively referred to as “the Group”), their consolidated results of operations and its consolidated cash flows, these standalone quarterly financial statements should be read in conjunction with the consolidated quarterly financial statements of the Group for the period ended 30 September 2020.

(b) Basis of measurement

The separate 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 and its subsidiaries are from 1 January to 31 December.

(d) Accounting and presentation currency

The Company’s accounting currency is Vietnam Dong (“VND”). The separate financial statements are prepared and presented in VND rounded to the nearest thousand (“VND’000”).

Masan High-Tech Materials Corporation
Notes to the standalone financial statements for the period ended 30 September 2020
(continued)

Form B 09a – DN/HN

*(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/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 Group and the Company in the preparation of these separate financial statements.

(a) 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.

(b) Investments in a subsidiary

For the purpose of separate financial statements, 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 Group's 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.

(c) Accounts receivable

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

(d) Intangible fixed assets - *Software*

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

(e) Accounts payable

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

Masan High-Tech Materials Corporation
Notes to the standalone financial statements for the period ended 30 September 2020
(continued)

Form B 09a – DN/HN

*(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

(f) 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 receives contributions in the form of financial assets from the other parties and as a result assuming a contractual obligation to deliver cash or other financial assets to those parties under the BCC, the Company recognise a financial liability. Where distributions of profits to the other BCC parties have the substance of finance costs, they are recognised as financial expenses 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 an expense when such contingent distributions become probable.

(g) 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.

(h) Equity

(i) 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.

(ii) Preference shares

Mandatorily convertible preference shares are classified as equity, because they are entitled to fixed dividends and any discretionary dividends declared to ordinary shareholders and it participate equally in the residual assets on dissolution. The excess of proceeds contributed over the par value of shares issued is recorded as share premium. Incremental costs directly attributable to the preference shares are recognised as a deduction from share premium.

(i) Taxation

Income tax on the profit or loss for the year 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 year, using tax rates enacted at the end of the accounting year, and any adjustment to tax payable in respect of previous periods.

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 annual accounting year.

Masan High-Tech Materials Corporation
Notes to the standalone financial statements for the period ended 30 September 2020
(continued)

Form B 09a – DN/HN

*(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

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.

(j) Financial income and financial expenses

(i) Financial income

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

(ii) Financial expenses

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

(k) 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 year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the year of construction are capitalised as part of the cost of the fixed assets concerned.

(l) Related parties

Parties are considered to be related to the Group 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 the investors and their ultimate holding companies and their subsidiaries and associates.

Masan High-Tech Materials Corporation**Notes to the standalone financial statements for the period ended 30 June 2020 (continued)****Form B 09a – DN/HN***(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***4. Cash and cash equivalents**

	30/9/2020 VND'000	1/1/2020 VND'000
Cash in banks	344,032	273,418
Cash equivalents	4,000,000	4,000,000
	<hr/> 4,344,032	<hr/> 4,273,418

5. Other short-term and long-term receivables

	30/9/2020 VND'000	1/1/2020 VND'000
Short-term receivables		
Distribution of profit receivable from BCC (a)	75,537,450	50,017,111
Profit share from Subsidiary	653,409,101	657,409,101
Others	366,260	7,147
	<hr/> 729,312,811	<hr/> 707,433,359
Long-term receivables		
Receivables under BCC (b)	3,000,000,000	3,000,000,000
	<hr/> 3,000,000,000	<hr/> 3,000,000,000

(a) The distribution of profit receivables were due to accrual of the current year's operating results as distribution of profit receivable from BCC which the Company contracted with its subsidiaries, Nui Phao Mining Co., Ltd ("NPM") and Masan Tungsten LLC ("MTC") (Note 5(b)).

(b) The other long-term receivables under BCC represents contribution to NPM under Business Cooperation Contracts ("BCC") dated 21 September 2018 and amended five times thereafter according to which the Company use the bond proceeds of VND1,000 billion, VND500 billion and VND500 billion respectively for business cooperation activities with NPM. The BCCs has terms of thirty-six (36), sixty (60) months and sixty (60) months of cooperation respectively from when NPM received the proceeds from business cooperation contract. The sharing of profit is based on the agreed rate as stipulated in the BCC.

The other long-term receivables under BCC represents contribution to MTC under BCC dated 16 November 2018 and amended thrice thereafter according to which the Company use the bond proceeds of VND1,000 billion for business cooperation activities with MTC. The BCCs has terms of sixty (60) months of cooperation from when MTC received the proceeds from business cooperation contract. The sharing of profit is based on the agreed rate as stipulated in the BCC.

Masan High-Tech Materials Corporation**Notes to the standalone financial statements for the period ended 30 September 2020
(continued)****Form B 09a – DN/HN***(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)***6. Long-term financial investments**

	30/9/2020		1/1/2020	
	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")	9,454,770,460	(*)	9,454,770,460	(*)

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 September 2020 (1/1/2020: 100%).

(*) The Company has not determined the fair values of the equity investments for disclosure in the standalone 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.

Masan High-Tech Materials Corporation**Notes to the standalone financial statements for the period ended 30 September 2020
(continued)****Form B 09a – DN/HN***(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)***7. Accrued expenses**

	30/9/2020	1/1/2020
	VND'000	VND'000
Accrued interest payable	73,998,635	48,591,812
Others	1,987,853	395,000
	<hr/>	<hr/>
	75,986,488	48,986,812
	<hr/>	<hr/>

8. Other short-term and long-term payables

Other payables included the following amounts:

	30/9/2020	1/1/2020
	VND'000	VND'000
Short-term:		
Amounts due to Masan Horizon Company Limited (“MH”) – an immediate holding company		
Non-trade – short-term (a)	2,511,785	2,511,785
Amount due to NPM – a subsidiary		
Non-trade – short-term (a)	10,294,685	10,294,685
	<hr/>	<hr/>
	12,806,470	12,806,470
	<hr/>	<hr/>

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

Masan High-Tech Materials Corporation
Notes to the standalone financial statements for the period ended 30 September 2020
(continued)

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9. Long-term borrowings and bonds

	30/9/2020	1/1/2020
	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
Repayable after twelve months	2,000,000,000	2,000,000,000

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

	Currency	Interest rate per annum	Year of maturity	30/9/2020 VND'000	1/1/2020 VND'000
Secured bond issuance	VND	(i)	2021	1,000,000,000	1,000,000,000
Secured bond issuance	VND	(ii)	2023	1,500,000,000	1,500,000,000
Secured bond issuance	VND	(iii)	2024	500,000,000	500,000,000
				3,000,000,000	3,000,000,000

- (i) The VND denominated non-convertible 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 bond was secured by 10.58% of issued shares of the Company held by MH.
- (ii) The VND denominated non-convertible 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 bond was secured by 15.65% of issued shares of the Company held by MH.
- (iii) The VND denominated non-convertible bonds issued by the Company with a five-year term bore 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 bond was secured by 5.62% of issued shares of the Company held by MH.

Masan High-Tech Materials Corporation
Notes to the standalone financial statements for the period ended 30 September 2020
(continued)

Form B 09a – DN/HN
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10. Changes in equity

	Share capital VND'000	Share premium VND'000	Undistributed profit after tax VND'000	Total VND'000
Balance at 1 January 2019	8,993,091,220	145,709,384	306,749,602	9,445,550,206
Net profit for the year	-	-	1,252,467	1,252,467
Balance at 30 September 2019	8,993,091,220	145,709,384	308,002,069	9,446,802,673
Balance at 1 January 2020	9,892,398,780	145,709,384	59,385,554	10,097,493,718
Net profit for the year	-	-	5,428,662	5,428,662
Balance at 30 September 2020	9,892,398,780	145,709,384	64,814,216	10,102,922,380

11. Share capital

The Company's authorised and issued share capital comprised:

	30/9/2020 and 1/1/2020	
	Number of shares	VND'000
Authorised share capital	989,239,878	9,892,398,780
Issued share capital		
Ordinary shares	989,239,878	9,892,398,780
Shares in circulation		
Ordinary shares	989,239,878	9,892,398,780
Share premium	-	145,709,384

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.

Masan High-Tech Materials Corporation
Notes to the standalone financial statements for the period ended 30 September 2020
(continued)

Form B 09a – DN/HN
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12. Financial income

	From 1/1/2020 to 30/9/2020 VND'000	From 1/1/2019 to 30/9/2019 VND'000
Interest income	94,743	92,297
Distribution of profit from BCC	229,315,682	206,812,512
	229,410,425	206,904,809

13. Financial expenses

	From 1/1/2020 to 30/9/2020 VND'000	From 1/1/2019 to 30/9/2019 VND'000
Interest expense	226,902,740	203,095,890
Others	863,686	305,556
	227,766,426	203,647,936

14. Significant transactions with related parties

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

Related Party	Nature of transactions	From 1/1/2020 to 30/9/2020 VND'000	From 1/1/2019 to 30/9/2019 VND'000
Ultimate holding company			
Masan Group Corporation	Bond interest		- 75,131,126
Ultimate holding company's associate			
Vietnam Technological and Commercial Joint Stock Bank and its subsidiaries			
	Bond issued		- 500,000,000
	Bond interest	8,543,455	2,373,514
Subsidiaries			
Nui Phao Mining Company Ltd	Distribution of profit from BCC	153,145,650	130,920,472
Masan Tungsten Company Ltd	Distribution of profit from BCC	76,170,032	75,892,039

Masan High-Tech Materials Corporation
Notes to the standalone financial statements for the period ended 30 September 2020
(continued)

Form B 09a – DN/HN

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dated 22 December 2014 of the Ministry of Finance)*

15. Subsequent events

On 26 October 2020, the Company signed an agreement with Mitsubishi Materials Corporation (the "Investor") to issue 109,915,542 of the Company ordinary shares for a total cash consideration of VND2,094,330,737,268. As a result of this transaction, the Investor will hold 10% of the Company's equity interest. The deal is subject to regulatory approval. And in relation to this transaction, the Company granted the put option to the Investor with circumstance for the put option to be exercised in the event that (i) the Company and the Investor (or their affiliate) fail to establish a joint operation of midstream tungsten business within 18 months from closing date of this transaction or (ii) if a change in control in the Company. The put price is at the amount equal to purchase price in VND less the aggregate of any proceeds received by the Investor from disposing the Company's shares, dividends and compensations received by the Investor, subject to customary adjustments from dilutive events. The deadline for closing the put option is 18 months from the date that the Company receives the put option notice from the Investor.

30 October 2020

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