

**Masan Resources Corporation**

Standalone quarterly financial statements  
for the period ended 30 September 2019



## Masan Resources 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 20 May 2019. 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". The project has a term of 10 years from the date of the Investment Certificate.

### Board of Directors

Mr. Danny Le

Chairman  
*(appointed and approved by BOD on 19 April 2019)*

Mr. Nguyen Thieu Nam

First Vice Chairman  
*(appointed and approved by BOD on 19 April 2019)*

Dr. Nguyen Dang Quang

Member

Mr. Craig Richard Bradshaw

Member  
*(appointed and approved by BOD on 19 April 2019)*

Mr. Nguyen Van Thang

Member

Mr. Chetan Prakash Baxi

Chairman  
*(resigned on 16 April 2019 and approved by BOD on 19 April 2019)*

Mr. Dominic John Heaton

Member  
*(resigned on 26 July 2018 and approved by BOD on 19 April 2019)*

### Board of Management

Mr. Craig Richard Bradshaw

General Director

Mr. Stuart James Wells

Chief Financial Officer  
*(appointed from 7 March 2019)*

Ms. Nguyen Thi Thanh Mai

Chief Accountant

### Registered Office

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

**Masan Resources Corporation**  
**Standalone balance sheets as at 30 September 2019**

**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	30/9/2019 VND'000	1/1/2019 VND'000
<b>ASSETS</b>				
<b>Current assets</b> (100 = 110 + 120 + 130 + 150)	<b>100</b>		<b>79,434,276</b>	<b>47,959,283</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>3,392,303</b>	<b>3,288,566</b>
Cash	111		192,303	234,588
Cash equivalents	112		3,200,000	3,053,978
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>75,580,869</b>	<b>44,670,717</b>
Other receivables	136	5	75,580,869	44,670,717
<b>Other current assets</b>	<b>150</b>		<b>461,104</b>	<b>-</b>
Short-term prepaid expenses	151		461,104	-
<b>Long term assets</b> (200 = 210 + 220 + 250)	<b>200</b>		<b>12,454,770,460</b>	<b>12,495,844,635</b>
<b>Accounts receivable – long-term</b>	<b>210</b>		<b>3,000,000,000</b>	<b>7,355,509,062</b>
Receivables on long-term lending loans	215	6	-	3,945,518,100
Other long-term receivables	216	5	3,000,000,000	3,409,990,962
<b>Fixed assets</b>	<b>220</b>		<b>-</b>	<b>-</b>
Intangible fixed assets	227		-	-
<i>Cost</i>	228		137,950	137,950
<i>Accumulated amortisation</i>	229		(137,950)	(137,950)
<b>Long-term financial investments</b>	<b>250</b>	<b>7</b>	<b>9,454,770,460</b>	<b>5,140,335,573</b>
Investment in a subsidiary	251		9,454,770,460	5,140,335,573
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>12,534,204,736</b>	<b>12,543,803,918</b>

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

**Masan Resources Corporation**  
**Standalone balance sheets as at 30 September 2019 (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	30/9/2019 VND'000	1/1/2019 VND'000
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>3,087,402,063</b>	<b>3,098,253,712</b>
<b>Current liabilities</b>	<b>310</b>		<b>87,402,063</b>	<b>57,179,537</b>
Taxes payable to State Treasury	313		42,136	136,840
Accrued expenses	315	8	74,553,457	41,014,278
Other short-term payables	319	9	12,806,470	16,028,419
<b>Long-term liabilities</b>	<b>330</b>		<b>3,000,000,000</b>	<b>3,041,074,175</b>
Other long-term payables	337	9	-	541,074,175
Long-term borrowings, bonds and financial lease liabilities	338	10	3,000,000,000	2,500,000,000
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>9,446,802,673</b>	<b>9,445,550,206</b>
<b>Equity</b>	<b>410</b>	<b>11</b>	<b>9,446,802,673</b>	<b>9,445,550,206</b>
Share capital	411	12	8,993,091,220	8,993,091,220
- Ordinary shares with voting rights	411a		8,993,091,220	8,993,091,220
Share premium	412	12	145,709,384	145,709,384
Undistributed profit after tax	421		308,002,069	306,749,602
- Undistributed profit brought forward	421a		306,749,602	304,991,903
- Undistributed profit for the current period	421b		1,252,467	1,757,699
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>12,534,204,736</b>	<b>12,543,803,918</b>

30 October 2019

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 Resources Corporation**  
**Standalone statements of income for the period ended 30 September 2019**

**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 1/7/2019 to 30/9/2019 VND'000	From 1/7/2018 to 30/9/2018 VND'000	From 1/1/2019 to 30/9/2019 VND'000	From 1/1/2018 to 30/9/2018 VND'000
Financial income	21	13	77,021,677	1,678,702	206,904,809	1,711,326
Financial expenses	22	14	75,627,930	1,661,979	203,647,936	1,661,979
General and administration expenses	26		905,748	-	2,004,406	3,000
<b>Net operating profit (30 = 21 - 22 - 26)</b>	<b>30</b>		<b>487,999</b>	<b>16,723</b>	<b>1,252,467</b>	<b>46,347</b>
<b>Accounting profit before tax (50 = 30)</b>	<b>50</b>		<b>487,999</b>	<b>16,723</b>	<b>1,252,467</b>	<b>46,347</b>
<b>Net profit after tax (60 = 50)</b>	<b>60</b>		<b>487,999</b>	<b>16,723</b>	<b>1,252,467</b>	<b>46,347</b>

30 October 2019

Prepared by:



Nguyen Thi Thanh Mai  
*Chief Accountant*

Reviewed by:



Stuart James Wells  
*Chief Financial Officer*

Approved by:



The red circular stamp contains the text: "M.S.D.N: 0309986889 - C.C.P. H.N.H.", "CÔNG TY CỔ PHẦN TÀI NGUYÊN MASAN", and "HÀNG CHÁNH".

Craig Richard Bradshaw  
*General Director*

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

**Masan Resources Corporation**  
**Standalone statements of cash flows for the period ended 30 September 2019**  
**(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 1/1/2019 to 30/9/2019 VND'000	From 1/1/2018 to 30/09/2018 VND'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit before tax</b>	<b>01</b>	<b>1,252,467</b>	<b>46,347</b>
<b>Adjustments for</b>			
Profits from investing activities	05	(206,904,809)	(1,711,326)
Interest expense and borrowing fees	06	203,647,936	-
<b>Operating profit/(loss) before changes in working capital</b>	<b>08</b>	<b>(2,004,406)</b>	<b>(1,664,979)</b>
Change in receivables and other current assets	09	170,778	644,592
Change in payables and other liabilities	11	(4,388,767)	1,603,836
Change in prepaid expenses	12	(461,104)	-
		<b>(6,683,499)</b>	<b>583,449</b>
Interest paid	14	(169,161,642)	-
<b>Net cash flows from operating activities</b>	<b>20</b>	<b>(175,845,141)</b>	<b>583,449</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
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	544,865,665	(499,957,487)
<b>Net cash flows from investing activities</b>	<b>30</b>	<b>(324,051,122)</b>	<b>(499,957,487)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings	33	500,000,000	500,000,000
<b>Net cash flows from financing activities</b>	<b>40</b>	<b>500,000,000</b>	<b>500,000,000</b>
<b>Net cash flows during the period(50 = 20 + 30 + 40)</b>	<b>50</b>	<b>103,737</b>	<b>625,962</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>60</b>	<b>3,288,566</b>	<b>483,619</b>
<b>Cash and cash equivalents at the end of the period (70 = 50 + 60) (Note 4)</b>	<b>70</b>	<b>3,392,303</b>	<b>1,109,581</b>

30 October 2019

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 Resources Corporation**

### **Notes to the standalone financial statements for the period ended 30 September 2019**

**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 Resources Corporation (“the Company” or “MSR”) 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 stand alone quarterly financial statements should be read in conjunction with the consolidated quarterly financial statements of the Group for the nine-month period ended 30 September 2019.

##### **(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 Resources Corporation**

**Notes to the standalone financial statements for the period ended 30 September 2019  
(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 Resources Corporation**

### **Notes to the standalone financial statements for the period ended 30 September 2019 (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 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 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 period.

## **Masan Resources Corporation**

### **Notes to the standalone financial statements for the period ended 30 September 2019 (continued)**

#### **Form B 09a – DN/HN**

*(Issued under Circular No. 200/2014/TT-BTC and No. 202/2014/TT-BTC  
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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 period 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 period 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 Resources Corporation**  
**Notes to the separate financial statements for the period ended 30 September 2019**  
**(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**

	<b>30/9/2019</b>	<b>1/1/2019</b>
	<b>VND'000</b>	<b>VND'000</b>
Cash in banks	192,303	234,588
Cash equivalents	3,200,000	3,053,978
	3,392,303	3,288,566

**5. Other short-term and long-term receivables**

	<b>30/9/2019</b>	<b>1/1/2019</b>
	<b>VND'000</b>	<b>VND'000</b>
<b>Short-term receivables</b>		
Distribution of profit receivable from BCC (a)	75,572,029	44,598,599
Others	8,840	72,118
	75,580,869	44,670,717
<b>Long-term receivables</b>		
Borrowing cost granted to NPM (b)	-	909,990,962
Receivables under BCC (c)	3,000,000,000	2,500,000,000
	3,000,000,000	3,409,990,962

- (a) The distribution of profit receivables were due to accrual of the current period'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(c)).
- (b) Borrowing cost granted to a subsidiary are unsecured, receivable in December 2020 and interest free.
- (c) The other long-term receivables under BCC represents contribution to NPM under Business Cooperation Contracts ("BCCs") dated 21 September 2018 and amended four 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 twice 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 Resources Corporation**  
**Notes to the standalone financial statements for the period ended 30 September 2019**  
**(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. Receivables on long-term lending loans**

Receivables on long-term lending loans represent the loan receivables from a related party, which were unsecured, interest free and due on 31 December 2020. As defined in the convertible contract, the Company has the rights to convert the loans into contributed capital prior to or on maturity date of the loans. In June 2019, the Company converted the loans fully into contributed capital to its subsidiary.

**7. Long-term financial investments**

	30/9/2019		1/1/2019	
	Cost VND'000	Fair value VND'000	Cost VND'000	Fair value VND'000
<b>Investment in a subsidiary</b>				
Investment in Masan Thai Nguyen Resources Company Limited (“MRTN”)	9,454,770,460	(*)	5,140,335,573	(*)

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 2019 (1/1/2018: 100%).

(\*) The Company has not determined the fair values of the equity investments for disclosure in the separate interim 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 Resources Corporation****Notes to the standalone financial statements for the period ended 30 September 2019  
(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)

**8. Accrued expenses**

	<b>30/9/2019</b>	<b>1/1/2019</b>
	<b>VND'000</b>	<b>VND'000</b>
Accrued interest payable	74,553,457	40,619,178
Others	-	395,100
	<hr/>	<hr/>
	74,553,457	41,014,278
	<hr/>	<hr/>

**9. Other short-term and long-term payables**

Other payables included the following amounts:

	<b>30/9/2019</b>	<b>1/1/2019</b>
	<b>VND'000</b>	<b>VND'000</b>
<b>Short-term:</b>		
<b>Amounts due to Masan Horizon Company Limited (“MH”) – an immediate holding company</b>		
Non-trade – short-term (a)	2,511,785	2,511,785
<b>Amount due to NPM – a subsidiary</b>		
Non-trade – short-term (a)	10,294,685	10,294,685
<b>Other payable to other parties</b>		
Other payables – short-term	-	3,221,949
	<hr/>	<hr/>
	12,806,470	16,028,419
	<hr/>	<hr/>
<b>Long-term:</b>		
<b>Amounts due to Masan Group Corporation (“MSN”) – the ultimate holding company</b>		
Financial expenses – long-term (b)	-	541,074,175
	<hr/>	<hr/>

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

(b) Amounts due to related parties were unsecured, interest-free and was repaid in June.

**Masan Resources Corporation****Notes to the standalone financial statements for the period ended 30 September 2019  
(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)***10. Long-term borrowings and bonds**

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

	Currency	Interest rate per annum	Year of maturity	30/9/2019 VND'000	1/1/2019 VND'000
Secured bond issuance	VND	(i)	2020	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	-
				<hr/>	<hr/>
				3,000,000,000	2,500,000,000
				<hr/>	<hr/>

- (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.
- (ii) 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.

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**Masan Resources Corporation**  
**Notes to the standalone financial statements for the period ended 30 September 2019**  
**(continued)**

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

	Share capital VND'000	Share premium VND'000	Undistributed profit after tax VND'000	Total VND'000
<b>Balance at 1 January 2018</b>	7,194,473,280	1,944,327,324	304,991,903	9,443,792,507
Net profit for the period	-	-	46,345	46,345
Bonus share	1,798,617,940	(1,798,617,940)		
<b>Balance at 30 September 2018</b>	8,993,091,220	145,709,384	305,038,248	9,443,838,852
<b>Balance at 1 January 2019</b>	8,993,091,220	145,709,384	306,749,602	9,445,550,206
Net profit for the period	-	-	1,252,467	1,252,467
<b>Balance at 30 September 2019</b>	8,993,091,220	145,709,384	308,002,069	9,446,802,673

**12. Share capital**

The Company's authorised and issued share capital comprised:

	30/9/2019 and 1/1/2019	
	Number of shares	VND'000
<b>Authorised share capital</b>	899,309,122	8,993,091,220
<b>Issued share capital</b>		
Ordinary shares	899,309,122	8,993,091,220
<b>Shares in circulation</b>		
Ordinary shares	899,309,122	8,993,091,220
<b>Share premium</b>	-	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 Resources Corporation**  
**Notes to the standalone financial statements for the period ended 30 September 2019**  
**(continued)**

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dated 22 December 2014 of the Ministry of Finance)*

**13. Financial income**

	<b>From 1/1/2019 to 30/9/2019 VND'000</b>	<b>From 1/1/2018 to 30/9/2018 VND'000</b>
Interest income	92,297	1,711,326
Distribution of profit from BCC	206,812,512	-
	<b>206,904,809</b>	<b>1,711,326</b>

**14. Financial expenses**

	<b>From 1/1/2019 to 30/9/2019 VND'000</b>	<b>From 1/1/2018 to 30/9/2018 VND'000</b>
Interest expense	203,095,890	1,356,423
Others	552,046	305,556
	<b>203,647,936</b>	<b>1,661,979</b>

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**Masan Resources Corporation**  
**Notes to the standalone financial statements for the period ended 30 September 2019**  
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**15. Significant transactions with related parties**

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

Related Party	Nature of transactions	From 1/1/2019 to 30/9/2019 VND'000	From 1/1/2018 to 30/9/2018 VND'000
<b>Ultimate holding company</b>			
Masan Group Corporation	Bond interest	75,131,126	-
<b>Ultimate holding company's associate</b>			
Vietnam Technological and Commercial Joint Stock Bank and its subsidiaries	Bond issued	500,000,000	-
	Bond interest	2,373,514	-
<b>Subsidiaries</b>			
Nui Phao Mining Company Ltd	Distribution of profit from BCC	130,920,472	-
Masan Tungsten Company Ltd	Distribution of profit from BCC	75,892,039	-
Masan Thai Nguyen Resources Company Limited ("MRTN")	Capital contribution	4,314,434,887	-
	Loan conversion received	3,945,518,100	-
	Interest received	368,916,787	-

30 October 2019

Prepared by:



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