

Coteccons Construction Joint Stock Company

Consolidated financial statements

For the year ended 31 December 2021

Coteccons Construction Joint Stock Company

CONTENTS

	<i>Pages</i>
General information	1 - 2
Report of the Management	3
Independent auditors' report	4 - 5
Consolidated balance sheet	6 - 8
Consolidated income statement	9
Consolidated cash flow statement	10 - 11
Notes to the consolidated financial statements	12 - 42

Coteccons Construction Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Coteccons Construction Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 4103002611 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 24 August 2004, which was replaced by the Enterprise Registration Certificate ("ERC") No.0303443233 on 23 August 2010 and the subsequent amended BRCs and ERCs.

The Company listed on the Ho Chi Minh Stock Exchange with trading code "CTD" in accordance with Decision No. 155/QD-SGDHCM has been issued by the Ho Chi Minh Stock Exchange on 9 December 2009.

The current principal activities of the Company are to provide designing and construction services, equipment installation, interior decoration and office leasing.

The Company's head office is located at No. 236/6, Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr. Bolat Duisenov	Chairman	
Mr. Talgat Turumbayev	Member	
Mr. Yerkin Tatishev	Member	
Mr. Herwig Guido H. Van Hove	Member	
Mr. Tong Van Nga	Independence member	appointed on 26 April 2021
Mr. Tan Chin Tiong	Independence member	
Mr. Trinh Ngoc Hien	Member	resigned on 24 November 2021
Ms. Trinh Quynh Giao	Member	resigned on 6 December 2021

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Mr. Tran Van Thuc	Head of Board of Supervision	appointed on 26 April 2021
Mr. Dang Hoai Nam	Member	
Mr. Nguyen Minh Nhut	Member	
Mr. Luis Fernando Garcia Agraz	Head of Board of Supervision	resigned on 26 April 2021

Coteccons Construction Joint Stock Company

GENERAL INFORMATION (continued)

MANAGEMENT

Members of the Management during the year and at the date of this report are:

Mr. Pham Quan Luc	Deputy General Director	
Ms. Pham Thi Bich Ngoc	Deputy General Director	appointed on 5 November 2021
Mr. Chris Senekki	Deputy General Director	appointed on 5 March 2021
Mr. Nguyen Ngoc Lan	Deputy General Director	appointed on 5 March 2021
Mr. Vo Hoang Lam	Deputy General Director	appointed on 5 March 2021
Mr. Tran Tri Gia Nguyen	Deputy General Director	resigned on 30 November 2021
Mr. Phan Huu Duy Quoc	Deputy General Director	resigned on 4 January 2022

LEGAL REPRESENTATIVE

The legal representatives of the Company during the year and at the date of this report is Mr. Bolat Duisenov.

Mr. Pham Quan Luc is authorised by Mr. Bolat Duisenov to sign the accompanying consolidated financial statements for the year ended 31 December 2021 in accordance with the Power of Attorney No. 1277/2021/UQ-CTHĐQT dated 15 January 2021.

AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

Coteccons Construction Joint Stock Company

REPORT OF MANAGEMENT

Management of Coteccons Construction Joint Stock Company ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2021.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing those consolidated financial statements, management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements .

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of management:



Phạm Quan Luc
Deputy General Director

Ho Chi Minh City, Vietnam

28 March 2022

Reference: 60813343/23055628-HN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Coteccons Construction Joint Stock Company

We have audited the accompanying consolidated financial statements of Coteccons Construction Joint Stock Company ("the Company") and its subsidiaries (collectively referred to as the "Group") as prepared on 28 March 2022 and set out on pages 6 to 44, which comprise the consolidated balance sheet as at 31 December 2021, and the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2021, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

Ernst & Young Vietnam Limited



Duong Le Anthony
Deputy General Director
Audit Practicing Registration Certificate
No. 2223-2018-004-1

Ly Hong My
Auditor
Audit Practicing Registration Certificate
No. 4175-2022-004-1

Ho Chi Minh City, Vietnam

28 March 2022

CONSOLIDATED BALANCE SHEET
as at 31 December 2021

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		12,751,059,518,674	12,867,742,344,915
110	I. Cash and cash equivalents	5	884,710,498,842	1,396,764,826,755
111	1. Cash		410,710,498,842	246,931,644,655
112	2. Cash equivalents		474,000,000,000	1,149,833,182,100
120	II. Short-term investment	6	2,400,688,059,709	1,980,960,000,000
121	1. Held-for-trading securities		-	130,000,000,000
123	2. Held-to-maturity investments		2,400,688,059,709	1,850,960,000,000
130	III. Current accounts receivable		7,424,568,991,302	7,648,321,521,326
131	1. Short-term trade receivables	7.1	7,158,963,082,556	7,562,109,866,516
132	2. Short-term advances to suppliers	7.2	151,909,258,810	150,550,717,848
134	3. Construction contract receivables based on agreed progress billings	7.3	22,374,832,253	-
135	4. Short-term loan receivables	8	572,630,724,866	262,836,821,544
136	5. Other short-term receivables	9	179,973,331,904	167,278,141,330
137	6. Provision for doubtful short-term receivables	7.1, 9	(661,282,239,087)	(494,454,025,912)
140	IV. Inventory	10	1,692,285,468,779	1,492,037,630,688
141	1. Inventories		1,720,491,079,297	1,522,030,908,553
149	2. Provision for obsolete inventories		(28,205,610,518)	(29,993,277,865)
150	V. Other current assets		348,806,500,042	349,658,366,146
151	1. Short-term prepaid expenses	11	9,500,954,190	6,387,670,315
152	2. Value-added tax deductibles		332,795,834,878	343,270,695,831
153	3. Tax and other receivables from the State	20	6,509,710,974	-

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2021


VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		1,173,552,857,857	1,289,671,333,968
220	I. Fixed assets		531,147,896,594	603,825,141,002
221	1. Tangible fixed assets	12	420,946,301,186	510,821,338,966
222	Cost		998,130,665,155	1,008,777,580,204
223	Accumulated depreciation		(577,184,363,969)	(497,956,241,238)
224	2. Financial leases	13	2,574,023,103	-
225	Cost		2,663,034,106	-
226	Accumulated depreciation		(89,011,003)	-
227	3. Intangible fixed assets	14	107,627,572,305	93,003,802,036
228	Cost		130,303,137,868	119,238,318,503
229	Accumulated amortisation		(22,675,565,563)	(26,234,516,467)
230	II. Investment properties	15	40,740,812,856	46,847,830,834
231	1. Cost		64,783,458,541	69,677,550,622
232	2. Accumulated depreciation		(24,042,645,685)	(22,829,719,788)
240	III. Long-term asset in progress		185,212,476,743	161,507,554,550
241	1. Long-term work in progress	16	160,853,352,772	160,541,000,000
242	2. Construction in progress	17	24,359,123,971	966,554,550
250	IV. Long-term investments		334,844,039,939	365,159,081,871
252	1. Investments in associates	18.1	33,238,562,480	63,553,604,412
253	2. Investment in another entity	18.2	301,605,477,459	301,605,477,459
260	V. Another long-term asset		81,607,631,725	112,331,725,711
261	1. Long-term prepaid expenses	11	38,175,300,852	98,248,717,152
262	2. Deferred tax assets	33.3	43,432,330,873	14,083,008,559
270	TOTAL ASSETS		13,924,612,376,531	14,157,413,678,883


CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2021

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		5,677,051,643,717	5,758,744,202,842
310	I. Current liabilities		5,674,507,872,916	5,753,169,242,078
311	1. Short-term trade payables	19.1	3,133,166,700,253	3,307,186,103,090
312	2. Short-term advances from customers	19.2	415,850,951,715	509,692,174,529
313	3. Statutory obligations	20	9,773,570,234	61,555,809,420
314	4. Payable to employees		10,206,935	-
315	5. Short-term accrued expenses	21	1,767,972,465,362	1,563,428,756,508
318	6. Short-term unearned revenues	22	37,992,212,315	44,573,695,067
319	7. Other short-term payables	23	13,316,038,118	93,793,960,789
320	8. Short-term loans and finance leases		1,724,213,630	-
321	9. Short-term provisions	24	214,059,538,033	85,109,244,449
322	10. Bonus and welfare fund	25	80,641,976,321	87,829,498,226
330	II. Non-current liabilities		2,543,770,801	5,574,960,764
337	1. Other long-term liabilities	23	-	2,039,203,038
342	2. Long-term provision	24	2,543,770,801	3,535,757,726
400	D. OWNERS' EQUITY		8,247,560,732,814	8,398,669,476,041
410	I. Capital	26.1	8,247,560,732,814	8,398,669,476,041
411	1. Share capital		792,550,000,000	792,550,000,000
411a	- Shares with voting rights		792,550,000,000	792,550,000,000
412	2. Share premium		3,038,990,175,385	3,038,990,175,385
415	3. Treasury shares		(621,396,381,083)	(519,526,282,648)
418	4. Investment and development fund		4,667,193,310,873	4,667,193,310,873
421	5. Undistributed earnings		315,375,435,690	365,227,529,131
421a	- Undistributed earnings by the end of prior year		291,368,056,131	30,852,913,513
421b	- Undistributed earnings of current year		24,007,379,559	334,374,615,618
429	6. Non-controlling interests		54,848,191,949	54,234,743,300
440	TOTAL LIABILITIES AND OWNERS' EQUITY		13,924,612,376,531	14,157,413,678,883


Tran Thi Thanh Van
Preparer


Cao Thi Mai Le
Chief Accountant


Pham Quan Luc
Deputy General Director





28 March 2022


CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2021

VND

Code	ITEMS	Notes	Current year	Beginning balance
01	1. Revenues from sale of goods and rendering of services	27.1	9,077,915,407,373	14,589,198,781,083
02	2. Revenues deductions	27.1	-	(31,112,346,115)
10	3. Net revenues from sale of goods and rendering of services	27.1	9,077,915,407,373	14,558,086,434,968
11	4. Cost of goods sold and services rendered	28	(8,802,717,841,835)	(13,701,679,421,556)
20	5. Gross profit from sale of goods and rendering of services		275,197,565,538	856,407,013,412
21	6. Finance income	27.2	277,061,261,737	228,216,305,252
22	7. Finance expenses	29	(12,928,113,078)	(462,594,755)
23	<i>In which: Interest expense</i>		(1,110,696,092)	-
24	8. Share of loss of associates	18.1	(30,315,041,932)	(27,004,720,298)
26	9. General and administrative expenses	30	(516,298,035,944)	(655,860,103,467)
30	10. Operating (loss) profit		(7,282,363,679)	401,295,900,144
31	11. Other income	31	57,633,325,799	39,342,162,410
32	12. Other expenses	31	(12,197,014,453)	(12,681,817,591)
40	13. Other profit	31	45,436,311,346	26,660,344,819
50	14. Accounting profit before tax		38,153,947,667	427,956,244,963
51	15. Current corporate income tax expense	33.1	(43,392,441,773)	(168,392,038,487)
52	16. Deferred tax income	33.3	29,349,322,314	74,990,071,547
60	17. Net profit after tax		24,110,828,208	334,554,278,023
61	18. Net profit after tax attributable to shareholders of the parent		24,007,379,559	334,374,615,618
62	19. Net gain after tax attributable to non-controlling interests	26.1	103,448,649	179,662,405
70	20. Basic earnings per share	26.5	323	4,164
71	21. Diluted earnings per share	26.5	323	4,164


Tran Thi Thanh Van
Preparer


Cao Thi Mai Le
Chief Accountant


Phạm Quân Lộc
Deputy General Director



28 March 2022

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2021

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		38,153,947,667	427,956,244,963
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	12, 13, 14, 15	104,510,748,980	107,825,436,581
03	Provisions		310,234,417,485	327,069,238,164
04	Foreign exchange loss (gains) arisen from revaluation of monetary accounts denominated in foreign currency		567,079,417	(55,864,321)
05	Profit from investing activities		(202,960,109,336)	(200,859,707,369)
06	Interest expense	29	1,110,696,092	-
08	Operating profit before changes in working capital		251,616,780,305	661,935,348,018
09	Decrease in receivables		377,588,270,546	1,008,496,703,738
10	(Increase) decrease in inventories		(198,460,170,744)	104,288,557,462
11	Decrease in payables		(59,823,196,622)	(2,077,399,695,365)
12	Decrease in prepaid expenses		56,960,132,425	60,759,581,963
13	Decrease (increase) in held-for-trading securities		130,000,000,000	(130,000,000,000)
14	Interest paid		(1,077,516,568)	-
15	Corporate income tax paid	20	(102,377,352,159)	(164,932,519,420)
17	Other cash outflows from operating activities		(33,262,270,859)	(29,992,417,495)
20	Net cash flows from (used in) operating activities		421,164,676,324	(566,844,441,099)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets		(47,079,581,566)	(5,073,518,139)
22	Proceeds from disposals of fixed assets		-	8,302,796,307
23	Payments for term deposits at banks, bonds and loans to other entity		(4,621,017,674,092)	(3,853,486,821,544)
24	Collections from bank term deposits, bonds and loans to other entity		3,761,495,711,061	4,981,340,000,000
27	Interest and dividend received		226,066,979,126	260,522,570,634
30	Net cash flows (used in) from investing activities		(680,534,565,471)	1,391,605,027,258

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2021

VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
32	Payment to buy treasury shares		(177,971,842,084)	-
33	Drawdown of borrowings		554,766,617,658	-
34	Repayment of borrowings		(554,766,617,658)	-
35	Payment of principal of finance lease liabilities		(972,000,000)	-
36	Dividends paid	26.4	(73,792,975,850)	(229,107,038,550)
40	Net cash flows used in financing activities		(252,736,817,934)	(229,107,038,550)
50	Net (decrease) increase in cash and cash equivalents		(512,106,707,081)	595,653,547,609
60	Cash and cash equivalents at beginning of the year		1,396,764,826,755	800,791,418,362
61	Impact of exchange rate fluctuation		52,379,168	319,860,784
70	Cash and cash equivalents at end of the year	5	884,710,498,842	1,396,764,826,755



Tran Thi Thanh Van
Preparer



Cao Thi Mai Le
Chief Accountant



Phạm Quan Luc
Deputy General Director

28 March 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2021 and for the year then ended**1. CORPORATE INFORMATION**

Coteccons Construction Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate ("BRC") No. 4103002611 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 24 August 2004, which was replaced by Enterprise Registration Certificate ("ERC") No.0303443233 on 23 August 2010 and the subsequent amended BRCs and ERCs.

The Company listed on the Ho Chi Minh Stock Exchange with trading code "CTD" in accordance with Decision No. 155/QĐ-SGDHCM has been issued by the Ho Chi Minh Stock Exchange on 9 December 2009.

The current principal activities of the Company and its subsidiaries ("the Group") are to provide designing and construction services, equipment installation, interior decoration, office leasing and trading of real estate.

The Company's registered head office is located at No. 236/6, Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam.

The number of the Group's employees as at 31 December 2021 was 1,796 (31 December 2020: 1,695).

Group structure

The Company has two direct subsidiaries and three indirect subsidiaries, in which:

Unicons Investment Construction Company Limited ("Unicons")

Unicons is a one-member limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to BRC No. 4103005020 issued by the DPI of Ho Chi Minh City on 14 July 2006, which was replaced by ERC No.0304472276 on 22 June 2018 and the subsequent amended BRCs and ERCs.

Unicons's registered office is located at No.236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. Unicons's principal activities are to providing construction services and equipment installation services.

As at 31 December 2021 and 31 December 2020, the Company holds 100% equity interest and voting rights in Unicons.

Covestcons Company Limited ("Covestcons")

Covestcons is a one-member limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to ERC No. 0314326002 issued by the DPI of Ho Chi Minh City on 31 March 2017.

Covestcons's registered office is located at No.236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. Covestcons's principal activities are to providing commission services and trading of real estates.

As at 31 December 2021 and 31 Decmeber 2020, the Company holds 100% equity interest and voting rights in Covestcons.

Phu Nhuan 168 Joint Stock Company ("Phu Nhuan 168")

Phu Nhuan 168 is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to ERC No.0315807693 issued by the DPI of Ho Chi Minh City on 22 July 2019.

Phu Nhuan 168's registered office is located at No.236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. Phu Nhuan 168's principal activities are to providing trading and lease of real estates.

As at 31 December 2021 and 31 December 2020, the Company holds 69.98% equity interest and 100% voting rights in Phu Nhuan 168.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

1. CORPORATE INFORMATION (continued)

Group structure (continued)

CTD FutureImpact Joint Stock Company ("FutureImpact")

FutureImpact is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to ERC No. 0316921381 issued by the DPI of Ho Chi Minh City on 28 June 2021 and the subsequent amended ERCs.

FutureImpact's registered office is located at No.236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. FutureImpact's principal activities are to repair, install, lease and sell machinery, equipment and spare parts.

As at 31 December 2021, the Company holds 89.80 % equity interest and 100% voting rights in FutureImpact.

Solaresco-1 Company Limited ("Solaresco-1")

Solaresco-1 is a limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to ERC No. 0316438470 issued by the DPI of Ho Chi Minh City on 13 August 2020 and the subsequent amended ERCs.

Solaresco-1's registered office is located at No.47 Le Van Thinh Street, Ward Binh Trung Dong, Thu Duc City, Ho Chi Minh City, Vietnam. Solaresco-1's principal activities are to lease solar water heaters and energy saving equipment.

As at 31 December 2021, the Company holds 89.80 % equity interest and 100% voting rights in Solaresco-1.

2. BASIS OF PREPARATION

2.1 **Applied accounting standards and system**

The consolidated financial statements of the Company and its subsidiaries ("the Group") expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position, consolidated results of operations and consolidated cash flows in

2.2 **Applied accounting documentation system**

The Group's applied accounting documentation system is the General Journal system.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

2. BASIS OF PREPARATION (continued)

2.3 Fiscal year

The Group's fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

2.4 Accounting currency

The consolidated financial statements are prepared in VND which is also the Company's accounting currency.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2021.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses result from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 Receivables

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expenses in the consolidated income statement.

3.3 Inventories

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realizable value.

Net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 *Inventories* (continued)

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, merchandise goods	- cost of purchase on a weighted average basis.
Construction work-in-process	- cost of direct materials and labour plus attributable construction overheads.

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Group, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement.

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

Land use rights

Land use right is recorded as an intangible fixed asset on the consolidated balance sheet when the Group obtained the land use right certificates. The costs of land use right comprise all directly attributable costs of bringing the land to the condition available for intended use.

3.6 *Depreciation and amortisation*

Depreciation of tangible fixed assets and amortisation of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings & structures	5 - 45 years
Machinery & equipment	3 - 10 years
Means of transportation	6 - 10 years
Office equipment	3 - 6 years
Land use rights	45 - 49 years
Softwares	3 years
Others	3 - 8 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 *Investment properties*

Investment properties are stated at cost including transaction costs less accumulated depreciation. Investment properties held for capital appreciation are not depreciated but subject to impairment review.

Subsequent expenditure relating to an investment property that has already been recognised is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Group.

Depreciation of investment properties are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Office building	30 - 45 years
Others	25 years

Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the consolidated income statement in the year of retirement or disposal.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

3.8 *Construction in progress*

Construction in progress represents tangible fixed assets purchasing and under construction which have not yet been completed as at the balance sheet date and is stated at cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and put into use.

3.9 *Leased assets*

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Where the Company is the lessee

Assets held under finance leases are capitalised in the separate balance sheet at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the separate income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful lives of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 *Leased assets* (continued)

Rentals under operating leases are charged to the separate income statement on a straight-line basis over the lease term.

Where the Company is the lessor

Assets subject to operating leases are included as the Company's investment property in the separate balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the separate income statement as incurred.

Lease income is recognised in the separate income statement on a straight-line basis over the lease term

3.10 *Borrowing costs*

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the year in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

3.11 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

3.12 *Investments*

Investments in associates

The Group's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment. The consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit (loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend, profit sharing received or receivable from associates reduces the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 *Investments* (continued)

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expenses in the consolidated income statements and deducted against the value of such investments.

Investments in other entities

Investments in other entities are stated at their acquisition costs.

Provision for diminution in value of investments

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date.

Increases or decreases to the provision balance are recorded as finance expenses in the consolidated income statement.

3.13 *Payables and accruals*

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

3.14 *Accrual for severance allowance pay*

The severance pay to employee is accrued at the end of each reporting year for all employees who have been in service for more than 12 months up to the consolidated balance sheet date at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code and related implementing guidance. The average monthly salary used in this calculation is revised at the end of each reporting year following the average monthly salary of the 6-month period up to the reporting date. Increases or decreases to the accrued amount other than actual payment to employee will be taken to the consolidated income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 48 of the Labour Code.

3.15 *Provisions*

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision for warranty obligation of construction project is estimated from 0.3% to 1% on value of project based on the specification of each project and actual experience.

Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 *Foreign currency transactions*

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- ▶ Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet dates which are determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Group conducts transactions regularly; and
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Group conducts transactions regularly.

All foreign exchange differences incurred are taken to the consolidated income statement.

3.17 *Earnings per share*

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Group (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.18 *Treasury shares*

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, re-issue or cancellation of the Group's own equity instruments.

3.19 *Appropriation of net profits*

Net profit after tax is available for appropriation to shareholders after approval in the shareholders' meeting, and after making appropriation to reserve funds in accordance with the Company's charter and Vietnamese regulatory requirements.

The Group maintains the following reserve funds which are appropriated from its net profit after tax as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

- ▶ *Investment and development fund*

This fund is set aside for use in the Group's expansion of its operations or in-depth investments.

- ▶ *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouragement, common benefits and improvement of the employees' benefits, and presented as a liability on the consolidated balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Construction contracts

For the construction contracts specifying that the contractor will receive payments according to the completed work, where the outcome of a construction contract can be determined reliably and accepted by the customers, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date which is accepted by the customers.

Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Rendering of services

Revenue is recognized when services are rendered and completed.

Rental income

Rental income arising from operating leases is accounted for on a straight line basis over the terms of the lease.

Interest

Interest is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

3.21 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the consolidated balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to set off current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the consolidated balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.21 *Taxation* (continued)

Deferred tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or when the Group intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.22 Segment information

The current principal activities of the Group are to provide design and construction services. In addition, these activities are mainly taking place in Vietnam. Therefore, the Group's risks and returns are not impacted by the Group's confectionary products or the locations that the Group is trading. As a result, management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

3.23 Related parties

Parties are considered to be related parties of the Company if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and other party are under common control or under common significant influence. Related parties can be enterprises or individuals, including close members of their families.

4. SIGNIFICANT EVENT

Covid-19 pandemic

The Covid-19 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. The Company's management has continuously monitored ongoing developments and assessed the financial impact in respects of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved, using the best information obtained up to the date of this consolidated financial statements.

5. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	-	28,750,000
Cash at banks	325,690,980,825	170,801,151,006
Cash in transit	85,019,518,017	76,101,743,649
Term deposits at banks (*)	474,000,000,000	1,149,833,182,100
TOTAL	<u>884,710,498,842</u>	<u>1,396,764,826,755</u>

(*) Term deposit at banks represent bank deposits with a term under three (3) months and earn interest at the rates from 3% to 4% per annual.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

6. SHORT-TERM INVESTMENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term bank deposits (i)	1,666,400,000,000	1,850,960,000,000
Repo Bonds (ii)	734,288,059,709	-
Trade securities	-	130,000,000,000
TOTAL	<u>2,400,688,059,709</u>	<u>1,980,960,000,000</u>

(i) Short-term bank deposits include deposits at commercial banks with a term of three (3) months or more but under one year and earn interest at the rates from 4.3% to 8% per annual.

(ii) Repo Bonds represent bonds with a commitment to buy back from commercial banks with a term under one year and earn interest at the rates from 7.1% to 11% per annual.

7. TRADE RECEIVABLES, ADVANCES TO SUPPLIERS AND CONSTRUCTION CONTRACT RECEIVABLES BASED ON AGREED PROGRESS BILLINGS

7.1 Short-terms trade receivables

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Hoi An South Development Co. Ltd.	904,979,108,343	933,514,005,301
Others	6,253,983,974,213	6,628,595,861,215
TOTAL	<u>7,158,963,082,556</u>	<u>7,562,109,866,516</u>
Provision for doubtful short-term receivables	<u>(625,831,276,393)</u>	<u>(459,003,063,218)</u>
NET	<u>6,533,131,806,163</u>	<u>7,103,106,803,298</u>

In which:

Trade receivables from a related party (Note 34)	-	134,106,720
---	---	-------------

Details of movement for provision for doubtful short-term receivables during the year:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	459,003,063,218	188,469,800,125
Provision made during the year	197,895,605,500	270,533,263,093
Reversal of provision during the year	<u>(31,067,392,325)</u>	-
Ending balance	<u>625,831,276,393</u>	<u>459,003,063,218</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

7. TRADE RECEIVABLES, ADVANCES TO SUPPLIERS AND CONSTRUCTION CONTRACT RECEIVABLES BASED ON AGREED PROGRESS BILLINGS (continued)

7.2 Short-term advances to suppliers

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Other advances to suppliers	<u>151,909,258,810</u>	<u>150,550,717,848</u>

7.3 Construction contract receivables based on agreed progress billings

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Ha Long International Hotel Project	<u>22,374,832,253</u>	<u>-</u>

8. SHORT-TERM LOAN RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Quoc Loc Phat Joint Stock Company (*)	500,000,000,000	-
Solar Esco Joint Stock Company (**)	20,000,000,000	-
Vinh Tan Stone Joint Stock Company	-	262,836,821,544
Others	<u>52,630,724,866</u>	<u>-</u>
TOTAL	<u>572,630,724,866</u>	<u>262,836,821,544</u>

(*) This represents the cooperation contract with Quoc Loc Phat Joint Stock Company under the agreement No. 301121/BCC/QLP-CVC dated 30 November 2021. Accordingly, the profits will be shared to the Company at the fixed rate of 11% per annum on the actual capital contribution with term of 12 months.

(**) This represents the loan contract with Solar Esco Joint Stock Company under the agreement No. 01.2021-HĐVNCP-ESCO dated 11 March 2021, at the fixed rate of 15% with term of 9 months. This amount was received on 15 February 2022.

9. OTHER SHORT-TERM RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Interest receivable	118,265,169,315	110,651,486,517
Short-term deposits	34,322,676,119	33,286,833,152
Advances to construction teams and employees	23,552,710,748	20,358,683,544
Others	<u>3,832,775,722</u>	<u>2,981,138,117</u>
TOTAL	<u>179,973,331,904</u>	<u>167,278,141,330</u>
Provision for doubtful short-term receivables	<u>(35,450,962,694)</u>	<u>(35,450,962,694)</u>
NET	<u>144,522,369,210</u>	<u>131,827,178,636</u>
<i>In which:</i>		
Receivables from other parties	179,253,331,904	167,278,141,330
Receivables from a related party (Note 34)	720,000,000	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

10. INVENTORIES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Construction work in process	1,720,321,023,327	1,522,030,908,553
Tools and supplies	170,055,970	-
TOTAL	1,720,491,079,297	1,522,030,908,553
Provision for obsolete inventories	<u>(28,205,610,518)</u>	<u>(29,993,277,865)</u>
NET	<u>1,692,285,468,779</u>	<u>1,492,037,630,688</u>

(*) The details of work in process of on-going construction projects are as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
ECOPARK project	278,147,972,309	-
Other constructions projects	1,442,173,051,018	1,522,030,908,553
TOTAL	<u>1,720,321,023,327</u>	<u>1,522,030,908,553</u>

Detail of movements of provision for obsolete inventories

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning of year	29,993,277,865	-
Provision created during the year	13,858,368,314	29,993,277,865
Utilisation and reversal of provision during the year	<u>(15,646,035,661)</u>	-
Ending of year	<u>28,205,610,518</u>	<u>29,993,277,865</u>

11. PREPAID EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	9,500,954,190	6,387,670,315
Office tools and equipment	9,500,954,190	6,387,670,315
Long-term	38,175,300,852	98,248,717,152
Office tools and equipment	28,946,610,362	27,852,851,226
Construction tools and equipment	<u>9,228,690,490</u>	<u>70,395,865,926</u>
TOTAL	<u>47,676,255,042</u>	<u>104,636,387,467</u>

Coteccons Construction Joint Stock Company

B09-DN/HN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

12. TANGIBLE FIXED ASSETS

	Buildings & structures	Machinery & equipment	Means of transportation	Office equipment	Others	Total
Cost						VND
Beginning balance	239,301,999,087	677,803,120,736	49,615,478,629	39,007,265,461	3,049,716,291	1,008,777,580,204
New purchases	-	-	-	2,114,451,364	-	2,114,451,364
Reclassification	5,261,737,905	(144,022,817)	(209,220,000)	(14,403,007)	-	4,894,092,081
Write off	(1,401,903,600)	(6,630,872,866)	-	(6,603,829,373)	(3,018,852,655)	(17,655,458,494)
Ending balance	243,161,833,392	671,028,225,053	49,406,258,629	34,503,484,445	30,863,636	998,130,665,155
<i>In which:</i>						
Fully depreciated	29,230,764,928	49,918,287,450	24,789,146,995	23,458,005,506	30,863,636	127,427,068,515
Accumulated depreciation						
Beginning balance	(98,378,272,552)	(330,172,976,500)	(35,346,174,719)	(31,009,101,176)	(3,049,716,291)	(497,956,241,238)
Depreciation for the year	(12,564,419,721)	(73,797,213,171)	(4,223,985,760)	(4,877,033,199)	-	(95,462,651,851)
Reclassification	(1,128,635,627)	144,022,817	22,578,226	(53,384,134)	-	(1,015,418,718)
Write off	1,401,903,600	6,225,362,210	-	6,603,829,373	3,018,852,655	17,249,947,838
Ending balance	(110,669,424,300)	(397,600,804,644)	(39,547,582,253)	(29,335,689,136)	(30,863,636)	(577,184,363,969)
Net carrying amount						
Beginning balance	140,923,726,535	347,630,144,236	14,269,303,910	7,998,164,285	-	510,821,338,966
Ending balance	132,492,409,092	273,427,420,409	9,858,676,376	5,167,795,309	-	420,946,301,186

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

13. FINANCIAL LEASES

	<i>VND</i>
	<i>Office equipment</i>
Cost	
Beginning balance	-
New lease	2,663,034,106
Ending balance	<u>2,663,034,106</u>
Accumulated amortisation	
Beginning balance	-
Amortisation for the year	(89,011,003)
Ending balance	<u>(89,011,003)</u>
Net carrying value	
Beginning balance	-
Ending balance	<u>2,574,023,103</u>

14. INTANGIBLE FIXED ASSETS

	<i>VND</i>		<i>Total</i>
	<i>Land use rights</i>	<i>Software</i>	
Cost			
Beginning balance	94,881,924,366	24,356,394,137	119,238,318,503
New purchase	-	21,199,699,780	21,199,699,780
Construction work in process	-	154,812,000	154,812,000
Write off	-	(10,289,692,415)	(10,289,692,415)
Ending balance	<u>94,881,924,366</u>	<u>35,421,213,502</u>	<u>130,303,137,868</u>
<i>In which:</i>			
<i>Fully amortised</i>	-	6,566,285,942	6,566,285,942
Accumulated amortisation			
Beginning balance	(7,290,903,917)	(18,943,612,550)	(26,234,516,467)
Amortisation for the year	(611,056,467)	(6,119,685,044)	(6,730,741,511)
Write off	-	10,289,692,415	10,289,692,415
Ending balance	<u>(7,901,960,384)</u>	<u>(14,773,605,179)</u>	<u>(22,675,565,563)</u>
Net carrying value			
Beginning balance	<u>87,591,020,449</u>	<u>5,412,781,587</u>	<u>93,003,802,036</u>
Ending balance	<u>86,979,963,982</u>	<u>20,647,608,323</u>	<u>107,627,572,305</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

15. INVESTMENT PROPERTIES

	<i>Office building</i>	<i>Others</i>	<i>VND</i> <i>Total</i>
Cost			
Beginning balance	51,057,186,713	18,620,363,909	69,677,550,622
Reclassification to tangible fixed assets	<u>(4,894,092,081)</u>	-	<u>(4,894,092,081)</u>
Ending balance	<u>46,163,094,632</u>	<u>18,620,363,909</u>	<u>64,783,458,541</u>
Accumulated depreciation			
Beginning balance	(17,514,640,292)	(5,315,079,496)	(22,829,719,788)
Depreciation for the year	(1,483,493,571)	(744,851,044)	(2,228,344,615)
Reclassification to tangible fixed assets	<u>1,015,418,718</u>	-	<u>1,015,418,718</u>
Ending balance	<u>(17,982,715,145)</u>	<u>(6,059,930,540)</u>	<u>(24,042,645,685)</u>
Net carrying amount			
Beginning balance	<u>33,542,546,421</u>	<u>13,305,284,413</u>	<u>46,847,830,834</u>
Ending balance	<u>28,180,379,487</u>	<u>12,560,433,369</u>	<u>40,740,812,856</u>

The fair value of the investment properties was not formally assessed and determined as at 31 December 2021. However, given market value at the present occupancy rate of these properties, it is management's assessment that these properties' market values are higher than their carrying value as at the separate balance sheet date.

16. LONG-TERM WORK IN PROGRESS

This represent the Land use right that acquired for real estate project.

17. LONG-TERM WORK IN PROGRESS

	<i>Ending balance</i>	<i>VND</i> <i>Beginning balance</i>
Solar energy systems	17,159,834,880	-
SAP system	5,727,500,000	-
Others	<u>1,471,789,091</u>	<u>966,554,550</u>
TOTAL	<u>24,359,123,971</u>	<u>966,554,550</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

18. LONG-TERM INVESTMENTS

18.1 Investment in associates

Name	Business activities		Ending balance		Beginning balance	
	Ownership %	Amount VND	Ownership %	Amount VND	Ownership %	Amount VND
FCC Infrastructure Investment Joint Stock Company ("FCC")	42.36	30,555,801,717	42.36	60,832,672,517		
Hiteccons Investment Joint Stock Company ("Hiteccons")	31.00	2,541,482,271	31.00	2,578,484,382		
Quang Trong Commercial Joint Stock Company ("Quang Trong")	36.00	141,278,492	36.00	142,447,513		
TOTAL		33,238,562,480		63,553,604,412		

Details of these investments in associates are as follows:

	FCC	Quang Trong	Hiteccons	Total
Cost of investment				
Beginning balance and ending balance	159,600,000,000	18,000,000,000	2,790,000,000	180,390,000,000
Accumulated share in post-acquisition loss of associates				
Beginning balance	(98,767,327,483)	(17,857,552,487)	(211,515,618)	(116,836,395,588)
Share in post-acquisition loss of the associates for the year	(30,276,870,800)	(1,169,021)	(37,002,111)	(30,315,041,932)
Ending balance	(129,044,198,283)	(17,858,721,508)	(248,517,729)	(147,151,437,520)
Net carrying amount				
Beginning balance	60,832,672,517	142,447,513	2,578,484,382	63,553,604,412
Ending balance	30,555,801,717	141,278,492	2,541,482,271	33,238,562,480

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

18. LONG-TERM INVESTMENTS (continued)

18.2 Investment in another entity

The details of investment in another entity are as follows:

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Ownership</i>	<i>Amount</i>	<i>Ownership</i>	<i>Amount</i>
	<i>%</i>	<i>(VND)</i>	<i>%</i>	<i>(VND)</i>
Ricons Group Investment Construction Joint Stock Company	14.30	301,605,477,459	14.30	301,605,477,459

19. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

19.1 Short-term trade payables

	<i>VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Ricons Group Investment Construction Joint Stock Company	302,014,278,176	226,006,088,641
Others	2,831,152,422,077	3,081,180,014,449
TOTAL	3,133,166,700,253	3,307,186,103,090

19.2 Short-term advances from customers

	<i>VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
HT-PEARL Building House Investment Company Limited	61,645,919,377	-
Viet Nam Green Architecture Investment And Construction Joint Stock Company	59,276,493,522	-
ECOPARK Corporation Joint Stock Company	54,851,651,095	-
Ha Long Production Development Investment Co., Ltd	44,330,380,712	-
Other customers	195,746,507,009	509,692,174,529
TOTAL	415,850,951,715	509,692,174,529

Coteccons Construction Joint Stock Company

B09-DN/HN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

20. STATUTORY OBLIGATIONS

	Beginning balance	Increase in the year	Off set in the year	Payment in the year	Ending balance
Corporate income tax	52,475,199,412	43,392,441,773	-	(102,377,352,159)	(6,509,710,974)
Personal income tax	9,080,610,008	77,368,255,882	(7,844,622,243)	(68,830,673,413)	9,773,570,234
Value-added tax	-	964,893,039,400	(852,522,088,408)	(112,370,950,992)	-
Import Tax	-	3,799,840,695	-	(3,799,840,695)	-
Others	-	14,000,000	-	(14,000,000)	-
TOTAL	61,555,809,420	1,089,467,577,750	(860,366,710,651)	(287,392,817,259)	3,263,859,260

VND

21. SHORT-TERM ACCRUED EXPENSES

	Ending balance	Beginning balance
Accruals for on-going construction projects	1,733,880,558,512	1,560,768,867,208
Bonus for employees	20,927,415,086	-
Others	13,164,491,764	2,659,889,300
TOTAL	1,767,972,465,362	1,563,428,756,508

VND

22. SHORT-TERM UNEARNED REVENUE

	Ending balance	Beginning balance
Unearned revenue from construction works	36,219,187,348	43,760,269,001
Unearned revenue from office leasing	1,773,024,967	813,426,066
TOTAL	37,992,212,315	44,573,695,067

VND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

23. OTHER PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	13,316,038,118	93,793,960,789
Payable to construction teams and employees	5,495,188,597	15,968,769,849
Dividends payables	534,341,975	467,844,825
Payable to repurchase stocks	-	76,101,743,649
Others	7,153,509,146	988,497,346
Other payables to related parties <i>(Note 34)</i>	132,998,400	267,105,120
Long-term	-	2,039,203,038
Deposits	-	2,039,203,038
TOTAL	<u>13,316,038,118</u>	<u>95,833,163,827</u>

24. PROVISIONS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	214,059,538,033	85,109,244,449
Provisions for onerous contract	136,797,490,615	-
Provisions for construction warranty	77,262,047,418	85,109,244,449
Long-term	2,543,770,801	3,535,757,726
Severance allowance	2,543,770,801	3,535,757,726
TOTAL	<u>216,603,308,834</u>	<u>88,645,002,175</u>

25. BONUS AND WELFARE FUND

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	87,829,498,226	66,370,965,663
Increase in the year <i>(Note 26.1)</i>	-	51,450,950,058
Utilization of fund	<u>(7,187,521,905)</u>	<u>(29,992,417,495)</u>
Ending balance	<u>80,641,976,321</u>	<u>87,829,498,226</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

26. OWNERS' EQUITY

26.1 Increase and decrease in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Non-controlling interest	Total	VND
Previous year								
Beginning balance	792,550,000,000	3,038,990,175,385	(443,424,538,999)	3,998,330,960,122	1,028,773,028,814	54,055,080,895	8,469,274,706,217	
Net profit for the year	-	-	-	-	334,374,615,618	179,662,405	334,554,278,023	
Development fund	-	-	-	668,862,350,751	(668,862,350,751)	-	-	
Transfer to bonus and welfare fund (Note 25)	-	-	-	-	(51,450,950,058)	-	(51,450,950,058)	
Treasury shares	-	-	(76,101,743,649)	-	-	-	(76,101,743,649)	
Dividends declared	-	-	-	-	(228,877,719,000)	-	(228,877,719,000)	
Others	-	-	-	-	(48,729,095,492)	-	(48,729,095,492)	
Ending balance	792,550,000,000	3,038,990,175,385	(519,526,282,648)	4,667,193,310,873	365,227,529,131	54,234,743,300	8,398,669,476,041	
Current year								
Beginning balance	792,550,000,000	3,038,990,175,385	(519,526,282,648)	4,667,193,310,873	365,227,529,131	54,234,743,300	8,398,669,476,041	
Net profit for the year	-	-	-	-	24,007,379,559	103,448,649	24,110,828,208	
Increase due to investment in subsidiary	-	-	-	-	-	510,000,000	510,000,000	
Treasury shares	-	-	(101,870,098,435)	-	-	-	(101,870,098,435)	
Dividends declared	-	-	-	-	(73,859,473,000)	-	(73,859,473,000)	
Ending balance	792,550,000,000	3,038,990,175,385	(621,396,381,083)	4,667,193,310,873	315,375,435,690	54,848,191,949	8,247,560,732,814	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

26. OWNERS' EQUITY (continued)

26.2 Capital transactions with owners and distribution of dividends

	VND	
	Current year	Previous year
Share capital		
Beginning balance and ending balance	<u>792,550,000,000</u>	<u>792,550,000,000</u>
Dividends		
Dividends declared	73,859,473,000	228,877,719,000

26.3 Shares

	Number of shares	
	Ending balance	Beginning balance
Authorised shares	79,255,000	79,255,000
Shares issued and fully paid	79,255,000	79,255,000
<i>Ordinary shares</i>	79,255,000	79,255,000
Treasury shares	5,395,527	3,922,427
<i>Ordinary shares</i>	5,395,527	3,922,427
Shares in circulation	73,859,473	75,332,573
<i>Ordinary shares</i>	73,859,473	75,332,573

26.4 Dividends

	VND	
	Current year	Previous year
Dividends paid during the year		
<i>Dividends on ordinary shares</i>		
Dividends by cash	73,792,975,850	229,107,038,550

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

26. OWNERS' EQUITY (continued)

26.5 Earnings per share

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	VND	
	Current year	Previous year
Net profit after tax attributable to shareholders of the parent	24,007,379,559	334,374,615,618
Less: Bonus and welfare fund (*)	-	16,718,730,781
Net profit after tax attributable to ordinary equity holders	24,007,379,559	317,655,884,837
Weighted average number of ordinary shares during the period (<i>shares</i>)	74,221,289	76,291,258
Basic and diluted earnings per share (VND/share)	323	4,164

(*) Net profit used to compute earnings per share for the year ended 31 Dec 2020 was adjusted for the provisional allocation to bonus and welfare fund from 2020 profit following the plan as approved in the resolution of the shareholders meeting dated 30 June 2020.

There have been no potential dilutive ordinary shares during the year and up to the date of these interim consolidated financial statements.

27. REVENUES

27.1 Revenues from sale of goods and rendering of services

	VND	
	Current year	Previous year
Gross revenue	9,077,915,407,373	14,589,198,781,083
<i>In which:</i>		
<i>Rendering of construction services (*)</i>	9,053,518,565,534	14,564,921,164,687
<i>Rental income from investment properties</i>	8,636,086,066	8,340,266,212
<i>Rental of construction equipment</i>	1,383,753,876	5,080,823,041
<i>Others</i>	14,377,001,897	10,856,527,143
Less	-	(31,112,346,115)
<i>Sale allowances</i>	-	(31,112,346,115)
Net revenue	9,077,915,407,373	14,558,086,434,968
<i>In which:</i>		
<i>Rendering of construction services</i>	9,053,518,565,534	14,533,808,818,572
<i>Rental income from investment properties</i>	8,636,086,066	8,340,266,212
<i>Rental of construction equipment</i>	1,383,753,876	5,080,823,041
<i>Others</i>	14,377,001,897	10,856,527,143

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

27. REVENUES (continued)

27.1 Revenues from sale of goods and rendering of services (continued)

(*) Revenue from construction contracts recognised during the year are as follows:

	VND	
	Current year	Previous year
Revenue recognised during the year of the on-going construction contracts	8,346,223,397,273	14,052,907,179,265
Revenue recognised during the year of the completed construction contracts	<u>707,295,168,261</u>	<u>480,901,639,307</u>
TOTAL	<u>9,053,518,565,534</u>	<u>14,533,808,818,572</u>
Cumulative revenue recognised up to end of year of the on-going construction contracts	58,092,544,558,882	60,410,219,080,290

27.2 Finance income

	VND	
	Current year	Previous year
Interest income from bank deposits and bonds	153,277,574,459	227,282,210,281
Interest income from late payment, lending	73,416,222,465	(8,371,982,965)
Interest income from investment	43,340,155,546	-
Dividend income	6,804,000,000	9,072,000,000
Foreign exchange gains	<u>223,309,267</u>	<u>234,077,936</u>
TOTAL	<u>277,061,261,737</u>	<u>228,216,305,252</u>

28. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Rendering of construction services	8,791,964,648,071	13,689,912,459,801
Rental of investment properties	4,731,385,731	5,637,016,516
Rental of construction equipment	1,182,974,542	2,360,003,103
Others	<u>4,838,833,491</u>	<u>3,769,942,136</u>
TOTAL	<u>8,802,717,841,835</u>	<u>13,701,679,421,556</u>

29. FINANCIAL EXPENSES

	VND	
	Current year	Previous year
Loss from investment	11,241,712,675	203,060,816
Interest expenses	1,110,696,092	-
Foreign exchange rate loss	<u>575,704,311</u>	<u>259,533,939</u>
TOTAL	<u>12,928,113,078</u>	<u>462,594,755</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

30. GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Labour costs	240,143,418,140	259,952,985,817
Provision expense	166,828,213,175	277,171,768,935
Expenses for external services	67,928,213,100	43,443,497,111
Depreciation and amortisation	26,158,416,389	35,089,822,983
Others	15,239,775,140	40,202,028,621
TOTAL	<u>516,298,035,944</u>	<u>655,860,103,467</u>

31. OTHER INCOME AND EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Other income	57,633,325,799	39,342,162,410
Reversal of over accrual for construction expenses	28,091,422,921	9,219,293,348
Reversal of warranty provision	25,762,123,878	13,043,451,634
Gain from disposal of fixed assets	1,555,489,998	3,111,959,650
Others	2,224,289,002	13,967,457,778
Other expenses	(12,197,014,453)	(12,681,817,591)
Other profit	<u>45,436,311,346</u>	<u>26,660,344,819</u>

32. PRODUCTION AND OPERATING COSTS

	VND	
	<i>Current year</i>	<i>Previous year</i>
External services expenses	5,103,896,289,775	8,337,793,572,465
Raw materials	3,010,270,696,022	4,238,389,410,025
Labour costs	842,940,164,875	909,712,787,896
Tools and supplies	163,902,099,397	166,562,940,626
Depreciation and amortization (Notes 12, 13, 14 and 15)	104,510,748,981	107,825,436,581
Provision	292,726,370,736	308,103,826,788
Others	45,263,474,739	188,354,245,950
TOTAL	<u>9,563,509,844,525</u>	<u>14,256,742,220,331</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

33. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rate applicable to the Group is 20% of taxable profits.

The tax returns filed by the Group are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could change at a later date upon final determination by the tax authorities.

33.1 CIT expense

	VND	
	<i>Current year</i>	<i>Previous year</i>
CIT expense of current year	43,208,297,136	166,415,557,102
Adjustments for under accrual of tax from previous years	<u>184,144,637</u>	<u>1,976,481,385</u>
	43,392,441,773	168,392,038,487
Deferred tax income	<u>(29,349,322,314)</u>	<u>(74,990,071,547)</u>
TOTAL	<u>14,043,119,459</u>	<u>93,401,966,940</u>

Reconciliation between CIT expense and the accounting profit before tax multiplied by CIT rate is presented below:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Accounting profit before tax	<u>38,153,947,667</u>	<u>427,956,244,963</u>
CIT at applicable tax rate	7,630,789,533	85,591,248,992
<i>Adjustments:</i>		
Share of loss from associates	6,063,008,386	5,825,778,539
Non-deductible expenses	599,696,739	1,752,629,917
Dividend income	(1,397,373,000)	(1,814,400,000)
Unrealised loss	962,853,164	70,228,107
Adjustments for under accrual of tax from prior years	<u>184,144,637</u>	<u>1,976,481,385</u>
CIT expense	<u>14,043,119,459</u>	<u>93,401,966,940</u>

33.2 Current tax

The current CIT payable is based on taxable income for the current year. The taxable income of the Group for the year differs from the accounting profit before tax as presented in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the consolidated balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

33. CORPORATE INCOME TAX (continued)

33.3 *Deferred tax*

The following are the deferred tax assets and deferred tax liabilities recognised by the Group, and the movements thereon, during the current and previous years:

	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Provision for doubtful debts	56,346,631,822	55,094,597,994	1,252,033,828	55,094,597,994
Provision for onerous contract	27,359,498,123	-	27,359,498,123	-
Provision for obsolete inventories	5,853,393,635	5,998,655,573	(145,261,938)	5,998,655,573
Unrealised profit	2,179,795,118	1,192,426,420	987,368,698	628,022,447
Severance allowances	444,638,160	609,801,545	(165,163,385)	(652,248,832)
Unrealised foreign exchange differences	4,342,321	(6,801,121)	11,143,442	-
Provision for investments	(26,872,814)	(76,576,360)	49,703,546	13,921,044,365
Difference from investment revaluation	(48,729,095,492)	(48,729,095,492)		
<i>Net deferred tax assets</i>	<u>43,432,330,873</u>	<u>14,083,008,559</u>		
<i>Deferred tax income</i>			<u>29,349,322,314</u>	<u>74,990,071,547</u>

VND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES

Details of related parties were as follows:

Related parties

Kustocem PTE. Ltd.
Success Investment and Business One Member Company Limited
THESTH PTE. Ltd.
Preston Pacific Limited
VOF Investment Limited
FCC Infrastructure Investment Joint Stock Company
Quang Trong Commercial Joint Stock Company
Hitecoons Investment Joint Stock Company

Relationship

Major shareholder
Major shareholder
Major shareholder
Group of major shareholder
Group of major shareholder
Associate
Associate
Associate

Significant transactions with related parties in current year and prior year were as follows:

Related party	Relationship	Nature of transaction	Current year	Previous year
Mr. Trinh Ngoc Hien	Member of Board of Director	Consulting service expense	2,310,000,000	-
Kusto Group Pte. Ltd.	Affiliate with major shareholder	Office rental income	537,439,365	123,334,966
Amounts due to and due from related parties at the balance sheet dates were as follows:				
Related parties	Relationship	Nature of transaction	Ending balance	Beginning balance
VND				
Other short-term receivables				
Kusto Group Pte. Ltd.	Affiliate with major shareholder	Office rental	-	134,106,720
Other short-term receivable				
Member of Board Of Directors, Board Of Supervision	Related parties	Allowance advance	720,000,000	-
Other payables				
Kusto Group Pte. Ltd.	Affiliate with major shareholder	Deposit	132,998,400	267,105,120

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

Transactions with other related parties

Remuneration to members of the Board of Directors ("BOD"), Board of Supervision ("BOS") and Board of Management:

<i>Individuals</i>	<i>Position</i>	<i>VND</i>	
		<i>Remuneration</i>	
		<i>Current year</i>	<i>Previous year</i>
Mr. Bolat Duisenov	Chairman of BOD	200,625,000	-
Mr. Tan Chin Tiong	Member of BOD	267,500,000	70,000,000
Mr. Yerkin Tatishev	Member of BOD	267,500,000	84,000,000
Mr. Tong Van Nga	Member of BOD	-	-
Mr. Herwig Guido H. Van Hove	Member of BOD	-	-
Mr. Trinh Ngoc Hien	Member of BOD to 24 November 2021	-	-
Ms. Trinh Quynh Giao	Member of BOD to 6 December 2021	-	-
Mr. Nguyen Ba Duong	Member of BOD to 2 October 2020	-	6,943,349,361
Mr. Nguyen Quoc Hiep	Member of BOD to 12 October 2020	-	111,000,000
Mr. Talgat Turumbayev	Member of BOD	-	75,000,000
Mr. Tran Quyet Thang	Member of BOD to 20 June 2020	-	100,000,000
Mr. Christopher Senekki	Deputy General Director	4,734,955,326	-
Mr. Pham Quan Luc	Deputy General Director	3,306,580,240	2,653,198,845
Mr. Nguyen Ngoc Lan	Deputy General Director	2,730,114,077	-
Mr. Pham Thi Bich Ngoc	Deputy General Director	1,949,169,068	-
Mr. Vo Hoang Lam	Deputy General Director	5,159,879,940	-
Mr. Tran Tri Gia Nguyen	Deputy General Director to 30 November 2021	6,475,131,920	1,477,489,813
Mr. Phan Huu Duy Quoc	Deputy General Director to 4 January 2022	6,122,147,400	-
Mr. Nguyen Sy Cong	Deputy General Director to 5 August 2020	-	4,198,759,423
Mr. Vo Thanh Liem	Acting General Director	-	4,299,376,919
Mr. Tu Dai Phuc	Deputy General Director to 12 October 2020	-	3,041,662,808
Mr. Tran Quang Quan	Deputy General Director to 5 August 2020	-	3,120,111,646
Mr. Tran Van Chinh	Deputy General Director to 30 September 2020	-	1,968,562,500
Mr. Tran Van Thuc	Head of Board of Supervision	-	-
Mr. Luis Fernando Garcia Agraz	Head of Board of Supervision to 26 April 2021	200,625,000	66,000,000
Mr. Dang Hoai Nam	Member of BOS	1,949,314,451	1,605,511,605
Mr. Nguyen Minh Nhut	Member of BOS	200,625,000	66,000,000
TOTAL		34,284,167,422	29,880,022,920

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

35. COMMITMENTS

The Group leases out its Coteccons Building property under operating lease arrangements. The future minimum rental receivable as at the balance sheet dates under the operating lease agreements is as follows:

	<i>Ending balance</i>	<i>Beginning balance</i>	<i>VND</i>
Less than 1 year	8,167,168,515	9,447,132,780	
From 1 to 5 years	<u>223,608,000</u>	<u>8,390,776,515</u>	
TOTAL	<u>8,390,776,515</u>	<u>17,837,909,295</u>	

36. EVENTS AFTER THE CONSOLIDATED BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the consolidated balance date that requires adjustment or disclosure in the consolidated financial statements of the Group.

		
Tran Thi Thanh Van Preparer	Cao Thi Mai Le Chief Accountant	Phạm Quan Luc Acting General Director



28 March 2022