



CONVERGENCE OF RESOURCES REACHING NEW HEIGHTS

OVER THE PAST FEW YEARS, COTECCONS, WHICH IS REGARDED AS ONE OF LEADING CONSTRUCTION COMPANIES IN VIETNAM, HAS PLAYED THE ROLE OF GENERAL CONTRACTOR, DESIGNING AND BUILDING VARIOUS LARGE PROJECTS NATION WIDE. COTECCONS BRANDNAME HAS NOW BECOME THE QUALITY ASSURANCE FOR INTERNATIONAL STANDARD WORKS.

WITH OUTSTANDING ACHIEVEMENTS, COTECCONS HAS BEEN CONTINUOUSLY RANKED FIRST AMONG PRIVATE ENTERPRISES IN CONSTRUCTION INDUSTRY BY VIETNAMNET AND VIETNAM REPORT.

“OUR EXPERIENCE DRIVES US FORWARD” IS COTECCONS’ MOTTO.



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VISION, MISSION, CORE VALUES

VISION

To become the leading construction corporation in Vietnam, operating in the regional and international markets, specializing in generally-contracted projects, design & build, and infrastructure works.

MISSION

Using prestige, quality as measures for the brand name's value, Coteccons is committed to providing customers with works of high quality, at competitive prices.

CORE VALUES

- TRANSPARENCY** Transparency in every activity. Transparency in management, cooperation and benefits.
- INNOVATION** Non-stop innovation, improvements of method statements to satisfy ever-increasing requirements from customer.
- COOPERATION** Cooperation with customers and partners for the goals and success achievement.
- DEDICATION** Dedication in services with highest passion and enthusiasm.
- COMMITMENT** Try our best efforts to carry out every commitment.



Unit: billion dong

For the year ended 31/12	2009	2010	2011	2012	2013	Average growth
Income statement (billion dong)						
Revenue	1,962	3,304	4,510	4,477	6,190	33%
Profit before tax	265	313	283	300	393	10%
Profit after tax	228	240	211	219	280	5%
Profit after tax attributable to shareholders of the Parent company	228	240	211	219	257	3%

Dividend (dong/share)

Basic income	7,528	7,816	6,812	5,596	6,103
Cash dividend in the year	20%	20%	20%	20%	20%

Balance sheet (billion dong)

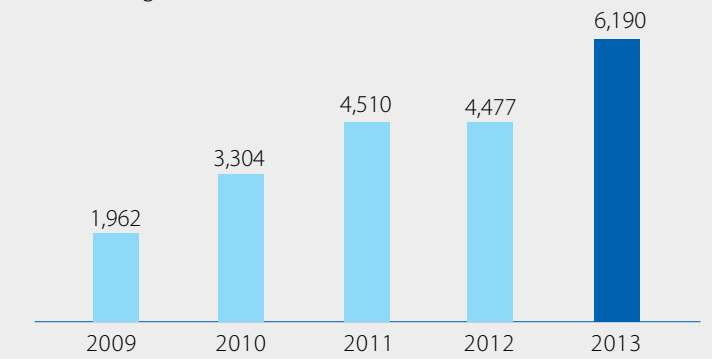
Total assets	1,772	2,017	2,459	3,613	4,552	27%
Owner's equity	1,101	1,269	1,438	2,078	2,302	20%
Long-term liabilities	3	6	7	14	81	129%

Financial indicators

Ratio of Profit before tax/ Revenue	13.5%	9.5%	6.3%	6.7%	6.4%
Ratio of liabilities /owner's equity	60.9%	59.0%	71.1%	73.9%	90.5%
ROAA (EBIT/ average total assets)	13.2%	10.8%	10.2%	6.6%	6.0%
ROEA (Parent company's shareholders' profit/ average owner's equity)	23.0%	20.3%	15.6%	12.4%	11.7%

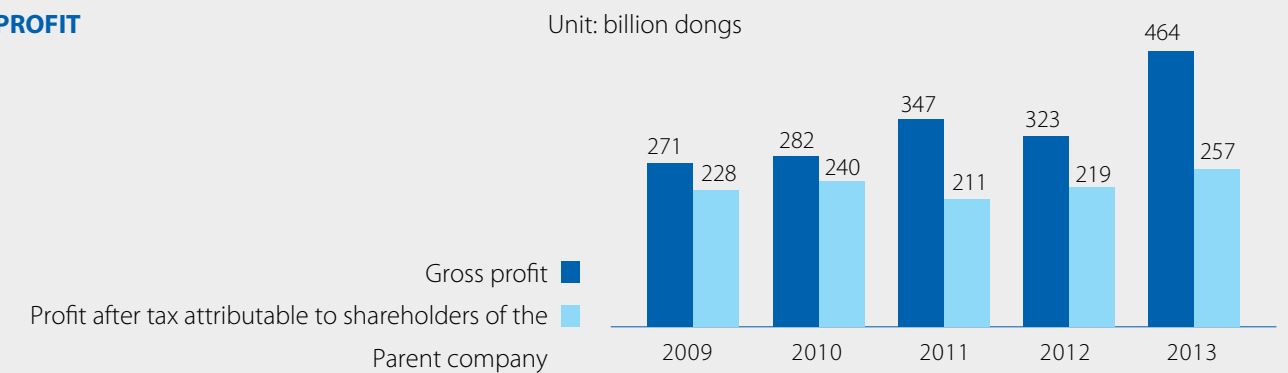
REVENUE

Unit: billion dong

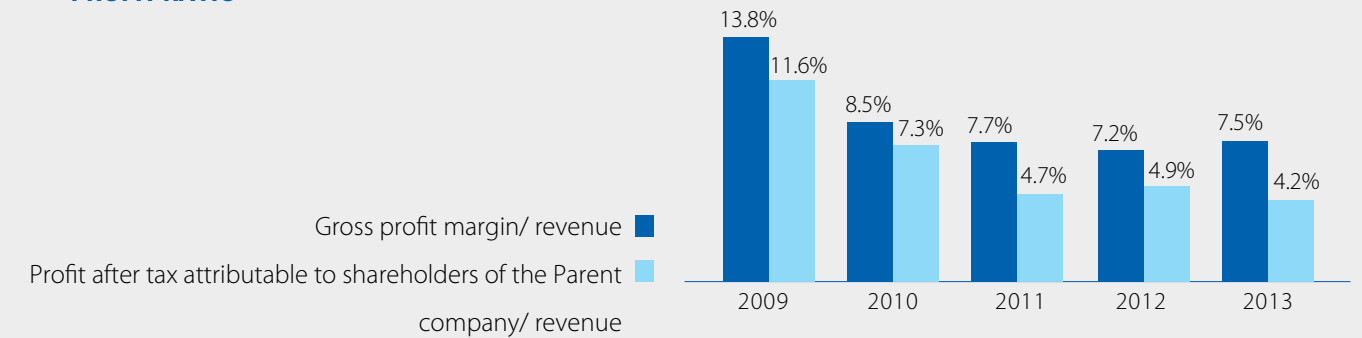


PROFIT

Unit: billion dong

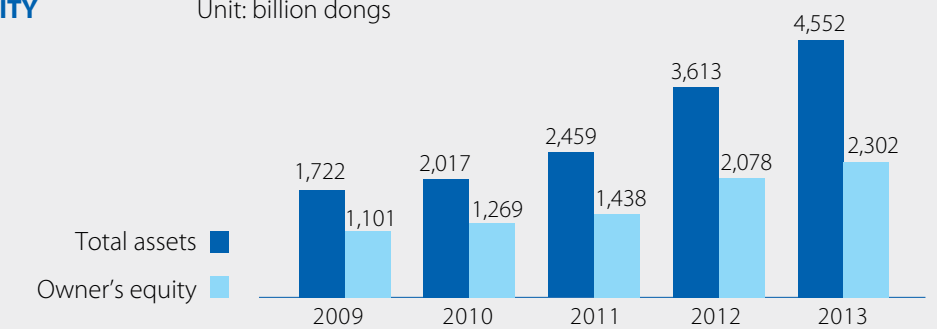


PROFIT RATIO



TOTAL ASSETS, OWNER'S EQUITY

Unit: billion dong





Human resources are always considered as the most important factor to the fast and sustainable growth of Coteccons.

In the foreseeable future, Coteccons' young generation of inspired, creative employees with a can-do attitude is going to be the key to our new growth cycle.

Dear Valued Shareholders,

Despite many obstacles and challenges faced in 2013, Coteccons had a busy year of impressive achievements and maintained the stable growth. This was proved by various big projects that we have won, such as SC VivoCity shopping center project, valued at 1,200 billion dong, joint ventured between MapleTree (Singapore) and Saigon Co.op (Vietnam), Aeon Binh Duong Canary Shopping Center, Salinda Resort & Spa Phu Quoc, etc.

In the field of industrial construction, well anticipating the influx of investments from China to Vietnam in preparation for the coming Trans-Pacific Partnership which is being negotiated among countries including Vietnam, Coteccons has won several important projects such as Brotex Color-Yarn Plant (phase 1 and 2); Gain Lucky Plant and First Team Plant, etc.

Coteccons' growth was also supported by M&A strategy. Specifically, Coteccons' share ownership of Unicons was increased from 30% to 51% in 5/2013. M&A deal brought about not only increased revenue but also proactive human resources allocation for big projects.

At the end of 2013, Coteccons' revenue reached 4,780 billion dong. Although this was only 95.6% of the plan but an increase of 6.8%

from 2012 revenue was recorded. Consolidated revenue was 6,190 billion dong, or 103.7% of the target, increasing by 38% compared with 2012. Target profit of Parent company (233.7 billion dong, increasing by 17%) and target consolidated profit (257.2 billion dong, increasing by 17%) were achieved. Besides, cash flow from operation was positive and higher than 300 billion dong in the two consecutive years thanks to sufficient financial risk and working capital management.

Ladies and gentlemen,

With the goal of sustainable growth, human resources are the key factor to Coteccons. For businesses of any scope, the foundation is critical to the survival and development of the enterprise. Coteccons' foundation is our employees who are proactive, committed, faithful and not afraid of challenges and difficulties.

In 2014, besides resource optimization, Coteccons' strategy focuses on the core business. Construction capability will be exploited, project quality and efficiency will be enhanced. The application of BIM (Building Information Modeling) in construction projects is the long-term, strategic investment to create the break-through in quality assurance. As a result, Coteccons is positioned in the customer's mind as a faithful, committed contractor in terms of schedule, quality, safety and reasonable price.

In addition to further expansion to local and international markets, with the sufficient financial capability and qualified staff, Coteccons will penetrate into the transportation infrastructure construction to boost revenue and profit for the Company. We will take the M&A opportunities to improve the capability and scope of operation if appropriate.

I believe that, the proper business strategy, the resources convergence of Coteccons and member companies, the Company will maintain the strong position in Vietnam market and reach farther in the regional and global markets.

At this General Meeting of Shareholders, on behalf of the Board of Directors, I would like to express sincere thanks to the great employees of Coteccons and Unicons for your contribution to the fulfillment of business plan 2013. Our thanks are also extended to valued shareholders, partners and customers for your trust and supports. We look forward to your further cooperation and feedbacks which are critical to Coteccons' successes and outcomes in the next years.

Last but not least, on behalf of the Board of Directors, I'd like to wish you good health, happiness and success. My best wishes for a fruitful General Meeting of Shareholders.

Sincerely,

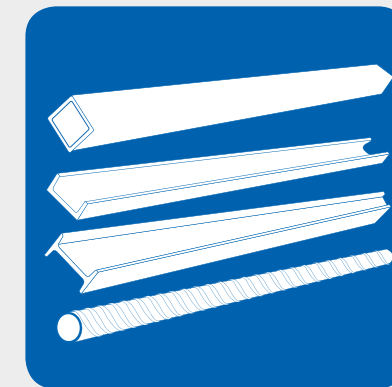
CHAIRMAN OF THE BOARD OF DIRECTORS



NGUYEN BA DUONG

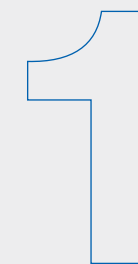
TOTAL ASSETS (BILLION DONGS)

4,552



METAL

Solid foundation for the higher
and sustainable works



- GENERAL INFORMATION
- HISTORY OF ESTABLISHMENT AND DEVELOPMENT
- SUBSIDIARIES AND AFFILIATES
- DEVELOPMENT ORIENTATION
- HIGHLIGHTED EVENTS OF THE YEAR
- ORGANIZATIONAL STRUCTURE AND HUMAN RESOURCES

COMPANY PROFILE

- Name in Vietnamese : CÔNG TY CỔ PHẦN XÂY DỰNG (COTEC)
- Name in Vietnamese : COTEC CONSTRUCTION JOINT STOCK Co.,
- In short : COTECCONS
- Business registration certificate No.: 0303443233 by HCMC Department of Planning and Investment; first issuance dated 24/08/2004
- Charter capital : 422 billion dong (Four hundred twenty two billion dong)
- Address : 236/6 Dien Bien Phu, Ward 17, Binh Thanh District, HCMC
- Tel : (84 - 8) 3 5142255/66
- Fax : (84 - 8) 3 5142277
- Email : contact@coteccons.vn
- Website : www.coteccons.vn
- Stock name : Cotec construction joint stock company stock (Cotec)
- Stock code : CTD

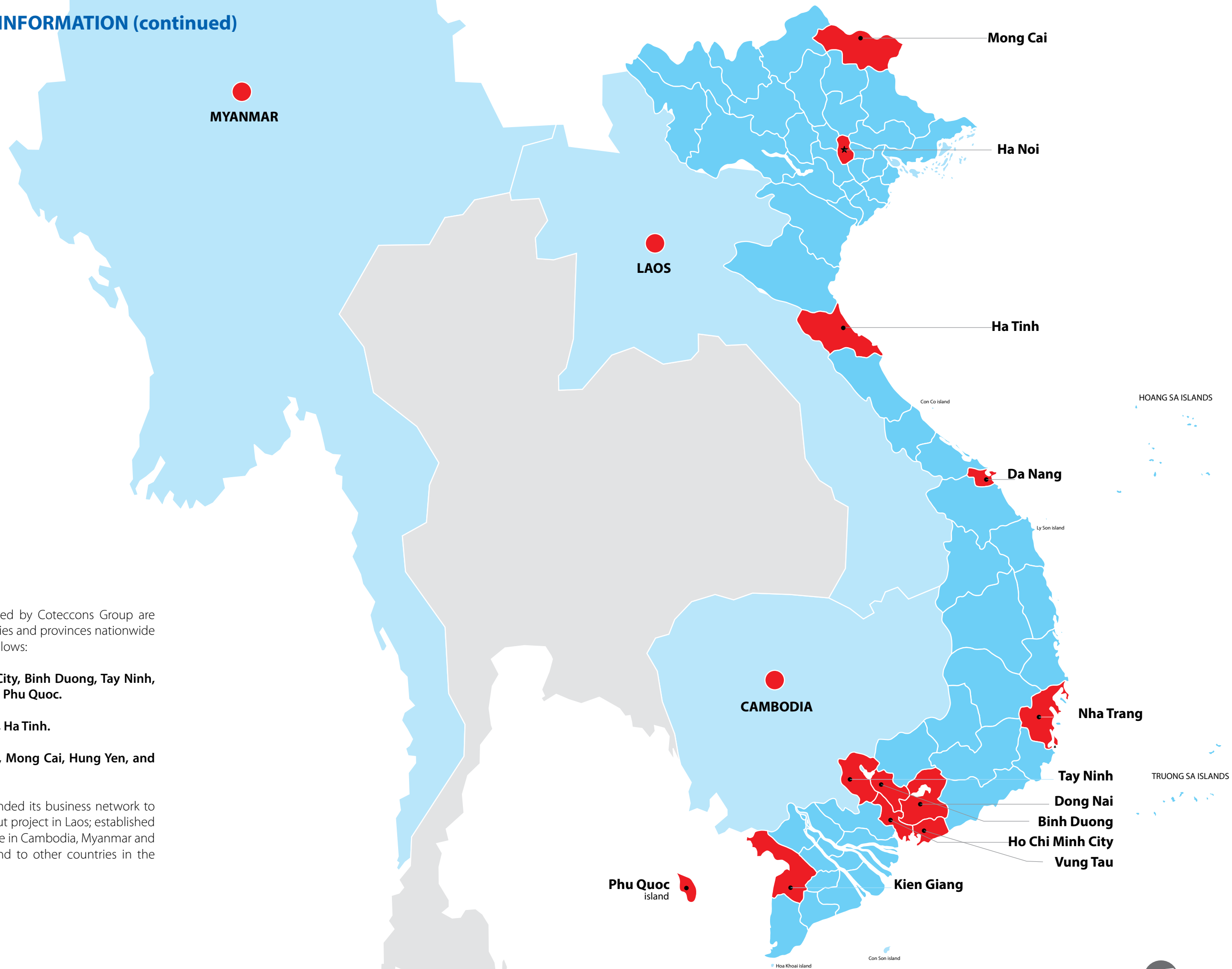


BUSINESS

- Construction, installation and repair of civil and industrial works; urban and industrial park infrastructure, transportation and irrigation works.
- Construction of water drainage and supply, environmental treatment works.
- Installation of mechanical, electrical, and plumbing works.
- Relevant technical consultancy and architecture: Design of construction works layout, civil and industrial works architecture; Interior, exterior design; Design of thermal supply, air/steam ventilation, air conditioning; Design of mechanical - electrical systems; Design of civil and industrial works; design of urban technical infrastructure works.
- Real estate, land use right trading, consultancy, and brokerage.
- Export, import, trading right of the following items: steel, iron, construction structures, construction materials, equipment, spare parts, machineries, construction technology chains, construction production lines, construction tools.



GENERAL INFORMATION (continued)



BUSINESS LOCATION

Currently, projects constructed by Coteccons Group are located in most of the big cities and provinces nationwide with the main locations as follows:

- **Southern region:** HCM City, Binh Duong, Tay Ninh, Dong Nai, Vung Tau, and Phu Quoc.
- **Central region:** Da Nang, Ha Tinh.
- **Northern region:** Hanoi, Mong Cai, Hung Yen, and Bac Ninh.

Since 2013, Coteccons expanded its business network to the Southeast Asia; carried out project in Laos; established Unicons Representative Office in Cambodia, Myanmar and the group will further expand to other countries in the region.

Coteccons focused on large project segment while maintaining its medium-sized project market share by investing in Uy Nam Investment Construction Joint Stock Company. Later, investments in affiliates such as Phu Gia An

For the purpose of fund raising for large projects and image building, Coteccons issued shares to public and attracted big international organizations, including Dragon Capital, Indochina Capital, Tainan Shipping Co., etc.

Coteccons Office Building was built at No. 236/6 Dien Bien Phu, Ward 17, Binh Thanh district, HCMC, fully financed by Coteccons.

Coteccons was awarded Construction Quality Gold Cup from Ministry of Construction.

Coteccons expanded the market to Laos as a first step of conquering Indochina market.

2004

TRANSFORMED TO JOINT STOCK COMPANY



OPENED A BRANCH IN BINH DUONG

2006

Coteccons changed to Joint Stock Company under Decision No. 1242QĐ-BXD dated 30/07/2004 of Ministry of Construction. Charter capital was 15.2 billion dongs.

Investment Joint Stock Company, Quang Trong Trading Joint Stock Company, etc. were made.

Binh Duong branch, specializing in equipment maintenance, was opened under Business License No. 461300016 issued by HCMC Department of Planning and Investment on 17/04/2006.

2007

ISSUED SHARES TO PUBLIC



COTECCONS STOCKS OFFICIALLY LISTED

2009

A pioneer in Vietnam successfully applying top-down construction method to shorten the construction progress while ensuring the quality.

Coteccons' shares were officially listed on HOSE under Decision No. 155/QĐ - Ho Chi Minh Stock Exchange on 09/12/2009. This marked a milestone in the Company's history. Number of the shares initially listed was 12,000,000. Stock code is CTD.

2010

COTECCONS OFFICE BUILDING INAUGURATED



Coteccons Office Building was completed and put into operation. The new office building met the company's needs for facilities, bringing Coteccons to a new level in the market.

Coteccons Representative Office in Hanoi was opened, creating a break-through in the Northern market.



RECEIVED CONSTRUCTION QUALITY GOLD CUP

2011

The Company signed the generally-contracted contract for The Grand Ho Tram - the largest complex resort project in Vietnam and in the region, 100% foreign invested (Asian Coast Development Limited ACDL - Canada). This was also the first large project assigned for a Vietnamese contractor. Coteccons both carried out the construction and managed sub-contractors from Japan, Singapore, China, etc.

2012

ISSUED SHARES TO STRATEGIC SHAREHOLDERS FOR THE SECOND TIME



Share issue to strategic shareholders for the second time was done. Regardless of the economy downturn, declining stock exchange, Coteccons successfully signed strategic cooperation contract with Kustocem Pte.Ltd (Singapore) and issued 10,430,000 shares. Total fund raised in this issue was USD25 million.



SIGNED VND1,200 BILLION SC VIVOCITY CONTRACT

2013

International generally-contracted contract, namely SC VivoCity - District 7, invested by Sai Gon Co.op Investment - Development (Vietnam) and Mapletree (Singapore) was signed. Total contract value was about 1,200 billion dongs.

Coteccons' ownership of Unicons was increased to 51%.

OVERVIEW OF SUBSIDIARIES AND AFFILIATES

The investment in Subsidiaries, Affiliates is to deploy the Company's strategy of market share increase and business diversification. Member companies can share the knowledge, experiences, management skills, human resources, method statements for co-development.

Coteccons brand name has been positioned as the leading player in the construction industry with the roles of general contractor, design and build and turnkey contract. Advantage of these roles includes resources being centralized for large projects. Accordingly, depending on the strengths of each member and the project size, Coteccons will allocate the resources sufficiently for the project implementation to have the highest satisfaction of the customer.



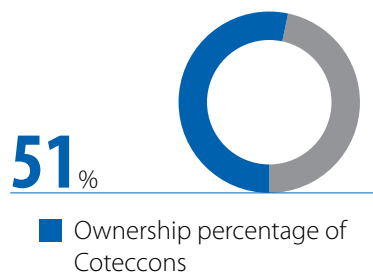
UY NAM INVESTMENT CONSTRUCTION JOINT STOCK COMPANY (UNICONS)

Address: 5th - 6th Floor, No. 236/6 Dien Bien Phu, Ward 17, Binh Thanh District, HCMC.

Established since 2006 with the core business of construction and construction material trading, a qualified team and continuous management system improvement, UNICONS has created a professional and dynamic working environment.

Inheriting and promoting Coteccons' achievements, basing on its own experience and core values, after 8 years of operation, Unicons has step by step asserted its position among Top 5 private construction companies in Vietnam. Beside construction, Unicons also deploys construction material trading and is one of the key material suppliers for Coteccons at a competitive price.

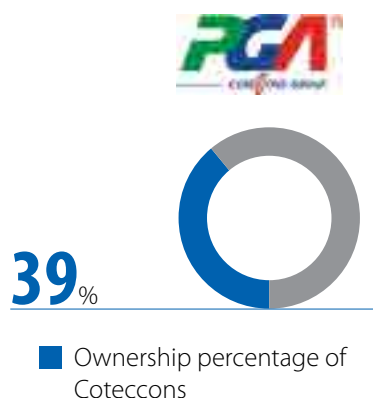
- Revenue: 2,276 billion dongs, reaching 123% of the plan.
- Profit after tax: 57 billion dongs, reaching 114% of the plan.



PHU GIA AN INVESTMENT JOINT STOCK COMPANY

Address: 72 Nguyen Thi Thap, Binh Thuan Ward, District 7, HCMC.

The project has not been deployed, thus, operational revenue is not available.



LIST OF SUBSIDIARIES AND AFFILIATES

No.	COMPANY	SCOPE OF BUSINESS	CHARTER CAPITAL (BILLION DONGS)	% OWNERSHIP
1.	Uy Nam Investment Construction Joint Stock Company (Unicons)	Construction material trading and construction	90	51
2.	Phu Hung Gia Construction & Investment Joint Stock Company	Construction material, real estate trading and construction	100	20.16
3.	Phu Gia An Investment Joint Stock Company	Real estate trading	129	39
4.	Quang Trong Trading Joint Stock Company	Real estate trading	100	36



PHU HUNG GIA CONSTRUCTION & INVESTMENT JOINT STOCK COMPANY

Address: 312 Nguyen Thuong Hien, Ward 5, Phu Nhuan District, HCMC.

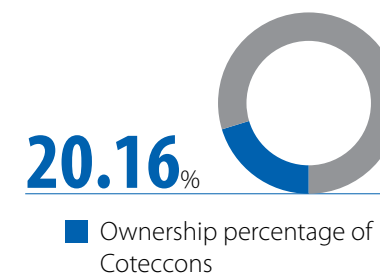
Phu Hung Gia Construction & Investment Joint Stock Company was formed in 2004. Its main scope of business was real estate trading and investment. In 2008, it expanded the scope of business to construction and installation.

Efforts have been made to improve the management and construction system. This business has been quickly developed and the company now can implement the whole package from design to construction, project management for skyscrapers, hotels and resorts, plants, etc. Currently, Phu Hung Gia brand name is well known in the construction and installation market.

Real estate: Phu Hung Gia Construction & Investment Joint Stock Company is the investor of Botanic apartment building in Binh Thanh District, Luxury Pavillon Apartment Building in District 3, HCMC.

Phu Hung Gia business performance in 2013.

- Revenue: 1,294 billion dongs, reaching 100% of the plan.
- Profit after tax: 28 billion dongs, reaching 104% of the plan.

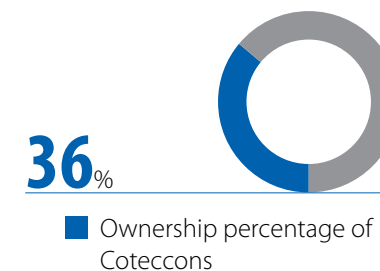


QUANG TRONG TRADING JOINT STOCK COMPANY

(Total capital contribution made 18 billion dongs)

Address: 14H1 Ngo Duc Ke, Ward 7, Vung Tau City, Ba Ria - Vung Tau Province.

Quang Trong Trading Joint Stock Company was formed in 2007. Its main scope of business was real estate project management and investment. However, under the circumstance of frozen real estate market, Coteccons focused on its core construction business. Projects under these companies' management have not been deployed. Thus, operational revenue has not been generated.





Medium and long-term development strategy of Coteccons is associated with the 5-year vision (2013-2017), namely, to further develop and expand the activities, maintain the leading construction position in Vietnam.

Currently, Coteccons has already carried out project in Laos, Unicons established a representative office in Cambodia and is now applying for the establishment of a representative office in Myanmar, and offices will be opened in potential countries in the region.

MAIN OBJECTIVES OF THE COMPANY

Develop Coteccons under the model of international multi-functional construction corporation.

Improve business performance, maximize the value of the company, and bring about the best interests of shareholders and employees.

Contribute to the country's modernization by providing products with the best quality and outstanding values.

Create jobs with stable income for employees, fulfill the State Budget contribution obligation.

Actively participate in community activities, demonstrate corporate social responsibility for the overall development of the society.

MEDIUM AND LONG-TERM DEVELOPMENT STRATEGY

Medium and long-term development strategy of Coteccons is associated with the 5-year vision (2013-2017), namely, to further develop and expand the activities, maintain the position of a leading construction player in Vietnam with the local and global influence and operation scope.

Improve the service quality, promote the generally contracted projects, D&B segment to meet the needs of customers, and increase the profitability of the company.

Expand the core business, transport infrastructure and energy project construction.

Strengthen technological, human resources, financial capability, control and risk management systems to fulfill the targets and objectives.



Essilor Factory - Laos

- 01** Increased Coteccons' ownership of Unicons to 51%.
- 02** Signed international generally-contracted contract: SC VivoCity project - District 7, invested by MapleTree (Singapore) and Saigon Co.op (Vietnam). Total contract value was about 1,200 billion dong.
- 03** Won the large plant construction project: Gain Lucky Plant in Phuoc Dong IP, Tay Ninh of Shenzhou International Holdings (China) with the area of 83 ha. This was the largest plant project that Coteccons has won ever. Bidding value (stage 1) was 900 billion dong.
- 04** Exceeded the target profit set by the General Meeting of Shareholders for both the Parent company (17%) and consolidated target (17%).

- 05** Established Building Information Modeling Center/BIM
- 06** Received Environmental Management Certificate - ISO 14001 by QMS (Australia).
- 07** Awarded Certificate of Merit of Construction Minister for excellent achievements in construction quality testing.
- 08** Received Certificate of Merit of Director of Department of Work Safety for excellent achievements in work safety.
- 09** Ranked among Top Annual Reports for the third year.
- 10** Ranked first among Top Vietnamese Private Construction Enterprises by VNR 500.



ORGANIZATIONAL STRUCTURE AND HUMAN RESOURCES

GOVERNANCE MODEL

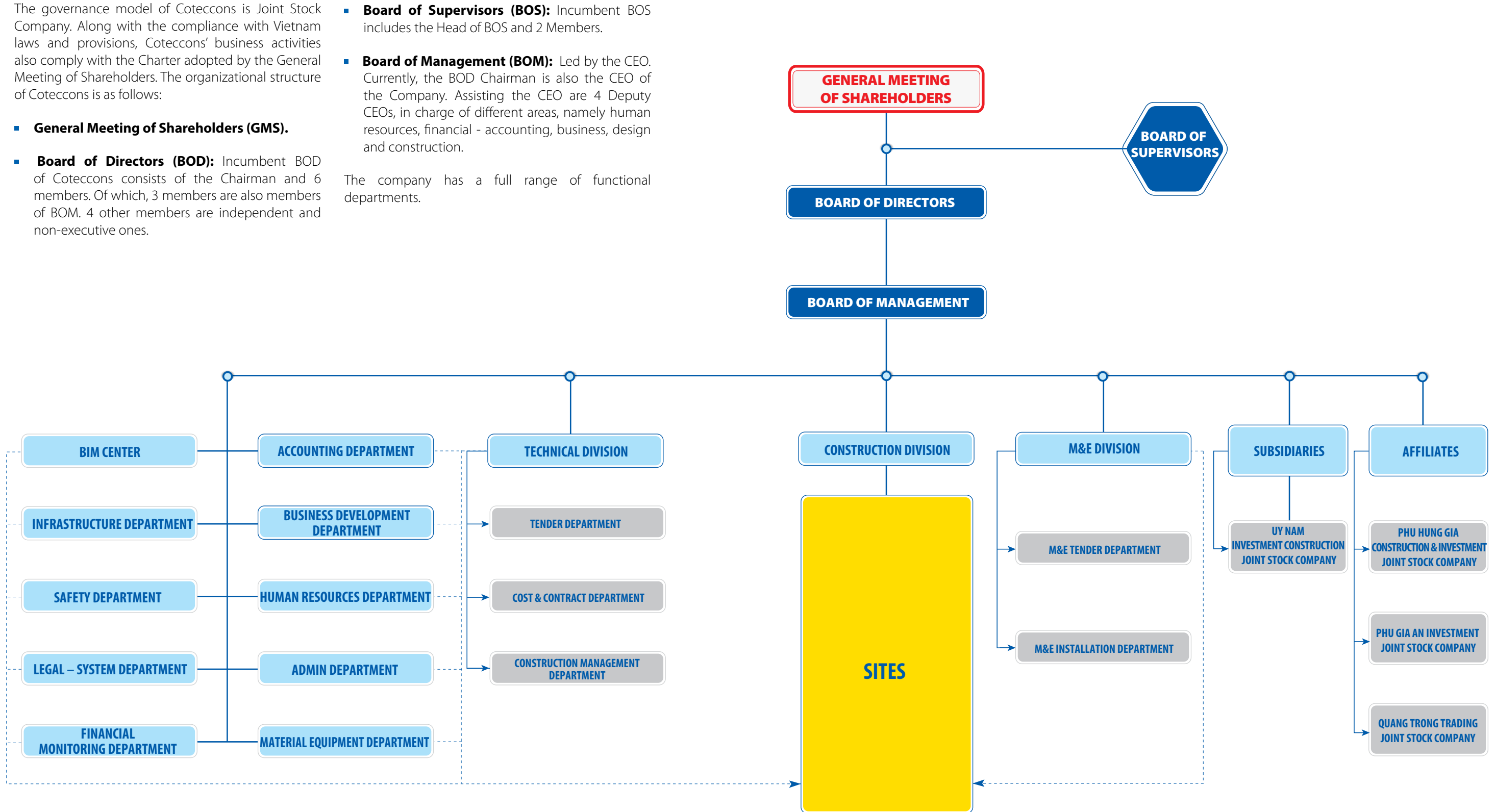
The governance model of Coteccons is Joint Stock Company. Along with the compliance with Vietnam laws and provisions, Coteccons' business activities also comply with the Charter adopted by the General Meeting of Shareholders. The organizational structure of Coteccons is as follows:

- **General Meeting of Shareholders (GMS).**
- **Board of Directors (BOD):** Incumbent BOD of Coteccons consists of the Chairman and 6 members. Of which, 3 members are also members of BOM. 4 other members are independent and non-executive ones.

- **Board of Supervisors (BOS):** Incumbent BOS includes the Head of BOS and 2 Members.
- **Board of Management (BOM):** Led by the CEO. Currently, the BOD Chairman is also the CEO of the Company. Assisting the CEO are 4 Deputy CEOs, in charge of different areas, namely human resources, financial - accounting, business, design and construction.

The company has a full range of functional departments.

ORGANIZATIONAL STRUCTURE



ORGANIZATIONAL STRUCTURE AND HUMAN RESOURCES (continued)

BOARD OF DIRECTORS



Mr. NGUYEN BA DUONG
BOD Chairman
Year of birth: 1959
Nationality: Vietnamese

Mr. Nguyen Ba Duong graduated from the Faculty of Architecture, Kiev University of Civil Engineering (Ukraine). He has 30 years of experience in construction and held management positions in big construction companies.

He was the founder and managed Coteccons since 2002. Initially, the Company was Cotec Construction Enterprise. In 2004, after successful equitization of the company, he was appointed as CEO of the Company. Since 2005, he was elected as Chairman of the BOD and CEO of Coteccons.

Mr. Nguyen Ba Duong received Certificate of Merit of the Prime Minister for his achievements and contributions to the Socialism building; Certificate of Merit of the Minister of Construction for excellent task fulfillment. In 2013, he was honored among the Top 50 Business Leaders of Vietnam.



Mr. TRAN QUANG QUAN
BOD Member
Year of birth: 1973
Nationality: Vietnamese

Mr. Tran Quang Quan graduated in Civil Engineering, HCM City University of Technology with good academic achievement. After graduation, he has worked for foreign construction companies as Chief Engineer and Project Manager. He has over 15 years of experience in construction.

Joining Coteccons since its early days, Mr. Tran Quang Quan has significantly contributed to the construction method improvement, training for many talented Chief Engineers and Project Managers.

With profound experience in management and administration, in 2007, he was promoted to the position of Deputy General Director in charge of construction and safety. Currently, he is responsible for business promotion, relationship building with foreign partners and investors.

The incumbent BOD of Coteccons consists of the BOD Chairman and 6 members. Of which, 3 members are also members of BOM. 4 other members are independent and non-executive ones.



Mr. TRAN QUANG TUAN
BOD Member
Year of birth: 1974
Nationality: Vietnamese

Mr. Tran Quang Tuan graduated in Civil Engineering, HCM City University of Technology and has over 15 years of experience in construction.

He has stayed with Coteccons since its early days. Beside the Coteccons brand name promotion in construction field, he has also played an important role in the development of the existing material and equipment management system.

Since 2009, he was appointed as Deputy CEO in charge of construction, financial and equipment management and investment.



Mr. TALGAT TURUMBAYEV
BOD Member
Year of birth: 1971
Nationality: Kazakhstan

Mr. Talgat Turumbayev holds a Master in Finance and Accounting. From 1994 - 1995: He worked as a consultant for Deloitte & Touche, and an accountant for Price Waterhouse Company, LLP.

From 1995 - 2002: He worked as Manager of Arthur Andersen Audit Division. During the period 2002 - 2005: He was appointed as CEO of Eurasia FM Consulting Ltd. With experience and competence in the management and administration, in 2005 - 2008: He served as Investment Director of BTA Bank.

From 2008 - 2010: He was CEO of Eurasia FM Consulting Ltd. From 2010 - 2011: He was CEO of Kusto Management Ltd. Since 2011, he has been Director of Kusto Real Estate Capital Private Ltd.

ORGANIZATIONAL STRUCTURE AND HUMAN RESOURCES (continued)

BOARD OF DIRECTORS (CONTINUED)



Mr. HUYNH BA THANG LONG
BOD Member
Year of birth: 1956
Nationality: Vietnamese

Mr. Huynh Ba Thang Long graduated in Mechanical Engineering, Hanoi University of Technology. From 1981 - 1985, he worked for Petec Trading & Investment Corporation (Petechim). From 1985 - 1991, he was promoted to the position of Hanoi Branch Manager, Petechim. With the purpose of business management skill improvement, in 1991 - 1993, he went abroad for professional training.

After returning home, from 1994 to 1999, he participated in the management of non-state companies. Since 2000, he has been BOD Chairman and CEO of HB Vietnam Trading and Investment Joint Stock Company.



Mr. BRIAN QUAN PHAM
BOD Member
Year of birth: 1962
Nationality: American

Mr. Brian Quan Pham holds a Master in Finance and Accounting and has over 20 years working in the financial sector. In 1985 - 1988: He worked for Mass. Mutal Life Insurance. He then held the position of Financial Controller of Memorial Heart Sisters of Charity Healthcare Systems until 1995. From 1995 - 1996: He was Director of Sales and Marketing of Southwestern Bell Telephone Co. In the next two years, from 1997-1998: Mr. Brian Quan Pham held the position of CFO of Club Corp. of America.

From 1998 - 2002, He was promoted to CEO and CFO of ACNielsen. In 2002-2004: He was Window Design Concepts' Director of Marketing. In the period 2004 - 2007: He worked as Deputy CEO and CFO of V - Trac Caterpillar. Since 2007, He has been CEO and CFO of Indochina Capital Corporation.



Mr. HUYNH LE DUC
BOD Member
Year of birth: 1973
Nationality: Vietnamese

Mr. Huynh Le Duc is a Bachelor of Finance and Accounting with 20 years of experience in the field of audit and finance. In 1994 - 1996: He was Auditor of KPMG. In 1996 - 1999: He worked as Manager of Internal Audit Department, Deutsche Bank, HCMC.

With profound management capability, in 1999, he was promoted to CFO of AIA Vietnam and held this position until the end of 2007. From 2007 - 2009: He worked as Assistant Vice President of Finance, Regional VP of AIA - Hong Kong. In the two successive years from 2009 - 2011, he was CFO of Prudential Vietnam. In the period 2012 - 2013, Mr. Duc served as CFO of BAT Vietnam.

He currently holds the CFO position of Hoan My Medical Corporation.



Hochiminh City Stock Exchange



ORGANIZATIONAL STRUCTURE AND HUMAN RESOURCES (continued)

BOARD OF SUPERVISORS



Mrs. NGHIEM BACH HUONG
Head of Board of Supervisors
Year of birth: 1963
Nationality: Vietnamese

Mrs. Nghiem Bach Huong holds a University degree in Finance, Accounting and has 25 years of experience in management and finance. In 1985 - 1993: She worked as Chief Accountant of Manufacture Service Science Technology Import-Export Company (Scitechimex). During 1996 - 1999: She changed the job as Chief Accountant of Masan Joint Stock Company. In 1999, Mrs. Huong was promoted to Deputy CEO of Masan Joint Stock Company and held this position until 2004.

Since 2005, she has been Deputy CEO of Binh Thien An Real Estate Joint Stock Company.



Mr. NGUYEN DUC CANH
BOS Member
Year of birth: 1970
Nationality: Australian

He graduated from Faculty of Business - Accounting, Australia University and has 20 experience in management. In the period from 1992 - 2001, Mr. Nguyen Duc Canh was Regional Director of Hanson Australia.

In 2002, Mr. Canh joined BASF Construction Chemicals VN as CEO and held this position until 2008. Since 2009, he has been CEO of Viet My Construction Materials Technology Joint Stock Company.



Mr. TU DAI PHUC
BOS Member
Year of birth: 1975
Nationality: Vietnamese

He graduated from the Architecture Faculty of Ho Chi Minh City University of Architecture. From 1998 - 1999, Mr. Tu Dai Phuc worked for Southern Design Company - A.S.C.A. In the next two years, from 1999 - 2001, he was the Architecture Design Team Leader at as Head of Design at VCC Engineering Consultants Joint Stock Company.

Since 2002, he joined Coteccons and has held various positions such as Chief Engineer, Manager of Completion Department, Assistant to CEO and Business Development Director.

He was appointed as Deputy CEO on 2/4/2014.

BOARD OF MANAGEMENT



Mr. NGUYEN BA DUONG
CEO

(See page 26)



Mr. TRAN QUANG QUAN
Deputy CEO

(See page 26)



Mr. TRAN QUANG TUAN
Deputy CEO

(See page 27)



Mr. TRAN VAN CHINH
Deputy CEO
Year of birth: 1959
Nationality: Vietnamese

Mr. Tran Van Chinh graduated in Civil Engineering, Hanoi University of Civil Engineering. From 1981 to 2007, he worked for member units of Song Da Construction Corporation and experienced different positions such as Director of Enterprise, Director of the Company.

In 2007, he joined Coteccons as Director of Construction Division. In 2009, Mr. Chinh was appointed as Deputy CEO, in charge of several projects in the North. At the present, he concurrently holds the position of Chief Representative of Hanoi Office.

Head of operations is the CEO. Currently, BOD Chairman concurrently holds the position of CEO. The CEO is assisted by 4 Deputy CEOs responsible for human resources, finance - accounting, business, design and construction.



ORGANIZATIONAL STRUCTURE AND HUMAN RESOURCES
(continued)

Coteccons always pays attention to the development of professional managers and staff for the sustainable and solid development of the Company.



90 %

are young employees at the age of 23 - 40

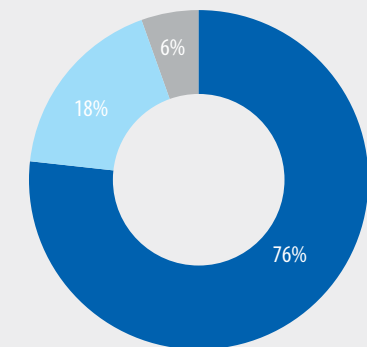
TOTAL NUMBER OF EMPLOYEES AS OF 31/12/2013

“Human resources is the key to success” Human resources is the most valuable asset of Coteccons. Priority is always given to the development of a professional team of managers and staff for the solid and sustainable development of the Company.

Each member’s contribution is properly evaluated and recognized. As a result, Coteccons’ staff is well aware of his/her position, hardworking, faithful and self-learning is enhanced. Human resources policies are improved to ensure the best working environment for Coteccons’ staff.

Qualification	Number (people)	Proportion
University and Postgraduate	426	76%
College/ Vocational school	98	18%
Technical worker and others	34	6%

UNIVERSITY AND POSTGRADUATE
UNIVERSITY AND POSTGRADUATE
TECHNICAL WORKER AND OTHERS



76 %
UNIVERSITY AND POSTGRADUATE

Chart: Employee's qualification

Young labors at the age of 23 - 40 account for the major proportion of the Company's labor structure, up to 90%. At this age, employee's health can meet construction sector's requirements and ensure the business efficiency of the Company.

ORGANIZATIONAL STRUCTURE AND HUMAN RESOURCES
(continued)



SALARY, BONUS AND REMUNERATION POLICY

Salary, bonus policies applied are suitable with the Joint Stock Company model. Accordingly, salary and bonus based on performance evaluation and position. In addition, the Company also developed and issued special bonus policy for teams and individuals with outstanding achievements to encourage the staff.

Social insurance, health insurance, unemployment insurance policy is compliant with legal regulation. In addition, the Company also applies special healthcare insurance policy for staff and family members.

Lunch allowance, uniforms, telephone allowance and project allowance are provided. Management staff is provided with petrol and car fee allowance.

Annual domestic and overseas tourism programs, sport competition, art, music programs, etc. are held to promote the solidarity for the company and subsidiaries.

RECRUITMENT

Besides the normal recruitment methods, the Company also cooperates with reputable universities such as Polytechnic University, University of Architecture, University of Technical Education, University of provide Civil Engineering, etc. to recruit qualified, talented students to further improve their input quality, provide clear direction on the construction sector, attract qualified staff for the company's growing human resources demand. The number of newly recruited staff in 2013 was 68.

TRAINING

Training plays a very important role in the development of the Company. Therefore, besides regular organizes technical symposiums, each year on-the-job trainings are provided with outsourced lecturers to ensure the training efficiency, appropriate training topic, curriculum and time saving. Some typical training activities in 2013 were:

- Training course delivered by Dr. Eric Flamzhot - Professor of University of California, Los Angeles (UCLA) on "Methods of strategic planning" for managers.
- Course on Leadership, team, Company and business scope development delivered by Zest Leaders (Russia).
- Potential Leader Club's activities were regularly carried out with seminars in which, well-known economic, human resources experts were invited to share the management experience, successful stories.
- Chinese training was provided to management staff to facilitate their communication with investors.

Training activities were done in a flexible manner to timely meet the needs for knowledge improvement and information update of the employees and to best serve business operations of the Company.



TOTAL REVENUE (BILLION DONGS)

6,190



WATER

Flexibility is the creativeness in business,
like the soft water stream flowing eternally

2

REPORT OF THE BOARD OF DIRECTORS
SUSTAINABLE DEVELOPMENT REPORT



Coteccons' BOD

Coteccons has overcome obstacles, well maintained our business last year, and ensured the interest harmony among shareholders and employees.

Vietnam Economy in 2013 had positive signals of macroeconomic indicators. Inflation was under control, export volume increased, exchange rate was stable, FDI soared, etc. However, there were still many key factors which were not addressed. A series of major challenges from previous years still existed, namely unimproved NPL, jammed credit capital, money oversupply while enterprises were lack of capital, unemployment rate was still high in urban areas.

In the construction sector's recession in general and in the real estate crisis in particular, the Company's business last year faced significant difficulties. Many real estate enterprises had high inventories (nearly 100 thousand billion dong). Being fully aware of this common situation, Coteccons has taken its advantage and steadily overcome difficulties and maintained good business, ensuring the harmony of interests of shareholders and employees.

Coteccons could not only maintained the relationship with existing customers and continued to be engaged for the next stage construction of existing projects, but also had many new customers.

EVALUATION OF THE BOARD OF DIRECTORS ON THE BUSINESS PERFORMANCE

With the objective of "sustainable development, safety and efficient business", in 2013 BOD concentrated on key task implementation, cost control, and business development. Construction projects were ensured in terms of progress, quality and safety. Coteccons brand name was highly evaluated by investors, our reputation in the construction industry was enhanced. The Company's activities in 2013 grew steadily.

FINANCIAL INDICATORS

Total assets as of 31/12/2013 increased by 26% compared with the same period of 2012.

Consolidated revenue was 6,190 billion dong, reaching 103.7% of the plan. Profit after tax attributable to shareholders of the Parent company was 257 billion dong, reaching 117 % of the plan.

Overall, compared with the consolidated business targets adopted in the General Meeting of Shareholders, Coteccons successfully completed assigned tasks. Though, if the revenue alone of the Parent company is taken into consideration, only 95.6% of the target was accomplished (4,781 billion dong), these business results were encouraging compared with the industry norms in the context of difficult business environment.

INCREASE IN COTECCONS' OWNERSHIP OF AFFILIATE

Complying with the share acquisition regulation, the increase of Coteccons' ownership of Unicons to 51% was completed in 5/2013.

The merger has initially met the requirements, ensuring growth targets, enhancing bidding capability, promoting the advantage of resources mobilizing for major projects.

CUSTOMER DEVELOPMENT

Under fierce competition among contractors, especially with the participation of well-known foreign ones, Coteccons was trusted by existing customers, continued to be engaged in further construction, and developed new customers. The Company won many EPC, design and build projects, and constructed various large plants for Chinese leading textile and garment groups such as Texhong, Brotex, Shenzhou, etc. This can be seen as great effort of Coteccons' BOM in bidding strategy, as well as new customer finding.

Coteccons' operation objective is "sustainable development, safety and efficient business".

FINANCIAL MONITORING AND RISK MANAGEMENT

Financial control and risk management were strengthened. Financial Monitoring Department actively coordinated with the Legal Department in debt recovery, bad debt minimization. Cost saving measures were applied. Cost & Contract Management Department's role in coordinating with the sites for cost control, subcontractor/ provider selection was enforced to ensure the quality, optimum cost, and contribute to the Company's business performance.

In 2013, the Company also revised and restructured the investment portfolio, selling several shares and exited some investments in affiliate, restricted spreading investment.

ORGANIZATIONAL STRUCTURE

Inheriting and enhancing human resources, management system foundation, etc. Coteccons continued to revise, improve the organizational structure. The following Departments were formed:

Business Development Department: Professionalization in business development;

BIM Center: To meet the demands of the general contractor, design and build, or EPC project implementation.



Infrastructure Committee: To prepare for business scope expansion plan, infrastructure construction projects.

In addition, other functional departments were also created such as Construction Team Management Department, Equipment Research and Development Department.

HUMAN RESOURCES - TRAINING AND WELFARES

Training to improve qualifications for staff was prioritized; Management staff selection, training was properly carried out. Physical and spiritual life of workers were cared.

INFORMATION DISCLOSURE AND INVESTOR RELATIONS

The Company complied with regulations on information disclosure on stock market of the State Securities Commission, Stock Exchange and other legal regulations. Investor relations was strengthened to ensure timely processing of information from shareholders and investors.

BOD'S EVALUATION ON BOM'S PERFORMANCE

BOM fulfilled the rights and obligations in accordance with the Charter of Coteccons and current legal regulation. BOD established the policy on BOM performance monitoring and supervision through periodic reports, and direct reports in the meetings.

BOM members demonstrated a high sense of responsibility at work. Clear responsibility allocation was made. Weekly BOM meetings were held for timely and effective directions.

BOM strictly followed the strategic objectives, focusing on the core business areas as construction, promoting project management and construction capability. The number of projects of which the Company was general contractor, designer and builder has been increased. In addition, BOM has made flexible business decisions to timely seize the opportunity to overcome the difficulties of the market. Typical examples were the approach to large-scale plant construction projects of foreign enterprises investing in Vietnam to forestall the TPP agreement. With relationships and in-depth experience in construction, this segment of Coteccons is expected to be expanded when the TPP agreement takes effect.

During the year, the decisions of the BOD and General Meeting of Shareholders were implemented as planned. Business plan's targets were fulfilled and the Company's operation was improved.

The above mentioned outcomes were gained thanks to the good coordination between BOD and BOM in management and direction, ensuring the centralized democratic principle, transparent discussion and decision making in compliance with the law.





FULMAN Hotel

BOD'S PLAN, STRATEGIC ORIENTATIONS

According to the overall condition assessment, in 2014, global growth will be basically recovered. Vietnam economy with the positive signals in the last months of 2013 will be the premise for changes in 2014. Real estate market will be gradually recovered but still there are unforeseeable difficulties when up to 70% of outstanding bad debts are related to real estate.

Successes achieved last year will be a solid foundation for Coteccons to promote further development this year. Basing on internal capability assessment, business targets of 2014 were identified.

Coteccons' consolidated business targets in 2014, in which:

Total revenue: 7,200 billion dong, increasing by 16% compared with 2013.

Profit after tax attributable to shareholders of the Parent company: 280 billion dong, increasing by 9% compared with 2013.

TARGET	UNIT	PLANNED 2014	ACTUAL 2013	% OF ACTUAL 2013
Total revenue	Billion	7,200	6,190	116
Profit after tax of Parent company's shareholders	Billion	280	257	109
Dividend	%	20	20	100



Together with risk management, budget spending monitoring, BOD will focus on the following issues:

Construction

- Concentrate on the core business development. Enhance service added values, namely general contractor, design and construction model.
- Step by step approach the construction of infrastructure, energy works by joint venturing or associating with experienced local and foreign contractors.

Business development

- Expand the existing local markets and penetrate in international and regional markets. Standardize operational model of local, oversea representative offices, branches.
- Promote brand name, strengthen business development. Besides retaining existing customers, channels and information will be exploited to have new customers.

Investment

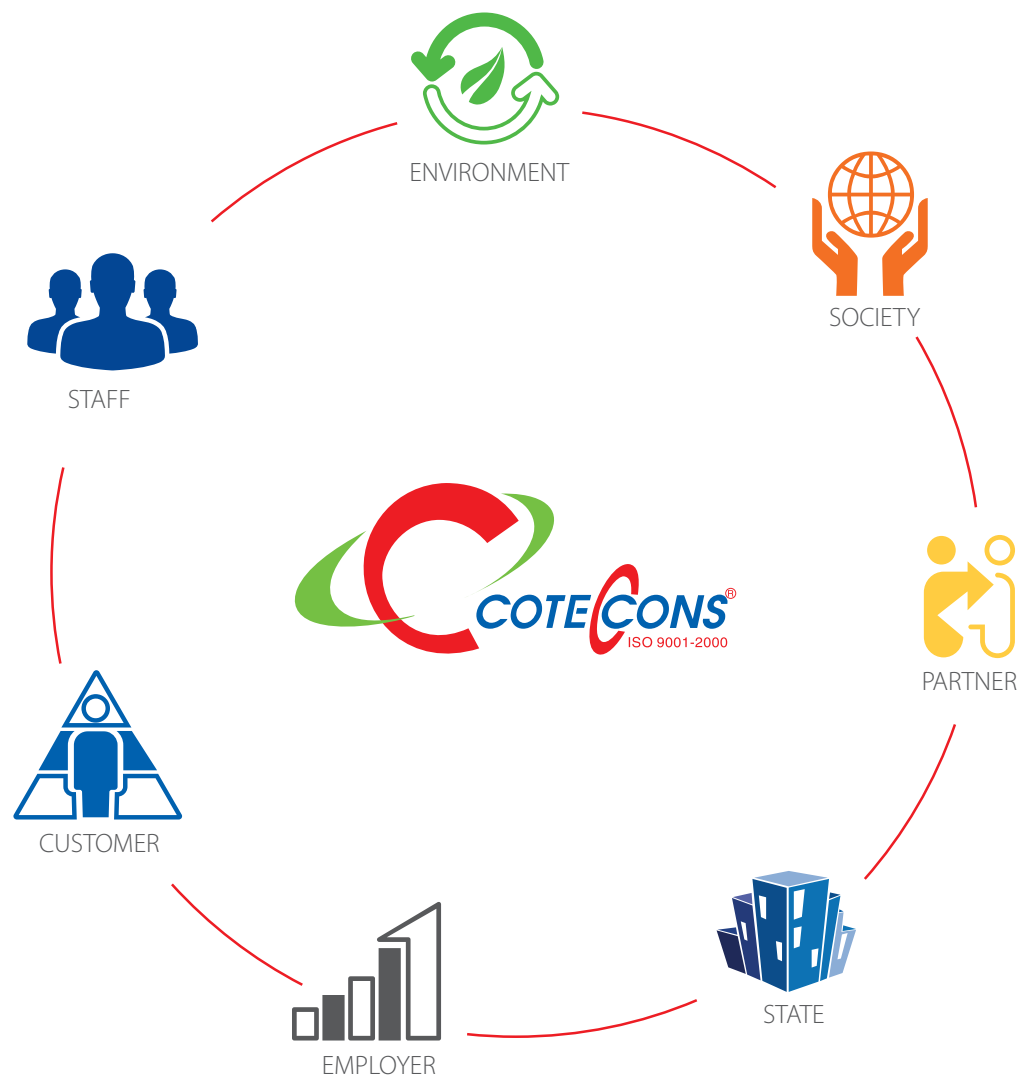
- Pursuit M&A opportunities in companies in the same industry to expand the scale of operations. Accordingly, Coteccons shall play the nuclear role in member company linking to improve the competitiveness. Target segments of Coteccons and its member companies are properly structured by project size and market to optimize the resources and improve competitiveness, better meet the customer's needs.

Resource development

- Focus on training and knowledge improvement for staff. Transfer, allocate human resources to ensure the efficiency in the entire Coteccons Group.

Coteccons constantly strives to provide the best products and services to our employers, contributing to the development of Vietnam construction industry.

In business, we do not only strive to accomplish targets but also together contribute to environmental protection, responsibilities to society and community. We believe that this will create value for the sustainable development of Coteccons.



STAFF



Establish a professional, fair, friendly and safe working environment. Ensure that all employees have jobs and stable incomes.

Take care of the material and spiritual life for employees, facilitate staff's career development and knowledge improvement through technical training course and working skill.

Continue to organize periodic conferences, seminars such as Staff Conference, Trade Union Meeting, Annual Meeting, etc. to promote democratic rights of employees.

CUSTOMERS



Faithfully cooperate, put creditability on top and always care about the customers' interests.

Non-stop in improving business operations to bring the best services to customers. Perform professional construction to meet the requirements on project's progress, quality and safety. With Coteccons, customer's trust and satisfaction are our success.

SHAREHOLDERS, INVESTORS



Efficiently use the capital, maximized company values, and enhanced the benefits of shareholders.

Fulfill the rights of shareholders: organize General Meeting of Shareholders, carry out dividend payment and the right to get updated information in accordance with regulations.

Welcome and timely provide sufficient information to the shareholders and investors.

Ensure information transparency about the operations of the Company, disclosure of financial statements on the mass media, website and publications of the Company.

THE STATE



Assure that the business activities is in compliance with current legal regulations.

Fulfill financial obligations to State Budget.

SUPPLIERS, SUB-CONTRACTORS



Enhance fair, integrious and win-win business cooperation.

Ensure the suppliers, subcontractor and contract signing selection procedures are open and transparent.

Long-term cooperation with suppliers, subcontractors was based on those objective criterias such as capacity, competitive price, service quality and warranty, etc.

THE ENVIRONMENT



Coteccons commit to control business activities so that they do not violate standards of environmental protection.

Comply with statutory requirements and other requirements related to the environmental impact.

Raise employees' awareness through training knowledge on environmental protection.

THE COMMUNITY AND SOCIETY



Besides business development, Coteccons actively participate in community activities. Examples are supports to disadvantaged, sick people, families suffering losses due to natural disasters, floods, etc. We strived for a better society.

Over 10 years of establishing and developing, Coteccons' culture has constantly been refined. Our culture has become a priceless asset to the company, ensuring our business targets and the goal of a powerful contractor in the market.

COMPANY CULTURE

Coteccons' culture was formed since our early days with the orientation for a differentiated business culture. Every employee plays a decisive role in creating a professional, creative working environment, with the harmonious combination of the intellectual and unity spirit. During the 10 years journey, our culture has become a priceless asset to the company, ensuring our business targets and the goal of a powerful contractor in the market.

Highlights of Coteccons' culture:

Developed and promulgated an internal code of conducts in order to ensure staffs' compliance with the principles on working, meeting participation and asset protection.

Promulgated regulations and standards on communication with customers and partners. With a view of "all employees are Coteccons' ambassadors", every employee must create a good impression of the Company, to attain goodwill and cooperation from the customers. To have credibility and long-term cooperation with partners and customers, "walk the talk, honor our words". Also, we must be faithful and work with integrity. This is the lodestar of all business activities of Coteccons.

The Company office is clean, well furnished, demonstrating the professional and modern working environment, with office staff and site staff wearing uniforms as per the regulation.

Employees' innovative ideas, as well as professional, creative and efficient working style are encouraged. Administrative procedures and awareness on cost savings are improved.

The spiritual life of employees is taken care of, particularly for those working away from home. Attention is paid to personal events such as birthday, wedding, relative's death, sickness. Under the direction of the Board of Management, Trade Union, Employee Supporting Unit, HR Department, etc. have done these tasks well lately.

We organize team building activities such as year-end parties, annual holidays for staff and their families. In addition, we hold annual conferences for information exchange, and team building among company leaders and employees. Employees are encouraged to raise their voice about the company's business and to discuss individual issues with the Management.

Coteccons Group Sporting Event, held annually in September, has become an event for benefit and solidarity among employees.

We actively participate in charity, showing appreciation to the society and community.



Coteccons' culture was the powerful means connecting employees and promoting them for better creativeness and contribution to the sustainable growth of the Company.



INVESTOR RELATIONS

Understanding the importance of information transparency, the Investor Relations Department (IR) was established when the Company's shares were listed on HOSE. Investor Relations Department is managed by a Deputy CEO and includes experts from the Accounting Department and other relevant departments to timely provide complete, sufficient information to investors.

In 2013, Coteccons welcomed many local, regional and global financial institutions, fund management companies. In these meetings, investor's questions were satisfactorily answered by IR Department and investors were updated on the business situation as well as development orientations. Thereby, the Company received positive feedbacks of the enthusiasm and professionalism of Coteccons which created strong relationships between the Company and the investor community.

Besides direct dialogue channel, Coteccons also provided updates on performance, periodic financial statements, dividend payment notices, etc. on the company's official website at www.coteccons.vn and the mass media.

In 2013, Coteccons welcomed many local, regional and global financial institutions, fund management companies.

20

Major local and foreign investors



Meeting with investors

SAFETY MANAGEMENT

According to statistics from the Ministry of Labor, War Invalids and Social Affairs, the construction industry is always among the top industries with the highest occupational accident rate. The main reason is specific characteristics of the construction industry where workers perform high risk jobs and work at dangerous sites. On the other hand, there are many contractors involved in the construction, without a consistent work safety management unit, especially pressure on urgent progress can easily cause accident.

Fully aware of the above matters, Coteccons take work safety into thorough consideration. Safety and occupational health are seen as a prerequisite for the entire operations of the Company. Work safety policy of Coteccons has been enforced for efficient and safe construction of the projects.

- Work safety model has been sufficiently implemented at the site and monitored by qualified, experienced HSE engineers in many years. HSE engineers must maintain a safety system as per OHSAS 18001-2007 for the site to ensure everyone is working in the safest environment. With such improvements, Coteccons now owns a team and experienced engineers who are well aware of the safety issues.
- A reporting system and weekly, monthly meetings were applied among safety officers and site safety engineers to provide the effective safety measures for construction.
- Before each project is started, HSE Department shall coordinate with Tender Department, Material & Equipment Department to analyze the risks during construction to take precautions.
- Regarding subcontractors and construction teams, Coteccons issue safety regulations to establish minimum standards and coordinated with investors and stakeholders to apply proper construction procedures with high safety requirements.

Occupational Health & Safety is considered as the prerequisite for all Company's activities.



Regular worker's health check



On-site fire drill

ENSURING THE SAFE WORKING ENVIRONMENT

With the motto “Work safety is the responsibility of all and all must be involved in work safety”, Coteccons develop a plan and provide regular training for on-site engineers, supervisors and workers. Training content was prepared thoroughly to ensure the understandable, clear and sufficient HSE knowledge transfer.

Employees working in warehouses and construction sites are fully equipped with personal protective equipment (hats, uniforms, safety shoes, safety belts, etc.). No employee of Coteccons has to work in an unsafe environment or is unequipped with personal protective equipment. To control the working condition of workers in high-risk areas, Coteccons provide machineries, tools as gas meter, noise meter, anemometer, power and light meter, etc. to ensure the safest working environment. This is one of the commitments specified by the HSE policy of Coteccons to prevent accidents at work.

In addition, in 2013, HSE Department collaborated with the Police Department and Fire Fighting Police Department of HCM City and Hanoi Police Department to organize training sessions for engineers and workers on the basic emergency rescue skills. Firedrills were performed with the Fire Fighting Police Department in a number of projects under construction. Regular rehearsals were carried out for staff to response to emergency situations.

“Training on medical aid and disaster prevention” are regularly held by HCMC Red Cross, and health checks were done in collaboration with a team of physicians of HSE Department for workers.

ENVIRONMENTAL SANITATION

Develop a professional, safe and clean working environment in Coteccons.

Minimize the negative impact on the environment through pollution prevention and waste management in accordance with legal regulations.

The results of these activities are:

- Cost reduction.
- Waste treatment before being discharged to the environment.

Waste treatment before being discharged to the environment.

Promulgated rules and regulations to prevent activities harmful to human-being or environment.

In all projects of various scales, wastes were classified and reused. For each of The Grand Ho Tram, Garden City, VivoCity, Gain Lucky projects, etc., Coteccons established a waste minimization and control unit. The main objective was to comply with the HSE regulations of Vietnam law.

The method to waste minimization is the use of skilled workers (no mistake or error in production/ construction) to minimize waste.

Thanks to HSE and environmental sanitation efforts, in 2013 Coteccons achieved the following accomplishments:

- Certificate from Director of Work Safety Department for excellent achievements in work safety.
- More than 9 million safe hours without serious work accidents and major accidents, minimization of small and medium work accidents.
- Certificate of Merit from Investors (Formosa - Ha Tinh) for the safety system, hygiene & environment management and control.
- Environmental Management Certificate - ISO 14001 by QMS (Australia) and Certificate of Health Safety System Management - OHSAS 18001-2007. These commitments not only brought about good quality works but also ensured the sufficient work safety system, staff’s health and minimized the impacts of construction on the surrounding environment.



Weekly HSE training



Safe working environment

Along with production and business enhancement, in light of solidarity, community-oriented, charitable programs have been significantly supported by the Management and staff of Coteccons over the years.

SOCIAL- COMMUNITY ACTIVITIES

With the view of **“avoiding showing-off and superficial, being practical and efficient”**, Coteccons’ organized charity visits to remote areas to support and present gifts to disadvantaged households and individuals.

Visited and presented gifts to patients of HCMC Oncology Hospital, members of the Center for Sponsoring Disabled People and the Lonesome Elderly in Thu Duc District

In order to support patients of fatal diseases, representatives of the Company’s Trade Union and Departments went on charity visits to female patients of Radiation Unit 2 and children in the Department of Pediatrics, Faculty of Special Care, and HCMC Oncology Hospital. We visited, encouraged and presented cash and milk for patients with the total value of 250,000,000 dong.

Coteccons also gave 265 gifts and 2,000 kg of rice worth of 120,000,000 dong to the canteen of the Center for Sponsoring Disabled People and the Lonesome Elderly in Thu Duc District.



Donation for people in the Central Vietnam to overcome Typhoon No.10

The Typhoon No. 10 in 2013 sweeping through central provinces was the most destructive typhoon over the past few decades and caused serious damage to people and State property throughout the area.

With the wish to join hands for people in Central Vietnam, especially in Quang Binh province, most seriously hit by the Typhoon, Coteccons timely visited and promptly delivered the amount of 300 million dong to 10 severely impacted households in Quang Binh province. This was donated by employees of the Company, each one supported his/her salary of one day with the aim of helping people to recover from the disaster.

In response to the program **“For Spratly Island, the motherland’s front line”** launched by the Communist Party of Ministry of Construction to provide water filter, freshwater package for the Rig DK1; present CQ boat for navy units to use for travelling among Spratly Islands, Coteccons’ employees donated the amount of 50,000,000 dong.



Internship program for students

Beside charity, Coteccons also contribute to the sustainable development of society. Every year, Coteccons carry out internship programs to facilitate students to apply the theory learned to practice and to learn practical experiences of the senior. With the practical significance of the internship programs, Coteccons guide more than 30 students of the Polytechnic University and HCMC University of Pedagogy at the project sites.

The appropriate internship program was systematically developed. Upon completion, the Company also provided training on job application to equip students with relevant career orientation.

PROFIT AFTER TAX OF PARENT COMPANY'S
SHAREHOLDERS (BILLION DONGS)

257



WOOD

Adapting to changes of the environment is
the way to be long-lasting and powerful

3

REPORT OF THE BOARD OF MANAGEMENT
INVESTMENT PERFORMANCE
SHAREHOLDER STRUCTURE
MANAGEMENT POLICY, ORGANIZATIONAL IMPROVEMENT
2014 BUSINESS PLAN

Parent company's target profit (17%) and consolidated profit (17%) decided by the General Meeting of Shareholders were fulfilled. We increased Industrial facility construction market share and proportion of works in which the Company was the general contractor as well as design & build projects.



6,190

billion dongs
Consolidated revenue 2013

Coteccons' ownership of Unicons was increased to 51% and consolidation with Unicons was done in May 2013.

2013 BUSINESS PERFORMANCE EVALUATION REPORT

2013 marked two outstanding achievements of Coteccons in both business and investment:

The company exceeded Parent company's target profit (17%) and consolidated profit (17%) decided by the General Meeting of Shareholders. This was gained thanks to the right decision of BOM to timely change to industrial and commercial construction segments which had high growth and stable cash flow. Both these segments developed proportionally with the FDI amount into Vietnam in 2013 and they are expected to grow more after Vietnam officially signed the TPP agreement.

For the first time, Coteccons had a M&A deal for the purpose of growth. The increase in the percentage of ownership of Unicons to 51% and consolidation with Unicons conducted in May 2013 has brought about not only revenue and profitability growth, but also competitiveness improvement and market share increase with the potential industrial construction.

These successes formed a solid foundation for Coteccons to further develop and seize the opportunity to reach far when Vietnam economy is recovered in the coming years.

BUSINESS PERFORMANCE REPORT

Unit: billion dong

	2009	2010	2011	2012	2013	Average growth
Revenue	1,962	3,304	4,510	4,477	6,190	33%
Gross profit	271	282	347	323	464	14%
EBIT	234	205	229	200	248	1%
EBITDA	249	235	269	239	285	3%
Profit before tax	265	313	283	300	393	10%
Profit after tax	228	240	211	219	280	5%
Profit of the Parent company's shareholders	228	240	211	219	257	3%

BALANCE SHEET

Unit: billion dong

	2009	2010	2011	2012	2013	Average growth
Total assets	1,772	2,017	2,459	3,613	4,552	27%
Current assets	1,159	1,284	1,787	3,048	3,996	36%
Non-current assets	612	733	673	565	556	-2%
Short-term debts	668	743	1,014	1,520	2,003	33%
Long-term debts	3	6	7	14	81	129%
Owner's equity	1,101	1,269	1,438	2,078	2,302	20%
Minority interest	-	-	-	-	166	

CASH FLOW STATEMENT

Unit: billion dong

	2009	2010	2011	2012	2013
Cash flow from operations	253	(247)	(115)	442	368
Cash flow from investing	(237)	217	89	(445)	(343)
Cash flow from financing	(9)	(49)	(12)	432	(89)
Net cash flow	7	(79)	(38)	430	(63)
Cash & cash equivalents balance	369	290	252	682	619

MAIN INDICATORS

	2009	2010	2011	2012	2013
Profitability					
Gross profit margin	13.8%	8.5%	7.7%	7.2%	7.5%
EBIT/ Revenue	11.9%	6.2%	5.1%	4.5%	4.0%
EBITDA/ Revenue	12.7%	7.1%	6.0%	5.3%	4.6%
Profit before tax/ Revenue	13.5%	9.5%	6.3%	6.7%	6.4%
Profit after tax/ Revenue	11.6%	7.3%	4.7%	4.9%	4.5%
ROAA (EBIT/Average total assets)	13.2%	10.8%	10.2%	6.6%	6.0%
ROEA (Profit attributable to shareholders of the Parent company/ Average owner's equity)	23.0%	20.3%	15.6%	12.4%	11.7%
Liquidity					
Current ratio	1.7x	1.7x	1.7x	2.0x	1.9x
Quick ratio	1.3x	1.1x	1.4x	1.7x	1.8x
Financial leverage					
Debt/equity	60.9%	59.0%	71.1%	73.9%	90.5%
Total assets/equity	160.9%	159.0%	171.0%	173.9%	197.7%



REVENUE GROWTH

Thanks to the consolidation with Unicons, in 2013 consolidated revenue of the Company went up sharply, by 38%, of which, 31% was contributed by Unicons (with the consolidation period from May to December (1,409 billion dong) and 7% was contributed by Parent company.

Although revenue growth of the Parent company did not reach the target of 5,000 billion dong, but this was good growth in the hard time of the real estate and construction markets of 2013.

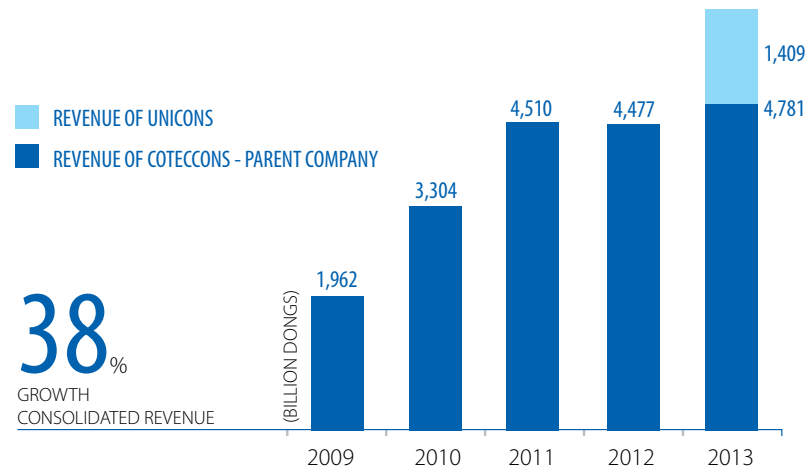


Chart: Revenue growth

Unit: billion dong

ITEM	ACTUAL 2013	PLANNED 2013	COMPARED WITH PLANNED	ACTUAL 2012	COMPARED WITH 2012
Parent company's revenue	4,781	5,000	95.6%	4,477	106.8%
Consolidated revenue	6,190	5,968	103.7%	-	-
Parent company's profit after tax	234	200	117.0%	219	106.8%
Profit after tax attributable to shareholders of the Parent company	257	220	116.8%	-	-

REVENUE STRUCTURE BY PROJECT TYPE

In 2013, the Company focused on industrial project segment and temporarily reduced residential and hotel segment proportion. In the idle real estate market, reducing the revenue proportion of residential projects helped the Company manage cash flow better for business operations.

Industrial segment including industrial construction projects often has better payment progress than the residential segment including housing projects. In 2013, FDI into Vietnam remained high, facilitating plant facilities segment. BOM took this opportunity to boost its revenue proportion of industrial projects.

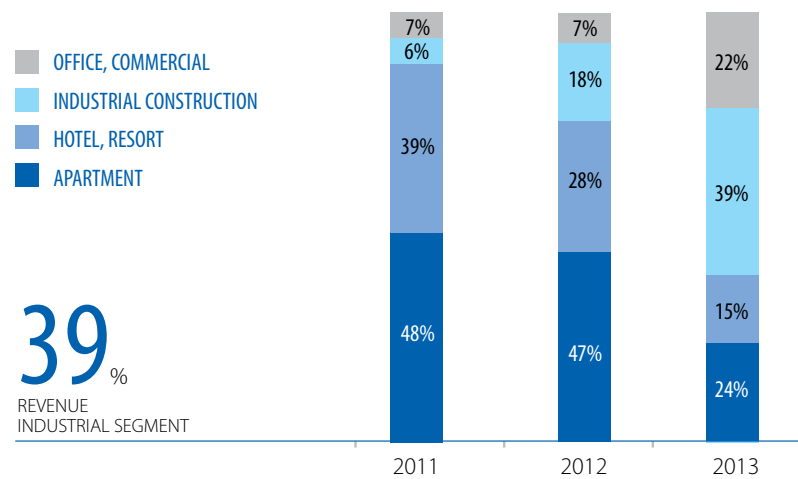


Chart: Revenue structure of the Parent company

(* This revenue structure only includes revenue of the Parent company. Revenue of Unicons belongs to the industrial segment.

1,409 billion dong total revenue from Unicons 2013

PROFITABILITY RATIO

Gross profit margin 2013 increased slightly from 7.2% to 7.5% thanks to the increase in Parent's company's gross profit margin to 8% and when consolidated with Unicons, the gross margin was 4.9%. In 2013, gross margin of the Parent company rose sharply thanks to strict construction cost management measures and the strategy prioritizing highly profitable projects.

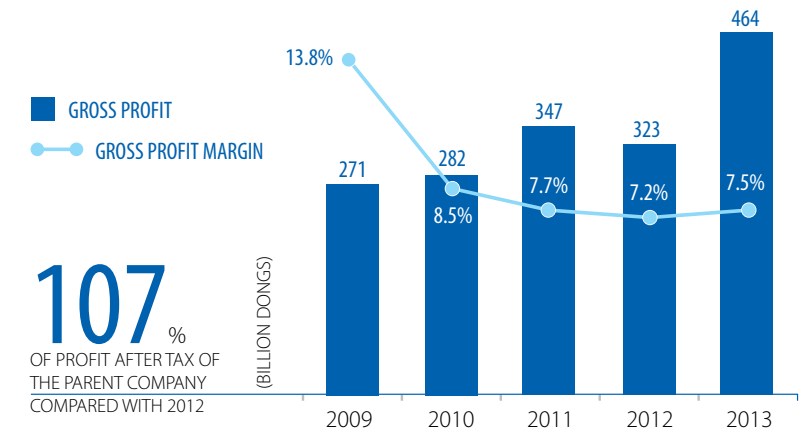


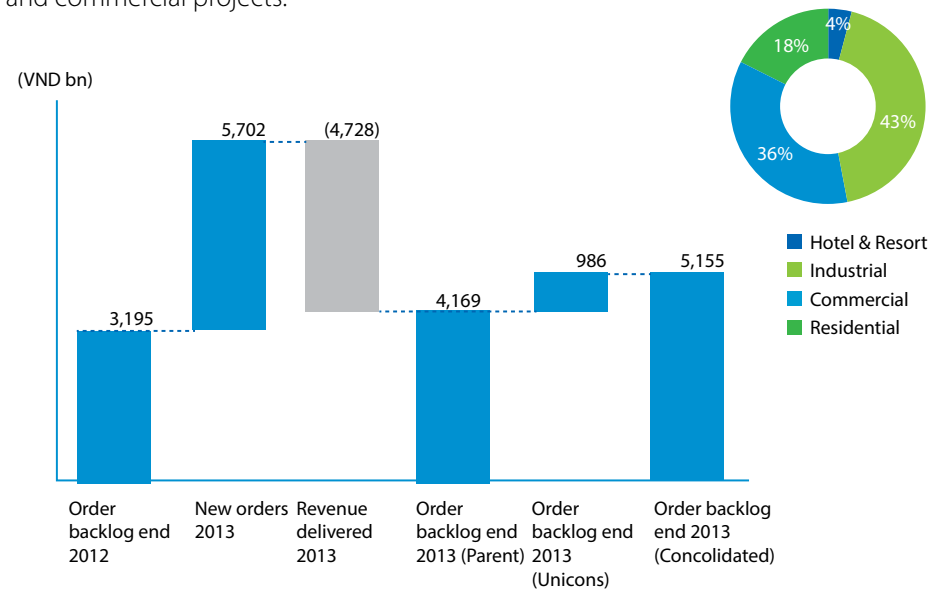
Chart: Gross profit & Gross profit margin

SC VivoCity Shopping Center, District 7, HCMC

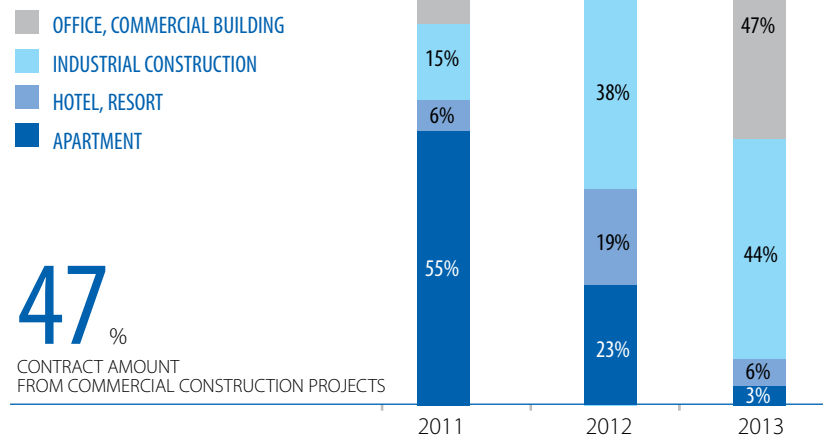


REVENUE CARRIED FORWARD TO 2014-2015

The total value of newly signed contracts of the Parent company in 2013 reached 5,702 billion dong. Plus revenue carried forward from 2012 and minus revenue realized in 2013, Parent company's total revenue carried forward to 2014 - 2015 is 4,169 billion dong, an increase of 30% compared with 2012. Total revenue transfer carried forward to 2014 - 2015 after consolidation is estimated at about 5,155 billion dong, which mainly comes from the industrial construction and commercial projects.



Commercial segment accounted for the highest proportion (47%) among contracts signed in 2013.



47%
CONTRACT AMOUNT FROM COMMERCIAL CONSTRUCTION PROJECTS

Chart: Structure of newly signed contracts of the Parent company

ASSET STRUCTURE

Total assets increased dramatically by 26% in 2013, contributed by the consolidation of assets from Unicons. Parent company's total assets went up slightly by 6% compared with 2012.

Total assets climbed by 26% in 2013 as a result of the consolidation of assets from Unicons. Particularly, Parent company's total assets increased slightly by 6% compared with 2012.

by 477 billion dong compared with 2012, including 271 billion dong as a result of Unicons consolidation and positive cash flow from operations in 2013.

The Company's asset structure showed high liquidity with total cash and short-term investments (over 3 months term deposits only) of 1,674 billion dong, accounting for 36% of total assets. Cash and short-term investments increased

High cash and deposits balance creates a solid financial foundation for the development of the Company as well as helps it seize M&A opportunities when the conditions are favorable. In 2013, the Company liquidated all short-term and long-term securities investments, to focus on our core business.

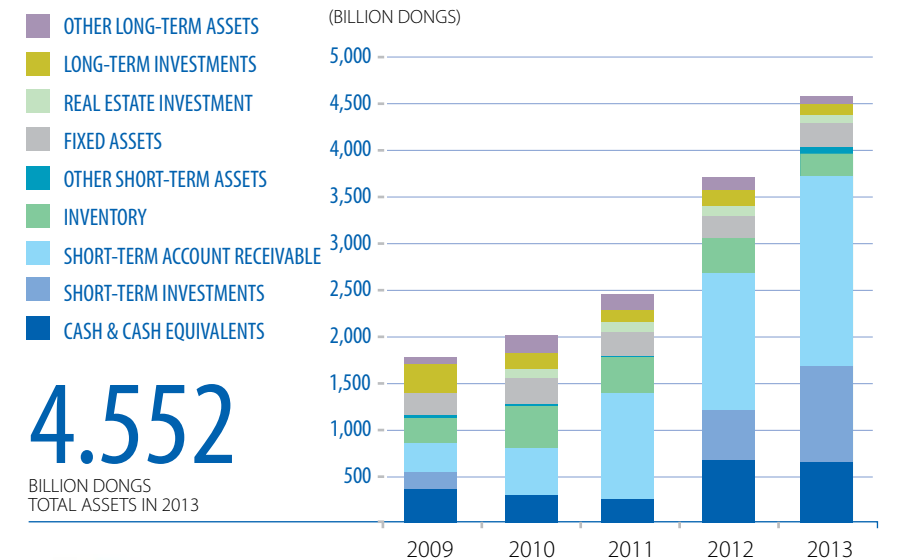


Chart: Total asset structure



Ho Tram Strip Complex, of which, Coteccons was the general contractor, was completed in 2013

RECEIVABLES AND INVENTORY

Accounts receivable increased by 38% compared to 2012 as a result of consolidated receivables from Unicons. For the Parent company, accounts receivable went up by 10% in accordance with revenue growth of 7%.

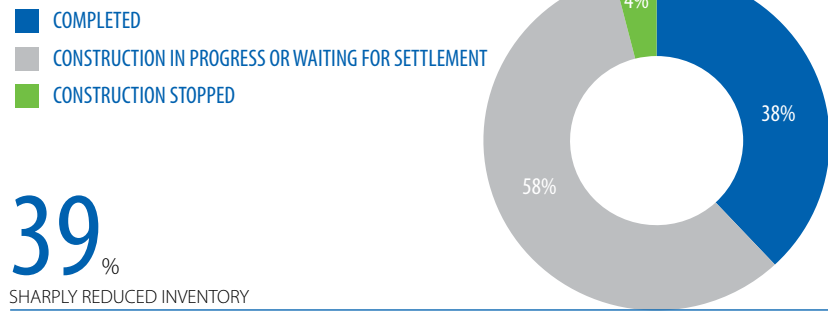


Chart: Accounts receivable by project status

39%
SHARPLY REDUCED INVENTORY

In 2013, the Company closely monitored and enhanced the acceptance of construction. This led to the reduction of inventory by 20% compared with 2012. Parent company's inventory decreased by 39%.

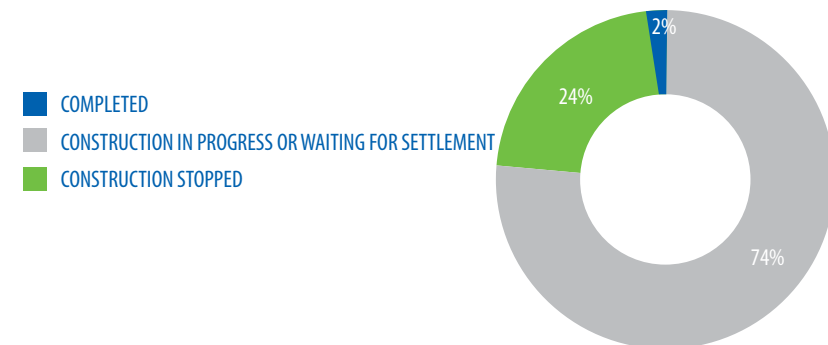


Chart: Inventory by project status

Increased receivables came from these newly signed contracts in 2013. Receivables and inventory related to contracts of which, construction has been stopped, accounted for 4% of total receivables and 24% of inventory. All these items have been booked for provision.

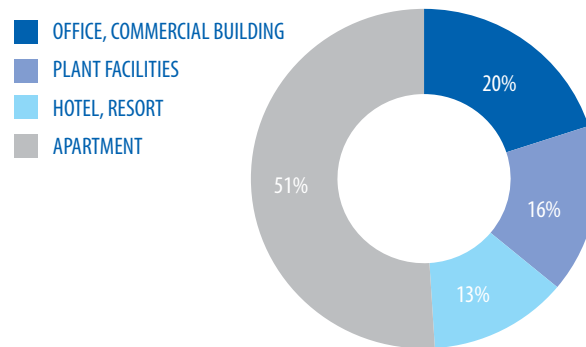


Chart: Accounts receivable by Parent's project segment

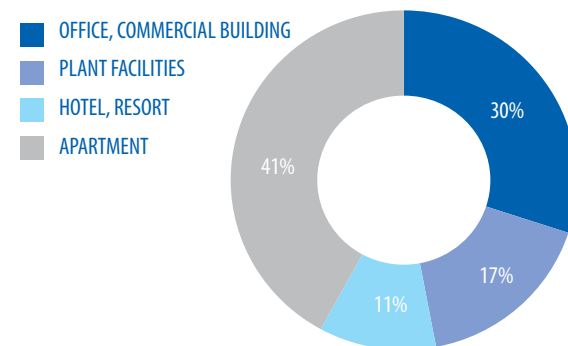


Chart: Inventory by project segment

5,702

billion dong
Total amount of newly signed contracts in 2013

LIABILITIES AND EQUITY STRUCTURE

Accounts payable increased by 36 % versus those in 2012, in which Parent company's accounts payable increased by 5% and the remaining was contributed by the consolidated accounts payable from Unicons.

The company had no short-term debt and long-term debt. Only debt to providers was available. Therefore, the Company was not under high liquidity pressure when market conditions were unfavorable.

(BILLION DONGS)

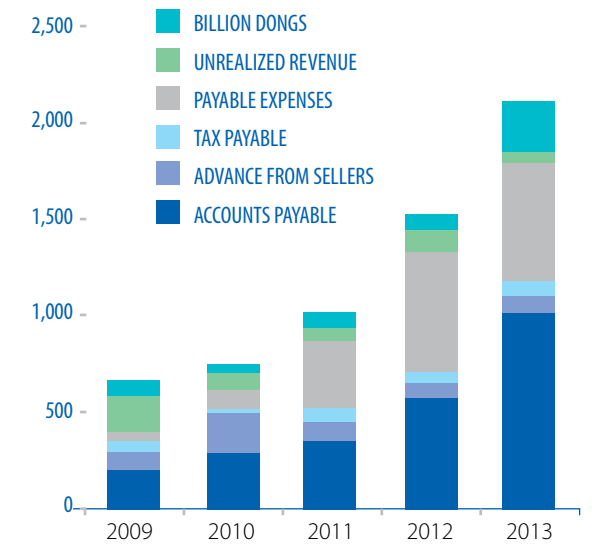


Chart: Payables structure

CASH FLOW

Cash flow from key operating activities was positive and greater than the 300 billion dong in 2012 and 2013. This indicated the Company's good working capital management. Cash flow from investing was negative 343 billion dong in 2013 as a bank deposit of 546 billion dong was recorded as a cash outflow for investing. Excluding this deposit, the cash flow was positive 203 billion dong thanks to the dividends, loan interest, and deposit interest.

(BILLION DONGS)

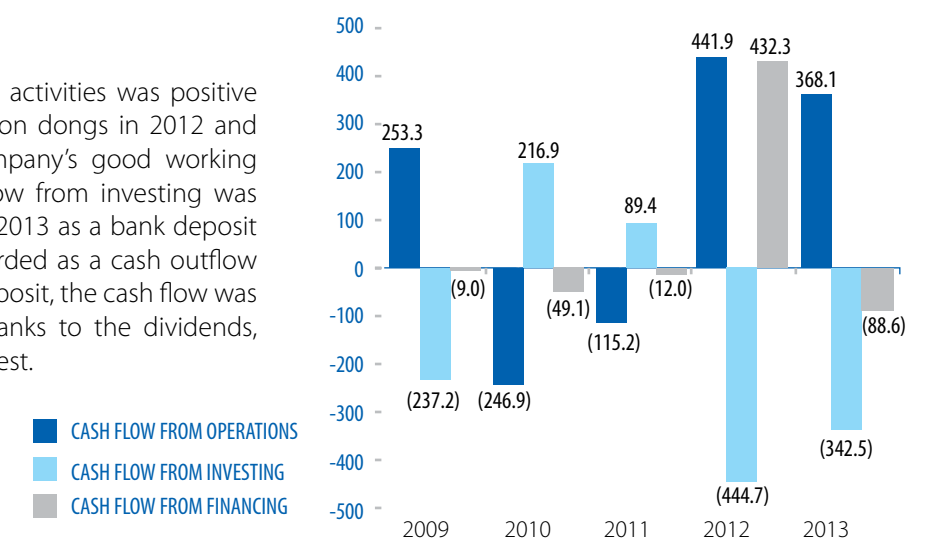


Chart: Cash Flow

INVESTMENTS

SHARE PURCHASE

Implementing Resolution of the 8th Annual General Meeting of Shareholders 2012, the Company increased its ownership of Unicons, detailed as:

- Quantity: 2,640,000 shares
- Par value: 10,000 dong/share
- Share type: Ordinary
- Total value of shares purchased at par value: 26,400,000,000 dong
- Total payment value: 98,844,480,000 dong
- Date of purchase: May, 2013
- Transfer restriction period: Two (02) years from the date of purchase
- Coteccons' share ownership upon purchase: 51%

OTHER INVESTMENTS:

- Construction equipment, cars: 2.8 billion dong.
- Investment in 3 apartments in Park Hyatt project: 18 billion dong.



Construction materials and equipment are warehoused



Viettel Commercial and Office Center in HCMC



SHAREHOLDER STRUCTURE (as of 26/03/2014)

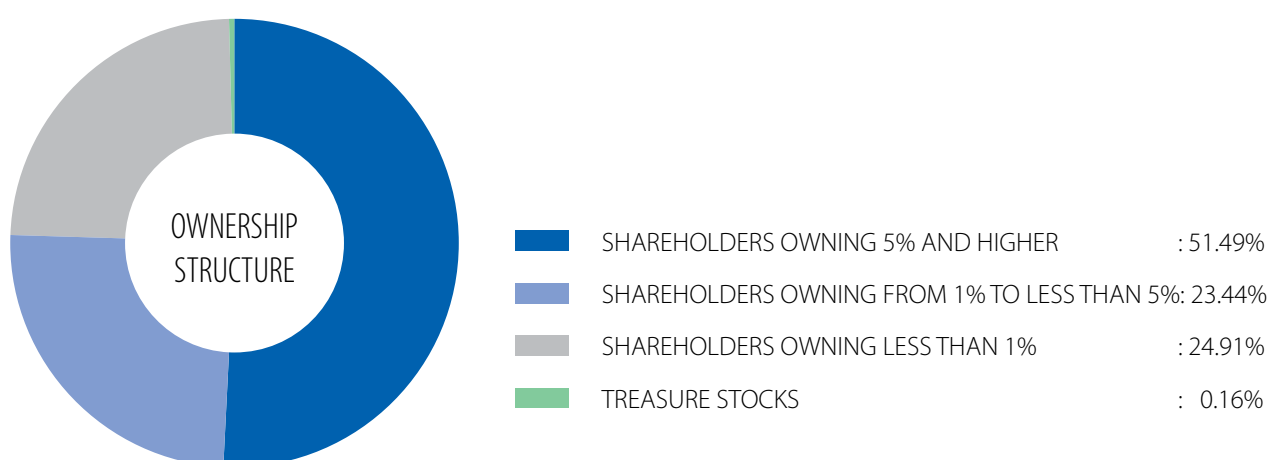
SHARE INFORMATION

Charter capital	: 422,000,000,000 dongs
Number of listed shares	: 42,200,000
Number of outstanding shares	: 42,133,344
Treasury stock	: 66,656 stocks
Par value	: 10,000 dongs/share

422
billion dongs
charter capital

OWNERSHIP STRUCTURE

NO.	ORGANIZATION	LOCAL SHAREHOLDERS		FOREIGN SHAREHOLDERS		TOTAL AMOUNT	
		Value (VND)	Percentage	Value (VND)	Percentage	Value (VND)	Percentage
1.	State shareholder	0	0	0	0	0	0
2.	Shareholder owning 5% and higher	82,978,260,000	19.67%	134,300,000,000	31.82%	217,278,260,000	51.49%
3.	Shareholder owning from 1% to less than 5%	58,551,510,000	13.87%	40,399,530,000	9.57%	98,951,040,000	23.44%
4.	Shareholder owning less than 1%	78,291,070,000	18.56%	26,813,070,000	6.35%	105,104,140,000	24.91%
5.	Treasury stock	666,560,000	0.16%			666,560,000	0.16%



TOTAL	422,000,000,000	100%
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SHAREHOLDER STRUCTURE

NO.	SHAREHOLDER STRUCTURE	QUANTITY	SHARE QUANTITY	%
	Total number of shareholders	718	42,200,000	100%
1	Treasury stock	1	66,656	0.16%
2	Local shareholders			
	Organization	36	6,576,522	15.58%
	Individual	608	15,405,562	36.51%
	Total	644	21,982,084	52.09%
3	Foreign shareholders			
	Organization	33	19,947,555	47.27%
	Individual	40	203,705	0.48%
	Total	73	20,151,260	47.75%

LIST OF SHAREHOLDER OWNING 5% AND HIGHER

NO.	SHAREHOLDER NAME	ADDRESS	SHARE QUANTITY	%
1.	Nguyen Ba Duong	405/11 Xo Viet Nghe Tinh, Ward 24, Binh Thanh District	2,214,666	5.25%
2.	Anh Sang Co., Ltd.	Sky View Building, Room 502, 41A Nguyen Phi Khanh, Tan Dinh Ward, District 1, HCMC	2,565,740	6.08%
3.	Indochina Holdings Group Limited	Quastisky Building, P0 Box 4389, Road.Town, Tortola, British Virgin Islands	300,0000	7.11%
4.	Tan Viet Investment, Trading and Construction Ltd.	R101-CS Trung Tu Apartment, Trung Tu Ward, Dong Da District, HN	3,517,420	8.34%
5.	Kustocem Pte. Ltd.	80 Raffles Place, #32-01, UOB Plaza 1, 048624	10,430,000	24.72%





ESTABLISHMENT OF BUSINESS DEVELOPMENT DEPARTMENT

In May 2013, Business Development Department (BD) was officially established for the purpose of faster, more focused and more effective project information collection. BD Department establishment played an important role in market expansion strategy.

After a period of operation, BD has gained initial success, contributing to the standardization of brand building, improving the proportion of design and build projects.

TECHNOLOGY - TECHNIQUE RESEARCH AND APPLICATION

DMS software application in information management: maximized documentation, minimized paperwork, saved time, facilitate administrative procedure processing.

In order to reduce construction costs, the Company cooperated with HCMC University of Technology for the research and application of new materials such as Fiber steel & Synectic rebar in industrial facilities construction.

BIM Department was formed to effectively study and apply information management model in the design, bidding, construction, maintenance, operation of the works.

Thanks to the continuous improvements in construction, from the same background as other bidders, so far, Coteccons has gained sufficient capability to provide comprehensive solution for investors, from construction method, material selection to design, meeting the various requirements of the market.

Establishment of BIM Department: To meet the demand of design and build or EPC projects through the combination between strengths of the contractor (materials, markets, solutions) and strengths of the designers to provide optimum product or service packages to shorten construction period, improve quality, at a reasonable price.

- Coteccons has successfully constructed some projects by this model recently: Brotex Plant - Phase 2 with an area of 30 ha, Tainan Spinning Factory (Long Thai Tu) with an area of 5.4 ha, Metropolis Thao Dien with an area of 5.34 ha - 3200 apartments.

Research applies advanced methods in basement construction and high-rise buildings, especially in solution underground construction, proven reliability of projects suitable for soft ground. Bidding documents to convince investors about technical solutions, progress management and resource mobilization.

In 2013, Coteccons gained 3 achievements:

- Completed the structure of a 45-storey works of Thang Long Number One project.
- Constructed the deepest basement of 19 m (5 basement floors) of Delta River Tower project.
- Completed the fastest construction of the largest basement on the softest ground: VivoCity (24,000 m², 5 months) in District 7, HCMC.

Researched and improved Ringlock scaffolding system for high-rise construction: Pilotly applied for Diplomat Hotel, HCMC.

By continuous improvements in construction, from the same background as other bidders, so far, Coteccons has gained sufficient capability to provide comprehensive solution for investor, from construction method, material selection to design, meeting the various requirements of the market.



Ringlock scaffolding system research and application



The convenient, minimalistic and efficient Ringlock for storage and transportation

MANAGEMENT POLICY, ORGANIZATIONAL IMPROVEMENTS
(continued)



Quality assurance system of Coteccons has been continuously reviewed, improved and applied to each project to ensure the best quality and efficiency of all works.

POLICY DISCLOSURE IN THE MANAGEMENT SYSTEM OF COTECCONS

“Our experience drives us forward” is to ensure the consistent quality assurance system applied in the entire Company, from office to the sites and member companies, Coteccons issued policies on quality assurance system, accordingly:

Coteccons commits to maintain a consistent, sufficient quality assurance system for the entire company. This has been demonstrated by the application of international quality assurance certificate ISO 9001:2008.

Every project is different in architecture, design, structure, construction method, etc. Thus, it is required that the assurance system must meet the identified purposes and flexible application of this system for every project is ensured.

Quality assurance system of Coteccons is applied from the time of meeting with investors, receiving bidding invitation letter, contract negotiation, and construction to the end of the warranty process.

The system has been continuously reviewed, improved and applied to each project to ensure the best quality and efficiency of all works.

Internal training was held regularly to all staff for understanding and enforcement of the Company’s policies.

Customer’s satisfaction is assessed upon the completion of the project. Coteccons looks forward to receiving customer’s feedback on quality of the works via mail. To inspire employees, Coteccons has applied rewarding policy on timing, quality, financial efficiency as well as the target completion of the employees, subcontractors/ suppliers and construction teams

Policies are disseminated well, to ensure our commitment to the customers on the best quality works constructed by Coteccons.

To fulfill targets set by BOD for 2014, BOM shall focus on the following business solutions

ALLOCATION OF SPECIFIC TARGETS FOR EACH UNIT

Division Heads, Department Managers shall prepare the business plan for assigned targets and control measures to ensure the best business performance of the Company.

CONSTRUCTION

Besides quality, progress, safety improvement for construction projects, Coteccons continues to promote both the role of a construction contractor and consultant, advising investor on a comprehensive technical solution including construction methods, material selection, and design in accordance with market demand, for the efficiency of the project.

BUSINESS EXPANSION TO OTHER COUNTRIES IN THE AREA

Expand operation from the domestic market to neighboring countries; bid for projects with sufficient finance; take advantage in industrial building projects of large scale, through relationships with investors, particularly existing Chinese investors.

In addition to the representative offices in Cambodia and Myanmar, following the adopted policy of the BOD, Coteccons shall establish a representative office in Guangzhou for timely business development with Chinese investors.

IMPROVEMENT AND ENHANCEMENT OF THE BIM DEPARTMENT

Consolidate and promote the role of BIM Department in the study, application of BIM technology in construction management model, and the integration of Technical, Construction Divisions along with outsourced design consulting firms to create appropriate design package in accordance with the requirements of the investor. Design and construction service model is expected to be one of the main long-term growth drivers for the Group.



The signing ceremony planning business in 2014

RESEARCH, TESTING AND EVALUATION ON INFRASTRUCTURE WORKS CONSTRUCTION MODEL

Infrastructure segment is considered as potential but risky. These projects often require bold investment. Also, this market share mainly belongs to the state-owned corporations. To be successful in this segment, time, patience, resources and appropriate business model are required. Infrastructure Department was established with the main purpose of preparing a solid base of relationship, knowledge and seeking qualified partners. The Company shall proactively approach transportation infrastructure and energy projects, especially the major ones which are under implementation such as urban railways, highways, urban transport infrastructure, etc.

PROMOTION OF BUSINESS DEVELOPMENT

Enhance image, brand of Coteccons in the market through selective channels; consolidate resources and project searching, screening capabilities, apply transparent bonus policy to reward individuals contributing to the success of the project from information searching to implementation.

FINANCIAL AND RISK MANAGEMENT

Further enhance the role of Finance Monitoring Department to evaluate and control the financial risks of the project; Establish Procurement Department to evaluate the effectiveness of the centralized procurement policy formulation and implementation.

Currently, most of the materials and construction equipment are imported from China. The establishment of a representative office in Guangzhou also to facilitate market research, construction material and equipment procurement directly from manufacturers at good price.

MANAGEMENT SYSTEM

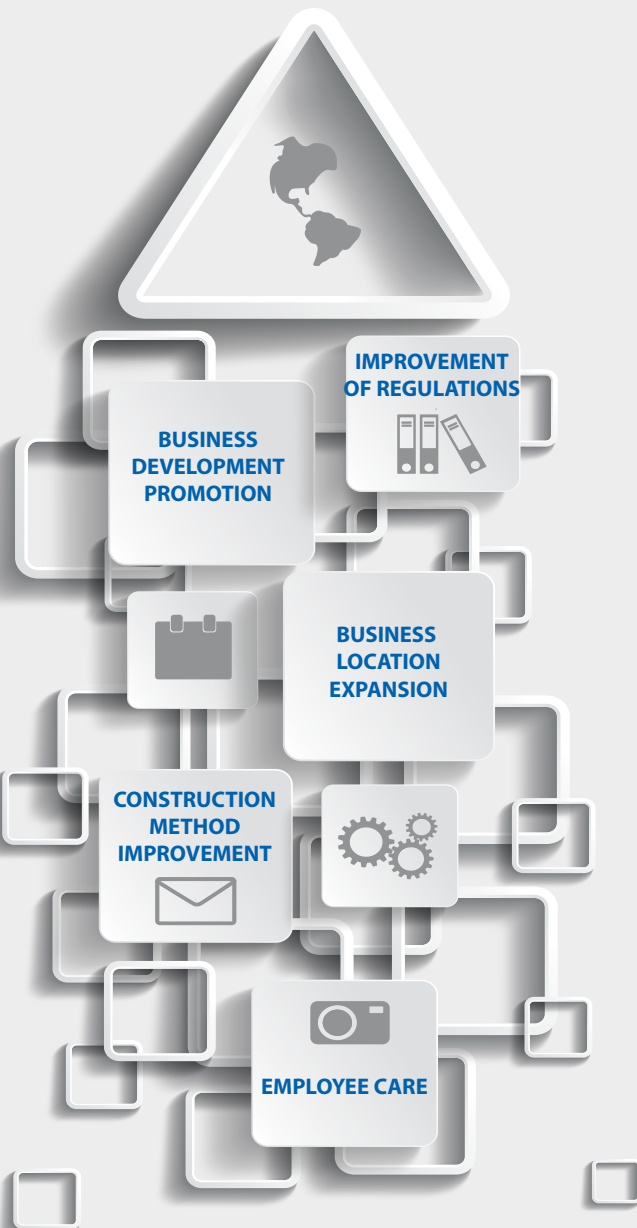
Review and complete appropriate organizational structure relevant with the Company's development. Rules and regulations shall be improved, developed for better operational efficiency of Coteccons.

HUMAN RESOURCES - TRAINING

Focus on staffs training. Concentrate on training potential leaders to meet the Company's need for development.

OTHERS

HSE, employee care, environment, social activities, etc. are always paid high attention to ensure sustainable development of Coteccons.



7,200
billion dong
total planned revenue 2014

NEWLY SIGNED CONTRACTS IN 2013
(BILLION DONGS)

5,702



FIRE

Challenges make us stronger on
the way to success

4

CORPORATE GOVERNANCE
REPORT OF THE BOARD OF SUPERVISORS
RISK MANAGEMENT

MEMBERS AND STRUCTURE OF BOD

Coteccons Board of Directors 2012 - 2017 consists of 7 members. Brief biographical profile of the members is presented in pages 26-28.

During the year, the BOD also approved the letter of resignation of a BOD Member, Mr. Nguyen Thanh Oai and elected Mr. Brian Quan Pham as the BOD Member according to the meeting minutes 04/BB - 2013 dated 06/08/2013. BOD shall submit this issue to General Meeting of Shareholders 2014 for approval.

PERFORMANCE OF BOD

The Board of Directors performed their tasks in accordance with the functions and duties prescribed in the Charter of the Company. There are currently 3/7 BOD Members concurrently being member of the BOM. Therefore, collaboration in the task implementation has been efficient.

BOD meetings are held on a quarterly basis to assess the business as well as to direct and supervise the BOM in the implementation of the resolutions of the General Meeting of Shareholders and the Resolution of the BOD in business operations.

Independent, non-executive BOD Members have attended all meetings and provided objective, practical feedback for corporate governance as well as decisions of the BOD.

BOD meetings are held on a quarterly basis to assess the business as well as to direct and supervise the BOM in the implementation of the resolutions of the General Meeting of Shareholders.



During the year, the Board of Directors had meetings and approved the following items:

NO.	MEETING DATE	AGENDA
1	19/03/2013	Adoption of business performance results 2012 and auditor's report 2012
		Adoption of the plan for organizing Annual General Meeting of Shareholders 2013 and agenda of GMS 2013
		Adoption of the share acquisition from affiliates
		Strategic orientation of the Company
2	23/04/2013	Adoption of the authorization to Mr. Nguyen Ba Duong - BOD Chairman, CEO to be represent the Company in signing share purchasing contract at Uy Nam Investment Construction Joint Stock Company and relevant documents
		Adoption of 2 nd dividend payment 2012
3	16/05/2013	Adoption of engaging Ernst and Young as the auditor of the Company's financial statements for the first 6 months of 2013 and financial statements 2013
		Adoption of the business results of the first 6 months and plan for quarters 3 & 4
4	06/08/2013	Adoption of the Debt Negotiation Unit
		Adoption of the sales of invested shares
		Adoption of the liquidation of investment in Trieu Hung Gia Company
		Adoption of loans, guarantee issuance, L/C opening, discounting and other relevant transactions at the Bank and authorization for BOM to sign these contracts
5	17/12/2013	Adoption of a BOD Member 2012-2017, Mr. Nguyen Thanh Oai's letter of resignation
		Temporary election of Mr. Brian Quan Pham as BOD Member of Coteccons since 06/08/2013
		Adoption of Coteccons' 9 month business performance report and estimated results of 2013
		Adoption of the decision to assign Mr. Nguyen Ba Duong - BOD Chairman, CEO to nominate candidates for Unicons' BOD/BOS members for the new term elected at the GMS 2014
6	21/03/2014	Adoption of the 1st dividend advance payment for 2013
		Authorization of representative to sign loan contract, guarantee issuance, L/C opening, discounting and other relevant transactions related to the bank
		Adoption of business performance report and audited financial statements of 2013
		Adoption of the list of candidates for BOD Member and BOS of Unicons
6	21/03/2014	Adoption of the decision appointing Mr. Tu Dai Phuc - BD Director, BOS member as Deputy CEO
		Adoption of the plan for organizing Annual General Meeting of Shareholders 2014 and agenda of GMS
		Adoption of the establishment of Coteccons' representative office in Guangzhou
		Identification of strategic orientations of the Company



SALARY, BONUS, REMUNERATION AND BENEFITS OF BOD, BOS AND BOM.

Remuneration of the BOD and BOS complied with the Resolution of the General Meeting of Shareholders.

Salary, bonus, welfare schemes of the BOD, BOS and BOM complied with the Company’s policy, relevant with the position and market, industry norms.

Details of remuneration of the BOD, BOS in 2013:

NO.	FULL NAME	POSITION	UNIT	REMUNERATION
Board of Directors				
1.	Nguyen Ba Duong	BOD Chairman	dongs	144,000,000
2.	Tran Quang Quan	BOD Member	dongs	84,000,000
3.	Tran Quang Tuan	BOD Member	dongs	84,000,000
4.	Talgat Turumbayew	BOD Member	dongs	84,000,000
5.	Huynh Ba Thang Long	BOD Member	dongs	84,000,000
6.	Huynh Le Duc	BOD Member	dongs	84,000,000
7.	Nguyen Thanh Oai (*)	BOD Member	dongs	49,000,000
8.	Brian Quan Pham (**)	BOD Member	dongs	35,000,000
Board of Supervisors				
1.	Nghiem Bach Huong	Head of BOS	dongs	84,000,000
2.	Nguyen Duc Canh	BOS Member	dongs	48,000,000
3.	Tu Dai Phuc	BOS Member	dongs	48,000,000

(*) Resigned since 8/2013
 (**) Started the term in 8/2013

SHARE TRADING OF INSIDE SHAREHOLDER AND RELATED PERSONS

10/2013: Mr. Nguyen Van Hung, a brother of Mr. Nguyen Ba Duong - BOD Chairman, CEO registered to sell 43,176 shares. Number of shares owned after the transaction: 1,500 shares.

11/2013: Mrs. Tran Thi Nga, a sister of Mr. Tran Quang Tuan - Deputy CEO registered to sell 35,000 shares. Number of shares owned after the transaction: 0 share.

TRANSACTION CONTRACT WITH INSIDE SHAREHOLDER

In 2013 there was no transactions between Coteccons and BOD, BOS, BOM members and management staff.

ENFORCEMENT OF CORPORATE GOVERNANCE REGULATIONS

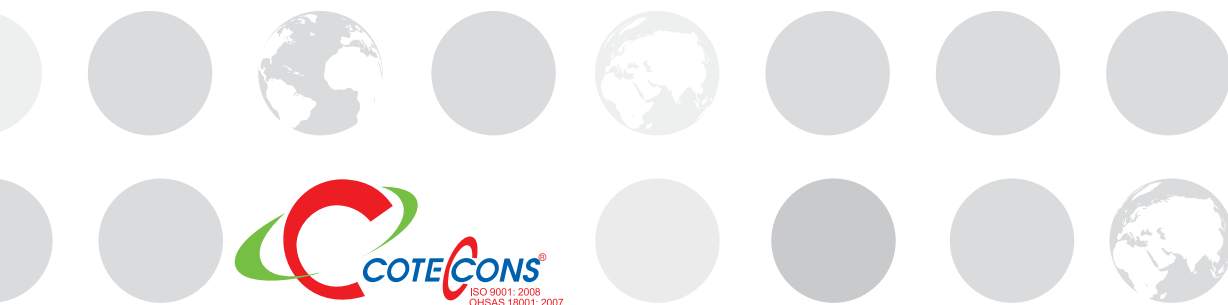
In 2013, the Company reviewed its Charter in accordance with the sample charter specified in Circular No. 121/2012/TT-BTC of the General Meeting of Shareholders; promulgated, amended corporate governance regulation in accordance with the provisions of Circular No. 121/2012/TT-BTC.

Most of the corporate governance activities were in compliance with the provisions of law and regulations of the Securities Act for listed companies.

However, regarding the provision for the number of independent BOD members, Clause 1, Article 24 of the Charter stipulates that **“The number of non-executive, independent BOD members must account for at least 1/3 of total BOD members”**. Currently, the number of independent BOD members at Coteccons accounts for 1/7 of the total number of BOD members. This means the required ratio is not met. In the future, for the new BOD term, we will strive to ensure the required ratio.



Salun Factory at Phuoc Dong Industrial Park - Tay Ninh



BOS PERFORMANCE IN 2013

Organized BOS meetings to assess financial and accounting, business performance, management and governance of the Company in each Quarter of 2013.

Monitored the implementation of Resolutions of General Meeting of Shareholders.

Coordinated closely with the BOM and BOD in Coteccons' management and direction, complied with the provisions of law, and company's Charter.

EVALUATION ON BUSINESS PERFORMANCE 2013

Board of Supervisors agreed with the BOD's performance report 2013 presented to the General Meeting of Shareholders and Financial Statements 2013 audited by Ernst & Young Vietnam Limited.

Unit: billion dong

ITEM	ACTUAL 2012	PLANNED 2013	ACTUAL 2013	% OF COMPLETION	INCREASE/ (DECREASE) COMPARED WITH 2012
Coteccons net revenue	4.477	5.000	4.781	96%	7%
Cost of goods sold	4.155	/	4.400	/	6%
Revenue from financial activities venue	92	/	121	/	32%
Coteccons profit after tax	219	200	234	117%	7%
Consolidated revenue	4.477	5.968	6.190	104%	38%
Consolidated after tax profit of the Parent company's shareholders	219	220	257	117%	17%
Dividend	20%	20%	10%		

- The Company advanced dividend shares in cash at the rate of 10% to shareholders under Decision on dividend advance payment dated 11/02/2014

- Consolidated with Unicons since May 2013

2013 was seen as another difficult year of the real estate and construction industries. Coteccons' revenue was only 96% of the target. However, compared to 2012, it was an increase of 7%. That showed great efforts of all employees in the hard time of the economy.

In 2013, thanks to a number of industrial projects with the short construction period and no equipment investment was required, cost of goods sold reduced from 92.79% in 2012 to 92.03% in 2013.

Financial revenue went up by 32% compared with 2012. Total deposits with the term of 1 - 12 months was 1,125 billion dong.

With the above factors, even though the revenue was only 96% against the plan, the Company's profit after tax exceeded the target, reaching 117%.

RISKS MANAGEMENT FOR THE COMPANY'S BUSINESS

Total amount of cash and cash equivalents, short-term investments and short-term receivables was much higher than short-term debts, showing a high liquidity of the Company. Specifically:

TOTAL CONSOLIDATED REVENUE



PROFIT AFTER TAX ATTRIBUTABLE TO PARENT COMPANY'S SHAREHOLDERS



Target	Report of parent company's	Consolidated
■ Cash and cash equivalents	358 billion	619 billion
■ Short-term investments	1,045 billion	1,056 billion
■ Short-term receivables	1,606 billion	2,010 billion
Total:	3,009 billion	3,685 billion
Total short-term debts:	1,527 billion	2,003 billion

The company booked provision for doubtful receivables and inventory devaluation of the projects, complied with accounting rules and applicable regulations.

Specifically, accumulated amounts as of 31/12/2013 were:

- Provision for doubtful receivables: 141 billion
- Provision for inventory devaluation: 75 billion

The company also booked provision for payable for warranty of handed-over projects. Total provision in 2013 was 125 billion, 118 billion higher than that in 2012.

Despite the fact that profit after tax in 2013 was higher than 2012, net cash flow from operations of 2013 (265 billion) was lower than that in 2012 (442 billion). This was due to the increase in accounts receivable and decrease in accounts payable, causing an imbalance in the cash flow.

EVALUATION ON THE IMPLEMENTATION OF BOD AND GMS RESOLUTIONS

Following the Resolution of GMS, Ernst & Young Vietnam was selected as auditor of financial statements in 2013. The Company fully complied with the accounting standards and Vietnamese enterprise accounting regulations. Fair and reasonable financial statements were prepared quarterly.

Dividend payment at 20% of the year was also carried out as follows:

- Dividend advance payment at 10% in 3/2014

Implementing the Resolution of GMS 2012, Coteccons increased its ownership of Uy Nam Investment and Construction Joint Stock Company from 31% to 51.24%.

Also following the Resolution of GMS 2013, the Company changed the business license on 25/06/2013, adding Real estate trading as another scope of business. Besides, Charter of the Company was amended as per issues adopted by the GMS.

The sales of shares of Hoa Binh Rubber, Dong Phu Rubber, Vinamilk, Construction Joint Stock Company No. 5, etc. was completed in Quarter 4/2013.

RECOMMENDATIONS

- In the economic downturn and Vietnam real estate market was considered to be hitting the bottom in 2013, the profit after-tax's exceeding the target was a remarkable effort by all employees and the company in general and BOM in particular.
- The Company needs to balance the increase in receivables, and decrease in payables to ensure stability of cash flows, in accordance with business results.
- Debt recovery activities, especially for doubtful debts, must be strengthened. Avoid their impacts on the recovery of other debts.
- Regulations on the use and management of Fund for Development and Investment, Fund for Financial Provision must be developed to use these funds more effectively.

Above is the report of the Board of Supervisors on the performance and business results in 2013 that we would like to submit to the General Meeting of Shareholders for consideration and approval.



Risks management activities were well organized to improve business efficiency, create competitiveness; contribute to efficient resources allocation and use; minimize errors in the operational aspects of the business.

Construction is a complex industry containing countless potential risks. Risks in the construction industry are associated with legal requirements, financial, recruitment issues, capability of project construction and construction safety, etc. Sufficient risk management will create more values for the enterprise, improve the performance, create competitiveness, and minimize errors in all activities.

Understanding its importance, Coteccons' risk management is regarded as the top concern of the Management. To ensure efficient risks management activities, risks management has been integrated in the internal control system of Coteccons. Applying risk transparency policy, especially in the regular meetings of the Company, potential risks have been discussed to raise the awareness and identify proper preventive measures.

RISKS AFFECTING THE COMPANY'S PERFORMANCE

SAFETY RISKS

Most employees have to perform work outdoors and they are influenced by climatic factors, not to mention regularly work at height locations. Therefore, without a work safety management system, work accidents can easily occur.

In case of serious work safety incidents, besides the high costs, more importantly, significant decline in credibility with investors, consultants and company reputation will be seen.

Management Method

- Coteccons always put work safety on top priority. Before the construction of any item, the Site Management Unit must strictly follow procedures, perform risk analysis for effective preventive

measures. Appropriate methods of construction for each project are identified and applied. Relevant inspection, maintenance of construction equipment shall be carried out. HSE engineers are assigned, etc. These measures shall minimize work incidents.

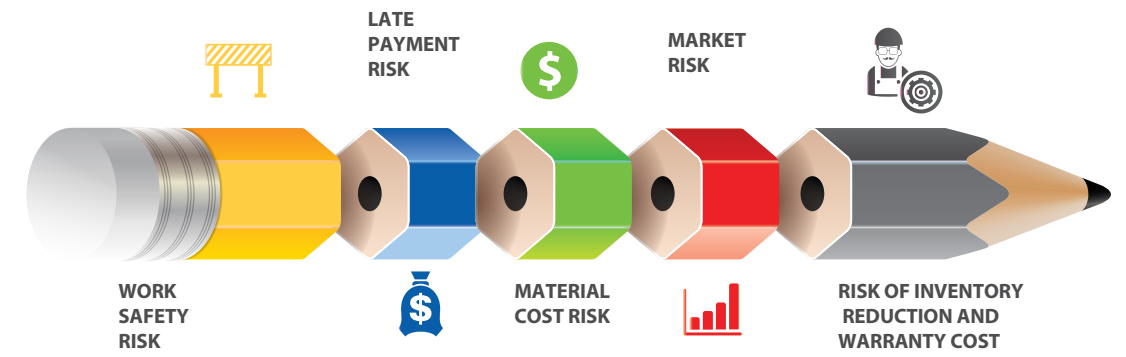
- Safety management system was built since the early days of the Company. Coteccons has achieved the international certification of Environmental Management - ISO 14000 and Health and Safety System - OHSAS 18,001 to 2007. HSE policies were disseminated to all employees to ensure that all individuals understand and comply with regulations.
- Along with the strong commitment of the Management on work safety, the professionalism of safety staff, strong compliance of all employees and workers have contributed to the development of a work safety management system of Coteccons.

LATE PAYMENT RISK

Receivables in construction is a very complex issue, especially in today's economic recession. Late payment stems from many causes. Examples can be investor's inability to raise capital, or constructed products cannot be sold, and investor deliberately delays payment.

Management Method

- To limit the risk of late payment, for each project, Coteccons carries out investor's finance due diligence to decide to participate in the bidding.
- Terms of payment in the contract is strictly regulated. Financial Monitoring Department consisting of members from the Legal Department and Finance - Accounting Department was



established. It serves as an independent reviewer before and after the signing of the construction contract, monitors the project financial progress and provides warning on the risks related to the debts and settlement in the weekly meetings with the Deputy CEO, Head of Division.

- Settlement procedure is controlled tightly. QS Team is organized to deal with investors.
- Stop the project in case of insufficient cash flow as per the provisions of the contract (applicable to late payment cases).

MATERIAL COST RISK

Raw materials (iron, steel, cement, etc.) account for the major part of the cost of construction works. Therefore, the fluctuation of raw material prices greatly affects the revenue and profit of the Company.

Management Method

- Terms of inflation in construction contract is an important provision that Coteccons always try to negotiate with investors to be integrated in the contract to best manage price inflation and ensure the benefits of both parties.
- CCM Department was established in 2012 to work as a center of information about costs of materials, suppliers, sub-contractors and it can negotiate directly with suppliers and sub-contractors to have the most favorable price for Coteccons. In addition, CCM controls the construction volume and cost to bring about cost efficiency and profit maximization for the company.

MARKET RISKS

The opening of the market creates enormous competitive pressure for all businesses, and the construction industry is not an exception. Foreign construction companies with strong financial resources, modern technology will be critical competitors to local contractors.

Management Method

- With the rich experience gained through the implementation of large-sized construction projects and high-end techniques, Coteccons has constantly learned and improved methods of construction, management. Deciding factors to win foreign contractors in recent years are reputation, quality, high-tech solutions, sufficient progress management, healthy financial sources and local cultural understanding.

RISK OF INVENTORY REDUCTION AND WARRANTY COST

Inventory and works-in-progress should be reviewed and re-valued to ensure the mark to market book value of the goods.

Management Method

- Warranty costs must be provisioned sufficiently. Depending on the timing and quality of the project, provision ratio can be defined to include all warranty costs in the future.



VALUE OF CARRIED FORWARD
CONTRACTS (BILLION DONGS)

3,884



EARTH

The beginning based on a solid foundation always
brings about sustainable achievements

5

GENERAL INFORMATION
REPORT OF THE BOARD OF MANAGEMENT
INDEPENDENT AUDITOR'S REPORT
CONSOLIDATED BALANCE SHEET
CONSOLIDATED INCOME STATEMENT
CONSOLIDATED CASH FLOW STATEMENT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

GENERAL INFORMATION

THE COMPANY

Cotec Construction Joint Stock Company (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 4103002611 issued by the Department of Planning and Investment of Ho Chi Minh City on 24 August 2004 and the following Amended Business Registration Certificates:

<i>Amended Business Registration Certificate No.</i>	<i>Date</i>
4103002611 - 1 st	10 January 2005
4103002611 - 2 nd	24 August 2006
4103002611 - 3 rd	24 October 2006
4103002611 - 4 th	5 June 2007
4103002611 - 5 th	20 August 2007
4103002611 - 6 th	5 January 2008
4103002611 - 7 th	22 May 2009
0303443233 - 8 th	7 September 2009
0303443233 - 9 th	23 August 2010
0303443233 - 10 th	10 September 2010
0303443233 - 11 th	7 May 2012
0303443233 - 12 th	25 June 2013

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

The Company’s head office is located at 236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam.

SIGNIFICANT EVENT

On 2 May 2013, the Company acquired an additional shares of 2,640,000 from Uy Nam Investment & Construction Joint Stock Company (“Uy Nam”), increasing its total ownership in Uy Nam from 31% to 51.24%. Accordingly, the Company is parent company of Uy Nam. Uy Nam is a shareholding company established in accordance with Business Registration Certificate No. 4103005020 issued by the Department of Planning and Investment (“DPI”) of Ho Chi Minh City on 14 July 2006 and as amended. Uy Nam’s principal activities are to providing construction services, equipment installation services and trading of construction materials.

BOARD OF DIRECTORS

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

Mr. Nguyen Ba Duong	Chairman	
Mr. Tran Quang Tuan	Member	
Mr. Tran Quang Quan	Member	
Mr. Huynh Ba Thang Long	Member	
Mr. Talgat Turumbayev	Member	
Mr. Huynh Le Duc	Member	
Mr. Brian Quan Pham	Member	appointed on 6 August 2013
Mr. Nguyen Thanh Oai	Member	resigned on 6 August 2013

GENERAL INFORMATION (CONTINUED)

BOARD OF SUPERVISION

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

Ms. Nghiem Bach Huong	Head of Board of Supervision
Mr. Tu Dai Phuc	Member
Mr. Nguyen Duc Canh	Member

MANAGEMENT

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

Mr. Nguyen Ba Duong	General Director
Mr. Tran Quang Quan	Deputy General Director
Mr. Tran Quang Tuan	Deputy General Director
Mr. Tran Van Chinh	Deputy General Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr. **Nguyen Ba Duong**.

AUDITORS

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

REPORT OF MANAGEMENT

Management of Cotec Construction Joint Stock Company ("the Company") is pleased to present its report and the consolidated financial statements of the Company and its subsidiary ("the Group") for the year ended 31 December 2013.

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 state of affairs of the Group and of its 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 judgements 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 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 2013 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

For and on behalf of management:



Nguyen Ba Duong
General Director

15 March 2014

Reference: 60813343/16359883

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Cotec Construction Joint Stock Company

We have audited the accompanying consolidated financial statements of Cotec Construction Joint Stock Company and its subsidiary ("the Group") as prepared on 15 March 2014 and set out on pages 6 to 44, which comprise the consolidated balance sheet as at 31 December 2013, and the consolidated income statement and 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 preparation and presentation of consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of 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 auditor considers internal control relevant to the entity'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 entity'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 2013, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

Ernst & Young Vietnam Limited



Ernest Yoong Chin Kang
Deputy General Director
Audit Practicing Registration Certificate
No. 1891-2013-004-1

Ho Chi Minh City, Vietnam
15 March 2014



Le Vu Trung
Auditor
Audit Practicing Registration Certificate
No. 1588-2013-004-1

CONSOLIDATED BALANCE SHEET

as at 31 December 2013

B01-DN/HN

VND

Code	ASSETS	Notes	31 December 2013	31 December 2012
100	A. CURRENT ASSETS		3,995,926,433,261	3,046,715,665,716
110	I. Cash and cash equivalents	5	618,518,444,081	681,485,846,811
111	1. Cash		310,513,540,907	94,314,871,184
112	2. Cash equivalents		308,004,903,174	587,170,975,627
120	II. Short-term investments	6	1,055,500,000,000	515,339,420,000
121	1. Short-term investments		1,055,500,000,000	517,616,192,450
129	2. Provision for short-term investments		-	(2,276,772,450)
130	III. Current accounts receivable		2,010,311,772,164	1,457,889,671,264
131	1. Trade receivables	7	2,076,043,856,872	1,447,503,573,573
132	2. Advances to suppliers		39,275,161,905	29,139,666,769
135	3. Other receivables	8	46,459,843,005	37,490,403,403
139	4. Provision for doubtful debts	7, 8	(151,467,089,618)	(56,243,972,481)
140	IV. Inventories	9	248,339,897,206	382,675,128,544
141	1. Inventories		326,253,897,206	407,525,128,544
149	2. Provision for obsolete inventories		(77,914,000,000)	(24,850,000,000)
150	V. Other current assets		63,256,319,810	9,325,599,097
151	1. Short-term prepaid expenses		122,305,125	154,489,771
152	2. Value-added tax deductible		35,446,969,022	-
154	3. Tax and other receivables from the State		971,673,830	-
158	4. Other current assets	10	26,715,371,833	9,171,109,326
200	B. NON-CURRENT ASSETS		556,333,955,189	632,121,721,529
220	I. Fixed assets		250,365,294,654	226,953,954,136
221	1. Tangible fixed assets	11	149,800,937,999	138,599,650,290
222	Cost		323,712,310,043	266,499,895,843
223	Accumulated depreciation		(173,911,372,044)	(127,900,245,553)
227	2. Intangible assets	12	99,622,080,043	88,214,332,027
228	Cost		106,095,331,452	92,280,510,590
229	Accumulated amortisation		(6,473,251,409)	(4,066,178,563)
230	3. Construction in progress		942,276,612	139,971,819
240	II. Investment properties	13	92,307,223,295	96,286,741,297
241	1. Cost		100,607,293,807	103,164,365,665
242	2. Accumulated depreciation		(8,300,070,512)	(6,877,624,368)
250	III. Long-term investments	14	104,524,316,290	177,066,322,916
252	1. Investments in associates	14.1	104,524,316,290	175,364,322,916
258	2. Other long-term investments		-	30,202,000,000
259	3. Provision for long-term investments		-	(28,500,000,000)
260	IV. Other long-term assets		109,137,120,950	131,814,703,180
261	1. Long-term prepaid expenses	15	103,812,944,392	125,565,391,034
262	2. Deferred tax assets	28.2	5,279,176,558	6,204,312,146
268	3. Other long-term assets		45,000,000	45,000,000
270	TOTAL ASSETS		4,552,260,388,450	3,678,837,387,245

CONSOLIDATED BALANCE SHEET (CONTINUED)

as at 31 December 2013

B01-DN/HN

VND

Code	RESOURCES	Notes	31 December 2013	31 December 2012
300	A. LIABILITIES		2,083,766,496,899	1,535,073,008,814
310	I. Current liabilities		2,002,895,871,972	1,520,648,739,204
312	1. Trade payables	16	1,013,608,167,423	575,290,157,020
313	2. Advances from customers		69,949,248,285	81,791,209,675
314	3. Statutory obligations	17	62,860,072,852	43,101,396,504
316	4. Accrued expenses	18	616,929,305,538	628,009,600,025
319	5. Other payables	19	91,772,615,151	70,589,115,787
320	6. Short-term provision	20	75,027,233,127	6,439,049,691
323	7. Bonus and welfare fund		23,899,854,867	13,360,194,075
338	8. Unearned revenues	21	48,849,374,729	102,068,016,427
330	II. Non-current liabilities		80,870,624,927	14,424,269,610
333	1. Other long-term liabilities	22	15,670,693,741	14,424,269,610
337	2. Long-term provision	20	65,199,931,186	-
400	B. OWNERS' EQUITY		2,302,477,289,437	2,143,764,378,431
410	I. Capital	23.1	2,302,477,289,437	2,143,764,378,431
411	1. Share capital		422,000,000,000	422,000,000,000
412	2. Share premium		869,140,000,000	869,140,000,000
414	3. Treasury shares		(1,741,460,000)	(1,741,460,000)
417	4. Investment and development fund		477,949,555,981	381,467,132,588
418	5. Financial reserve fund		69,165,584,180	56,084,734,287
420	6. Undistributed earnings		465,963,609,276	416,813,971,556
439	C. MINORITY INTERESTS		166,016,602,114	-
440	TOTAL LIABILITIES AND OWNERS' EQUITY		4,552,260,388,450	3,678,837,387,245

OFF BALANCE SHEET ITEMS

ITEMS	31 December 2013	31 December 2012
Foreign currencies:		
- United States dollar (US\$)	4,084,927	481
- Euro (EUR)	455	466


Vu Thi Hong Hanh
Preparer


Ha Tieu Anh
Chief accountant


Nguyen Ba Duong
General Director

15 March 2014

CONSOLIDATED INCOME STATEMENT

for the year ended 31 December 2013

B02-DN/HN

VND

Code	ITEMS	Notes	Current year	Previous year
10	1. Gross and net revenue from sale of goods and rendering of services	24.1	6,189,651,406,151	4,477,276,306,689
11	2. Cost of goods sold and services rendered		(5,725,278,429,936)	(4,153,964,436,643)
20	3. Gross profit from sale of goods and rendering of services		464,372,976,215	323,311,870,046
21	4. Finance income	24.2	118,290,538,249	86,142,722,673
22	5. Finance expenses	25	956,344,811	(218,398,481)
23	<i>In which: Interest expense</i>		-	(444,017,567)
25	6. General and administrative expenses	26	(216,761,609,146)	(122,250,135,432)
30	7. Operating profit		366,858,250,129	286,986,058,806
31	8. Other income	27	24,943,462,117	7,455,586,871
32	9. Other expenses	27	(8,175,260,737)	-
40	10. Other profit	27	16,768,201,380	7,455,586,871
45	11. Shares of profit of associates		9,524,664,331	18,390,026,330
50	12. Profit before tax		393,151,115,840	312,831,672,007
51	13. Current corporate income tax expense	28.1	(112,172,080,951)	(83,451,331,013)
52	14. Deferred corporate income tax (expense) income	28.2	(1,101,372,511)	1,902,719,930
60	15. Net profit after tax		279,877,662,378	231,283,060,924
	<i>Attributable to:</i>			
61	15.1 Minority interests		22,739,975,488	-
62	15.2 Equity holders of the Company		257,137,686,890	231,283,060,924
70	16. Basic and diluted earnings per share	30	6,103	5,923

Vu Thu Hong Hanh
Preparer

15 March 2014



Ha Tieu Anh
Chief accountant

Nguyen Ba Duong
General Director

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2013

B03-DN/HN

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		393,151,115,840	312,831,672,007
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	11, 12, 13	37,172,297,421	38,468,222,418
03	Provisions		140,822,450,015	56,247,951,728
04	Unrealised foreign exchange (gains) loss		(279,561,788)	184,748,196
05	Profit from investing activities		(127,118,999,531)	(103,606,480,907)
06	Interest expense	25	-	444,017,567
08	Operating profit before changes in working capital		443,747,301,957	304,570,131,009
09	Increase in receivables		(503,049,587,787)	(311,331,125,208)
10	Decrease (increase) in inventories		185,333,901,336	(45,152,981,889)
11	Increase in payables		339,329,573,488	517,839,550,022
12	Decrease in prepaid expenses		37,765,792,481	71,547,396,928
13	Interest paid		-	(444,017,567)
14	Corporate income tax paid	28.1	(118,358,659,072)	(75,191,107,318)
15	Other cash inflows from operating activities		4,670,034,155	37,361,639,803
16	Other cash outflows from operating activities		(21,304,373,523)	(57,306,252,982)
20	Net cash flows from operating activities		368,133,983,035	441,893,232,798
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases and construction of fixed assets		(8,509,069,758)	(3,981,876,969)
22	Proceeds from disposals of fixed assets		2,105,958,501	-
23	Term deposits at banks		(545,500,000,000)	(510,000,000,000)
24	Collections from borrowers		5,000,000,000	-
25	Payments for investments in other entities		-	(478,000,000)
25.1	Payment for acquisition of a subsidiary, net of cash acquired		81,178,250,155	-
26	Proceeds from sale of investments in other entities		10,168,260,338	-
27	Interest and dividends received		113,035,782,806	69,734,866,264
30	Net cash flows used in investing activities		(342,520,817,958)	(444,725,010,705)

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

for the year ended 31 December 2013

B03-DN/HN

Code	ITEMS	Notes	VND	
			Current year	Previous year
III. CASH FLOWS FROM FINANCING ACTIVITIES				
31	Issuance of shares		-	516,540,000,000
33	Drawdown of borrowings		-	300,000,000,000
34	Repayment of borrowings		-	(300,000,000,000)
36	Dividends paid to equity holders of the parent	23.2	(84,248,389,800)	(84,201,015,000)
36.1	Dividends paid to minority interest		(4,388,400,000)	-
40	Net cash flows (used in) from financing activities		(88,636,789,800)	432,338,985,000
50	Net (decrease) increase in cash and cash equivalents		(63,023,624,723)	429,507,207,093
60	Cash and cash equivalents at beginning of year	5	681,485,846,811	251,978,411,295
61	Impact of exchange rate fluctuation		56,221,993	228,423
70	Cash and cash equivalents at end of year	5	618,518,444,081	681,485,846,811

Vu Thi Hong Hanh
Preparer

15 March 2014

Ha Tieu Anh
Chief accountant

Nguyen Ba Duong
General Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

B09-DN/HN

1. CORPORATE INFORMATION

Cotec Construction Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 4103002611 issued by the Department of Planning and Investment of Ho Chi Minh City on 24 August 2004 and the following Amended Business Registration Certificates:

Amended Business Registration Certificate No.	Date
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0303443233 - 12th	25 June 2013

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

The Company's head office is located at 236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam.

The number of the Company's employees as at 31 December 2013 was 1,014 (31 December 2012: 503).

Group structure

The Company has a subsidiary, Uy Nam Investment Construction Joint Stock Company ("Uy Nam"), a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 4103005020 issued by the Department of Planning and Investment of Ho Chi Minh City on 14 July 2006, as amended. Uy Nam's registered office is located at 236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. Uy Nam's principal activities are to providing construction services, equipment installation services and trading of construction materials.

As at 31 December 2013, the Company holds 51.24% equity interest in Uy Nam.

2. BASIS OF PREPARATION

2.1 Accounting standards and system

The consolidated financial statements of the Company and its subsidiary ("the Group"), expressed in Vietnam dong ("VND"), are prepared in accordance with the 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 Standards on Accounting (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 5).

2. BASIS OF PREPARATION (continued)**2.1 Accounting standards and system (continued)**

Accordingly, the accompanying consolidated balance sheet, consolidated income statement, consolidated cash flow statement and related notes, 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 and consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation system

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

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 Group's accounting currency.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company and its subsidiary as at and for the year ended 31 December 2013. As disclosed in Note 4, during the year, the Company increased its equity interest in Uy Nam, formerly as an associate, to 51.24% and has a first subsidiary. Accordingly, this is the first year that the Group has prepared consolidated financial statements. Accordingly, the Group has prepared the consolidated balance sheet as at 31 December 2012 and consolidated income statement for the year ended 31 December 2012 as comparative figures. Subsequently, investments in associates were accounted for under the equity method from the date on which the Company has significant influence.

Subsidiary is 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 the subsidiary 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 resulting from intra-company transactions are eliminated in full.

Minority 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, separately from parent shareholders' equity.

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 less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of changes in value.

3.2 Inventories

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

Net realisable 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.

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, merchandise goods and construction work-in-process owned by the Group, based on appropriate evidence of impairment available at the balance sheet date.

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

3.3 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 and decreases to the provision balance are recorded as general and administrative expense 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 other expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, their costs and accumulated depreciation are removed from the consolidated balance sheet and any gain or loss resulting from their disposal is included in the consolidated income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible 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 assets are sold or retired, their costs and accumulated amortisation are removed from the consolidated balance sheet and any gain or loss resulting from their disposal is included in the consolidated income statement.

Land use rights

Land use right is recorded as an intangible 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 and is not amortised when having indefinite useful life.

3.6 Depreciation and amortisation

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

Buildings & structures	6 - 30 years
Machinery & equipment	3 - 10 years
Means of transportation	3 - 8 years
Office equipment	3 - 5 years
Softwares	3 years
Land use rights	49 years

3.7 Investment properties

Investment properties are stated at cost including transaction costs less accumulated depreciation.

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 is calculated on a straight-line basis over the estimated useful life of each asset as follows:

Office building	30 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 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 specific assets 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 Group is the lessee

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

Where the Group is the lessor

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

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

3.9 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.

Tools and supplies used for construction are amortised to the consolidated income statement over the period of two (2) to six (6) years on the straight-line basis.

3.10 Short-term investments

Short-term investments are stated at their acquisition cost less provision where appropriate. A provision for the diminution in value of investments is created representing the excess of the acquisition cost over the market value at the end of year.

3.11 Business combinations and goodwill

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination (if any) is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement. After initial recognition, goodwill (if any) is measured at cost less any accumulated amortization. Goodwill is amortised over 10-year period on a straight-line basis.

If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.12 Investment in associates**

The Group's investment in its associates 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 from 20% or above 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 associates (if any) is included in the carrying amount of the investment and is amortised over 10-year period. The consolidated income statement reflects the share of the post-acquisition results of operation of the associates.

The share of post-acquisition profit (loss) of the associates is presented on the face of the consolidated income statement. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of the change and discloses this, where applicable, in the equity section of the consolidated balance sheet. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce 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's. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

3.13 Investments in securities and other investments

Investments in securities and other investments are stated at their acquisition costs. Provision is made for any diminution in value of the investments at the balance sheet date in accordance with the guidance under Circular No. 89/2013/TT-BTC issued by the Ministry of Finance on 28 June 2013 that is amending and supplementing Circular No. 228/2009/TT-BTC issued by the Ministry of Finance on 7 December 2009. Increases and decreases to the provision balance are recorded as finance expense in the consolidated income statement.

3.14 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.

3.15 Accrual for severance allowance pay

The severance payment to employee is provided at the end of each reporting year for all employees who have more than 12 months in service up to 31 December 2008 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, the Law on Social Insurance and related implementing guidance. Commencing 1 January 2009, the average monthly salary used in this calculation will be revised at the end of each reporting year following the average monthly salary of the six-month year up to the balance sheet date. Any increase to the accrued amount 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.16 Provisions**

Provisions are recognised 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 projects is estimated from 1% to 3% on value of project based on the specification of each project and actual experiences.

3.17 Foreign currency transactions

The Group follows the guidance under Vietnamese Accounting Standard No.10 - Effects of Changes in Foreign Exchange Rates and Circular No. 179/2012/TT-BTC providing guidance on recognition, measurement treatment for foreign exchange differences issued by the Ministry of Finance on 24 October 2012 in relation to foreign currency transactions as applied consistently in prior year.

Transactions in currencies other than the Group's reporting currency of VND are recorded at the exchange rates ruling at the date of the transaction. At the end of the year, monetary assets and liabilities denominated in foreign currencies are translated at exchange rate announced by the commercial bank where the Group maintains bank accounts at the balance sheet date. All realised and unrealised foreign exchange differences are taken to the consolidated income statement.

3.18 Earnings per share

Basic earnings per share amount is computed by dividing net profit for the year attributable to ordinary shareholders, before appropriation for funds by the weighted average number of ordinary outstanding shares during the year, where applicable.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest on the convertible preference shares) 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.

3.19 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, issue or cancellation of the Group's own equity instruments.

3.20 Appropriation of net profit

Net profit after tax is available for appropriation to investors as proposed by the Board of Directors and subject to approval by shareholders at the Annual General 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 the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.20 Appropriation of net profit (continued)***Financial reserve fund*

This fund is set aside to protect the Group's normal operations from business risks or losses, or to prepare for unforeseen losses or damages for objective reasons and force majeure, such as fire, economic and financial turmoil of the country or elsewhere.

Investment and development fund

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

Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouragement, common benefits and improvement of the employees' material and spiritual benefits and it is recognised as a liability.

3.21 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:

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.

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 and reflected in the sales invoices.

For the construction contracts specifying that the progress payments are made as originally agreed, where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion.

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 year in which they are incurred.

Rental income

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

Interest

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.21 Revenue recognition (continued)***Dividend*

Revenue is recognised when the Group is entitled to receive dividends.

3.22 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 or substantively enacted as at the 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 deferred 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 balance sheet liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. 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.

The carrying amount of deferred income 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 income tax asset to be utilised. Previously unrecognised deferred income 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 income 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 set off current tax assets against current tax liabilities and when they relate to income taxes levied on the same taxable entity by the same taxation authority.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.23 Financial instruments

Financial instruments - initial recognition and presentation

Financial assets

Financial assets within the scope of Circular No. 210/2009/TT-BTC on 6 November 2009 providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments ("Circular 210") are classified, for disclosures in the notes to the consolidated financial statements, as financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables or available-for-sale financial assets as appropriate. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at cost plus directly attributable transaction costs..

The Group's financial assets include cash and short-term deposits, trade and other receivables, loan receivables and quote and unquoted financial instruments.

Financial liabilities

Financial liabilities within the scope of Circular 210 are classified, for disclosures in the notes to the consolidated financial statements, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at cost plus directly attributable transaction costs.

The Group's financial liabilities include trade and other payables.

Financial instruments - subsequent re-measurement

There is currently no guidance in Circular 210 in relation to subsequent re-measurement of financial instruments. Accordingly, the financial instruments are subsequently re-measured at cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4. BUSINESS COMBINATION

On 2 May 2013, the Company acquired an additional shares of 2,640,000 from Uy Nam Investment & Construction Joint Stock Company ("Uy Nam"), increasing its total ownership in Uy Nam from 31% to 51.24%.

The fair value of the identifiable assets and liabilities of Uy Nam as at the date of acquisition were as follow:

	VND	
	Fair value recognised at acquisition date	Carrying value in Uy Nam
Assets	558,200,409,708	558,200,409,708
Cash and cash equivalents	171,022,730,155	171,022,730,155
Trade receivables	226,763,092,229	226,763,092,229
Inventories	97,822,888,460	97,822,888,460
Other current assets	9,425,833,883	9,425,833,883
Fixed assets	37,008,466,865	37,008,466,865
Other long-term assets	16,157,398,116	16,157,398,116
Liabilities	249,052,896,114	249,052,896,114
Trade payables	189,665,627,516	189,665,627,516
Other payables	59,387,268,598	59,387,268,598
Total identifiable net assets at fair value	309,147,513,594	309,147,513,594
Interest of shareholders of parent (51.24%)	158,407,185,966	
Negative goodwill arising on acquisition	(561,856,461)	
Purchased consideration	157,845,329,505	

5. CASH AND CASH EQUIVALENTS

	VND	
	31 December 2013	31 December 2012
Cash on hand	9,279,848	54,541,675
Cash in banks	310,504,261,059	94,260,329,509
Cash equivalents (*)	308,004,903,174	587,170,975,627
TOTAL	618,518,444,081	681,485,846,811

(*) Cash equivalents mainly represent bank deposits with original maturity of less than 3 months and earn interest at the applicable rates.

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6. SHORT-TERM INVESTMENTS

	VND	
	31 December 2013	31 December 2012
Other short-term investments (*)	1,055,500,000,000	510,000,000,000
Short-term investment securities	-	7,616,192,450
Provision for short-term investments	-	(2,276,772,450)
NET	1,055,500,000,000	515,339,420,000

(*) Other short-term investments include deposits in commercial banks with a term of three months or more and earn an interest at the applicable rates.

7. TRADE RECEIVABLES

	VND	
	31 December 2013	31 December 2012
Third parties	1,998,828,648,247	1,320,384,644,263
Related parties (Note 29)	77,215,208,625	127,118,929,310
TOTAL	2,076,043,856,872	1,447,503,573,573
Provision for doubtful debts	(151,467,089,618)	(55,182,008,195)
NET	1,924,576,767,254	1,392,321,565,378

Detail of movements of provision for doubtful debts:

	VND	
	Current year	Previous year
At beginning of year	55,182,008,195	29,407,050,753
Add: Provision created due to business combination	979,012,582	-
Add: Provision created during the year	95,306,068,841	25,774,957,442
At end of year	151,467,089,618	55,182,008,195

8. OTHER RECEIVABLES

	VND	
	31 December 2013	31 December 2012
Interest receivable	20,837,805,559	23,491,004,361
Related parties (Note 29)	14,450,498,473	13,973,879,495
Receivables from disposal of investments	11,171,538,973	-
Others	-	25,519,547
TOTAL	46,459,843,005	37,490,403,403
Provision for doubtful debts	-	(1,061,964,286)
NET	46,459,843,005	36,428,439,117

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9. INVENTORIES

	VND	
	31 December 2013	31 December 2012
Construction work in process	322,050,142,218	407,525,128,544
Merchandise goods	4,203,754,988	-
TOTAL	326,253,897,206	407,525,128,544
Provision for obsolete inventories	(77,914,000,000)	(24,850,000,000)
NET	248,339,897,206	382,675,128,544

Detail of movements of provision for obsolete inventories:

	VND	
	Current year	Previous year
At the beginning of the year	(24,850,000,000)	-
Add: Provision created during the year	(53,064,000,000)	(24,850,000,000)
At the end of the year	(77,914,000,000)	(24,850,000,000)

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

	VND	
	31 December 2013	31 December 2012
Tricon Tower	75,000,000,000	73,438,243,737
South Saigon Commercial Complex - Vivo City	35,767,247,833	-
Gain Lucky Vietnam Garment Factory	19,000,688,266	-
Salinda Phu Quoc Resort	15,637,775,494	6,461,747,670
Ho Chi Minh Stock Exchange Building	15,507,648,907	35,186,376,299
E6 Villa Project	14,008,912,460	1,353,936,650
Everich District 7 High glass Apartment	13,426,410,247	12,955,951,980
An Phu Apartment	13,034,998,522	-
Eximbank headquarter	11,472,372,355	-
Viettel Kien Giang Building	11,095,030,501	-
Backup Data Center	7,273,724,771	-
Nestle feedmill factory	7,004,240,189	9,145,058,808
Eurowindows Tower	6,076,303,669	33,489,775,652
Viglacera Tower	5,825,559,892	21,450,741,065
Diamond Island	-	49,386,391,147
Hanosimex Ha Nam Garment	-	22,417,383,330
Mandarin	-	29,240,517,066
Power Construction installation No.1's apartment	-	21,815,075,360
Kenton Tower	-	15,248,486,530
Others	71,919,229,112	75,935,443,250
TOTAL	322,050,142,218	407,525,128,544

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10. OTHER CURRENT ASSETS

	VND	
	31 December 2013	31 December 2012
Advances to construction teams and employees	24,429,701,717	7,142,026,804
Deposits	2,285,670,116	2,029,082,522
TOTAL	26,715,371,833	9,171,109,326

11. TANGIBLE FIXED ASSETS

	VND					
	Buildings & structures	Machinery & equipment	Means of transportation	Office equipment	Others	Total
Cost:						
Beginning balance	72,380,815,033	163,950,221,022	18,398,354,070	11,667,894,738	102,610,980	266,499,895,843
Newly purchased	3,566,170,552	2,231,415,454	1,096,215,959	453,040,091	-	7,346,842,056
Increased due to business combination	7,848,028,165	22,445,578,975	6,078,701,177	4,196,083,616	5,254,672,954	45,823,064,887
Reclassified from investment properties	21,177,435,767	-	-	-	-	21,177,435,767
Sold, disposed	-	(3,435,017,050)	-	(242,559,260)	-	(3,677,576,310)
Other reductions (*)	-	(7,811,308,434)	-	(5,033,057,186)	(612,986,580)	(13,457,352,200)
Ending balance	104,972,449,517	177,380,889,967	25,573,271,206	11,041,401,999	4,744,297,354	323,712,310,043
In which:						
Fully depreciated	1,124,079,348	52,077,548,920	2,280,948,179	4,070,663,805	-	59,553,240,252
Accumulated depreciation:						
Beginning balance	11,662,015,047	100,070,290,418	8,150,682,008	7,959,539,370	57,718,710	127,900,245,553
Depreciation for the year	6,044,615,051	21,413,445,400	2,949,938,258	1,632,609,193	602,702,806	32,643,310,708
Increased due to business combination	2,735,843,617	9,386,505,654	3,032,038,850	2,633,552,999	3,703,041,623	21,490,982,743
Reclassified from investment properties	1,647,133,893	-	-	-	-	1,647,133,893
Sold, disposed	-	(2,291,705,785)	-	(161,081,793)	-	(2,452,787,578)
Other reductions (*)	-	(3,916,820,534)	-	(3,330,147,651)	(70,545,090)	(7,317,513,275)
Ending balance	22,089,607,608	124,661,715,153	14,132,659,116	8,734,472,118	4,292,918,049	173,911,372,044
Net carrying amount:						
Beginning balance	60,718,799,986	63,879,930,604	10,247,672,062	3,708,355,368	44,892,270	138,599,650,290
Ending balance	82,882,841,909	52,719,174,814	11,440,612,090	2,306,929,881	451,379,305	149,800,937,999

(*) During the year the Group has charged the remaining value of those assets that no longer satisfy recognition criteria of fixed assets as required by Circular No. 45/2013/TT-BTC providing guidance for safeguarding, using and depreciating fixed assets ("Circular 45") to the consolidated income statement.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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12. INTANGIBLE ASSETS

	VND		
	Land use rights	Softwares	Total
Cost:			
Beginning balance	89,367,812,334	2,912,698,256	92,280,510,590
Increased due to business combination	13,342,681,128	326,887,630	13,669,568,758
Newly purchased	-	382,420,000	382,420,000
Disposed	(106,569,096)	-	(106,569,096)
Other reductions (*)	-	(130,598,800)	(130,598,800)
Ending balance	102,603,924,366	3,491,407,086	106,095,331,452
Accumulated amortisation:			
Beginning balance	1,955,137,995	2,111,040,568	4,066,178,563
Increased due to business combination	734,273,944	258,910,093	993,184,037
Amortisation for the year	694,398,531	765,008,145	1,459,406,676
Disposed	(14,861,680)	-	(14,861,680)
Other reductions (*)	-	(30,656,187)	(30,656,187)
Ending balance	3,368,948,790	3,104,302,619	6,473,251,409
Net carrying value:			
Beginning balance	87,412,674,339	801,657,688	88,214,332,027
Ending balance	99,234,975,576	387,104,467	99,622,080,043

Land use rights include the cost of land use rights with carrying amount of VND 64,662,555,400 which are indefinite and accordingly not amortised.

(*) During the year the Group has charged the remaining value of those assets that no longer satisfy recognition criteria of fixed assets as required by Circular 45 to the consolidated income statement.

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13. INVESTMENT PROPERTIES

	VND		
	Office building	Others	Total
Cost:			
Beginning balance	103,164,365,665	-	103,164,365,665
Additions	-	18,620,363,909	18,620,363,909
Reclassified to tangible fixed assets	(21,177,435,767)	-	(21,177,435,767)
Ending balance	81,986,929,898	18,620,363,909	100,607,293,807
Accumulated depreciation:			
Beginning balance	6,877,624,368	-	6,877,624,368
Depreciation for the year	2,968,202,500	101,377,537	3,069,580,037
Reclassified to tangible fixed assets	(1,647,133,893)	-	(1,647,133,893)
Ending balance	8,198,692,975	101,377,537	8,300,070,512
Net carrying amount:			
Beginning balance	96,286,741,297	-	96,286,741,297
Ending balance	73,788,236,923	18,518,986,372	92,307,223,295

The fair value of the investment property was not formally assessed and determined as at 31 December 2013. However, given the present occupancy rate of this property, it is management's assessment that the property's market value is higher than its carrying value as at the balance sheet date.

14. LONG-TERM INVESTMENTS

	VND	
	31/12/2013	31/12/2012
Investments in associates	104,524,316,290	175,364,322,916
Other long-term investments	-	30,202,000,000
<i>Securities</i>	-	25,202,000,000
<i>Loans</i>	-	5,000,000,000
Provision for long-term investments	-	(28,500,000,000)
<i>Securities</i>	-	(23,500,000,000)
<i>Loans</i>	-	(5,000,000,000)
NET	104,524,316,290	177,066,322,916

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14. LONG-TERM INVESTMENTS (continued)

14.1 Investments in associates

As at 31 December 2013, the details of investment are as follows:

	As at 31 December 2013		As at 31 December 2012	
	% of interest	Amount (VND)	% of interest	Amount (VND)
Uy Nam Investment Construction Joint Stock Company	-	-	31	67,097,657,558
Phu Hung Gia Construction & Investment Joint Stock Company	20.16	47,981,890,157	20.16	45,727,341,421
Quang Trong Commercial Joint Stock Company	36	17,510,424,919	36	17,509,829,594
Phu Gia An Investment Joint Stock Company	37	39,032,001,214	37	39,033,643,996
Trieu Hung Gia Construction Investment Joint Stock Company	-	-	30	5,995,850,347
TOTAL		104,524,316,290		175,364,322,916

VND

	Current year	Previous year
Cost of investments in associates	111,022,500,000	111,022,500,000
Accumulated share in post-acquisition profit of the associates	98,421,113,100	89,664,019,874
Accumulated dividends received	(30,922,596,958)	(25,322,196,958)
Transferred to subsidiary - Uy Nam	(68,000,849,505)	-
Proceeds from disposal of investments	(5,995,850,347)	-
	104,524,316,290	175,364,322,916

Phu Hung Gia Construction & Investment Joint Stock Company ("Phu Hung Gia") is a shareholding company established in accordance with Business Registration Certificate No. 4103002810 issued by the DPI of Ho Chi Minh City on 27 October 2005 and the latest 13th Amended Business Registration Certificate No. 0303527596 dated 7 November 2013. Phu Hung Gia's principal activities are to provide civil and industrial construction services and trade real estate.

Quang Trong Commercial Joint Stock Company ("Quang Trong") is a shareholding company established in accordance with Business Registration Certificate No. 4903000474 issued by the DPI of Ba Ria - Vung Tau Province on 18 December 2007 and the latest 3rd Amended Business Registration Certificate No. 3500740022 dated 14 February 2011. Quang Trong's principal activities are to trade real estate and provide project management.

Phu Gia An Investment Joint Stock Company ("Phu Gia An") is a shareholding company established in accordance with Business Registration Certificate No. 4103006924 issued by the DPI of Ho Chi Minh City on 5 June 2007 and the latest 3rd Amended Business Registration Certificate No. 0305004136 dated 8 September 2011. Phu Gia An's principal activities are to trade real estate and provide project management.

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14. LONG-TERM INVESTMENTS (continued)

14.1 Investments in associates (continued)

Trieu Hung Gia Construction & Investment Joint Stock Company ("Trieu Hung Gia") is a shareholding company established in accordance with Business Registration Certificate No. 4103009051 issued by the DPI of Ho Chi Minh City on 11 January 2008. Trieu Hung Gia's principal activities are to trade real estate and provide project management. During the year, the Board of Directors of Trieu Hung Gia approved the plan for dissolution. Accordingly, on 5 July 2013 and 31 December 2013, the Company received a part of investment into Trieu Hung Gia amounting to VND 2,475,000,000 and VND 818,181,818, respectively. At the date of this report, Trieu Hung Gia is planning to return the remaining contributed capital to its shareholders and carrying out the necessary procedures for dissolution in accordance with current regulations.

15. LONG-TERM PREPAID EXPENSES

	VND	
	31 December 2013	31 December 2012
Tools & supplies used for construction works	103,151,192,721	124,909,211,298
Others	661,751,671	656,179,736
TỔNG CỘNG	103,812,944,392	125,565,391,034

16. TRADE PAYABLES

	VND	
	31 December 2013	31 December 2012
Third parties	892,582,606,369	429,326,794,486
Related parties (Note 29)	121,025,561,054	145,963,362,534
TOTAL	1,013,608,167,423	575,290,157,020

17. STATUTORY OBLIGATIONS

	VND	
	31 December 2013	31 December 2012
Corporate income tax (Note 28.1)	26,559,370,726	29,475,076,465
Value-added tax	12,768,846,978	4,182,615,721
Personal income tax	23,531,855,148	9,443,704,318
TOTAL	62,860,072,852	43,101,396,504

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18. ACCRUED EXPENSES

	VND	
	31 December 2013	31 December 2012
Cost of construction projects	616,565,740,135	627,785,600,025
Others	363,565,403	224,000,000
TOTAL	616,929,305,538	628,009,600,025

19. OTHER PAYABLES

	VND	
	31 December 2013	31 December 2012
Payable to construction teams	90,681,394,730	49,571,441,597
Dividend payables	186,590,150	168,291,950
Others	904,630,271	20,849,382,240
TOTAL	91,772,615,151	70,589,115,787

20. SHORT-TERM AND LONG-TERM PROVISIONS

These amounts represent the provision for warranty of completed construction projects.

21. UNEARNED REVENUES

	VND	
	31 December 2013	31 December 2012
Unearned revenue from construction works	48,311,858,647	100,960,754,815
Unearned revenue from office leasing	537,516,082	1,107,261,612
TOTAL	48,849,374,729	102,068,016,427

22. OTHER LONG-TERM PAYABLES

	VND	
	31 December 2013	31 December 2012
Severance allowance	11,038,531,011	10,249,956,011
Long-term deposits received	4,632,162,730	4,174,313,599
TOTAL	15,670,693,741	14,424,269,610

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23. OWNERS' EQUITY

23.1 Increase and decrease in owners' equity

	Share capital	Share premium	Treasury shares	Foreign exchange differences reserve	Investment and development fund	Financial reserve fund	Undistributed earnings	Total
<i>Previous year:</i>								
Beginning balance	317,700,000,000	456,900,000,000	(1,741,460,000)	(201,967,112)	297,041,491,648	45,531,529,169	375,329,649,808	1,490,559,243,513
Increase in capital	104,300,000,000	412,240,000,000	-	-	-	-	231,283,060,924	516,540,000,000
Net profit for the year	-	-	-	-	84,425,640,940	10,553,205,118	(94,978,846,058)	231,283,060,924
Profit appropriation	-	-	-	-	-	-	(10,553,205,118)	-
Transfer to bonus and welfare fund	-	-	-	-	-	-	(84,266,688,000)	(84,266,688,000)
Dividend declared	-	-	-	-	-	-	-	-
Foreign exchange differences	-	-	-	201,967,112	-	-	-	201,967,112
Ending balance	422,000,000,000	869,140,000,000	(1,741,460,000)	-	381,467,132,588	56,084,734,287	416,813,971,556	2,143,764,378,431
<i>Current year</i>								
Beginning balance	422,000,000,000	869,140,000,000	(1,741,460,000)	-	381,467,132,588	56,084,734,287	416,813,971,556	2,143,764,378,431
Net profit for the year	-	-	-	-	-	-	257,137,686,890	257,137,686,890
Profit appropriation	-	-	-	-	96,482,423,393	13,080,849,893	(109,563,273,286)	-
Transfer to bonus and welfare fund	-	-	-	-	-	-	(14,158,087,884)	(14,158,087,884)
Dividends declared	-	-	-	-	-	-	(84,266,688,000)	(84,266,688,000)
Ending balance	422,000,000,000	869,140,000,000	(1,741,460,000)	-	477,949,555,981	69,165,584,180	465,963,609,276	2,302,477,289,437

VND



23. OWNERS' EQUITY (continued)

23.2 Capital transactions with owners and distribution of dividends

	VND	
	Current year	Previous year
<i>Contributed share capital</i>		
Beginning balance	422,000,000,000	317,700,000,000
Increase	-	104,300,000,000
Ending balance	422,000,000,000	422,000,000,000
<i>Dividends</i>		
Dividends declared	84,266,688,000	84,266,688,000
Dividends paid	(84,248,389,800)	(84,201,015,000)

23.3 Shares

	VND	
	31 December 2013	31 December 2012
Shares authorised to be issued	42,200,000	42,200,000
Shares issued and fully paid	42,200,000	42,200,000
<i>Ordinary shares</i>	42,200,000	42,200,000
Treasury shares	(66,656)	(66,656)
<i>Ordinary shares</i>	(66,656)	(66,656)
Outstanding shares	42,133,344	42,133,344
<i>Ordinary shares</i>	42,133,344	42,133,344

24. REVENUE

24.1 Net revenue from sale of goods and rendering of services

	VND	
	Current year	Previous year
Rendering of construction services	6,027,922,780,401	4,420,474,402,697
Sales of merchandise goods	119,454,043,232	-
Rental of construction equipment	18,034,225,693	33,702,304,452
Rental income from investment properties	24,240,356,825	23,099,599,540
TOTAL	6,189,651,406,151	4,477,276,306,689

24. REVENUE (continued)

24.2 Finance income

	VND	
	Current year	Previous year
Bank interest income	106,178,462,479	68,831,676,874
Gain on disposal of investments	9,688,295,000	-
Dividend earned	1,078,125,000	600,600,000
Negative goodwill	561,856,461	-
Unrealised foreign exchange gains	279,561,788	-
Realised foreign exchange gains	222,230,911	-
Late payment interest	282,006,610	16,710,445,799
TOTAL	118,290,538,249	86,142,722,673

25. FINANCE EXPENSES

	VND	
	Current year	Previous year
Loss from disposal of investments	378,801,598	-
Realised foreign exchange loss	150,508,131	25,546,599
Unrealised foreign exchange loss	-	184,748,196
Loan interest	-	444,017,567
Reversal of provision for diminution in value of investments	(1,485,654,540)	(438,970,000)
Others	-	3,056,119
TOTAL	(956,344,811)	218,398,481

26. ADMINISTRATIVE EXPENSES

	VND	
	Current year	Previous year
Labour costs	78,570,699,224	53,851,199,993
Depreciation and amortisation	17,511,758,866	16,111,175,448
Provision expense	89,244,104,555	31,836,921,728
Expenses for external services	13,099,026,119	9,041,065,030
Other expenses	18,336,020,382	11,409,773,233
TOTAL	216,761,609,146	122,250,135,432

27. OTHER INCOME AND EXPENSES

	VND	
	Current year	Previous year
Other income	24,943,462,117	7,455,586,871
Reversal of warranty cost	8,651,037,049	1,689,494,706
Cost reduction after project finalisation	5,597,897,308	-
Proceeds from disposal of tools and supplies	2,946,793,621	755,480,000
Proceeds from disposal of fixed assets	2,268,458,501	-
Reversal of over accrued for construction expenses	1,190,755,777	1,698,002,213
Others	4,288,519,861	3,312,609,952
Other expenses	(8,175,260,737)	-
Cost of disposal of tools and supplies	(950,916,634)	-
Cost of disposal of fixed assets	(1,316,496,148)	-
Others	(5,907,847,955)	-
NET	16,768,201,380	7,455,586,871

28. CORPORATE INCOME TAX

The statutory Corporate Income Tax ("CIT") rate applicable to the Group is 25% of taxable profits.

The tax returns filed by 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.

28.1 Current CIT expense

	VND	
	Current year	Previous year
Current CIT expense	112,172,080,951	83,451,331,013
Deferred CIT expense (benefit)	1,101,372,511	(1,902,719,930)
TOTAL	113,273,453,462	81,548,611,083

28. CORPORATE INCOME TAX (continued)

28.1 Current CIT expense (continued)

The current tax payable is based on taxable profit for the year. The taxable profit of the Group for the year differs from the profit as reported 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.

A reconciliation between the taxable profit and profit before tax on the consolidated income statement is presented below:

	VND	
	Current year	Previous year
Profit before tax	393,151,115,840	312,831,672,007
<i>Adjustment to increase (decrease) in accounting profit</i>		
Non-deductible expenses	70,461,053,412	31,445,341,184
Dividend received	(1,078,125,000)	(600,600,000)
Share of profit from associates	(9,524,664,331)	(17,611,014,762)
Increase in provision for severance allowance	47,730,000	6,769,615,626
Unrealised foreign exchange gain	(208,778,770)	(11,437,807)
Change in taxable profit of unearned revenue	(4,142,416,031)	2,317,056,842
Change in unrealised profits	590,020,467	(1,475,792,754)
Negative goodwill	(561,856,461)	3,056,119
Estimated current taxable profit	448,734,079,126	333,667,896,455
Estimated current CIT expenses	112,183,519,782	83,416,974,114
Adjustment for (over) under accrual of tax from prior years	(11,438,831)	34,356,899
Current CIT expenses	112,172,080,951	83,451,331,013
CIT payable at beginning of year	29,475,076,465	21,214,852,770
Pre-acquisition CIT payable from a subsidiary	3,270,872,382	-
CIT paid during the year	(118,358,659,072)	(75,191,107,318)
CIT payable at end of year	26,559,370,726	29,475,076,465

28. CORPORATE INCOME TAX (continued)

28.2 Deferred CIT

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

	VND			
	Consolidated balance sheet		Consolidated income statement	
	Ending balance	Beginning balance	Current year	Previous year
Deferred tax assets				
Severance allowance	2,574,421,503	2,562,489,003	11,932,500	1,692,403,907
Profit of unearned revenue	729,244,964	1,951,947,973	(1,222,703,009)	579,264,211
Unrealised profit	2,065,426,935	1,917,921,818	147,505,117	(368,948,188)
Unrealised foreign exchange losses	(52,194,692)	-	(52,194,692)	-
Provision for investments	(213,959,075)	(228,046,648)	14,087,573	-
Increased due to business combination	176,236,923	-	-	-
	5,279,176,558	6,204,312,146		
<i>Deferred income tax (expense) benefit</i>			(1,101,372,511)	1,902,719,930

29. TRANSACTIONS WITH RELATED PARTIES

Significant transactions of the Group with related parties during the year were as follows:

Related party	Relationship	Nature of transaction	VND
			Amount
Phu Hung Gia Construction & Investment Joint Stock Company	Associate	Construction cost	404,107,000,696
		Sales of construction material	7,288,059,333
		Equipment rental income	20,580,500,821
		Purchase of construction material	25,462,941,871
		Equipment rental expense	942,279,958

29. TRANSACTIONS WITH RELATED PARTIES (continued)

The outstanding balances due from and due to related parties as at 31 December 2013 as follows:

Related party	Relationship	Nature of transaction	VND
			Receivable (payable)
<i>Trade receivable</i>			
Phu Hung Gia Construction & Investment Joint Stock Company	Associate	Construction services, rental, maintenance and delivery fee of machinery and equipment	77,215,208,625
<i>Other receivables</i>			
Phu Gia An Investment Joint Stock Company	Associate	Loan interest	11,957,879,495
Trieu Hung Gia Construction Investment Joint Stock Company	Associate	Disposal of investments	2,492,618,978
			14,450,498,473
<i>Trade payable</i>			
Phu Hung Gia Construction & Investment Joint Stock Company	Associate	Construction cost and purchase of material	121,025,561,054
<i>Advance from customer</i>			
Phu Hung Gia Construction & Investment Joint Stock Company	Associate	Advance for rendering of construction services	3,464,000,000

30. 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 by the weighted average number of ordinary shares outstanding during the year.

	Current year	Previous year
Net profit after tax attributable to ordinary equity holders for basic earnings (VND)	257,137,686,890	231,283,060,924
Weighted average number of ordinary shares during the year	42,133,344	39,047,207
Basic and diluted earnings per share (VND)	6,103	5,923

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

31. SEGMENT INFORMATION

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services rendered. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Construction services segment

Construction materials trading segment

Office leasing segment

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, segment expense and segment result include transfers between business segments. Those transfers are eliminated in preparation of the consolidated financial statements.

31. SEGMENT INFORMATION (continued)

The following tables present revenue and profit and certain assets and liability information regarding the Group's business segment:

	VND				
	Construction services	Construction materials trading	Office leasing	Elimination	Total
As at and for the year ended 31 December 2013					
Revenue					6,189,651,406,151
Revenue from sale of goods and rendering of services	6,317,916,707,862	282,328,442,561	27,385,256,026	(437,979,000,298)	
Results					
Segment net profit (loss) before tax	421,732,532,696	(546,181,918)	9,139,291,079	(2,702,943,573)	427,622,698,284
Unallocated income					(34,471,582,444)
Net profit before income tax					393,151,115,840
Income tax expense					(113,273,453,462)
Net profit for the year					279,877,662,378
Assets and liabilities					
Segment assets	2,648,276,394,849	91,370,772,096	112,059,076,302	(155,174,603,753)	2,696,531,639,494
Unallocated assets					1,855,728,748,956
Total assets					4,552,260,388,450
Segment liabilities	2,001,635,202,986	134,035,114,703	5,169,678,812	(155,174,603,753)	1,985,665,392,748
Unallocated liabilities					98,101,104,151
Total liabilities					2,083,766,496,899

31. SEGMENT INFORMATION (continued)

The following tables present revenue and profit and certain assets and liability information regarding the Group's business segment: (continued)

	VND				
	Construction services	Construction materials trading	Office leasing	Elimination	Total
As at and for the year ended 31 December 2012					
Revenue					4,477,276,306,689
Revenue from rendering of services	4,454,176,707,149	-	23,099,599,540	-	
Results					
Segment net profit before tax	307,209,825,317	-	15,405,263,543	696,781,186	323,311,870,046
Unallocated expenses					(10,480,198,039)
Net profit before income tax					312,831,672,007
Income tax expense					(81,548,611,083)
Net profit for the year					231,283,060,924
Assets and liabilities					
Segment assets	2,165,699,461,314	-	96,731,045,930	(1,179,425,275)	2,261,251,081,969
Unallocated assets					1,417,586,305,276
Total assets					3,678,837,387,245
Segment liabilities	1,442,062,212,823	-	5,281,575,211	-	1,447,343,788,034
Unallocated liabilities					87,729,220,780
Total liabilities					1,535,073,008,814

32. OPERATING LEASE COMMITMENTS

Operating lease commitments represent committed amounts relating to office lease under the operating lease agreement. Future rental amounts due as at 31 December 2013 are as follows:

	VND	
	31 December 2013	31 December 2012
Less than 1 year	1,884,384,000	668,110,170
From 1 to 5 years	2,097,352,000	-
	3,981,736,000	668,110,170

In addition, the Group leases out its Cotecons Building property under operating lease arrangement. The future minimum rental receivable as at 31 December 2013 under the operating lease agreements is as follows:

	VND	
	31 December 2013	31 December 2012
Less than 1 year	10,338,781,728	18,204,470,831
From 1 to 5 years	7,171,285,878	22,972,514,758
More than 5 years	5,175,748,200	-
TOTAL	22,685,815,806	41,176,985,589

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group has trade and other receivable, and cash and short-term deposits that arise directly from its operations. The Group does not hold or issue any derivative financial instruments.

The Company is exposed to market risk, commodity price risk, credit risk and liquidity risk.

Management reviews and agrees policies for managing each of these risks which are summarized below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include bank deposits.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to market risk for changes in interest rate relates primarily to the Group's cash and short-term deposits. These investments are mainly short term in nature and they are not held for speculative purposes.

The Group manages interest rate risk by looking at the competitive structure of the market to obtain rates which are favorable for its purposes within its risk management limits.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

No analysis on interest sensitivity was performed for the year ended 31 December 2013 since the Group's term deposits are fixed interest rate.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk in relation to purchases of goods which are denominated in currencies other than its accounting currency as disclosed in Note 2.4. The Group manages its foreign currency exposure by considering the prevailing and expected market situation when it plans for future purchases and sales of goods denominated in foreign currencies, other than increasing natural-hedged proportion. The Group does not employ any derivative financial instruments to hedge its foreign currency exposure.

No analysis on interest sensitivity was performed for the year ended 31 December 2013 since the Group's purchases of goods were mainly denominated in VND.

Commodity price risk

The Group is exposed to commodity price risk in relation to purchase of certain commodities for rendering of construction services. The Group manages its commodity price risk by keeping close watch on relevant information and situation of commodity market in order to properly manage timing of purchases, construction plans and inventories level. The Group does not employ any derivative financial instruments to hedge its commodity price risk.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks.

Trade receivables

Customer credit risk is managed by the Group based on its established policy, procedures and control relating to customer credit risk management.

Outstanding customer receivables are regularly monitored. The requirement for impairment is analyzed at each reporting date on an individual basis for major clients. The Group seeks to maintain strict control over its outstanding receivables to minimize credit risk. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

Bank deposits

The Group's bank balances are mainly maintained with well-known banks in Vietnam. Credit risk from balances with banks is managed by the Group's management in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties.

Liquidity risk

The liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligation due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities.

The Group monitors its liquidity risk by maintain a level of cash and cash equivalents to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	VND		
	Less than 1 year	From 1 to 5 years	Total
31 December 2013			
Trade payables	892,582,606,369	-	892,582,606,369
Payables to related parties	121,025,561,054	-	121,025,561,054
Other payables and accrued expenses	708,701,920,689	4,632,162,730	713,334,083,419
	1,722,310,088,112	4,632,162,730	1,726,942,250,842
31 December 2012			
Trade payables	429,326,794,486	-	429,326,794,486
Payables to related parties	145,963,362,534	-	145,963,362,534
Other payables and accrued expenses	698,598,715,812	4,174,313,599	702,773,029,411
	1,273,888,872,832	4,174,313,599	1,278,063,186,431

The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently to finance for its debt maturing within 12 months.

Collateral

The Group did not pledge its assets as well as hold collateral as at 31 December 2013 and 31 December 2012.

34. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are carried in the consolidated financial statements.

	Carrying amount		Fair value	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Financial assets	Cost	Provision	Cost	Provision
Available for sel	-	-	32,818,192,450	(25,776,772,450)
- Listed shares	-	-	7,616,192,450	(2,276,772,450)
- Unlisted shares	-	-	25,202,000,000	(23,500,000,000)
Other short-term investments	1,055,500,000,000	-	510,000,000,000	-
Trade receivables	1,998,828,648,247	(151,467,089,618)	1,320,384,644,263	-
Receivables from related parties	91,665,707,098	-	141,092,808,805	-
Other receivables	34,295,014,648	-	25,545,606,430	-
Other non-current financial assets	45,000,000	-	5,045,000,000	(5,000,000,000)
Cash and cash equivalents	618,518,444,081	-	681,485,846,811	-
TOTAL	3,798,852,814,074	(151,467,089,618)	2,716,372,098,759	(30,776,772,450)
Financial liabilities	Cost	Provision	Cost	Provision
Trade payables	892,582,606,369	-	429,326,794,486	-
Payables to related parties	121,025,561,054	-	145,963,362,534	-
Other current financial liabilities	708,701,920,689	-	698,598,715,812	-
Other non-current financial liabilities	4,632,162,730	-	4,174,313,599	-
TOTAL	1,726,942,250,842	-	1,278,063,186,431	-
	Cost	Provision	Cost	Provision
TOTAL	1,726,942,250,842	(151,467,089,618)	1,726,942,250,842	(1,278,063,186,431)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

as at and for the year ended 31 December 2013

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34. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following method and assumption were used to estimate the fair values:

- The fair values of listed shares have been determined based on their closing price in the Ho Chi Minh Stock Exchange ("HOSE") as at the balance sheet date.
- Fair value of un-listed shares, which have active market, are the average price quoted by three independent securities companies as at the balance sheet date.
- Except for items noted in preceding paragraph the fair values of the financial assets and liabilities had not yet been formally assessed and determined as at 31 December 2013 and 31 December 2012. However, it is management's assessment that the fair values of these financial assets and liabilities are approximately the same as their carrying value as at the balance sheet date.

35. EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements.



Vu Thi Hong Hanh
Preparer

15 March 2014



Ha Tieu Anh
Chief accountant

Nguyen Ba Duong
General Director



AN PHU APARTMENT COMPLEX

Investor	: An Phu Joint Stock Company
Project size	: 2 basements and 25 floors
Area	: 37,000 m ²
Package	: Foundation, Super-structure and finishing
Value	: 195 billion dong
Address	: District 6, HCMC



NOI BAI T2 TERMINAL WORKS ▲

Investor : Northern Airports Corporation
Main contractor : Taisei - Japan
Project size : 1 basements and 4 floors
Area : 140,000 m²
Package : Main terminal
Value : 145 billion dong
Address : Noi Bai International Airport - Hanoi



AEON BINH DUONG CANARY SHOPPING CENTER ▲

Investor : Aeon Corporation - Japan
 Main contractor : Obayashi - Japan
 Project size : Shopping Center and Car Parking Area of 1,000 cars,
 3,500 motorbikes
 Construction area: 70,000 m²
 Value : 120 billion dong
 Address : The Canary Urban Area - Binh Duong province

GAIN LUCKY FACTORY ▶

Investor : Shenzhou International Holdings (China)
 Construction area: 31 ha on the land area of 83 ha
 Package : Structural & Architectural Works
 Value : 900 billion dong (phase 1)
 Address : Phuoc Dong Industrial Park - Tay Ninh





◀ **BROTEX COLOR-YARN PLANT**

Investor : Brotex (China)
 Project size : Facilities
 Construction area : 36 ha
 Package : Structural & Architectural Works
 Bidding value : 970 billion dong (phases 1 and 2)
 Address : Phuoc Dong Industrial Park - Tay Ninh

VIETTEL COMMERCIAL AND OFFICE CENTER ▼

Investor : Viettel
 Project size : 3 basements, two 30-floor buildings
 Package : Construction and completion of the main part of Building A
 Value : 360 billion dong
 Address : District 10, HCMC



SC VIVO CITY (VIVOCITY) ▲

Investor	: Saigon Co.op and Mapletree (Singapore)	Package	: General Contractor
Project size	: Shopping center	Bidding value	: 1,200 billion dong
Construction floor area	: 110,000 m ² , including 1.5 basements and 5 floor	Address	: District 7, HCMC



PHU QUOC SALINDA RESORT AND SPA ▼

Investor : An Cuong Company
Project size : Resort
Construction area : 2.1 ha including 120 luxury rooms
Package : General Contractor
Value : 192 billion dong
Address : Duong Dong town - Phu Quoc



TAINAN SPINNING FACTORY (LONG THAI TU FACTORY) ▶

Investor : Tainan Company
Project size : Factory facilities.
Construction area: 18ha
Package : Design and build
Value : 200 billion dong
Address : Nhon Trach Industry Park - Dong Nai



DATA CENTER (HOSE) ▲

Investor : HCM Stock Exchange (Hose)
Project size : 9 floor building.
Floor area : 15,000 m²
Package : Construction and installation
Value : 138 billion dong
Address : District 12, HCMC





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