

Coteccons Construction Joint Stock Company

Consolidated financial statements

For the year ended 31 December 2020



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For the year ended 31 December 2020



Coteccons Construction Joint Stock Company

GENERAL INFORMATION

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Coteccons Construction Joint Stock Company

GENERAL INFORMATION

THE COMPANY

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

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

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

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

BOARD OF DIRECTORS

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

Mr. Bolat Duisenov	Chairman	appointed on 5 October 2020
	Member	appointed on 22 June 2020
Mr. Nguyen Ba Duong	Chairman	resigned on 2 October 2020
Mr. Talgat Turumbayev	Member	
Mr. Yerkin Tatishev	Member	
Mr. Tan Chin Tiong	Member	
Mr. Herwig Guido H. Van Hove	Member	appointed on 22 June 2020
Mr. Nguyen Quoc Hiep	Member	resigned on 12 October 2020
Mr. Nguyen Sy Cong	Member	resigned on 21 June 2020
Mr. Tran Quyet Thang	Member	resigned on 20 June 2020

BOARD OF SUPERVISION

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

Mr. Luis Fernando Garcia Agraz	Head of Board of Supervision
Mr. Dang Hoai Nam	Member
Mr. Nguyen Minh Nhut	Member

Coteccons Construction Joint Stock Company

GENERAL INFORMATION (continued)

MANAGEMENT

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

Mr. Vo Thanh Liem	Deputy General Director	appointed on 6 August 2020, resigned on 5 March 2021
Mr. Vo Thanh Liem	Acting General Director	
Mr. Nguyen Sy Cong	General Director	resigned on 5 August 2020
Mr. Pham Quan Luc	Deputy General Director	appointed on 9 October 2020
Mr. Tu Dai Phuc	Deputy General Director	resigned on 12 October 2020
Mr. Phan Huu Duy Quoc	Deputy General Director	appointed on 5 March 2021
Mr. Nguyen Ngoc Lan	Deputy General Director	appointed on 5 March 2021
Mr. Vo Hoang Lam	Deputy General Director	appointed on 5 March 2021
Mr. Tran Tri Gia Nguyen	Deputy General Director	appointed on 9 October 2020
Mr. Tran Quang Quan	Deputy General Director	resigned on 5 August 2020
Mr. Tran Van Chinh	Deputy General Director	resigned on 30 September 2020

LEGAL REPRESENTATIVE

The legal representatives of the Company during the year and at the date of this report are:

Mr. Bolat Duisenov	appointed on 6 August 2020
Mr. Talgat Turumbayev	appointed on 2 February 2021
Mr. Nguyen Ba Duong	to 2 October 2020

Mr. Pham Quan Luc is authorised by Mr. Bolat Duisenov to sign the accompanying consolidated financial statements for the year ended 31 December 2020 in accordance with the Power of Attorney No. 1277/2021/UQ-CTHDQT dated 15 January 2021.

AUDITORS

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

Coteccons Construction Joint Stock Company

REPORT OF MANAGEMENT

Management of Coteccons Construction Joint Stock Company ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2020.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of management:



Pham Quang Luc
Deputy General Director

Ho Chi Minh City, Vietnam

30 March 2021

Reference: 60813343/22321723-HN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Coteccons Construction Joint Stock Company

We have audited the accompanying consolidated financial statements of Coteccons Construction Joint Stock Company ("the Company") and its subsidiaries (collectively referred to as the "Group") as prepared on 30 March 2021 and set out on pages 6 to 45, which comprise the consolidated balance sheet as at 31 December 2020, and the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2020, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

Other matter

The consolidated financial statements of the Group for the year ended 31 December 2019 were audited by another audit firm which expressed an unmodified opinion on those financial statements on 27 March 2020.

In addition, we draw attention to Note 34 of the consolidated financial statements. In 2020, the Company's management restated and reclassified certain items to reflect better and fair presentation of the last year consolidated financial statements.

Our opinion is not modified in respect of this matter.

Ernst & Young Vietnam Limited



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

Ly Hong My
Auditor
Audit Practicing Registration Certificate
No. 4175-2017-004-1

Ho Chi Minh City, Vietnam

30 March 2021

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CONSOLIDATED BALANCE SHEET
as at 31 December 2020

VND

Code	ASSETS	Notes	Ending balance	Beginning balance (As restated – Note 34)
100	A. CURRENT ASSETS		12,867,742,344,915	14,727,405,324,722
110	i. Cash and cash equivalents	5	1,396,764,826,755	800,791,418,362
111	1. Cash		246,931,644,655	116,191,418,362
112	2. Cash equivalents		1,149,833,182,100	684,600,000,000
120	ii. Short-term investment		1,980,960,000,000	3,241,650,000,000
121	1. Held-for-trading securities	6.1	130,000,000,000	-
123	2. Held-to-maturity investments	6.2	1,850,960,000,000	3,241,650,000,000
130	iii. Current accounts receivable		7,648,321,521,326	8,797,679,575,624
131	1. Short-term trade receivables	7.1	7,562,109,866,516	8,416,090,588,256
132	2. Short-term advances to suppliers	7.2	150,550,717,848	397,567,198,072
135	3. Short-term loan receivables	8	262,836,821,544	-
136	4. Other short-term receivables	9	167,278,141,330	198,529,552,115
137	5. Provision for doubtful short-term receivables	7.1, 9	(494,454,025,912)	(214,507,762,819)
140	iv. Inventory	10	1,492,037,630,688	1,626,319,466,015
141	1. Inventories		1,522,030,908,553	1,626,319,466,015
149	2. Provision for obsolete inventories		(29,993,277,865)	-
150	v. Other current assets		349,658,366,146	260,964,864,721
151	1. Short-term prepaid expenses	11	6,387,670,315	3,456,235,463
152	2. Value-added tax deductibles		343,270,695,831	257,508,629,258

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2020

VND


Code	ASSETS	Notes	Ending balance	Beginning balance (As restated – Note 34)
200	B. NON-CURRENT ASSETS		1,289,671,333,968	1,471,183,357,663
220	i. Fixed assets		603,825,141,002	704,236,452,568
221	1. Tangible fixed assets	12	510,821,338,966	606,407,661,470
222	Cost		1,008,777,580,204	1,044,721,740,952
223	Accumulated depreciation		(497,956,241,238)	(438,314,079,482)
227	2. Intangible fixed assets	13	93,003,802,036	97,828,791,098
228	Cost		119,238,318,503	118,687,800,078
229	Accumulated amortisation		(26,234,516,467)	(20,859,008,980)
230	ii. Investment properties	14	46,847,830,834	49,603,357,264
231	1. Cost		69,677,550,622	69,677,550,622
232	2. Accumulated depreciation		(22,829,719,788)	(20,074,193,358)
240	iii. Long-term asset in progress		161,507,554,550	161,115,839,300
241	1. Long-term work in progress	15	160,541,000,000	160,541,000,000
242	2. Construction in progress		966,554,550	574,839,300
250	iv. Long-term investments		365,159,081,871	394,287,974,564
252	1. Investments in associates	16.1	63,553,604,412	394,287,974,564
253	2. Investment in another entity	16.2	301,605,477,459	-
260	v. Another long-term asset		112,331,725,711	161,939,733,967
261	1. Long-term prepaid expenses	11	98,248,717,152	161,939,733,967
262	2. Deferred tax assets	30.3	14,083,008,559	-
270	TOTAL ASSETS		14,157,413,678,883	16,198,588,682,385




CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2020

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance (As restated – Note 34)
300	C. LIABILITIES		5,758,744,202,842	7,729,313,976,168
310	i. Current liabilities		5,753,169,242,078	7,710,283,750,131
311	1. Short-term trade payables	17.1	3,307,186,103,090	4,571,387,201,404
312	2. Short-term advances from customers	17.2	509,692,174,529	720,914,499,291
313	3. Statutory obligations	18	61,555,809,420	87,849,950,894
315	4. Short-term accrued expenses	19	1,563,428,756,508	2,102,171,113,108
318	5. Short-term unearned revenues	20	44,573,695,067	54,781,130,228
319	6. Other short-term payables	21	93,793,960,789	41,603,836,458
321	7. Short-term provisions	22	85,109,244,449	65,205,053,085
322	8. Bonus and welfare fund	23	87,829,498,226	66,370,965,663
330	ii. Non-current liabilities		5,574,960,764	19,030,226,037
337	1. Other long-term liabilities	21	2,039,203,038	542,006,657
341	2. Deferred tax liabilities	30.3	-	12,177,967,496
342	3. Long-term provision	22	3,535,757,726	6,310,251,884
400	D. OWNERS' EQUITY		8,398,669,476,041	8,469,274,706,217
410	i. Capital	24.1	8,398,669,476,041	8,469,274,706,217
411	1. Share capital		792,550,000,000	792,550,000,000
411a	- Shares with voting rights		792,550,000,000	792,550,000,000
412	2. Share premium		3,038,990,175,385	3,038,990,175,385
415	3. Treasury shares		(519,526,282,648)	(443,424,538,999)
418	4. Investment and development fund		4,667,193,310,873	3,998,330,960,122
421	5. Undistributed earnings		365,227,529,131	1,028,773,028,814
421a	- Undistributed earnings by the end of prior year		30,852,913,513	318,128,283,386
421b	- Undistributed earnings of current year		334,374,615,618	710,644,745,428
429	6. Non-controlling interests		54,234,743,300	54,055,080,895
440	TOTAL LIABILITIES AND OWNERS' EQUITY		14,157,413,678,883	16,198,588,682,385


Vu Thanh Phuong
Preparer


Cao Thi Mai Le
Chief Accountant


Pham Quang Luc
Deputy General Director

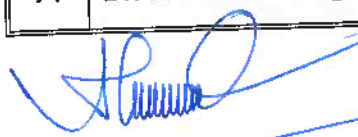


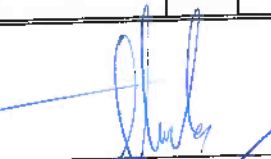
30 March 2021

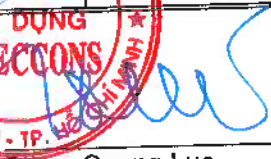
CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2020

VND

Code	ITEMS	Notes	Current year	Beginning balance (As restated – Note 34)
01	1. Revenues from sale of goods and rendering of services	25.1	14,589,198,781,083	23,733,028,252,165
02	2. Revenues deductions	25.1	(31,112,346,115)	-
10	3. Net revenues from sale of goods and rendering of services	25.1	14,558,086,434,968	23,733,028,252,165
11	4. Cost of goods sold and services rendered	26	(13,701,679,421,556)	(22,684,921,110,980)
20	5. Gross profit from sale of goods and rendering of services		856,407,013,412	1,048,107,141,185
21	6. Finance income	25.2	228,216,305,252	263,864,493,550
22	7. Finance expenses		(462,594,755)	(9,346,944)
24	8. Share of (loss) profit of associates	16.1	(27,004,720,298)	4,069,273,547
26	9. General and administrative expenses	27	(655,860,103,467)	(458,979,143,450)
30	10. Operating profit		401,295,900,144	857,052,417,888
31	11. Other income	28	39,342,162,410	41,825,059,246
32	12. Other expenses	28	(12,681,817,591)	(8,392,522,611)
40	13. Other profit	28	26,660,344,819	33,432,536,635
50	14. Accounting profit before tax		427,956,244,963	890,484,954,523
51	15. Current corporate income tax expense	30.1	(168,392,038,487)	(164,453,039,966)
52	16. Deferred tax income (expense)	30.3	74,990,071,547	(15,361,288,234)
60	17. Net profit after tax		334,554,278,023	710,670,626,323
61	18. Net profit after tax attributable to shareholders of the parent		334,374,615,618	710,644,745,428
62	19. Net gain after tax attributable to non-controlling interests	24.1	179,662,405	25,880,895
70	20. Basic earnings per share	24.5	4,164	8,856
71	21. Diluted earnings per share	24.5	4,164	8,856


Vu Thanh Phuong
Preparer


Cao Thi Mai Le
Chief Accountant


Pham Quang Luc
Deputy General Director



CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2020

VND

Code	ITEMS	Notes	Current year	Previous year (As restated – Note 34)
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		427,956,244,963	890,484,954,523
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	12, 13, 14	107,825,436,581	108,513,963,904
03	Provisions			(6,825,375,905)
04	(reversal of provisions)			
	Foreign exchange gains arisen from revaluation of monetary accounts denominated in foreign currency		(55,864,321)	(636,401,875)
05	Profit from investing activities		(200,859,707,369)	(273,641,801,243)
08	Operating profit before changes in working capital		661,935,348,018	717,895,339,404
09	Decrease in receivables		1,008,496,703,738	311,858,953,486
10	Decrease (increase) in inventories		104,288,557,462	(182,795,489,410)
11	Decrease in payables		(2,077,399,695,365)	(997,251,807,534)
12	Decrease in prepaid expenses		60,759,581,963	186,921,631,473
13	Increase in held-for-trading securities		(130,000,000,000)	-
15	Corporate income tax paid	18	(164,932,519,420)	(207,963,845,299)
17	Other cash outflows from operating activities		(29,992,417,495)	(167,578,157,521)
20	Net cash flows used in operating activities		(566,844,441,099)	(338,913,375,401)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases and of fixed assets		(5,073,518,139)	(76,630,918,237)
22	Proceeds from disposals of fixed assets		8,302,796,307	9,545,855,152
23	Net payments for term deposits at banks and loans to other entity		(3,853,486,821,544)	(4,708,893,000,000)
24	Net collections from bank term deposits		4,981,340,000,000	5,374,301,000,000
25	Payments for investments in other entities		-	(163,516,404,212)
27	Interest received		260,522,570,634	334,358,499,651
30	Net cash flows from investing activities		1,391,605,027,258	769,165,032,354
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Issuance of shares	24.1	-	50,345,000,000
32	Capital redemption		-	(3,865,600,000)
36	Dividends paid	24.4	(229,107,038,550)	(229,028,397,550)
40	Net cash flows used in financing activities		(229,107,038,550)	(182,548,997,550)

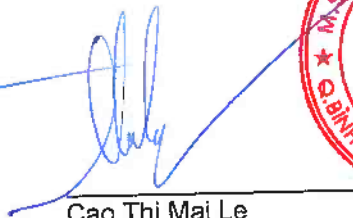
CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2020

VND

Code	ITEMS	Notes	Current year	Previous year (As restated – Note 34)
50	Net increase in cash and cash equivalents		595,653,547,609	247,702,659,403
60	Cash and cash equivalents at beginning of the year		800,791,418,362	552,833,230,980
61	Impact of exchange rate fluctuation		319,860,784	255,527,979
70	Cash and cash equivalents at end of the year	5	1,396,764,826,755	800,791,418,362



Vu Thanh Phuong
Preparer



Cao Thi Mai Le
Chief Accountant



Pham Quang Luc
Deputy General Director

30 March 2021



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2020 and for the year then ended**1. CORPORATE INFORMATION**

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

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

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

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

The number of the Group's employees as at 31 December 2020 was 1,659 (31 December 2019: 2,272).

Group structure

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

Unicons Investment Construction Company Limited ("Unicons")

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

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

As at 31 December 2020 and 31 December 2019, the Company holds 100% equity interest and voting rights in Unicons.

Covestcons Company Limited ("Covestcons")

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

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

As at 31 December 2020 and 31 Decmeber 2019, the Company holds 100% equity interest and voting rights in Covestcons.

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

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

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

As at 31 December 2020 and 31 December 2019, the Company holds 69.98% equity interest and voting rights in Phu Nhuan 168.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

2. BASIS OF PREPARATION

2.1 *Applied accounting standards and system*

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

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

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

2.3 *Fiscal year*

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

2.4 *Accounting currency*

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

2.5 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2020.

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

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

3.2 Receivables

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

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

3.3 Inventories

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

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

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

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

Provision for obsolete inventories

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

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

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

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

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

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

Land use rights

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

3.6 Depreciation and amortisation

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

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

3.7 Investment properties

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

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

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

Office building	30 - 45 years
Others	25 years

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 *Construction in progress*

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

3.9 *Leased assets*

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

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

Where the Group is the lessee

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

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.

3.10 *Prepaid expenses*

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

3.11 *Investments*

Investments in associates

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 *Investments* (continued)

Investments in associates (continued)

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

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

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

Held-to-maturity investments

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

Investments in other entities

Investments in other entities are stated at their acquisition costs.

Provision for diminution in value of investments

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

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

3.12 *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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 *Accrual for severance allowance pay*

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

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

3.14 *Provisions*

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

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

3.15 *Foreign currency transactions*

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

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

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

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

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

3.16 *Earnings per share*

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Treasury shares

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

3.18 Appropriation of net profits

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

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

▶ *Investment and development fund*

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

▶ *Bonus and welfare fund*

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

3.19 Revenue recognition

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

Construction contracts

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

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

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

Sale of goods

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

Rendering of services

Revenue is recognized when services are rendered and completed.

Rental income

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Revenue recognition (continued)

Interest

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

3.20 Taxation

Current income tax

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

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

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

Deferred tax

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

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Taxation (continued)

Deferred tax (continued)

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

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

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

3.21 Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

Group's business segment is derived mainly from sales of rendering construction services, equipments rental, office rental and other services.

3.22 Related parties

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

4. SIGNIFICANT EVENT

Covid-19 pandemic

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

5. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	28,750,000	1,985,476,702
Cash at banks	170,801,151,006	114,205,941,660
Cash in transit	76,101,743,649	-
Cash equivalents (*)	1,149,833,182,100	684,600,000,000
TOTAL	<u>1,396,764,826,755</u>	<u>800,791,418,362</u>

(*) Cash equivalents represent deposits at commercial banks with original maturity of no more than three (3) months and earn interest at the applicable interest rates.

6. SHORT-TERM INVESTMENTS

6.1 Held-for-trading securities

	VND			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Shares	<u>130,000,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

6.2 Held-to-maturity investments

Held-to-maturity investment represents short-term bank deposits with maturity terms from three (3) months to less than one (1) year and earns interest at applicable rates.

7. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

7.1 Short-terms trade receivables

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Hoi An South Development Co. Ltd.	933,514,005,301	1,052,674,643,124
Ricons Group Investment Construction Joint Stock Company	98,833,962,020	176,108,228,882
Others	6,529,761,899,195	7,187,307,716,250
TOTAL	<u>7,562,109,866,516</u>	<u>8,416,090,588,256</u>
Provision for doubtful short-term receivables	<u>(459,003,063,218)</u>	<u>(188,469,800,125)</u>
NET	<u>7,103,106,803,298</u>	<u>8,227,620,788,131</u>
<i>In which:</i>		
<i>Receivables from a related party (Note 31)</i>	134,106,720	176,108,228,882

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

7. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS (continued)

7.1 Short-terms trade receivables (continued)

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

	VND	
	Current year	Previous year
Beginning balance	188,469,800,125	183,823,935,386
Add: Provision made during the year	<u>270,533,263,093</u>	<u>4,645,864,739</u>
Ending balance	<u>459,003,063,218</u>	<u>188,469,800,125</u>

7.2 Short-term advances to suppliers

	VND	
	Ending balance	Beginning balance
An Gia Real Estate Investment and Development Corporation	-	130,000,000,000
Others	<u>150,550,717,848</u>	<u>267,567,198,072</u>
TOTAL	<u>150,550,717,848</u>	<u>397,567,198,072</u>

8. SHORT-TERM LOAN RECEIVABLE

Short-term loan receivable represents lending to Vinh Tan Stones Joint Stock Company in accordance to business corporation contract No. 11/2020/CVC-VTS dated on 17 November 2020 and contract No. 12/2020/CVC-VTS dated on 31 December 2020 for investing and purchasing IDICO Corporation's shares.

9. OTHER SHORT-TERM RECEIVABLES

	VND	
	Ending balance	Beginning balance
Interest receivable	110,651,486,517	143,191,829,835
Short-term deposits	33,286,833,152	33,114,069,591
Advances to construction teams and employees	20,358,683,544	19,678,975,560
Others	<u>2,981,138,117</u>	<u>2,544,677,129</u>
TOTAL	<u>167,278,141,330</u>	<u>198,529,552,115</u>
Provision for doubtful short-term receivables	<u>(35,450,962,694)</u>	<u>(26,037,962,694)</u>
NET	<u>131,827,178,636</u>	<u>172,491,589,421</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

10. INVENTORIES

	VND			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Construction work in process (*)	<u>1,522,030,908,553</u>	<u>(29,993,277,865)</u>	<u>1,626,319,466,015</u>	<u>-</u>

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

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Spirit Saigon project	130,712,678,437	7,681,985,504
Crowne Plaza Phu Quoc project	130,318,953,938	144,224,212,448
58 Tay Ho project	79,473,329,979	111,287,042,701
Other constructions projects	1,181,525,946,199	1,363,126,225,362
TOTAL	<u>1,522,030,908,553</u>	<u>1,626,319,466,015</u>

Detail of movements of provision for obsolete inventories

	VND	
	<i>Current year</i>	<i>Previous year</i>
Provision made during the year and ending balance	<u>29,993,277,865</u>	<u>-</u>

11. PREPAID EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	6,387,670,315	3,456,235,463
Office tools and equipment	6,387,670,315	3,456,235,463
Long-term	98,248,717,152	161,939,733,967
Construction tools and equipment	70,395,865,926	130,882,866,044
Office tools and equipment	27,852,851,226	31,056,867,923
TOTAL	<u>104,636,387,467</u>	<u>165,395,969,430</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

12. TANGIBLE FIXED ASSETS

	Buildings & structures	Machinery & equipment	Means of transportation	Office equipment	Others	Total
Cost						VND
Beginning balance	238,603,456,623	728,225,105,988	50,394,067,902	35,579,952,861	3,049,716,291	1,055,852,299,665
As previously reported	-	(11,130,558,713)	-	-	-	(11,130,558,713)
Impact of retrospective adjustments - Note 34	238,603,456,623	717,094,547,275	50,394,067,902	35,579,952,861	3,049,716,291	1,044,721,740,952
As restated	698,542,464	-	209,220,000	4,305,904,600	-	5,213,667,064
New purchases	-	(12,445,427,701)	-	-	-	(12,445,427,701)
Reclassification	-	(24,097,871,590)	(987,809,273)	(878,592,000)	-	(25,964,272,863)
Disposal	-	(2,748,127,248)	-	-	-	(2,748,127,248)
Write off	-	-	-	-	-	-
Ending balance	239,301,999,087	677,803,120,736	49,615,478,629	39,007,265,461	3,049,716,291	1,008,777,580,204
In which:						
Fully depreciated	29,644,318,328	33,671,350,216	19,713,745,332	24,304,489,606	3,049,716,291	110,383,619,773
Accumulated depreciation						
Beginning balance	(85,238,929,804)	(303,327,617,212)	(30,820,742,588)	(26,761,659,958)	(3,049,716,291)	(449,198,665,853)
As previously reported	-	10,884,586,371	-	-	-	10,884,586,371
Impact of retrospective adjustments - Note 34	(85,238,929,804)	(292,443,030,841)	(30,820,742,588)	(26,761,659,958)	(3,049,716,291)	(438,314,079,482)
As restated	(13,139,342,748)	(75,915,785,294)	(5,513,241,404)	(5,126,033,218)	-	(99,694,402,664)
Depreciation for the year	-	11,581,682,005	-	-	-	11,581,682,005
Reclassification	-	24,097,871,590	987,809,273	878,592,000	-	25,964,272,863
Disposal	-	2,506,286,040	-	-	-	2,506,286,040
Write off	-	-	-	-	-	-
Ending balance	(98,378,272,552)	(330,172,976,500)	(35,346,174,719)	(31,009,101,176)	(3,049,716,291)	(497,956,241,238)
Net carrying amount						
Beginning balance	153,364,526,819	424,651,516,434	19,573,325,314	8,818,292,903	-	606,407,661,470
(As restated - Note 34)	140,923,726,535	347,630,144,236	14,269,303,910	7,998,164,285	-	510,821,338,966
Ending balance						

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

13. INTANGIBLE FIXED ASSETS

	<i>Land use rights</i>	<i>Software</i>	<i>VND</i> <i>Total</i>
Cost			
Beginning balance	94,881,924,366	23,805,875,712	118,687,800,078
New purchase	-	550,518,425	550,518,425
Ending balance	<u>94,881,924,366</u>	<u>24,356,394,137</u>	<u>119,238,318,503</u>
<i>In which:</i>			
<i>Fully amortised</i>	-	11,014,192,435	11,014,192,435
Accumulated amortisation			
Beginning balance	(6,679,868,057)	(14,179,140,923)	(20,859,008,980)
Amortisation for the year	(611,035,860)	(4,764,471,627)	(5,375,507,487)
Ending balance	<u>(7,290,903,917)</u>	<u>(18,943,612,550)</u>	<u>(26,234,516,467)</u>
Net carrying value			
Beginning balance	<u>88,202,056,309</u>	<u>9,626,734,789</u>	<u>97,828,791,098</u>
Ending balance	<u>87,591,020,449</u>	<u>5,412,781,587</u>	<u>93,003,802,036</u>

14. INVESTMENT PROPERTIES

	<i>Office building</i>	<i>Others</i>	<i>VND</i> <i>Total</i>
Cost			
Beginning balance and ending balance	<u>51,057,186,713</u>	<u>18,620,363,909</u>	<u>69,677,550,622</u>
Accumulated depreciation			
Beginning balance	(15,503,928,434)	(4,570,264,924)	(20,074,193,358)
Depreciation for the year	(2,010,711,858)	(744,814,572)	(2,755,526,430)
Ending balance	<u>(17,514,640,292)</u>	<u>(5,315,079,496)</u>	<u>(22,829,719,788)</u>
Net carrying amount			
Beginning balance	<u>35,553,258,279</u>	<u>14,050,098,985</u>	<u>49,603,357,264</u>
Ending balance	<u>33,542,546,421</u>	<u>13,305,284,413</u>	<u>46,847,830,834</u>

The fair value of the investment properties was not formally assessed and determined as at 31 December 2020. However, given the present occupancy rate of these properties, it is management's assessment that these properties' market values are higher than their carrying value as at the balance sheet date.

15. LONG-TERM WORK IN PROGRESS

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

Coteccons Construction Joint Stock Company

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

16. LONG-TERM INVESTMENTS**16.1 Investment in associates**

Name	Business activities		Ending balance		Beginning balance	
	Ownership %	Amount VND	Ownership %	Amount VND	Ownership %	Amount VND
FCC Infrastructure Investment Joint Stock Company ("FCC")	42.36	60,832,672,517	42.36	90,000,220,565	42.36	90,000,220,565
Hitecocons Investmen Joint Stock Company ("Hitecocons")	31.00	2,578,484,382	31.00	2,536,943,725	31.00	2,536,943,725
Quang Trong Commercial Joint Stock Company ("Quang Trong")	36.00	142,447,513	36.00	145,332,815	36.00	145,332,815
Ricons Group Investment Construction Joint Stock Company ("Ricons") (*)	-	-	-	301,605,477,459	14.30	301,605,477,459
TOTAL		63,553,604,412		394,287,974,564		394,287,974,564

Details of these investments in associates are as follows:

	Ricons (*)	FCC	Quang Trong	Hitecocons	Total
Cost of investment					
Beginning balance	57,960,000,000	159,600,000,000	18,000,000,000	2,790,000,000	238,350,000,000
Decrease	(57,960,000,000)	-	-	-	(57,960,000,000)
Ending balance	-	159,600,000,000	18,000,000,000	2,790,000,000	180,390,000,000
Accumulated share in post-acquisition (loss) profit of associates					
Beginning balance	243,645,477,459	(69,599,779,435)	(17,854,667,185)	(253,056,275)	155,937,974,564
Share in post-acquisition profit (loss) of associates for the year	2,124,172,395	(29,167,548,048)	(2,885,302)	41,540,657	(29,128,892,693)
Unrealise profit in the year	(245,769,649,854)	-	-	-	2,124,172,395
Decrease	-	(98,767,327,483)	(17,857,552,487)	(211,515,618)	(245,769,649,854)
Ending balance	-	90,000,220,565	145,332,815	2,536,943,725	394,287,974,564
Net carrying amount					
Beginning balance	301,605,477,459	90,000,220,565	145,332,815	2,536,943,725	394,287,974,564
Ending balance	-	60,832,672,517	142,447,513	2,578,484,382	63,553,604,412



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

16. LONG-TERM INVESTMENTS (continued)

16.2 Investment in another entity

The details of investment in another entity are as follows:

	Ending balance		Beginning balance	
	Ownership %	Amount (VND)	Ownership %	Amount (VND)
Ricons Group Investment Construction Joint Stock Company (*)	14.30	301,605,477,459	-	-

(*) The authorisation for 8.8% of voting right in Ricons given to the Company were expired on 31 December 2019. According the Company has no significant influence on Ricons and the investment in Ricons was reclassified as another investment.

17. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

17.1 Short-term trade payables

	Ending balance	Beginning balance	VND
Ricons Group Investment Construction Joint Stock Company	226,006,088,641	594,123,185,007	
Riland Investment Joint Stock Company	64,036,085,177	154,762,782,088	
Others	3,017,143,929,272	3,822,501,234,309	
TOTAL	3,307,186,103,090	4,571,387,201,404	
<i>In which:</i>			
Payables to related parties (Note 31)	-	748,885,967,095	

17.2 Short-term advances from customers

	Ending balance	Beginning balance	VND
Nam Phuong Development Investment Joint Stock Company	130,000,000,000	-	
Thai Son Construction Investment Joint Stock Company	57,387,230,960	76,609,584,169	
Vinhomes Joint Stock Company	52,926,365,384	-	
Phu My Hung Development Company Limited	46,528,101,913	69,089,850,597	
Le Phong Development And Investment Company Limite	39,761,805,781	-	
Sabeco Hp Investment Company Limited	38,353,156,843	69,089,850,597	
Phuong Nam 3A-2 Real Estate Business Joint Stock Company	-	114,618,345,120	
Other customers	144,735,513,648	391,506,868,808	
TOTAL	509,692,174,529	720,914,499,291	

Coteccons Construction Joint Stock Company

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

18. STATUTORY OBLIGATIONS

	Beginning balance	Increase in the year	Off set in the year	Payment in the year	Ending balance	VND
Corporate income tax	47,889,740,881	169,517,977,951	-	(164,932,519,420)	52,475,199,412	
Personal income tax	39,960,210,013	91,050,653,909	-	(121,930,253,914)	9,080,610,008	
Value-added tax	-	1,551,195,902,854	(1,354,536,369,997)	(196,659,532,857)	-	
Others	-	1,788,397,002	-	(1,788,397,002)	-	
TOTAL	87,849,950,894	1,813,552,931,716	(1,354,536,369,997)	(485,310,703,193)	61,555,809,420	

19. SHORT-TERM ACCRUED EXPENSES

	Ending balance	Beginning balance	VND
Accruals for on-going construction projects	1,560,768,867,208	2,099,811,113,108	
Others	2,659,889,300	2,360,000,000	
TOTAL	1,563,428,756,508	2,102,171,113,108	

20. SHORT-TERM UNEARNED REVENUE

	Ending balance	Beginning balance	VND
Unearned revenue from construction works	43,760,269,001	54,781,130,228	
Unearned revenue from office leasing	813,426,066	-	
TOTAL	44,573,695,067	54,781,130,228	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

21. OTHER PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	93,793,960,789	41,603,836,458
Payable to repurchase stocks	76,101,743,649	-
Payable to construction teams and employees	15,968,769,849	28,265,070,533
Others	1,723,447,291	13,338,765,925
Long-term	2,039,203,038	542,006,657
Deposits	2,039,203,038	542,006,657
TOTAL	<u>95,833,163,827</u>	<u>42,145,843,115</u>

22. PROVISIONS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	85,109,244,449	65,205,053,085
Provisions for construction warranty	85,109,244,449	65,205,053,085
Long-term	3,535,757,726	6,310,251,884
Severance allowance	3,535,757,726	6,310,251,884
TOTAL	<u>88,645,002,175</u>	<u>71,515,304,969</u>

23. BONUS AND WELFARE FUND

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	66,370,965,663	157,276,000,184
Increase in the year (Note 24.1)	51,450,950,058	75,520,000,000
Utilization of fund	<u>(29,992,417,495)</u>	<u>(166,425,034,521)</u>
Ending balance	<u>87,829,498,226</u>	<u>66,370,965,663</u>

Coteccons Construction Joint Stock Company

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

24. OWNERS' EQUITY

24.1 Increase and decrease in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings (As restated – Note 34)	Non-controlling interest	VND Total
Previous year							
Beginning balance	783,550,000,000	2,997,645,175,385	(439,558,938,999)	3,016,565,960,122	1,604,291,002,386	-	7,962,493,198,894
Increase capital	9,000,000,000	41,345,000,000	-	-	-	10,200,000,000	60,545,000,000
New establish	-	-	-	-	-	43,829,200,000	43,829,200,000
Treasury shares	-	-	(3,865,600,000)	-	-	-	(3,865,600,000)
Net profit for the year (As restated – Note 34)	-	-	-	-	710,644,745,428	25,880,895	710,670,626,323
Profit appropriation	-	-	-	981,765,000,000	(981,765,000,000)	-	-
Transfer to bonus and welfare fund (Note 23)	-	-	-	-	(75,520,000,000)	-	(75,520,000,000)
Dividends declared	-	-	-	-	(228,877,719,000)	-	(228,877,719,000)
Ending balance	792,550,000,000	3,038,990,175,385	(443,424,538,999)	3,998,330,960,122	1,028,773,028,814	54,055,080,895	8,469,274,706,217



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

24. OWNERS' EQUITY (continued)

24.1 Increase and decrease in owners' equity (continued)

	Share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings – (As restated – Note 34)	Non-controlling interest	VND Total
Current year							
Beginning balance	792,550,000,000	3,038,990,175,385	(443,424,538,999)	3,998,330,960,122	1,029,019,001,156	54,055,080,895	8,469,520,678,559
As previously reported							
Impact of retrospective adjustments – Note 34	-	-	-	-	(245,972,342)	-	(245,972,342)
As restated	792,550,000,000	3,038,990,175,385	(443,424,538,999)	3,998,330,960,122	1,028,773,028,814	54,055,080,895	8,469,274,706,217
Net profit for the year	-	-	-	-	334,374,615,618	179,662,405	334,564,278,023
Profit appropriation	-	-	-	668,862,350,751	(668,862,350,751)	-	-
Transfer to bonus and welfare fund (Note 23)	-	-	-	-	(51,450,950,058)	-	(51,450,950,058)
Treasury shares	-	-	(76,101,743,649)	-	-	-	(76,101,743,649)
Dividends declared	-	-	-	-	(228,877,719,000)	-	(228,877,719,000)
Others	-	-	-	-	(48,729,095,492)	-	(48,729,095,492)
Ending balance	792,550,000,000	3,038,990,175,385	(519,526,282,648)	4,667,193,310,873	365,227,529,131	54,234,743,300	8,398,669,476,041

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

24. OWNERS' EQUITY (continued)

24.2 Capital transactions with owners and distribution of dividends

	Current year	VND Previous year
Share capital		
Beginning balance	792,550,000,000	783,550,000,000
Increase in year	-	9,000,000,000
Ending balance	<u>792,550,000,000</u>	<u>792,550,000,000</u>
Dividends		
Dividends declared	228,877,719,000	228,877,719,000

24.3 Shares

	Number of shares	
	Ending balance	Beginning balance
Authorised shares	79,255,000	79,255,000
Shares issued and fully paid	79,255,000	79,255,000
<i>Ordinary shares</i>	79,255,000	79,255,000
Treasury shares	3,922,427	2,962,427
<i>Ordinary shares</i>	3,922,427	2,962,427
Shares in circulation	75,332,573	76,292,573
<i>Ordinary shares</i>	75,332,573	76,292,573

24.4 Dividends

	Current year	VND Previous year
Dividends paid during the year		
<i>Dividends on ordinary shares</i>		
Dividends by cash	229,107,038,550	229,028,397,550

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

24. OWNERS' EQUITY (continued)

24.5 Earnings per share

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

	Current year	VND Previous year (As restated – Note 34)
Net profit after tax attributable to shareholders of the parent	334,374,615,618	710,644,745,428
Less: Bonus and welfare fund and allowance for Board of management (*)	<u>16,718,730,781</u>	<u>35,532,237,271</u>
Net profit after tax attributable to ordinary equity holders	317,655,884,837	675,112,508,157
Weighted average number of ordinary shares during the period (<i>shares</i>)	76,291,258	76,232,012
Basic and diluted earnings per share (VND/share)	4,164	8,856

(*) Net profit used to compute earnings per share for the year ended 31 December 2019 was adjusted for the provisional allocation to bonus and welfare fund from 2019 profit following the plan as approved in the resolution of the shareholders meeting dated 9 April 2019.

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

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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

25. REVENUES

25.1 Revenues from sale of goods and rendering of services

	VND	
	Current year	Previous year
Gross revenue	14,589,198,781,083	23,733,028,252,165
<i>In which:</i>		
<i>Rendering of construction services</i>	14,564,921,164,687	23,619,283,888,092
<i>Rental income from investment properties</i>	8,340,266,212	11,983,510,668
<i>Rental of construction equipment</i>	5,080,823,041	5,699,361,534
<i>Others</i>	10,856,527,143	96,061,491,871
Less	(31,112,346,115)	-
<i>Sale allowances</i>	<u>(31,112,346,115)</u>	<u>-</u>
Net revenue	<u>14,558,086,434,968</u>	<u>23,733,028,252,165</u>
<i>In which:</i>		
<i>Rendering of construction services (*)</i>	14,533,808,818,572	23,619,283,888,092
<i>Rental income from investment properties</i>	8,340,266,212	11,983,510,668
<i>Rental of construction equipment</i>	5,080,823,041	5,699,361,534
<i>Others</i>	10,856,527,143	96,061,491,871

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

	VND	
	Current year	Previous year
Revenue recognised during the year of the on-going construction contracts	14,052,907,179,265	22,092,156,759,821
Revenue recognised during the year of the completed construction contracts	<u>480,901,639,307</u>	<u>1,527,127,128,271</u>
TOTAL	<u>14,533,808,818,572</u>	<u>23,619,283,888,092</u>
Cumulative revenue recognised up to end of year of the on-going construction contracts	60,410,219,080,290	67,155,159,766,955

25.2 Finance income

	VND	
	Current year	Previous year
Interest income from bank deposits	227,282,210,281	254,817,694,365
Dividend received	9,072,000,000	-
Foreign exchange gains	234,077,936	752,387,267
Late payment interest	(8,371,982,965)	-
Interest from stock transfer	-	8,294,411,918
TOTAL	<u>228,216,305,252</u>	<u>263,864,493,550</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

26. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	<i>Current year</i>	<i>Previous year</i>
Rendering of construction services	13,689,912,459,801	22,586,608,633,250
Rental of investment properties	5,637,016,516	5,501,858,231
Rental of construction equipment	2,360,003,103	3,551,644,401
Others	3,769,942,136	89,258,975,098
TOTAL	<u>13,701,679,421,556</u>	<u>22,684,921,110,980</u>

27. GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Labour costs	259,952,985,817	324,052,057,490
Provision expense	277,171,768,935	4,645,864,739
Expenses for external services	43,443,497,111	42,773,397,376
Depreciation and amortisation	35,089,822,983	34,344,122,138
Others	40,202,028,621	53,163,701,707
TOTAL	<u>655,860,103,467</u>	<u>458,979,143,450</u>

28. OTHER INCOME AND EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year (As restated – Note 34)</i>
OTHER INCOME	39,342,162,410	41,825,059,246
Reversal of warranty provision	13,043,451,634	16,881,423,182
Reversal of over accrual for construction expenses	9,219,293,348	12,067,878,931
Gain from disposal of fixed assets	3,111,959,650	6,151,724,373
Others	13,967,457,778	6,724,032,760
OTHER EXPENSES	<u>(12,681,817,591)</u>	<u>(8,392,522,611)</u>
OTHER PROFIT	<u>26,660,344,819</u>	<u>33,432,536,635</u>

29. PRODUCTION AND OPERATING COSTS

	VND	
	<i>Current year</i>	<i>Previous year</i>
External services expenses	8,337,793,572,465	14,625,860,046,650
Raw materials	4,238,389,410,025	6,570,708,886,147
Labour costs	909,712,787,896	1,324,689,003,789
Tools and supplies	166,562,940,626	322,965,271,017
Depreciation and amortization (Notes 12, 13 and 14)	107,825,436,581	108,513,963,904
Provision	308,103,826,788	3,584,626,947
Others	188,354,245,950	281,114,970,288
TOTAL	<u>14,256,742,220,331</u>	<u>23,237,436,768,742</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

30. CORPORATE INCOME TAX

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

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

30.1 CIT expense

	VND	
	Current year	Previous year
CIT expense of current year	166,415,557,102	164,565,133,761
Adjustments for under (over) accrual of tax from prior years	<u>1,976,481,385</u>	<u>(112,093,795)</u>
	168,392,038,487	164,453,039,966
Deferred tax (income) expense	<u>(74,990,071,547)</u>	<u>15,361,288,234</u>
TOTAL	<u>93,401,966,940</u>	<u>179,814,328,200</u>

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

	VND	
	Current year	Previous year (As restated – Note 34)
Accounting profit before tax	<u>427,956,244,963</u>	<u>890,484,954,523</u>
CIT at applicable tax rate	85,591,248,992	178,096,990,906
<i>Adjustments:</i>		
Share of loss (profit) from associates	5,825,778,539	(813,854,709)
Non-deductible expenses	1,752,629,917	2,808,413,675
Dividend income	(1,814,400,000)	-
Unrealised loss (profit)	70,228,107	(165,127,877)
Adjustments for under (over) accrual of tax from prior years	<u>1,976,481,385</u>	<u>(112,093,795)</u>
CIT expense	<u>93,401,966,940</u>	<u>179,814,328,200</u>

30.2 Current tax

The current CIT payable is based on taxable income for the current year. The taxable income of the Group for the year differs from the 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

30. CORPORATE INCOME TAX (continued)

30.3 Deferred tax

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

	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>		VND
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>	
Revaluation of an asset	(48,729,095,492)	-	-	-	
Provision for investments	(76,576,360)	(13,997,620,725)	13,921,044,365	(13,921,044,365)	
Unrealised foreign exchange differences	(6,801,121)	(6,801,121)	-	-	
Provision for doubtful debts	55,094,597,994	-	55,094,597,994	-	
Provision for obsolete inventories	5,998,655,573	-	5,998,655,573	-	
Unrealised profit	1,192,426,420	564,403,973	628,022,447	(995,571,711)	
Severance allowances	609,801,545	1,262,050,377	(652,248,832)	(444,672,158)	
Net deferred tax liabilities	14,083,008,559	(12,177,967,496)			
Deferred tax income (expense)			74,990,071,547	(15,361,288,234)	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

31. TRANSACTIONS WITH RELATED PARTIES

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

Related party	Relationship	Nature of transaction	Current year	Previous year
				VND
Ricons Group Investment Construction Joint Stock Company	Related party (to 30 September 2020)	Construction cost Construction services Equipment rental expense Office rental income Equipment rental income	114,239,370,412 22,291,104,533 3,250,591,593 2,898,989,838 861,621,105	1,229,921,873,283 322,047,576,437 5,384,563,447 4,546,200,804 3,504,982,251
FCC Infrastructure Investment Joint Stock Company	Associate	Purchase of construction material Others	516,438,955	97,605,744,748 4,834,447,474
Riland Investment Joint Stock Company	Related party (to 30 September 2020)	Capital contribution Purchase of construction materials and services	- 241,473,969,226	61,600,000,000 459,551,718,277
Kusto Group Pte. Ltd.	Related party	Office rental income	123,334,966	-

Coteccons Construction Joint Stock Company

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

31. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties at the balance sheet dates were as follows:

Related parties	Relationship	Nature of transaction	Ending balance	Beginning balance	VND
Short-term trade receivables					
Ricons Group Investment Construction Joint Stock Company	Related party (to 30 September 2020)	Sale of construction materials and construction services	-	176,108,228,882	
Kusto Group Pte. Ltd.	Related party	Office rental income	134,106,720	-	
			134,106,720	176,108,228,882	
Short-term trade payables					
Ricons Group Investment Construction Joint Stock Company	Related party (to 30 September 2020)	Purchase of construction materials and construction cost		594,123,185,007	
Riland Investment Joint Stock Company	Related party (to 30 September 2020)	Purchase of construction materials and construction cost		154,762,782,088	
				748,885,967,095	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

31. TRANSACTIONS WITH RELATED PARTIES (continued)

Transactions with other related parties

Remuneration to members of the Board of Directors, Board of Supervision and Board of Management:

<i>Individuals</i>	<i>Position</i>	<i>VND</i>	
		<i>Remuneration</i>	
		<i>Current year</i>	<i>Previous year</i>
Mr. Bolat Duisenov	Chairman of BOD	-	-
Mr. Herwig Guido H. Van Hove	Member of BOD	-	-
Mr. Nguyen Ba Duong	Chairman of BOD to 2 October 2020	6,943,349,361	20,565,840,314
Mr. Nguyen Quoc Hiep	Member of BOD to 12 October 2020	111,000,000	854,000,000
Mr. Talgat Turumbayev	Member of BOD	75,000,000	640,000,000
Mr. Tran Quyet Thang	Member of BOD to 20 June 2020	100,000,000	710,000,000
Mr. Tan Chin Tiong	Member of BOD	70,000,000	512,000,000
Mr. Yerkin Tatishev	Member of BOD	84,000,000	3,086,000,000
Mr. Nguyen Sy Cong	General Director to 5 August 2020	4,198,759,423	12,835,368,617
Mr. Vo Thanh Liem	Acting General Director	4,299,376,919	6,435,399,387
Mr. Pham Quan Luc	Deputy General Director	2,653,198,845	n/a
Mr. Tran Tri Gia Nguyen	Deputy General Director	1,477,489,813	-
Mr. Tu Dai Phuc	Deputy General Director to 12 October 2020	3,041,662,808	6,852,307,079
Mr. Tran Quang Quan	Deputy General Director to 5 August 2020	3,120,111,646	11,451,768,618
Mr. Tran Van Chinh	Deputy General Director to 30 September 2020	1,968,562,500	3,309,398,271
Mr. Dang Hoai Nam	Member of BOS	1,605,511,605	2,417,893,125
Mr. Luis Fernando Garcia Agraz	Head of BOS	66,000,000	436,000,000
Mr. Nguyen Minh Nhut	Member of BOS	66,000,000	376,000,000
TOTAL		<u>29,880,022,920</u>	<u>70,481,975,411</u>

32. COMMITMENTS

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

	<i>VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	9,447,132,780	9,098,747,924
From 1 to 5 years	8,390,776,515	32,788,984,563
TOTAL	<u>17,837,909,295</u>	<u>41,887,732,487</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

33. 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;

Investment properties activities segment; and

Other segment.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with other parties. Segment revenue, segment expense and segment result include transfers between business segments.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

33. SEGMENT INFORMATION (continued)

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

	Construction services	Rental of construction equipment	Investment properties services	Others	Total
Previous year					
Net revenue	23,619,283,888,092	5,699,361,534	11,983,510,668	96,061,491,871	23,733,028,252,165
Cost of goods sold/ services rendered	(22,586,608,633,250)	(3,551,644,401)	(5,501,858,231)	(89,258,975,098)	(22,684,921,110,980)
Gross profit	1,032,675,254,842	2,147,717,133	6,481,652,437	6,802,516,773	1,048,107,141,185
Current year					
Net revenue	14,533,808,818,572	5,080,823,041	8,340,266,212	10,856,527,143	14,558,086,434,968
Cost of goods sold/ services rendered	(13,689,912,459,801)	(2,360,003,103)	(5,637,016,516)	(3,769,942,136)	(13,701,679,421,556)
Gross profit	843,896,358,771	2,720,819,938	2,703,249,696	7,086,585,007	856,407,013,412



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

34. RESTATEMENT OF PRIOR YEAR'S ERRORS AND RECLASSIFICATION OF CORRESPONDING FIGURES

Management decided to retrospective adjust the omission in previous year where certain machineries and equipment were disposed but have not been recorded in accounting book. Accordingly, the Company recorded the decrease in "Tangible fixed assets" and the decrease in "Undistributed earnings" as at 31 December 2019 and the increase in "other expenses" for the year then ended by the amount of VND 245,972,342.

Impacts of retrospective adjustments to "Undistributed earnings" are summarized as follows:

	VND
<i>As at 31 December 2019</i>	
Undistributed earnings were reported previously	1,029,019,001,156
<i>Impact of retrospective adjustment:</i>	
<i>Adjustment for overstatement of tangible fixed assets</i>	<u>(245,972,342)</u>
Undistributed earnings after retrospective adjustments	<u>1,028,773,028,814</u>

In addition to the retrospective adjustments as disclosed above, certain corresponding figures on the consolidated financial statements as at and for the year ended 31 December 2019 have been reclassified to reflect the presentation of the current year's consolidated financial statements. Impacts of restatement and reclassification are as follow:

	<i>As previously reported</i>	<i>Restatement</i>	VND <i>Restated amount</i>
Consolidated balance sheet			
Non-Current Assets			
Tangible fixed assets	606,653,633,812	(245,972,342)	606,407,661,470
Cost	1,055,852,299,665	(11,130,558,713)	1,044,721,740,952
Accumulated depreciation	(449,198,665,853)	10,884,586,371	(438,314,079,482)
Capital			
Undistributed earnings	1,029,019,001,156	(245,972,342)	1,028,773,028,814
	<i>As previously reported</i>	<i>Restatement</i>	VND <i>Restated amount</i>
Consolidated income statement			
Other expenses	(8,146,550,269)	(245,972,342)	(8,392,522,611)
Accounting profit before tax	890,730,926,865	(245,972,342)	890,484,954,523
Net profit after tax	710,916,598,665	(245,972,342)	710,670,626,323
Basic earnings per share	8,859	(3)	8,856
Diluted earnings per share	8,859	(3)	8,856
Consolidated cash flow statement			
Cash flows from operating activities			
Accounting profit before tax	890,730,926,865	(245,972,342)	890,484,954,523
Profit from investing activities	(273,887,773,585)	245,972,342	(273,641,801,243)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

35. EVENTS AFTER THE CONSOLIDATED BALANCE SHEET DATE

As at 29 January 2021, the Group sold 22,545,000 shares of IDICO Corporation ("Idico"). Accordingly, the Group's ownership in IDICO decreased to 0.62%.

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

Vu Thanh Phuong
Preparer

Cao Thi Mai Le
Chief Accountant



Pham Quang Luc
Deputy General Director

30 March 2021

