

**Development Investment Construction
Joint Stock Company**

Consolidated financial statements

For the year ended 31 December 2018

Development Investment Construction Joint Stock Company

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Development Investment Construction Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Development Investment 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. 3500101107 issued by the Department of Planning and Investment ("DPI") of Ba Ria - Vung Tau Province on 13 March 2008, and as amended.

The Company's shares were officially listed on the Ho Chi Minh City Stock Exchange ("HOSE") pursuant to Decision No. 94/QD-SGDHCM on 12 August 2009.

The current principal activities of the Company are to invest and develop new urban areas and industrial zones; to invest, develop and trade real estate and technical infrastructure of urban areas, transportation construction, and irrigation projects; to consult investments, manage projects; and trade construction materials; and to provide traveling services and monitor construction and technical infrastructure projects.

The Company's registered head office is located at No. 265 Le Hong Phong Street, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam.

BOARD OF DIRECTORS

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

Mr Nguyen Thien Tuan	Chairman	
Mr Nguyen Hung Cuong	Deputy Chairman	appointed on 6 January 2018
Mr Tran Minh Phu	Member	
Mr Nguyen Quang Tin	Member	
Mr Hoang Van Tang	Member	
Mr Dinh Quang Hoan	Member	
Ms Phan Thi Mai Huong	Member	

INTERNAL AUDIT

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

Mr Dinh Quang Hoan	Head	appointed on 12 June 2018
Mr Nguyen Hung Cuong	Member	appointed on 12 June 2018
Ms Le Thu Trang	Member	appointed on 12 June 2018

MANAGEMENT

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

Mr Tran Minh Phu	General Director	
Mr Hoang Van Tang	Deputy General Director	
Mr Bui Van Su	Deputy General Director	
Mr Pham Van Thanh	Deputy General Director	
Mr Dang Xuan Huong	Deputy General Director	resigned on 1 November 2018
Ms Nguyen Thi Thanh Huyen	Deputy General Director	appointed on 22 May 2018
Mr Nguyen Hung Cuong	Deputy General Director	resigned on 22 May 2018

Development Investment Construction Joint Stock Company

GENERAL INFORMATION (continued)

INVESTMENT COUNCIL

Members of the Investment council during the year and on the date of this report are:

Mr Nguyen Thien Tuan	Head
Mr Nguyen Hung Cuong	Member
Mr Hoang Van Tang	Member
Mr Dinh Quang Hoan	Member
Mr Vu Huu Dien	Member

SUBMISSION OF HUMAN RESOURCES AND WAGES

Members of the Submission of Human Resources and Wages during the year and on the date of this report are:

Ms Phan Thi Mai Huong	Head
Mr Nguyen Quang Tin	Member
Mr Hoang Duy Thinh	Member

LEGAL REPRESENTATIVE

The legal representative of the Group during the year and on the date of this report is Mr Nguyen Thien Tuan.

AUDITORS

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

Development Investment Construction Joint Stock Company

REPORT OF MANAGEMENT

Management of Development Investment Construction Joint Stock Company ("the Company") is pleased to present its report and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2018.

THE MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements which give a true and fair view of the consolidated state of affairs 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 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 2018 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:



Tran Minh Phu
General Director

Approved by Board of Directors:



Nguyen Thien Tuan
Chairman

29 March 2019

Reference: 61208332/20386293-HN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Development Investment Construction Joint Stock Company

We have audited the accompanying consolidated financial statements of Development Investment Construction Joint Stock Company ("the Company") and its subsidiaries ("the Group"), as prepared on 29 March 2019 and as set out on pages 6 to 52 which comprise the consolidated balance sheet as at 31 December 2018, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

The Company's management is responsible for the preparation and fair presentation of the Group's 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 2018, and of the results of its consolidated 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 preparation and presentation of consolidated financial statements.

Other matter

The consolidated financial statements of the Group for the year ended 31 December 2017 were audited by another audit firm which expressed an unmodified opinion on those consolidated financial statements on 30 March 2018.

Ernst & Young Vietnam Limited



Trần Nam Dũng
Deputy General Director
Audit Practicing Registration Certificate
No. 3021-2019-004-1



Dương Thị Như
Auditor
Audit Practicing Registration Certificate
No. 3796-2016-004-1

Ho Chi Minh City, Vietnam

29 March 2019

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CONSOLIDATED BALANCE SHEET
 as at 31 December 2018

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		5,633,632,858,566	4,837,702,350,199
110	I. Cash and cash equivalents	5	734,834,226,232	202,909,697,337
111	1. Cash		399,710,028,684	124,248,795,716
112	2. Cash equivalents		335,124,197,548	78,660,901,621
120	II. Short-term investment	6	800,000,000	40,700,000,000
123	1. Held-to-maturity investments		800,000,000	40,700,000,000
130	III. Current accounts receivable		1,698,828,538,046	1,004,094,686,505
131	1. Short-term trade receivables	7	1,021,378,799,733	703,252,055,712
132	2. Short-term advances to suppliers	8	280,241,612,691	48,553,930,562
135	3. Short-term loan receivables	9	10,000,000,000	37,455,480,742
136	4. Other short-term receivables	10	409,931,130,925	234,764,679,449
137	5. Provision for doubtful short-term receivables		(22,782,209,051)	(19,984,558,950)
139	6. Shortage of assets waiting for resolution		59,203,748	53,098,990
140	IV. Inventories	11	3,132,716,205,480	3,538,192,056,247
141	1. Inventories		3,147,381,338,237	3,538,192,056,247
149	2. Provision for obsolete inventories		(14,665,132,757)	-
150	V. Other current assets		66,453,888,808	51,805,910,110
151	1. Short-term prepaid expenses	12	61,959,360,755	47,325,563,225
152	2. Value-added tax deductible	21	1,883,508,666	1,319,982,565
153	3. Tax and other receivables from the State	21	2,611,019,387	3,160,364,320

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2018

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		1,198,475,308,854	1,273,441,750,823
210	I. Long-term receivables		98,981,612,972	291,832,510,655
211	1. Long-term trade receivables	7	8,318,000,000	168,674,434,812
215	2. Long-term loan receivables	9	3,538,379,756	34,297,310,808
216	3. Other long-term receivables	10	87,125,233,216	88,860,765,035
220	II. Fixed assets		360,299,977,621	231,535,692,244
221	1. Tangible fixed assets	14	340,321,014,030	214,195,843,408
222	Cost		686,153,204,379	451,261,396,538
223	Accumulated depreciation		(345,832,190,349)	(237,065,553,130)
227	2. Intangible assets	15	19,978,963,591	17,339,848,836
228	Cost		21,089,386,495	18,196,510,097
229	Accumulated amortization		(1,110,422,904)	(856,661,261)
230	III. Investment properties	16	160,288,894,055	118,213,023,253
231	1. Cost		189,875,012,128	144,455,832,878
232	2. Accumulated depreciation		(29,586,118,073)	(26,242,809,625)
240	IV. Long-term asset in progress		90,943,623,579	67,997,970,133
242	1. Construction in progress	17	90,943,623,579	67,997,970,133
250	V. Long-term investments	18	402,537,583,742	533,887,083,148
252	1. Investments in associates, jointly controlled entities		171,586,948,019	245,034,714,319
253	2. Investment in other entities		247,513,369,377	301,202,915,784
254	3. Provision for long-term investments		(28,752,733,654)	(28,350,546,955)
255	4. Held-to-maturity investments		12,190,000,000	16,000,000,000
260	VI. Other long-term assets		85,423,616,885	29,975,471,390
261	1. Long-term prepaid expenses	12	31,837,057,110	25,522,991,259
262	2. Deferred tax assets	32.3	4,360,828,263	4,452,480,131
269	3. Goodwill	4.2	49,225,731,512	-
270	TOTAL ASSETS		6,832,108,167,420	6,111,144,101,022

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2018

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		3,612,748,321,996	3,220,582,938,044
310	I. Current liabilities		2,997,356,703,194	1,635,593,469,804
311	1. Short-term trade payables	19	269,753,496,032	214,120,906,402
312	2. Short-term advances from customers	20	1,018,517,219,407	760,253,405,046
313	3. Statutory obligations	21	88,757,613,638	42,005,149,154
314	4. Payables to employees		26,432,890,223	23,146,523,680
315	5. Short-term accrued expenses	22	81,896,712,100	95,597,312,852
318	6. Short-term unearned revenues		3,541,326,901	3,374,235,992
319	7. Other short-term payables	23	310,795,724,791	134,834,730,441
320	8. Short-term loan	24	1,194,403,948,267	364,231,604,737
322	9. Bonus and welfare fund		3,257,771,835	(1,970,398,500)
330	II. Non-current liabilities		615,391,618,802	1,584,989,468,240
336	1. Long-term unearned revenues		153,576,387,997	156,950,623,988
337	2. Other long-term liabilities	23	1,443,624,500	1,092,524,500
338	3. Long-term loans	24	424,026,756,178	1,395,463,815,466
341	4. Deferred tax liabilities	32.3	35,156,923,980	29,734,156,302
342	5. Long-term provisions		1,187,926,147	1,748,347,984
400	D. OWNERS' EQUITY		3,219,359,845,424	2,890,561,162,978
410	I. Capital	25.1	3,219,359,845,424	2,890,561,162,978
411	1. Share capital		2,524,847,830,000	2,381,948,190,000
411a	- Shares with voting rights		2,524,847,830,000	2,381,948,190,000
412	2. Share premium		66,111,261,707	66,111,261,707
418	3. Investment and development fund		178,261,388,573	169,462,141,790
421	4. Undistributed earnings		362,986,662,889	200,096,964,669
421a	- Undistributed earnings at end of prior year		38,994,756,936	3,862,065,986
421b	- Undistributed earnings of current year		323,991,905,953	196,234,898,683
429	5. Non-controlling interests		87,152,702,255	72,942,604,812
440	TOTAL LIABILITIES AND OWNERS' EQUITY		6,832,108,167,420	6,111,144,101,022



Le Thanh Hung
Preparer



Nguyen Quang Tin
Chief Accountant



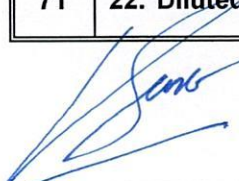
Nguyen Thien Tuan
Chairman

29 March 2019

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2018

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenues from sale of goods and rendering of services	26.1	2,459,138,866,544	1,704,138,432,049
02	2. Deductions	26.1	(114,130,721,025)	(110,427,915,190)
10	3. Net revenues from sale of goods and rendering of services	26.1	2,345,008,145,519	1,593,710,516,859
11	4. Cost of goods sold and services rendered	27	(1,780,424,589,133)	(1,226,491,881,073)
20	5. Gross profits from sale of goods and rendering of services		564,583,556,386	367,218,635,786
21	6. Finance income	26.2	154,963,084,314	90,349,743,460
22	7. Finance expenses	28	(60,482,178,639)	(28,532,438,453)
23	<i>In which: Interest expense</i>		(21,663,032,812)	(16,997,532,131)
24	8. Share of loss of associates		(69,176,905,626)	(62,488,637,454)
25	9. Selling expenses	29	(107,969,204,566)	(65,982,225,503)
26	10. General and administrative expenses	29	(142,520,178,119)	(93,751,545,087)
30	11. Operating profit		339,398,173,750	206,813,532,749
31	12. Other income	30	112,238,227,784	52,900,607,699
32	13. Other expenses	30	(23,353,061,440)	(4,370,483,447)
40	14. Other profit	30	88,885,166,344	48,530,124,252
50	15. Accounting profit before tax		428,283,340,094	255,343,657,001
51	16. Current corporate income tax expense	32.1	(89,843,842,261)	(39,192,766,796)
52	17. Deferred tax income	32.1	(5,514,419,546)	(13,761,014,437)
60	18. Net profit after tax		332,925,078,287	202,389,875,768
61	19. Net profit after tax attributable to shareholders of the parent		323,991,905,953	196,234,898,683
62	20. Net profit after tax attributable to non-controlling interests		8,933,172,334	6,154,977,085
70	21. Basic earnings per share	25.4	1,233	747
71	22. Diluted earnings per share	25.4	1,233	747


Le Thanh Hung
Preparer


Nguyen Quang Tin
Chief Accountant


Nguyen Thien Tuan
Chairman



CONSOLIDATED CASH FLOW STATEMENT
 for the year ended 31 December 2018

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		428,283,340,094	255,343,657,001
	<i>Adjustments for:</i>			
02	Depreciation and amortization		22,806,617,100	19,227,668,529
03	Provision (reversal of provisions)		17,864,969,557	(8,485,232,499)
04	Foreign exchange losses arisen from revaluation		(2,936,487)	(1,500,193)
05	Profits from investing activities		(154,412,694,981)	(89,106,683,487)
06	Interest expenses	28	21,663,032,812	16,997,532,131
08	Operating profit before changes in working capital		336,202,328,095	193,975,441,482
09	(Increase) decrease in receivables		(496,159,864,465)	108,235,651,084
10	Decrease (increase) in inventories		378,649,672,371	(513,846,839,370)
11	Increase in payables		486,400,381,425	155,968,927,119
12	(Increase) decrease in prepaid expenses		(20,947,863,381)	515,731,636
14	Interest paid		(192,473,251,134)	(186,481,725,834)
15	Corporate income tax paid		(56,717,910,111)	(34,904,661,462)
16	Other cash inflows from operating activities		-	13,732,580,462
17	Other cash outflows from operating activities		(4,375,856,700)	(171,412,070)
20	Net cash flows from (used in) operating activities		430,577,636,100	(262,976,306,953)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(55,484,135,322)	(17,885,424,412)
22	Proceeds from disposals of fixed assets		6,124,050,907	1,023,681,817
23	Loans to other entities		(232,900,000,000)	(290,200,000,000)
24	Collections from borrowers		277,842,803,794	273,500,000,000
25	Payments for investments in other entities		(48,637,406,745)	(139,552,826,811)
26	Proceeds from sale of investments in other entities		231,760,326,298	374,520,680,000
27	Interest and dividends received		58,011,742,142	88,403,380,544
30	Net cash flows from investing activities		236,717,381,074	289,809,491,138
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Issuance of shares		10,632,074,730	81,510,000,000
33	Drawdown of borrowings	24	796,119,622,502	574,396,602,398
34	Repayment of borrowings		(940,594,074,988)	(545,604,407,154)
36	Dividends paid	25.2	(1,531,047,010)	(113,689,370,100)
40	Net cash flows used in financing activities		(135,373,424,766)	(3,387,174,856)

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2018

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net increase in cash		531,921,592,408	23,446,009,329
60	Cash and cash equivalent at beginning of year		202,909,697,337	179,462,187,815
61	Impact of exchange rate fluctuation		2,936,487	1,500,193
70	Cash and cash equivalents at end of year	5	734,834,226,232	202,909,697,337



Le Thanh Hung
Preparer



Nguyen Quang Tin
Chief Accountant




Nguyen Thien Tuan
Chairman

29 March 2019

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended 31 December 2018

1. CORPORATE INFORMATION

Development Investment Construction Joint Stock Company ("the Group") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 3500101107 issued by the Department of Planning and Investment ("DPI") of Ba Ria - Vung Tau Province on 13 March 2008, and as amended.

The Company's shares were officially listed on the Ho Chi Minh City Stock Exchange ("HOSE") pursuant to Decision No. 94/QD-SGDHCM on 12 August 2009.

The current principal activities of the Company are to invest and develop new urban areas and industrial zones; to invest, develop and trade real estate and technical infrastructure of urban areas, transportation construction, and irrigation projects; to consult investments, manage projects; and trade construction materials; and to provide traveling services and monitor construction and technical infrastructure projects.

The Company's registered head office is located at No. 265 Le Hong Phong Street, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam.

The number of the Group's employees as at 31 December 2018 was 866 (31 December 2017: 938).

Corporate structure

The Group's corporate structure includes eight (8) subsidiaries, in which:

Development Investment Construction Number 1 Joint Stock Company ("DIC No.1")

DIC No. 1 is a shareholding company incorporated under the Law of Enterprise of Vietnam pursuant to the BRC No. 3500613828 issued by the DPI of Ba Ria - Vung Tau Province on 17 May 2007 and as amended. The head office of DIC No. 1 is located at No. 265 Le Hong Phong Street, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam. The principal activities of DIC No. 1 are to invest in, trade and develop urban areas and industrial zones; invest in, trade, and develop real estate and technical infrastructure of urban areas, industrial zones, export processing zones, hi-tech parks, new economic zones; repair motorcycles, construction equipment and vehicles.

As at 31 December 2018, the Company holds a 51.67% equity share in DIC No. 1.

DIC Tourist and Trade Joint Stock Company ("DIC T&T")

DIC T&T is a shareholding company incorporated under the Law of Enterprise of Vietnam pursuant to the BRC No. 3500592920 issued by the DPI of Ba Ria - Vung Tau Province on 27 July 2007 and as amended. The head office of DIC T&T is located at No. 169 Thuy Van, Vung Tau City, Ba Ria - Vung Tau Province. The principal activities of DIC T&T are to provide hospitality services, tourism; transport customers overland; provide domestic and foreign traveling tours.

As at 31 December 2018, the Company holds a 68.58% equity share in DIC T&T.

DIC Ha Nam Joint Stock Company ("DIC Ha Nam")

DIC Ha Nam is a shareholding company incorporated under the Law of Enterprise of Vietnam pursuant to the BRC No. 0603000233 issued by the DPI of Ha Nam Province on 18 March 2008 and as amended. The head office of DIC Ha Nam is located at No. 583 Ly Thuong Kiet Street, Le Hong Phong Ward, Phu Ly City, Ha Nam Province. The principal activities of DIC Ha Nam are to invest in, trade and develop urban areas and industrial zones; invest in, trade, and develop real estate and technical infrastructure of urban areas, industrial zones, export processing zones, hi-tech parks, new economic zones; repair motorcycles, construction equipment and vehicles.

As at 31 December 2018, the Company holds a 98.00% equity share in DIC Ha Nam.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

DIC Central Minerals Joint Stock Company ("DIC Micen")

DIC Micen is a shareholding company incorporated under the Law of Enterprise of Vietnam pursuant to the BRC No. 4000481974 under the form of a shareholding company, issued by the DPI of Quang Nam Province on 23 January 2008 and as amended. The head office of DIC Micen is located at Highway 1A, Phuoc My 2 Ward, Nam Phuoc Town, Duy Xuyen District, Quang Nam Province. The principal activities of DIC Micen are to research, explore, process non-metallic minerals to produce construction materials, exploit minerals.

As at 31 December 2018, the Company holds a 68.96% equity share in DIC Micen.

On 16 January 2019, the Group completed the disposal investment in DIC Micen. Accordingly, DIC Micen was not a subsidiary of the Group from that date.

DIC Building Materials Joint Stock Company ("DIC Materials")

DIC Materials is a shareholding company incorporated under the Law of Enterprise of Vietnam pursuant to the BRC No. 3500592913 issued by the DPI of Ba Ria - Vung Tau Province on 10 October 2006 and as amended. The head office of DIC Materials is located at Km 61 Highway 51, Kim Dinh Ward, Ba Ria City, Ba Ria - Vung Tau Province. The principal activities of DIC Materials are to produce and trade construction materials; exploit and process minerals to produce construction materials.

As at 31 December 2018, the Company holds a 96.36% equity share in DIC Materials.

Development Investment Construction Number 2 Joint Stock Company ("DIC No. 2")

DIC No. 2 is a shareholding company incorporated under the Law of Enterprise of Vietnam pursuant to the BRC No. 3500707730 issued by the DPI of Ba Ria - Vung Tau Province on 28 June 2005 and as amended. The head office of DIC No. 2 is located at No. 5, Street 6, Chi Linh Urban Area, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam. The principal activities of DIC No. 2 are to manufacture and trade construction materials; construction of houses, traffic works, irrigation works; real estate business; warehouse rental

As at 31 December 2018, the Company holds a 50.07% equity share in DIC No. 2.

DIG Aquarium Joint Stock Company (formerly known as Northern Development and Investment Joint Stock Company) ("DIG Aquarium")

DIG Aquarium is a shareholding company incorporated under the Law of Enterprise of Vietnam pursuant to the BRC No. 3502326924 issued by the DPI of Ba Ria - Vung Tau Province on 24 Jan 2017 and as amended. The head office of DIG Aquarium is located at 265 Le Hong Phong Street, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam. The principal activities of DIG Aquarium are to manufacture and trade construction materials; construction of houses, traffic works, irrigation works; real estate business.

As at 31 December 2018, the Company holds a 95.00% equity share in DIG Aquarium.

Brothers DIC Ceramic Joint Stock Company ("DIC Brothers")

DIC Brothers is a shareholding company incorporated under the Law of Enterprise of Vietnam pursuant to the BRC No. 4000450711 under the form of a shareholding company, issued by the DPI of Quang Nam Province on 24 November 2006 and as amended. The head office of DIC Brothers is located at North Chu Lai Industrial Zone, Tam Hiep Town, Nui Thanh District, Quang Nam Province, Vietnam. The principal activities of DIC Brothers are to production of ceramic products, wholesale materials, and mineral exploitation.

As at 31 December 2018, the Company holds a 89.03% equity share in DIC Brothers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

2. BASIS OF PREPARATION

2.1 Accounting standards and system

The consolidated financial statements of the Group, expressed in Vietnam dong ("VND"), are prepared in accordance with the Vietnamese Enterprise Accounting System and other 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 financial position and results of operations and 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 Group's accounting currency.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries for the year ended 31 December 2018.

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 the 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 resulting 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 and for the year ended 31 December 2018

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 change in value.

3.2 Inventories

Inventory properties

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realizable value.

Cost of inventory properties includes:

- ▶ Freehold and leasehold rights for land;
- ▶ Amounts paid to contractors for construction; and
- ▶ Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Net realizable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less costs to completion and the estimated costs of sale.

The cost of inventory property recognized in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Other 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:

- | | | |
|---|---|---|
| Merchandise, raw material, tools and supplies | - | cost of purchase on a weighted average basis |
| Finished goods and work-in process | - | cost of direct materials and labour plus attributable manufacturing overheads based on the normal operating capacity on a weighted average basis. |

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 inventories 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Receivables

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

The provision for doubtful receivables 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 into the general and administrative expense 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, 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.

3.5 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 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

The advance payment for land rental, of which the land lease contracts have effectiveness prior to 2003 and Land use right certificate being issued, are recorded as intangible asset according to Circular No. 45/2013/TT-BTC ("Circular 45") issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets.

3.6 Depreciation and amortization

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

Land use rights	38 years
Buildings and structures	7 - 35 years
Machinery and equipment	4 - 10 years
Means of transportation	6 - 10 years
Office equipment	4 - 10 years
Other fixed assets	5 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.7 Investment properties**

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

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:

Buildings and structures	50 years
--------------------------	----------

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

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

3.8 Borrowing costs

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

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

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

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 year for which the amounts are paid or the year in which economic benefits are generated in relation to these expenses.

The following types of expenses are recorded as long-term prepaid expense and are amortised to the consolidated income statement over 2 to 5 years or recognised consistently with revenue:

- ▶ Tools and consumables with large value issued into construction and can be used for more than one year;
- ▶ Show houses; and
- ▶ Brokerage fee.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.10 Investments***Investments 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 and which is neither a subsidiary nor a joint venture. The Group generally deems they have significant influence if they have at least 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortized and subject to annual audit 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 the face of the consolidated income statement and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend or profit sharing received or receivable from associates reduce the carrying amount of the investment.

Investments in other investments

Investments in other investments are stated at their acquisition costs.

Provision for investments

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

3.11 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.

3.12 Appropriation of net profits

Net profit after tax is available for appropriation to shareholders after approval at the shareholders' meeting, and after making appropriations to reserve funds in accordance with the Company's Charter and Vietnam's 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.

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 encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the consolidated balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 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.

Rendering of services

Revenue is recognized when services have been rendered and completed.

Sale of real estate properties

A property is regarded as sold when the significant risks and returns have been transferred to the buyer, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognized only when all the significant conditions are satisfied.

Construction contracts

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.

Interest

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

Dividends

Income is recognized when the Group's entitlement as an investor to receive the dividend is established.

Rental income

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

3.14 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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.14 Taxation (continued)***Deferred tax*

Deferred tax is provided using the 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, 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 income tax assets is audited at each consolidated 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 consolidated 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 realised or the liability is settled based on tax rates and tax laws that have been enacted at the consolidated 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 offset 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 year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 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 (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.

3.16 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 enterprise or individual, including close members of the family of any such individual.

3.17 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 residential plots and infrastructure-constructed residential plots; providing consultant service; trading building materials.

4. BUSINESS COMBINATION AND GOODWILL

4.1 Business combination

On 20 November 2018, the Group acquired shares of Brothers DIC Ceramic Joint Stock Company ("Brothers DIC") from two shareholders. Accordingly, the Group's equity interest in Brothers DIC increased to 89.03%.

The net assets recognised in the Group's consolidated financial statements for the year ended 31 December 2018 were based on a provisional assessment of fair value as the Group had sought an independent valuation for the net assets owned by Brothers DIC. The results of this valuation had not been received at the date the year ended 31 December 2018 consolidated financial statements were approved for issued by the Group's management.

The carrying values of the identifiable assets and liabilities of Brothers DIC as at the acquisition date were as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

4. BUSINESS COMBINATIONS AND GOODWILL (continued)

4.1 Business combinations (continued)

	VND
Assets	386,060,160,890
Current assets	200,167,466,950
Non-current assets	185,892,693,940
Liabilities	396,057,961,190
Current liabilities	394,532,261,190
Non-current liabilities	1,525,700,000
Total net assets	<u>(9,997,800,300)</u>
Non-controlling interest	1,096,444,873
Goodwill arising on acquisition (Note 4.2)	49,639,393,121
Consideration	<u>40,738,037,694</u>

4.2 Goodwill

	VND
Cost:	
Beginning balance	-
Increase in year	49,639,393,121
Ending balance	<u>49,639,393,121</u>
Accumulated amortization:	
Beginning balance	-
Amortization for the year	(413,661,609)
Ending balance	<u>(413,661,609)</u>
Net carrying amount:	
Beginning balance	-
Ending balance	<u>49,225,731,512</u>

5. CASH AND CASH EQUIVALENTS

	VND	
	Ending balance	Beginning balance
Cash on hand	3,496,558,586	4,954,389,491
Cash in bank	396,117,449,246	119,208,083,003
Cash in transit	96,020,852	86,323,222
Cash equivalents (*)	335,124,197,548	78,660,901,621
TOTAL	<u>734,834,226,232</u>	<u>202,909,697,337</u>

(*) Cash equivalents mainly represent short-term bank deposits with original maturity of less than three months and earn interest from 4.5% to 5.4% per annum.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

6. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments represented short-term bank deposits with original maturity from twelve months in banks and earn interest at the applicable rates. The value of investments represented in the held-to-maturity investments of the Group as at 31 December 2018 were pledged to secure short-term loans as described in Note 24.2.

7. TRADE RECEIVABLES

	<i>Ending balance</i>	<i>Beginning balance</i>
	<i>VND</i>	
Short-term	1,021,378,799,733	703,252,055,712
Receivables from Phoenix High-Class Commercial Apartment (*)	367,743,105,401	140,576,563,229
Receivables from Nam Vinh Yen New Urban Area Project	424,717,918,211	187,204,948,311
DCP Asia Company Limited	63,709,082,663	-
Project Management Department of Ba Ria - Vung Tau Province	27,577,446,473	31,061,301,282
Receivables from Chi Linh Urban Area Project	22,736,281,041	28,659,775,738
Paragon Dai Phuoc Company Limited	20,510,373,702	-
Receivables from Thuy Tien Project	13,514,369,947	14,246,491,223
Nam Phan Investment Joint Stock Company	11,000,000,000	-
Development Investment Construction Number 4 Joint Stock Company	2,208,010,428	52,500,000,000
Viet Thien Lam Investment Corporation	683,798,626	79,745,598,078
Phuoc An Company Limited	-	60,463,000,000
Phuoc An Construction Development Investment Corporation	-	48,254,830,162
Others	66,978,413,241	60,539,547,689
Long-term	8,318,000,000	168,674,434,812
Mr Le Van Huong	8,318,000,000	8,318,000,000
Viet Thien Lam Investment Corporation	-	119,618,397,118
Mr Phan Van Binh	-	20,369,021,195
Mr Nguyen Vu Tuan	-	20,369,016,499
TOTAL	1,029,696,799,733	871,926,490,524
Provision for trade receivables	(14,949,997,050)	(12,183,752,360)
NET	1,014,746,802,683	859,742,738,164
<i>In which:</i>		
<i>Due from other parties</i>	<i>1,010,067,230,730</i>	<i>805,737,151,717</i>
<i>Due from related parties (Note 33)</i>	<i>4,679,571,953</i>	<i>54,005,586,447</i>

(*) The value of receivables arising from sales of Phoenix Residential Project represented as at 31 December 2018 were pledged to secure long-term loans as described in Note 24.3.

Details of movements of provision for doubtful short-term receivables are as follows:

	<i>Current year</i>	<i>Previous year</i>
	<i>VND</i>	
Beginning balance	12,183,752,360	21,536,342,461
Add: Provision made during the year	6,259,664,756	79,054,255
Sub: Reversal during the year	(3,493,420,066)	(9,431,644,356)
Ending balance	14,949,997,050	12,183,752,360

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

8. SHORT-TERM ADVANCES TO SUPPLIERS

	<i>Ending balance</i>	<i>Beginning balance</i>
	<i>VND</i>	
Southern Development Investment Joint Stock Company	189,685,905,922	7,335,286,419
Thien Quang Trading Development Joint Stock Company	39,576,555,031	-
Mitsubishi Viet Nam Elevator Limited Company	14,113,500,000	-
Thanh Thang Thang Long Joint Stock Company	1,400,117,849	4,366,690,531
Phuc Yen Electrical Engineering Company Limited	1,350,483,200	-
Civil Engineering Joint Stock Company 68	-	10,312,541,774
Others	34,115,050,689	26,539,411,838
TOTAL	280,241,612,691	48,553,930,562
Provision for short-term advances to supplier	(1,127,106,180)	(1,127,106,180)
NET	279,114,506,511	47,426,824,382
<i>In which:</i>		
<i>Due from related parties (Note 33)</i>	191,615,951,440	7,335,286,419
<i>Due from other parties</i>	87,498,555,071	40,091,537,963

9. LOAN RECEIVABLES

	<i>Ending balance</i>	<i>Beginning balance</i>
	<i>VND</i>	
Short-term	10,000,000,000	37,455,480,742
Phuoc An Construction Development Investment Corporation	10,000,000,000	-
Southern Development Investment Joint Stock Company	-	35,700,000,000
DIC Eastern Concrete Structure Joint-Stock Company	-	1,755,480,742
Long-term	3,538,379,756	34,297,310,808
DIC Eastern Concrete Structure JSC	3,538,379,756	8,054,507,014
A.T.A Construction Investment Joint Stock Company - Project Management A.T.A	-	16,242,803,794
Brothers DIC Ceramic Joint Stock Company	-	10,000,000,000
TOTAL	13,538,379,756	71,752,791,550
<i>In which:</i>		
<i>Due from other parties</i>	13,538,379,756	16,242,803,794
<i>Due from related parties (Note 33)</i>	-	55,509,987,756

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

10. OTHER RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	409,931,130,925	234,764,679,449
Advance for compensation of Compensation board	191,921,035,200	55,437,625,600
<i>In which:</i>		
<i>North Vung Tau Project</i>	111,511,579,600	13,025,000,000
<i>Long Tan Project</i>	78,409,455,600	40,412,625,600
<i>Bau Trung Project</i>	2,000,000,000	2,000,000,000
Advance to employees	172,379,733,590	103,126,503,036
Receivables from investment of Thanh Liem Project	26,631,370,019	-
Interest receivables	13,851,511,022	43,235,621,413
Others	5,147,481,094	32,964,929,400
Long-term	87,125,233,216	88,860,765,035
BCC with A.T.A Construction Investment Joint Stock Company	79,999,999,999	84,318,359,768
DIC Construction and Investment Corporation	3,000,000,000	3,000,000,000
Deposits	4,125,233,217	1,542,405,267
TOTAL	497,056,364,141	323,625,444,484
Provision for other short term receivables	(6,705,105,821)	(6,673,700,410)
NET	490,351,258,320	316,951,744,074
<i>In which:</i>		
<i>Due from other parties</i>	486,643,201,248	312,191,631,621
<i>Due from related parties (Note 33)</i>	3,708,057,072	4,760,112,453

11. INVENTORIES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Real estate properties in progress (*)	2,627,586,951,313	3,222,030,306,891
Work in process	306,615,287,156	244,769,566,063
Raw materials	101,178,655,321	17,925,815,061
Finished goods	74,555,593,735	14,945,747,515
Reals estate finished goods	15,182,558,019	19,740,307,834
Merchandises	11,315,205,236	16,153,134,998
Tools and supplies	8,130,169,870	724,891,423
Goods in transit	72,249,600	1,653,302,880
Goods on consignment	2,744,667,987	248,983,582
TOTAL	3,147,381,338,237	3,538,192,056,247
Provision for obsolete inventories	(14,665,132,757)	-
NET	3,132,716,205,480	3,538,192,056,247

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018**11. INVENTORIES** (continued)

(*) Properties for sale in progress consist of the on-going projects as follows:

	VND	
	Ending balance	Beginning balance
Infrastructure for Dai Phuoc Urban Area Project (i)	758,085,388,285	823,210,933,139
B13 Apartment - Vung Tau Gateway Project	472,990,458,522	263,950,603,558
Nam Vinh Yen New Urban Area Project (i)	537,323,619,060	949,330,409,408
DIC Phoenix Luxury Apartment Project	229,227,498,155	765,042,848,033
DIC Star - Vinh Yen Hotel Project (i)	186,097,995,135	42,455,949,624
Infrastructure for Chi Linh Centre, Vung Tau Project	161,160,752,643	127,633,595,584
Urban Area Project in Ward 4, Hau Giang (i)	107,096,935,492	105,562,524,830
Hiep Phuoc Urban Area Project, Nhon Trach, Dong Nai	97,979,075,670	121,135,768,091
Cap Saint Jacques Complex Project	40,637,097,533	2,894,229,758
Long Tan Resort Project, Nhon Trach	15,357,058,742	8,711,187,773
51B Residential Project, Vung Tau	4,702,913,234	2,358,537,215
Others	16,928,158,842	9,743,719,878
TOTAL	<u>2,627,586,951,313</u>	<u>3,222,030,306,891</u>

(i) The value of land use rights and assets formed from the loans of such projects as at 31 December 2018 were pledged to secure short-term, long-term loans and bonds as described in Note 24.1, Note 24.2 and Note 24.3.

12. PREPAID EXPENSES

	VND	
	Ending balance	Beginning balance
Short-term	61,959,360,755	47,325,563,225
Brokerage fee	55,988,441,330	45,824,138,783
Tools and supplies	4,467,764,312	990,341,146
Others	1,503,155,113	511,083,296
Long-term	31,837,057,110	25,522,991,259
Tools and supplies	17,038,273,961	11,713,695,360
Maintenance fee	4,197,433,038	1,782,374,939
Office rental	-	3,897,571,140
Others	10,601,350,111	8,129,349,820
TOTAL	<u>93,796,417,865</u>	<u>72,848,554,484</u>

13. CAPITALIZED BORROWING COSTS

During the year, the Group capitalized borrowing costs amounting to VND 154,602,274,731 to finance the construction in progress (For the year ended 31 December 2017: VND 169,010,244,542).

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14. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
						VND
Cost:						
Beginning balance	227,126,315,539	158,358,728,911	43,807,298,171	9,339,419,575	12,629,634,342	451,261,396,538
New purchase	-	8,296,641,011	13,312,607,272	1,075,505,218	83,882,432	22,768,635,933
Transfer from construction in progress	5,274,256,529	561,131,414	-	-	-	5,835,387,943
Increase due to business acquisition	43,388,327,755	215,205,355,125	14,090,058,704	340,229,838	-	273,023,971,422
Disposal during the year	(17,117,217,856)	(33,903,575,412)	(2,290,888,017)	(178,300,148)	(45,500,000)	(53,535,481,433)
Transfer to work in progress	(12,814,122,674)	-	-	(309,221,950)	(77,361,400)	(13,200,706,024)
Ending balance	245,857,559,293	348,518,281,049	68,919,076,130	10,267,632,533	12,590,655,374	686,153,204,379
<i>In which:</i>						
Fully depreciated	6,978,980,709	56,796,710,588	27,917,314,942	6,896,819,270	2,217,479,109	100,807,304,618
Accumulated depreciation:						
Beginning balance	(77,911,768,461)	(118,877,085,058)	(27,360,088,473)	(7,847,853,475)	(5,068,757,663)	(237,065,553,130)
Depreciation for the year	(6,654,738,599)	(6,863,997,525)	(4,336,599,628)	(477,112,552)	(657,161,728)	(18,989,610,032)
Increase due to business acquisition	(19,031,967,050)	(106,581,996,955)	(13,090,738,197)	(333,217,546)	-	(139,037,919,748)
Disposal during the year	9,714,869,365	30,872,708,601	2,267,510,221	178,300,148	30,982,771	43,064,371,106
Transfer to work in progress	5,809,938,105	-	-	309,221,950	77,361,400	6,196,521,455
Ending balance	(88,073,666,640)	(201,450,370,937)	(42,519,916,077)	(8,170,661,475)	(5,617,575,220)	(345,832,190,349)
Net carrying amount:						
Beginning balance	149,214,547,078	39,481,643,853	16,447,209,698	1,491,566,100	7,560,876,679	214,195,843,408
Ending balance	157,783,892,653	147,067,910,112	26,399,160,053	2,096,971,058	6,973,080,154	340,321,014,030

The net carrying value of assets represented in the tangible fixed assets of the Group as at 31 December 2018 were pledged to secure short-term loans as described in Note 24.1.

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15. INTANGIBLE ASSETS

	VND			
	<i>Land use rights</i>	<i>Computer Softwares</i>	<i>Others</i>	<i>Total</i>
Cost:				
Beginning balance	17,823,458,281	141,321,000	231,730,816	18,196,510,097
Newly purchase	3,934,458,000	-	-	3,934,458,000
Increase due to business acquisition	84,099,997	119,348,400	-	203,448,397
Disposal	(1,245,029,999)	-	-	(1,245,029,999)
Ending balance	<u>20,596,986,279</u>	<u>260,669,400</u>	<u>231,730,816</u>	<u>21,089,386,495</u>
<i>In which:</i>				
Fully amortized	264,099,997	85,680,000	-	349,779,997
Accumulated amortization:				
Beginning balance	(612,992,486)	(141,321,000)	(102,347,775)	(856,661,261)
Amortization	(44,560,965)	(3,889,506)	(11,586,540)	(60,037,011)
Increase due to business acquisition	(84,099,997)	(109,624,635)	-	(193,724,632)
Ending balance	<u>(741,653,448)</u>	<u>(254,835,141)</u>	<u>(113,934,315)</u>	<u>(1,110,422,904)</u>
Net carrying amount:				
Beginning balance	<u>17,210,465,795</u>	<u>-</u>	<u>129,383,041</u>	<u>17,339,848,836</u>
Ending balance	<u>19,855,332,831</u>	<u>5,834,259</u>	<u>117,796,501</u>	<u>19,978,963,591</u>

16. INVESTMENT PROPERTIES

	VND		
	<i>Land use rights</i>	<i>Buildings and structures</i>	<i>Total</i>
Cost:			
Beginning balance	144,455,832,878	-	144,455,832,878
Transferred from work in progress	-	45,419,179,250	45,419,179,250
Ending balance	<u>144,455,832,878</u>	<u>45,419,179,250</u>	<u>189,875,012,128</u>
Accumulated amortisation:			
Beginning balance	(26,242,809,625)	-	(26,242,809,625)
Amortization for the year	(2,889,116,656)	(454,191,792)	(3,343,308,448)
Ending balance	<u>(29,131,926,281)</u>	<u>(454,191,792)</u>	<u>(29,586,118,073)</u>
Net carrying amount:			
Beginning balance	<u>118,213,023,253</u>	<u>-</u>	<u>118,213,023,253</u>
Ending balance	<u>115,323,906,597</u>	<u>44,964,987,458</u>	<u>160,288,894,055</u>

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16. INVESTMENT PROPERTIES (continued)

Additional information:

The rental income and operating expenses information relating to investment property is presented as follow:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Rental income from investment properties	3,709,872,356	3,374,235,992
Direct operating expenses of investment properties that generated rental income during the year	3,343,308,448	2,889,116,656

The annual rental fee relating to investment property is presented in *Note 36*.

The fair value of the investment properties was not formally assessed and determined as at 31 December 2018. 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.

17. CONSTRUCTION IN PROGRESS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Ceramic factory	50,115,808,620	-
Ba Sao Entertainment and Eco-Tourism	36,547,852,524	36,423,617,664
Inland port	-	29,404,936,995
Others	4,279,962,435	2,169,415,474
TOTAL	<u>90,943,623,579</u>	<u>67,997,970,133</u>

18. LONG-TERM INVESTMENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Investments in associates (<i>Note 18.1</i>)	171,586,948,019	245,034,714,319
Investments in other entities (<i>Note 18.2</i>)	247,513,369,377	301,202,915,784
Held-to-maturity investments (<i>Note 18.3</i>)	12,190,000,000	16,000,000,000
TOTAL	<u>431,290,317,396</u>	<u>562,237,630,103</u>
Provision for long-term investments	<u>(28,752,733,654)</u>	<u>(28,350,546,955)</u>
NET	<u>402,537,583,742</u>	<u>533,887,083,148</u>

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18. LONG-TERM INVESTMENTS (continued)

18.1 Investments in associates

	Ending balance		Beginning balance		VND
	Costs	%	Costs	%	
Southern Development Investment Joint Stock Company ("Phuong Nam")	74,743,013,022	48.88%	92,083,217,607	43.00%	
DIC No.4 Joint Stock Company ("DIC 4")	37,876,886,348	20.86%	-	-	
DIC Concrete Joint Stock Company ("Concrete")	30,038,468,692	36.00%	28,850,896,591	36.00%	
Development Investment Construction Sport Tourist Joint Stock Company ("DIC Sport")	15,659,665,445	23.92%	17,239,348,045	23.92%	
DIC Real Estate Joint Stock Company ("DIC Real Estate")	11,298,427,433	42.67%	6,117,279,165	42.67%	
DIC Global Joint Stock Company (formerly known as DIC Sunrise Property Management Co., Ltd) ("Binh Minh")	1,970,487,079	49.00%	-	-	
Viet Thien Lam Investment Joint Stock Company ("Viet Thien Lam")	-	-	83,465,845,094	22.00%	
Development Investment Construction Hoi An Joint Stock Company ("DIC Hoi An")	-	-	15,660,080,897	29.97%	
Brothers DIC Ceramic Joint Stock Company ("DIC Brothers")	-	-	1,618,046,920	40.83%	
TOTAL	171,586,948,019		245,034,714,319		

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18. LONG-TERM INVESTMENTS (continued)

18.1 Investments in associates (continued)

	Phuong Nam	DIC 4	Concrete	DIC Sport	DIC Reals Estate	Binh Minh	Viet Thien Lam	Hoi An	DIC Brother	VND Total
Cost:										
Beginning balance	189,200,000,000	-	17,982,564,000	17,938,560,000	4,815,000,000	-	86,220,344,334	10,401,226,893	34,511,962,306	361,069,657,533
Increase	64,950,768,652	27,402,184,500	-	-	2,450,000,000	-	-	-	-	94,802,953,152
Decrease	-	-	-	-	-	-	(86,220,344,334)	(10,401,226,893)	(34,511,962,306)	(131,133,533,533)
Ending balance	254,150,768,652	27,402,184,500	17,982,564,000	17,938,560,000	4,815,000,000	-	-	-	-	324,739,077,152
Accumulated profit after investment:										
Beginning balance (Loss)	(97,116,782,393)	-	10,868,332,591	(699,211,955)	1,354,391,330	-	(2,754,499,240)	5,206,741,839	(32,893,915,386)	(116,034,943,214)
profit received	(82,290,973,237)	10,474,701,848	1,187,572,101	(1,579,682,600)	5,129,036,103	(479,512,921)	-	-	(1,618,046,920)	(69,176,905,626)
Disposal of associates	-	-	-	-	-	-	2,754,499,240	(5,206,741,839)	34,511,962,306	32,059,719,707
Ending balance	(179,407,755,630)	10,474,701,848	12,055,904,692	(2,278,894,555)	6,483,427,433	(479,512,921)	-	-	-	(153,152,129,133)
Net carrying amount:										
Beginning balance	92,083,217,607	-	28,850,896,591	17,239,348,045	6,169,391,330	-	83,465,845,094	15,607,968,732	1,618,046,920	245,034,714,319
Ending balance	74,743,013,022	37,876,886,348	30,038,468,692	15,659,665,445	11,298,427,433	1,970,487,079	-	-	-	171,586,948,019

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18. LONG-TERM INVESTMENTS (continued)

18.2 Investments in other entities

	Ending balance			Beginning balance			VND
	Costs	Provision	%	Costs	Provision	%	
Business activities							
Real estate	128,800,000,000	(7,481,277,466)	8.00%	128,800,000,000	(7,481,277,466)	8.00%	
Real estate	50,000,000,000	-	6.67%	50,000,000,000	-	6.67%	
Investment and Trading	41,104,911,284	-	14.75%	41,104,911,284	-	14.75%	
Rubber production	20,000,000,000	(20,000,000,000)	5.00%	20,000,000,000	(20,000,000,000)	5.00%	
Real estate	6,000,000,000	-	15.00%	6,000,000,000	-	15.00%	
Real estate	1,240,000,000	(1,155,107,780)	9.02%	1,240,000,000	(783,914,553)	9.02%	
Real estate	173,958,093	-	0.50%	-	-	-	
Construction	-	-	-	38,025,000,000	-	10.00%	
Real estate	-	-	-	8,469,000,000	(6,124,754)	5.00%	
Construction	-	-	-	7,369,504,500	-	14.55%	
Other investments	194,500,000	(116,348,408)	0.01%	194,500,000	(79,230,182)	0.01%	
TOTAL	247,513,369,377	(28,752,733,654)		301,202,915,784	(28,350,546,955)		

(*) The value of investments as at 31 December 2018 were pledged to secure long-term loans as described in Note 24.2 and in Note 24.3.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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18. LONG-TERM INVESTMENTS (continued)

18.3 Held-to-maturity investment

	VND			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Costs</i>	<i>Provision</i>	<i>Costs</i>	<i>Provision</i>
Convertible bond of DIC No. 4 Joint Stock Company (*)	8,000,000,000	-	16,000,000,000	-
Joint Stock Commercial Bank for Investment and Development of Vietnam - Vung Tau Branch (**)	4,190,000,000	-	-	-
TOTAL	12,190,000,000	-	16,000,000,000	-

(*) The convertible bonds will be matured in three years starting from 24 January 2017, with coupon 10% per annum. Coupon payment will be made per 6 months. The pair value is 100,000 VND per bond. The convertible rate is that every VND 100,000 bond will be converted to 10 shares which valued at VND 10,000 per share. The bonds can be converted within 7 working days after each converting round (including round 1, after 18 months since the bonds was issued, 50% bonds will be converted to shares, round 2, at the maturity, the other 50% will be converted to shares.

On 17 August 2018, DIC No. 4 converting 50% of the issued bonds, accordingly, the Corporation's ownership rate in DIC No. 4 increased to 20.86% at Note 18.1.

(**) The bond will be matured in seven years starting from 19 December 2018, with coupon the interest rate equal to the average interest rate of saving deposits in VND, postpaid, applied for 12-month term published on the website of the four reference banks at the interest date plus (+) 0.8% per annum. Coupon payment will be made per year. The pair value is VND 10,000,000 per bond.

19. SHORT-TERM TRADE PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
DIC No. 4 Joint Stock Company	35,626,056,055	47,868,185,742
Duc Long Thinh Trading and Services Limited Company	14,951,035,391	-
Phuoc An Construction Development Investment Corporation	13,852,235,433	4,305,324,794
DIC Concrete Joint Stock Company	14,561,704,520	9,029,951,300
Dat Viet Furniture Limited Company	9,525,062,587	-
Vietnam Dairy Products Joint-Stock Company - Vinamilk	8,552,615,109	16,463,215,939
Thanh Binh Development Investment Joint Stock Company	4,540,047,517	9,246,430,292
Others	168,144,739,420	127,207,798,335
TOTAL	269,753,496,032	214,120,906,402
<i>In which:</i>		
<i>Due to other parties</i>	215,025,687,940	137,858,100,493
<i>Due to related parties (Note 33)</i>	54,727,808,092	76,262,805,909

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20. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Customers of B13 Apartment - Vung Tau Gateway Project	356,764,589,157	-
Customers from Nam Vinh Yen New Urban Area Project	275,810,455,004	304,228,516,476
Customers of Hiep Phuoc Urban Area Project	129,192,192,664	197,704,569,759
Customers of Phoenix Project	113,772,503,061	142,503,740,211
Customers of Dai Phuoc Urban Area Project	73,157,280,834	69,032,350,895
Customers of Chi Linh Residential Project	30,799,863,491	31,206,390,691
Customers of Taekwang Vina Industrial	14,955,930,000	-
Customers of other projects	24,064,405,196	15,577,837,014
TOTAL	<u>1,018,517,219,407</u>	<u>760,253,405,046</u>

21. STATUTORY OBLIGATIONS

	VND			
	<i>Beginning balance</i>	<i>Increase in year</i>	<i>Decrease in year</i>	<i>Ending balance</i>
Receivables				
Corporate income tax	3,160,364,320	9,368,991,320	(9,918,336,253)	2,611,019,387
Value-added tax	1,319,982,565	1,285,037,515	(721,511,414)	1,883,508,666
TOTAL	<u>4,480,346,885</u>	<u>10,654,028,835</u>	<u>(10,639,847,667)</u>	<u>4,494,528,053</u>
Payables				
Corporate income tax	32,241,244,425	89,843,842,261	(47,348,918,791)	74,736,167,895
Value-added tax	6,757,854,932	126,160,331,917	(121,742,235,412)	11,175,951,437
Personal income tax	653,646,605	2,450,497,602	(2,574,684,001)	529,460,206
Others	2,352,403,192	10,665,511,501	(10,701,880,593)	2,316,034,100
TOTAL	<u>42,005,149,154</u>	<u>229,120,183,281</u>	<u>(182,367,718,797)</u>	<u>88,757,613,638</u>

22. SHORT-TERM ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Loan interest	65,123,778,678	84,848,811,836
Operating expenses	11,879,510,330	9,381,070,821
Others	4,893,423,092	1,367,430,195
TOTAL	<u>81,896,712,100</u>	<u>95,597,312,852</u>

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23. OTHER PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	310,795,724,791	134,834,730,441
Payables to Mr. Phan Van Binh	98,535,809,188	-
Profit shared from BCC	77,186,043,598	29,501,100,289
Registration fee, apartment maintenance fee	50,043,227,956	34,313,329,501
Compensation payables	36,228,655,209	53,034,154,726
Deposit received	9,190,907,500	3,578,338,160
Payment on behalf	6,356,340,086	-
Others	33,254,741,254	14,407,807,765
Long-term	1,443,624,500	1,092,524,500
Deposit received	1,443,624,500	1,092,524,500
TOTAL	<u>312,239,349,291</u>	<u>135,927,254,941</u>

24. LOANS

	VND			
	<i>Beginning balance</i>	<i>Increase in year</i>	<i>Decrease in year</i>	<i>Ending balance</i>
Loans from banks (Note 24.1 and 24.2)	758,613,227,354	764,296,744,502	(719,664,011,988)	803,245,959,868
Non-convertible bonds (Note 24.3)	1,000,000,000,000	-	(200,000,000,000)	800,000,000,000
Loan from individuals	5,347,580,847	31,822,878,000	(20,782,063,000)	16,388,395,847
Loan from organisations	148,000,000	-	(148,000,000)	-
Non-convertible bonds issuance expenses (Note 24.3)	(4,413,387,998)	-	3,209,736,728	(1,203,651,270)
TOTAL	<u>1,759,695,420,203</u>	<u>796,119,622,502</u>	<u>(937,384,338,260)</u>	<u>1,618,430,704,445</u>
<i>In which:</i>				
Short-term loans	364,231,604,737			1,194,403,948,267
Long-term loans	1,395,463,815,466			424,026,756,178

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24. LOANS (continued)

24.1 Short-term loans from banks

Banks	Ending balance VND	Principal and interest repayment term	Interest rate (% p.a.)	Collaterals
Vietnam Bank for Agriculture and Rural Development - Dong Nai Branch	120,000,000,000	8 February 2019	8%	Land use rights of 5 land lots with an area of 84,647 m ² of Dai Phuoc Urban Area Project, Dai Phuoc Ward, Nhon Trach Ward, Dong Nai Province
Joint Stock Commercial Bank for Investment and Development of Vietnam - Vung Tau Branch	4,214,894,940	11 August 2019	6% - 7.7%	Machinery, equipment of Development Investment Construction Sport Tourist Joint Stock Company
	57,778,107,174	3 August 2019	6% - 7%	Land use rights in Dai Phuoc Commune, Nhon Trach District, Dong Nai Province, receivables from production and business activities and debt claims arising from construction contracts, machinery and equipment of the First Joint Stock Company Construction Development No. 1
	20,883,522,236	31 July 2019	6.5%	Machinery and equipment belongs to DIC No. 2
	8,005,113,220	12 March 2019	8.7%	Land use right and construction on land, machineries and equipment, means of transportation and production line of DIC Building Materials Joint Stock Company
Sai Gon Commercial Bank - Da Nang Branch	4,080,000,000	31 December 2019	6.5%	Machinery, equipment of Brothers DIC Ceramic Joint Stock Company
Joint Stock Commercial Bank for Foreign Trade of Vietnam	2,551,008,482	17 July 2019	6%	All machinery, equipment, building of factory and mining right of My Xuan 3 mine owned by DIC Building Materials Joint Stock Company
	4,999,673,256	22 January 2019	6.5%	Land use right and constructions on land of Pham Su Manh and Le Thi Hoa
TOTAL	222,512,319,308			

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24. LOANS (continued)

24.2 Long-term loans from banks

Banks	Ending balance VND	Principal and interest repayment term	Interest rate (% p.a.)	Collaterals
Ho Chi Minh City Develop Joint Stock Commercial Bank - Vung Tau Branch	158,999,405,034	From 22 July 2019 to 7 October 2020	10.5% - Land use rights of the projects include: 1 lot of land area of 26,895.1 m2 and future assets of Phoenix I and Phoenix II Project, 53 lots in Dai Phuoc Ecotourism Urban Area area of 101,521 m2, 43 land lots in Commercial Residential Area, Ward 4, Hau Giang, area of 201,702.8 m2, 189 land lots in Nam Vinh Yen New Urban Area with area of 48,365 m2; and capital contribution and rights arising from capital contribution to Vina Dai Phuoc Joint Stock Company	
Joint Stock Commercial Bank for Investment and Development of Vietnam- Vung Tau Branch	163,775,204,200	14 December 2022	9.5%	Deposits of guarantee agreement, the certificate of land use rights No. AL 622002 issued by the People's Committee of Ba Ria - Vung Tau on 31 January 2008
	3,399,575,990	26 May 2021	8.5%	Related assets arising from loan project of the Development Investment Construction Number 1 Joint Stock Company
	2,608,147,070	From 6 February 2019 to 6 February 2020	11%	Related assets arising from loan project of DIC Tourist and Trade Joint Stock Company
	1,200,000,000	19 Jan 2021	7.5%	Machines and equipment belongs to DIC No. 2
Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch	190,784,268,844	From 25 January 2019 to 25 January 2021	9.5%	Receivables and rights arising from sales/leasing contracts from Block B - Pullman Project and Vung Tau International Exhibition Center, cash deposit at Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch and 18,920,000 ordinary shares of Southern Development Investment Joint Stock Company.
Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Xuyen Project	58,365,039,422	From 1 August 2019 to 1 November 2028	8.8%	Land use rights, asset on land and rights arising of land No.667 with an area of 7,920 m2 in Khai Quang Ward, Vinh Yen City, Vinh Phuc Province and Land use rights, asset on land and rights arising of land No.805 and 806 with an area of 17,341 m ² in Thanh Tru Commune, Vinh Yen City, Vinh Phuc Province and all property rights arising from the DIC Star Hotel Project
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quang Nam Branch	1,602,000,000	From 18 July 2019 to 18 January 2022	7%	Fixed asset arised from loan of DIC Central Minerals
TOTAL	580,733,640,560			
<i>In which:</i>				
Current portion	424,026,756,178			
Non-current portion	156,706,884,382			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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24. LOANS (continued)

24.3 Bond

	VND	
	Ending balance	Beginning balance
Non-convertible bond issued to Ho Chi Minh City Development Joint Stock Commercial Bank (*)	800,000,000,000	800,000,000,000
Non-convertible bond issued to Lien Viet Post Joint Stock Commercial Bank - Vung Tau Branch (*)	-	200,000,000,000
Issuance expenses	(1,203,651,270)	(4,413,387,998)
TOTAL	<u>798,796,348,730</u>	<u>995,586,612,002</u>
<i>In which:</i>		
<i>Current portion</i>	798,796,348,730	-
<i>Non-current portion</i>	-	995,586,612,002

(*) On 16 May 2014, the Group issued 1,000 corporate bonds coding DIC.BOND.2014.1000 at par value of VND 1 billion/bond and will mature on 16 May 2019. The interest rate is paid annually and applies for the first period at 12.2%. From the second period, the interest rate is determined by the reference rate plus (+) a margin of 4% p.a. The reference rate is determined by the public average rate for individual savings in VND, interest paid at the end of the 12-month term announced at Transaction Centres/ Branches of these 4 commercial banks in Ha Noi: (i) Joint Stock Commercial Bank for Investment and Development of Vietnam - Transaction Centre I; (ii) Vietnam Joint Stock Commercial Bank for Industry and Trade - Transaction Centre; (iii) Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ha Noi Branch; and (iv) Vietnam Bank for Agriculture and Rural Development - Transaction at each day of determining interest rates.

Purposes of issuance: (i) To restructure capital of the Group (ii) To increase funding scale and to invest into DIC - Phoenix luxury apartment project and Nam Vinh Yen new urban area project.

The bonds are guaranteed by the following assets:

- ▶ Land use rights of the projects: 1 plot of land with an area of 26,895.1 m² and future assets of Phoenix I Project and Phoenix II Project, 53 lots of land at Sinh Sinh Urban Area Project Dai Phuoc area with an area of 101,521 m², 43 land lots at Commercial Residential Area, Ward 4, Hau Giang, with an area of 201,702.8 m², 189 land lots in Nam Vinh Yen new urban with an area of 48,365 m²; and
- ▶ Share capital contributed into Vina Dai Phuoc Joint Stock Company.

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25. OWNERS' EQUITY

25.1 Movements in owners' equity

	Share capital	Share premium	Investment and development fund	Undistributed earnings	Non-controlling interests	Total	VND
Previous year							
Beginning balance	2,381,948,190,000	66,111,261,707	163,672,057,495	119,541,816,792	66,787,627,727	2,798,060,953,721	
Dividend declared	-	-	-	(107,187,668,550)	-	(107,187,668,550)	
Net profit for the year	-	-	-	196,234,898,683	6,154,977,085	202,389,875,768	
Fund appropriation	-	-	5,790,084,295	(12,114,965,772)	-	(6,324,881,477)	
Others	-	-	-	3,622,883,516	-	3,622,883,516	
Ending balance	2,381,948,190,000	66,111,261,707	169,462,141,790	200,096,964,669	72,942,604,812	2,890,561,162,978	
Current year							
Beginning balance	2,381,948,190,000	66,111,261,707	169,462,141,790	200,096,964,669	72,942,604,812	2,890,561,162,978	
Capital contribution	-	-	-	-	9,535,629,857	9,535,629,857	
Dividend declared	142,899,640,000	-	-	(142,899,640,000)	(5,005,885,000)	(5,005,885,000)	
Net profit for the year	-	-	-	323,991,905,953	8,933,172,334	332,925,078,287	
Fund appropriation	-	-	8,799,246,783	(18,202,567,733)	747,180,252	(8,656,140,698)	
Ending balance	2,524,847,830,000	66,111,261,707	178,261,388,573	362,986,662,889	87,152,702,255	3,219,359,845,424	

According to the Resolution of the Annual General Meeting of Shareholders 2018 dated 24 April 2018, the shareholders of the Company approved the plan of issuing dividend shares to existing shareholders at the rate of 6% of par value. The Company has completed the issuance and listing of 14,289,964 new shares on 23 August 2018. Accordingly, the Company's share capital increased from VND 2,381,948,190,000 to VND 2,524,847,830,000. On 11 September 2018, the Department of Planning and Investment of Ba Ria - Vung Tau Province issued the 13th amended Business Registration Certificate approving the increase of share capital.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

25. OWNERS' EQUITY (continued)

25.2 Capital transactions with owners and distribution of dividends, profits

	VND	
	Current year	Previous year
Contributed capital		
Beginning balance	2,381,948,190,000	2,381,948,190,000
Increase	142,899,640,000	-
Ending balance	<u>2,524,847,830,000</u>	<u>2,381,948,190,000</u>
Dividends declared	147,905,525,000	107,187,668,550
Dividend paid by cash	1,531,047,010	113,689,370,100
Dividend paid by shares	142,899,640,000	-

25.3 Shares

	Quantity	
	Ending balance	Beginning balance
Issued shares	252,484,783	238,194,819
Treasury shares		
<i>Ordinary shares</i>	252,484,783	238,194,819
Shares in circulation		
<i>Ordinary shares</i>	252,484,783	238,194,819

25.4 Earnings per share

	VND	
	Current year	Previous year
Net profit after tax attributable to ordinary shareholders	323,991,905,953	196,234,898,683
Distribution to bonus and welfare fund (*)	(12,717,049,231)	(7,702,442,010)
Net profit attributable to ordinary shareholders adjusted for the effect of dilution	311,274,856,722	188,532,456,673
Weighted average number of ordinary shares adjusted for the effect of dilution (**)	252,484,783	252,484,783
Basic earnings per share	1,233	747

(*) Net profit used to compute earnings per share for the year ended 31 December 2017 was restated following the actual allocation to bonus and welfare funds from 2017 retained earnings as approved in the Shareholders Meeting's Resolution no 02/2018/NQ-DHCD dated 24 April 2018.

Profit used to compute earnings per share for the year ended 31 December 2018 was adjusted reflect the temporary allocation to bonus and welfare fund, remuneration from undistributed earnings in 2018.

(**) The weighted average number of ordinary shares for the year ended 31 December 2017 was adjusted to reflect the additional issuance of 14,289,964 shares to existing shareholders taken from undistributed earnings to its existing shares holders.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

26. REVENUES

26.1 Revenues from sale of goods and rendering of services

	VND	
	Current year	Previous year
Gross revenue	2,459,138,866,544	1,704,138,432,049
<i>In which:</i>		
<i>Sales of real estate</i>	2,082,415,397,031	1,144,491,740,676
<i>Sales of merchandises</i>	211,461,432,030	306,223,880,382
<i>Sales of rendering of services</i>	92,178,296,420	58,151,699,844
<i>Sales of finished goods</i>	58,126,703,120	83,644,183,854
<i>Sales of construction contract</i>	14,957,037,943	111,626,927,293
Less	(114,130,721,025)	(110,427,915,190)
<i>In which:</i>		
<i>Sales returns</i>	(113,045,868,946)	(109,072,070,967)
<i>Trade discounts</i>	(1,084,852,079)	(1,355,844,223)
Net revenue	<u>2,345,008,145,519</u>	<u>1,593,710,516,859</u>
<i>In which:</i>		
<i>Sales of real estate</i>	1,969,388,618,994	1,035,419,669,709
<i>Sales of merchandises</i>	211,461,432,030	306,223,880,382
<i>Sales of rendering of services</i>	92,178,296,420	58,151,699,844
<i>Sales of finished goods</i>	57,963,848,393	83,644,183,854
<i>Sales of construction contract</i>	14,015,949,682	110,271,083,070

26.2 Finance income

	VND	
	Current year	Previous year
Gain from disposal of investments	126,332,516,076	66,304,233,466
Interest income	19,393,307,580	17,891,509,388
Dividend received	9,234,324,171	5,835,923,500
Foreign exchange gains	2,936,487	318,077,106
TOTAL	<u>154,963,084,314</u>	<u>90,349,743,460</u>

27. COSTS OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Cost of real estate	1,478,827,610,085	762,003,107,589
Cost of merchandises	207,775,282,063	284,439,290,475
Cost of finished goods	52,904,062,886	75,378,489,842
Cost of services rendered	30,546,916,341	31,299,144,863
Cost of construction contracts	10,370,717,758	73,371,848,304
TOTAL	<u>1,780,424,589,133</u>	<u>1,226,491,881,073</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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28. FINANCE EXPENSES

	VND	
	Current year	Previous year
Foreign exchange losses	38,331,485,968	-
Interest expenses	21,663,032,812	16,997,532,131
Discounts for early payment	96,068,386	99,155,303
Losses from disposals of investments	26,523,000	12,749,069,437
Provision (reversal of provision) for diminution of investments	365,068,473	(1,313,318,418)
TOTAL	<u>60,482,178,639</u>	<u>28,532,438,453</u>

29. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	Current year	Previous year
Selling expenses	107,969,204,566	65,982,225,503
Commission	53,236,303,539	25,315,195,324
Salary expenses	22,384,036,565	17,500,622,607
Expense for external services	8,327,406,333	6,364,055,125
Tools and supplies	7,496,409,284	5,090,156,207
Depreciation	5,652,807,425	3,170,781,646
Advertising expense	1,972,934,462	840,101,818
Others	8,899,306,958	7,701,312,776
General and administrative expenses	142,520,178,119	93,751,545,087
Salary expenses	68,570,036,323	56,412,368,754
Business expenses	30,003,702,226	7,430,411,234
Expense for external services	4,754,402,587	1,857,542,494
Depreciation	5,792,644,315	3,220,430,999
Tools and supplies	3,203,627,676	1,474,791,728
Others	30,195,764,992	23,355,999,878
TOTAL	<u>250,489,382,685</u>	<u>159,733,770,590</u>

30. OTHER INCOME AND EXPENSES

	VND	
	Current year	Previous year
Other income	112,238,227,784	52,900,607,699
Gains from write-off account payables	93,000,000,000	152,462,161
Income from disposal fixed assets	7,355,018,498	783,433,932
Proceeds from fines of contract violation	4,240,977,163	4,036,578,204
Income from revaluation of capital distribution	-	43,012,071,609
Others	7,642,232,123	4,916,061,793
Other expenses	(23,353,061,440)	(4,370,483,447)
Penalties	(8,327,924,880)	(1,518,796,299)
Losses from disposal fixed assets	(7,403,386,468)	(25,724,023)
Expenses from dissolution of branch	(3,231,930,809)	-
Others	(4,389,819,283)	(2,825,963,125)
OTHER PROFIT	<u>88,885,166,344</u>	<u>48,530,124,252</u>

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31. PRODUCTION AND OPERATING COSTS

	VND	
	Current year	Previous year
Cost of real estate	1,478,827,610,085	762,003,107,589
Cost of merchandised and finish goods	260,679,344,949	359,817,780,317
Labour costs	90,954,072,888	73,912,991,361
Expenses for external services	68,291,046,921	34,376,894,761
Cost of services rendered	40,917,634,099	104,670,993,167
Depreciation and amortization (Note 4.2, 14, 15 and 16)	22,806,617,100	11,004,867,239
Tools and supplies	10,700,036,960	6,564,947,935
Others	57,737,608,816	33,874,069,294
TOTAL	<u>2,030,913,971,818</u>	<u>1,386,225,651,663</u>

32. CORPORATE INCOME TAX

The Company and its subsidiaries have the obligation to pay corporate income tax ("CIT") rate at 20% of taxable profits (2017: 20%).

The tax returns filed by the Company and its subsidiaries 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.

32.1 CIT expenses

	VND	
	Current year	Previous year
Current CIT expense	89,843,842,261	39,192,766,796
Deferred income tax expenses	5,514,419,546	13,761,014,437
TOTAL	<u>95,358,261,807</u>	<u>52,953,781,233</u>

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

	VND	
	Current year	Previous year
Accounting profit before tax	<u>428,283,340,094</u>	<u>255,343,657,001</u>
At CIT rate of 20% applicable to companies in the Group.	85,656,668,019	51,068,731,400
<i>Adjustments:</i>		
Non-deductible expenses	9,104,673,824	6,203,917,348
Dividend received	(1,933,872,460)	(1,167,184,700)
Tax losses	2,644,023,153	1,216,533,036
Tax losses carried forward	-	(677,405,287)
Provision for investments	(12,900,363,605)	(13,844,132,243)
Share of loss of associates	13,835,381,125	12,497,727,491
Reversal of provision	(585,236,911)	(1,844,625,870)
Share of loss of associates, joint-venture	(463,011,338)	(499,779,942)
CIT expenses	<u>95,358,261,807</u>	<u>52,953,781,233</u>

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32. CORPORATE INCOME TAX (continued)

32.2 Current tax

The current CIT payable is based on taxable profit for the current 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 year 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 balance sheet date.

32.3 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 year:

	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
				VND
Deferred tax assets				
Unrealised gain on internal disposal of assets	4,360,828,263	4,452,480,131	(91,651,868)	(91,651,868)
Deferred tax liabilities				
Unrealized foreign exchange differences	-	(7,669,774,145)	7,669,774,145	-
Reversal of provision for subsidiaries and associates	(35,156,923,980)	(22,064,382,157)	(13,092,541,823)	(13,669,362,569)
Deferred tax liabilities	(35,156,923,980)	(29,734,156,302)		
TOTAL	(30,796,095,717)	(25,281,676,171)	(5,514,419,546)	(13,761,014,437)

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33. TRANSACTIONS WITH RELATED PARTIES

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

Related parties	Relationship	Transactions	VND	
			Current year	Previous year
DIC Real Estate Joint Stock Company	Associate	Brokerage costs Cost of construction	36,799,845,391 12,016,854,460	3,314,155,608 22,529,185,100
Southern Development Investment Joint Stock Company	Associate	Advance Transfer loan to capital contribution Capital contribution Loan Business expenses	169,545,431,029	- - - 29,100,000,000 2,476,312,131
DIC Concrete Joint Stock Company	Associate	Cost of construction Purchase of material Dividend received	32,778,703,000 5,027,689,300 2,519,988,000	20,091,743,000 - -
Thanh Binh Construction Investment Development Joint Stock Company	Related party	Cost of construction	2,235,508,984	5,646,045,808
DIC No. 4 Joint Stock Company	Associate	Cost of construction	189,871,134,545	151,904,752,639

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33. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due from the related parties were as follows:

Related parties	Relationship	Transactions	Ending balance	Beginning balance	VND
Short-term trade receivables					
DIC No. 4 Joint Stock Company	Associate	Providing of services	2,208,010,428	52,500,000,000	
Southern Development Investment Joint Stock Company	Associate	Providing of services	1,443,176,623	1,039,018,514	
Vina Dai Phuoc Joint Stock Company	Related party	Providing of services	781,678,376	77,485,045	
Development Investment Construction Sport Tourist Joint Stock Company	Related party	Providing of services	135,722,226	-	
DIC Concrete Joint Stock Company	Associate	Providing of services	110,973,300	89,405,388	
DIC Investment and Trading Joint Stock Company	Associate	Providing of services	11,000	-	
DIC Real Estate Joint Stock Company	Associate	Providing of services	-	299,677,500	
			4,679,571,953	54,005,586,447	
Short-term advance to suppliers					
Southern Development Investment Joint Stock Company	Associate	Advance for land purchasing	189,685,905,922	7,335,286,419	
DIC Real Estate Joint Stock Company	Associate	Rendering of services	1,930,045,518	-	
			191,615,951,440	7,335,286,419	

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

33. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due from the related parties were as follows (continued):

Related parties	Relationship	Transactions	Ending balance	Beginning balance	VND
Short-term loan receivables					
Southern Development Investment Joint Stock Company	Associate	Lending	-	35,700,000,000	
DIC Eastern Concrete Structure Joint-Stock Company	Associate	Lending	-	1,755,480,742	
Long-term loan receivables					
DIC Concrete Joint Stock Company	Associate	Lending	-	8,054,507,014	
Brothers DIC Ceramic Joint Stock Company	Subsidiary	Lending	-	10,000,000,000	
			-	55,509,987,756	
Other short-term receivables					
Southern Development Investment Joint Stock Company	Associate	Interest receivables	102,666,667	469,344,944	
DIC No. 4 Joint Stock Company	Associate	Interest receivables	430,146,119	740,222,223	
Development Investment Construction Sport Tourist Joint Stock Company	Associate	Payment on behalf	153,555,286	309,795,286	
DIC Real Estate Joint Stock Company	Associate	Dividend receivables	21,689,000	240,750,000	
Other long-term receivables					
DIC Trading and Services Limited Company	Associate	Investment contribution received for BCC	3,000,000,000	3,000,000,000	
			3,708,057,072	4,760,112,453	

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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33. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due from the related parties were as follows (continued):

Related parties	Relationship	Transactions	Ending balance	Beginning balance	VND
Short-term trade payables					
DIC No. 4 Joint Stock Company	Associate	Construction cost	35,626,056,055	47,868,185,742	
DIC Concrete Joint Stock Company	Associate	Construction cost	14,561,704,520	9,029,951,300	
Thanh Binh Construction Investment Development JSC	Related party	Construction cost	4,540,047,517	9,246,430,292	
DIC Real Estate Joint Stock Company	Associate	Brokerage	-	10,115,029,158	
Development Investment Construction Sport Tourist Joint Stock Company	Associate	Render of service	-	3,209,417	
			54,727,808,092	76,262,805,909	

Remuneration to members of the Board of Directors and management:

Board of Directors and management	Current year	Previous year	VND
	5,755,902,053	5,144,024,594	

34. 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 produced. Secondary information is reported geographically. The operating businesses are organized 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.

The investment property segment leases offices and manufacturing plants owned by the Group but which are surplus to the Group's requirement. The current principal activities of the Company are to invest and develop new urban areas and industrial zones; invest in, trade and develop real estate and technical infrastructure of urban areas, transportation construction, irrigation; consult investments, manage projects; trade building materials; provide traveling services and monitor construction.

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.

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34. SEGMENT INFORMATION (continued)

34.1 Business segment (continued)

	Real estate	Trading	Rendering of service	Elimination	VND Total
As at 31 December 2017 and for the year ended					
Revenue					
Sales to external customers	899,507,343,454	417,124,263,421	389,868,064,236	(112,789,154,252)	1,593,710,516,859
Results					
Gross profit	137,504,235,865	63,751,789,747	30,050,283,919	135,912,326,255	367,218,635,786
(-) Unallocated expense					(159,733,770,590)
Share of loss of associates, joint-venture					(62,488,637,454)
Financial income					90,349,743,460
Financial expense					(28,532,438,454)
Other gains/(losses)					48,530,124,253
Profit before tax					255,343,657,001
(-) CIT expense					(39,192,766,796)
(-) Differed CIT expense					(13,761,014,437)
Profit after tax					202,389,875,768
Non-controlling interest					(6,154,977,085)
Net profit after tax					196,234,898,683
As at 31 December 2017					
Assets and liabilities					
Segment assets	4,855,671,298,017	290,879,284,197	236,256,160,123	(118,088,726,875)	5,264,718,015,462
Unallocated assets					846,426,085,560
Total assets					6,111,144,101,022
Segment liabilities	3,013,269,933,302	66,052,565,974	142,686,078,633	(97,181,942,985)	3,124,826,634,924
Unallocated liabilities					95,756,303,120
Total liabilities					3,220,582,938,044

Development Investment Construction Joint Stock Company

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

34. SEGMENT INFORMATION (continued)

34.1 Business segment (continued)

	Real estate	Trading construction service	Elimination	Total	VND
As at 31 December 2018 and for the year ended					
Revenue					
Sales to external customers	1,974,195,312,440	419,149,043,445	(318,142,963,503)	2,345,008,145,519	
Results					
Gross profit	489,484,148,180	79,149,030,477	(3,022,788,540)	564,583,556,386	
(-) Unallocated expense		(1,026,833,731)		(250,489,382,685)	
Share of loss of associates, joint-venture				(69,176,905,626)	
Financial income				154,963,084,314	
Financial expense				(60,482,178,639)	
Other gains/(losses)				88,885,166,344	
Profit before tax				428,283,340,094	
(-) CIT expense				(89,843,842,261)	
(-) Differed CIT expense				(5,514,419,546)	
Profit after tax				332,925,078,287	
Non-controlling interest				(8,933,172,334)	
Net profit after tax				323,991,905,953	
As at 31 December 2018					
Assets and liabilities					
Segment assets	4,966,674,759,543	249,531,404,729	(187,151,775,138)	5,629,534,129,533	
Unallocated assets				1,202,574,037,887	
Total assets				6,832,108,167,420	
Segment liabilities	3,128,197,975,901	91,340,105,994	(215,837,330,231)	3,456,511,571,673	
Unallocated liabilities				156,236,750,323	
Total liabilities				3,612,748,321,996	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

35. CORRESPONDING FIGURES

Certain corresponding figures on the consolidated balance sheet as at 31 December 2017 have been reclassified to reflect the presentation of the current year's consolidated financial statements.

36. OPERATING LEASE COMMITMENTS

Lessee

The Company leases out assets under operating lease arrangements. The future minimum rental receivable as at balance sheet dates under the operating lease out agreements are as follows:

	<i>VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	1,452,000,000	1,320,000,000
From 1 - 5 years	3,834,050,000	3,485,500,000
Over 5 years	<u>9,106,350,000</u>	<u>8,278,500,000</u>
TOTAL	<u>14,392,400,000</u>	<u>13,084,000,000</u>

Leassor

The Company leases out assets 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	9,086,994,656	7,343,955,992
From 1 to 5 years	23,147,991,957	19,829,533,968
Over 5 years	<u>158,226,176,514</u>	<u>121,475,709,379</u>
TOTAL	<u>190,461,163,127</u>	<u>148,649,199,339</u>

