

Development Investment Construction Joint Stock Company

Consolidated financial statements

For the year ended 31 December 2020



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 the following 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	
Mr Nguyen Quang Tin	Member	
Mr Hoang Van Tang	Member	
Ms Phan Thi Mai Huong	Member	
Ms Nguyen Thi Thanh Huyen	Member	appointed on 30 June 2020
Ms Nguyen Thao My	Member	appointed on 30 June 2020
Mr Phan Van Danh	Member	appointed on 28 January 2021
Mr Tran Minh Phu	Deputy Chairman	resigned on 30 June 2020
Mr Tran Thai Phong	Member	resigned on 14 December 2020
		appointed on 30 June 2020
Mr Dinh Quang Hoan	Member	resigned on 14 December 2020

INTERNAL AUDIT

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

Mr Tran Thai Phong	Head	appointed on 18 August 2020
Ms Le Thu Trang	Member	
Mr Nguyen Trong Nghia	Member	appointed on 18 August 2020
Mr Dinh Quang Hoan	Head	resigned on 18 August 2020
Mr Nguyen Hung Cuong	Member	resigned on 18 August 2020

MANAGEMENT

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

Mr Hoang Van Tang	General Director	
Ms Nguyen Thi Thanh Huyen	Deputy General Director	
Mr Nguyen Van Tung	Deputy General Director	
Mr Nguyen Tuan Liem	Deputy General Director	appointed on 4 December 2020
Mr Nguyen Quang Tin	Deputy General Director	appointed on 18 August 2020
Mr Tran Van Dat	Deputy General Director	appointed on 18 August 2020
Mr Pham Van Thanh	Deputy General Director	resigned on 4 March 2020
Mr Bui Van Su	Deputy General Director	resigned on 1 October 2020

Development Investment Construction Joint Stock Company

GENERAL INFORMATION (continued)

INVESTMENT COMMITTEE

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

Mr Nguyen Thien Tuan	Head	
Mr Tran Minh Phu	Deputy	appointed on 3 June 2020
Mr Nguyen Hung Cuong	Member	
Mr Hoang Van Tang	Member	
Mr Dinh Quang Hoan	Member	
Mr Vu Huu Dien	Member	resigned on 2 June 2020

NOMINATION AND REMUNERATION COMMITTEE

Members of the Nomination and Remuneration Committee 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.

Mr Hoang Van Tang, General Director, is authorised by Mr Nguyen Thien Tuan to sign the accompanying interim consolidated financial statements for the year ended 31 December 2020 in accordance with the Letter of Authorisation No 11/UQ-DIC Corp dated 15 March 2021.

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 this report and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2020.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make 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 consolidated financial position of the Group and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

STATEMENT BY MANAGEMENT

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

For and on behalf of management:

Approved by Board of Directors:


Hoàng Văn Tạng
General Director

29 March 2021



Nguyễn Thiên Tuấn
Chairman

Reference: 61208332/21934223-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 2021 and as set out on pages 6 to 45 which comprise the consolidated balance sheet as at 31 December 2020, and the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

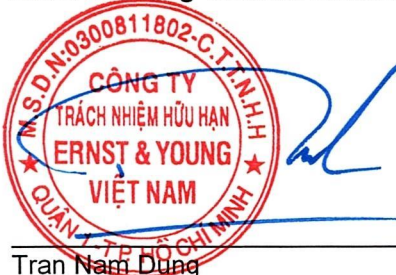
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements,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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2020, and of the consolidated results of its 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.

Ernst & Young Vietnam Limited



Tran Nam Dung
Deputy General Director
Audit Practicing Registration Certificate
No. 3021-2019-004-1



Duong Phuc Kien
Auditor
Audit Practicing Registration Certificate
No. 4613-2018-004-1

Ho Chi Minh City, Vietnam

29 March 2021

CONSOLIDATED BALANCE SHEET
as at 31 December 2020

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		7,299,152,349,851	7,130,818,433,089
110	I. Cash and cash equivalents	4	402,938,011,038	593,928,466,557
111	1. Cash		289,006,087,737	475,423,946,072
112	2. Cash equivalents		113,931,923,301	118,504,520,485
120	II. Short-term investment	5	137,000,000,000	225,000,000,000
123	1. Held-to-maturity investments		137,000,000,000	225,000,000,000
130	III. Current accounts receivable		2,255,191,037,837	1,955,553,803,522
131	1. Short-term trade receivables	6	1,080,875,007,032	941,283,317,787
132	2. Short-term advances to suppliers	7	223,201,096,880	245,583,601,237
135	3. Short-term loan receivables	8	76,651,231,700	76,742,000,352
136	4. Other short-term receivables	9	888,712,341,839	706,996,067,588
137	5. Provision for doubtful short-term receivables		(14,250,785,460)	(15,061,967,335)
139	6. Shortage of assets waiting for resolution		2,145,846	10,783,893
140	IV. Inventories	10	4,395,131,702,337	4,193,597,789,629
141	1. Inventories		4,401,218,373,486	4,203,273,070,739
149	2. Provision for obsolete inventories		(6,086,671,149)	(9,675,281,110)
150	V. Other current assets		108,891,598,639	162,738,373,381
151	1. Short-term prepaid expenses	11	94,485,634,627	141,695,131,646
152	2. Value-added tax deductible		2,588,969,670	3,488,658,997
153	3. Tax and other receivables from the State		11,816,994,342	17,554,582,738

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2020

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		4,527,010,691,862	1,066,410,074,669
210	I. Long-term receivables		3,111,277,967,009	84,608,901,281
211	1. Long-term trade receivables	6	8,318,000,000	8,318,000,000
216	2. Other long-term receivables	9	3,111,277,967,009	84,608,901,281
219	3. Provision for doubtful long-term receivables		(8,318,000,000)	(8,318,000,000)
220	II. Fixed assets		764,345,204,814	333,908,838,505
221	1. Tangible fixed assets	13	745,785,868,652	314,221,282,162
222	Cost		1,060,358,894,490	610,728,128,924
223	Accumulated depreciation		(314,573,025,838)	(296,506,846,762)
227	2. Intangible assets	14	18,559,336,162	19,687,556,343
228	Cost		19,301,250,270	20,227,483,179
229	Accumulated amortization		(741,914,108)	(539,926,836)
230	III. Investment properties	15	152,042,667,199	155,826,457,411
231	1. Cost		189,189,510,678	189,189,510,678
232	2. Accumulated depreciation		(37,146,843,479)	(33,363,053,267)
240	IV. Long-term asset in progress		87,977,366,707	89,440,203,454
241	1. Work in progress		1,489,700,282	-
242	2. Construction in progress	16	86,487,666,425	89,440,203,454
250	V. Long-term investments	17	299,295,959,493	318,897,456,287
252	1. Investments in associates, jointly controlled entities		181,636,249,630	192,967,740,752
253	2. Investment in other entities		119,083,369,377	119,083,369,377
254	3. Provision for long-term investments		(39,423,659,514)	(20,343,653,842)
255	4. Held-to-maturity investments		38,000,000,000	27,190,000,000
260	VI. Other long-term assets		112,071,526,640	83,728,217,731
261	1. Long-term prepaid expenses	11	55,055,553,316	23,933,379,401
262	2. Deferred tax assets	32.3	17,718,120,436	15,533,046,130
269	3. Goodwill	18	39,297,852,888	44,261,792,200
270	TOTAL ASSETS		11,826,163,041,713	8,197,228,507,758

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2020

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		7,036,033,811,342	4,187,782,312,233
310	I. Current liabilities		5,986,660,581,699	3,269,454,322,565
311	1. Short-term trade payables	19	366,430,294,899	325,518,932,410
312	2. Short-term advances from customers	20	2,004,381,352,111	1,732,835,761,768
313	3. Statutory obligations	21	208,921,348,697	213,784,272,638
314	4. Payables to employees		39,671,130,028	21,520,456,683
315	5. Short-term accrued expenses	22	30,222,980,913	17,137,428,832
318	6. Short-term unearned revenues		61,542,193,930	48,270,285,399
319	7. Other short-term payables	23	2,568,081,007,713	348,774,572,608
320	8. Short-term loan	24	689,658,262,854	547,806,830,701
322	9. Bonus and welfare fund		17,752,010,554	13,805,781,526
330	II. Non-current liabilities		1,049,373,229,643	918,327,989,668
336	1. Long-term unearned revenues		124,565,515,356	150,202,152,005
337	2. Other long-term liabilities	23	19,988,120,000	20,428,400,000
338	3. Long-term loans	24	825,015,446,511	729,658,592,300
339	4. Convertible bonds	24	9,750,000,000	-
341	5. Deferred tax liabilities	32.3	64,362,285,757	17,406,981,008
342	6. Long-term provisions		5,691,862,019	631,864,355
400	D. OWNERS' EQUITY		4,790,129,230,371	4,009,446,195,525
410	I. Capital	25.1	4,790,129,230,371	4,009,446,195,525
411	1. Share capital		3,184,925,510,000	3,149,436,010,000
411a	- Shares with voting rights		3,184,925,510,000	3,149,436,010,000
412	2. Share premium		296,708,538,421	208,157,989,707
414	3. Other owners' capital		1,550,200,000	775,100,000
418	4. Investment and development fund		215,043,954,655	195,617,083,138
421	5. Undistributed earnings		1,034,315,397,871	390,717,784,688
421a	- Undistributed earnings (losses) at end of prior year		323,077,492,108	(271,859,897)
421b	- Undistributed earnings of current year		711,237,905,763	390,989,644,585
429	6. Non-controlling interests		57,585,629,424	64,742,227,992
440	TOTAL LIABILITIES AND OWNERS' EQUITY		11,826,163,041,713	8,197,228,507,758


 Le Thanh Hung
Preparer


 Bui Van Su
Chief Accountant


 Hoàng Văn Tạng
General Director


29 March 2021

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2020

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenues from sale of goods and rendering of services	26.1	2,503,768,921,575	2,139,478,786,862
02	2. Deductions	26.1	(16,594,906,022)	(23,734,413,231)
10	3. Net revenues from sale of goods and rendering of services	26.1	2,487,174,015,553	2,115,744,373,631
11	4. Cost of goods sold and services rendered	27	(1,846,705,794,144)	(1,475,079,355,633)
20	5. Gross profits from sale of goods and rendering of services		640,468,221,409	640,665,017,998
21	6. Finance income	26.2	26,858,495,762	197,545,575,808
22	7. Finance expenses	28	(56,725,752,191)	(26,619,168,032)
23	In which: Interest expense		(37,386,634,438)	(37,280,602,441)
24	8. Share of loss of associates		(29,014,157,522)	(13,888,785,170)
25	9. Selling expenses	29	(144,047,086,829)	(114,152,311,617)
26	10. General and administrative expenses	29	(150,149,648,357)	(150,401,335,317)
30	11. Operating profit		287,390,072,272	533,148,993,670
31	12. Other income	30	626,902,746,353	49,846,064,763
32	13. Other expenses	30	(14,447,731,555)	(111,713,857,888)
40	14. Other profit (loss)	30	612,455,014,798	(61,867,793,125)
50	15. Accounting profit before tax		899,845,087,070	471,281,200,545
51	16. Current corporate income tax expense	32.1	(133,178,726,195)	(128,380,729,770)
52	17. Deferred tax (expense) income	32.1	(44,770,230,443)	28,922,160,839
60	18. Net profit after tax		721,896,130,432	371,822,631,614
61	19. Net profit after tax attributable to shareholders of the parent company		711,237,905,763	390,989,644,585
62	20. Net profit (loss) after tax attributable to non-controlling interests		10,658,224,669	(19,167,012,971)
70	21. Basic earnings per share	25.4	2,157	1,166
71	22. Diluted earnings per share	25.4	2,157	1,166

Le Thanh Hung
Preparer

Bui Van Su
Chief Accountant

Hoàng Văn Tạng
General Director

29 March 2021

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2020

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		899,845,087,070	471,281,200,545
	<i>Adjustments for:</i>			
02	Depreciation and amortization		44,886,569,674	37,440,918,820
03	(Reversal of provisions) provisions		(4,399,791,836)	(4,803,421,204)
04	Foreign exchange gains arisen from revaluation		(30,967)	(226,285)
05	Profits from investing activities		(600,687,034,020)	(180,847,256,731)
06	Interest expenses	28	37,386,634,438	37,280,602,441
08	Operating profit before changes in working capital		377,031,434,359	360,351,817,586
09	Increase in receivables		(203,929,722,350)	(207,005,704,287)
10	Increase in inventories		(823,799,090,122)	(1,074,077,824,621)
11	Increase in payables		460,945,260,425	1,055,301,314,825
12	Decrease (increase) in prepaid expenses		16,087,323,104	(79,634,756,017)
14	Interest paid		(128,209,923,534)	(186,299,706,483)
15	Corporate income tax paid	21	(181,506,481,527)	(105,885,885,520)
17	Other cash outflows from operating activities		(20,915,240,652)	(8,156,506,048)
20	Net cash flows used in operating activities		(504,296,440,297)	(245,407,250,565)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(11,580,836,846)	(49,904,599,042)
22	Proceeds from disposals of fixed assets		3,313,154,432	9,400,950,347
23	Loans to other entities		(12,700,000,000)	(278,900,000,000)
24	Collections from borrowers		100,790,768,652	1,720,053,256
25	Payments for investments in other entities		(3,061,205,967,010)	(82,200,000,000)
26	Proceeds from sale of investments in other entities		2,931,550,000,000	350,793,193,246
27	Interest and dividends received		30,747,509,505	39,870,548,183
30	Net cash flows used in investing activities		(19,085,371,267)	(9,219,854,010)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Net cash from issuance of shares	25.1	(126,500,000)	616,683,338,000
32	Net proceeds from repurchase and sales treasury shares		88,604,048,714	
33	Drawdown of borrowings	24	1,242,044,596,793	1,664,855,988,049
34	Repayment of borrowings	24	(995,086,310,429)	(1,988,904,166,834)
36	Dividends paid for shareholders			(176,739,348,100)
	Dividends paid for non-controlling interest		(3,044,510,000)	(2,174,692,500)
40	Net cash flows from financing activities		332,391,325,078	113,721,118,615

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

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net (decrease) increase in cash		(190,990,486,486)	(140,905,985,960)
60	Cash and cash equivalent at beginning of year		593,928,466,557	734,834,226,232
61	Impact of exchange rate fluctuation		30,967	226,285
70	Cash and cash equivalents at end of year	4	402,938,011,038	593,928,466,557



Le Thanh Hung
Preparer

29 March 2021



Bui Van Su
Chief Accountant



Hoang Van Tang
General Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 December 2020 and for the year then ended

1. CORPORATE INFORMATION

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 the following 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 head office of the Company 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 2020 was 1,958 (31 December 2019: 2,220).

Corporate structure

The Group's corporate structure includes seven (7) subsidiaries, in which:

<i>Name of subsidiaries</i>	<i>Business</i>	<i>Status</i>	<i>Owner-ship %</i>	<i>Voting right %</i>
DIC Tourism Limited Company ("DIC Tourism")	Hospitality and tourism services	In operating	99.99	99.99
DIG Aquarium Joint Stock Company ("DIG Aquarium")	Construction and trading of hotels and tourism; catering, entertainment, sport	In operating	95.00	95.00
DIC Ha Nam Joint Stock Company ("DIC Ha Nam")	Trading and developing urban areas and industrial zones, real estate and technical infrastructure of urban areas	In operating	100.00	98.00
Brothers DIC Ceramic Joint Stock Company ("DIC Brothers")	Production of ceramic products, wholesale materials, and mineral exploitation	In operating	89.03	89.03
Development Investment Construction Number 1 Joint Stock Company ("DIC No.1")	Trading and developing urban areas and industrial zones, real estate and technical infrastructure of urban areas	In operating	51.67	51.67
Development Investment Construction Number 2 Joint Stock Company ("DIC No. 2")	Manufacturing and trading construction materials; construction of houses, traffic works, irrigation works; real estate business; warehouse rental	In operating	50.07	50.07
Dai Phuoc Thien An Company Limited	Develop and trade real estate	Just establish	99.96	99.96

On 1 July 2020, the Group had completed the issuance of 3,548,950 shares for swapping with the shareholders of DIC T&T (except DIG) under the Merger Agreement with DIC T&T dated 29 December 2019. This issuance have been approved at the Group's Extraordinary General on 8 November 2019. Accordingly, the Group's share capital increased from VND 3,149,436,010,000 to VND 3,184,925,510,000. This changes in share capital have been approved by DPI of Ba Ria - Vung Tau Province through issuance 17th amended BRC dated 27 July 2020. Accordingly, the merger of DIC T&T was completed on 3 August 2020.

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

1. CORPORATE INFORMATION

Corporate structure (continued)

During the year, the Group completed the capital contribution to DIC Tourism with cash, the investment in DIC Southern, land use rights and property attached to land at DIC Star Vinh Phuc Hotel, book value at branch of the Company - DIC Star Vinh Phuc Hotel, a part of land area, property attached to land, book value from DIC T&T according to Resolutions of the Board of Directors No. 75/NQ-DIC Corp-HDQT, No.89/NQ-HDQT DIC Corp, No.101/NQ-HDQT-DIC Corp-HDQT, dated 3 January 2020, 11 May 2020 and 31 July 2020, respectively.

In accordance with the Resolutions of Board of Directors No. 111/NQ-HDQT DIC Corp and No.112/NQ-HDQT DIC Corp dated 3 November 2020, the Board of Directors of the Company approved the plan to establish and contribute capital by its land use rights to Dai Phuoc Thien Minh Company Limited ("Thien Minh") and Dai Phuoc Thien An Company Limited ("Thien An"). During the year, the Company completed the contribution and transferal of the capital at Thien Minh in accordance with the Resolutions of Board of Directors No. 114/NQ-HDQT DIC Corp dated 27 November 2020. At the date of this report, the Company is in the process to complete legal procedures to contribution and transferal of the capital at Thien An in accordance with the Resolutions of Board of Directors No. 115/NQ-HDQT DIC Corp dated 27 November 2020. Accordingly, the Company has not yet contributed capital to Thien An.

2. BASIS OF PREPARATION

2.1 *Accounting standards and system*

The consolidated financial statements of the Company and its subsidiaries ("the Group"), expressed in Vietnam dong ("VND"), are prepared in accordance with 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 Company's accounting currency.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended**2. BASIS OF PREPARATION (continued)****2.5 Basis of consolidation**

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

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

The financial statements of 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**3.1 Cash and cash equivalents**

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

3.2 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.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Inventories (continued)

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, low quality, 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.

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.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

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

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

When intangible fixed assets are sold or retired, 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	5 - 50 years
Machinery and equipment	3 - 20 years
Means of transportation	6 - 10 years
Office equipment	3 - 10 years
Other fixed assets	5 - 20 years
Computer software	5 years

3.7 Investment properties

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

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

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

Buildings and structures	50 years
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Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the consolidated income statement in the year of retirement or disposal.

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 *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 period 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 period 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.

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

Increases or decreases to the provision balance are recorded into finance expense account in the separate income statement.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 *Investments* (continued)

Held-to-maturity investments

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

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 (exclude interest from cheap purchases) 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.

3.13 *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.

3.14 *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.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 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 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.

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.

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.

3.16 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 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to 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 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Related parties

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

4. CASH AND CASH EQUIVALENTS

	Ending balance	Beginning balance
		VND
Cash on hand	6,519,748,484	4,444,189,710
Cash in bank	282,486,339,253	470,936,576,362
Cash in transit	-	43,180,000
Cash equivalents (*)	113,931,923,301	118,504,520,485
TOTAL	402,938,011,038	593,928,466,557

(*) Cash equivalents mainly represent short-term bank deposits with original maturity of less than three months and earn interest at the applicable rates from 3% to 4.8% per annum (2019: 5.0% to 5.3% per annum).

5. HELD-TO-MATURITY INVESTMENTS

The ending balance represented term-deposits at commercial banks with original maturity of more than three months and earn interest at rates ranging from 3.9% to 6.3% per annum.

6. TRADE RECEIVABLES

	Ending balance	Beginning balance
		VND
Short-term	1,080,875,007,032	941,283,317,787
Customers of Vung Tau Gateway Apartment Project	648,602,083,855	231,309,483,587
Customers of Phoenix High-Class Commercial Apartment	157,294,923,630	268,776,436,753
Customers of Nam Vinh Yen New Urban Area Project (i)	111,733,041,827	301,913,033,179
Thien Tan Development Investment Joint Stock Company (ii)	59,000,000,000	-
Customers of Chi Linh Urban Area Project	22,545,436,041	23,528,032,041
Customers of Thuy Tien Project	13,042,715,822	13,235,275,947
DCP Asia Joint Stock Company	9,176,047,500	9,176,047,500
Others	59,480,758,357	93,345,008,780
Long-term	8,318,000,000	8,318,000,000
Mr Le Van Huong	8,318,000,000	8,318,000,000
TOTAL	1,089,193,007,032	949,601,317,787
Provision for trade receivables	(16,044,828,556)	(16,856,010,431)
NET	1,073,148,178,476	932,745,307,356
<i>In which:</i>		
Due from other parties	1,058,776,916,113	901,411,617,044
Due from related parties (Note 33)	14,371,262,363	31,333,690,312

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended**6. TRADE RECEIVABLES (continued)**

- (i) The value of receivables arising from sales of this project were pledged to secure long-term loans as described in Note 24.2.
- (ii) This is the remaining receivable from the transfer of capital contribution in Dai Phuoc Thien Minh Company Limited according to the Resolutions of the Board of Directors No. 114/NQ-DIC Corp-HDQT dated 27 November 2020.

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

	VND	
	Current year	Previous year
Beginning balance	16,856,010,431	14,949,997,050
Add: Provision made during the year	83,377,336	8,595,510,255
Sub: Reversal during the year	(15,141,011)	-
Sub: Merger of subsidiary during the year	(879,418,200)	(6,689,496,874)
Ending balance	<u>16,044,828,556</u>	<u>16,856,010,431</u>

7. SHORT-TERM ADVANCES TO SUPPLIERS

	VND	
	Ending balance	Beginning balance
Southern Development Investment Joint Stock Company	186,499,974,132	187,601,084,910
A & T Commercial Construction Joint Stock Company	1,520,499,820	20,536,820,495
Phuong Nguyen Trading Service and Construction Company Limited	-	11,336,730,634
Thien Quang Trading Development Joint Stock Company	-	6,728,630,014
Others	<u>35,180,622,928</u>	<u>19,380,335,184</u>
TOTAL	<u>223,201,096,880</u>	<u>245,583,601,237</u>
<i>In which:</i>		
Due from related parties (Note 33)	186,499,974,132	187,601,084,910
Due from other parties	<u>36,701,122,748</u>	<u>57,982,516,327</u>

8. SHORT-TERM LOAN RECEIVABLES

	VND	
	Ending balance	Beginning balance
Southern Development Investment Joint Stock Company	67,560,000,000	67,650,768,652
Phuoc An Construction Development Investment Corporation	<u>9,091,231,700</u>	<u>9,091,231,700</u>
TOTAL	<u>76,651,231,700</u>	<u>76,742,000,352</u>
<i>In which:</i>		
Due from other parties	9,091,231,700	9,091,231,700
Due from related parties (Note 33)	<u>67,560,000,000</u>	<u>67,650,768,652</u>

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

9. OTHER RECEIVABLES

	VND	
	Ending balance	Beginning balance
Short-term	888,712,341,839	706,996,067,588
Advances to the Board of Compensation	664,149,839,759	502,667,181,263
<i>In which:</i>		
Long Tan Project	455,201,677,600	315,910,617,600
North Vung Tau Project	179,078,845,600	179,078,845,600
Chi Linh Project	23,059,316,559	867,718,063
Hiep Phuoc Project	4,810,000,000	4,810,000,000
Bau Trung Project	2,000,000,000	2,000,000,000
Staff advances	135,683,390,311	151,499,261,310
Payment on behalf	32,418,108,480	-
Receivables from investment of		
Thanh Liem Project	20,422,716,264	24,403,208,014
Interest receivables	5,377,547,967	3,861,121,132
Others	30,660,739,058	24,565,295,869
Long-term	3,111,277,967,009	84,608,901,281
Duc Hoa III – Resco Development JSC (*)	1,729,119,206,500	-
Thien Tan Investment Development JSC (*)	1,298,153,760,510	-
A.T.A Construction Investment		
Joint Stock Company	79,999,999,999	79,999,999,999
DIC Construction and Investment		
Corporation	3,000,000,000	3,000,000,000
Deposits	1,005,000,000	1,608,901,282
TOTAL	3,999,990,308,848	791,604,968,869
Provision for other short term receivables	(6,523,956,904)	(6,523,956,904)
NET	3,993,466,351,944	785,081,011,965
<i>In which:</i>		
Due from other parties	3,955,078,456,110	779,489,241,674
Due from related parties (Note 33)	38,387,895,834	5,591,770,291

(*) These amounts represented the cash contribution for the business co-corporation with Duc Hoa III – Resco Investment Joint Stock Company and Thien Tan Development Investment Joint Stock Company according to the business co-operation contracts No.12/2020/HDHT/DIC-Corp-RESCO and No.14/2020/HDHT/DIC-Corp-Thien Tan, respectively on 30 November 2020.

10. INVENTORIES

	VND	
	Ending balance	Beginning balance
Properties in progress (*)	3,897,205,459,484	3,649,641,973,050
Work in process	279,056,294,634	278,516,506,917
Finished goods	66,717,336,565	105,262,672,603
Raw materials	77,650,316,756	82,330,244,831
Finished goods	63,995,324,743	66,505,071,689
Tools and supplies	15,754,710,888	10,015,400,256
Others	838,930,416	11,001,201,393
TOTAL	4,401,218,373,486	4,203,273,070,739
Provision for obsolete inventories	(6,086,671,149)	(9,675,281,110)
NET	4,395,131,702,337	4,193,597,789,629

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

10. INVENTORIES (continued)

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

	VND	
	Ending balance	Beginning balance
Nam Vinh Yen New Urban Area Project (i)	2,110,409,389,056	1,060,820,486,969
Infrastructure for Dai Phuoc Urban Area Project (i)	531,934,780,859	769,371,454,628
Cap Saint Jacques Complex Project	347,668,344,580	143,637,197,732
Hiep Phuoc Urban Area Project, Nhon Trach	319,933,290,238	193,107,610,395
Urban Area Project in Ward 4, Hau Giang (i)	309,065,709,445	187,207,863,452
Long Tan Resort Project, Nhon Trach	52,451,215,273	40,804,763,274
Infrastructure for Chi Linh Centre Project (i)	50,608,246,766	105,643,513,122
Vung Tau Gateway Apartment Project	22,399,754,304	682,660,723,791
51B Residential Project, Vung Tau	7,677,086,040	6,620,745,383
DIC Star - Vinh Yen Hotel Project (i)	-	425,031,607,209
Others	145,057,642,923	34,736,007,095
TOTAL	3,897,205,459,484	3,649,641,973,050

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

11. PREPAID EXPENSES

	VND	
	Ending balance	Beginning balance
Short-term	94,485,634,627	141,695,131,646
Brokerage fee	87,282,307,314	125,873,324,386
Tools and supplies	6,690,273,133	4,233,397,911
Others	513,054,180	11,588,409,349
Long-term	55,055,553,316	23,933,379,401
Tools and supplies	46,498,037,473	20,491,719,968
Maintenance fee	4,892,076,006	3,437,474,235
Others	3,665,439,837	4,185,198
TOTAL	149,541,187,943	165,628,511,047

12. CAPITALIZED BORROWING COSTS

During the year, the Group capitalized borrowing costs amounting to VND 90,551,879,620 to finance the construction in progress (for the year ended 31 December 2019: VND 88,500,885,366).

Development Investment Construction Joint Stock Company

B09-DN/HN

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

13. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
						VND
Cost:						
Beginning balance	203,115,035,799	315,751,291,601	75,925,792,618	10,701,526,093	5,234,482,813	610,728,128,924
New purchase	387,122,400	7,539,544,809	4,167,691,637	287,110,909	125,600,000	12,507,069,755
Transfer from construction in progress	422,368,114,903	15,059,779,285	535,076,364	39,200,000	17,439,757,725	455,441,928,277
Disposal during the year	(274,061,058)	(12,710,286,688)	(4,586,993,992)	(317,836,182)	(429,054,546)	(18,318,232,466)
Ending balance	625,596,212,044	325,640,329,007	76,041,566,627	10,710,000,820	22,370,785,992	1,060,358,894,490
<i>In which:</i>						
Fully depreciated	6,746,873,493	22,482,616,750	28,239,367,636	6,668,769,679	1,840,315,420	65,977,942,978
Accumulated depreciation:						
Beginning balance	(75,959,598,935)	(166,636,504,776)	(41,882,817,323)	(7,884,187,932)	(4,143,737,796)	(296,506,846,762)
Depreciation for the year	(11,133,383,668)	(17,375,702,501)	(4,970,807,609)	(923,653,094)	(1,533,306,006)	(35,936,852,878)
Disposal during the year	44,891,335	12,710,286,688	4,412,746,642	312,594,280	390,154,857	17,870,673,802
Ending balance	(87,048,091,268)	(171,301,920,589)	(42,440,878,290)	(8,495,246,746)	(5,286,888,945)	(314,573,025,838)
Net carrying amount:						
Beginning balance	127,155,436,864	149,114,786,825	34,042,975,295	2,817,338,161	1,090,745,017	314,221,282,162
Ending balance	538,548,120,776	154,338,408,418	33,600,688,337	2,214,754,074	17,083,897,047	745,785,868,652

The net carrying value of assets represented in the tangible fixed assets of the Group were pledged to secure short-term loans as described in Note 24. 1.

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

14. INTANGIBLE FIXED ASSETS

			VND
	<i>Land use rights</i>	<i>Computer Softwares</i>	<i>Total</i>
Cost:			
Beginning balance	19,966,813,779	260,669,400	20,227,483,179
Newly purchase	6,522,409,091	1,086,358,000	7,608,767,091
Decrease due to merger of subsidiary	(8,535,000,000)	-	(8,535,000,000)
Ending balance	<u>17,954,222,870</u>	<u>1,347,027,400</u>	<u>19,301,250,270</u>
<i>In which:</i>			
Fully amortized	-	174,989,400	174,989,400
Accumulated amortization:			
Beginning balance	(281,202,189)	(258,724,647)	(539,926,836)
Amortization	<u>(16,425,180)</u>	<u>(185,562,092)</u>	<u>(201,987,272)</u>
Ending balance	<u>(297,627,369)</u>	<u>(444,286,739)</u>	<u>(741,914,108)</u>
Net carrying amount:			
Beginning balance	<u>19,685,611,590</u>	<u>1,944,753</u>	<u>19,687,556,343</u>
Ending balance	<u>17,656,595,501</u>	<u>902,740,661</u>	<u>18,559,336,162</u>

15. INVESTMENT PROPERTIES

			VND
	<i>Land use rights and infrastructure for lease</i>	<i>Buildings and structures for lease</i>	<i>Total</i>
Cost:			
Beginning balance and ending balances	<u>144,455,832,878</u>	<u>44,733,677,800</u>	<u>189,189,510,678</u>
Accumulated amortisation:			
Beginning balance	(32,021,042,934)	(1,342,010,333)	(33,363,053,267)
Depreciation for the year	<u>(2,889,116,652)</u>	<u>(894,673,560)</u>	<u>(3,783,790,212)</u>
Ending balance	<u>(34,910,159,586)</u>	<u>(2,236,683,893)</u>	<u>(37,146,843,479)</u>
Net carrying amount:			
Beginning balance	<u>112,434,789,944</u>	<u>43,391,667,467</u>	<u>155,826,457,411</u>
Ending balance	<u>109,545,673,292</u>	<u>42,496,993,907</u>	<u>152,042,667,199</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended**15. INVESTMENT PROPERTIES (continued)**

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	4,510,671,335	5,362,532,357
Direct operating expenses of investment properties that generated rental income during the year	(3,783,790,212)	(3,776,935,194)

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

16. CONSTRUCTION IN PROGRESS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Ceramic factory	47,391,094,628	47,391,094,628
Ba Sao Entertainment and Eco-Tourism	36,620,322,846	36,620,322,846
Others	2,476,248,951	5,428,785,980
TOTAL	86,487,666,425	89,440,203,454

17. LONG-TERM INVESTMENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Investments in associates (Note 17.1)	181,636,249,630	192,967,740,752
Investments in other entities (Note 17.2)	119,083,369,377	119,083,369,377
Held-to-maturity investments (Note 17.3)	38,000,000,000	27,190,000,000
TOTAL	338,719,619,007	339,241,110,129
Provision for long-term investments	(39,423,659,514)	(20,343,653,842)
NET	299,295,959,493	318,897,456,287

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as at 31 December 2020 and for the year then ended

17. LONG-TERM INVESTMENTS (continued)

17.1 Investments in associates

	Ending balance		Beginning balance		VND
	Business Activities	Costs	%	Costs	%
DIC No.4 Joint Stock Company ("DIC No.4")	Construction	128,979,496,061	40.01%	132,700,596,296	39.29%
DIC Concrete Joint Stock Company ("DIC Concrete")	Concrete production	34,289,394,049	36.00%	28,112,463,643	36.00%
DIC Real Estate Joint Stock Company ("DIC Resco")	Real estate	17,125,455,829	42.68%	6,470,210,897	21.34%
DIC Global Joint Stock Company ("DIC Toan Cau")	Real estate consulting, brokerage and auction	1,241,903,691	49.00%	1,721,796,796	37.69%
Southern Development Investment Joint Stock Company ("DIC Southern")	Hotel, travel service	-	-	23,962,673,120	46.00%
TOTAL		181,636,249,630		192,967,740,752	

Detail of Investment in associates as at 31 December 2020 are as follow:

	DIC Phuong Nam	DIC No.4	DIC Concrete	DIC Resco	DIC Toan Cau	VND Total
Cost						
Beginning balance	225,400,000,000	109,602,184,500	17,982,564,000	4,815,000,000	2,450,000,000	360,249,748,500
Increase	-	-	8,000,000,000	15,123,000,000	-	23,123,000,000
Ending balance	225,400,000,000	109,602,184,500	25,982,564,000	19,938,000,000	2,450,000,000	383,372,748,500
Accumulated profit after investment:						
Beginning balance	(201,437,326,880)	23,098,411,796	10,129,899,643	1,655,210,897	(728,203,204)	(167,282,007,748)
Shared (loss) profit	(23,962,673,120)	(1,282,254,635)	696,918,406	(3,986,255,068)	(479,893,105)	(29,014,157,522)
Dividends	-	(2,438,845,600)	(2,519,988,000)	(481,500,000)	-	(5,440,333,600)
Ending balance	(225,400,000,000)	19,377,311,561	8,306,830,049	(2,812,544,171)	(1,208,096,309)	(201,736,498,870)
Net carrying amount:						
Beginning balance	23,962,673,120	132,700,596,296	28,112,463,643	6,470,210,897	1,721,796,796	192,967,740,752
Ending balance	-	128,979,496,061	34,289,394,049	17,125,455,829	1,241,903,691	181,636,249,630

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as at 31 December 2020 and for the year then ended

17. LONG-TERM INVESTMENTS (continued)

17.2 Investments in other entities

	Business activities	Ending balance			Beginning balance			VND
		Costs	Provision	%	Costs	Provision	%	
Phu Quoc Urban Development Joint Stock Company	Real estate	50,000,000,000	-	6.67%	50,000,000,000	-	6.67%	
DIC Investment and Trading Joint Stock Company	Investment and Trading	41,104,911,284	(19,080,005,672)	14.75%	41,104,911,284	-	14.75%	
Phu Rieng - Kratie Rubber Joint Stock Company	Rubber production	20,000,000,000	(20,000,000,000)	5.00%	20,000,000,000	(20,000,000,000)	5.00%	
Song Da - Ha Noi Joint Stock Company	Real estate	6,000,000,000	-	15.00%	6,000,000,000	-	15.00%	
Vina Dai Phuoc Corporation	Real estate	1,610,000,000	(227,305,434)	0.10%	1,610,000,000	(227,305,434)	0.10%	
Development Investment Construction Hoi An Joint Stock Company	Real estate	173,958,093	-	0.50%	173,958,093	-	0.50%	
Other investments		194,500,000	(116,348,408)	0.01%	194,500,000	(116,348,408)	0.01%	
TOTAL		119,083,369,377	(39,423,659,514)		119,083,369,377	(20,343,653,842)		

17.3 Held-to-maturity investment

	Ending balance	Beginning balance	VND
Vietnam Joint Stock Commercial Bank for Industry and Trade – Binh Xuyen Branch	20,000,000,000	-	-
Joint Stock Commercial Bank for Investment and Development of Vietnam – Ba Ria - Vung Tau Branch	10,000,000,000	14,190,000,000	14,190,000,000
Non-convertible bonds of Vietnam Bank for Agriculture and Rural Development – Dong Nai Branch	8,000,000,000	5,000,000,000	5,000,000,000
Convertible bond of DIC No. 4	-	8,000,000,000	8,000,000,000
TOTAL	38,000,000,000	27,190,000,000	

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as at 31 December 2020 and for the year then ended

18. GOODWILL

VND

Cost:

Beginning balance and ending balance	49,639,393,121
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Accumulated amortization:

Beginning balance	(5,377,600,921)
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Amortization for the year	(4,963,939,312)
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Ending balance	(10,341,540,233)
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Net carrying amount:

Beginning balance	44,261,792,200
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Ending balance	39,297,852,888
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19. SHORT-TERM TRADE PAYABLES

VND

	Ending balance	Beginning balance
DIC No. 4	71,878,401,001	45,657,066,360
Thien Quang Development Trading Corporation	51,880,572,351	8,534,525,298
Duc Long Thinh Trading and Services Co., Ltd	15,061,188,903	10,972,136,859
Phuoc An Construction Development Investment Corporation	13,852,235,433	13,852,235,433
DIC Resco	12,448,797,254	4,733,148,958
Hung Viet Trading and Services Co., Ltd	4,526,691,516	6,802,179,884
Hoa Binh Construction And Trading Co.,Ltd	2,526,962,665	7,047,212,053
Ha Noi CPM Construction Corporation	1,208,354,978	9,884,406,406
Others	193,047,090,798	218,036,021,159
TOTAL	366,430,294,899	325,518,932,410
<i>In which:</i>		
<i>Due to other parties</i>	276,205,908,545	274,752,395,276
<i>Due to related parties (Note 33)</i>	90,224,386,354	50,766,537,134

20. SHORT-TERM ADVANCES FROM CUSTOMERS

VND

	Ending balance	Beginning balance
Customers of Nam Vinh Yen New Urban Area Project	634,582,902,217	187,500,137,640
Customers of Cap Saint Jacques Complex Area Project	392,630,511,022	-
Customers of Hiep Phuoc Urban Area Project	381,018,355,421	260,056,852,506
Customers of Vung Tau Gateway Apartment Project	347,744,414,936	1,063,819,221,995
Customers of Dai Phuoc Urban Area Project	139,546,849,603	85,495,963,848
Customers of Chi Linh Centre, Vung Tau Project	45,915,773,651	45,526,306,909
Customers of Phoenix Project	35,691,386,195	65,255,731,327
Customers of other projects	27,251,159,066	25,181,547,543
TOTAL	2,004,381,352,111	1,732,835,761,768

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

21. TAXATION

	<i>Beginning balance</i>	<i>Increase in year</i>	<i>Decrease in year</i>	<i>VND Ending balance</i>
Receivables				
Corporate income tax	16,372,519,449	17,013,900,102	(21,569,425,209)	11,816,994,342
Value-added tax	4,670,722,286	817,469,257	(2,899,221,873)	2,588,969,670
TOTAL	21,043,241,735	17,831,369,359	(24,468,647,082)	14,405,964,012
Payables				
Corporate income tax	115,521,575,603	133,178,726,195	(164,492,581,425)	84,207,720,373
Value-added tax	7,605,044,345	278,399,348,937	(267,487,362,295)	18,517,030,987
Personal income tax	2,511,628,404	6,174,506,559	(6,873,284,005)	1,812,850,958
Others	88,146,024,286	39,689,548,007	(23,451,825,914)	104,383,746,379
TOTAL	213,784,272,638	457,442,129,698	(462,305,053,639)	208,921,348,697

22. SHORT-TERM ACCRUED EXPENSES

	<i>Ending balance</i>	<i>VND Beginning balance</i>
Operating expenses	23,514,195,201	2,830,575,585
Loan interest	4,859,607,175	5,131,016,651
Others	1,849,178,537	9,175,836,596
TOTAL	30,222,980,913	17,137,428,832

23. OTHER PAYABLES

	<i>Ending balance</i>	<i>VND Beginning balance</i>
Short-term	2,568,081,007,713	348,774,572,608
Deposit for sales of project (*)	2,231,550,000,000	-
Profit sharing from BCC	116,388,584,457	116,288,584,457
Registration fee and maintenance fund	85,526,052,508	64,649,068,187
Payables to Mr. Phan Van Binh	52,180,322,235	68,535,809,188
Compensation payables	26,506,935,337	32,477,783,890
Deposit from customers	26,194,980,294	20,550,000,000
Deposits received	12,101,219,500	8,661,791,326
Others	17,632,913,382	37,611,535,560
Long-term	19,988,120,000	20,428,400,000
Capital contribution from		
Business Cooperation contracts	19,600,000,000	19,600,000,000
Deposits received	388,120,000	828,400,000
TOTAL	2,588,069,127,713	369,202,972,608

(*) This amount represented the deposit from Tan Long Investment and Development Corporation in relation to the transfer of capital contribution in Thien An according to the Resolution of the Board of Directors No. 115/NQ-DIC Corp-HDQT dated 27 November 2020. At the date of this report, the Group is in the process to complete the said transfer.

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24. LOANS

	Beginning balance	Increase in year	Decrease in year	Reclassifications	VND Ending balance
Short-term	547,806,830,701	791,399,542,623	(993,136,995,429)	343,588,884,959	689,658,262,854
Loans from banks (Note 24.1)	178,674,329,451	784,180,042,623	(624,745,794,179)	-	338,108,577,895
Current-portion of long-term loans from banks (Note 24.2)	355,743,547,250	-	(355,743,547,250)	343,588,884,959	343,588,884,959
Loan from individuals	13,388,954,000	7,219,500,000	(12,647,654,000)	-	7,960,800,000
Long-term	729,658,592,300	450,645,054,170	(1,949,315,000)	(343,588,884,959)	834,765,446,511
Loans from banks (Note 24.2)	729,658,592,300	426,745,054,170	(261,715,000)	(343,588,884,959)	812,553,046,511
Convertible bonds	-	9,850,000,000	(100,000,000)	-	9,750,000,000
Loans from other parties	-	14,050,000,000	(1,587,600,000)	-	12,462,400,000
TOTAL	1,277,465,423,001	1,242,044,596,793	(995,086,310,429)	-	1,524,423,709,365

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24. LOANS (continued)

24.1 Short-term loans from banks

Detail of short-term loans from banks are as follows:

<i>Banks</i>	<i>Ending balance</i>	<i>Principal and interest repayment term</i>	<i>Interest rate (% p.a.)</i>	<i>Collaterals</i>
	VND			
Joint Stock Commercial Bank for Investment and Development of Vietnam – Ba Ria Vung Tau Branch	93,170,055,754	From 27 April 2021 to 31 August 2021	6.0% - 7.1%	Machinery and equipment belongs to DIC No. 2
	75,983,125,641	From 10 May 2021 to 24 August 2021	6.5% - 7.6%	Machinery, equipment according to mortgage contract No. 01/2019/600371/HĐBĐ
	29,988,629,617	From 15 April 2021 to 29 November 2021	8.25% - 9.0%	Asset on land and rights arising of land Nam Vinh Yen New Urban Area Project – Phase I, Vinh Phuc Province, contract No. 744/HĐTTCNQSDĐ&CTNO-NVYGĐ1 dated 12/6/2017
				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
				Total collaterals equal 22,766,000,000 VND including: Land use rights for business purpose at Ward 5, Vung Tau City; asset on land: Tien Sa Villa; Office at 265 Le Hong Phong, Vung Tau City
Vietnam Bank for Agriculture and Rural Development – Tay Ninh Branch	100,000,000,000	30 November 2021	8.00%	12,996.8m2 of residential land under LURC and ownership of houses and other land-attached assets No. BN981924 issued by the People's Committee of Ba Ria - Vung Tau Province on May 20, 2014 with total collateral value: VND 194,952,000,000
Vietnam Bank for Agriculture and Rural Development – Chu Lai Branch	15,000,000,000	From 7 May 2021 to 16 July 2021	9.5%	Machinery, equipment of Brothers DIC Ceramic Joint Stock Company
Vietnam Maritime Commercial Join Stock Bank	14,586,810,602	From 6 May 2021 to 29 June 2021	7.5% - 9%	Unsecured
Sai Gon Commercial Bank - Da Nang Branch	9,379,956,281	From 8 January 2021 to 24 March 2021	10.2%	Machinery, equipment of Brothers DIC Ceramic Joint Stock Company
TOTAL	338,108,577,895			

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

24. LOANS (continued)

24.2 Long-term loans from banks

Detail of long-term loans from banks are as follows:

Banks	Ending balance	Principal and interest repayment term	Interest rate (% p.a.)	Collaterals
	VND			VND
Vietnam Joint Stock Commercial Bank for Industry and Trade – Binh Xuyen Branch	910,000,000,000	From 25 February 2021 to 1 November 2028; from 25 March 2021 to 25 December 2024	10.5%	Land use rights, asset on land and rights arising of land No 667 with an area of 7,920 m ² in Khai Quang Ward, Vinh Yen City, Vinh Phuc Province, Map No. 16, land lot 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 Complex Project; 95 land use rights of Division 1, phase 1 - Nam Vinh Yen Urban Area project owned by Development Investment Construction Joint Stock Company with a total area of 17,162 m ² Rights of assets (including but not limited to: the right to claim and to benefit the amount receivables; the rights to share, use, exploit, and/or own the shared product; the rights to request reimbursement advances, penalties, compensation for damage and enjoyment of this amount; rights, benefits, reimbursements; ...) of the Development Investment Construction Corporation arising from Division 2.3, Phase 1 of the Nam Vinh Yen Urban Area project
Joint Stock Commercial Bank for Investment & Development of Vietnam - Ba Ria - Vung Tau Branch	227,046,271,511 599,575,992	From 23 March 2021 to 14 December 2022 21 May 2021	8.6% - 8.8% 8.5%	The certificate of land use rights No. AL 622002 issued by the People's Committee of Ba Ria Vung Tau on 31 January 2008 Burning Potain L68B3 crane body, with 23 segments and 3 sets of 2m-long anchor frames; Quantity 3 sets. Alimax SC45 / 30 FC II cage hoist, quantity 1 set.

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

24. LOANS (continued)

24.2 Long-term loans from banks (continued)

Detail of long-term loans from banks are as follows: (continued)

Banks	Ending balance VND	Principal and interest repayment term	Interest rate (% p.a.)	Collaterals
Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch	16,649,608,967	25 January 2021	9.5%	Receivables and rights arising from sales/leasing contracts from Block B - Pullman Project and Vung Tau International Exhibition Center, deposit contract of Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch and 18,920,000 ordinary shares of DIC Southern
An Binh Commercial Joint Stock Bank - Ba Ria - Vung Tau Branch	1,846,475,000	From 25 January 2021 to 11 March 2025	10.6%	7-seat Toyota Fortuner car worth VND 1,150,000,000 under the mortgage agreement No. 296/18/TC/IV.04 dated December 29, 2018; Unaccompanied cargo transport with property mortgage contract No. 2191/19/TC/IV.04 dated July 29, 2019; Ford Transit SVP 16-seater car, oil engine under the mortgage contract No. 35/20/TC/IV.04 dated March 10, 2020

TOTAL **1,156,141,931,470**

In which:

Non-current portion	343,588,884,959
Current portion	812,553,046,511

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25. OWNERS' EQUITY

25.1 Movements in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund	Other owners' capital	Undistributed earnings	Non-controlling interests	VND Total
Previous year								
Beginning 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
Issuance of new shares	474,636,610,000	142,046,728,000	-	-	-	-	-	616,683,338,000
Share dividends	149,951,570,000	-	-	-	-	(149,951,570,000)	-	-
Cash dividends	-	-	-	-	-	(176,739,348,100)	(2,174,692,500)	(178,914,040,600)
Net profit	-	-	-	-	-	390,989,644,585	(19,167,012,971)	371,822,631,614
Transfer to bonus and welfare fund	-	-	-	-	-	(17,911,694,800)	(793,566,357)	(18,705,261,157)
Transfer to investment and development fund	-	-	-	17,485,700,828	-	(17,880,809,886)	395,109,058	-
Others	-	-	-	(130,006,263)	775,100,000	(775,100,000)	(670,311,493)	(800,317,756)
Ending balance	3,149,436,010,000	208,157,989,707	-	195,617,083,138	775,100,000	390,717,784,688	64,742,227,992	4,009,446,195,525
Current year								
Beginning balance	3,149,436,010,000	208,157,989,707	-	195,617,083,138	775,100,000	390,717,784,688	64,742,227,992	4,009,446,195,525
Issuance of new shares	35,489,500,000	(226,500,000)	-	-	-	-	(35,489,500,000)	(226,500,000)
Repurchase of treasury shares	-	-	(90,270,193,851)	-	-	-	-	(90,270,193,851)
Sale of treasury shares	-	88,604,048,714	90,270,193,851	-	-	-	-	178,874,242,565
Dividends	-	-	-	-	-	-	(3,044,510,000)	(3,044,510,000)
Net profit for the year	-	-	-	-	-	711,237,905,763	10,658,224,669	721,896,130,432
Merger	-	173,000,000	-	(3,552,448,187)	-	(19,216,370,327)	22,595,818,514	-
Acquisition of non-controlling interests	-	-	-	-	-	-	(1,489,266,000)	(1,489,266,000)
Transfer to bonus and welfare fund	-	-	-	-	-	(24,489,665,111)	(667,203,189)	(25,156,868,300)
Transfer to investment and development fund	-	-	-	23,968,618,383	-	(24,148,455,821)	179,837,438	-
Other	-	-	-	(989,298,679)	775,100,000	214,198,679	100,000,000	100,000,000
Ending balance	3,184,925,510,000	296,708,538,421	-	215,043,954,655	1,550,200,000	1,034,315,397,871	57,585,629,424	4,790,129,230,371

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

25. OWNERS' EQUITY (continued)

25.2 Capital transactions with owners and distribution of dividends, profits

	VND	
	Current year	Previous year
Contributed capital		
Beginning balance	3,149,436,010,000	2,524,847,830,000
Increase	35,489,500,000	624,588,180,000
Ending balance	<u>3,184,925,510,000</u>	<u>3,149,436,010,000</u>
Dividends declared	-	328,865,610,600
Dividend paid by cash	-	178,914,040,600
Dividend paid by shares	-	149,951,570,000

25.3 Shares

	Quantity	
	Ending balance	Beginning balance
Issued shares	318,492,551	314,943,601
Treasury shares		
Ordinary shares	318,492,551	314,943,601
Shares in circulation		
Ordinary shares	318,492,551	314,943,601

25.4 Earnings per share

	VND	
	Current year	Previous year
Net profit after tax attributable to ordinary shareholders	711,237,905,763	390,989,644,585
Distribution to bonus and welfare fund	(42,674,274,346)	(23,776,352,700)
Net profit attributable to ordinary shareholders adjusted for the effect of dilution	668,563,631,417	367,213,291,885
Weighted average number of ordinary shares	309,945,108	314,943,601
Basic and diluted earnings per share (Par value: VND 10,000 per share)	2,157	1,166

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended**26. REVENUES****26.1 Revenues from sale of goods and rendering of services**

	VND	
	Current year	Previous year
Gross revenue	2,503,768,921,575	2,139,478,786,862
<i>In which:</i>		
Sale of real estate	1,729,355,750,857	1,465,539,334,461
Sale of finished goods	258,172,020,291	260,212,912,968
Sale of rendering of services	184,064,712,234	160,982,498,676
Sale of merchandises	176,401,249,175	161,513,759,702
Sale of construction contract	155,775,189,018	91,230,281,055
Less	(16,594,906,022)	(23,734,413,231)
<i>In which:</i>		
Sales returns	(15,323,532,283)	(22,456,444,350)
Devaluation of sale	(1,240,378,023)	(1,277,968,881)
Trade discounts	(30,995,716)	-
Net revenue	<u>2,487,174,015,553</u>	<u>2,115,744,373,631</u>
<i>In which:</i>		
Sale of real estate	1,714,049,453,367	1,443,082,890,111
Sale of finished goods	256,900,646,552	258,934,944,087
Sale of rendering of services	184,064,712,234	160,982,498,676
Sale of merchandises	176,384,014,382	161,513,759,702
Sale of construction contract	155,775,189,018	91,230,281,055

26.2 Finance income

	VND	
	Current year	Previous year
Interest income	26,823,602,740	40,427,324,614
Gain from disposal of investments	29,493,700	157,093,519,737
Others	5,399,322	24,731,457
TOTAL	<u>26,858,495,762</u>	<u>197,545,575,808</u>

27. COSTS OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Cost of real estate	1,198,876,020,552	929,675,050,571
Cost of finished goods	256,007,176,722	261,584,203,445
Cost of merchandises	173,534,244,814	158,158,545,970
Cost of services rendered	121,536,476,957	75,069,776,697
Cost of construction contracts	96,751,875,099	50,591,778,950
TOTAL	<u>1,846,705,794,144</u>	<u>1,475,079,355,633</u>

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

28. FINANCE EXPENSES

	VND	
	Current year	Previous year
Interest expenses	37,386,634,438	37,280,602,441
Provision (reversal of provision) for diminution of investments	19,080,005,672	(11,982,775,783)
Losses from disposals of investments	-	782,400,000
Others	259,112,081	538,941,374
TOTAL	56,725,752,191	26,619,168,032

29. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	Current year	Previous year
Selling expenses	144,047,086,829	114,152,311,617
Commission	80,810,784,833	48,663,418,149
Salary expenses	19,829,323,299	24,038,776,297
Expense for external services	10,334,785,459	20,265,683,179
Depreciation	2,878,218,734	5,326,299,986
Tools and supplies	1,510,395,241	7,162,903,671
Advertising expense	1,154,527,390	524,109,365
Others	27,529,051,873	8,171,120,970
General and administrative expenses	150,149,648,357	150,401,335,317
Salary expenses	74,112,669,317	69,927,053,528
Business expenses	16,933,856,220	19,424,307,108
Depreciation	5,761,917,477	5,784,187,327
Goodwill expenses	4,963,939,312	4,963,939,312
Expense for external services	4,233,594,997	1,805,664,938
Tools and supplies	3,647,952,128	5,360,389,274
Others	40,495,718,906	43,135,793,830
TOTAL	294,196,735,186	264,553,646,934

30. OTHER INCOME AND EXPENSES

	VND	
	Current year	Previous year
Other income	626,902,746,353	49,846,064,763
Gain on revaluation of assets for capital contribution and transfer	590,077,841,184	-
Gain on write-off of account payables	15,246,935,951	30,008,983,825
Gain on disposal of fixed assets	5,691,808,951	5,351,011,729
Fines received on contract violation	2,501,896,558	4,191,250,234
Others	13,384,263,709	10,294,818,975
Other expenses	(14,447,731,555)	(111,713,857,888)
Penalties	(10,356,394,690)	(25,815,059,998)
Loss on disposal of fixed assets	(2,815,122,515)	(3,444,334,367)
Land rental fee for the period before 2019	-	(71,186,980,898)
Others	(1,276,214,350)	(11,267,482,625)
OTHER PROFIT (LOSS)	612,455,014,798	(61,867,793,125)

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

31. PRODUCTION AND OPERATING COSTS

	VND	
	<i>Current year</i>	<i>Previous year</i>
Cost of real estate	1,198,876,020,552	930,449,718,194
Cost of merchandised and finish goods	429,541,421,536	419,694,526,688
Cost of services rendered	218,288,352,056	124,935,110,751
Labour costs	93,941,992,616	93,965,829,825
Expenses for external services	86,810,973,273	71,258,875,631
Depreciation and amortization	44,886,569,674	37,440,918,820
Tools and supplies	5,158,347,369	12,523,292,945
Others	63,398,852,254	49,364,729,713
TOTAL	<u>2,140,902,529,330</u>	<u>1,739,633,002,567</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 (2019: 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	
	<i>Current year</i>	<i>Previous year</i>
Current CIT expense	132,090,249,042	134,833,768,710
Over accrual of tax from prior year	1,088,477,153	(6,453,038,940)
Total current CIT expense	<u>133,178,726,195</u>	<u>128,380,729,770</u>
Deferred tax expenses (income)	44,770,230,443	(28,922,160,839)
TOTAL	<u>177,948,956,638</u>	<u>99,458,568,931</u>

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

	VND	
	<i>Current year</i>	<i>Previous year</i>
Accounting profit before tax	<u>899,845,087,070</u>	<u>471,281,200,545</u>
At CIT rate of 20% applicable to companies in the Group.	180,625,351,291	94,256,240,109
<i>Adjustments:</i>		
Non-deductible expenses	2,713,609,307	28,408,627,616
Tax losses	5,926,441,166	258,213,047
Provision for investments	(14,297,782,267)	(17,234,432,633)
Share of loss of associates	3,906,244,097	493,097,179
Provision of provision	-	1,663,600,000
Profit from joint - venture contract	-	(5,034,675,778)
Over accrual of tax from prior year	1,088,477,153	(6,453,038,940)
Others	(2,013,384,109)	3,100,938,331
CIT expenses	<u>177,948,956,638</u>	<u>99,458,568,931</u>

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

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>
Deferred tax assets				
Unrealised profit	17,718,120,436	15,533,046,130	2,185,074,306	11,172,217,867
Deferred tax liabilities				
Provision for subsidiaries	(64,362,285,757)	(17,406,981,008)	(46,955,304,749)	17,749,942,972
Deferred tax liabilities	(64,362,285,757)	(17,406,981,008)	(46,955,304,749)	17,749,942,972
NET	(46,644,165,321)	(1,873,934,878)	(44,770,230,443)	28,922,160,839

33. TRANSACTIONS WITH RELATED PARTIES

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Current year</i>	<i>Previous year</i>
VND				
DIC Resco	Associate	Brokerage costs	38,726,707,613	102,427,940,573
		Cost of construction	4,189,536,890	3,373,387,268
		Transfer land use rights	-	85,825,634,960
		Sale of apartment	-	20,549,525,369
DIC Phuong Nam	Associate	Payment on behalf	26,964,235,792	-
		Lending	12,700,000,000	-
		Loan interest received	6,485,319,391	2,673,210,285
DIC No. 4	Associate	Cost of construction	144,913,035,371	183,425,628,502
		Transfer land use rights	-	26,988,339,945
		Transfer shares	-	9,144,142,000

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

33. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due from the related parties were as follows:

			VND	
Related parties	Relationship	Transactions	Current year	Previous year
Short-term trade receivables				
DIC Resco	Associate	Providing of services	13,463,284,000	24,819,697,200
DIC No. 4	Associate	Providing of services	314,197,913	3,382,402,000
Vina Dai Phuoc	Related party	Providing of services	305,453,775	1,024,764,990
DIC Phuong Nam	Associate	Providing of services	178,750,000	1,904,083,669
DIC Concrete	Associate	Providing of services	109,576,675	202,731,453
DIC Investment and Trading Joint Stock Company	Related party	Providing of services	-	11,000
			14,371,262,363	31,333,690,312
Short-term advances to suppliers				
DIC Phuong Nam	Associate	Advance for land purchasing	186,499,974,132	187,601,084,910
Short-term loan receivables				
DIC Phuong Nam	Associate	Lending (*)	67,560,000,000	67,650,768,652
(*) These are unsecured loans with interest rates ranging from 6.00% to 10.50% per annum.				
Other short-term receivables				
DIC Phuong Nam	Associate	Interest receivables	35,387,895,834	2,142,126,952
DIC No. 4	Associate	Interest receivables	-	427,954,339
DIC Resco	Associate	Dividend receivables	-	21,689,000
Other long-term receivables				
DIC Trading and Services Limited Company	Related party	Investment contribution received for BCC	3,000,000,000	3,000,000,000
			38,387,895,834	5,591,770,291
Short-term trade payables				
DIC No. 4	Associate	Construction cost	71,878,401,001	45,944,084,476
DIC Resco	Associate	Brokerage	12,448,797,254	4,733,148,958
DIC Concrete	Associate	Construction cost	4,258,939,470	89,303,700
DIC Phuong Nam	Associate	Services rendered	1,638,248,629	-
			90,224,386,354	50,766,537,134
Advance from customer				
DIC Phuong Nam	Associate	Providing of services	733,458,381	-
DIC No. 4	Associate	Advance for construction	-	115,000,000
			733,458,381	115,000,000
Other short-term payable				
DIC Resco	Associate	Payment on behalf	-	14,144,600

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

33. TRANSACTIONS WITH RELATED PARTIES (continued)

Remuneration to members of the Board of Directors and management:

	VND	
	Current year	Previous year
Board of Directors and management	<u>10,614,471,118</u>	<u>7,734,736,230</u>

34. SEGMENT INFORMATION

The current principal activities of the Group are to building and trading real estate, selling goods and finished products, and providing consulting and construction services.

The following tables present revenue, profit and certain asset information regarding the Group's business segments:

	VND				
	Real estate	Trading	Rendering of construction service	Elimination	Total
As at 31 December 2019 and for the year ended					
Segment revenue					
Sales to external customers	1,465,752,595,322	653,346,640,172	411,737,907,414	(415,092,769,277)	2,115,744,373,631
Segment results					
Gross profit	528,214,531,772	135,262,020,459	(8,004,842,001)	(14,806,692,232)	640,665,017,998
Unallocated expense					(264,553,646,934)
Share of loss of associates					(13,888,785,170)
Finance income					197,545,575,808
Finance expenses					(26,619,168,032)
Other losses					(61,867,793,125)
Profit before tax					471,281,200,545
CIT expense					(128,380,729,770)
Deferred CIT expense					28,922,160,839
Profit after tax					371,822,631,614
Non-controlling interest					19,167,012,971
Net profit after tax					390,989,644,585
As at 31 December 2019					
Assets and liabilities					
Segment assets	6,381,173,393,381	145,209,742,948	676,067,670,004	(204,287,939,258)	6,998,162,867,075
Unallocated assets					1,199,065,640,683
Total assets					8,197,228,507,758
Segment liabilities	3,567,984,988,059	12,638,285,039	514,325,265,766	(194,743,982,841)	3,900,204,556,023
Unallocated liabilities					287,577,756,210
Total liabilities					4,187,782,312,233

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

34. SEGMENT INFORMATION (continued)

The following tables present revenue, profit and certain asset information regarding the Group's business segments: (continued)

					VND
	Real estate	Trading	Rendering of construction service	Elimination	Total
As at 31 December 2020 and for the year ended					
Segment revenue					
Sales to external customers	1,712,147,306,597	759,739,606,470	432,971,554,153	(417,684,451,667)	2,487,174,015,553
Segment results					
Gross profit	505,835,633,374	123,177,074,685	3,743,239,398	7,712,273,952	640,468,221,409
Unallocated expense					(294,196,735,186)
Share of loss of associates					(29,014,157,522)
Finance income					26,858,495,762
Finance expenses					(56,725,752,191)
Other profit					612,455,014,798
Profit before tax					899,845,087,070
CIT expense					(133,178,726,195)
Deferred CIT expense					(44,770,230,443)
Profit after tax					721,896,130,432
Non-controlling interest					(10,658,224,669)
Net profit after tax					711,237,905,763
As at 31 December 2020					
Assets and liabilities					
Segment assets	6,975,545,918,818	544,166,304,034	719,834,679,219	(342,818,858,566)	7,896,728,043,505
Unallocated assets					3,929,434,998,208
Total assets					11,826,163,041,713
Segment liabilities	6,452,846,539,790	15,554,741,726	541,787,868,697	(340,292,095,926)	6,669,897,054,287
Unallocated liabilities					366,136,757,055
Total liabilities					7,036,033,811,342

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

35. OPERATING LEASE COMMITMENTS

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The Group leases out its certain assets under operating lease arrangements. The minimum rental receivable as at the balance sheet dates under the operating lease agreements is as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	5,362,532,357	7,804,632,357
From 1 to 5 years	21,450,129,428	27,630,929,428
Over 5 years	154,479,738,706	183,500,271,063
TOTAL	<u>181,292,400,491</u>	<u>218,935,832,848</u>

36. EVENTS AFTER THE BALANCE SHEET DATE

In accordance with the Resolution of Board of Directors No. 124/NQ-HDQT DIC Corp dated 22 February 2021, the Group's Board of Directors has approved 2019 dividends by share at the rate of 10% of par value.

Except for the above event, there have been no other significant events that has arisen since the balance sheet date that requires adjustment or disclosure in the consolidated financial statements of the Group.



Le Thanh Hung
Preparer



Bui Van Su
Chief Accountant



Hoàng Văn Tang
General Director

29 March 2021