



FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2020

CIC39 CORPORATION

CONTENTS

	Page
1. Contents	1
2. Statement of the Board of Directors	2 - 5
3. Independent Auditor's report	6
4. Balance sheet as of 31 December 2020	7 - 10
5. Income statement for the fiscal year ended 31 December 2020	11
6. Cash flow statement for the fiscal year ended 31 December 2020	12 - 13
7. Notes to the financial statements for the fiscal year ended 31 December 2020	14 - 42
8. Appendix	43 - 46

STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of CIC39 Corporation (hereinafter referred to as “the Corporation”) presents this statement together with the Financial Statements for the fiscal year ended 31 December 2020.

Business highlights

CIC39 Corporation (renamed from Construction Investment Corporation 3-2) is an enterprise which has been equitized from a State-owned enterprise - Construction Investment Company 3-2 under the Decision No. 1214/QĐ-UBND dated 21 April 2008 of the People’s Committee of Binh Duong Province. The Corporation has been operating under the Business Registration Certificate No. 3700146225, registered for the first time on 24 December 2008 and amended for the 11th time on 18 May 2020, granted by the Department of Planning and Investment of Binh Duong Province.

Head office

- Address : No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province
- Tel. : (84 - 274) 3 759 446
- Fax : (84 - 274) 3 755 605

The Corporation has the following affiliates:

Affiliates	Address
Branch of CIC39 Corporation - Construction Stone Plant	No. 635/1A, 1K Highway, Tan An Quarter, Tan Dong Hiep Ward, Di An City, Binh Duong Province
Branch of CIC39 Corporation - Concrete Sewer Plant	No. 6, Hill Road 16, Cay Cham Quarter, Thanh Phuoc Ward, Tan Uyen Town, Binh Duong Province
Branch of CIC39 Corporation - Concrete Brick Plant	No. 5/138 Binh Duong Boulevard, Hoa Lan 1 Quarter, Thuan Giao Ward, Thuan An City, Binh Duong Province
Business location of CIC39 Corporation - Long Nguyen Concrete Plant	No. 216B, Bung Thuoc Hamlet, Long Nguyen Commune, Bau Bang District, Binh Duong Province
Business location of CIC39 Corporation - 279 Construction Material Trading Center	No. 1/278, 22/12 Street, Hoa Lan 2 Quarter, Thuan Giao Ward, Thuan An City, Binh Duong Province

Principal business activities of the Corporation as in the Business Registration Certificate are:

- Growing rubber trees;
- Dismantling;
- Drainage and waste water treatment;
- Installing industrial machinery and equipment;
- Wholesaling mining and construction machinery, equipment and spare parts; wholesaling electrical machinery and equipment, electrical materials (generators, electric motors, wires and other equipment used in electrical circuits);
- Wholesaling materials, other installation equipment in construction;
- Trading iron and steel;
- Trading real estate; leasing land, offices, houses and workshops (in accordance with the planning); providing services related to traffic bridges, ferry bridges by waterways and by roads;
- Providing consultancy, brokerage on real estate, land use right auction;
- Preparing construction sites;
- Completing construction works;
- Producing beds, wardrobes, tables, chairs;
- Wholesaling computers, peripheral devices and software;
- Providing goods transportation by road;
- Cargo loading and unloading for road transportation;

CIC39 CORPORATION

STATEMENT OF THE BOARD OF DIRECTORS (cont.)

- Leasing motor vehicles;
- Growing trees, urban grass;
- Installing low-voltage power grids and stations with lines of under 35KV; constructing lighting systems; installing equipment: protection, alarms, fire protection systems, lightning protection systems for construction works;
- Forging, stamping, pressing and laminating metal; refining metal powder (not forging, stamping, pressing, laminating, refining metal at the head office, the head office is only for transaction offices); mechanical processing (except for metal handling, coating, plating);
- Trading telecommunications equipment, audio-visual equipment;
- Warehouse operations (except for coal, scrap, chemicals);
- Exploiting stone, sand, gravel, soil and clay (only after obtaining permits from competent agencies); processing stone;
- Wholesaling engine fuel (not set up a gas station at the head office);
- Providing construction consultancy. Designing civil and industrial construction works, road traffic works: designing architecture for works; designing interior and exterior for works; designing landscape; designing construction structure; designing electrical - electromechanical works; designing water supply and drainage; designing ventilation - heat supply and drainage; designing information and communication networks in construction works; designing fire protection;
- Contributing capital, purchasing shares;
- Weighing goods in relation to transportation;
- Other unclassified wholesaling: Trading instrument, equipment, materials for fire prevention and fighting;
- Constructing road works;
- Wood exploitation;
- Constructing residential houses;
- Exploiting other forest products except wood;
- Constructing non-residential houses;
- Constructing electrical works;
- Growing other perennial plants;
- Constructing water supply and drainage works;
- Forest plantation, taking care and nursing forest trees;
- Constructing telecommunications and communication works;
- Constructing other public works;
- Constructing other public works; dredging canals, sewers and rivers; constructing waste treatment systems;
- Acting as an agent of sales and goods consignment, commercial brokerage, (except for real estate brokerage, securities brokerage; marriage brokerage involving foreign elements, brokerage for adoption of fathers, mothers, children, adoption involving foreign elements), properties auctions;
- Growing flowers and ornamental plants;
- Producing concrete and products from cement and plaster; producing bricks and tiles (with tunnel technology)
- Leasing construction machinery and equipment;
- Installing, constructing water supply, drainage, heating and air-conditioning systems;
- Providing consultancy, guidance and executive assistance to businesses and other organizations on management issues, such as strategy and operation plan, human resource policies, implementation and plan; production schedule and monitoring plan. This service provision may include consultancy, guidance or operational assistance to the business;
- Physical, chemical testing and other analyses of all materials and products include: testing sound and vibration; testing the composition and purity of minerals; testing the physical composition and efficiency of materials, such as strength, durability, thickness, radioactivity, etc.; testing welding techniques and welds; analyzing errors.

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XÃ HỘI CHỦ NGHĨA VIỆT NAM
M. T. O. A.
T. N. H. -

CIC39 CORPORATION

STATEMENT OF THE BOARD OF DIRECTORS (cont.)

Board of Management and Executive Officers

The Board of Management and the Executive Officers of the Corporation during the year and as of the date of this statement include:

The Board of Management

Full name	Position	Appointing/re-appointing/resigning date
Mr. Vo Van Lanh	Chairman	Resigned on 01 August 2020
Mr. Nguyen Le Van	Chairman	Appointed on 01 August 2020
Mr. Tran Van Binh	Member	Re-appointed on 23 April 2019
Mr. Vo Van Lanh	Member	Appointed on 01 August 2020
Mr. Nguyen Le Van	Member	Resigned on 01 August 2020
Mr. Nguyen Huu Nghia	Member	Appointed on 23 April 2019
Mr. Trinh Tien Bay	Member	Appointed on 23 April 2019

The Board of Directors

Full name	Position	Re-appointing date
Mr. Vo Van Lanh	General Director	25 March 2020
Mr. Tran Van Binh	Deputy General Director	25 March 2020

Legal Representative

The Corporation's legal representative during the year and as of the date of this statement is Mr. Vo Van Lanh - General Director (re-appointed on 25 March 2020).

Auditor

A&C Auditing and Consulting Co., Ltd. has been appointed to perform the audit on the Corporation's Financial Statements for the fiscal year ended 31 December 2020.

Responsibilities of the Board of Directors

The Board of Directors of the Corporation is responsible for the preparation of the Financial Statements to give a true and fair view of the financial position, the financial performance, and the cash flows of the Corporation during the year. In order to prepare these Financial Statements, the Board of Directors must:

- select the appropriate accounting policies and apply them consistently;
- make judgments and estimates prudently;
- state clearly whether the accounting standards applied to the Corporation are followed or not, and all the material differences from these standards are disclosed and explained in the Financial Statements;
- prepare the Financial Statements of the Corporation on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate;
- design and implement effectively the internal control system in order to ensure that the preparation and presentation of the Financial Statements are free from material misstatements due to frauds or errors.

The Board of Directors hereby ensures that all the accounting books of the Corporation have been fully recorded and can fairly reflect the financial position of the Corporation at any time, and that all the accounting books have been prepared in compliance with the applicable Accounting System. The Board of Directors is also responsible for managing the Corporation's assets and consequently has taken appropriate measures to prevent and detect frauds and other irregularities.

The Board of Directors hereby commits to the compliance with the aforementioned requirements in preparation of the Financial Statements.

CIC39 CORPORATION

STATEMENT OF THE BOARD OF DIRECTORS (cont.)

Approval of the Financial Statements

The Board of Directors hereby approves the accompanying Financial Statements, which give a true and fair view of the financial position as of 31 December 2020, the financial performance and the cash flows for the fiscal year then ended of the Corporation, in conformity with the Vietnamese Accounting Standards and System and other legal regulations related to the preparation and presentation of the Financial Statements.

For and on behalf of the Board of Directors,



Vo Van Lanh
General Director

Date: 03 April 2021



No. 1.0993/21/TC-AC

INDEPENDENT AUDITOR'S REPORT

**To: THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE BOARD OF DIRECTORS
CIC39 CORPORATION**

We have audited the accompanying Financial Statements of CIC39 Corporation (hereinafter referred to as "the Corporation"), which were prepared on 30 March 2021 (from page 07 to page 46), including the Balance Sheet as of 31 December 2020, the Income Statement, the Cash Flow Statement for the fiscal year then ended and the Notes to the Financial Statements.

Responsibilities of the Board of Directors

The Corporation's Board of Directors is responsible for the preparation, true and fair presentation of these Financial Statements in accordance with the Vietnamese Accounting Standards and System as well as the legal regulations related to the preparation and presentation of the Financial Statements; and responsible for such internal control as the Corporation's Board of Directors determines necessary to enable the preparation and presentation of Financial Statements to be free from material misstatement, whether due to fraud or error.

Responsibilities of Auditors

Our responsibility is to express an opinion on these 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 standards and requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and true and fair presentation of the 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 Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Corporation's Board of Directors, as well as evaluating the overall presentation of the Financial Statements.

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

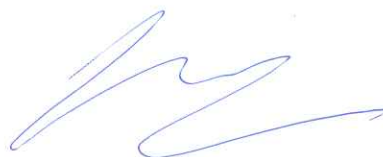
Opinion of the Auditors

In our opinion, the Financial Statements referred to above give a true and fair view, in all material respects, of the financial position of CIC39 Corporation as of 31 December 2020, its financial performance and its cash flows for the fiscal year then ended, in accordance with Vietnamese Accounting Standards and System as well as the legal regulations related to the preparation and presentation of the Financial Statements.

For and on behalf of
A&C Auditing and Consulting Co., Ltd.



Nguyen Minh Tri - Deputy General Director
Audit Practice Registration Certificate No. 0089-2018-008-1



Phan Vu Cong Ba - Auditor
Audit Practice Registration Certificate No. 0197-2018-008-1

Ho Chi Minh City, 03 April 2021

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

BALANCE SHEET

As of 31 December 2020

Unit: VND

ITEMS	Code	Note	Ending balance	Beginning balance
A - CURRENT ASSETS	100		470.170.721.920	428.246.963.655
I. Cash and cash equivalents	110	V.1	88.165.616.820	67.272.518.086
1. Cash	111		78.717.657.144	27.771.077.256
2. Cash equivalents	112		9.447.959.676	39.501.440.830
II. Short-term financial investments	120		111.320.310.125	104.533.489.605
1. Trading securities	121		-	-
2. Provisions for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123	V.2a	111.320.310.125	104.533.489.605
III. Short-term receivables	130		201.978.611.322	176.625.935.767
1. Short-term trade receivables	131	V.3	118.343.305.370	117.261.089.060
2. Short-term prepayments to suppliers	132	V.4	17.842.230.160	41.755.270.605
3. Short-term inter-company receivables	133		-	-
4. Receivable according to the progress of construction contract	134		-	-
5. Receivables for short-term loans	135		-	-
6. Other short-term receivables	136	V.5	66.751.203.392	33.909.629.501
7. Allowance for short-term doubtful debts	137	V.6	(958.127.600)	(16.300.053.399)
8. Deficit assets for treatment	139		-	-
IV. Inventories	140	V.7	67.112.186.180	79.070.247.760
1. Inventories	141		67.197.602.703	79.227.943.713
2. Allowance for inventories	149		(85.416.523)	(157.695.953)
V. Other current assets	150		1.593.997.473	744.772.437
1. Short-term prepaid expenses	151	V.8a	505.583.167	744.772.437
2. Deductible VAT	152		971.075.762	-
3. Taxes and other receivables from the State	153	V.16	117.338.544	-
4. Trading Government bonds	154		-	-
5. Other current assets	155		-	-

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
B- NON-CURRENT ASSETS	200		493.824.446.098	457.086.545.015
I. Long-term receivables	210		-	-
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212		-	-
3. Working capital in affiliates	213		-	-
4. Long-term inter-company receivables	214		-	-
5. Receivables for long-term loans	215		-	-
6. Other long-term receivables	216		-	-
7. Allowance for long-term doubtful debts	219		-	-
II. Fixed assets	220		197.229.974.268	181.416.876.555
1. Tangible fixed assets	221	V.9	135.234.862.208	139.804.211.575
- Historical cost	222		269.941.213.320	256.132.235.931
- Accumulated depreciation	223		(134.706.351.112)	(116.328.024.356)
2. Financial leased assets	224		-	-
- Historical cost	225		-	-
- Accumulated depreciation	226		-	-
3. Intangible fixed assets	227	V.10	61.995.112.060	41.612.664.980
- Initial cost	228		101.337.823.261	79.414.887.427
- Accumulated amortization	229		(39.342.711.201)	(37.802.222.447)
III. Investment property	230	V.11	4.820.302.385	5.379.883.601
- Historical costs	231		8.331.392.116	8.331.392.116
- Accumulated depreciation	232		(3.511.089.731)	(2.951.508.515)
IV. Long-term assets in process	240		2.103.394.735	25.634.284.603
1. Long-term work in process	241		-	-
2. Construction-in-progress	242	V.12	2.103.394.735	25.634.284.603
V. Long-term financial investments	250		221.645.351.109	177.992.494.865
1. Investments in subsidiaries	251	V.2b	17.200.000.000	3.000.000.000
2. Investments in joint ventures and associates	252	V.2b	120.952.624.223	97.592.800.663
3. Investments in other entities	253	V.2b	66.629.694.202	66.629.694.202
4. Provisions for devaluation of long-term financial investments	254	V.2b	(386.967.316)	-
5. Held-to-maturity investments	255	V.2b	17.250.000.000	10.770.000.000
VI. Other non-current assets	260		68.025.423.601	66.663.005.391
1. Long-term prepaid expenses	261	V.8b	68.025.423.601	66.052.071.959
2. Deferred income tax assets	262	V.13	-	610.933.432
3. Long-term components and spare parts	263		-	-
4. Other non-current assets	268		-	-
TOTAL ASSETS	270		963.995.168.018	885.333.508.670

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
C - LIABILITIES	300		425.615.849.859	383.681.054.880
I. Current liabilities	310		382.985.782.359	337.380.463.380
1. Short-term trade payables	311	V.14	16.562.216.645	27.232.750.374
2. Short-term advances from customers	312	V.15	52.239.905.309	25.820.228.584
3. Taxes and other obligations to the State Budget	313	V.16	4.788.421.771	17.393.539.595
4. Payables to employees	314	V.17	10.468.833.766	10.233.525.776
5. Short-term accrued expenses	315	V.18	30.404.287.004	32.627.567.682
6. Short-term inter-company payables	316		-	-
7. Payable according to the progress of construction contracts	317		-	-
8. Short-term unearned revenue	318		14.545.449	-
9. Other short-term payables	319	V.19	8.025.008.546	11.137.287.446
10. Short-term borrowings and financial leases	320	V.20a	249.531.557.501	210.149.867.165
11. Provisions for short-term payables	321	V.21	4.280.600.880	594.328.619
12. Bonus and welfare funds	322	V.22	6.670.405.488	2.191.368.139
13. Price stabilization fund	323		-	-
14. Trading Government bonds	324		-	-
II. Non-current liabilities	330		42.630.067.500	46.300.591.500
1. Long-term trade payables	331		-	-
2. Long-term advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for working capital	334		-	-
5. Long-term inter-company payables	335		-	-
6. Long-term unearned revenue	336		-	-
7. Other long-term payables	337		-	-
8. Long-term borrowings and financial leases	338	V.20b	42.630.067.500	46.300.591.500
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liability	341		-	-
12. Provisions for long-term payables	342		-	-
13. Science and technology development fund	343		-	-

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CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
D- OWNERS' EQUITY	400		538.379.318.159	501.652.453.790
I. Owners' equity	410		538.379.318.159	501.652.453.790
1. Capital	411	V.23	150.301.450.000	150.301.450.000
- Ordinary shares carrying voting right	411a		150.301.450.000	150.301.450.000
- Preferred shares	411b		-	-
2. Share premiums	412	V.23	2.190.000.000	2.190.000.000
3. Bond conversion options	413		-	-
4. Other sources of capital	414		-	-
5. Treasury stocks	415		-	-
6. Differences on asset revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418	V.23	195.974.864.344	166.930.637.926
9. Business arrangement supporting fund	419		-	-
10. Other funds	420		-	-
11. Retained earnings	421	V.23	189.913.003.815	182.230.365.864
- Retained earnings accumulated to the end of the previous period	421a		155.540.362.453	182.230.365.864
- Retained earnings of the current period	421b		34.372.641.362	-
12. Construction investment fund	422		-	-
II. Other sources and funds	430		-	-
1. Sources of expenditure	431		-	-
2. Fund to form fixed assets	432		-	-
TOTAL LIABILITIES AND OWNERS' EQUITY	440		963.995.168.018	885.333.508.670


Binh Duong, 30 March 2021



Do Viet Cuong
Preparer



Nguyen Xuan Hieu
Chief Accountant



Vo Van Lan
General Director


CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

INCOME STATEMENT
For the fiscal year ended 31 December 2020

Unit: VND

ITEMS	Code	Note	Current year	Previous year
1. Sales	01	VI.1a	638.232.429.348	802.277.757.403
2. Sales deductions	02	VI.2	13.066.130	164.895.739
3. Net sales	10		638.219.363.218	802.112.861.664
4. Cost of sales	11	VI.3	512.512.999.760	677.427.024.155
5. Gross profit	20		125.706.363.458	124.685.837.509
6. Financial income	21	VI.4	21.742.748.944	15.638.001.962
7. Financial expenses	22	VI.5	18.165.821.748	14.485.298.468
In which: Loan interest expenses	23		17.778.854.432	14.521.330.676
8. Selling expenses	25	VI.6	35.151.850.484	28.875.707.593
9. General and administration expenses	26	VI.7	4.050.151.643	21.377.250.515
10. Net operating profit	30		90.081.288.527	75.585.582.895
11. Other income	31	VI.8	8.674.036.073	11.785.798.851
12. Other expenses	32	VI.9	159.851.700	835.374.842
13. Other profit	40		8.514.184.373	10.950.424.009
14. Total accounting profit before tax	50		98.595.472.900	86.536.006.904
15. Current income tax	51	V.16	16.730.562.163	10.902.428.547
16. Deferred income tax	52	V.13	610.933.432	5.238.252.019
17. Profit after tax	60		<u>81.253.977.305</u>	<u>70.395.326.338</u>
18. Basic earnings per share	70	VI.10	<u>-</u>	<u>-</u>
19. Diluted earnings per share	71	VI.10	<u>-</u>	<u>-</u>


Do Viet Cuong
Preparer


Nguyen Xuan Hieu
Chief Accountant

Binh Duong, 30 March 2021


CÔNG TY
CỔ PHẦN
CIC39
TP. THUAN AN T. BINH DUONG


Vo Van Lan
General Director

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

CASH FLOW STATEMENT
(Indirect method)
For the fiscal year ended 31 December 2020

Unit: VND

ITEMS	Code	Note	<u>Current year</u>	<u>Previous year</u>
I. Cash flows from operating activities				
1. Profit before tax	01		98.595.472.900	86.536.006.904
2. Adjustments				
- Depreciation of fixed assets and investment properties	02	V.9, V.10, V.11	24.081.455.787	22.864.360.697
- Provisions and allowances	03	V.2, V.6, V.7, V.21	(11.340.965.652)	431.683.451
- Exchange gain/(loss) due to revaluation of monetary items in foreign currencies	04		-	-
- Gain/(loss) from investing activities	05	VI.4, VI.8	(21.932.730.708)	(15.781.442.945)
- Interest expenses	06	VI.5	17.778.854.432	14.521.330.676
- Others	07		-	-
3. Operating profit before changes of working capital				
	08		107.182.086.759	108.571.938.783
- Increase/(decrease) of receivables	09		(3.210.626.944)	29.902.189.511
- Increase/(decrease) of inventories	10		12.030.341.010	(19.298.085.924)
- Increase/(decrease) of payables	11		(2.821.963.539)	(9.560.770.919)
- Increase/(decrease) of prepaid expenses	12		(1.734.162.372)	(127.987.190)
- Increase/(decrease) of trading securities	13		-	-
- Interests paid	14	V.19, VI.5	(17.802.643.209)	(14.408.417.689)
- Corporate income tax paid	15	V.16	(17.049.736.514)	(10.937.238.871)
- Other cash inflows	16		-	-
- Other cash outflows	17	V.22	(2.756.917.927)	(18.657.605.388)
Net cash flows from operating activities	20		<u>73.836.377.264</u>	<u>65.484.022.313</u>
II. Cash flows from investing activities				
1. Purchases and construction of fixed assets and other non-current assets	21	V.9, V.12, VII	(21.839.015.807)	(50.538.246.519)
2. Proceeds from disposals of fixed assets and other non-current assets	22	V.9, VI.8	1.890.909.091	169.556.817
3. Cash outflow for lending, buying debt instruments of other entities	23		(15.786.820.520)	(12.335.267.423)
4. Cash recovered from lending, selling debt instruments of other entities	24		2.520.000.000	-
5. Investments in other entities	25	V.2b	(43.685.388.560)	(45.624.273.920)
6. Withdrawals of investments in other entities	26	V.2b, V.5	2.657.311.539	-
7. Interest earned, dividends and profits received	27	V.5, VI.4	21.656.471.351	14.913.453.091
Net cash flows from investing activities	30		<u>(52.586.532.906)</u>	<u>(93.414.777.954)</u>

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Cash Flow Statement (cont.)

ITEMS	Code	Note	Current year	Previous year
III. Cash flows from financing activities				
1. Proceeds from issuing stocks and capital contributions from owners	31		-	-
2. Repayment for capital contributions and re-purchases of stocks already issued	32		-	-
3. Proceeds from borrowings	33	V.20	479.662.796.240	520.355.897.474
4. Repayment for loan principal	34	V.20	(443.951.629.904)	(428.049.465.612)
5. Payments for financial leased assets	35		-	-
6. Dividends and profit paid to the owners	36	V.19, V.23	(36.067.911.960)	(36.075.438.540)
<i>Net cash flows from financing activities</i>	40		<u>(356.745.624)</u>	<u>56.230.993.322</u>
Net cash flows during the year	50		20.893.098.734	28.300.237.681
Beginning cash and cash equivalents	60	V.1	67.272.518.086	38.972.280.405
Effects of fluctuations in foreign exchange rates	61		-	-
Ending cash and cash equivalents	70	V.1	<u>88.165.616.820</u>	<u>67.272.518.086</u>



Do Viet Cuong
Preparer



Nguyen Xuan Hieu
Chief Accountant



Binh Duong, 30 March 2021

Vo Van Lanh
General Director

CIC39 CORPORATION


Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

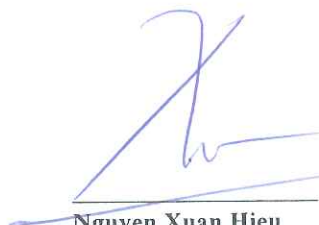
For the fiscal year ended 31 December 2020

Cash Flow Statement (cont.)

ITEMS	Code	Note	Current year	Previous year
III. Cash flows from financing activities				
1. Proceeds from issuing stocks and capital contributions from owners	31		-	-
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Do Viet Cuong
Preparer



Nguyen Xuan Hieu
Chief Accountant



Binh Duong, 30 March 2021



Vo Van Lanh
General Director

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

I. GENERAL INFORMATION

1. Ownership form

CIC39 Corporation (hereinafter referred to as “the Corporation”) is a joint stock company.

2. Operating field

The Corporation’s operating fields are manufacturing, constructing, trading, real estate trading and servicing.

3. Principal business activities

Principal business activities of the Corporation are manufacturing stone, concrete and bricks; constructing works; trading construction materials; trading real estate; leasing car, construction tools.

4. Normal operating cycle

Normal operating cycle of the Corporation is within 12 months.

5. Effects of the Corporation’s operation during the year on the Financial Statements

In 2020, the Corporation’s right to operate Tan Dong Hiep quarry expired, resulting in a decrease in its revenue. However, the Corporation’s profit has still increased mainly thanks to reversal of allowances and dividends shared.

6. Structure of the Corporation

Subsidiaries

The Corporation only invested in Tien Phuoc Construction Mineral Joint Stock Company – a subsidiary, located at Nam Dong Phu Industrial Park, Tan Lap Commune, Dong Phu District, Binh Phuoc Province. Principal business activities of this subsidiary are exploiting and processing stone. As of the balance sheet date, the Corporation’s capital contribution rate at this subsidiary is 80%, the voting rate and benefit rate is 83,38%.

Associates

Associates	Address	Principal business activities	Contribution rate	Ownership rate	Voting rate
Mien Dong Joint-Stock Company	Road No. 1, Bien Hoa 1 Industrial Park, Binh Ward, Bien Hoa City, Dong Nai Province	Manufacturing, quarrying stone, trading real estate and construction and installation activities	32,01%	32,01%	32,01%
Thu Duc - Long An Centrifugal Concrete Joint Stock Company	Hamlet 3, An Thanh Commune, Ben Luc District, Long An Province	Trading construction materials	42,38%	42,38%	42,38%

Affiliates which are not legal entities and cannot do accounting works independently

Affiliates	Address
Branch of CIC39 Corporation - Construction Stone Plant	No. 635/1A, 1K Highway, Tan An Quarter, Tan Dong Hiep Ward, Di An City, Binh Duong Province
Branch of CIC39 Corporation - Concrete Sewer Plant	No. 6, Hill Road 16, Cay Cham Quarter, Thanh Phuoc Ward, Tan Uyen Town, Binh Duong Province
Branch of CIC39 Corporation - Concrete Brick Plant	No. 5/138 Binh Duong Boulevard, Hoa Lan 1 Quarter, Thuan Giao Ward, Thuan An City, Binh Duong Province

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

Affiliates	Address
Business location of CIC39 Corporation - Long Nguyen Concrete Plant	No. 216B, Bung Thuoc Hamlet, Long Nguyen Commune, Bau Bang District, Binh Duong Province
Business location of CIC39 Corporation - 279 Construction Material Trading Center	No. 1/278, 22/12 Street, Hoa Lan 2 Quarter, Thuan Giao Ward, Thuan An City, Binh Duong Province

7. Statement of information comparability on the Financial Statements

The corresponding figures in the previous year can be comparable with the figures in the current year.

8. Headcount

As of the balance sheet date, the Corporation's headcount is 263 (headcount at the beginning of the year: 267).

II. FISCAL YEAR AND ACCOUNTING CURRENCY

1. Fiscal year

The fiscal year of the Corporation is from 01 January to 31 December annually.

2. Accounting currency unit

The accounting currency unit is Vietnamese Dong (VND) since the Corporation's transactions are primarily made in VND.



III. ACCOUNTING STANDARDS AND SYSTEM

1. Accounting System

The Corporation applies the Vietnamese Accounting Standards and System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 as well as other Circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in the preparation and presentation of Financial Statements.

2. Statement of the compliance with the Accounting Standards and System

The Board of Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 as well as other Circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in the preparation and presentation of the Financial Statements.

IV. ACCOUNTING POLICIES

1. Accounting convention

All the Financial Statements are prepared on the accrual basis (except for the information related to cash flows).

2. Cash and cash equivalents

Cash includes cash on hand and demand deposits in banks. Cash equivalents are short-term investments of which the due dates cannot exceed 03 months from the dates of the investments and the convertibility into cash is easy, and which do not have a lot of risks in the conversion into cash as of the balance sheet date.

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

3. Financial investments

Held-to-maturity investments

Investments are classified as held-to-maturity investments that the Corporation intends and is able to hold to maturity. Held-to-maturity investments include term deposits (including debentures and promissory note), bonds, preferred shares that the issuer are required to re-purchase at a certain date in the future and held-to-maturity loans for the purpose of receiving periodical interest as well as other held-to-maturity investments.

Held-to-maturity investments are initially recognized at cost including the purchase cost and other transaction costs. After initial recognition, these investments are recorded at recoverable value. Interest from these held-to-maturity investments after acquisition date is recognized in the profit or loss on the basis of the interest income to be received. Interests arising prior to the Corporation's acquisition of held-to-maturity investments are recorded as a decrease in the costs as at the acquisition time.

When there are reliable evidences proving that a part or the whole investment cannot be recovered and the loss are reliably determined, the loss is recognized as financial expenses during the period while the investment value is derecognized.

Investments in subsidiaries, associates

Subsidiary

Subsidiary is an entity that is controlled by the Corporation. Control is the Corporation's power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Associates

An associate is an entity which the Corporation has significant influence but not the control to govern the financial and operating policies. Significant influence is the right to participate in making the associate's financial and operating policies but not control those policies.

Initial recognition

Investments in subsidiaries, associates are initially recognized at costs, including the cost of purchase or capital contributions plus other directly attributable transaction cost. In case of investment in non-monetary assets, the costs of the investment are recognized at the fair value of non-monetary assets at the arising time.

Dividends and profit of the periods prior to the acquisition of trading securities are recorded as a decrease in the value of such securities. Dividends and profit of the periods after the acquisition of such securities are recorded in the Corporation's revenues. Particularly, the dividends paid in form of shares are not recorded as an increase in values, but the increasing quantity is followed up.

Provisions for impairment of investments in subsidiaries, associates

Provisions for impairment of investments in subsidiaries, associates is made when the subsidiaries, associates suffer from losses at the rate equal to the difference between the actual capital invested by investors in subsidiaries, associates and the actual owner's equity multiplying (x) by the ownership rate of the charter capital actually contributed by the Corporation in subsidiaries, associates. If the subsidiaries, associates are consolidated into Consolidated Financial Statements, the basis for impairment provisions is the Consolidated Financial Statements.

Increases/(decreases) in the provisions for impairment of investments in subsidiaries, associates are recorded into "Financial expenses".

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

Investments in equity instruments of other entities

Investments in equity instruments of other entities include such investments in equity instruments that do not enable the Corporation to have the control, joint control or significant influence on these entities.

Investments in equity instruments of other entities are initially recognized at costs, including cost of purchase plus other directly attributable transaction costs. Values of these investments are derecognized for dividends and profits arising in the periods prior to the acquisition of such investments. Dividends and profit arising in the periods after the acquisition of investments are recorded into the Corporation's revenue. Particularly, the dividends paid in form of shares are not recorded as an increase in values, but the increasing quantity of shares is followed up.

Provisions for impairment of investments in equity instruments of other entities are made as follows:

- For investments in listed shares or fair value of investments which is reliably measured, provisions are made on the basis of the market value of shares.
- For investments of which the fair value cannot be measured at the time of reporting, provisions are made on the basis of the losses suffered by investees, at the rate equal to the difference between the actual capital invested by owners and the owner's equity as of the balance sheet date multiplying (x) by the Corporation's rate of charter capital over the total actual charter capital invested in these investees.

Increases/(decreases) in the provisions for impairment of investments in equity instruments of other entities are recorded into "Financial expenses".

4. Receivables

Receivables are recognized at the carrying amounts less allowances for doubtful debts.

The classification of receivables as trade receivables and other receivables is made according the following principles:

- Trade receivables reflect receivables concerning the commercial nature arising from purchase and sale transactions between the Corporation and customers who are independent to the Corporation.
- Other receivables reflect receivables not concerning the commercial nature and irrelevant to purchase and sale transactions.

Allowance is made for each doubtful debt on the basis of the ages of debts after offsetting against liabilities (if any) or estimated loss as follows:

- As for overdue debts:
 - 30% of the value of debts overdue from over 06 months to under 01 year.
 - 50% of the value of debts overdue from 01 year to under 02 years.
 - 70% of the value of debts overdue from 02 years to under 03 years.
 - 100% of the value of debts overdue from over 03 years.
- As for doubtful debts: Allowance is made on the basis of the estimated loss.

Increases/(decreases) in the obligatory allowance for doubtful debts as of the balance sheet date are recorded into "General and administration expenses".



CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

5. Inventories

Inventories are recognized at the lower of cost or net realizable value.

Cost of inventories is determined as follows:

- For materials and merchandises: Costs comprise costs of purchases and other directly relevant costs incurred in bringing the inventories to their present location and conditions.
- Work-in-process: Costs comprise costs of main materials, labor and other directly relevant costs.
- For finished goods: Costs comprise costs of materials, direct labor and directly relevant general manufacturing expenses allocated on the basis of normal operations.

Stock-out costs are determined in accordance with the weighted average method and recorded in line with the perpetual method.

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

Allowance for inventories is recognized for each type of inventories when their costs are higher than their net realizable values. Increases/(decreases) in the obligatory allowance for inventories as of the balance sheet date are recorded into "Costs of sales".

6. Prepaid expenses

Prepaid expenses comprise actual expenses arising and relevant to financial performance in several accounting periods. Prepaid expenses of the Corporation mainly include expenses of tools, land use right, land rental and repair expenses. These prepaid expenses are allocated over the prepayment period or period of corresponding economic benefits generated from these expenses.

Tools

Expenses of tools being put into use are allocated into expenses in accordance with the straight-line method for the maximum period of 03 years.

Expenses of non-permanent land use rights

Expenses of non-permanent land use rights reflects the amount paid for the transfer and prepaid rental for land being used by the Corporation. Expenses of non-permanent land use rights are allocated over the term regulated in Certificates of land use rights.

Prepaid land rental

Prepaid land rental reflects the rental prepaid for the land being used by the Corporation and is allocated over the lease term as regulated in the land lease.

Repair expenses

Expenses of fixed asset repairs arising once with high value are allocated into expenses in accordance with the straight-line method in 03 years.

7. Operating leased assets

A lease is classified as an operating lease if it transfers substantially all the risks and rewards incident to ownership belonging to the lessor. The lease expenses are allocated in the Corporation's operation costs in accordance with the straight-line method over the lease term and do not depend on the method of lease payment.

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

8. Tangible fixed assets

Tangible fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Corporation to bring the asset to its working condition for its intended use. Other expenses arising subsequent to initial recognition are included into historical costs of fixed assets only if it can be clearly demonstrated that the expenditure has resulted in future economic benefits expected to be obtained from the use of these assets. Those which do not meet the above conditions will be recorded into operation costs during the year.

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

Tangible fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years applied are as follows:

<u>Fixed assets</u>	<u>Years</u>
Buildings and structures	06 – 25
Machinery and equipment	06 – 12
Vehicles	05 – 10
Office equipment	03 – 08

9. Intangible fixed assets

Intangible fixed assets are determined by their initial costs less accumulated amortization.

Initial costs of intangible fixed assets include all the costs paid by the Corporation to bring the asset to its working condition for its intended use. Other costs relevant to intangible fixed assets arising subsequent to initial recognition are included into operation costs during the period only if these costs are associated with a specific intangible fixed asset and result in future economic benefits expected to be obtained from the use of these assets.

When an intangible fixed asset is sold or disposed, its initial costs and accumulated amortization are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

The Corporation's intangible fixed assets include:

Land use right

Land use right includes all the actual expenses paid by the Corporation directly related to the land being used such as expenses to obtain the land use right, expenses for house removal, land clearance and ground leveling, registration fees, etc.

The land use right of the Corporation is amortized as follows:

- Land use right assigned by the State with collection of land use fees is amortized in accordance with the straight-line method over the land assigned period (i.e. 50 years); if the land use right is permanent, it is not amortized.
- Land use right legally transferred is amortized in accordance with the straight-line method over the term of land use right (i.e. 42 – 50 years), if the land use right is permanent, it is not amortized.

Computer software

Expenses attributable to computer software, which is not a part associated with the relevant hardware, will be capitalized. Costs of computer software include all the expenses paid by the Corporation until the date the software is put into use. Computer software is amortized in accordance with the straight-line method in 03-08 years.

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CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

10. Investment properties

Investment property is property which is a building or part of a building, infrastructure held by the Corporation or by the lessee under a finance lease to earn rentals. Investment properties for lease are measured at their historical costs less accumulated depreciation. Historical cost includes all the expenses paid by the Corporation or the fair value of other considerations given to acquire the assets up to the date of its acquisition or construction.

Expenses related to investment property arising subsequent to initial recognition should be added to the historical cost 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 Corporation.

When the investment property is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposals is included in the income or the expenses during the year.

The transfer from owner-occupied property or inventories into investment property shall be made when, and only when, there is a change in use evidenced by the end of owner-occupation and the commencement of an operating lease to another party or the end of construction. The transfer from investment property to owner-occupied property or inventories shall be made when, and only when, there is a change in use evidenced by the commencement of owner-occupation or the commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the historical cost or net book value of investment property at the date of transfer.

Investment property for lease is depreciated in accordance with the straight-line method and the depreciation years of houses and infrastructure are 25 years and 06 - 15 years respectively.

11. Construction-in-progress

Construction-in-progress reflects the expenses (including relevant loan interest expenses following the accounting policies of the Corporation) directly attributable to assets under construction, machinery and equipment under installation for purposes of production, leasing and management as well as the repair of fixed assets in progress. These assets are recorded at historical costs and not depreciated.

12. Payables and accrued expenses

Payables and accrued expenses are recorded for the amounts payable in the future associated with the goods and services received. Accrued expenses are recorded based on reasonable estimates for the amounts payable.

The classification of payables as trade payables, accrued expenses and other payables is made on the basis of following principles:

- Trade payables reflect payables of commercial nature arising from the purchase of goods, services, or assets, of which the seller is an independent entity with the Corporation.
- Accrued expenses reflect expenses for goods, services received from suppliers or supplied to customers but have not been paid, invoiced or lack of accounting records and supporting documents; pay on leave payable to employees; and accrual of operation expenses.
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

The payables and accrued expenses are classified as short-term and long-term items in the Balance Sheet on the basis of their remaining term as of the balance sheet date.



CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

13. Provisions for payables

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

If time causes material effects, the provisions will be determined by deducting the amount to be spent in future to settle the liability at the pre-tax discount rate that reflects the assessments of the time value of money and the specific risks from this liability in the current market. The increase in provisions due to the effect of time will be recognized as a financial expense.

The Corporation's provisions for payables only include expenses on warranty of construction works.

Provisions for warranty expenses are made for each type of construction works under the commitment of warranty.

The extraction of provisions for warranty of is 0,19% on total value of warranty works for civil works, and 0,45% on total value of infrastructure works and is specified in each contract, but not exceeding 5% for other construction works. This rate is estimated on the basis of the warranty expenses in the previous years and weighted rate of all the possible bad results with corresponding probability. Upon expiry of the warranty period, provisions for warranty of construction works which are not used or not used up are recorded in other income.

14. Owner's equity

Capital

Capital is recorded according to the actual amounts invested by shareholders.

Share premiums

Share premiums are recorded in accordance with the difference between the issuance price and face value upon the IPO, additional issue or the difference between the re-issuance price and carrying value of treasury shares and the equity component of convertible bonds upon maturity date. Expenses directly related to the additional issue of shares and the re-issuance of treasury shares are recorded as a decrease in share premiums.

15. Profit distribution

Profit after tax is distributed to the shareholders after appropriation for funds under the Charter of the Corporation as well as legal regulations and approved by the General Meeting of Shareholders.

The distribution of profits to the shareholders is made with consideration toward non-cash items in the retained earnings that may affect cash flows and payment of dividends such as profit due to revaluation of assets contributed as investment capital, profit due to revaluation of monetary items, financial instruments and other non-cash items.

Dividends are recorded as payables upon approval of the General Meeting of Shareholders and notice on dividend payment of the Board of Management.

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

16. Recognition of sales and income

Sales of merchandises, finished goods

Sales of merchandises, finished goods shall be recognized when all of the following conditions are satisfied:

- The Corporation transfers most of risks and benefits incident to the ownership of goods, products to customers.
- The Corporation retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods, products sold.
- The amount of sales can be measured reliably. When the contracts stipulate that buyers have the right to return products, goods purchased under specific conditions, sales are recorded only when those specific conditions are no longer exist and buyers retains no right to return goods, products (except for the case that such returns are in exchange for other goods or services).
- The Corporation received or shall probably receive the economic benefits associated with sale transactions.
- The cost incurred or to be incurred in respect of the sale transaction can be measured reliably.

Sales of service provision

Sales of service provision shall be recognized when all of the following conditions are satisfied:

- The amount of sales can be measured reliably. When the contract stipulates that the buyer is entitled to return the services provided under specific conditions, sales is recognized only when these specific conditions are no longer existed and the buyer is not entitled to return the services provided.
- The Corporation received or shall probably receive the economic benefits associated with the provision of services.
- The stage of completion of the transaction at the end of reporting period can be measured reliably.
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

In the case that the services are provided in several accounting periods, the determination of sales is done on the basis of the volume of work done as of the balance sheet date.

Sales of real estates

Sales of real estates that invested by the Corporation shall be recognized when all of the following conditions are satisfied:

- real estates are fully completed and handed over to the buyers, and the Corporation transfers most of risks and benefits incident to the ownership of real estate to the buyer.
- the Corporation retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the real estates sold.
- the amount of sales can be measured reliably.
- the Corporation received or shall probably receive the economic benefits associated with the transaction.
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

In case the customer has the right to complete the interior of the real estate and the Corporation completes the interiors according to the designs, models as requested by customer under a separate contract on interior completion, revenues are recognized upon the completion and handover of the main construction works to customers.

Income from leasing operating assets

Income from leasing operating assets is recognized in accordance with the straight-line method during the lease term. Rentals received in advance for several periods are allocated to revenues in consistence with the lease term.

Interest

Interest is recorded, based on the term and the actual interest rate applied in each particular period.

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

Dividends and profit shared

Dividends and profit shared are recognized when the Corporation has the right to receive dividends or profit from the capital contribution. Particularly, the dividends paid in form of shares are not recorded as an increase in value, but the increasing quantity is followed up.

17. Construction contracts

Construction contract is a contract agreed for acquisition of an asset or combined assets closely relevant or mutually dependent on their design, technology, function or basic using purpose.

When the outcome of the construction contracts is estimated reliably:

- For the construction contracts stipulating that the contractors are paid according to the planned progress, revenue and costs related to these contracts are recognized in proportion to the stage of completion of contract activity as determined by the Corporation itself as of the balance sheet date.
- For the construction contracts stipulating that the contractors are paid according to the work actually performed, revenue and costs related to these contracts are recognized in proportion to the stage of completion of contract activity as confirmed in the invoices made by the customers.

Increases/(decreases) in revenue of the works done, compensation receivable and other receivables are only recognized upon the agreement with customers.

When the results of the contract implementation cannot be estimated reliably:

- Contract revenue is recognized only to the extent that contract costs incurred are expected to be reliably recoverable.
- Contract costs are only recognized as actually incurred.

The difference between the accumulated revenue from the construction contract recognized and the accumulated amount in the invoices according to the planned progress of contract is recognized as an amount receivable or an amount payable according to the planned progress of implementation of the construction contracts.

18. Sales deductions

Sales deductions include trade discounts, sales allowances, sales returns incurred in the same period of providing goods, merchandises, services, in which revenues are derecognized.

In case of goods, merchandises, services provided in the previous years but trade discounts, sales allowances, sales returns incurred in the current year, revenues are derecognized as follows:

- If sales allowances, trade discounts, sales returns incur prior to the release of the Financial Statements, revenues are derecognized on the Financial Statements of the current year.
- If sales allowances, trade discounts, sales returns incur after the release of the Financial Statements, revenues are derecognized on the Financial Statements of the following year.

19. Borrowing costs

Borrowing costs are interests and other costs that the Corporation directly incurs in connection with the borrowing.

Borrowing costs are recorded as an expense when it is incurred. In case the borrowing costs are directly attributable to the construction or the production of an asset in progress, which takes a substantial period of time (over 12 months) to get ready for intended use or sales of the asset, these costs will be included in the cost of that asset. To the extent that the borrowings are especially for the purpose of construction of fixed assets and investment properties, the borrowing cost is eligible for capitalization even if construction period is under 12 months. Incomes arisen from provisional investments as loans are recognized as a decrease in the costs of relevant assets.

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

In the event that general borrowings are partly used for the acquisition, construction or production of an asset in progress, the costs eligible for capitalization will be determined by applying the capitalization rate to average accumulated expenditure on construction or production of that asset. The capitalization rate is computed at the weighted average interest rate of the borrowings not yet paid during the period, except for particular borrowings serving the purpose of obtaining a specific asset.

20. Expenses

Expenses are those that result in outflows of the economic benefits and are recorded at the time of transactions or when incurrence of the transaction is reliable regardless of whether payment for expenses is made or not.

Expenses and their corresponding revenues are simultaneously recognized in accordance with matching principle. In the event that matching principle conflicts with prudence principle, expenses are recognized based on the nature and regulations of accounting standards in order to guarantee that transactions can be fairly and truly reflected.

21. Corporate income tax

Corporate income tax includes current income tax and deferred income tax.

Current income tax

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses brought forward.

Deferred income tax

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the Financial Statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Carrying values of deferred corporate income tax assets are considered as of the balance sheet date and will be reduced to the rate that ensures enough taxable income against which the benefits from part of or all of the deferred income tax can be used. Deferred corporate income tax assets, which have not been recorded before, are considered as of the balance sheet date and are recorded when there is certainly enough taxable income to use these unrecognized deferred corporate income tax assets.

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rate to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the Income Statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity.

The Corporation shall offset deferred tax assets and deferred tax liabilities if:

- The Corporation has the legal right to offset current income tax assets against current income tax liabilities; and
- Deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority either:
 - Of the same subject to corporate income tax; or
 - The Corporation has intention to pay current income tax liabilities and current income tax assets on a net basis or recover tax assets and settle tax liability simultaneously in each future period to the extent that the majority of deferred income tax liabilities or deferred income tax assets are paid or recovered.



CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

22. Related parties

A party is considered a related party of the Corporation in case that party is able to control the Corporation or to cause material effects on the financial decisions as well as the operations of the Corporation. A party is also considered a related party of the Corporation in case that party is under the same control or is subject to the same material effects.

Considering the relationship of related parties, the nature of relationship is focused more than its legal form.

23. Segment reporting

A business segment is a distinguishable component of the Corporation that is engaged in manufacturing or providing products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of the Corporation that is engaged in manufacturing or providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

The segment information is prepared and presented in conformity with the accounting policies applicable to the preparation and presentation of the Financial Statements of the Corporation.

V. ADDITIONAL INFORMATION ON THE ITEMS OF THE BALANCE SHEET

1. Cash and cash equivalents

	<u>Ending balance</u>	<u>Beginning balance</u>
Cash on hand	1.410.725.014	536.052.549
Demand deposits in banks	77.306.932.130	27.235.024.707
Cash equivalents (Deposits of which the principal maturity is under 03 months)	9.447.959.676	39.501.440.830
Total	<u>88.165.616.820</u>	<u>67.272.518.086</u>

2. Financial investments

The financial investments of the Corporation include held-to-maturity investments and investments in other entities. The Corporation's financial investments are as follows:

2a. Held-to-maturity investments

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>Original costs</u>	<u>Carrying value</u>	<u>Original costs</u>	<u>Carrying value</u>
<i>Short-term</i>				
Term deposits (*)	111.320.310.125	111.320.310.125	104.533.489.605	104.533.489.605
<i>Long-term</i>				
Bonds (**)	17.250.000.000	17.250.000.000	10.770.000.000	10.770.000.000
Total	<u>128.570.310.125</u>	<u>128.570.310.125</u>	<u>115.303.489.605</u>	<u>115.303.489.605</u>

(*) This item reflects 12-month deposit. This deposit has been mortgaged to secure the overdraft loans from BIDV – Southern Binh Duong Branch (see Note No. V.20).

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

- (**) This item reflects bonds issued by BIDV and VietinBank. All of these bonds have been mortgaged to secure the overdraft loans from BIDV – Southern Binh Duong Branch and VietinBank – Binh Duong Branch (see Note No. V.20)

Issuers	Year of issuance	Term (years)	Ending balance	Beginning balance
BIDV	2018	10 years	1.980.000.000	1.980.000.000
BIDV	2018		-	2.520.000.000
BIDV	2019	7 years	2.000.000.000	2.000.000.000
BIDV	2019	10 years	1.270.000.000	1.270.000.000
BIDV	2020	7 years	3.000.000.000	
VietinBank	2019	7 years	3.000.000.000	3.000.000.000
VietinBank	2020	10 years	6.000.000.000	
Total			17.250.000.000	10.770.000.000

2b. Investments in other entities

	Ending balance		Fair value	Beginning balance	
	Original costs	Provisions		Original costs	Provisions
Investments in subsidiaries	17.200.000.000	(162.308.828)		3.000.000.000	-
Tien Phuoc Mineral and Construction Joint Stock Company ⁽ⁱ⁾	17.200.000.000	(162.308.828)		3.000.000.000	-
Investments in associates	120.952.624.223	-		97.592.800.663	-
Thu Duc - Long An Centrifugal Concrete Joint Stock Company ⁽ⁱⁱ⁾	78.733.792.015	-		55.373.968.455	-
Mien Dong Joint-Stock Company ⁽ⁱⁱⁱ⁾	42.218.832.208	-	36.594.075.000	42.218.832.208	43.564.375.000
Investments in other entities	66.629.694.202	(224.658.488)		66.629.694.202	-
Binh Duong General Construction and Consultation Joint Stock Company ^(iv)	200.887.800	(200.887.800)		200.887.800	-
Hoa An Joint-Stock Company ^(v)	49.553.806.402	-	94.399.470.000	49.553.806.402	63.530.445.000
Dong Phu - Binh Duong Highway Building Operation Transfer Joint Stock Company ^(vi)	16.875.000.000	(23.770.688)		16.875.000.000	-
Total	204.782.318.425	(386.967.316)		167.222.494.865	-

- (i) According to the initial agreement of the founding shareholders, CIC39 Corporation registered for the direct contribution capital of VND 55.200.000.000, accounting for 80% of total charter capital of Tien Phuoc Construction Mineral Joint Stock Company. During the year, the Corporation additionally invested VND 14.200.000.000. As of the balance sheet date, the Corporation contributed VND 17.200.000.000, equivalent to 24,93% of charter capital (beginning balance: VND 3.000.000.000, equivalent to 4,35% of charter capital). The charter capital to be invested in Tien Phuoc Mineral and Construction Joint Stock Company is VND 38.000.000.000.
- (ii) During the year, the Corporation recognized a decrease in the investment in Thu Duc - Long An Centrifugal Concrete Joint Stock Company for an amount of VND 6.125.565.000, equivalent to 421.133 shares because the share purchase transaction in 2016 and the receipt of dividend payment in form of shares in 2017 have been canceled. In addition, the Corporation additionally purchased 1.854.956 shares at the value of VND 29.485.388.560. As of the balance sheet date, the Corporation held 5.101.091 shares, equivalent to 42,38% of charter capital of Thu Duc - Long An Centrifugal Concrete Joint Stock Company (beginning balance: 3.667.268 shares, equivalent to 24,33% of charter capital).
- (iii) As of the balance sheet date, the Corporation held 3.485.150 shares, equivalent to 32,01% of charter capital of Mien Dong Joint-Stock Company.

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

- (iv) As of the balance sheet date, the Corporation held 18.098 shares, equivalent to 3,52% of charter capital of Binh Duong General Construction and Consultation Joint Stock Company.
- (v) As of the balance sheet date, the Corporation held 1.991.550 shares, equivalent to 13,17% of charter capital of Hoa An Joint-Stock Company (beginning balance: 1.991.550 shares, equivalent to 13,17% of charter capital).
- (vi) The Corporation registered to purchase 3.375.000 shares at the purchasing price of VND 33.750.000.000 (accounting for 15% of charter capital of Dong Phu - Binh Duong Highway Building Operation Transfer Joint Stock Company). As of the balance sheet date, the Corporation held 1.687.500 shares at the value of VND 16.875.000.000. The charter capital to be invested is VND 16.875.000.000.

Fair value

Fair value of investments with listed price is determined at the listed price as of the balance sheet date. The Corporation has not determined the fair value of the investments without listed price because there is no specific instruction on determination of fair value.

Operation of subsidiaries and associates

Tien Phuoc Construction Mineral Joint Stock Company is currently in the stage of construction and has not generated revenue yet.

Other associates have been in the normal operation with profits and have not experienced any significant change compared to that of the previous year.

Provisions for investments in other entities

Fluctuations in provisions for investments in other entities are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	-	37.432.208
Provision made/(reversal of) provision	386.967.316	(37.432.208)
Ending balance	386.967.316	-

Transactions with subsidiaries and associates

Significant transactions between the Corporation and its subsidiaries and associates are as follows:

	<u>Current year</u>	<u>Previous year</u>
<i>Tien Phuoc Mineral and Construction Joint Stock Company</i>		
Capital contribution	14.200.000.000	3.000.000.000
<i>Thu Duc - Long An Centrifugal Concrete Joint Stock Company</i>		
Dividends shared	3.246.135.000	-
<i>Mien Dong Joint-Stock Company</i>		
Sales of merchandises	4.067.099.022	22.801.498.782
Sales of finished goods	1.653.050.624	204.923.000
Sales of service provisions	51.515.455	211.715.900
Sales of construction contracts	27.975.839.252	98.348.780.614
Liquidation of fixed assets	450.000.000	-
Purchases of materials	59.113.162	2.051.209.872
Purchases of services	33.386.846	-
Dividend distribution	1.296.408.000	1.200.000.000
Dividends shared	2.091.090.000	1.394.060.000

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)**3. Short-term trade receivables**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Receivables from related parties</i>	55.439.659.077	74.265.367.365
Mien Dong Joint-Stock Company	55.439.659.077	74.265.367.365
<i>Receivables from other customers</i>	62.903.646.293	42.995.721.695
Management Board of Di An City Construction Investment Project	8.664.155.012	4.935.481.825
Management Board of Thuan An City Construction Investment Project	12.407.698.023	2.842.495.000
Other customers	41.831.793.258	35.217.744.870
Total	<u>118.343.305.370</u>	<u>117.261.089.060</u>

4. Short-term prepayments to suppliers

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Prepayments to related parties</i>	2.442.616.154	2.614.532.301
Phuc Tai Cooperative	2.442.616.154	2.614.532.301
<i>Prepayments to other suppliers</i>	15.399.614.006	39.140.738.304
Mr. Tran Huu Nghia	2.042.859.440	30.725.000.000
Hanoi CNC Machine Joint Stock Company	4.094.132.800	-
Phu Dong Phat Design Construction Trade Company Limited	2.703.969.975	21.595.500
Other suppliers	6.558.651.791	8.394.142.804
Total	<u>17.842.230.160</u>	<u>41.755.270.605</u>

5. Other short-term receivables

	<u>Ending balance</u>		<u>Beginning balance</u>	
	Value	Allowance	Value	Allowance
<i>Receivables from related parties</i>	8.848.793.461	-	5.380.540.000	-
Mr. Tran Van Binh - Advance	5.380.540.000	-	5.380.540.000	-
Thu Duc - Long An Centrifugal Concrete Joint Stock Company – Receivable for calculation of share capital	3.468.253.461	-	-	-
<i>Receivables from other organizations and individuals</i>	57.902.409.931	-	28.529.089.501	-
Interest to be received	4.374.775.962	-	4.314.492.305	-
Short-term deposits and mortgages	6.725.329.068	-	6.724.526.519	-
Advances	46.749.859.164	-	16.762.990.747	-
Insurance premiums receivable	3.059.509	-	6.695.396	-
Other short-term receivables	49.386.228	-	720.384.534	-
Total	<u>66.751.203.392</u>	<u>-</u>	<u>33.909.629.501</u>	<u>-</u>

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

6. Doubtful debts

	Overdue period	Ending balance		Overdue period	Beginning balance	
		Original costs	Recoverable amount		Original costs	Recoverable amount
<i>Mr. Tran Huu Nghia</i>						
Prepayments to suppliers		-	-	From 01 to 02 years	30.725.000.000	15.362.500.000
<i>Quang Phuoc Co., Ltd.</i>						
Trade receivables	Over 03 years	264.782.117	-	Over 03 years	264.782.117	-
<i>Xuan Loan Pte.</i>						
Trade receivables	Over 03 years	200.366.498	-	Over 03 years	200.366.498	-
<i>Receivables from other organizations and individuals</i>						
Trade receivables	Over 03 years	405.996.151	-	Over 03 years	325.396.866	-
Trade receivables	From 02 to 03 years	76.315.351	22.894.605	From 02 to 03 years	112.621.493	33.786.448
Trade receivables	From 01 to 02 years	63.517.094	31.758.547	From 01 to 02 years	14.550.124	7.275.062
Trade receivables	Under 01 year	6.011.804	4.208.263	Under 01 year	202.992.696	142.094.885
Total		1.016.989.015	58.861.415		31.845.709.794	15.545.656.395

Fluctuations in allowances for doubtful debts are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	16.300.053.399	16.234.881.189
Allowance made/(Reversal of) allowance	(15.341.925.799)	65.172.210
Ending balance	958.127.600	16.300.053.399

7. Inventories

	Ending balance		Beginning balance	
	Original costs	Allowance	Original costs	Allowance
Materials and supplies	13.748.115.855	(10.671.302)	9.568.804.514	(21.839.062)
Tools	497.723.431	-	497.723.431	-
Work-in-process	6.117.702.499	-	27.192.284.845	-
Finished goods (*)	46.770.678.471	(74.745.221)	40.406.517.259	(135.856.891)
Merchandises	63.382.447	-	1.562.613.664	-
Total	67.197.602.703	(85.416.523)	79.227.943.713	(157.695.953)

(*) Ending balance of finished goods which are real estates with the carrying value of VND 26.116.503.727 (beginning balance: VND 23.745.260.285) has been mortgaged to secure the loans from BIDV – Southern Binh Duong Branch (see Note No. V.20).

Fluctuations in allowances for inventories are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	157.695.953	253.253.625
Reversal of additional allowance	(72.279.430)	(95.557.672)
Ending balance	85.416.523	157.695.953

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

8. Prepaid expenses**8a. Short-term prepaid expenses**

	<u>Ending balance</u>	<u>Beginning balance</u>
Expenses of tools	481.079.589	336.435.942
Expenses of asset repairs	19.776.304	238.884.826
Other short-term prepaid expenses	4.727.274	169.451.669
Total	<u>505.583.167</u>	<u>744.772.437</u>

8b. Long-term prepaid expenses

	<u>Ending balance</u>	<u>Beginning balance</u>
Expenses of tools	5.385.831.289	3.006.620.624
Land use right of Thanh Phuoc	46.591.496.851	47.617.364.671
+ Expenses of land use right transfer	40.907.397.691	41.808.111.031
+ Land rental paid once	5.684.099.160	5.809.253.640
Land rental paid once	14.146.880.897	14.480.233.997
Expenses of asset repairs	1.301.684.194	527.648.048
Other long-term prepaid expenses	599.530.370	420.204.619
Total	<u>68.025.423.601</u>	<u>66.052.071.959</u>

Some long-term prepaid expenses, i.e. land use rights and land rental paid once, of which the net book values are VND 58.801.151.274 (beginning balance: VND 60.107.169.438), have been mortgaged to secure loans from BIDV - Southern Binh Duong Branch, VietinBank - Binh Duong Branch and secure guarantee letters at MB Bank (see Note No. V.20).

9. Tangible fixed assets

	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Vehicles</u>	<u>Office equipment</u>	<u>Total</u>
Historical costs					
Beginning balance	66.070.247.833	139.085.536.593	49.614.375.689	1.362.075.816	256.132.235.931
Acquisition during the year		6.718.376.937	4.999.037.928	-	11.717.414.865
Completed constructions	7.369.554.976	-	-	-	7.369.554.976
Liquidation and disposal	-	(1.803.682.252)	(3.474.310.200)	-	(5.277.992.452)
Reclassification	-	500.000.000	(500.000.000)	-	-
Ending balance	<u>73.439.802.809</u>	<u>144.500.231.278</u>	<u>50.639.103.417</u>	<u>1.362.075.816</u>	<u>269.941.213.320</u>
<i>In which:</i>					
Assets fully depreciated but still in use	8.173.642.773	37.975.716.355	12.325.579.035	1.362.075.816	59.837.013.979
Assets waiting for liquidation	-	-	-	-	-
Depreciation					
Beginning balance	20.058.960.945	64.276.898.553	30.687.880.073	1.304.284.785	116.328.024.356
Depreciation during the year	5.820.326.018	12.658.060.761	3.445.208.007	57.791.031	21.981.385.817
Liquidation and disposal	-	(1.552.501.181)	(2.050.557.880)	-	(3.603.059.061)
Reclassification	-	125.231.473	(125.231.473)	-	-
Ending balance	<u>25.879.286.963</u>	<u>75.507.689.606</u>	<u>31.957.298.727</u>	<u>1.362.075.816</u>	<u>134.706.351.112</u>
Net book values					
Beginning balance	46.011.286.888	74.808.638.040	18.926.495.616	57.791.031	139.804.211.575
Ending balance	<u>47.560.515.846</u>	<u>68.992.541.672</u>	<u>18.681.804.690</u>	<u>-</u>	<u>135.234.862.208</u>
<i>In which:</i>					
Assets temporarily not in use	-	-	-	-	-
Assets waiting for liquidation	-	-	-	-	-



CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

Some tangible fixed assets, of which the net book values are VND 14.433.564.943 (beginning balance: VND 9.480.108.910), have been mortgaged to secure the loans from BIDV - Southern Binh Duong Branch and VietinBank - Binh Duong Branch (see Note No. V.20).

10. Intangible fixed assets

	<u>Land use right</u>	<u>Computer software</u>	<u>Total</u>
Initial costs			
Beginning balance	78.581.967.427	832.920.000	79.414.887.427
Acquisition during the year	21.922.935.834	-	21.922.935.834
Ending balance	<u>100.504.903.261</u>	<u>832.920.000</u>	<u>101.337.823.261</u>
<i>In which:</i>			
Assets fully amortized but still in use	24.867.893.735	481.920.000	25.349.813.735
Amortization			
Beginning balance	37.064.313.197	737.909.250	37.802.222.447
Amortization during the year	1.469.822.086	70.666.668	1.540.488.754
Ending balance	<u>38.534.135.283</u>	<u>808.575.918</u>	<u>39.342.711.201</u>
Net book values			
Beginning balance	41.517.654.230	95.010.750	41.612.664.980
Ending balance	<u>61.970.767.978</u>	<u>24.344.082</u>	<u>61.995.112.060</u>
<i>In which:</i>			
Assets temporarily not in use	-	-	-
Assets waiting for liquidation	-	-	-

Some intangible fixed assets, i.e. land use right, of which the net book values are VND 30.231.814.240 (beginning balance: VND 31.183.534.156), have been mortgaged to secure the loans from BIDV - Southern Binh Duong Branch and VietinBank - Binh Duong Branch (see Note No. V.20).

11. Investment property for lease

	<u>Houses</u>	<u>Infrastructure</u>	<u>Total</u>
Historical costs			
Beginning balance	7.374.299.499	957.092.617	8.331.392.116
Ending balance	<u>7.374.299.499</u>	<u>957.092.617</u>	<u>8.331.392.116</u>
<i>In which:</i>			
Assets fully depreciated but still leasing	-	-	-
Depreciation			
Beginning balance	2.498.033.759	453.474.756	2.951.508.515
Depreciation during the year	400.065.780	159.515.436	559.581.216
Ending balance	<u>2.898.099.539</u>	<u>612.990.192</u>	<u>3.511.089.731</u>
Net book values			
Beginning balance	4.876.265.740	503.617.861	5.379.883.601
Ending balance	<u>4.476.199.960</u>	<u>344.102.425</u>	<u>4.820.302.385</u>

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

Investment properties for lease, of which the net book values are VND 1.676.553.060 (beginning balance: VND 1.809.915.240), have been mortgaged to secure the loans from BIDV - Southern Binh Duong Branch (see Note No. V.20).

List of investment properties as at the balance sheet date is as follows:

	<u>Historical costs</u>	<u>Accumulated depreciation</u>	<u>Net book values</u>
Houses	7.374.299.499	2.898.099.539	4.476.199.960
Infrastructure	957.092.617	612.990.192	344.102.425
Total	<u>8.331.392.116</u>	<u>3.511.089.731</u>	<u>4.820.302.385</u>

12. Construction-in-progress

	<u>Beginning balance</u>	<u>Increase during the year</u>	<u>Inclusion into fixed assets during the year</u>	<u>Ending balance</u>
Acquisition of fixed assets	21.922.935.834	-	(21.922.935.834)	-
Construction-in-progress	3.711.348.769	5.761.600.942	(7.369.554.976)	2.103.394.735
<i>Thanh Phuoc concrete workshop - Phase 2</i>	<i>2.544.338.622</i>	<i>2.375.337.362</i>	<i>(4.483.627.338)</i>	<i>436.048.646</i>
<i>Thuan Giao brick workshop</i>	<i>344.500.531</i>	<i>1.138.908.905</i>	<i>(391.959.702)</i>	<i>1.091.449.734</i>
<i>Other constructions</i>	<i>822.509.616</i>	<i>2.247.354.675</i>	<i>(2.493.967.936)</i>	<i>575.896.355</i>
Total	<u>25.634.284.603</u>	<u>5.761.600.942</u>	<u>(29.292.490.810)</u>	<u>2.103.394.735</u>

13. Deferred income tax assets

Deferred income tax assets are related to temporarily deductible differences. Details during the year are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	610.933.432	5.849.185.451
Inclusion into operation results	(610.933.432)	(5.238.252.019)
Ending balance	<u>-</u>	<u>610.933.432</u>

The corporate income tax rate used for determining deferred income tax assets is 20%.

14. Short-term trade payables

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related parties</i>	<i>76.965.248</i>	<i>66.469.293</i>
Mien Dong Joint-Stock Company	76.965.248	66.469.293
<i>Payables to other suppliers</i>	<i>16.485.251.397</i>	<i>27.166.281.081</i>
B.M.T Construction Investment Joint Stock Company	-	2.177.717.000
Hop Nhan Trading Transport and Mechanical Construction Joint Stock Company	2.772.741.100	1.932.218.460
Hoang Phuong Dong Co., Ltd.	1.811.847.027	643.704.474
Hung Ngoc Duong Construction and Trading Co., Ltd.	1.702.899.776	-
Other suppliers	10.197.763.494	22.412.641.147
Total	<u>16.562.216.645</u>	<u>27.232.750.374</u>

The Corporation has no overdue trade payables.

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

15. Short-term advances from customers

	<u>Ending balance</u>	<u>Beginning balance</u>
Management Board of Thuan An City Construction Investment Project	32.352.000.000	16.500.000.000
Management Board of Dau Tieng District Construction Investment Project	2.390.488.000	2.732.247.000
Management Board of Ben Cat Town Construction Investment Project	6.196.985.000	-
Other customers	11.300.432.309	6.587.981.584
Total	<u>52.239.905.309</u>	<u>25.820.228.584</u>

16. Taxes and other obligations to the State Budget

	<u>Beginning balance</u>		<u>Increase during the year</u>		<u>Ending balance</u>	
	Payables	Receivables	Amount payable	Amount paid	Payables	Receivables
VAT on local sales	3.263.317.265	-	18.465.536.256	(21.728.853.521)	-	-
Corporate income tax	4.851.254.103	-	16.730.562.163	(17.049.736.514)	4.532.079.752	-
Personal income tax	952.411.457	-	1.393.565.678	(2.463.315.679)	-	117.338.544
Natural resource tax	6.260.569.000	-	1.235.548.600	(7.312.143.300)	183.974.300	-
Other taxes	-	-	60.355.612	(60.355.612)	-	-
Fees, legal fees and other duties	2.065.987.770	-	436.424.073	(2.430.044.124)	72.367.719	-
- Environmental protection fee	2.065.987.770	-	430.499.238	(2.424.119.289)	72.367.719	-
- Other payables	-	-	5.924.835	(5.924.835)	-	-
Total	<u>17.393.539.595</u>	<u>-</u>	<u>38.321.992.382</u>	<u>(51.044.448.750)</u>	<u>4.788.421.771</u>	<u>117.338.544</u>

Value added tax (VAT)

The Corporation has to pay VAT in accordance with the deduction method at the rate of 10%.

Corporate income tax

The Corporation has to pay corporate income tax on taxable income at the rate of 20%.

Estimated corporate income tax payable during the year is as follows:

	<u>Current year</u>	<u>Previous year</u>
Total accounting profit before tax	98.595.472.900	86.536.006.904
Increases/(decreases) of accounting profit to determine profit subject to corporate income tax:		
- Increases	309.405.075	1.226.884.614
- Decreases	(3.054.667.162)	(26.191.260.090)
Income subject to tax	95.850.210.813	61.571.631.428
Income exempted from tax	(12.307.650.000)	(7.059.488.694)
Taxable income	83.542.560.813	54.512.142.734
Corporate income tax rate	20%	20%
Corporate income tax payable at common tax rate	16.708.512.163	10.902.428.547
<i>Adjustments of corporate income tax of the previous years</i>	<i>22.050.000</i>	<i>-</i>
Corporate income tax payable	<u>16.730.562.163</u>	<u>10.902.428.547</u>

Determination of corporate income tax liability of the Corporation is based on prevailing regulations on tax. Nonetheless, these tax regulations may change from time to time and tax regulations applicable to variety of transactions can be interpreted differently. Hence, the tax amounts presented in the Financial Statements can be changed upon the inspection of tax authorities.

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

Natural resource tax

The Corporation has to pay natural resource tax imposed on quarrying at the rate of 10% over the taxable value.

Land rental

Land rental is paid according to the notices of the tax authority.

Other taxes

The Corporation has declared and paid these taxes in line with the prevailing regulations.

17. Payables to employees

This item reflects the salary to be paid to employees.

18. Short-term accrued expenses

	<u>Ending balance</u>	<u>Beginning balance</u>
Temporarily accrued costs of construction and installation	27.754.995.768	18.830.736.025
Expenses for rehabilitation of quarry environment	363.058.390	4.250.308.734
Land rental	-	7.525.603.470
Appropriation of local support expenses at Tan Dong Hiep quarry	1.639.949.999	1.639.949.999
Other short-term accrued expenses	646.282.847	380.969.454
Total	<u>30.404.287.004</u>	<u>32.627.567.682</u>

19. Other short-term payables

	<u>Ending balance</u>	<u>Beginning balance</u>
Trade Union's expenditure	90.184.560	96.519.140
Dividends payable	29.827.895	25.391.855
Payables for temporarily works warranty of construction teams, subcontractors	5.302.192.878	9.587.161.237
Remuneration of the Board of Management	1.218.809.660	-
Loan interest payable	270.992.127	294.780.904
Other short-term payables	1.113.001.426	1.133.434.310
Total	<u>8.025.008.546</u>	<u>11.137.287.446</u>

The Corporation has no other overdue payables.

20. Borrowings

20a. Short-term borrowings

	<u>Ending balance</u>	<u>Beginning balance</u>
Short-term loans from banks	238.469.917.501	199.930.079.165
<i>Loan from BIDV – Southern Binh Duong Branch ⁽ⁱ⁾</i>	220.976.161.177	199.930.079.165
<i>Loan from VietinBank - Binh Duong Branch ⁽ⁱⁱ⁾</i>	17.493.756.324	-
Current portions of long-term loans (see Note No. V.20b)	11.061.640.000	10.219.788.000
Total	<u>249.531.557.501</u>	<u>210.149.867.165</u>

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

- (i) Loan from BIDV – Southern Binh Duong Branch is to supplement the working capital with credit line of VND 400.000.000.000 at the interest rate defined for each loan acknowledgement. The maximum loan term for each loan is 12 months. This loan is secured by mortgaging 12-month deposit balance, bonds issued by banks and some other assets, i.e. finished real estate, prepaid expenses which are land use right, tangible fixed assets, intangible fixed assets and investment property (see Notes No. V.2a, V.7, V.8, V.9, V.10 and V.11).
- (ii) Loan from VietinBank - Binh Duong Branch is to supplement the working capital with credit line of VND 80.000.000.000 at the interest rate defined for each loan acknowledgement. The loan term is 06 months. This loan is secured by mortgaging some assets, i.e. bonds issued by banks, prepaid expenses which are land use right, tangible fixed assets and intangible fixed assets (see Notes No. V.2a, V.8, V.9 and V.10).

The Corporation is solvent over short-term loans.

Details of increases/(decreases) of short-term borrowings during the year are as follows:

	<u>Beginning balance</u>	<u>Increase during the year</u>	<u>Transfer from long-term borrowings</u>	<u>Amount paid during the year</u>	<u>Ending balance</u>
Short-term loans from banks	199.930.079.165	471.302.796.240	-	(432.762.957.904)	238.469.917.501
Current portions of long-term loans	10.219.788.000	-	11.760.524.000	(10.918.672.000)	11.061.640.000
Ending balance	210.149.867.165	471.302.796.240	11.760.524.000	(443.681.629.904)	249.531.557.501

20b. Long-term borrowings

	<u>Ending balance</u>	<u>Beginning balance</u>
Loan from BIDV – Southern Binh Duong Branch ⁽ⁱ⁾	5.710.000.000	-
Loan from VietinBank - Binh Duong Branch ⁽ⁱⁱ⁾	36.920.067.500	46.300.591.500
Total	42.630.067.500	46.300.591.500

- (i) Loan from BIDV – Southern Binh Duong Branch is to refund of investment in machinery and equipment for the production of unburnt bricks and purchase of vehicles at the floating interest rate. The loan term is 60 months, starting from the first disbursement date. This loan is secured by mortgaging some tangible fixed assets (see Note No. V.9).
- (ii) The medium and long-term loans from VietinBank – Binh Duong Branch are to acquire fixed assets and invest in Thanh Phuoc Plant at the floating interest rate. The loan terms are 5 years and 10 years respectively, starting from the first disbursement date. These loans are secured by mortgaging some assets, i.e. prepaid expenses which are land use right, tangible fixed assets and intangible fixed assets (see Notes No. V.8, V.9 and V.10).

Payment schedule of long-term borrowings is as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
Under 01 year	11.061.640.000	10.219.788.000
From 01 year to 05 years	32.143.600.000	29.220.232.000
Over 05 years	10.486.467.500	17.080.359.500
Total	53.691.707.500	56.520.379.500

The Corporation is solvent over long-term loans.

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

Details of increase/(decrease) of long-term borrowings are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	46.300.591.500	41.810.828.000
Increase	8.360.000.000	15.194.480.500
Amount paid	(270.000.000)	(484.929.000)
Transfer to short-term borrowings	(11.760.524.000)	(10.219.788.000)
Ending balance	<u>42.630.067.500</u>	<u>46.300.591.500</u>

21. Provisions for short-term payables

This item reflects provisions for warranty of construction works. Details are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	594.328.619	94.827.498
Increase due to extraction	5.717.987.463	574.491.489
Amount used	(2.031.715.202)	(74.990.368)
Ending balance	<u>4.280.600.880</u>	<u>594.328.619</u>

22. Bonus and welfare funds

	<u>Beginning balance</u>	<u>Increase due to appropriation from profit</u>	<u>Disbursement during the year</u>	<u>Other decrease</u>	<u>Ending balance</u>
Bonus fund	850.570.824	2.426.107.907	(1.186.752.400)	-	2.089.926.331
Welfare fund	430.347.070	2.952.452.541	(373.400.000)	-	3.009.399.611
Bonus fund for the Executive Officers	910.450.245	2.151.424.179	(1.196.765.527)	(294.029.351)	1.571.079.546
Total	<u>2.191.368.139</u>	<u>7.529.984.627</u>	<u>(2.756.917.927)</u>	<u>(294.029.351)</u>	<u>6.670.405.488</u>

23. Owner's equity**23a. Statement of fluctuations in owner's equity**

Information on the fluctuations in owner's equity is presented in the attached Appendix 01.

23b. Details of capital contribution of the owners

	<u>Ending balance</u>	<u>Beginning balance</u>
Hoa An Joint-Stock Company	17.851.010.000	17.851.010.000
America LLC	70.000	16.690.070.000
Peter Eric Dennis	40.000	12.220.640.000
PYN Elite Fund	11.018.480.000	11.018.480.000
Other shareholders	121.431.850.000	92.521.250.000
Total	<u>150.301.450.000</u>	<u>150.301.450.000</u>

23c. Shares

	<u>Ending balance</u>	<u>Beginning balance</u>
Number of shares registered to be issued	15.030.145	15.030.145
Number of shares sold to the public	15.030.145	15.030.145
- Common shares	15.030.145	15.030.145
- Preferred shares	-	-
Number of shares repurchased	-	-
- Common shares	-	-
- Preferred shares	-	-
Number of outstanding shares	15.030.145	15.030.145
- Common shares	15.030.145	15.030.145
- Preferred shares	-	-

Face value of outstanding shares: VND 10.000.

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

23d. Profit distribution

During the year, the Corporation distributed profit of 2019 in accordance with the Resolution No. 01/NQ-DHĐCĐ dated 20 April 2020 of 2020 Annual General Meeting of Shareholders as follows:

	<u>Amount distributed</u>	<u>Amount appropriated in the previous year</u>	<u>Amount appropriated in the current year</u>
• Dividends distributed to shareholders	36.072.348.000	18.036.174.000	18.036.174.000
• Appropriation for investment and development fund	19.006.738.111	11.901.085.565	7.105.652.546
• Appropriation for bonus and welfare funds	3.519.766.317	2.203.904.734	1.315.861.583
• Appropriation for bonus fund to the Executive Officers	1.407.906.527	881.561.894	526.344.633

In addition, the Corporation temporarily made the first dividend payment in 2020 in accordance with the Resolution No. 13/NQ-HĐQT dated 23 October 2020 of the Board of Management and temporarily appropriated for funds from profit of 2020 according to the profit distribution plan of 2020 approved by the Resolution No. 01/NQ-DHĐCĐ dated 20 April 2020 of 2020 Annual General Meeting of Shareholders as follows:

• Dividends distributed to shareholders	18.036.174.000
• Appropriation for investment and development fund	21.938.573.872
• Appropriation for bonus and welfare funds	4.062.698.865
• Appropriation for bonus fund to the Executive Officers	1.625.079.546
• Appropriation for remuneration of the Board of Management	1.218.809.660

24. Off-balance sheet items

24a. External leased assets

The total minimum lease payment in the future for irrevocable leasing contracts will be settled as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
Under 01 year	480.000.000	648.000.000
From 01 year to 05 years	880.000.000	1.320.000.000
Total	<u>1.360.000.000</u>	<u>1.968.000.000</u>

24b. Treated doubtful debts

	<u>Ending balance</u>	<u>Beginning balance</u>	<u>Reasons for writing off</u>
Van Hai Construction Company Limited	484.735.894	484.735.894	Irrecoverable
Tien Phat Iron and Steel Construction Company Limited	660.504.913	660.504.913	Irrecoverable
Other subjects	1.149.413.384	1.149.413.384	Irrecoverable
Total	<u>2.294.654.191</u>	<u>2.294.654.191</u>	

VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE INCOME STATEMENT

1. Sales

1a. Gross sales

	<u>Current year</u>	<u>Previous year</u>
Sales of merchandises	195.900.092.341	307.052.884.894
Sales of finished goods	261.096.586.496	250.149.565.326
Sales of service provisions	25.280.509.324	43.439.856.374
Sales of real estate trading	1.184.454.552	1.271.647.719
Sales of construction contracts	154.770.786.635	200.363.803.090
Total	<u>638.232.429.348</u>	<u>802.277.757.403</u>

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)**1b. Sales to related parties**

Apart from sales of goods and service provisions to subsidiaries, joint ventures, associates presented in Note. V.2b, the Corporation also has service provisions to other related parties, i.e. Phuc Tai Cooperative as follows:

	<u>Current year</u>	<u>Previous year</u>
Sales of goods	4.863.740.015	6.075.012.555
Sales of finished goods	27.257.708.000	37.904.880.821
Sales of services	9.178.886.909	14.933.911.336

2. Sales deductions

This item reflects sales returns.

3. Costs of sales

	<u>Current year</u>	<u>Previous year</u>
Costs of merchandises sold	158.256.058.001	253.350.744.011
Costs of finished goods sold	195.327.009.376	187.430.004.968
Costs of services provided	21.691.411.082	38.399.926.117
Costs of real estate trading	559.581.216	559.581.216
Costs of construction activities	136.751.219.515	197.782.325.515
Allowance for inventories	(72.279.430)	(95.557.672)
Total	<u>512.512.999.760</u>	<u>677.427.024.155</u>

4. Financial income

	<u>Current year</u>	<u>Previous year</u>
Demand deposit interests	25.993.936	26.115.834
Term deposit interests	8.228.336.008	8.087.161.434
Dividends and profit received	12.307.650.000	7.059.488.694
Interest on bonds	1.180.769.000	465.236.000
Total	<u>21.742.748.944</u>	<u>15.638.001.962</u>

5. Financial expenses

	<u>Current year</u>	<u>Previous year</u>
Loan interest expenses	17.778.854.432	14.521.330.676
Exchange loss arising	-	1.400.000
Provisions/(Reversal of provisions) for impairment of investments	386.967.316	(37.432.208)
Total	<u>18.165.821.748</u>	<u>14.485.298.468</u>

6. Selling expenses

	<u>Current year</u>	<u>Previous year</u>
Expenses for employees	1.378.774.726	1.841.675.882
Tools, supplies	-	35.740.556
Depreciation/(amortization) of fixed assets	219.965.608	106.568.738
Shipping service expenses	23.694.392.182	17.938.963.195
Other expenses	9.858.717.968	8.952.759.222
Total	<u>35.151.850.484</u>	<u>28.875.707.593</u>

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)**7. General and administration expenses**

	<u>Current year</u>	<u>Previous year</u>
Employees	11.186.353.344	12.889.614.747
Office supplies	93.955.749	244.218.491
Depreciation/(amortization) of fixed assets	1.421.817.115	1.097.463.310
Taxes, fees and legal fees	18.817.180	21.232.814
Allowance/(Reversal of allowance) for doubtful debts	(15.341.925.799)	65.172.210
External services rendered	1.656.640.753	2.166.847.254
Other cash expenses	5.014.493.301	4.892.701.689
Total	<u>4.050.151.643</u>	<u>21.377.250.515</u>

8. Other income

	<u>Current year</u>	<u>Previous year</u>
Proceeds from liquidation, disposal of fixed assets	215.975.700	169.556.817
Recover of spilled rock from the mine	6.841.913.635	-
Leasing land and house in Thuan Giao	218.133.080	92.885.746
Fines for violation of the contract	195.041.043	83.543.306
Amount for getting mineral mining rights exempted	-	10.869.092.730
Other income	1.202.972.615	570.720.252
Total	<u>8.674.036.073</u>	<u>11.785.798.851</u>

9. Other expenses

	<u>Current year</u>	<u>Previous year</u>
Fines for administrative violations	125.800.000	337.908.000
Expenses for surveying and exploration of construction stone	-	488.900.000
Tax fines and tax collected in arrears	5.924.835	-
Other expenses	28.126.865	8.566.842
Total	<u>159.851.700</u>	<u>835.374.842</u>

10. Earnings per share

Information on the earnings per share is presented in the Consolidated Financial Statements.

11. Operating costs

	<u>Current year</u>	<u>Previous year</u>
Materials and supplies	155.299.235.189	218.934.718.954
Labor	52.756.532.696	59.267.471.417
Depreciation/(amortization) of fixed assets and investment property	24.081.455.787	22.864.360.697
External services rendered	134.885.371.163	144.009.461.072
Other expenses	8.180.966.324	55.732.877.241
Total	<u>375.203.561.159</u>	<u>500.808.889.381</u>

VII. ADDITIONAL INFORMATION ON THE ITEMS OF THE CASH FLOW STATEMENT

As of the balance sheet date, the prepayment for acquisition of fixed assets is VND 4.360.000.000 (beginning balance: VND 0).

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

VIII. OTHER DISCLOSURES

1. Operating leased assets

As at the balance sheet date, the total minimum rental to be collected in the future from irrevocable operating leases is as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
Less than 01 year	2.364.636.361	1.014.454.542
From 01 year to 05 years	6.634.909.091	3.970.454.542
Total	<u>8.999.545.452</u>	<u>4.984.909.084</u>

2. Transactions and balances with related parties

The Corporation's related parties include the key managers, their related individuals and other related parties.

2a. Transactions and balances with the key managers and their related individuals

The Corporation's key managers include members of the Board of Management and the Executive Officers (the Board of Directors and the Chief Accountant). The key managers' related individuals are their close family members.

Transactions with the key managers and their related individuals

The Corporation has no sales of goods and service provisions and no other transactions with the key managers and their related individuals.

Receivables from and payables to the key managers and their related individuals

Receivables from and payables to the key managers and their related individuals are presented in the Note No. V.5.

Income of the key managers

	<u>Position</u>	<u>Salary</u>	<u>Bonus</u>	<u>Remuneration</u>	<u>Total</u>
Current year					
Board of Management					
Mr. Vo Van Lanh	Chairman	-	-	84.053.505	84.053.505
Mr. Nguyen Le Van	Chairman	-	-	25.000.000	25.000.000
Mr. Tran Van Binh	Member	-	-	75.659.740	75.659.740
Mr. Vo Van Lanh	Member	-	-	20.000.000	20.000.000
Mr. Nguyen Le Van	Member	-	-	64.879.653	64.879.653
Mr. Nguyen Huu Nghia	Member	-	-	72.586.435	72.586.435
Mr. Trinh Tien Bay	Member	-	-	66.439.826	66.439.826
Executive Officers					
Mr. Vo Van Lanh	General Director	791.695.000	491.683.200	-	1.283.378.200
Mr. Tran Van Binh	Deputy General Director	568.987.000	444.269.921	-	1.013.256.921
Other managers					
Mr. Nguyen Xuan Hieu	Chief Accountant	483.157.000	424.441.984	-	907.598.984
Mr. Lu Minh Quan	Corporate Administrator	-	-	53.244.805	53.244.805
Total		1.843.839.000	1.360.395.105	461.863.964	3.666.098.069

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

	<u>Position</u>	<u>Salary</u>	<u>Bonus</u>	<u>Remuneration</u>	<u>Total</u>
Previous year					
Board of Management					
Mr. Vo Van Lanh	Chairman	-	-	343.815.000	343.815.000
Mr. Tran Van Binh	Member	-	-	180.955.000	180.955.000
Mr. Nguyen Le Van	Member	-	-	254.319.000	254.319.000
Mr. Nguyen Huu Nghia	Member	-	-	32.000.000	32.000.000
Mr. Trinh Tien Bay	Member	-	-	32.000.000	32.000.000
Ms. Le Thi Quyet	Member	-	-	235.287.000	235.287.000
Mr. Thuong Van Huyen	Member	-	-	148.955.000	148.955.000
Executive Officers					
Mr. Vo Van Lanh	General Director	700.096.400	791.368.994	-	1.491.465.394
Mr. Tran Van Binh	Deputy General Director	512.619.600	553.958.295	-	1.066.577.895
Other managers					
Mr. Nguyen Xuan Hieu	Chief Accountant	433.125.100	503.598.450	-	936.723.550
Mr. Lu Minh Quan	Corporate Administrator	-	-	-	-
Total		1.645.841.100	1.848.925.739	1.227.331.000	4.722.097.839

2b. Transactions and balances with other related parties

Other related parties of the Corporation include:

<u>Other related parties</u>	<u>Relationship</u>
Tien Phuoc Construction Mineral Joint Stock Company	Subsidiary
Mien Dong Joint-Stock Company	Associate
Thu Duc - Long An Centrifugal Concrete Joint Stock Company	Associate
Phuc Tai Cooperative	Shareholders

Transactions with other related parties

Apart from sales of goods and service provisions presented in Notes No. V.2b and VI.1b, the Corporation also has other transactions with Phuc Tai Cooperative as follows:

	<u>Current year</u>	<u>Previous year</u>
Purchases of goods (finished stone)	43.795.386.982	62.354.635.560
Land rental	480.000.000	480.000.000
Purchases of services	11.093.753.208	13.514.822.172
Purchases of fixed assets	3.290.909.091	-

The prices of merchandises and services supplied to other related parties are mutually agreed prices. The purchases of merchandises and services from other related parties are done at the agreed prices.

Receivables from and payables to other related parties

The receivables from and payables to other related parties are presented in Notes No. V.3, V.4, V.5 and V.14.

The receivables from other related parties are unsecured and will be paid in cash. There are no allowances for doubtful debts made for the receivables from other related parties.

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the Financial Statements (cont.)

3. Segment information

The Corporation's segment information is presented according to business segment and geographical segment. The primary reporting format is the business segment.

3a. Information on business segment

The Corporation has the following main business segments:

- Segment 01: Manufacture.
- Segment 02: Construction.
- Segment 03: Construction materials.
- Segment 04: Others

Segment information on business segment of the Corporation is presented in the attached Appendix 02.

3b. Information on geographical segment

All operations of the Corporation take place only in Vietnamese territory.

4. Subsequent events

There is no material subsequent event which is required adjustments or disclosures in the Financial Statements.

Binh Duong, 30 March 2021



Do Viet Cuong
Preparer



Nguyen Xuan Hieu
Chief Accountant



Vo Van Lanh
General Director

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

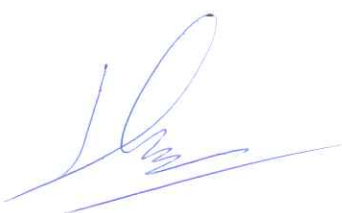
FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Appendix 01: Statement of fluctuation in owner's equity

Unit: VND

	Capital	Share premiums	Investment and development fund	Retained earnings	Total
Beginning balance of the previous year	150.301.450.000	2.190.000.000	130.069.054.885	194.325.677.281	476.886.182.166
Profit in the previous year	-	-	-	70.395.326.338	70.395.326.338
Appropriation for funds in the previous year	-	-	36.861.583.041	(46.418.289.755)	(9.556.706.714)
Dividends shared in the previous year	-	-	-	(36.072.348.000)	(36.072.348.000)
Ending balance of the previous year	150.301.450.000	2.190.000.000	166.930.637.926	182.230.365.864	501.652.453.790
Beginning balance of the current year	150.301.450.000	2.190.000.000	166.930.637.926	182.230.365.864	501.652.453.790
Profit in the current year	-	-	-	81.253.977.305	81.253.977.305
Appropriation for funds in the current year	-	-	29.044.226.418	(36.574.211.045)	(7.529.984.627)
Dividends shared in the current year	-	-	-	(36.072.348.000)	(36.072.348.000)
Remuneration of the Board of Management	-	-	-	(1.218.809.660)	(1.218.809.660)
Adjustment of bonus fund for the Executive Officers in 2019	-	-	-	294.029.351	294.029.351
Ending balance of the current year	150.301.450.000	2.190.000.000	195.974.864.344	189.913.003.815	538.379.318.159



Do Viet Cuong
Preparer



Nguyen Xuan Hieu
Chief Accountant



Binh Duong, 30 March 2021

Vo Van Lanh
General Director

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Appendix 02: Segment information according to business segments

Unit: VND

The information on financial performance, fixed assets, other non-current assets and remarkable non-cash expenses according to business segments of the Corporation is as follows:

	Construction	Manufacture	Construction materials	Others	Total
Current year					
Net external sales	154.770.786.635	261.083.520.366	195.900.092.341	26.464.963.876	638.219.363.218
Net inter-segment sales	-	-	-	-	-
Total net sales	154.770.786.635	261.083.520.366	195.900.092.341	26.464.963.876	638.219.363.218
Segment financial performance	18.019.567.120	65.828.790.420	37.644.034.340	4.213.971.578	125.706.363.458
Expenses not attributable to segments					(39.202.002.127)
Operating profit					86.504.361.331
Financial income					21.742.748.944
Financial expenses					(18.165.821.748)
Other income					8.674.036.073
Other expenses					(159.851.700)
Current income tax					(16.730.562.163)
Deffered income tax					(610.933.432)
Profit after tax					81.253.977.305
Total expenses on acquisition of fixed assets and other non-current assets	3.440.054.650	12.567.151.868	7.186.495.353	804.475.070	23.998.176.941
Total depreciation/(amortization) and allocation of long-term prepayments	4.103.618.257	14.991.271.679	8.572.722.395	959.652.948	28.627.265.279
Total remarkable non-cash expenses (except for depreciation/(amortization) and allocation of long-term prepayments)	-	-	-	-	-

CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Appendix 02: Segment information according to business segments (cont.)

	<u>Construction</u>	<u>Manufacture</u>	<u>Construction materials</u>	<u>Others</u>	<u>Total</u>
Previous year					
Net external sales	200.363.803.090	249.984.669.587	307.052.884.894	44.711.504.093	802.112.861.664
Net inter-segment sales	-	-	-	-	-
Total net sales	<u>200.363.803.090</u>	<u>249.984.669.587</u>	<u>307.052.884.894</u>	<u>44.711.504.093</u>	<u>802.112.861.664</u>
Segment financial performance	<u>2.581.477.575</u>	<u>62.650.222.291</u>	<u>53.702.140.883</u>	<u>5.751.996.760</u>	124.685.837.509
Expenses not attributable to segments					(50.252.958.108)
Operating profit					74.432.879.401
Financial income					15.638.001.962
Financial expenses					(14.485.298.468)
Other income					11.785.798.851
Other expenses					(835.374.842)
Current income tax					(10.902.428.547)
Deffered income tax					(5.238.252.019)
Profit after tax					<u>70.395.326.338</u>
Total expenses on acquisition of fixed assets and other non-current assets	<u>1.358.073.731</u>	<u>32.959.271.837</u>	<u>28.251.830.478</u>	<u>3.026.032.756</u>	<u>65.595.208.802</u>
Total depreciation/(amortization) and allocation of long-term prepayments	<u>698.816.709</u>	<u>16.959.675.564</u>	<u>14.537.392.736</u>	<u>1.557.089.430</u>	<u>33.752.974.439</u>
Total remarkable non-cash expenses (except for depreciation/(amortization) and allocation of long-term prepayments)	<u>11.690.915</u>	<u>283.728.372</u>	<u>243.204.580</u>	<u>26.049.463</u>	<u>564.673.330</u>



CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Appendix 02: Segment information according to business segments (cont.)

The Corporation's assets and liabilities according to business segments are as follows:

	Construction	Manufacture	Construction materials	Others	Total
Ending balance					
Direct assets of segment	-	-	-	-	-
Allocated assets	153.027.217.260	258.142.285.523	193.693.181.018	26.166.822.983	631.029.506.784
Unallocated assets					332.965.661.234
Total assets					963.995.168.018
Direct liabilities of segment	-	-	-	-	-
Allocated liabilities	101.595.971.102	171.382.690.281	128.594.423.748	17.372.359.240	418.945.444.371
Unallocated liabilities					6.670.405.488
Total liabilities					425.615.849.859
Beginning balance					
Direct assets of segment	-	-	-	-	-
Allocated assets	150.425.713.015	187.679.219.427	230.523.919.147	33.567.739.179	602.196.590.768
Unallocated assets					283.136.917.902
Total assets					885.333.508.670
Direct liabilities of segment	-	-	-	-	-
Allocated liabilities	95.294.226.197	118.894.207.846	146.036.193.246	21.265.059.452	381.489.686.741
Unallocated liabilities					2.191.368.139
Total liabilities					383.681.054.880


Do Viet Cuong
Preparer

Nguyen Xuan Hieu
Chief Accountant

Binh Duong, 30 March 2021

Vo Van Lanh
General Director



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for tomorrow**

A&C AUDITING AND CONSULTING CO., LTD.

www.a-c.com.vn

HEAD OFFICE

02 Truong Son St., Ward 2, Tan Binh Dist., Ho Chi Minh City, Vietnam
Tel: 028. 3 5472 972 Fax: 028. 3 5472 970 kttv@a-c.com.vn

Branch in Hanoi

40 Giang Vo St., Dong Da Dist., Ha Noi
Tel: 024. 3 736 7879
Fax: 024. 3 736 7869
kttv.hn@a-c.com.vn

Branch in Nha Trang

Lot STH 06A.01, Le Hong Phong II Urban
Area, Phuoc Hai Ward, Nha Trang City
Tel: 0258. 2 465 151
Fax: 0258. 2 465 806
kttv.nt@a-c.com.vn

Branch in Can Tho

I5-13 Vo Nguyen Giap St.,
Cai Rang Dist., Can Tho City
Tel: 0292. 3 764 995
Fax: 0292. 3 764 996
kttv.ct@a-c.com.vn