

**SAOBACDAU TECHNOLOGIES  
CORPORATION AND ITS SUBSIDIARIES**

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
For the financial year ended 31 March 2022

**SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES**

Address: Lot U.14b – 16a, Street No. 22, Tan Thuan Export Processing Zones, Tan Thuan Dong Ward,  
District 7, Ho Chi Minh City, Vietnam

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## SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES

Address: Lot U.14b – 16a, Street No. 22, Tan Thuan Export Processing Zones, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam

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### MANAGEMENT'S REPORT

Management of SaoBacDau Technologies Corporation (hereinafter referred to as "the Company") hereby presents its report and the audited consolidated financial statements of the Company and its subsidiaries (together with the Company hereinafter referred to as "the Group") for the financial year ended 31 March 2022.

### MEMBERS OF THE BOARD OF DIRECTORS, THE SUPERVISORY COMMITTEE AND MANAGEMENT

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

<u>Full name</u>	<u>Position</u>
Mr Tran Anh Tuan	Chairperson
Mr Tran Tuyen Duc	Vice Chairperson
Mr Hoang Hai Thinh	Vice Chairperson
Mr Nguyen Duc Quang	Member
Mr Do Van Hao	Member
Mr Le Hong Phong	Member
Mr Nguyen Viet Thang	Member

Members of the Supervisory Committee during the year and on the date of this report include:

<u>Full name</u>	<u>Position</u>
Ms Mai Thi Thuy Mai	Head
Ms Nguyen Thi Minh Huan	Member
Ms Nguyen Thi Thu Hien	Member

Members of management during the year and on the date of this report include:

<u>Full name</u>	<u>Position</u>
Mr Le Hong Phong	General Director
Mr Nguyen Xuan Truong	Vice General Director
Mr Phan Viet Linh	Vice General Director
Mr Le Quoc Khanh	Vice General Director (Appointed wef 21 February 2022)
Mr Nghiem Sy Thang	Vice General Director (Appointed wef 21 February 2022)
Mr Nguyen Xuan Quang	Vice General Director (Resigned wef 17 February 2022)

### AUDITOR

The accompanying consolidated financial statements of the Group for the financial year ended 31 March 2022 were audited by RSM Vietnam Auditing & Consulting Company Limited, a member firm of RSM International.

*(See the next page)*

**SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES**

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**MANAGEMENT’S REPORT (CONTINUED)**

**RESPONSIBILITY OF MANAGEMENT**

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

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting principles have been followed, subject to any departures that need to be disclosed and explained in the consolidated financial statements.
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.
- Design and implement the internal control system effectively for a fair preparation and presentation of the consolidated financial statements so as to mitigate error or fraud.

Management confirms that the Group has complied with the above requirements in preparing these consolidated financial statements.

Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and ensure that the consolidated financial statements comply with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and prevailing accounting regulations in Vietnam. Management is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT BY MANAGEMENT**

In management’s opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2022 and the consolidated results of its operations and its consolidated cash flows for the financial year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing accounting regulations in Vietnam.

For and on behalf of management,



*[Signature]*  
**Le Hong Phong**  
General Director  
Ho Chi Minh City, 29 June 2022



No.: 723/2022/KT-RSMHCM

**INDEPENDENT AUDITOR'S REPORT**

**To: Shareholders  
Members of the Board of Directors  
Members of Management  
SAOBACDAU TECHNOLOGIES CORPORATION**

**Report on the consolidated financial statements**

We have audited the accompanying consolidated financial statements of SaoBacDau Technologies Corporation and its subsidiaries prepared on 29 June 2022 as set out from page 05 to page 45, which comprise the consolidated statement of financial position as at 31 March 2022, and the consolidated income statement, and consolidated cash flow statement for the financial year then ended, and the notes to the consolidated financial statements.

***Management's Responsibility***

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

***Auditors' Responsibility***

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

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

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

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)****Opinion**

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of SaoBacDau Technologies Corporation and its subsidiaries as at 31 March 2022, and of the consolidated results of its financial performance and its consolidated cash flows for the financial year then ended in accordance with Vietnamese Accounting Standards and Vietnamese Corporate Accounting System issued under Circular 200/2014/TT-BTC dated 22 December 2014, Circular 53/2016/TT-BTC dated 21 March 2016 and guidance on preparation and presentation of consolidated financial statements under Circular 202/2014/TT-BTC dated 22 December 2014 by Ministry of Finance and relevant legislation as to the preparation and presentation of consolidated financial statements.

**pp GENERAL DIRECTOR**

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**Luc Thi Van****Vice General Director**Audit Practice Registration Certificate:  
0172-2018-026-1

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**Nguyen Thi Bich Thao****Auditor**Audit Practice Registration Certificate:  
4341-2019-026-1**RSM Vietnam Auditing & Consulting Company Limited***Ho Chi Minh City, 29 June 2022*



**SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES**

 Address: Lot U.14b – 16a, Street No. 22, Tan Thuan Export Processing Zones, Tan Thuan Dong Ward,  
 District 7, Ho Chi Minh City, Vietnam

Form B 01 - DN/HH

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 March 2022

Expressed in VND

ASSETS	Code	Notes	As at 31 Mar. 2022	As at 01 Apr. 2021
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>621,736,555,522</b>	<b>585,499,051,876</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	4.1	<b>7,902,645,804</b>	<b>37,851,012,520</b>
1. Cash	111		7,902,645,804	37,851,012,520
<b>II. Current financial investments</b>	<b>120</b>		<b>203,204,100</b>	<b>1,103,204,100</b>
1. Held to maturity investments	123		203,204,100	1,103,204,100
<b>III. Current account receivables</b>	<b>130</b>		<b>474,270,927,099</b>	<b>472,295,681,185</b>
1. Trade receivables	131	4.3	362,992,309,034	356,450,825,005
2. Advances to suppliers	132	4.5	41,264,133,255	42,460,671,758
3. Current loan receivables	135		1,656,518,060	1,020,080,578
4. Other current receivables	136	4.6	68,357,966,750	74,871,566,480
5. Provision for doubtful debts	137		-	(2,507,462,636)
<b>IV. Inventories</b>	<b>140</b>	4.7	<b>137,725,858,769</b>	<b>71,245,594,881</b>
1. Inventories	141		137,733,296,567	71,253,032,679
2. Provision for decline in value of inventories	149		(7,437,798)	(7,437,798)
<b>V. Other current assets</b>	<b>150</b>		<b>1,633,919,750</b>	<b>3,003,559,190</b>
1. Current prepayments	151		665,931,911	1,350,637,074
2. Value added tax deductible	152		148,963,878	451,750,908
3. Tax and other receivables from the state budget	153	4.15	819,023,961	1,201,171,208
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>141,337,831,826</b>	<b>136,373,722,256</b>
<b>I. Non-current account receivables</b>	<b>210</b>		<b>23,799,840,558</b>	<b>19,267,317,311</b>
1. Non-current trade receivables	211	4.4	19,155,005,465	19,155,005,465
2. Other non-current receivables	216	4.6	4,644,835,093	112,311,846
<b>II. Fixed assets</b>	<b>220</b>		<b>77,504,929,589</b>	<b>82,109,889,587</b>
1. Tangible fixed assets	221	4.8	55,841,353,916	62,984,170,540
Cost	222		143,874,509,431	161,330,797,414
Accumulated depreciation	223		(88,033,155,515)	(98,346,626,874)
2. Finance lease assets	224	4.9	18,382,051,658	15,363,790,356
Cost	225		27,921,411,667	25,723,433,713
Accumulated depreciation	226		(9,539,360,009)	(10,359,643,357)
3. Intangible fixed assets	227	4.10	3,281,524,015	3,761,928,691
Cost	228		5,585,666,237	5,417,235,026
Accumulated amortisation	229		(2,304,142,222)	(1,655,306,335)
<b>III. Non-current assets in progress</b>	<b>240</b>		<b>16,473,740,468</b>	<b>4,093,014,484</b>
1. Construction in progress	242	4.11	16,473,740,468	4,093,014,484
<b>IV. Non-current financial investments</b>	<b>250</b>	4.2	<b>11,708,901,097</b>	<b>14,640,637,582</b>
1. Investments in associates, joint-ventures	252		9,804,521,791	13,740,637,582
2. Investment in other entities	253		2,100,000,000	900,000,000
3. Provision for non-current investments	254		(195,620,694)	-
<b>V. Other non-current assets</b>	<b>260</b>		<b>11,850,420,114</b>	<b>16,262,863,292</b>
1. Non-current prepayments	261	4.12	11,779,227,392	15,740,749,327
2. Deferred income tax assets	262		71,192,722	522,113,965
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>763,074,387,348</b>	<b>721,872,774,132</b>



**SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES**

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Form B 01 - DN/HN

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**

As at 31 March 2022

Expressed in VND

RESOURCES	Code	Notes	As at 31 Mar. 2022	As at 01 Apr. 2021
<b>C. LIABILITIES</b>	<b>300</b>		<b>641,186,541,834</b>	<b>592,514,963,661</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>587,262,428,731</b>	<b>572,259,162,717</b>
1. Trade payables	311	4.13	145,454,146,436	123,517,492,866
2. Advances from customers	312	4.14	19,272,294,041	57,139,806,095
3. Taxes and amounts payable to the state budget	313	4.15	2,718,649,678	5,710,254,909
4. Payables to employees	314	4.16	1,923,593,961	2,925,901,887
5. Accrued expenses	315	4.17	15,856,111,684	10,738,007,716
6. Current unearned revenue	318		12,885,401,488	3,702,273,080
7. Other current payables	319	4.18	5,205,757,895	6,096,271,060
8. Current loans and obligations under finance leases	320	4.19	383,946,473,548	362,429,155,104
<b>II. Non-current liabilities</b>	<b>330</b>		<b>53,924,113,103</b>	<b>20,255,800,944</b>
1. Non-current loans and obligations under finance leases	338	4.19	50,606,885,096	17,311,104,752
2. Deferred income tax liabilities	341		40,085,821	127,797,717
3. Scientific and technological development fund	343	4.20	3,277,142,186	2,816,898,475
<b>D. OWNERS' EQUITY</b>	<b>400</b>		<b>121,887,845,514</b>	<b>129,357,810,472</b>
<b>I. Equity</b>	<b>410</b>	4.21.1	<b>121,887,845,514</b>	<b>129,357,810,472</b>
1. Owners' contributed capital	411	4.21.2	115,000,000,000	115,000,000,000
Ordinary shares carrying voting rights	411a		115,000,000,000	115,000,000,000
2. Investment and development fund	418	4.21.5	-	840,139,770
3. Retained earnings	421		7,626,132,662	11,501,419,805
Beginning accumulated retained earnings	421a		1,419,805	484,146,730
Ending accumulated retained earnings	421b		7,624,712,858	11,017,273,074
4. Non-controlling interest	429		(738,287,148)	2,016,250,897
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>763,074,387,348</b>	<b>721,872,774,132</b>



Le Hong Phong  
 General Director

Ho Chi Minh City, 29 June 2022

Ngo Le Viet Anh  
 Chief Accountant

Khuu Kim Hue  
 Preparer



**SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES**Address: Lot U.14b – 16a, Street No. 22, Tan Thuan Export Processing Zones, Tan Thuan Dong Ward,  
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Form B 02 - DN/HN

**CONSOLIDATED INCOME STATEMENT**  
For the financial year ended 31 March 2022

Expressed in VND

ITEMS	Code	Notes	Current year	Previous year
1. Revenue	01	5.1	855,366,306,180	1,247,143,997,131
2. Deductions	02		4,510,000	223,104,881
3. Net revenue	10		855,361,796,180	1,246,920,892,250
4. Cost of sales	11	5.2	726,289,314,603	1,115,184,228,009
5. Gross profit	20		129,072,481,577	131,736,664,241
6. Finance income	21		1,964,466,787	2,154,237,877
7. Finance expense	22	5.3	24,348,050,290	26,874,875,301
<i>Of which, interest expense</i>	23		23,140,444,304	23,900,809,753
8. Share of the profit(loss) of associates	24		(2,272,528,791)	(66,300,655)
9. Selling expense	25	5.4	36,371,060,134	42,266,083,810
10. General and administration expense	26	5.5	63,719,488,552	68,437,079,812
11. Operating profit/(loss)	30		4,325,820,597	(3,753,437,460)
12. Other income	31		10,172,604,663	14,205,303,652
13. Other expense	32		6,659,875,195	2,134,989,613
14. Net other income/(loss)	40		3,512,729,468	12,070,314,039
15. Accounting profit/(loss) before tax	50		7,838,550,065	8,316,876,579
16. Current corporate income tax expense	51	5.7	931,305,675	1,374,464,096
17. Deferred corporate income tax expense	52		363,209,347	48,996,638
18. Net profit/(loss) after tax	60		6,544,035,043	6,893,415,845
19. Owners of the parent company	61		9,339,888,545	11,017,273,074
20. Non-controlling interests	62		(2,795,853,502)	(4,123,857,229)
21. Basic earnings per share	70	4.21.6	812	958
22. Diluted earnings per share	71	4.21.6	812	958



**Le Hong Phong**  
General Director  
Ho Chi Minh City, 29 June 2022

**Ngo Le Viet Anh**  
Chief Accountant

**Khuu Kim Hue**  
Preparer

**SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES**

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Form B 03 - DN/HN

**CONSOLIDATED CASH FLOW STATEMENT**

(Indirect method)

For the financial year ended 31 March 2022

Expressed in VND

ITEMS	Code	Notes	Current year	Previous year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>1. Net profit /(loss) before taxes</b>	<b>01</b>		<b>7,838,550,065</b>	<b>8,316,876,579</b>
<b>2. Adjustment for:</b>				
Depreciation and amortisation	02	5.6	36,828,455,293	41,039,313,773
Provisions	03		195,620,694	(155,948,262)
Unrealised foreign exchange gains/losses from revaluation of foreign currency monetary items	04		(227,905,094)	(1,164,704)
Gains/losses from investment	05		1,163,723,949	38,837,041
Interest expense	06	5.3	23,140,444,304	23,900,809,753
<b>3. Operating profit /(loss) before adjustments to working capital</b>	<b>08</b>		<b>68,938,889,210</b>	<b>73,138,724,180</b>
Increase or decrease in accounts receivable	09		(34,063,990,619)	(64,051,937,890)
Increase or decrease in inventories	10		(66,480,263,888)	54,979,300,723
Increase or decrease in accounts payable (excluding interest expense and CIT payable)	11		14,064,225,659	(61,656,046,361)
Increase or decrease prepaid expenses	12		4,646,227,098	8,216,561,420
Interest paid	14		(23,140,444,304)	(23,900,809,753)
Corporate income tax paid	15	4.15	(1,898,002,078)	(868,179,878)
<b>Net cash from operating activities</b>	<b>20</b>		<b>(37,933,358,922)</b>	<b>(14,142,387,559)</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Acquisition and construction of fixed assets and other long-term assets	21		(29,131,031,050)	(32,535,950,855)
2. Proceeds from disposals of fixed assets and other long-term assets	22		8,182,000,158	9,475,464,843
3. Loans to other entities and payments for purchase of debt instruments of other entities	23		(5,196,518,060)	(2,890,243,993)
4. Repayments from borrowers and proceeds from sales of debts instruments of other entities	24		5,440,000,000	-
5. Investments in other entities	25		(670,580,000)	(150,000,000)
6. Proceeds from sales of investments in other entities	26		900,000,000	7,500,000,000
7. Interest and dividends received	27		565,789,706	205,635,370
<b>Net cash from investing activities</b>	<b>30</b>		<b>(19,910,339,246)</b>	<b>(18,395,094,635)</b>

(See the next page)



**SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES**

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Form B 03 - DN/HN

**CONSOLIDATED CASH FLOW STATEMENT  
(Indirect method)**

For the financial year ended 31 March 2022

Expressed in VND

ITEMS	Code	Notes	Current year	Previous year
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Proceeds from borrowings	33	6.1	797,586,197,055	985,520,150,687
2. Repayment of borrowings	34	6.2	(745,182,549,088)	(921,086,109,867)
3. Finance lease principal paid	35		(12,332,380,713)	(10,253,516,626)
4. Dividends paid	36		(12,067,246,375)	(14,974,071,975)
<b>Net cash from financing activities</b>	<b>40</b>		<b>28,004,020,879</b>	<b>39,206,452,219</b>
<b>NET INCREASE/(DECREASE) IN CASH (50 = 20+30+40)</b>				
	<b>50</b>		<b>(29,839,677,289)</b>	<b>6,668,970,025</b>
Cash and cash equivalents at beginning of year	60		37,851,012,520	31,180,877,791
Impact of exchange rate fluctuation	61		(108,689,427)	1,164,704
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (70 = 50+60+61)</b>	<b>70</b>	4.1	<b>7,902,645,804</b>	<b>37,851,012,520</b>



**Le Hong Phong**  
General Director

Ho Chi Minh City, 29 June 2022

**Ngo Le Viet Anh**  
Chief Accountant

**Khuu Kim Hue**  
Preparer

**SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES**

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Form B 09 - DN/HN

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**1. CORPORATE INFORMATION**

**1.1. Structure of ownership**

SaoBacDau Technologies Corporation (hereinafter referred to as “the Company”) formerly known as Informatics Service Provider Limited Company. On 30 August 2007, the Company was converted into a joint stock company with the name of SaoBacDau Technologies Corporation under the Business Registration Certificate No. 4103002093 dated 11 February 2004 granted by Ho Chi Minh City’s Department of Planning and Investment and other amended certificates thereafter with the latest one dated 13 February 2020.

The Company was registered as a public company at State Securities Commission on 11 December 2007.

The Securities Registration Certificate No. 131/2016/GCNCP-VSD dated 31 October 2016 granted by the Vietnam Securities Depository to be certified its securities and granted stock code.

The charter capital as stipulated in the Business Registration Certificate is VND 115,000,000,000, as follows:

Investors	Nation/ Nationality	As at 31 Mar. 2022		As at 01 Apr. 2021	
		Amount (VND)	Percent (%)	Amount (VND)	Percent (%)
Mr Nguyen Duc Quang	Vietnam	18,878,930,000	16.42	18,878,930,000	16.42
Other	Vietnam	96,121,070,000	83.58	96,121,070,000	83.58
<b>Total</b>		<b>115,000,000,000</b>	<b>100.00</b>	<b>115,000,000,000</b>	<b>100.00</b>

The Company’s registered head office is at Lot U.14b – 16a, Street No. 22, Tan Thuan Export Processing Zones, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam.

The Company has subsidiaries as represented in Note 1.7 below (together with the Company hereinafter referred to as “the Group”).

The Company’s subordinate units as at 31 March 2022 include:

- Ha Noi Branch: 3th Floor, CT1AB, VOV Me Tri Town, Me Tri Ward, Nam Tu Liem District, Ha Noi City, Vietnam;
- Da Nang Branch: 02 Quang Trung Street, Thach Thang Ward, Hai Chau District, Da Nang City;
- Representative office of SaoBacDau Technologies Corporation: 27/14B Cach Mang Thang Tam Street, Quang Vinh Ward, Bien Hoa City, Dong Nai Province, Vietnam.

The number of employees as at 31 March 2022 was 282 (01 April 2021:261).

**1.2. Business field**

Integration of information technology systems.



## SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES

Address: Lot U.14b – 16a, Street No. 22, Tan Thuan Export Processing Zones, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 1.3. Operating industry and principal activities

Under the Business Registration Certificate, the Group is principally engaged in:

Producing, assembling, repairing informatics and electronics products. Trading in household appliances, informatics and electronics products, office – equipment, cables, kinds of snap-in, electronic components. The consignment of goods agent, trading agency, office machine for rent, trading in telephones, fax, PABX switchboard (included 32 numbers). Trading, installing and maintaining informatics and electronics equipment, informatics network. Trading, producing, installing, maintaining telecommunications equipment. Trading, providing telecommunications service agent. Trading and producing informatics software, designed web. Scientific services: integrating systems, making over information technology. Providing information upload to internet, providing internet services agent (not including internet service providing agent in head office). Consultant, training informatics and telecommunications technology. Designing computer networking system. Office for rent. Trading, installing, repairing, maintaining electrical equipment, automatic control equipment (not including processing mechanic, producing electroplate, recycling waste at head office). Consulting technology transfer. Vocational training. Trading in software, machine, equipment in radio-broadcasting and television. Producing, trading and releasing films, films tabs and discs of being granted for circulations. Trading real estates. Construction of Industrial Civil Project. Plane tickets agent. Scientific Services: integrated system, technology transfer.

#### 1.4. Normal operating cycle

The Group's normal operating cycle is carried out for a period of 12 months.

#### 1.5. Important features in the financial year impacting the consolidated financial statements

In the previous year, the impact of the COVID-19 pandemic had strongly impacted the Vietnamese economy as well as the whole world and caused many difficulties from the traditional business operations. Therefore, many businesses have carried out the digital transformation step by step, the demand for using information technology has increased. However, these demands have stabilized and decreased in current year. As a result, the Group's business operation situation had slowed down, revenues and cost of sales had decreased by 28% and 30% correspondingly compared to the previous year.

#### 1.6. The Group's structure

As at 23 March 2022, Sao Bac Dau Technologies Services Company Limited has completed the necessary legal procedures to officially dissolve the business operation. Accordingly, the Group recognized a loss from the dissolution of this subsidiary in the consolidated income statement with an amount of VND 169,091,845.

*(See the next page)*

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****1.7. Direct consolidated subsidiaries**

<u>No.</u>	<u>Name</u>	<u>Address</u>	<u>Voting rights</u>	<u>Per cent interest</u>
1.	SaoBacDau Telecom Service Joint Stock Company	Lot U.14b-16a, Street No. 22, Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam	60%	60%
2.	Sao Bac Dau South Technology Joint Stock Company	Room 26, Hall 8, Street No. 3, Quang Trung Software City, Tan Chanh Hiep Ward, District 12, Ho Chi Minh City, Vietnam	60%	60%
3.	Sao Bac Dau Technologies Solutions Joint Stock Company	Room 1, Hall 8, Street No. 13, Quang Trung Software City, Tan Chanh Hiep Ward, District 12, Ho Chi Minh City, Vietnam	90%	90%

**1.8. Associates presented in the consolidated financial statements under the equity method**

<u>No.</u>	<u>Name</u>	<u>Address</u>	<u>Voting rights</u>	<u>Per cent interest</u>
1.	QI Technologies Corporation	Lot U.14b-16a, Street No. 22, Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam	33.43%	33.43%
2.	Mideas Technology Joint Stock Company	61C Tu Xuong, Ward 7, District 3, Ho Chi Minh City, Vietnam	20%	46.56%
3.	DCT Technologies Solution Company Limited	585/6 Su Van Hanh, Ward 13, District 10, TP. Ho Chi Minh, Vietnam	22.27%	22.27%
4.	CEH Information Services Company Limited	Room 701, 7th Floor, 45 Dinh Tien Hoang, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	30%	27,03%

**2. BASIS OF PREPARATION****2.1. Accounting standards, accounting system**

The accompanying consolidated financial statements, expressed in Vietnamese Dong (“VND”), are prepared in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and prevailing accounting regulations in Vietnam.

**2.2. Forms of accounting records**

The form of accounting records applied in the Group is the General Journal.

**2.3. Financial year**

The Group’s financial year is from 01 April of the previous year to 31 March of the following year.

**2.4. Reporting and functional currency**

The Group maintains its accounting records in VND.



## SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 2.5. Basis of consolidation

The consolidated financial statements are the financial statements of a group in which the assets, liabilities, equity, income, expenses and cash flows of the parent and subsidiaries are presented as those of a single economic entity regardless of the legal structure of the entities. The financial statements of the subsidiaries have been prepared for the same financial year using uniform accounting policies to those used by the parent company.

##### *Non-controlling interest recognition*

Non-controlling interests in the net assets and net results of consolidated subsidiaries are shown separately in the consolidated statement of financial position and in the consolidated income statement.

The loss of a subsidiary is attributed to the non-controlling interests in proportion to their relative interests in the subsidiary even if this results in the non-controlling interests having a deficit balance.

##### *Profit or loss recognition in changes in ownership interests in subsidiaries*

Changes in the Group's ownership interest in a subsidiary that do not result in the Group losing control are accounted for as equity transactions. The carrying amounts of the Group's and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity in the consolidated statement of financial position.

##### *Intra-group transactions elimination*

All intra-group transactions, balances, income, and expenses - including unrealised intra-group profits or losses - are eliminated in full on consolidation. Unrealised losses resulting from intra-group transactions that are deducted in arriving at the carrying amount of assets are also eliminated unless the cost cannot be recovered.

#### 3. SIGNIFICANT ACCOUNTING POLICIES

##### 3.1. Foreign currencies

- The exchange rates announced by Bank for Foreign Trade of Vietnam, Vietnam Technological And Commercial Joint Stock Bank and Vietnam International Commercial Joint Stock Bank are applied in accounting;
- The exchange rate applicable to asset recognition and re-evaluation is the foreign currency-buying rate;
- The exchange rate applicable to liability recognition and re-evaluation the foreign currency-selling rate;
- Exchange rates applicable to the other transactions are the foreign currency-buying rate/ the foreign currency-selling rate.

Transactions in foreign currencies are recorded, on initial recognition, in the reporting currency, by applying to the foreign currency amount the spot exchange rate between the reporting currency and the foreign currency at the date of the transaction. The exchange differences arising on the settlement of monetary items are recognised in profit or loss in the year in which they arise. At the end of the reporting year, monetary items excluding advances to suppliers, prepaid expenses, and unearned revenues, which are denominated in foreign currency, are reported using the closing rate and resultant exchange differences resulting from the reporting after offset are recognised in profit or loss in the year in which they arise.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**3.2. Use of estimates**

The preparation of the consolidated financial statements requires management to make estimates and assumptions that impact the carrying value of certain assets and liabilities, contingent assets and liabilities reported in the notes at 31 March 2022 as well as revenues and expenses in the consolidated financial statements for the financial year ended 31 March 2022. Although these estimates are based on management's best knowledge of all relevant information available at the date when the consolidated financial statements are prepared, this does not prevent actual figures differing from estimates.

**3.3. Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, cash at bank.

**3.4. Financial investments**

***Equity investments in other entities***

*Investments in associates*

Investments are classified as investments in associates when the Group directly or indirectly holds from 20% to under 50% of the voting shares of the investee without any other agreement.

Investments in associates are accounted for under the equity method. Under the equity method, on initial recognition the investment in an associate is recognised at cost. In case of investments of non-monetary assets, the cost of investments is recognised at the fair values of the assets as incurred. The carrying amount is increased or decreased to recognise the Group's share of profit or loss of the associate after the date of acquisition.

Distributions received from associates reduce the carrying amount of the investment.

*Other investments*

Investments classified as other investments are investments other than investments in subsidiaries, investments in associates or investments on joint ventures.

Other investments are accounted for under the cost method which comprise purchase prices plus (+) acquisition related costs (if any). In case of investments of non-monetary assets, the cost of investments is recognised at the fair values of the assets as incurred.

***Recognition principles of provision for other financial investment impairment loss***

*For other investments*

As of the date of the consolidated financial statements, with regard to the other investments other than the securities that are listed or registered for trading in the domestic stock market and freely traded in the market, if a basis for impairment in value of the investments is present, a provision for other investment impairment loss is recognised at no more than the carrying amount of the investment as set out in Circular 48/2019/TT-BTC dated 08 August 2019 by Ministry of Finance.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3.5. Account receivables

*Recognition method*

Account receivables are stated at the carrying amounts of trade receivables and other receivables less provisions for doubtful debts.

*Provision for doubtful debts*

As of the date of the consolidated financial statements, a provision for doubtful debt is the expected amount of loss resulting from customers' failure to pay for receivables at the end of reporting year.

The difference between the required balance and the existing balance of provision for doubtful debts is recorded as a general and administrative expense in the consolidated income statement.

3.6. Inventories

*Inventory measurement*

Inventories are measured at the lower of cost and net realisable value.

The costs of inventories shall comprise all costs of purchase, costs of conversion, and other costs incurred in bringing inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour, and attributable manufacturing overheads.

The costs of purchase comprise the purchase price, non-reimbursable taxes and duties, and transport, handling, and other costs directly attributable to the purchase. Trade discounts and sales rebates on substandard and obsolete goods purchased are deducted from the costs of purchase.

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

*Method of accounting for inventories*

Inventories are measured using the first-in, first-out method and are recorded under the perpetual inventory method.

*Provision for decline in value of inventories*

As of the date of the consolidated financial statements, a provision is recognised for obsolete, slow-moving, and defective inventory items and an excess of the cost of inventories over their net realisable value at an amount as set out in Circular 48/2019/TT-BTC dated 08 August 2019 issued by Ministry of Finance to ensure that the value of inventories is no more than their market price.

The difference between the required balance and the existing balance of the provision for a decline in value of inventories is included in cost of sales in the consolidated income statement.

Inventories are written down to net realizable value on an item-by-item basis. For services being rendered, provision is made in respect of each service for which a separate selling price will be charged.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**3.7. Tangible fixed assets**

Tangible fixed assets are measured at cost less accumulated depreciation.

***Tangible fixed asset recognition***

Tangible fixed assets are initially recognised at their cost. The cost of purchased tangible fixed assets comprises the purchase price and any directly attributable costs of bringing the assets to their present location and working condition for their intended use. Accessories added to fixed assets when purchased are recognised separately at their fair value and deducted from the historical cost of the respective tangible fixed assets.

The costs of tangible fixed assets constructed by contractors are the finalised costs of the construction, other directly related expenses and the registration fee (if any).

***Depreciation and amortisation***

The costs of fixed assets are depreciated on a straight-line method over their estimated useful lives.

The estimated useful lives are as follows:

▪ Buildings, structures	15 – 40 years
▪ Machinery and equipment	03 – 08 years
▪ Motor vehicles	06 years

**3.8. Intangible fixed assets**

Intangible fixed assets are measured at cost less accumulated amortisation.

***Intangible fixed asset recognition***

Intangible fixed assets are initially recognised at their cost. The cost of an intangible fixed asset comprises the total amount of expense incurred by the Group to acquire an asset at the time the asset is put into operation for its intended use.

***Accounting principles for intangible fixed assets***

***Computer software***

Computer software is not an indispensable component of hardware and is recognised as an intangible asset and depreciated over its useful life.

***Land use rights***

Land use rights are stated at their costs less accumulated amortisation. The Group's land use right pertains to a plot of land located at CT1AB Tower, VOV Me Tri Urban Area, Me Tri Ward, Nam Tu Liem District, Ha Noi City, Vietnam.

Indefinite land use rights are not amortised.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**3.9. Leases**

***Lease classification***

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

***Financial leases***

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. Estimated depreciation period for machinery is from 2 to 3 years.

**3.10. Leases**

***Operating leases***

Assets subject to operating leases are recognised in the consolidated statement of financial position according to the Group's asset classification pattern.

Initial direct costs to generate income from operating leases are recognised as expenses in the year as incurred or amortised over the lease term. Lease income from operating leases is recognised in the consolidated income statement on a straight-line basis over the lease term regardless of payment methods.

Depreciation of assets subject to operating leases is consistent with the depreciation policy of the lessor for similar assets.

**3.11. Construction in progress**

Properties in the course of construction for production, rental, or administrative purposes, or for purposes not yet determined, are carried at cost. Cost includes professional fees, and for qualifying assets, borrowing costs dealt with in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

**3.12. Business cooperation contract (BCC)**

***Sharing of revenues, expenses, products:***

The revenue sharing ratio is based on the ratio specified in each business cooperation contract.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**3.13. Prepayments**

Prepayments are classified as current and non-current based on their original term. Prepayments mainly comprise costs of tools and supplies and land rentals, etc., which are amortised over the period for which they are paid or the period in which economic benefits are generated in relation to these expenses.

The following expenses are recognised as prepayments and amortised to the income statement:

- Prepaid land, infrastructure and fixed asset rentals are amortised over the period of lease;
- Tools and supplies are amortised to the income statement over 01 to 03 years.

**3.14. Liabilities**

Liabilities are classified into trade payables and other payables based on the following rules: Trade payables represent those arising from purchase and sale related transactions of goods, services or assets and the seller is independent of the buyer; the remaining payables are classified as other payables.

Liabilities are also classified according to the maturity date, the remaining term from the date of the consolidated financial statements, original currency, and each creditor.

Liabilities are recognised at no less than the payment obligation.

**3.15. Accrued expenses**

Accrued expenses represent expenses that will be paid in the future for goods or services received but not yet paid due to lack of invoices or accounting documents. These expenses are recognised as operating expenses of the reporting year.

**3.16. Owners' equity**

***The owners' contributed equity***

The owners' contributed equity is recognised when contributed.

***Dividends***

Dividends are recognised as a liability at the date of declaring dividends.

***Reserves***

Reserves are created at certain percentages of profit after tax as prescribed in the charter of the companies in the Group.

***Retained earnings***

Net profit after income tax can be distributed to shareholders after the distribution is approved the General Annual Meeting of Shareholders and reserves are created in accordance with the Charter and legal regulations in Vietnam.



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**3.17. Revenue and other income**

***Revenue from selling goods***

Revenue from selling goods is measured at the fair value of the consideration received or receivable. In most cases, revenue is recognised when transferring the risks and rewards of ownership to the buyer.

***Revenue involving the rendering of services***

Revenue of a transaction involving the rendering of services is recognised when the outcome of this transaction can be estimated reliably. When a transaction involving the rendering of services is attributable to several periods, each period's revenue is recognised by reference to the stage of completion at the end of the reporting period.

**3.18. Cost of sales**

Cost of sales and services provided represents total costs of finished products, goods, services, which are sold in the year in accordance with the matching principle. Abnormal amounts of production costs of inventories are recognised immediately in cost of sales.

**3.19. Finance expense**

Finance expenses represent all expenses incurred in the reporting year which mainly include borrowing costs, losses from disposal of investment, provision for investments and losses from exchange rates.

**3.20. Selling expense and general and administrative expense**

Selling expenses represent expenses incurred during the process of selling products, goods and rendering services, which include expenses relating to product exhibition, advertisement, sales commissions, product warranty (except for construction activities), storage, packaging, and shipping etc.

General and administrative expenses represent common expenses, which include payroll costs for office employees (salaries, wages, allowances, etc.); social insurance, health insurance, trade union fees and unemployment insurance; stationery expenses, material expenses, depreciation expenses of fixed assets used for administration activities; land rental, license tax; provision for doubtful debts; utility services (electricity expenses, water expenses, phone, fax, warranty expenses, etc.); sundry expenses (entertainment, customer conference, etc.).

**3.21. Taxation**

***Corporate income tax***

***Current corporate income tax expense***

Current corporate income tax expense is determined on the basis of taxable income and the rate of corporate income tax (CIT) of the current year as follow:

- Incentive business activities – liable for 10%;
- Non-incentive business activities – liable for 20%.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**3.21. Taxation (Continued)**

*Deferred corporate income tax expense*

Deferred corporate income tax expense is determined on the basis of the deductible temporary differences, taxable temporary differences and the estimated CIT rate that will be applied for the years that assets and liabilities will be recovered. The tax rates used will be the tax rates (and tax laws) that are in effect at the financial year end.

Deferred tax liability is recognised for all taxable temporary differences, unless:

- The deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither the accounting profit nor taxable profit (tax loss);
- All taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures when the parent, investor or venturer is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless:

- The deferred tax asset arises from the initial recognition of an asset or liability in a transaction which at the time of transaction, affects neither accounting profit nor taxable profit (tax loss);
- The deferred tax assets for all deductible temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures are only recognised when it is probable that the temporary difference will reverse in the foreseeable future; and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Any such reduction shall be reverted to the extent it becomes probable that sufficient taxable profit will be available.

Current and deferred tax are recognised as income or an expense and included in profit or loss for the year except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

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



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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 3.21. Taxation (Continued)

##### *Tax incentive, tax exemption and reduction*

The parent company – SaoBacDau Technologies Corporation has obtained the Certificate of Science and Technology Enterprise No. 60/ĐK-DNKHCN granted on 31 July 2018 by the Department of Science and Technology of Ho Chi Minh City. Accordingly, the Group is agreed by a list of 16 goods products formed from scientific and technological results. Pursuant to the Joint Circular No. 17/2012/TTLT-BKHHCN-BTC-BNV dated 10 September 2012 by the Ministry of Science and Technology on Science and Technology enterprises, the Company is entitled to the following incentives:

- Liable for the corporate income tax rate of 10% for 15 years since the Group has revenue from scientific and technological activities (financial year 2011);
- Exempted for 4 years and 50% reduction of corporate income tax payable in 9 subsequent years since the Group has taxable income (financial year 2011).

In accordance with the Investment Registration Certificate No. 4234430517 dated 12 July 2017 granted by Ho Chi Minh City's Planning and Investment Department, the subsidiary – Sao Bac Dau South Technology Joint Stock Company was engaged in implementing the project called "Software production and system integration Center" Quang Trung Software City, Tan Chanh Hiep Ward, District 12, Ho Chi Minh City. In accordance with Decree No. 218/2013/ND-CP dated 26 December 2013 and Circular No. 78/2014/TT-BTC dated 18 June 2014, the Group has the income from performance of new investment project in concentrated information technology zones are established by decision of the Prime Minister. Accordingly, the Group is entitled to incentives, as follows:

- The Group will be exempted from 100% CIT for four (04) years from the first profit making year (since financial year 2017) and 50% CIT for nine (09) subsequent years (since financial year 2021);
- The Group is applied to incentive tax rate of 10% within 15 years from beginning its business operations.

In accordance with the Investment Registration Certificate No. 0488758402 dated 13 August 2019 granted by Ho Chi Minh City's Planning and Investment Department, the subsidiary – Sao Bac Dau Technologies Solutions Joint Stock Company was engaged in implementing the project called "Software production and system integration Center" Quang Trung Software City, Tan Chanh Hiep Ward, District 12, Ho Chi Minh City. In accordance with Decree No. 218/2013/ND-CP dated 26 December 2013 and Circular No. 78/2014/TT-BTC dated 18 June 2014, the Group has the income from performance of new investment project in concentrated information technology zones are established by decision of the Prime Minister. Accordingly, the Group is entitled to incentives, as follows:

- The Group will be exempted from 100% CIT for four (04) years from the first profit making year (since financial year 2019) and 50% CIT for nine (09) subsequent years (since financial year 2023);
- The Group is applied to incentive tax rate of 10% within 15 years from beginning its business operations.

Particularly for the financial period from 01 January 2019 to 31 March 2019, the Group decided to apply non-incentive tax rate of 20% for the converted financial year and will continue to enjoy the CIT incentive in subsequent years according to Circular 78/2014/TT-BTC dated 18 June 2014.



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**3.21. Taxation (Continued)**

***Value added tax***

The goods sold and services rendered by the Group are subject to value added tax at the following rates:

- Computer software: non-taxable
- Equipment exported to non-tariff zones: 0%;
- Goods: 10%;
- Leasing services and other services: 10%.

In accordance with Degree No. 15/2022/NĐ-CP dated 28 January 2022 detailing the implementation of the Resolution No. 43/2022/QH15 passed by the Standing Committee of the National Assembly dated 11 January 2022, the Group is entitled to apply the value added tax rate of 8% on some goods and services according to the regulations from 01 February 2022 to 31 December 2022 inclusively.

***Other taxes***

Other taxes are applicable in accordance with the prevailing tax laws in Vietnam.

The tax reports of the companies in the Group will be inspected by the Tax Department. Application of the laws and regulations on tax to different transactions can be interpreted by many ways; therefore, the tax amounts presented in the consolidated financial statements can be amended in accordance with the Tax Department's final assessment for the companies.

**3.22. Earnings per share**

Basic earnings per share are calculated by dividing the net profit attributable to ordinary shareholders (after adjusted for bonus and welfare funds), by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares bought back by the Group and held as treasury shares.

**3.23. Diluted earnings per share**

Diluted earnings per share are calculated by dividing the net profit attributable to ordinary shareholders (after adjusted for bonus and welfare funds), by the weighted average number of ordinary shares outstanding during the year and total ordinary shares that would be issued on the conversion, excluding ordinary shares bought back by the Group and held as treasury shares.

**3.24. Segment reporting**

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

**3.25. Related parties**

Related parties are individuals or entities that have the ability, directly or indirectly through one or more intermediaries, to control the Group or are controlled by, or are subject to common control with the Group. Associates, individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group, key management personnel, including directors and officers of the Group and close family members or associates of such individuals are also considered to be related parties.



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****4. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION****4.1. Cash and cash equivalents**

	<b>As at 31 Mar. 2022 VND</b>	<b>As at 01 Apr. 2021 VND</b>
Cash in hand	425,811,591	2,058,731,744
Cash at bank	7,476,834,213	35,792,280,776
<b>Total</b>	<b><u>7,902,645,804</u></b>	<b><u>37,851,012,520</u></b>

*(See the next page)*

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****4.2. Non-current financial investments**

Investments in joint ventures and associates are detailed as follows:

	As at 31 Mar. 2022		As at 01 Apr. 2021	
	Cost	Value under equity method	Cost	Value under equity method
	VND	VND	VND	VND
Investments in joint ventures and associates:				
QI Technologies Corporation	6,631,393,955	6,825,069,717	5,960,813,955	7,213,827,555
Mideas Technology Joint Stock Company	2,400,000,000	920,951,212	2,400,000,000	969,485,247
Pharos Digital Books and Educational Materials Joint Stock Company	-	-	2,000,000,000	2,704,379,306
DCT Technologies Solution Company Limited	1,960,000,000	266,671,527	1,960,000,000	1,166,671,527
CEH Information Services Company Limited	1,875,000,000	1,791,829,335	1,875,000,000	1,686,273,947
<b>Total</b>	<b>12,866,393,955</b>	<b>9,804,521,791</b>	<b>14,195,813,955</b>	<b>13,740,637,582</b>

*(See he next page)*



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****4.2. Non-current financial investments (Continued)**

Investments in other entities are analysed as follows:

	As at 31 Mar. 2022			As at 01 Apr. 2021		
	Cost	Fair value VND (*)	Provision	Cost	Fair value VND (*)	Provision
Investments in other entities:						
Pharos Digital Books and Educational Materials Joint Stock Company	1,200,000,000		(195,620,694)	-		-
Smart Digital Technology Joint Stock Company	900,000,000		-	900,000,000		-
<b>Total</b>	<b>2,100,000,000</b>		<b>(195,620,694)</b>	<b>900,000,000</b>		<b>-</b>

(\*) At the reporting date, the Group has not determined fair values of these investments for disclosure in the consolidated financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair values of these investments may differ from their carrying amounts.

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**SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES**

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****4.3. Current trade receivables**

	<b>As at 31 Mar. 2022 VND</b>	<b>As at 01 Apr. 2021 VND</b>
Current trade receivables from related parties – Refer to Note 8	1,553,714,838	2,192,059,169
Current trade receivables:		
Deo Ca Investment Joint Stock Company	63,324,714,138	63,586,665,138
Board of Construction Investment Project Management – Ha Tinh City	38,282,499,707	-
Vinfast Commercial And Services Trading Limited Liability Company	21,817,285,700	-
Base Business Solutions Corporation	16,305,453,082	-
Board of Construction Investment Project Management – Headquarter of Ministry of Foreign Affairs	15,658,878,238	15,658,878,238
Quang Trung Software City Development Company Limited	13,327,568,869	6,945,205,375
Southeast Asia Commercial Joint Stock Bank	-	23,291,622,800
Gemadept-Terminal Link Cai Mep Terminal Joint Stock Company	-	21,333,203,862
Viettel Group	3,294,471,840	20,222,705,700
Viettel Business Solutions Corporation – Branch of Viettel Group	1,508,596,980	47,131,643,410
Other	187,919,125,642	156,088,841,313
<b>Total</b>	<b><u>362,992,309,034</u></b>	<b><u>356,450,825,005</u></b>

As at 31 March 2022, any component of current trade receivables from other was less than 10% total current trade receivables.

**4.4. Non-current trade receivables**

Representing the non-current trade receivables from Board of Construction Investment Project Management – Headquarter of Ministry of Foreign Affairs for the package of supply and installation of computer network and communication systems for the construction (TB-06) under the investment in building the headquarters of the Ministry of Foreign Affairs project in phase 1. Currently, the project is being in process to continue for phase 2. This receivable is expected to be paid by customers after the completion of the entire project.

*(See the next page)*



**SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES**Address: Lot U.14b – 16a, Street No. 22, Tan Thuan Export Processing Zones, Tan Thuan Dong Ward,  
District 7, Ho Chi Minh City, Vietnam**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****4.5. Current advances to suppliers**

	<b>As at 31 Mar. 2022 VND</b>	<b>As at 01 Apr. 2021 VND</b>
Current advances to related parties – Refer to Note 8	650,000,000	655,390,000
Current advances to suppliers:		
Blue Sky Solutions Global Trading Co., Ltd	31,639,071,785	14,116,575,214
Thang Long International Trade and General Services Company Limited	-	12,808,830,000
Global International Hi-Tech Engineering Limited Company	-	8,419,650,000
Other	8,975,061,470	6,460,226,544
<b>Total</b>	<b><u>41,264,133,255</u></b>	<b><u>42,460,671,758</u></b>

As at 31 March 2022, any component of current advances to other suppliers was less than 10% total current advances to suppliers.

**4.6. Other receivables**

	<b>As at 31 Mar. 2022 VND</b>		<b>As at 01 Apr. 2021 VND</b>	
	Value	Provision	Value	Provision
Current:				
Advances to employees	6,283,547,973	-	2,568,628,740	-
Deposit for construction warranty for Deo Ca Investment Joint Stock Company	51,318,673,019	-	51,318,673,019	-
Other deposits	6,415,927,600	-	14,084,673,849	-
Other receivables	4,339,818,158	-	6,899,590,872	-
<b>Total</b>	<b><u>68,357,966,750</u></b>	<b><u>-</u></b>	<b><u>74,871,566,480</u></b>	<b><u>-</u></b>
Non-current:				
Other deposits	4,644,835,093	-	112,311,846	-

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****4.7. Inventories**

	<b>As at 31 Mar. 2022</b>		<b>As at 01 Apr. 2021</b>	
	<b>VND</b>		<b>VND</b>	
	<b>Cost</b>	<b>Provision</b>	<b>Cost</b>	<b>Provision</b>
Goods in transit	6,295,250,553	-	1,561,539,709	-
The Group's stock	7,467,091,252	(7,437,798)	3,079,701,571	(7,437,798)
Goods issued to implement	81,346,437,257	-	38,181,613,070	-
Leased warehouse	54,393,175	-	54,393,175	-
Stock at Ha Noi Branch	20,800,861,038	-	9,991,244,417	-
Real estate goods	1,862,858,455	-	1,862,858,455	-
Work in progress	19,769,004,837	-	16,521,682,282	-
Tools and supplies	137,400,000	-	-	-
<b>Total</b>	<b><u>137,733,296,567</u></b>	<b><u>(7,437,798)</u></b>	<b><u>71,253,032,679</u></b>	<b><u>(7,437,798)</u></b>

*(See the next page)*



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Address: Lot U.14b – 16a, Street No. 22, Tan Thuan Export Processing Zcnes, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**4.8. Tangible fixed assets**

Items	Buildings, structures	Machinery and equipment	Motor vehicles	Total
	VND	VND	VND	VND
<b>Cost:</b>				
As at 01 Apr. 2021	34,345,180,908	124,057,882,396	2,927,734,110	161,330,797,414
Purchase	-	18,690,471,764	-	18,690,471,764
Reclassification from financial lease fixed assets	-	12,543,853,580	-	12,543,853,580
Disposals	-	(48,690,613,327)	-	(48,690,613,327)
<b>As at 31 Mar. 2022</b>	<b>34,345,180,908</b>	<b>106,601,594,413</b>	<b>2,927,734,110</b>	<b>143,874,509,431</b>
<b>Accumulated depreciation:</b>				
As at 01 Apr. 2021	11,283,078,388	84,388,675,476	2,674,873,010	98,346,626,874
Depreciation	1,619,343,601	25,017,016,108	222,355,379	26,858,715,088
Other additions	-	10,141,187,665	-	10,141,187,665
Disposals	-	(47,313,374,112)	-	(47,313,374,112)
<b>As at 31 Mar. 2022</b>	<b>12,902,421,989</b>	<b>72,233,505,137</b>	<b>2,897,228,389</b>	<b>88,033,155,515</b>
<b>Net book value:</b>				
As at 01 Apr. 2021	23,062,102,520	39,669,206,920	252,861,100	62,984,170,540
<b>As at 31 Mar. 2022</b>	<b>21,442,758,919</b>	<b>34,368,089,276</b>	<b>30,505,721</b>	<b>55,841,353,916</b>

The amount of year-end net book value of tangible fixed assets totalling VND 21,442,758,930 was pledged/mortgaged as loan security – Refer to Note 4.19.

The historical cost of tangible fixed assets fully depreciated but still in use totalled VND 28,056,713,439.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**
**4.9. Finance leased assets**

Machinery and equipment	As at 01 Apr. 2021 VND	Increase VND	Decrease VND	As at 31 Mar. 2022 VND
Cost	25,723,433,713	14,741,831,534	12,543,853,580	27,921,411,667
Accumulated depreciation	(10,359,643,357)	(9,320,904,318)	(10,141,187,666)	(9,539,360,009)
<b>Net book value</b>	<b><u>15,363,790,356</u></b>			<b><u>18,382,051,658</u></b>

**4.10. Intangible fixed assets**

Items	Computer software VND	Land use rights VND	Total VND
Cost:			
As at 01 Apr. 2021	3,316,077,805	2,101,157,221	5,417,235,026
Purchase	168,431,211	-	168,431,211
<b>As at 31 Mar. 2022</b>	<b><u>3,484,509,016</u></b>	<b><u>2,101,157,221</u></b>	<b><u>5,585,666,237</u></b>
Accumulated depreciation:			
As at 01 Apr. 2021	1,655,306,335	-	1,655,306,335
Depreciation	648,835,887	-	648,835,887
<b>As at 31 Mar. 2022</b>	<b><u>2,304,142,222</u></b>	<b><u>-</u></b>	<b><u>2,304,142,222</u></b>
Net book value:			
As at 01 Apr. 2021	1,660,771,470	2,101,157,221	3,761,928,691
<b>As at 31 Mar. 2022</b>	<b><u>1,180,366,794</u></b>	<b><u>2,101,157,221</u></b>	<b><u>3,281,524,015</u></b>

The historical cost of intangible fixed assets fully depreciated but still in use totalled VND 1,344,773,454.

**4.11. Construction in progress**

Representing the cost of construction and purchased fixed assets to serve the projects being implemented.

(See the next page)



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**
**4.12. Non-current prepayments**

	As at 31 Mar. 2022 VND	As at 01 Apr. 2021 VND
Land use rights	6,716,802,469	7,093,445,594
Projects prepayment expense	1,138,884,477	3,895,175,136
Tools and consumable expenditure	1,505,001,561	1,196,674,950
Other	2,418,538,885	3,555,453,647
<b>Total</b>	<b><u>11,779,227,392</u></b>	<b><u>15,740,749,327</u></b>

Of which, the land use right at Lot U.14b-16a, Street No. 22, Tan Thuan Export Processing Zones, Tan Thuan Dong Ward, District 7, Ho Chi Minh City which was mortgaged as current loans security totalled VND 6,716,802,469 – Refer to Note 4.19.

**4.13. Current trade payables**

	As at 31 Mar. 2022 VND		As at 01 Apr. 2021 VND	
	Value	Payable value	Value	Payable value
Trade payables to related parties	-	-	2,098,189,086	2,098,189,086
Trade payables:				
Thang Long International Trade And General Services Company Limited	29,887,270,000	29,887,270,000	-	-
Cisco International Limited	11,414,112,686	11,414,112,686	3,466,987,354	3,466,987,354
Global International Hi-Tech Engineering Limited Company	8,223,605,608	8,223,605,608	-	-
Tri Nam Technology Department Investment Joint Stock Company	7,050,660,800	7,050,660,800	11,150,660,800	11,150,660,800
Azbil Vietnam Company Limited	3,526,690,693	3,526,690,693	11,574,954,107	11,574,954,107
Avu Pty Ltd	2,267,216,222	2,267,216,222	12,070,918,070	12,070,918,070
Other	83,084,590,427	83,084,590,427	83,155,783,449	83,155,783,449
<b>Total</b>	<b><u>145,454,146,436</u></b>	<b><u>145,454,146,436</u></b>	<b><u>123,517,492,866</u></b>	<b><u>123,517,492,866</u></b>

As at 31 March 2022, any component of current trade payables was less than 10% total current trade payables.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****4.14. Current advances from customers**

	<b>As at 31 Mar. 2022 VND</b>	<b>As at 01 Apr. 2021 VND</b>
DongA Commercial Joint Stock Bank	5,040,000,000	-
Southeast Asia Commercial Joint Stock Bank	3,119,098,400	-
R.E.E Mechanical & Electrical Engineering Joint Stock Company	2,975,715,145	-
Board of Construction Investment Project Management – Ha Tinh City	-	22,632,362,490
Mobifone Corporation Information Technology Center	-	13,478,685,000
Information Technology Center	-	7,326,815,000
Other	8,137,480,496	13,701,943,605
<b>Total</b>	<b><u>19,272,294,041</u></b>	<b><u>57,139,806,095</u></b>

As at 31 March 2022, any component of other customers was less than 10% total current advances from customers.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**4.15. Tax and amounts receivable from/payable to the state budget**

	As at 31 Mar. 2022		Movements in the year			As at 01 Apr. 2021	
	Receivable	Payable	Payable	Paid	Reclassify	Receivable	Payable
	VND		VND			VND	
Value added tax	671,680,671	1,288,987,960	137,348,316,556	(139,046,544,251)	-	1,113,717,606	3,429,252,590
Export, import tax	-	-	2,544,930,955	(2,544,930,955)	-	-	-
Corporate income tax	49,504,490	24,290,165	1,020,439,010	(1,898,002,078)	109,189,279	56,520,000	799,679,464
Personal income tax	97,838,800	117,847,075	3,913,525,373	(4,063,984,163)	-	30,933,602	193,798,377
Other taxes	-	1,287,524,478	9,187,865,271	(9,187,865,271)	-	-	1,287,524,478
<b>Total</b>	<b>819,023,961</b>	<b>2,718,649,678</b>	<b>154,015,077,165</b>	<b>(156,741,326,718)</b>	<b>109,189,279</b>	<b>1,201,171,208</b>	<b>5,710,254,909</b>

**4.16. Payables to employees**

Representing the bonus payables to employees for the financial year 2021.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****4.17. Current accrued expenses**

	<b>As at 31 Mar. 2022 VND</b>	<b>As at 01 Apr. 2021 VND</b>
Accruals expenses for service which has been completed	15,798,838,957	10,455,734,989
Other accrued expenses	57,272,727	282,272,727
<b>Total</b>	<b><u>15,856,111,684</u></b>	<b><u>10,738,007,716</u></b>

**4.18. Current other payables**

	<b>As at 31 Mar. 2022 VND</b>	<b>As at 01 Apr. 2021 VND</b>
Dividend payables to other shareholders	2,162,996,700	2,550,243,075
Dividend payables to non-controlling shareholders	-	66,000,000
Trade union dues	1,319,944,444	1,243,866,057
Insurance payables	250,220,509	268,489,380
Other payables	1,472,596,242	1,967,672,548
<b>Total</b>	<b><u>5,205,757,895</u></b>	<b><u>6,096,271,060</u></b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**4.19. Loans and finance lease liabilities**

Loans and finance lease liabilities are detailed as follows:

	As at 31 Mar. 2022		Movements in the year		As at 01 Apr. 2021	
	Value	Payable value	Increase	Decrease	Value	Payable value
	VND		VND		VND	
Current:						
Bank loans	372,065,349,864	372,065,349,864	758,086,197,055	737,788,288,872	351,767,441,681	351,767,441,681
Current portion of long-term bank loans	3,754,260,216	3,754,260,216	3,754,260,216	3,754,260,216	3,754,260,216	3,754,260,216
Current portion of long-term finance lease liabilities	8,126,863,468	8,126,863,468	13,551,790,974	12,332,380,713	6,907,453,207	6,907,453,207
<b>Subtotal</b>	<b>383,946,473,548</b>	<b>383,946,473,548</b>	<b>775,392,248,245</b>	<b>753,874,929,801</b>	<b>362,429,155,104</b>	<b>362,429,155,104</b>
Non-current:						
Loans from related parties – Refer to Note 8	23,100,000,000	23,100,000,000	26,100,000,000	3,000,000,000	-	-
Loans from other individuals	12,760,000,000	12,760,000,000	13,400,000,000	640,000,000	-	-
Bank loans	14,078,474,730	14,078,474,730	-	3,754,260,216	17,832,734,946	17,832,734,946
Less current portion of long-term bank loans	(3,754,260,216)	(3,754,260,216)	(3,754,260,216)	(3,754,260,216)	(3,754,260,216)	(3,754,260,216)
Finance lease liabilities	12,549,534,050	12,549,534,050	14,741,831,534	12,332,380,713	10,140,083,229	10,140,083,229
Less current portion of long-term finance lease liabilities	(8,126,863,468)	(8,126,863,468)	(13,551,790,974)	(12,332,380,713)	(6,907,453,207)	(6,907,453,207)
<b>Subtotal</b>	<b>50,606,885,096</b>	<b>50,606,885,096</b>	<b>36,935,780,344</b>	<b>3,640,000,000</b>	<b>17,311,104,752</b>	<b>17,311,104,752</b>
<b>Total</b>	<b>434,553,358,644</b>	<b>434,553,358,644</b>	<b>812,328,028,589</b>	<b>757,514,929,801</b>	<b>379,740,259,856</b>	<b>379,740,259,856</b>



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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 4.19. Loans and finance lease liabilities (Continued)

Current bank loans are loans in VND bearing the interest rates from 5.5% to 6.0% per year. These loans were guaranteed by:

- The office construction, assets formed from loan capital and system of server and network equipment and land use rights at Lot U.14b – 16a, Street No. 22, Tan Thuan Export Processing Zones, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam whose carrying amount is VND 4,978,138,540 and VND 6,716,802,469 respectively – Refer to Note 4.8 and Note 4.12;
- Rights of claiming under the contracts signed between the Company and some specific clients;
- Goods, receivables, deposit contracts, saving accounts, deposit amounts, assets formed from loan capital;
- Total of deposits amounts, assets and receivables formed from the borrowing plan.

Non-current bank loans are loans in VND bearing the interest rates 8.5% per year. These loans are mortgaged by:

- Office building in Hanoi whose carrying amount is VND 16,464,620,390 – Refer to Note 4.8;
- Rights of claiming under the contracts signed between the Company and some specific clients.

Financial lease liabilities are the liabilities under the financial lease contract with Vietnam International Leasing Company Limited and Chaillease International Trading Company Limited with term of 2 – 3 years, bearing the interest rates from 6.8% to 8.9% per year.

Non-current loans from individuals are unsecured loans in VND bearing the interest rates from 0% to 8.2% per year.

#### 4.20. Convertible bonds

##### Scientific and technological development fund VND

As at 01 Apr. 2021	2,816,898,475
Distributed from retained earnings	1,659,860,230
Distributed from development investment fund Utilisations	840,139,770
	(2,039,756,289)

**As at 31 Mar. 2022** 3,277,142,186



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**4.21. Owners' equity**

**4.21.1. Changes in owners' equity**

	Items of owners' equity			Non-Controlling interest	Total
	Owners' contributed capital	Development investment fund	Retained earnings		
	VND	VND	VND	VND	VND
As at Apr. 2020	115,000,000,000	3,640,139,770	13,047,646,730	13,510,171,973	145,197,958,473
Previous year's profits	-	-	11,017,273,074	(4,123,857,229)	6,893,415,845
Dividends declared	-	-	(11,500,000,000)	(745,972,800)	(12,245,972,800)
Distributed to funds	-	400,000,000	(400,000,000)	-	-
Distributed to scientific and technological development fund	-	-	(800,000,000)	-	(800,000,000)
Using funds	-	(3,200,000,000)	-	-	(3,200,000,000)
Divestment, liquidation of investments in subsidiaries	-	-	-	(6,487,591,046)	(6,487,591,046)
Other	-	-	136,500,000	(136,500,000)	-
As at 01 Apr. 2021	115,000,000,000	840,139,770	11,501,419,805	2,016,250,897	129,357,810,472
Current year's profits	-	-	9,339,888,545	(2,795,853,502)	6,544,035,043
Dividends declared	-	-	(11,500,000,000)	(114,000,000)	(11,614,000,000)
Distributed to scientific and technological development fund	-	(840,139,770)	(1,659,860,230)	-	(2,500,000,000)
Increase, decrease due to divestment	-	-	(55,315,457)	155,315,457	100,000,000
<b>As at 31 Mar. 2022</b>	<b>115,000,000,000</b>	<b>-</b>	<b>7,626,132,662</b>	<b>(738,287,148)</b>	<b>121,887,845,514</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****4.21.2. Details of owners' equity**

	<b>As at 31 Mar. 2022 VND</b>	<b>As at 01 Apr. 2021 VND</b>
Mr Nguyen Duc Quang	18,878,930,000	18,878,930,000
Other shareholders	96,121,070,000	96,121,070,000
<b>Total</b>	<b>115,000,000,000</b>	<b>115,000,000,000</b>

**4.21.3. Shares**

	<b>As at 31 Mar. 2022</b>	<b>As at 01 Apr. 2021</b>
Number of shares registered for issue	11,500,000	11,500,000
Number of shares sold to public	11,500,000	11,500,000
Number of shares outstanding	11,500,000	11,500,000

Par value per outstanding share: VND 10,000 per share.

**4.21.4. Dividends**

	<b>Current year VND</b>	<b>Previous year VND</b>
Dividends paid on total ordinary shares	11,500,000,000	11,500,000,000

**4.21.5. Corporate funds**

	<b>Development investment fund VND</b>
As at 01 Apr. 2021	840,139,770
Distributed to scientific and technological development fund	(840,139,770)
<b>As at 31 Mar. 2022</b>	<b>-</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**
**4.21.6. Basic earnings and diluted earning per share**

	Current year VND	Previous year VND
Profit after tax attributable to ordinary shareholders of parent company	9,339,888,545	11,017,273,074
Adjusted for bonus and welfare fund distribution	-	-
Profit for the purpose of calculating basic earnings and diluted earnings per share	9,339,888,545	11,017,273,074
Weighted average number of ordinary shares outstanding during the year	11,500,000	11,500,000
<b>Basic earnings and diluted earnings per share</b>	<b>812</b>	<b>958</b>

**4.22. Off consolidated statement of financial position items**

	As at 31 Mar. 2022	As at 01 Apr. 2021
Foreign currencies:		
USD	4,615.04	7,468.91

**5. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CONSOLIDATED INCOME STATEMENT**
**5.1. Revenue from selling goods and rendering services**

	Current year VND	Previous year VND
Sale of integrating technology equipment system	633,295,436,180	916,298,194,289
Rendering of services	222,070,870,000	330,845,802,842
<b>Total</b>	<b>855,366,306,180</b>	<b>1,247,143,997,131</b>
Of which, revenue from selling goods and rendering services to related parties – Refer to Note 8	6,530,112,055	120,000,000

**5.2. Cost of sales**

	Current year VND	Previous year VND
Cost of integrating technology equipment system	541,576,715,861	816,680,153,878
Cost of services rendered	184,712,598,742	298,504,074,131
<b>Total</b>	<b>726,289,314,603</b>	<b>1,115,184,228,009</b>

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	<b>Current year VND</b>	<b>Previous year VND</b>
Interest expense	23,140,444,304	23,900,809,753
Losses from exchange differences	822,812,869	795,201,953
Provision for investment impairment loss	195,620,694	-
Losses from disposal of investments	169,091,845	1,558,711,947
Losses from divestment	-	620,151,648
Other	20,080,578	-
<b>Total</b>	<b><u>24,348,050,290</u></b>	<b><u>26,874,875,301</u></b>

**5.4. Selling expense**

	<b>Current year VND</b>	<b>Previous year VND</b>
Employee expense	25,795,994,172	31,524,793,934
Office stationery expense	54,762,955	136,638,741
Depreciation expense	3,135,456	18,739,683
Warranty expense	1,650,370,577	1,944,119,385
Pre – sales expense	671,819,330	1,263,576,740
Service expense	2,998,126,416	3,823,676,959
Other	5,196,851,228	3,554,538,368
<b>Total</b>	<b><u>36,371,060,134</u></b>	<b><u>42,266,083,810</u></b>

**5.5. General and administrative expense**

	<b>Current year VND</b>	<b>Previous year VND</b>
Employee expense	36,908,064,479	44,425,442,514
Material, office stationery expense	3,067,594,974	2,885,137,571
Depreciation expense	10,128,466,477	5,900,554,000
Taxes, fees and charges	7,000,000	25,197,623
Service expense	9,845,216,000	8,633,229,578
Other	3,763,146,622	6,567,518,526
<b>Total</b>	<b><u>63,719,488,552</u></b>	<b><u>68,437,079,812</u></b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****5.6. Production and business costs by element**

	<u>Current year VND</u>	<u>Previous year VND</u>
Material expense	545,232,787,954	892,311,619,468
Employee expense	69,859,608,284	84,582,491,218
Depreciation expense	36,828,455,293	41,039,313,773
Service expense	163,692,085,214	186,125,135,557
Other	11,472,537,910	26,426,373,273
<b>Total</b>	<b><u>827,085,474,655</u></b>	<b><u>1,230,484,933,289</u></b>

**5.7. Current corporate income tax expense**

The consolidated current corporate income tax expense from subsidiaries in the Group with separate tax rate for particular company in the Group.

	<u>Current year VND</u>	<u>Previous year VND</u>
CIT expense of the current year	931,305,675	1,200,902,168
Adjusted for tax expense of previous years	-	173,561,928
<b>Total current CIT expense</b>	<b><u>931,305,675</u></b>	<b><u>1,374,464,096</u></b>

**6. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CONSOLIDATED CASH FLOW STATEMENT****6.1. Cash receipts from loans in the year**

	<u>Current year VND</u>	<u>Previous year VND</u>
Cash receipts from loans under normal contracts	797,586,197,055	985,520,150,687

**6.2. Cash repayments of principal amounts borrowed**

	<u>Current year VND</u>	<u>Previous year VND</u>
Cash repayment of principal amounts under normal contracts	(745,182,549,088)	(921,086,109,867)

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****7. SEGMENT REPORTING**

According to the Group's General Director assessment, risk and profitability ratios of the Group are not affected by differences in products or different geographic areas in which the Group operates, as follows:

- Segment reporting according to the business activities: Business activities of the Group mainly supplies electronic equipment and services, information technology, integrating systems, making over information technology, so there is no difference in risk and economic benefits in the operations of the Group, which are necessary to be disclosed.
- Segment reporting according to the geographic areas: There is no segment reporting according to the geographical area because the Group's operation is mainly in Ho Chi Minh City, so there is no difference in risk and economic benefits which are necessary to be disclosed.

**8. RELATED PARTIES****List of related parties****Relationship**

- |   |                          |
|---|--------------------------|
| 1. QI Technologies Corporation              | Associate                |
| 2. Mideas Technology Joint Stock Company    | Associate                |
| 3. CEH Information Services Company Limited | Associate                |
| 4. Board of Directors and management        | Key management personnel |

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated in full in consolidation.

At the end of the reporting period, the receivables (payables) balances with related parties are as follows:

	<b>As at 31 Mar. 2022 VND</b>	<b>As at 01 Apr. 2021 VND</b>
Current trade receivables:		
QI Technologies Corporation	1,273,407,989	1,400,752,320
CEH Information Services Company Limited	231,000,000	280,000,000
Mideas Technology Joint Stock Company	49,306,849	511,306,849
	<b>1,553,714,838</b>	<b>2,192,059,169</b>
	<b>As at 31 Mar. 2022 VND</b>	<b>As at 01 Apr. 2021 VND</b>

Advances to suppliers – Refer to Note 4.5:

CEH Information Services Company Limited	650,000,000	655,390,000
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**SAOBACDAU TECHNOLOGIES CORPORATION AND ITS SUBSIDIARIES**Address: Lot U.14b – 16a, Street No. 22, Tan Thuan Export Processing Zones, Tan Thuan Dong Ward,  
District 7, Ho Chi Minh City, Vietnam**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****8. RELATED PARTIES (CONTINUED)**

	<b>As at 31 Mar. 2022 VND</b>	<b>As at 01 Apr. 2021 VND</b>
Current loans receivables:		
Mideas Technology Joint Stock Company	800,000,000	800,000,000
CEH Information Services Company Limited	750,000,000	200,000,000
<b>Total</b>	<b>1,550,000,000</b>	<b>1,000,000,000</b>
	<b>As at 31 Mar. 2022 VND</b>	<b>As at 01 Apr. 2021 VND</b>
Non - current loans:		
Mr Le Hong Phong	(12,500,000,000)	-
Mr Tran Anh Tuan	(10,600,000,000)	-
<b>Total – Refer to Note 4.19</b>	<b>(23,100,000,000)</b>	<b>-</b>

During the reporting year, the Group has had related party transactions as follows:

	<b>Current year VND</b>	<b>Previous year VND</b>
Sale of goods and rendering of services:		
QI Technologies Corporation	6,410,112,055	-
CEH Information Services Company Limited	120,000,000	120,000,000
<b>Total – Refer to Note 5.1</b>	<b>6,530,112,055</b>	<b>120,000,000</b>
	<b>Current year VND</b>	<b>Previous year VND</b>
Purchase of goods and services:		
QI Technologies Corporation	459,433,297	-

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****8. RELATED PARTIES (CONTINUED)**

Account receivables from related parties were unsecured and will be paid by cash. No provision for doubtful debts was recognised for the account receivables from related parties.

The price of goods and services provided to related parties is the agreed price. The purchase of goods and services from related parties is performed under the agreed price.

Borrowings from related parties had an interest rate of 0% per year to 8.2% per year. These borrowings were not guaranteed and had specific repayment schedule.

Remunerations of the Board of Directors (BOD), management and key management personnel are as follows:

<b>Name</b>	<b>Position</b>	<b>Current year VND</b>	<b>Previous year VND</b>
Mr Tran Anh Tuan	Chairperson	1,109,000,000	1,114,000,000
Mr Tran Tuyen Duc	Vice chairperson	893,000,000	898,000,000
Mr Hoang Hai Thinh	Vice chairperson	676,030,000	679,880,000
Mr Nguyen Viet Thang	Member of BOD	185,000,000	600,984,545
Mr Nguyen Duc Quang	Member of BOD	485,000,000	490,000,000
Mr Do Van Hao	Member of BOD	545,000,000	697,678,800
Mr Le Hong Phong	Member of BOD and General Director	1,118,599,143	1,043,256,000
Mr Nguyen Xuan Truong	Vice General Director	580,042,784	447,801,686
Mr Le Quoc Khanh	Vice General Director (Appointed wef 21 February 2022)	477,433,513	-
Mr Nguyen Hong Minh	Vice General Director (Resigned wef 29 January 2021)	-	13,813,910
<b>Total</b>		<b><u>6,069,105,440</u></b>	<b><u>5,985,414,941</u></b>

**9. REMUNERATION OF THE SUPERVISORY COMMITTEE**

	<b>Current year VND</b>	<b>Previous year VND</b>
Remuneration	231,778,400	255,696,109

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****10. OBLIGATIONS UNDER FINANCE LEASES**

The Group holds one piece of specialised machinery with an estimated useful life of from 2 to 3 years under a finance lease contract with term of 2 to 3 years. The amount of minimum finance lease payments in the future are detailed as follows:

Term	As at 31 Mar. 2022 VND	As at 01 Apr. 2021 VND
Within one year	8,126,863,468	6,907,453,207
Later than one year but within five years	4,422,670,582	3,232,630,022
<b>Total</b>	<b>12,549,534,050</b>	<b>10,140,083,229</b>

**11. COMPARATIVE FIGURES**

The following comparative figures have been restated:

Consolidated statement of financial position (excerpted):

	As at 01 Apr. 2021 VND (Reclassified)	As at 01 Apr. 2021 VND (As previously reported)
Current trade receivables	356,450,825,005	375,605,830,470
Non-current trade receivables	19,155,005,465	-

The re-statement of the above comparative figures was caused by appropriate reclassification on the current year consolidated financial statements related to trade receivables from Board of Construction Investment Project Management – Headquarter of Ministry of Foreign Affairs.

**12. EVENTS AFTER THE END OF THE REPORTING YEAR**

As at 16 June 2022, the Group has signed the minutes of agreement on the transfer of all shares owned in its subsidiary – SaoBacDau Telecom Service Joint Stock Company to a third party with a total price of VND 46,672,538,195.

Apart from event disclosed above, no other matter or circumstance has arisen since 31 March 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.



**Le Hong Phong**  
General Director

Ho Chi Minh City, 29 June 2022

**Ngo Le Viet Anh**  
Chief Accountant

**Khuu Kim Hue**  
Preparer