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# **Bolttech Device Protection Vietnam Joint Stock Company**

Financial statements

For the year ended 31 December 2021



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# Bolttech Device Protection Vietnam Joint Stock Company

## GENERAL INFORMATION

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### THE COMPANY

Bolttech Device Protection Vietnam Joint Stock Company ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Investment Certificate No. 5437040765 issued by the Department of Planning and Investment of Ho Chi Minh City on 31 May 2019 and the Enterprise Registration Certificate No. 0315723588 issued by the Department of Planning and Investment of Ho Chi Minh City dated 6 June 2019, and as amended.

The registered activities of the Company are to provide service of repairing communication equipment, management consultancy and insurance broker service.

The Company's registered office is located at 5th Floor, TS Building, 17 No. 2 Street, Do Thanh Residence, Ward 4, District 3, Ho Chi Minh City, Vietnam.

### BOARD OF DIRECTOR

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

Mr Mark Richard Simmons	Chairman
Mr Julian Martin Wong	Member

### GENERAL DIRECTOR

The General Director during the year and at the date of this report is Mr Mark Richard Simmons.

### LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Mark Richard Simmons.

### AUDITORS

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

# Bolttech Device Protection Vietnam Joint Stock Company

## REPORT OF GENERAL DIRECTOR

The General Director of Bolttech Device Protection Vietnam Joint Stock Company ("the Company") is pleased to present this report and the financial statements of the Company for the year ended 31 December 2021.

### THE GENERAL DIRECTOR'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The General Director of the Company is responsible for the financial statements of each financial year which give a true and fair view of the financial position of the Company and of the results of its operations and its cash flows for the year. In preparing those financial statements, the General Director is required to:

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

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

The General Director confirmed that it has complied with the above requirements in preparing the accompanying financial statements.

### STATEMENT BY THE GENERAL DIRECTOR

I, the General Director of the Company, do hereby state that, in my opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021 and of the results of its operations and its cash flows for the year ended 31 December 2021 in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the financial statements.



Mark Richard Simmons  
General Director

Ho Chi Minh City, Vietnam

28 March 2022



Building a better  
working world

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Reference: 61573116/22661558

## INDEPENDENT AUDITORS' REPORT

**To: The shareholders of Bolttech Device Protection Vietnam Joint Stock Company**

We have audited the accompanying financial statements of Bolttech Device Protection Vietnam Joint Stock Company ("the Company") as prepared on 28 March 2022 and set out on pages 5 to 23, which comprise the balance sheet as at 31 December 2021, and the income statement and the cash flow statement for the year ended 31 December 2021 and the notes thereto.

### *The General Director's responsibility*

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

### *Auditor's responsibility*

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 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 auditors' 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 Company's preparation 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's General Director, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Company as at 31 December 2021, and of the results of its operations and its cash flows for the year ended 31 December 2021 in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements.



**Ernst & Young Vietnam Limited**

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Ernest Yoong Chin Kang  
Deputy General Director  
Audit Practicing Registration Certificate  
No. 1891-2018-004-1



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Nguyen Phan Anh Quoc  
Auditor  
Audit Practicing Registration Certificate  
No. 2759-2020-004-1

Ho Chi Minh City, Vietnam

28 March 2022



BALANCE SHEET  
as at 31 December 2021

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>42,104,526,115</b>	<b>49,720,382,213</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>4</b>	<b>5,729,205,311</b>	<b>11,119,245,654</b>
111	1. Cash		3,729,205,311	1,119,245,654
112	2. Cash equivalents		2,000,000,000	10,000,000,000
<b>120</b>	<b>II. Short-term investment</b>	<b>5</b>	<b>2,650,000,000</b>	<b>-</b>
123	1. Held-to-maturity investments		2,650,000,000	-
<b>130</b>	<b>III. Current accounts receivable</b>		<b>31,379,067,526</b>	<b>38,027,382,322</b>
131	1. Short-term trade receivables	6	30,679,151,717	36,408,238,379
132	2. Short-term advance to supplier	7	196,045,114	1,319,057,925
136	3. Other short-term receivables	8	503,870,695	300,086,018
<b>140</b>	<b>IV. Inventories</b>		<b>156,040,000</b>	<b>216,217,273</b>
141	1. Inventories		156,040,000	216,217,273
<b>150</b>	<b>V. Other current assets</b>		<b>2,190,213,278</b>	<b>357,536,964</b>
151	1. Short-term prepaid expenses	9	32,190,895	357,536,964
152	2. Value-added tax deductible	14	2,158,022,383	-
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>10,920,819,767</b>	<b>5,141,579,051</b>
<b>220</b>	<b>I. Fixed asset</b>		<b>361,172,630</b>	<b>2,216,262,655</b>
221	1. Tangible fixed assets	10	238,926,953	188,707,138
222	Cost		572,428,151	399,615,116
223	Accumulated depreciation		(333,501,198)	(210,907,978)
227	2. Intangible fixed assets	11	122,245,677	2,027,555,517
228	Cost		3,981,598,142	3,981,598,142
229	Accumulated amortisation		(3,859,352,465)	(1,954,042,625)
<b>240</b>	<b>II. Long-term assets in progress</b>		<b>2,604,573,811</b>	<b>1,813,500,103</b>
242	1. Construction in progress	12	2,604,573,811	1,813,500,103
<b>260</b>	<b>III. Other long-term assets</b>		<b>7,955,073,326</b>	<b>1,111,816,293</b>
261	1. Long-term prepaid expenses	9	1,729,689,255	132,000,000
262	2. Deferred tax assets	25.3	6,225,384,071	979,816,293
<b>270</b>	<b>TOTAL ASSETS</b>		<b>53,025,345,882</b>	<b>54,861,961,264</b>

BALANCE SHEET (continued)  
as at 31 December 2021

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>76,431,943,015</b>	<b>56,361,441,197</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>76,431,943,015</b>	<b>54,796,345,158</b>
311	1. Short-term trade payables	13	4,954,757,553	955,620,469
313	2. Statutory obligations	14	217,694,520	1,382,937,864
315	3. Short-term accrued expenses	15	15,574,409,856	10,673,046,068
318	4. Short-term unearned revenue	16	3,668,140,763	3,572,161,062
319	5. Other short-term payables	17	52,016,940,323	37,690,903,334
320	6. Short-term loan		-	521,676,361
<b>330</b>	<b>II. Non-current liability</b>		<b>-</b>	<b>1,565,096,039</b>
338	1. Long-term loan		-	1,565,096,039
<b>400</b>	<b>D. OWNER'S EQUITY</b>		<b>(23,406,597,133)</b>	<b>(1,499,479,933)</b>
<b>410</b>	<b>I. Capital</b>	<b>18</b>	<b>(23,406,597,133)</b>	<b>(1,499,479,933)</b>
411	1. Share capital		235,000,000	235,000,000
411a	- Shares with voting rights		235,000,000	235,000,000
412	2. Share premium		(90,311)	(90,311)
421	3. Accumulated losses		(23,641,506,822)	(1,734,389,622)
421a	- Accumulated losses up to prior year end		(1,734,389,622)	(4,113,219,427)
421b	- (Losses) undistributed earnings of current year		(21,907,117,200)	2,378,829,805
<b>440</b>	<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>		<b>53,025,345,882</b>	<b>54,861,961,264</b>



Nguyen Tuong Huy  
Preparer/Chief Accountant




Mark Richard Simmons  
General Director

28 March 2022



INCOME STATEMENT  
for the year ended 31 December 2021

VND

Code	ITEMS	Notes	Current year	Previous year
10	1. Net revenue from rendering of services	19.1	64,430,509,071	54,976,682,402
11	2. Cost of services rendered	20	(59,302,773,981)	(23,015,883,000)
20	3. Gross profit from rendering of services		5,127,735,090	31,960,799,402
21	4. Finance income	19.2	1,145,304,307	255,060,999
22	5. Finance expenses	21	(24,171,884)	(52,484,812)
23	In which: Interest expenses		(24,171,884)	(52,161,738)
25	6. Selling expenses	22	(3,886,132,389)	(2,117,929,789)
26	7. General and administrative expenses	22	(29,721,385,466)	(27,872,350,483)
30	8. Operating profit (loss)		(27,358,650,342)	2,173,095,317
31	9. Other income	24	698,005,818	663,659,060
32	10. Other expenses	24	-	(45,154,951)
40	11. Other profit		698,005,818	618,504,109
50	12. Accounting (loss) profit before tax		(26,660,644,524)	2,791,599,426
51	13. Current corporate income tax expense	25.1	(492,040,454)	(567,212,952)
52	14. Deferred tax income	25.3	5,245,567,778	154,443,331
60	15. Net loss (profit) after tax		(21,907,117,200)	2,378,829,805

  
 Nguyen Tuong Huy  
 Preparer/Chief Accountant



  
 Mark Richard Simmons  
 General Director

28 March 2022

CASH FLOW STATEMENT  
for the year ended 31 December 2021

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	Accounting (loss) profit before tax		(26,660,644,524)	2,791,599,426
	Adjustments for:			
02	Depreciation and amortisation of assets	10,11	2,027,903,060	2,019,632,212
04	Foreign exchange loss (gain) arising from revaluation of monetary accounts denominated in foreign currency		347,049,470	(78,183,177)
05	Profit from investing activities		(345,556,366)	(99,748,672)
06	Interest expense	21	(24,171,884)	(52,161,738)
08	Operating (loss) profit before changes in working capital		(24,655,420,244)	4,581,138,051
09	Decrease (increase) in receivables		4,735,593,878	(32,283,970,193)
10	Decrease (increase) in inventories		60,177,273	(216,217,273)
11	Increase in payables		21,834,367,972	36,931,988,654
12	Decrease in prepaid expenses		(1,272,343,186)	(443,854,400)
15	Corporate income tax paid		(737,341,919)	-
20	Net cash flows (used in) from operating activities		(34,966,226)	8,569,084,839
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets		(963,886,743)	1,656,571,813
23	Payments for bank term deposits		(2,650,000,000)	-
27	Interest received		345,556,366	99,748,672
30	Net cash flows (used in) from investing activities		(3,268,330,377)	1,756,320,485
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
34	Repayment of borrowings		(2,086,772,400)	-
40	Net cash flows from financing activities		(2,086,772,400)	-
50	Net increase (decrease) in cash		(5,390,069,003)	10,325,405,324
60	Cash and cash equivalent at beginning of year		11,119,245,654	804,219,011
61	Impact of exchange rate fluctuation		28,660	(10,378,681)
70	Cash and cash equivalent at end of year	4	5,729,205,311	11,119,245,654

Nguyen Tuong Huy  
Preparer/Chief Accountant

28 March 2022

CONG TY  
CỔ PHẦN  
BOLTECH DEVICE  
PROTECTION  
VIỆT NAM  
THÀNH PHỐ HỒ CHÍ MINH

Mark Richard Simmons  
General Director



## NOTES TO THE FINANCIAL STATEMENTS

as at 31 December 2021 and for the year then ended

**1. CORPORATE INFORMATION**

Bolttech Device Protection Vietnam Joint Stock Company ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Investment Certificate No. 5437040765 issued by the Department of Planning and Investment of Ho Chi Minh City on 31 May 2019 and the Enterprise Registration Certificate No. 0315723588 issued by the Department of Planning and Investment of Ho Chi Minh City dated 6 June 2019, and as amended.

The registered activities of the Company are to provide service of repairing communication equipment, management consultancy and insurance broker service.

The Company's registered office is located at 5th Floor, TS Building, 17 No. 2 Street, Do Thanh Residence, Ward 4, District 3, Ho Chi Minh City, Vietnam.

The number of the Company's employees as at 31 December 2021 was 32 (31 December 2020: 35).

**2. BASIS OF PREPARATION****2.1 *Applied accounting standards and system***

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

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

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

**2.2 *Applied accounting documentation system***

The Company's applied accounting documentation system is the General Journal system.

**2.3 *Fiscal year***

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

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**2. BASIS OF PREPARATION (continued)**

**2.4 Accounting currency**

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

**2.5 Going concern assumption**

The financial statements have been prepared on the assumption that the Company will continue as a going concern. As shown in the financial statements, the Company incurred a net loss of VND 21,907,117,200 for the year ended 31 December 2021 and as at that date, the Company's accumulated losses was VND 23,641,506,822. In addition, as at 31 December 2021, the Company's total liabilities and current liabilities exceeded its total assets and current assets by VND 23,406,597,133 and VND 34,327,416,900, respectively.

However, Bolttech Device Protection Singapore Pte. Ltd, its parent company, has confirmed its willingness and ability to providing ongoing financial support for the Company to meet its liabilities as and when they fall due, and to continue operations in the following year.

Accordingly, the financial statements do not include any adjustments that may be necessary if the Company is unable to continue as a going concern.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Cash and cash equivalent**

Cash and cash equivalents comprise cash in banks, and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

**3.2 Receivables**

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

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

**3.3 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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



NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.4 Intangible assets**

Intangible assets are stated at cost less accumulated amortisation.

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

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

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

**3.5 Depreciation**

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

Office equipment	3 years
Computer software	3 years

**3.6 Construction in progress**

Construction in progress represents tangible fixed assets under construction and is stated at cost. This includes construction cost of plant, installation of equipment and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and put into operation.

**3.7 Prepaid expenses**

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

**3.8 Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and are recorded as expense during the year.

**3.9 Payables and accruals**

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

**3.10 Foreign currency transactions**

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

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

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

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

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



NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.11 Revenue recognition**

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

*Rendering of services*

Revenues are recognised upon completion of the services provided.

Unearned revenues for devices technical support are deferred and recognised according to the term period of insurance contracts which usually have the period of 12 months.

*Interest income*

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

**3.12 Taxation**

*Current income tax*

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

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

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

*Deferred income tax*

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.12 Taxation (continued)**

*Deferred income tax (continued)*

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

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

**3.13 Related parties**

Parties are considered to be related parties of the group if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the group and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of the family of any such individual.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**4. CASH AND CASH EQUIVALENTS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	10,022,000	25,800,000
Cash in bank	3,719,183,311	1,093,445,654
Time deposits at banks (*)	2,000,000,000	10,000,000,000
<b>TOTAL</b>	<b>5,729,205,311</b>	<b>11,119,245,654</b>

(\*) Time deposits at banks represent VND-denominated deposit at Joint Stock Commercial Bank for Foreign Trade of Vietnam with maturity of less than three months and earn interest at the rate of 2.9% p.a.

**5. HELD-TO-MATURITY INVESTMENTS**

Held-to-maturity investments represent bank deposits with the principal maturity from three months to twelve months and earning interest at the rates ranging from 4.7% per annum.

**6. SHORT-TERM TRADE RECEIVABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Global Insurance Corporation	16,615,384,605	22,060,730,506
Samsung Electronics Vietnam Thai Nguyen Company Limited	7,790,836,373	-
Samsung Vina Electronics Company Limited	5,861,418,321	14,347,507,873
Others	411,512,418	-
<b>TOTAL</b>	<b>30,679,151,717</b>	<b>36,408,238,379</b>

**7. ADVANCE TO SUPPLIERS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
FPT Digital Retail Joint Stock Company	94,186,400	1,161,000,000
Skyoffice Real Estate Service Company Limited	58,446,000	-
Others	43,412,714	158,057,925
<b>TOTAL</b>	<b>196,045,114</b>	<b>1,319,057,925</b>

**8. OTHER SHORT-TERM RECEIVABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Deposit	288,664,200	237,664,200
Interest Deposit	158,804,655	18,527,778
Others	56,401,840	43,894,040
<b>TOTAL</b>	<b>503,870,695</b>	<b>300,086,018</b>



NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

9. PREPAID EXPENSES

	VND	
	Ending balance	Beginning balance
<b>Short-term</b>	<b>32,190,895</b>	<b>357,536,964</b>
Tools and suppliers	32,190,895	357,536,964
<b>Long-term</b>	<b>1,729,689,255</b>	<b>132,000,000</b>
API software cost	1,520,441,923	-
Internet system	209,247,332	132,000,000
<b>TOTAL</b>	<b><u>1,761,880,150</u></b>	<b><u>489,536,964</u></b>

10. TANGIBLE FIXED ASSETS

	VND
	Office equipment
<b>Cost</b>	
Beginning balance	399,615,116
New purchase	185,136,438
Reclassification	(12,323,403)
Ending balance	<u>572,428,151</u>
<b>Accumulated depreciation</b>	
Beginning balance	(210,907,978)
Depreciation for the year	(122,593,220)
Ending balance	<u>(333,501,198)</u>
<b>Net carrying amount</b>	
Beginning balance	<u>188,707,138</u>
Ending balance	<u><u>238,926,953</u></u>

11. INTANGIBLE FIXED ASSETS

	VND
	Computer software
<b>Cost</b>	
Beginning balance and ending balance	<u>3,981,598,142</u>
<b>Accumulated amortization</b>	
Beginning balance	(1,954,042,625)
Amortization for the year	(1,905,309,840)
Ending balance	<u>(3,859,352,465)</u>
<b>Net carrying amount</b>	
Beginning balance	<u>2,027,555,517</u>
Ending balance	<u><u>122,245,677</u></u>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**12. CONSTRUCTION IN PROGRESS**

	VND	
	Ending balance	Beginning balance
Customer relationship management system	<u>2,604,573,811</u>	<u>1,813,500,103</u>

**13. SHORT-TERM TRADE PAYABLES**

	VND	
	Ending balance	Beginning balance
Samsung Vina Insurance Company Limited	3,621,067,956	-
Global Insurance Corporation	570,674,176	891,880,882
SoftwareOne Hong Kong Limited	257,835,600	-
Others	<u>505,179,821</u>	<u>63,739,587</u>
<b>TOTAL</b>	<b><u>4,954,757,553</u></b>	<b><u>955,620,469</u></b>

**14. STATUTORY OBLIGATIONS**

	VND			
	Beginning balance	Increase	Decrease	Ending balance
<b>Receivables</b>				
Value-added tax	<u>-</u>	<u>2,158,022,383</u>	<u>-</u>	<u>2,158,022,383</u>
<b>Payables</b>				
Personal income tax	321,339,059	1,263,302,926	(1,366,947,465)	217,694,520
Corporate income tax	567,212,952	170,128,967	(737,341,919)	-
Value-added tax	<u>494,385,853</u>	<u>47,116,571</u>	<u>(541,502,424)</u>	<u>-</u>
<b>TOTAL</b>	<b><u>1,382,937,864</u></b>	<b><u>1,480,548,464</u></b>	<b><u>(2,645,791,808)</u></b>	<b><u>217,694,520</u></b>

**15. SHORT-TERM ACCRUED EXPENSES**

	VND	
	Ending balance	Beginning balance
Insurance premium cost	8,349,766,249	6,993,604,859
Bonus for employees	3,015,990,929	1,168,622,117
External service expense	2,967,524,022	1,386,162,253
Foreign contract tax	1,101,091,656	836,660,184
Others	<u>140,037,000</u>	<u>287,996,655</u>
<b>TOTAL</b>	<b><u>15,574,409,856</u></b>	<b><u>10,673,046,068</u></b>



NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**16. SHORT-TERM UNEARNED REVENUE**

The ending amount represented deferred revenue for devices technical support devices service to customers according to the term of service contracts which usually have the period of 12 months.

**17. OTHER SHORT-TERM PAYABLE**

	VND	
	Ending balance	Beginning balance
Payable to related parties (Note 26)	51,073,180,708	37,621,542,260
Expanded withholding tax	826,413,767	2,975,775
Social insurance, health insurance, unemployment insurance	117,345,848	66,385,299
<b>TOTAL</b>	<b>52,016,940,323</b>	<b>37,690,903,334</b>

**18. OWNERS' EQUITY**

**18.1 Movement in owners' equity**

	VND			
	Contributed share capital	Share premium	Accumulated losses	Total
<b>Previous year</b>				
Beginning balance	235,000,000	(90,311)	(4,113,219,427)	(3,878,309,738)
Net profit for the year	-	-	2,378,829,805	2,378,829,805
Ending balance	235,000,000	(90,311)	(1,734,389,622)	(1,499,479,933)
<b>Current year</b>				
Beginning balance	235,000,000	(90,311)	(1,734,389,622)	(1,499,479,933)
Net loss for the year	-	-	(21,907,117,200)	(21,907,117,200)
Ending balance	235,000,000	(90,311)	(23,641,506,822)	(23,406,597,133)

**18.2 Contributed charter capital**

	As per Investment Certificate			Contributed share capital
	Share capital	% of ownership		
	VND	Equivalent to USD		
Bolttech Device Protection Singapore PTE.LTD	233,000,000	10,063	99.14	232,889,467
Bolttech Device Protection Malaysia SDN.BHD	1,000,000	43	0.43	1,010,111
Bolttech Device Protection Philippines INC.	1,000,000	43	0.43	1,010,111
<b>TOTAL</b>	<b>235,000,000</b>	<b>10,149</b>	<b>100</b>	<b>234,909,689</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**18. OWNERS' EQUITY (continued)**

**18.3 Shares**

	<i>As at 31 December 2021</i>	
	<i>Quantity</i>	<i>Amount VND</i>
Shares authorised to be issued	23,500	235,000,000
Shares issued and fully paid	23,500	235,000,000
<i>Ordinary shares</i>	23,500	235,000,000
Shares in circulation	23,500	235,000,000
<i>Ordinary shares</i>	23,500	235,000,000

The par value of the Company's shares is VND 10,000 per share.

**19. REVENUE**

**19.1. Revenue from rendering of services**

	<i>VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Rendering of services	<u>64,430,509,071</u>	<u>54,976,682,402</u>

**19.2. Financial income**

	<i>VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Foreign exchange gains	799,747,941	155,312,327
Interest income	<u>345,556,366</u>	<u>99,748,672</u>
<b>TOTAL</b>	<b><u>1,145,304,307</u></b>	<b><u>255,060,999</u></b>

**20. COST OF SERVICES RENDERED**

	<i>VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Insurance premium cost	43,300,676,733	8,704,616,434
Labour costs	6,463,970,783	4,374,752,133
Regional Technical support from HQ	4,484,007,838	4,431,262,743
Provision for technical support	2,833,268,302	1,587,270,083
External services	985,630,261	424,396,217
Subscriptions	804,839,734	879,829,442
Telephone & Internet	145,432,200	588,209,014
System maintenance	-	1,992,839,540
Others	<u>284,948,130</u>	<u>32,707,394</u>
<b>TOTAL</b>	<b><u>59,302,773,981</u></b>	<b><u>23,015,883,000</u></b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**21. FINANCE EXPENSES**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Loan Interest	24,171,884	52,161,738
Foreign exchange losses	-	323,074
<b>TOTAL</b>	<b>24,171,884</b>	<b>52,484,812</b>

**22. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

	VND	
	<i>Current year</i>	<i>Previous year</i>
<b>Selling expenses</b>	<b>3,886,132,389</b>	<b>2,117,929,789</b>
Labour costs	3,528,359,374	1,754,396,207
Expenses for external services	317,290,025	339,689,089
Others	40,482,990	23,844,493
<b>General and administrative expenses</b>	<b>29,721,385,466</b>	<b>27,872,350,483</b>
Regional Management fee	13,989,910,365	15,930,775,219
Labour costs	5,476,826,393	5,764,731,219
Professional fees	2,886,185,759	1,006,289,139
Depreciation and amortisation (Notes 10, 11)	2,027,903,060	2,019,632,212
FCT expense	1,658,216,304	963,751,064
IT & Related Maintenance	1,659,880,705	-
Office & sever rental	1,582,231,342	1,242,765,967
Travel expenses	161,571,874	434,800,014
Others	278,659,664	509,605,649
<b>TOTAL</b>	<b>33,607,517,855</b>	<b>29,990,280,272</b>

**23. OPERATING COSTS**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Insurance premium cost	43,300,676,733	8,704,616,434
Labour costs	15,469,156,551	11,893,879,559
Regional Management fee	13,989,910,365	15,930,775,219
Expenses for external services	8,541,397,499	7,872,569,486
Regional Technical support from HQ	4,484,007,838	4,431,262,743
Depreciation and amortisation (Notes 10, 11)	2,027,903,060	2,019,632,211
IT & Related Maintenance	1,659,880,705	-
Other expenses	3,437,359,085	2,153,427,620
<b>TOTAL</b>	<b>92,910,291,836</b>	<b>53,006,163,272</b>



NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**24. OTHER INCOME AND OTHER EXPENSES**

	VND	
	<i>Current year</i>	<i>Previous year</i>
<b>Other income</b>	<b>698,005,818</b>	<b>663,659,060</b>
Gain from disposal asset	228,780,909	663,659,060
Repairing service	469,224,909	-
<b>Other expenses</b>	<b>-</b>	<b>(45,154,951)</b>
Others	-	(45,154,951)
<b>NET</b>	<b>698,005,818</b>	<b>618,504,109</b>

**25. CORPORATE INCOME TAX**

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

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

**25.1 CIT expense**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Current CIT expenses	-	567,212,952
Adjustment for under accrual of tax from prior years	492,040,454	-
Deferred tax income	(5,245,567,778)	(154,443,331)
<b>TOTAL</b>	<b>(4,753,527,324)</b>	<b>412,769,621</b>

Reconciliation between CIT expense and the accounting (loss) profit multiplied by CIT rate is presented below:

	VND	
	<i>Current year</i>	<i>Previous year</i>
<b>Accounting (loss) profit before tax</b>	<b>(26,660,644,524)</b>	<b>2,791,599,426</b>
At CIT rate of 20% applicable to the Company	(5,332,128,905)	558,319,885
<i>Adjustments to:</i>		
Adjustment for under accrual of tax from prior year	492,040,454	-
Non-deductible expenses	86,561,127	97,541,002
Tax incentive related to Decision No. 116/202/QH14	-	(243,091,266)
<b>CIT expenses</b>	<b>(4,753,527,324)</b>	<b>412,769,621</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**25. CORPORATE INCOME TAX (continued)**

**25.2 Current tax**

The current tax payable is based on taxable profit for the year. Taxable income differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted at the balance sheet date.

**25.3 Deferred tax**

The following are the deferred tax asset recognised by the Company, and the movements thereon, during the current year and previous year:

	<i>Balance sheet</i>		<i>Income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Accrued expense	1,666,746,041	1,505,455,790	161,290,251	1,505,455,790
Foreign exchange loss	(5,732)	2,075,736	(2,081,468)	1,693,173
Revenue not yet billing	(514,915,381)	(527,715,233)	12,799,852	(527,715,233)
Tax losses	5,073,559,143	-	5,073,559,143	(824,990,399)
<b>Deferred tax asset</b>	<b>6,225,384,071</b>	<b>979,816,293</b>		
<b>Deferred tax income</b>			<b>5,245,567,778</b>	<b>154,443,331</b>

**26. TRANSACTIONS WITH RELATED PARTIES**

Significant transactions with related parties during the year and previous year were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Current year</i>	<i>Previous year</i>
Bolttech Device Protection Singapore PTE.LTD	Parent Company	Payment on behalf	453,860,716	-
Bolttech Device Protection Malaysia SDN.BHD	Affiliate	Management fee	18,220,566,558	22,841,828,077
		Payment on behalf	1,967,002,183	6,138,193,437
Bolttech Management Limited	Affiliate	IT development fee	910,800,000	-



NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**26. TRANSACTIONS WITH RELATED PARTIES (continued)**

At the balance sheet date, amounts due to related parties at the balance sheet dates were as follows:

				VND	
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>	
<b><i>Other short-term payables</i></b>					
Bolttech Device Protection Malaysia SDN.BHD	Affiliate	Management fee	36,357,415,062	26,295,781,823	
		Payment on behalf	11,420,680,283	9,453,678,100	
Bolttech Device Protection Singapore PTE.LTD	Parent Company	Payment on behalf	2,322,932,547	1,807,405,953	
Bolttech Management Limited	Affiliate	IT development fee	910,800,000	-	
Bolttech Device Protection Philippines INC.	Affiliate	Payment on behalf	61,352,816	64,676,384	
			<u>51,073,180,708</u>	<u>37,621,542,260</u>	
<b><i>Short-term accrual</i></b>					
Bolttech Device Protection Singapore PTE.LTD	Parent Company	Loan Interest	-	52,161,738	
<b><i>Long-term loan</i></b>					
Bolttech Device Protection Singapore PTE.LTD	Parent Company	Loan	-	2,086,772,400	

**27. LEASE COMMITMENTS**

The Company leases office premises under operating lease arrangements. The minimum lease commitments as at the balance sheet date under the operating lease agreements is as follows:

			VND	
	<i>Ending balance</i>	<i>Beginning balance</i>		
Less than 1 year	<u>490,939,377</u>	<u>591,548,320</u>		


NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**28. COVID-19 PANDEMIC**

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

**29. EVENTS AFTER THE BALANCE SHEET DATE**

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosure to be made in the financial statements of the Company.

  
\_\_\_\_\_  
Nguyen Tuong Huy  
Preparer/Chief Accountant  
\_\_\_\_\_  
Mark Richard Simmons  
General Director

28 March 2022