

# CMC Corporation

Separate financial statements

For the year ended 31 March 2022



# CMC Corporation

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# CMC Corporation

## GENERAL INFORMATION

### THE COMPANY

CMC Corporation ("the Company") is a joint stock company incorporated in pursuant to the Business Registration Certificate No. 0100244112 issued by the Department of Planning and Investment of Hanoi on 7 February 2007 and subsequent amended Enterprise Registration Certificates, with the 15<sup>th</sup> amendment being granted on 10 March 2022 as the latest.

The current principal activities during the year of the Company are:

- ▶ Provision of information technology services and other services relating to computers;
- ▶ Producing software and providing services and solutions relating to software and content;
- ▶ Manufacturing, trading, repairing machineries and electronic equipment, communications and information technology ("IT");
- ▶ Trading of real estate and land use rights and provision of leasing services;
- ▶ Provision of telecommunication services; and
- ▶ Other activities as registered in the Enterprise Registration Certificate.

The Company's head office is located at CMC Tower, No. 11 Duy Tan street, Dich Vong Hau ward, Cau Giay district, Hanoi city, Vietnam and its branch located at 9<sup>th</sup> floor, TNA building, No. 111 – 112 Ngo Gia Tu street, district 10, Ho Chi Minh city, Vietnam.

### BOARD OF DIRECTORS

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

Mr. Nguyen Trung Chinh	Chairman	
Mr. Nguyen Phuoc Hai	Member	
Mr. Nguyen Minh Duc	Member	
Mr. Truong Tuan Lam	Member	
Mr. Nguyen Danh Lam	Member	
Mr. Le Viet Ha	Member	
Mr. Ha The Vinh	Member	
Mr. Kim Jung Wuk	Member	
Mr. Lee Jay Seok	Member	Appointed on 21 July 2021
Mr. Jeong Sam Yong	Member	Resigned on 21 July 2021

### BOARD OF SUPERVISION

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

Ms. Vu Thi Phuong Thanh	Head of Board of Supervision	Appointed on 23 June 2022
Mr. Nguyen Thanh Nam	Member	
Ms. Nguyen Thi Hong Nhung	Member	Appointed on 21 July 2021
Mr. Truong Thanh Phuc	Member	Resigned on 21 July 2021

# CMC Corporation

## GENERAL INFORMATION (continued)

### MANAGEMENT

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

Mr. Nguyen Trung Chinh	Executive President of the Group (*)	
Mr. Ho Thanh Tung	Chief Executive Officer	Appointed on 7 July 2021
	Senior Executive Vice President of the Group – Chief Operational Officer of the Company	Up to 6 July 2021
Mr. Hoang Ngoc Hung	Executive Vice President of the Group	Resigned on 1 June 2021
Mr. Ngo Trong Hieu	Executive Vice President of the Group	
Mr. Nguyen Phuoc Hai	Senior Vice President of the Group – Chief Managing Officer	
Mr. Le Thanh Son	Senior Vice President of the Group – Chief Financial Officer	
Mr. Luong Tuan Thanh	Senior Vice President of the Group – Chief Technology Officer	Resigned on 30 August 2021

(\*) The Group represents CMC Corporation and its subsidiaries.

### LEGAL REPRESENTATIVE

The legal representatives of the Company during the year and at the date of this report are Mr. Nguyen Trung Chinh, Chairman cum Executive President of the Group and Mr. Ho Thanh Tung, Chief Executive Officer (officially became legal representative since 7 July 2021).

### AUDITOR

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



# CMC Corporation

## REPORT OF MANAGEMENT

Management of CMC Corporation (“the Company”) is pleased to present this report and the separate financial statements of the Company for the year ended 31 March 2022.

### MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

Management is responsible for the separate financial statements of each financial year which give a true and fair view of the separate financial position of the Company, the separate results of its operations and its separate cash flows for the year. In preparing these separate 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 standards have been followed, subject to any material departures disclosed and explained in the separate financial statements; and
- ▶ prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate 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.

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

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 March 2022, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the separate financial statements.

The Company has subsidiaries as disclosed in the separate financial statements. The Company has prepared these separate financial statements in order to meet the prevailing requirements in relation to disclosure of information, specifically Circular 96/2020/TT-BTC on disclosure of information on the securities market. According to this Circular, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries for the year ended 31 March 2022 dated 29 June 2022.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Company and its subsidiaries.

For and on behalf of management:



Nguyen Trung Chinh  
Executive President of the Group

29 June 2022

Reference: 61376291/22756623

## **INDEPENDENT AUDITORS' REPORT**

**To: The Shareholders of CMC Corporation**

We have audited the accompanying separate financial statements of CMC Corporation ("the Company") as prepared on 29 June 2022 and set out on pages 6 to 46, which comprise the separate balance sheet as at 31 March 2022, the separate income statement and separate cash flow statement for the year then ended and the notes thereto.

### ***Management's responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate 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 separate 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 management, as well as evaluating the overall presentation of the separate 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 separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 March 2022, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the separate financial statements.

### **Ernst & Young Vietnam Limited**



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Trịnh Xuân Hoa  
Deputy General Director  
Audit Practising Registration  
Certificate No.0754-2018-004-1



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Nguyen Thu Hang  
Auditor  
Audit Practising Registration  
Certificate No. 3342-2021-004-1

Hanoi, Viet Nam

29 June 2022



SEPARATE BALANCE SHEET  
as at 31 March 2022

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>803,195,713,259</b>	<b>883,724,584,516</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>4</b>	<b>61,433,669,139</b>	<b>33,004,954,360</b>
111	1. Cash		25,262,521,049	3,004,954,360
112	2. Cash equivalents		36,171,148,090	30,000,000,000
<b>120</b>	<b>II. Short-term investments</b>	<b>5</b>	<b>429,513,076,626</b>	<b>630,000,000,000</b>
123	1. Held-to-maturity investments		429,513,076,626	630,000,000,000
<b>130</b>	<b>III. Current accounts receivable</b>		<b>293,366,950,823</b>	<b>193,642,990,987</b>
131	1. Short-term trade receivables	6.1	14,477,630,597	17,105,603,434
132	2. Short-term advances to suppliers	6.2	17,094,533,591	17,490,263,927
135	3. Short-term loan receivables	7	32,776,000,000	61,976,000,000
136	4. Other short-term receivables	8	240,585,985,033	111,353,332,747
137	5. Provision for doubtful short-term receivables	6.3	(11,567,198,398)	(14,282,209,121)
<b>150</b>	<b>IV. Other current assets</b>		<b>18,882,016,671</b>	<b>27,076,639,169</b>
151	1. Short-term prepaid expenses		810,587,358	722,526,327
152	2. Value-added tax deductible	10	17,208,754,488	26,333,900,619
153	3. Tax and other receivables from the State	18	862,674,825	20,212,223
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>1,896,399,793,945</b>	<b>1,508,250,373,954</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>141,867,370,000</b>	<b>48,560,107,000</b>
211	1. Long-term trade receivables	6.1	136,867,370,000	-
216	2. Other long-term receivables	8	5,000,000,000	48,560,107,000
<b>220</b>	<b>II. Fixed assets</b>		<b>202,480,294,807</b>	<b>208,649,578,036</b>
221	1. Tangible fixed assets	11	197,216,273,280	206,369,266,185
222	Cost		379,834,799,535	379,250,188,716
223	Accumulated depreciation		(182,618,526,255)	(172,880,922,531)
227	2. Intangible fixed assets	12	5,264,021,527	2,280,311,851
228	Cost		26,115,153,204	22,443,303,204
229	Accumulated amortisation		(20,851,131,677)	(20,162,991,353)
<b>240</b>	<b>III. Long-term assets in progress</b>		<b>665,417,573,391</b>	<b>454,181,185,092</b>
242	1. Construction in progress	13	665,417,573,391	454,181,185,092
<b>250</b>	<b>IV. Long-term investments</b>	<b>15</b>	<b>878,522,958,534</b>	<b>787,734,669,974</b>
251	1. Investments in subsidiaries		930,527,522,316	745,440,014,767
252	2. Investments in associates		7,258,356,000	7,258,356,000
254	3. Provision for diminution in value of long-term investments		(59,262,919,782)	(30,598,827,801)
255	4. Held-to-maturity investment		-	65,635,127,008
<b>260</b>	<b>V. Other long-term assets</b>		<b>8,111,597,213</b>	<b>9,124,833,852</b>
261	1. Long-term prepaid expenses	16	8,111,597,213	9,124,833,852
<b>270</b>	<b>TOTAL ASSETS</b>		<b>2,699,595,507,204</b>	<b>2,391,974,958,470</b>

SEPARATE BALANCE SHEET (continued)  
as at 31 March 2022

Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>833,077,996,477</b>	<b>693,281,799,590</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>421,303,873,899</b>	<b>360,588,558,760</b>
311	1. Short-term trade payables	17	128,658,186,961	94,253,826,604
313	2. Statutory obligations	18	236,244,155	2,745,194,993
314	3. Payables to employees		2,401,761,239	5,887,701,835
315	4. Short-term accrued expenses	19	19,205,028,174	11,849,350,192
318	5. Short-term unearned revenue	20	5,498,699,705	6,857,774,409
319	6. Other short-term payables	21	63,158,893,136	10,944,204,199
320	7. Short-term loans	22	198,247,981,276	219,262,127,275
322	8. Bonus and welfare fund	23	3,897,079,253	8,788,379,253
<b>330</b>	<b>II. Non-current liabilities</b>		<b>411,774,122,578</b>	<b>332,693,240,830</b>
337	1. Other long-term liabilities	21	7,150,799,250	3,840,443,123
338	2. Long term loans	22	400,558,286,244	308,093,960,229
341	3. Deferred tax liabilities	32.2	1,415,262,605	1,473,258,945
343	4. Scientific and technological development fund	24	2,649,774,479	19,285,578,533
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>1,866,517,510,727</b>	<b>1,698,693,158,880</b>
<b>410</b>	<b>I. Capital</b>	<b>25</b>	<b>1,866,517,510,727</b>	<b>1,698,693,158,880</b>
411	1. Share capital		1,089,988,830,000	999,998,660,000
411a	- Shares with voting rights		1,089,988,830,000	999,998,660,000
412	2. Share premium		599,555,780,400	599,555,780,400
421	3. Undistributed earnings		176,972,900,327	99,138,718,480
421a	- Undistributed earnings by the end of prior year		9,148,548,480	7,834,444,288
421b	- Undistributed earnings of current year		167,824,351,847	91,304,274,192
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>2,699,595,507,204</b>	<b>2,391,974,958,470</b>

Chief Accountant  
Nguyen Hong Phuong

Chief Financial Officer  
Le Thanh Son



Executive President of the Group  
Nguyen Trung Chinh

29 June 2022



SEPARATE INCOME STATEMENT  
for the year ended 31 March 2022

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from rendering of services	27.1	129,948,082,972	137,818,291,502
02	2. Deductions	27.1	-	-
10	3. Net revenue from rendering of services [10 = 01 - 02]	27.1	129,948,082,972	137,818,291,502
11	4. Cost of services rendered	28	68,933,558,239	76,567,968,112
20	5. Gross profit from rendering of services [20 = 10 - 11]		61,014,524,733	61,250,323,390
21	6. Finance income	27.2	224,141,948,481	145,609,387,430
22	7. Finance expenses	29	48,707,692,615	18,364,858,440
23	<i>In which: Interest expenses</i>		19,841,961,706	16,019,820,563
25	8. Selling expenses		82,495,564	91,729,290
26	9. General and administrative expenses	30	69,307,126,771	76,079,577,862
30	10. Operating profit [30 = 20 + 21 - 22 - 25 - 26]		167,059,158,264	112,323,545,228
31	11. Other income		996,795,761	250,209,850
32	12. Other expenses		289,598,518	55,000,000
40	13. Other profit [40 = 31 - 32]		707,197,243	195,209,850
50	14. Accounting profit before tax [50 = 30 + 40]		167,766,355,507	112,518,755,078
51	15. Current corporate income tax expenses	32.1	-	2,571,601,784
52	16. Deferred tax income	32.3	(57,996,340)	(57,996,340)
60	17. Net profit after tax [60 = 50 - 51 - 52]		167,824,351,847	110,005,149,634

  
Chief Accountant  
Nguyen Hong Phuong

  
Chief Financial Officer  
Le Thanh Son

  
Executive President of the Group  
Nguyen Trung Chinh

29 June 2022

SEPARATE CASH FLOW STATEMENT  
for the year ended 31 March 2022

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>01</b>	<b>Profit before tax</b>		<b>167,766,355,507</b>	<b>112,518,755,078</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortisation of fixed assets	11,12	10,772,807,219	19,896,741,161
03	Provisions		25,949,081,258	5,056,367,485
04	Unrealised foreign exchange losses arising from revaluation of monetary accounts denominated in foreign currency		14,972,256	3,681,115
05	Profits from investing activities		(224,852,488,822)	(145,609,339,929)
06	Interest expenses	29	20,028,628,378	16,019,820,563
<b>08</b>	<b>Operating (losses)/profit before changes in working capital</b>		<b>(320,644,204)</b>	<b>7,886,025,473</b>
09	(Increase)/decrease in receivables		(48,006,832,682)	12,310,105,953
11	Increase/(decrease) in payables (other than interest, corporate income tax payables)		98,687,435,450	(17,692,709,119)
12	Decrease/(increase) in prepaid expenses		925,175,608	(674,732,789)
14	Interest paid		(17,234,930,265)	(16,887,874,819)
15	Corporate income tax paid	18	(3,414,064,386)	(4,072,881,565)
17	Other cash outflows for operating activities		(21,887,967,404)	(6,158,232,233)
<b>20</b>	<b>Net cash flows from/(used in) operating activities</b>		<b>8,748,172,117</b>	<b>(25,290,299,099)</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets and other long-term assets		(222,861,476,913)	(244,313,943,738)
23	Loans to other entities and payments for purchase of debt instruments of other entities		(483,313,076,626)	(1,134,005,127,008)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		789,564,733,859	1,285,780,000,000
25	Payments for investments in other entities		(198,774,692,004)	(100,000,000,000)
27	Interest and dividends received		64,744,233,874	182,172,678,110
<b>30</b>	<b>Net cash flows used in investing activities</b>		<b>(50,640,277,810)</b>	<b>(10,366,392,636)</b>

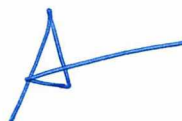
SEPARATE CASH FLOW STATEMENT (continued)  
for the year ended 31 March 2022

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33	Drawdown of borrowings		577,037,017,950	350,779,048,374
34	Repayment of borrowings		(506,380,171,273)	(254,567,712,006)
36	Dividends paid		(336,026,205)	(99,739,887,220)
<b>40</b>	<b>Net cash flows from/(used in) financing activities</b>		<b>70,320,820,472</b>	<b>(3,528,550,852)</b>
<b>50</b>	<b>Net increase/(decrease) in cash for the year</b>		<b>28,428,714,779</b>	<b>(39,185,242,587)</b>
<b>60</b>	<b>Cash and cash equivalents at the beginning of the year</b>		<b>33,004,954,360</b>	<b>72,190,196,947</b>
<b>70</b>	<b>Cash and cash equivalents at the end of the year</b>	<b>4</b>	<b>61,433,669,139</b>	<b>33,004,954,360</b>



Chief Accountant  
Nguyen Hong Phuong



Chief Financial Officer  
Le Thanh Son



Executive President of the Group  
Nguyen Trung Chinh

29 June 2022



NOTES TO THE SEPARATE FINANCIAL STATEMENTS  
as at 31 March 2022 and for the year then ended

## 1. CORPORATE INFORMATION

CMC Corporation ("the Company") is a joint stock company incorporated in pursuant to the Business Registration Certificate No. 0100244112 issued by the Department of Planning and Investment of Hanoi on 7 February 2007 and subsequent amended Enterprise Registration Certificates, with the 15<sup>th</sup> amendment being granted on 10 March 2022 as the latest.

The current principal activities during the year of the Company are:

- ▶ Provision of information technology services and other services relating to computers;
- ▶ Producing software and providing services and solutions relating to software and content;
- ▶ Manufacturing, trading, repairing machineries and electronic equipment, communications and information technology ("IT");
- ▶ Trading of real estate and land use rights and provision of lease services;
- ▶ Provision of telecommunication services; and
- ▶ Other activities as registered in the Enterprise Registration Certificate.

The Company's normal course of business cycle is 12 months.

The Company's head office is located at CMC Tower, No. 11 Duy Tan street, Dich Vong Hau ward, Cau Giay district, Hanoi, Vietnam and its branch located at 9<sup>th</sup> floor, TNA building, No.111 – 112 Ngo Gia Tu street, district 10, Ho Chi Minh city, Vietnam.

The number of the Company's employees as at 31 March 2022 is 114 (31 March 2021: 96).

### **Corporate structure**

As at 31 March 2022, the Company has 16 subsidiaries. Details on these subsidiaries and the Company's equity interests in these subsidiaries are as follows:

<i>Name of the entity</i>	<i>Head office's address</i>	<i>Principal activities</i>	<i>Equity interest</i>	<i>Voting rights</i>
CMC Technology and Solution Company Limited	Hanoi	Providing IT solutions	100%	100%
CMC Saigon Technology and Solution Company Limited (i)	Ho Chi Minh	Providing IT solution	100%	100%
CMC Telecommunication Infrastructure Corporation (i)	Hanoi	Providing telecommunications services	54.63%	54.63%
CMC Production and Trading Company Limited (ii)	Hanoi	Distribution of IT products	100%	100%
CMC Global Company Limited	Hanoi	Providing software services	100%	100%
CMC Production and Service Company Limited	Hanoi	Production, assembly and distribution of computer	100%	100%
CMC Consulting Joint Stock Company (formerly known as Ciber - CMC Joint Venture Company)	Hanoi	Software services	51%	51%
CMC Blue France Company Limited (ii)	France	Providing BPO, ITO outsourcing services	100%	100%

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

1. CORPORATE INFORMATION (continued)

**Corporate structure** (continued)

<i>Name of the entity</i>	<i>Head office's address</i>	<i>Principal activities</i>	<i>Equity interest</i>	<i>Voting rights</i>
CMC Institute of Science and Technology	Hanoi	Research execute application of high technology, new technologies in ICT fields	100%	100%
CMC Cyber Security Company Limited (i)	Hanoi	Providing information security solution	100%	100%
CMC Japan Joint Stock Company (i)	Japan	Providing software services	100%	100%
CMC – APAC Private Limited (i)	Singapore	Providing software services	100%	100%
CMC Da Nang Company Limited	Da Nang	Providing electronic components	100%	100%
CMC Education Company Limited (iii)	Hanoi	Undergraduate education services	100%	100%
CMC University Investment Joint Stock Company (iii)	Hanoi	Undergraduate education services	72.53%	72.53%
Asia University of Arts and Design (iii)	Hanoi	Undergraduate education services	66%	91%

(i) The Company indirectly holds equity interests and voting rights over these entities through its subsidiaries, including CMC Technology and Solution Company Limited and CMC Global Company Limited.

(ii) These companies have been temporarily suspended.

(iii) During the year, the Company has completed the establishment of CMC Education Company Limited according to Enterprise Registration Certificate No. 0109871485 issued by the Department of Planning and Investment of Hanoi on 27 December 2021. The total registered charter capital of this company is VND 250 billion and its principal activity is provision of undergraduate education services. On 21 February 2022, CMC Education Company Limited has completed the acquisition of 3,633,961 shares (equivalent with 72.53% equity interest) of CMC University Investment Joint Stock Company. Besides, CMC University Investment Joint Stock Company has one subsidiary namely Asia University of Arts and Design and holds 91% equity interest in this company. After completion of this transaction, CMC University Investment Joint Stock Company and Asia University of Arts and Design have become indirect subsidiaries of the Company.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

## 1. CORPORATE INFORMATION (continued)

### *Corporate structure* (continued)

Asia University of Arts and Designs is a private university established under Decision No.683/QĐ-Ttg dated 10 May 2011 of the Prime Minister. The principal activity of this University is to provide education services according to Decision No. 2747/QĐ-BGTDT dated 30 July 2013 and Decision No. 642/QĐ-BGDT dated 4 March 2015 of the Ministry of Education and Training.

## 2. BASIS OF PREPARATION

### 2.1 *Purpose of preparing the separate financial statements*

The Company has subsidiaries as disclosed in Note 1 and Note 15. The Company has prepared these separate financial statements in order to meet the reporting requirements in relation to disclosure of information, specifically Circular No. 96/2020/TT-BTC which provide guidance on public announcement of financial information on the stock exchange. According to this Circular, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries for the year ended 31 March 2022 dated 29 June 2022.

Users of the separate financial statements should read them together with the consolidated financial statements in order to obtain full information on the consolidated financial position, the consolidated results of operations and the consolidated cash flows of the Company and its subsidiaries.

### 2.2 *Accounting standards and system*

The separate financial statements of the Company expressed in Vietnam dong (“VND”), are prepared in accordance with the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standard 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 separate 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.

### 2.3 *Applied accounting documentation system*

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

### 2.4 *Fiscal year*

The Company’s fiscal year applicable for the preparation of its financial statements starts on 1 April and ends on 31 March of the subsequent year.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

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

### **2.5 Accounting currency**

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

## **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **3.1 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of no more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

### **3.2 Receivables**

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

The provision for doubtful debts 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 separate 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 separate 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 separate income statement.

### **3.4 Leased assets**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

*Where the Company is the lessee*

Rentals under operating leases are charged to the separate income statement on a straight-line basis over the lease term.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

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

#### 3.4 *Leased assets* (continued)

*Where the Company is the lessor*

Assets subject to operating leases are included as the Company's fixed assets in the separate balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the separate income statement as incurred. Lease income is recognised in the separate income statement on a straight-line basis over the lease term.

#### 3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed 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 separate income statement as incurred.

When intangible 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 separate income statement.

#### 3.6 *Depreciation and amortisation*

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

Buildings and structures	39 - 48 years
Machinery and equipment	3 - 15 years
Office equipment	3 - 5 years
Copy rights and patent	5 years
Computer software	3 - 8 years

#### 3.7 *Borrowing costs*

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs are recorded as expense during the year in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

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

#### 3.8 *Prepaid expenses*

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

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

#### **3.8 *Prepaid expenses* (continued)**

##### *Prepaid land rental*

The prepaid land rental represents the unamortised balance of advance payments made in accordance with lease contract signed with the Management Board of Ho Chi Minh city's Hi-tech Park on 11 August 2011 for a period of 50 years. Such prepaid rental is classified as long-term prepaid expenses for allocation to the separate income statement over the remaining lease period in accordance with Circular 45/2013/TT-BTC dated 25 April 2013 guiding on the management, usage and depreciation of fixed assets.

#### **3.9 *Investments***

##### *Investments in subsidiaries*

Investments in subsidiaries over which the Company has control are carried at cost.

Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

##### *Investments in associates*

Investments in associates over which the Company has significant influence are carried at cost.

Distributions from accumulated net profits of the associates arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

##### *Held-to-maturity investments*

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

##### *Provision for diminution in value of investments*

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date. Increases or decreases to the provision balance are recorded as finance expense in the separate income statement.

#### **3.10 *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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

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

#### 3.11 *Foreign currency transactions*

Transactions in currencies other than the Company's reporting currency (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;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment; and
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual exchange rates at the separate balance sheet date 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 separate income statement.

#### 3.12 *Scientific and technological development fund*

The scientific and technological development fund is created in order to invest in science and technology projects of the Company in accordance with Decree No. 95/2014/ND-CP issued by the Government on 17 October 2014 and Joint Circular No. 12/2016/TTLT-BKH-CN-BTC issued by the Ministry of Science and Technology ("MOSC") and the Ministry of Finance on 28 June 2016. The fund appropriation is approved by the Company's Board of Directors based on the budget for annual expenditure for scientific and technological development activities and appropriated from the net profit after corporate income tax.

#### 3.13 *Appropriation of net profits*

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

The Company maintains the following reserve funds which are appropriated from the Company's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting.

##### *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the separate balance sheet.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

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

#### **3.14 Revenue recognition**

Revenue is recognised 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 recognised:

##### *Rendering of services*

Revenue arising from provision of services are recognised when services are rendered.

##### *Rental income*

Rental income arising from office rental is accounted for on a straight-line basis over the terms of the lease.

##### *Income from securities transfer and equity transfer*

Income arising from securities transfer and equity transfer is determined by the difference between the selling price and the cost of transferred equity or shares; and is recognised on the transaction date, that when the transfer contract is made.

##### *Dividends*

Income is recognised when the Company's entitlement as an investor to receive the dividend is established.

##### *Interest*

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

#### **3.15 Taxation**

##### *Current income tax*

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



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

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

#### 3.15 *Taxation* (continued)

##### *Current income tax* (continued)

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

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to off-set 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 tax*

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss.
- ▶ in respect of taxable temporarily differences associated with investments in and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.
- ▶ in respect of deductible temporarily differences associated with investments in associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each separate 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 separate 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 period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the separate balance sheet date.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

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

**3.15 Taxation (continued)**

*Deferred tax (continued)*

Deferred tax is charged or credited to the separate 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 off-set 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 either 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.

**3.16 Segment information**

A segment is a component determined separately by the Company which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from those of other segments.

The Company's business segments are derived mainly from sales of products and provision of services.

**3.17 Related parties**

Parties are considered to be related parties of the Company 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 Company and other party are under common control or under common significant influence. Related parties can be enterprises or individuals, including close members of their families.

**4. CASH AND CASH EQUIVALENTS**

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	997,737,241	1,140,161,128
Cash at banks	24,264,783,808	1,864,793,232
Cash equivalents (*)	36,171,148,090	30,000,000,000
<b>TOTAL</b>	<b>61,433,669,139</b>	<b>33,004,954,360</b>

(\*) Cash equivalents as at 31 March 2022 comprise VND bonds with term of 1 month, earning interest at 7% per annum (31 March 2021: 3% per annum).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

## 5. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments as at 31 March 2022 comprise short-term VND bank deposits with terms ranging from 6 months to 12 months and earn interest at the rates ranging from 4.9% to 8% per annum (31 March 2021: 7.4% to 8.5% per annum).

The Company used certain bank deposits as collaterals for the Company's bank overdrafts at Joint Stock Commercial Bank for Investment and Development of Vietnam – BIDV (*Note 22*).

## 6. TRADE RECEIVABLES AND SHORT-TERM ADVANCES TO SUPPLIERS

### 6.1 Short-term trade receivables

	Currency: VND	
	Ending balance	Beginning balance
<b>Short-term</b>		
Short-term trade receivables from customers	1,458,486,015	8,555,453,734
- Vietnam Bank for Agriculture and Rural Development	-	5,170,000,000
- Other customers	1,458,486,015	3,385,453,734
Short-term trade receivables from related parties ( <i>Note 33</i> )	13,019,144,582	8,550,149,700
<b>TOTAL</b>	<b>14,477,630,597</b>	<b>17,105,603,434</b>
Provision for doubtful debts ( <i>Note 6.3</i> )	(938,064,932)	(938,064,932)
<b>Long-term</b>		
Long-term trade receivables from related parties ( <i>Note 33</i> )	136,867,370,000	-
<b>TOTAL</b>	<b>136,867,370,000</b>	<b>-</b>

### 6.2 Short-term advances to suppliers

	Currency: VND	
	Ending balance	Beginning balance
Advances to suppliers	5,215,949,012	11,881,008,886
- Doan Nhat M&E JSC	-	5,604,022,392
- Pacific Stone Venture JSC	-	1,998,531,405
- Schindler Vietnam Company., Ltd.	-	1,772,670,000
- Others	5,215,949,012	2,505,785,089
Advances to related parties ( <i>Note 33</i> )	11,878,584,579	5,609,255,041
<b>TOTAL</b>	<b>17,094,533,591</b>	<b>17,490,263,927</b>
Provision for doubtful debts ( <i>Note 6.3</i> )	(164,759,188)	(164,759,188)



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

**6. TRADE RECEIVABLES AND SHORT-TERM ADVANCES TO SUPPLIERS (continued)**

**6.3 Provision for doubtful debts**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	14,282,209,121	11,567,198,398
Provision made during the year	-	2,715,010,723
Reversal of provision during the year	(2,715,010,723)	-
<b>Ending balance</b>	<b><u>11,567,198,398</u></b>	<b><u>14,282,209,121</u></b>

*In which:*

<i>Provision for short-term trade receivables (Note 6.1)</i>	938,064,932	938,064,932
<i>Provision for short-term advances to suppliers (Note 6.2)</i>	164,759,188	164,759,188
<i>Provision for other short-term receivables (Note 8)</i>	10,464,374,278	13,179,385,001

**7. SHORT-TERM LOAN RECEIVABLES**

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Loan to related parties (Note 33)	32,776,000,000	61,976,000,000
<b>TOTAL</b>	<b><u>32,776,000,000</u></b>	<b><u>61,976,000,000</u></b>

Details of short-term loan receivables from related parties are as follows:

<i>Name</i>	<i>Ending balance (VND)</i>	<i>Principal and interest repayment term</i>	<i>Interest rate</i>	<i>Description of collateral</i>
CMC Consulting Joint Stock Company	5,000,000,000	Principal and interest are payable on 31 December 2022.	6% per annum	Entire goods and receivables arisen from operating activities.
CMC Saigon Technology and Solution., Ltd.	27,776,000,000	Principal and interest are payable on 26 November 2021.	6% per annum	Unsecured.
<b>TOTAL</b>	<b><u>32,776,000,000</u></b>			

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

8. OTHER RECEIVABLES

Currency: VND

	Ending balance		Beginning balance	
	Balance	Provision	Balance	Provision
<b>Short-term</b>				
Dividends, profit receivables	122,921,904,841	-	62,278,745,435	-
Interest receivables	24,417,028,560	-	16,232,194,823	-
Payments on behalf	10,643,031,412	(6,250,054,278)	12,186,412,249	(8,965,065,001)
Advances to employees	20,341,039,754	-	14,707,130,431	-
Deposit for contractual obligation (i)	55,739,880,900	-	-	-
Receivables from the transfer of shares	3,500,000,000	(3,500,000,000)	3,500,000,000	(3,500,000,000)
Other short-term receivables	3,023,099,566	(714,320,000)	2,448,849,809	(714,320,000)
<b>TOTAL</b>	<b>240,585,985,033</b>	<b>(10,464,374,278)</b>	<b>111,353,332,747</b>	<b>(13,179,385,001)</b>
<b>Long-term</b>				
Dividends, profit receivables	-	-	43,540,107,000	-
Deposits and mortgages	5,000,000,000	-	5,020,000,000	-
<b>TOTAL</b>	<b>5,000,000,000</b>	<b>-</b>	<b>48,560,107,000</b>	<b>-</b>
<i>In which:</i>				
<i>Other short-term receivables from related parties (Note 33)</i>	138,237,239,936	(6,250,054,278)	77,385,597,097	(8,965,065,001)
<i>Other long-term receivables from related parties (Note 33)</i>	-	-	43,540,107,000	-
<i>Other short-term receivables from third parties</i>	102,348,745,097	(4,214,320,000)	33,967,735,650	(4,214,320,000)
<i>Other long-term receivables from third parties</i>	5,000,000,000	-	5,020,000,000	-

- (i) This represents a deposit made to THT Development Co., Ltd. in accordance with the deposit contract signed between the Company and THT Development Co., Ltd for the transfer of a component project at B2CC3 land lot with a total land area of 11,341 m<sup>2</sup> at the Central Project of Tay Ho Tay Urban Area (Starlake).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

**9. BAD DEBTS**

Currency: VND

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Recoverable amount</i>	<i>Cost</i>	<i>Recoverable amount</i>
CMC Blue France Company Limited	6,250,054,278	-	6,250,054,278	-
Geleximco Export-Import Company Branch of CMC	3,500,000,000	-	3,500,000,000	-
Saigon Technology and Solution Company Limited	-	-	2,715,010,723	-
Other overdue receivables	1,817,144,120	-	1,817,144,120	-
<b>TOTAL</b>	<b>11,567,198,398</b>	<b>-</b>	<b>14,282,209,121</b>	<b>-</b>

**10. VALUE-ADDED TAX DEDUCTIBLE**

Deductible VAT as at 31 March 2022 represents input VAT arising from the construction of the "CMC Creative Space" project in Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, District 7, Ho Chi Minh City with a total estimated investment costs of VND 883 billion.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

## 11. TANGIBLE FIXED ASSETS

*Currency: VND*

	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Total</i>
<b>Cost:</b>					
Beginning balance	205,829,862,300	163,282,537,422	6,277,280,000	3,860,508,994	379,250,188,716
- New purchase	-	838,912,455	-	34,536,364	873,448,819
- Other deductions	-	(60,000,000)	-	(228,838,000)	(288,838,000)
Ending balance	<u>205,829,862,300</u>	<u>164,061,449,877</u>	<u>6,277,280,000</u>	<u>3,666,207,358</u>	<u>379,834,799,535</u>
<i>In which:</i>					
<i>Fully depreciated</i>	-	85,070,951,216	-	2,228,812,696	87,299,763,912
<b>Accumulated depreciation:</b>					
Beginning balance	44,466,820,244	122,952,835,341	1,901,322,573	3,559,944,373	172,880,922,531
- Depreciation for the year	4,718,936,866	4,519,661,933	646,886,824	199,181,272	10,084,666,895
- Other deductions	(177,666,589)	(13,578,444)	(49,760,525)	(106,057,613)	(347,063,171)
Ending balance	<u>49,008,090,521</u>	<u>127,458,918,830</u>	<u>2,498,448,872</u>	<u>3,653,068,032</u>	<u>182,618,526,255</u>
<b>Net carrying amount:</b>					
Beginning balance	<u>161,363,042,056</u>	<u>40,329,702,081</u>	<u>4,375,957,427</u>	<u>300,564,621</u>	<u>206,369,266,185</u>
Ending balance	<u>156,821,771,779</u>	<u>36,602,531,047</u>	<u>3,778,831,128</u>	<u>13,139,326</u>	<u>197,216,273,280</u>
<i>In which:</i>					
<i>Pledged/mortgaged assets</i>	145,685,809,805	34,867,226,389	-	-	180,553,036,194

The Company used part of floor areas at CMC building, No. 11 Duy Tan Street, Dich Vong Hau ward, Cau Giay district, Hanoi as offices for rent to subsidiaries, associates and other third parties.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

## 12. INTANGIBLE FIXED ASSETS

	<i>Currency: VND</i>			
	<i>Copyright and patent</i>	<i>Computer software</i>	<i>Others</i>	<i>Total</i>
<b>Cost:</b>				
Beginning balance	195,615,549	22,046,339,474	201,348,181	22,443,303,204
- New purchase	-	188,000,000	-	188,000,000
- Transfer from construction in progress	-	3,483,850,000	-	3,483,850,000
Ending balance	<u>195,615,549</u>	<u>25,718,189,474</u>	<u>201,348,181</u>	<u>26,115,153,204</u>
<i>In which:</i>				
<i>Fully amortised</i>	<i>195,615,549</i>	<i>18,297,043,517</i>	<i>165,278,181</i>	<i>18,694,007,247</i>
<b>Accumulated amortisation:</b>				
Beginning balance	152,445,260	19,837,202,535	173,343,558	20,162,991,353
- Amortisation for the year	<u>40,117,177</u>	<u>633,294,663</u>	<u>14,728,484</u>	<u>688,140,324</u>
Ending balance	<u>192,562,437</u>	<u>20,470,497,198</u>	<u>188,072,042</u>	<u>20,851,131,677</u>
<b>Net carrying amount:</b>				
Beginning balance	<u>43,170,289</u>	<u>2,209,136,939</u>	<u>28,004,623</u>	<u>2,280,311,851</u>
Ending balance	<u>3,053,112</u>	<u>5,247,692,276</u>	<u>13,276,139</u>	<u>5,264,021,527</u>

## 13. CONSTRUCTION IN PROGRESS

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
"CMC Creative Space" project (*)	665,417,573,391	447,914,275,082
"Security Operation Center" project	-	4,036,150,010
SAP Finance software	-	1,530,760,000
Payroll time attendance software	-	700,000,000
<b>TOTAL</b>	<b><u>665,417,573,391</u></b>	<b><u>454,181,185,092</u></b>

(\*) This represents construction costs of the Company's office building project at Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, District 7, Ho Chi Minh City. The Company used all assets being formed from this project as collaterals for a long-term loan from commercial bank as presented in Note 22.

## 14. CAPITALISED BORROWING COSTS

During the year, the Company capitalised net borrowing costs amounting to VND 20.8 billion (for the year ended 31 March 2021: VND 16.6 billion) for the construction of "CMC Creative Space" project.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

## 15. LONG-TERM INVESTMENTS

Currency: VND

	Ending balance			Beginning balance		
	Costs	Provision	Carrying value	Costs	Provision	Carrying value
<b>Investments in subsidiaries</b>	<b>930,527,522,316</b>	<b>(59,262,919,782)</b>	<b>871,264,602,534</b>	<b>745,440,014,767</b>	<b>(30,598,827,801)</b>	<b>714,841,186,966</b>
CMC Technology and Solution Company Limited	270,000,000,000	-	270,000,000,000	200,000,000,000	-	200,000,000,000
CMC Telecommunication Infrastructure Corporation (i)	123,362,524,802	-	123,362,524,802	184,544,390,000	-	184,544,390,000
CMC Global Company Limited	130,000,000,000	-	130,000,000,000	130,000,000,000	-	130,000,000,000
CMC Production and Trading Company Limited	100,000,000,000	(50,949,881,245)	49,050,118,755	100,000,000,000	(25,234,291,801)	74,765,708,199
CMC Production and Service Company Limited	10,300,105,507	-	10,300,105,507	10,300,105,507	-	10,300,105,507
CMC Consulting Joint Stock Company (formerly known as Ciber - CMC Joint Venture Company)	10,230,983,260	-	10,230,983,260	10,230,983,260	-	10,230,983,260
CMC Blue France Company Limited	5,364,536,000	(5,364,536,000)	-	5,364,536,000	(5,364,536,000)	-
CMC Institute of Science and Technology	5,000,000,000	-	5,000,000,000	5,000,000,000	-	5,000,000,000
CMC Da nang Company Limited	100,000,000,000	(2,948,502,537)	97,051,497,463	100,000,000,000	-	100,000,000,000
CMC Education Limited (Note 1)	176,269,372,747	-	176,269,372,747	-	-	-
<b>Investment in associate</b>	<b>7,258,356,000</b>	<b>-</b>	<b>7,258,356,000</b>	<b>7,258,356,000</b>	<b>-</b>	<b>7,258,356,000</b>
Netnam Joint Stock Company	7,258,356,000	-	7,258,356,000	7,258,356,000	-	7,258,356,000
<b>Held-to-maturity investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>65,635,127,008</b>	<b>-</b>	<b>65,635,127,008</b>
<b>TOTAL</b>	<b>937,785,878,316</b>	<b>(59,262,919,782)</b>	<b>878,522,958,534</b>	<b>818,333,497,775</b>	<b>(30,598,827,801)</b>	<b>787,734,669,974</b>

The Company has not been able to determine the fair value of its investments in subsidiaries and associate since these shares have not yet been listed on the stock exchange.

- (i) During the year, the Company disposed 13,688,737 shares (equivalent to 18.11% of equity interest) of CMC Telecommunication Infrastructure Joint Stock Company to CMC Technology and Solutions Corporation Limited, another wholly-owned subsidiary of the Company, according to the share transfer contract dated 24 February 2022.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

## 15. LONG-TERM INVESTMENTS (continued)

### 15.1 Investments in subsidiaries

Name	Ending balance		Beginning balance	
	Ownership (%)	Voting right (%)	Ownership (%)	Voting right (%)
CMC Technology and Solution Company Limited	100%	100%	100%	100%
CMC Telecommunication Infrastructure Corporation	54.63%	54.63%	54.63%	54.63%
CMC Global Company Limited	100%	100%	100%	100%
CMC Production and Trading Company Limited	100%	100%	100%	100%
CMC Production and Service Company Limited	100%	100%	100%	100%
CMC Consulting Joint Stock Company	51%	51%	51%	51%
CMC Blue France Company Limited	100%	100%	100%	100%
CMC Institute of Science and Technology	100%	100%	100%	100%
CMC Da Nang Company Limited	100%	100%	100%	100%
CMC Education Limited	100%	100%	-	-

Details of investments in subsidiaries are presented in Note 1.

### 15.2 Investment in associate

Investment in associate represents the investment in Netnam Joint Stock Company, a joint stock company established in pursuant to the Business Registration Certificate No. 0100896284 issued by Hanoi Department of Planning and Investment for the first time on 2 June 2010. This headquarter of this company is located at No.18 Hoang Quoc Viet Street, Nghia Do ward, Cau Giay district, Hanoi. The Company's principal activities are to provide internet services. As at 31 March 2022 and 31 March 2021, the Company holds 41.1% equity interest and voting rights in this associate.

## 16. LONG-TERM PREPAID EXPENSES

	Currency: VND	
	Ending balance	Beginning balance
Prepaid land rental	7,304,889,261	7,406,481,348
Building renovation costs	-	932,305,648
Tools and supplies	238,713,660	197,130,666
Brokerage fees for office lease contracts	169,972,547	126,907,580
Other long-term prepaid expenses	398,021,745	462,008,610
<b>TOTAL</b>	<b>8,111,597,213</b>	<b>9,124,833,852</b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

**17. SHORT-TERM TRADE PAYABLES**

Currency: VND

	Ending balance		Beginning balance	
	Balance	Payable amount	Balance	Payable amount
Trade payables to suppliers	88,977,182,321	88,986,400,321	60,529,500,466	60,529,500,466
- Central Construction., Jsc.	57,147,554,607	57,147,554,607	57,790,427,982	57,790,427,982
- Quan Dat Tradind and Production., Ltd.	11,795,633,973	11,795,633,973	2,376,890,472	2,376,890,472
- Doan Nhat Mechanical Electrical., Jsc.	10,554,167,618	10,554,167,618	-	-
- Schindler Viet Nam., Ltd	3,446,028,000	3,446,028,000	-	-
- Other suppliers	6,033,798,123	6,043,016,123	362,182,012	362,182,012
Trade payables to related parties (Note 33)	39,681,004,640	39,671,786,640	33,724,326,138	33,724,326,138
<b>TOTAL</b>	<b>128,658,186,961</b>	<b>128,658,186,961</b>	<b>94,253,826,604</b>	<b>94,253,826,604</b>

**18. STATUTORY OBLIGATIONS**

Currency: VND

	Beginning balance	Payable for the year	Payment/net off made in the year	Ending balance
Value added tax	-	14,208,037,195	(14,208,037,195)	-
Corporate income tax (Note 32.1)	2,551,389,561	-	(3,414,064,386)	(862,674,825)
Personal income tax	173,593,209	3,366,168,227	(3,303,517,281)	236,244,155
Other taxes	-	53,607,135	(53,607,135)	-
<b>TOTAL</b>	<b>2,724,982,770</b>	<b>17,627,812,557</b>	<b>(20,979,225,997)</b>	<b>(626,430,670)</b>
<i>In which:</i>				
Tax payables	2,745,194,993			236,244,155
Tax receivables	(20,212,223)			(862,674,825)



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

#### 19. SHORT-TERM ACCRUED EXPENSES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Construction and repairment expenses	12,498,550,880	5,822,990,000
Interest expense	2,685,788,673	-
Accrued service expenses	3,434,261,590	5,093,030,058
Land rental expenses	175,860,405	251,229,150
Remuneration for the Boards of Directors and Supervision	243,000,000	243,000,000
Other expenses	167,566,626	439,100,984
<b>TOTAL</b>	<b><u>19,205,028,174</u></b>	<b><u>11,849,350,192</u></b>

#### 20. SHORT-TERM UNEARNED REVENUE

Unearned revenue includes prepaid office rental fees received from third-parties.

#### 21. OTHER PAYABLES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>		
Refund of contributed capital in subsidiary (*)	45,081,450,398	-
Short-term deposits, mortgages received	10,621,356,418	6,539,621,926
Loan interest payable	3,156,054,795	549,023,354
Dividend payable	1,937,031,110	2,273,057,315
Trade union fee	375,124,324	381,871,514
Other payables	1,987,876,091	1,200,630,090
<b>TOTAL</b>	<b><u>63,158,893,136</u></b>	<b><u>10,944,204,199</u></b>
<b>Long-term</b>		
Long-term deposits, mortgages received	7,150,799,250	3,840,443,123
<b>TOTAL</b>	<b><u>7,150,799,250</u></b>	<b><u>3,840,443,123</u></b>
<i>In which:</i>		
<i>Other payables to related parties (Note 33)</i>	<i>48,498,812,193</i>	<i>549,023,354</i>
<i>Other payables to third parties</i>	<i>21,810,880,193</i>	<i>14,235,623,968</i>

(\*) According to the Resolution No. 44/2019/NQ-HĐQT on 23 September 2019 of the Board of Directors approving the dissolution of CMC Production and Trading Company Limited ("P&T Company"), P&T Company is in the process of completing necessary legal procedures for the dissolution and has provisionally refunded to the Company a portion of contributed capital, being the unused fund in cash of this company.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

## 22. LOANS

*Currency: VND*

	<i>Beginning balance</i>		<i>Movement during the year</i>		<i>Ending balance</i>	
	<i>Balance</i>	<i>Payable amount</i>	<i>Increase</i>	<i>Decrease</i>	<i>Balance</i>	<i>Payable amount</i>
<b>Short-term</b>						
Bank overdrafts (i)	19,421,708,308	19,421,708,308	267,601,524,388	(247,779,934,171)	39,243,298,525	39,243,298,525
Loans from others (ii)	99,840,418,967	99,840,418,967	80,684,774,551	(126,166,903,767)	54,358,289,751	54,358,289,751
Current portion of long-term loans from banks	-	-	7,646,393,000	-	7,646,393,000	7,646,393,000
Loans from related parties ( <i>Note 33</i> )	100,000,000,000	100,000,000,000	109,200,000,000	(112,200,000,000)	97,000,000,000	97,000,000,000
<b>TOTAL</b>	<b>219,262,127,275</b>	<b>219,262,127,275</b>	<b>465,132,691,939</b>	<b>(486,146,837,938)</b>	<b>198,247,981,276</b>	<b>198,247,981,276</b>
<b>Long-term</b>						
Loan from bank (iii)	9,773,960,221	9,773,960,221	119,550,719,011	(7,646,393,000)	121,678,286,232	121,678,286,232
Bonds (iv)	298,320,000,008	298,320,000,008	793,333,339	(20,233,333,335)	278,880,000,012	278,880,000,012
<b>TOTAL</b>	<b>308,093,960,229</b>	<b>308,093,960,229</b>	<b>120,344,052,350</b>	<b>(27,879,726,335)</b>	<b>400,558,286,244</b>	<b>400,558,286,244</b>

- (i) This represents bank overdrafts from Joint Stock Commercial Bank for Investment and Development of Vietnam - BIDV, bearing interest rate of 4.9% per annum. The Company used bank deposits, bonds and a portion of its tangible fixed assets as collaterals for these overdrafts.
- (ii) These represent loans from individuals with term of 1 year from the loan drawdown dates with the final withdrawal falling due on 12 January 2023. The interest rates applicable to these loans are 7% - 8.4% per annum and are calculated on quarterly basis and added up to the loan principal after deducting personal income tax.
- (iii) This represents a long-term loan from Joint Stock Commercial Bank for Foreign Trade of Vietnam – Vietcombank, bearing interest rate of 8% per annum for the first year and interest rates for subsequent years is equivalent to the rate of 12-month VND individual deposits; interest is payable at maturity date, plus an interest margin of 2.6% per annum. The Company used all machineries, land use right and assets on the land being formed in future of the "CMC Creative Space" project as collaterals for this long-term loan. The principal and interest are payable when received notification by the Bank.
- (iv) These represent bonds issued by the Company on 29 March 2019 for Joint Stock Commercial Bank for Investment and Development of Vietnam - BIDV with term of 5 years and bear fixed interest rate at 8.8% per annum, being applicable for the first 2 interest payment periods. For the subsequent periods, interest is determined at the rate of 12-month VND individual deposits with interest payable in arrear, of 4 Vietnamese Commercial Banks. The Company used all assets on the land of CMC Tower Building and share ownership, benefits arising from the investments in CMC Global Company Limited, CMC Software Solutions Company Limited and CMC Technology and Solution Company Limited as collaterals for this bond. The bond principal is payable at the maturity date and interest is payable on a semi-annual basis.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

**23. BONUS AND WELFARE FUND**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	8,788,379,253	6,337,318,779
Appropriation during the year (Note 25.1)	-	7,700,360,479
Utilisation during the year	<u>(4,891,300,000)</u>	<u>(5,249,300,005)</u>
<b>Ending balance</b>	<b><u>3,897,079,253</u></b>	<b><u>8,788,379,253</u></b>

**24. SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT FUND**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	19,285,578,533	19,313,995,803
Appropriation during the year (Note 25.1)	-	11,000,514,963
Grant from the Ministry of Science and Technology	360,863,350	-
Utilisation during the year	<u>(16,996,667,404)</u>	<u>(11,028,932,233)</u>
<b>Ending balance</b>	<b><u>2,649,774,479</u></b>	<b><u>19,285,578,533</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

## 25. OWNERS' EQUITY

### 25.1 Increase and decrease in owners' equity

	<i>Currency: VND</i>			
	<i>Share capital</i>	<i>Share premium</i>	<i>Undistributed earnings</i>	<i>Total</i>
<b>Previous year:</b>				
Beginning balance	999,998,660,000	599,555,780,400	107,834,310,288	1,707,388,750,688
- Profit for the year	-	-	110,005,149,634	110,005,149,634
- Dividends declared	-	-	(99,999,866,000)	(99,999,866,000)
- Appropriation of bonus for the Boards of Directors and Supervision	-	-	(1,100,051,501)	(1,100,051,501)
- Appropriation of bonus and welfare fund	-	-	(6,600,308,978)	(6,600,308,978)
- Appropriation of scientific and technological development fund	-	-	(11,000,514,963)	(11,000,514,963)
Ending balance	<u>999,998,660,000</u>	<u>599,555,780,400</u>	<u>99,138,718,480</u>	<u>1,698,693,158,880</u>
<b>Current year:</b>				
Beginning balance	999,998,660,000	599,555,780,400	99,138,718,480	1,698,693,158,880
- Profit for the year	-	-	167,824,351,847	167,824,351,847
- Declaration of stock dividend (i)	89,990,170,000	-	(89,990,170,000)	-
Ending balance	<u>1,089,988,830,000</u>	<u>599,555,780,400</u>	<u>176,972,900,327</u>	<u>1,866,517,510,727</u>

(i) The Company increased its charter capital during the year at the rate of 9%, equivalent to VND 89,990,170,000 through the declaration of stock dividends from undistributed earnings according to the Resolution of the General Meeting of Shareholders No. 01/2021/NQ DHĐCD dated 21 July 2021.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

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

**25.2 Contributed share capital**

Currency: VND

	Ending balance			Beginning balance		
	Total	Ordinary shares	Preference shares	Total	Ordinary shares	Preference shares
Samsung SDS Asia Pacific Pte., Ltd.	32,699,955	32,699,955	-	29,999,959	29,999,959	-
MVI Investment Company Limited	14,770,116	14,770,116	-	13,550,566	13,550,566	-
Hanoi General Import Export Joint Stock Company	10,913,120	10,913,120	-	10,012,037	10,012,037	-
Funds PYN Elite My Linh Investment Company Limited	5,562,052	5,562,052	-	5,082,836	5,082,836	-
Vietnam Bank for Agriculture and Rural Development	4,504,861	4,504,861	-	4,132,900	4,132,900	-
Bao Viet Group	3,127,330	3,127,330	-	3,777,811	3,777,811	-
Other shareholders	4,117,813	4,117,813	-	3,777,811	3,777,811	-
	33,303,636	33,303,636	-	29,665,946	29,665,946	-
<b>TOTAL</b>	<b>108,998,883</b>	<b>108,998,883</b>	<b>-</b>	<b>99,999,866</b>	<b>99,999,866</b>	<b>-</b>

**25.3 Capital transactions with owners and distribution of dividends, profits**

Currency: VND

	Current year	Previous year
<b>Contributed capital</b>		
Beginning balance	999,998,660,000	999,998,660,000
Increase during the year (Note 25.1)	89,990,170,000	-
Ending balance	<b>1,089,988,830,000</b>	<b>999,998,660,000</b>
<b>Dividends declared</b>	<b>89,990,170,000</b>	<b>99,999,866,000</b>
<b>Dividends paid</b>	<b>90,326,196,205</b>	<b>99,739,887,220</b>
In which:		
Stock dividends	89,990,170,000	-
Cash dividends	336,026,205	99,739,887,220



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

**25. OWNERS' EQUITY** (continued)**25.4 Shares**

	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Issued shares</b>	<b>108,998,883</b>	<b>99,999,866</b>
Ordinary shares	108,998,883	99,999,866
<b>Treasury shares</b>	-	-
Ordinary shares	-	-
<b>Shares in circulation</b>	<b>108,998,883</b>	<b>99,999,866</b>
Ordinary shares	108,998,883	99,999,866

Par value of outstanding share: VND 10,000/share (For the year ended 31 March 2021: VND 10,000/share).

**26. OFF BALANCE SHEET ITEMS**

	<i>Ending balance</i>	<i>Beginning balance</i>
Foreign Currency		
- US Dollar (USD)	3,139	6,150

**27. REVENUE****27.1 Revenue from rendering of services**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
<b>Gross revenue</b>	<b>129,948,082,972</b>	<b>137,818,291,502</b>
<i>In which:</i>		
Revenue from office leasing	120,404,893,688	114,189,141,825
Rendering of other services	9,543,189,284	23,629,149,677
<b>Deductions</b>	-	-
<b>Net revenue</b>	<b>129,948,082,972</b>	<b>137,818,291,502</b>
<i>In which:</i>		
Sales to third parties	46,125,134,011	70,325,953,953
Sales to related parties (Note 33)	83,822,948,961	67,492,337,549

**27.2 Finance income**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Dividends and profit earned	94,357,878,947	89,191,649,593
Interest income	54,098,564,732	56,417,690,336
Income from shares transfer (*)	75,685,504,802	47,501
<b>TOTAL</b>	<b>224,141,948,481</b>	<b>145,609,387,430</b>

(\*) This is income from shares transfer transaction of CMC Telecommunication Infrastructure Joint Stock Company, which is presented in Note 15.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

**28. COST OF SERVICES RENDERED**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Cost of rendering office leasing services	59,965,327,276	53,526,215,884
Cost of rendering other services	8,968,230,963	23,041,752,228
<b>TOTAL</b>	<b><u>68,933,558,239</u></b>	<b><u>76,567,968,112</u></b>

**29. FINANCE EXPENSES**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	19,841,961,706	16,019,820,563
Provisions for financial long-term investments	28,664,091,981	2,341,356,762
Foreign exchange losses	201,638,928	3,681,115
<b>TOTAL</b>	<b><u>48,707,692,615</u></b>	<b><u>18,364,858,440</u></b>

**30. GENERAL AND ADMINISTRATIVE EXPENSES**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Labour costs	32,232,434,136	30,660,121,619
Tools and supplies expenses	321,970,582	926,685,086
Depreciation of fixed assets	1,557,119,364	4,533,385,729
Expenses for external services	29,357,834,089	33,730,743,754
Others	5,837,768,600	6,228,641,674
<b>TOTAL</b>	<b><u>69,307,126,771</u></b>	<b><u>76,079,577,862</u></b>

**31. PRODUCTION AND OPERATING COSTS**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Materials expenses	321,970,582	2,131,561,400
Labour costs	32,232,434,136	30,660,121,619
Expenses for external services	72,325,725,947	76,778,336,802
Depreciation and amortisation	10,772,807,219	19,896,741,161
Others	22,670,242,690	23,272,514,282
<b>TOTAL</b>	<b><u>138,323,180,574</u></b>	<b><u>152,739,275,264</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

### 32. CORPORATE INCOME TAX

The corporate income tax ("CIT") rate applicable to the 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 separate financial statements could change at a later date upon final determination by the tax authorities.

#### 32.1 CIT expenses

Reconciliation between taxable profit and accounting profit as presented in the separate income statement is as follow:

	<i>Current year</i>	<i>Previous year</i>
Current corporate income tax	-	2,571,601,784
Deferred tax income	<u>(57,996,340)</u>	<u>(57,996,340)</u>
<b>TOTAL</b>	<b><u>(57,996,340)</u></b>	<b><u>2,513,605,444</u></b>

The reconciliation between taxable income and accounting profit before tax is represented on the separate financial statement as below:

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Accounting profit before tax	167,766,355,507	112,518,755,078
Corporate income tax applied rate 20%	33,553,271,101	22,503,751,016
<i>Adjustments to increase:</i>		
Allowance for non-executive members of the Board of Directors	87,360,000	102,996,000
Others	57,996,341	57,996,341
<i>Adjustments to decrease:</i>		
Dividends and profit earned	(18,871,575,789)	(17,838,329,919)
Profit from shares transfer	(15,137,100,960)	-
Reduction in CIT according to the Resolution No. 116/2020/QH14	-	(1,316,294,574)
Adjustment for over accrual of CIT expenses in previous years	-	(499,752,222)
Others	-	(438,764,858)
Unrecognised deferred tax assets of taxable loss	<u>310,049,308</u>	<u>-</u>
<b>Estimated current taxable profit for the year</b>	<b><u>-</u></b>	<b><u>2,571,601,784</u></b>



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

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

**32.2 Current tax**

The current CIT payable is based on taxable profit for the current year. The taxable income of the Company for the year differs from the profit as reported in the separate 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 by the balance sheet date.

**32.3 Deferred tax**

Currency: VND

	<u>Separate balance sheet</u>		<u>Separate income statement</u>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
<b>Deferred tax liabilities</b>				
Temporary differences from application of useful lives of fixed assets	1,415,262,605	1,473,258,945		
<b>Net deferred tax income charged to the separate income statement</b>			<b>57,996,340</b>	<b>57,996,340</b>

**33. TRANSACTIONS WITH RELATED PARTIES**

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

Currency: VND

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Current year</i>	<i>Previous year</i>
CMC Telecommunication Infrastructure Corporation	Subsidiary	Rendering of services	50,389,124,355	43,204,373,374
		Purchases of services	2,159,448,126	890,197,271
		Stock dividend received	95,025,471,708	43,540,107,000
CMC Technology and Solution Company Limited	Subsidiary	Rendering of services	11,056,039,450	10,368,956,906
		Purchases of services	12,558,261,338	21,418,241,363
		Purchases of assets	-	21,116,650,251
		Distributed profit receivables	13,610,646,904	31,869,622,493
		Short-term loan lending	-	80,000,000,000
		Collection of short-term loan	40,000,000,000	-
		Contributing capital in cash and offset debts	70,000,000,000	-
		Short-term loan repayment	-	40,000,000,000
		Interest receivables	268,493,151	1,295,342,467
Transfer of shares	136,867,370,000	-		

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

**33. TRANSACTIONS WITH RELATED PARTIES**

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

<i>Currency: VND</i>				
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Current year</i>	<i>Previous year</i>
CMC Global Company Limited	Subsidiary	Rendering of services	15,432,421,488	8,294,289,496
		Dividend received	46,384,512,832	-
		Interest payable	104,041,096	-
		Loan principal repayment	25,000,000,000	-
CMC Consulting Joint Stock Company	Subsidiary	Rendering of services	2,327,590,910	2,060,996,307
		Purchase of services	2,227,565,753	396,360,665
		Purchases of assets	-	2,003,948,983
		Interest received	146,301,370	-
CMC Production and Service Company Limited	Subsidiary	Rendering of services	1,456,878,060	1,434,849,822
		Purchases of services	4,355,318,679	3,061,626,948
		Collection of short-term loan	54,200,000,000	-
		Purchases of assets	-	1,068,110,000
		Short-term loan receivables	50,000,000,000	21,600,000,000
		Repayment of short-term loan	14,600,000,000	17,400,000,000
		Short term loan payables	14,600,000,000	-
		Interest receivables	551,298,630	489,989,041
CMC Cyber Security Company Limited	Subsidiary	Rendering of services	1,963,496,926	1,898,977,591
		Disposal of assets	7,815,943,747	-
		Purchase of services	5,310,250,000	2,106,500,000
CMC Saigon Technology and Solution Company Limited	Subsidiary	Rendering of services	-	3,495,000
		Purchase of goods and services	32,369,223,528	469,686,800
		Short-term loan receivables	20,929,606,851	11,770,000,000
		Interest receivables	2,029,844,862	951,749,205
		Collection of loan principals	10,929,606,851	-
		Distributed profit receivables	17,906,638,110	-
CMC Software Solution Company Limited	Subsidiary	Purchases of services	-	6,615,272,727
Netnam Joint Stock Company	Associate	Distributed profit receivables	16,456,080,600	13,781,920,100
CMC Da Nang Company Limited	Subsidiary	Capital contribution	-	100,000,000,000
		Rendering of services	1,110,000,000	-
		Loan principal repayment	3,000,000,000	-
		Interest payable	2,972,054,795	-
		Short-term loan payables	-	100,000,000,000
CMC Institute of Science and Technology	Subsidiary	Rendering of services	87,397,772	226,399,053

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

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

*Terms and conditions of transactions with related parties*

The sales to and purchases from related parties are made based on contract negotiation.

Outstanding balances at 31 March 2022 are unsecured, interest free and will be settled in cash. For the year ended 31 March 2022, the Company has made a provision for doubtful debts of VND 6,250,054,277 relating to amounts owed by related parties (31 March 2021: VND 8,965,065,001). This assessment is undertaken each financial year through the examination of the financial position of the related party.

Amounts due to and due from related parties as at the balance sheet dates were as follows:

<i>Currency: VND</i>				
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term trade receivables (Note 6.1)</b>				
CMC Technology and Solution Company Limited	Subsidiary	Rendering of services	9,298,849,848	-
CMC Global Company Limited	Subsidiary	Rendering of services	167,822,223	1,274,702,763
CMC Telecommunication Infrastructure Corporation	Subsidiary	Rendering of services	1,900,493,423	6,879,617,894
CMC Production and Service Company Limited	Subsidiary	Rendering of services	1,098,903,378	-
CMC Consulting Joint Stock Company	Subsidiary	Rendering of services	553,075,710	395,829,043
<b>TOTAL</b>			<b>13,019,144,582</b>	<b>8,550,149,700</b>
<b>Long-term trade receivables (Note 6.1)</b>				
CMC Technology and Solution Company Limited	Subsidiary	Transfer of shares	136,867,370,000	-
			<b>136,867,370,000</b>	<b>-</b>
<b>Short-term advance to suppliers (Note 6.2)</b>				
CMC Consulting Joint Stock Company	Subsidiary	Advances for services rendered	1,516,125,192	2,645,905,441
CMC Technology and Solution Company Limited	Subsidiary	Advances for services rendered	7,358,984,839	2,963,349,600
CMC Production and Service Company Limited	Subsidiary	Advances for services rendered	3,003,474,548	-
<b>TOTAL</b>			<b>11,878,584,579</b>	<b>5,609,255,041</b>



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

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

Amounts due to and due from related parties as at the balance sheet dates were as follows:  
(continued)

			<i>Currency: VND</i>	
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term loan receivables (Note 7)</b>				
CMC Technology and Solution Company Limited	Subsidiary	Loan receivables	-	40,000,000,000
CMC Saigon Technology and Solution Company Limited	Subsidiary	Loan receivables	27,776,000,000	17,776,000,000
CMC Production and Service Company Limited	Subsidiary	Loan receivables	-	4,200,000,000
CMC Consulting Joint Stock Company	Subsidiary	Loan receivables	5,000,000,000	-
<b>TOTAL</b>			<b><u>32,776,000,000</u></b>	<b><u>61,976,000,000</u></b>
<b>Other short-term receivables (Note 8)</b>				
CMC Technology and Solution Company Limited	Subsidiary	Dividend and profit receivables	31,517,285,009	58,424,286,488
		Payment on behalf receivables	3,224,335,377	2,826,921,477
		Interest receivables	268,493,151	-
CMC Telecommunication Infrastructure Corporation	Subsidiary	Dividend and profit receivables	43,540,107,000	-
		Payment on behalf receivables	24,514,412	185,979,976
CMC Software Solution Company Limited	Subsidiary	Dividend and profit receivables	-	2,374,458,947
CMC Blue France Company Limited	Subsidiary	Payment on behalf receivables	6,250,054,278	6,250,054,278
CMC Saigon Technology and Solution Company Limited	Subsidiary	Payment on behalf receivables	-	2,715,010,723
		Interest receivables	2,557,555,561	951,749,205
		Others	-	38,932,419
CMC Consulting Joint Stock Company	Subsidiary	Dividend and profit receivables	1,480,000,000	1,480,000,000
		Payment on behalf receivables	132,181,045	106,353,460
		Interest receivables	123,287,671	-
CMC Global Company Limited	Subsidiary	Payment on behalf receivables	429,443,600	288,072,311
		Dividend and profit receivables	46,384,512,832	-
CMC Da Nang Company Limited	Subsidiary	Payment on behalf receivables	473,970,000	12,000,000
		Others	1,831,500,000	-
Other related parties	Other related parties	Other receivables	-	1,731,777,813
<b>TOTAL</b>			<b><u>138,237,239,936</u></b>	<b><u>77,385,597,097</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

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

Amounts due to and due from related parties as at the balance sheet date were as follows (continued):

				Currency: VND	
Related parties	Relationship	Transactions	Ending balance	Beginning balance	
<b>Other long-term receivables (Note 8)</b>					
CMC Telecom Infrastructure Corporation	Subsidiary	Dividend receivables	-	43,540,107,000	
<b>TOTAL</b>			<b>-</b>	<b>43,540,107,000</b>	
<b>Short-term trade payables (Note 17)</b>					
CMC Technology and Solution Company Limited	Subsidiary	Purchase of services	14,886,143,571	30,468,477,912	
CMC Cyber Security Company Limited	Subsidiary	Purchase of services	3,026,314,278	695,386,239	
CMC Saigon Technology and Solution Company Limited	Subsidiary	Purchase of services	21,759,328,791	-	
CMC Production and Service Company Limited	Subsidiary	Purchase of services	-	2,560,461,987	
CMC Telecom Infrastructure Corporation	Subsidiary	Purchase of services	9,218,000	-	
<b>TOTAL</b>			<b>39,681,004,640</b>	<b>33,724,326,138</b>	
<b>Other short-term payables (Note 21)</b>					
CMC Production and Trading Company Limited	Subsidiary	Other payables	45,081,450,398	-	
CMC Da Nang Company Limited	Subsidiary	Other payables	2,972,054,795	-	
Other related parties	Other related parties	Other payables	445,307,000	549,023,354	
<b>TOTAL</b>			<b>48,498,812,193</b>	<b>549,023,354</b>	
<b>Short-term loan (Note 22)</b>					
CMC Da Nang Company Limited (*)	Subsidiary	Short-term loan	97,000,000,000	100,000,000,000	
<b>TOTAL</b>			<b>97,000,000,000</b>	<b>100,000,000,000</b>	

(\*) This is an unsecured loan and bears interest rate at 3% per annum. The loan's principal and interest are payable on 26 March 2023.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

### 33. TRANSACTIONS WITH RELATED PARTIES (continued)

#### *Transactions with other related parties*

Remuneration to members of the Boards of Directors ("BOD") and Management and Supervisory Board:

Name	Position	Currency: VND	
		Remuneration (*)	
		Current year	Previous year
Mr. Nguyen Trung Chinh	Chairman of BOD cum Executive President of the Group	418,920,000	430,800,000
Mr. Nguyen Phuoc Hai	Member of BOD cum Senior Vice President of the Group – Chief Managing Officer	359,280,000	199,200,000
Mr. Nguyen Minh Duc	Member of BOD	71,280,000	79,200,000
Mr. Truong Tuan Lam	Member of BOD	71,280,000	79,200,000
Mr. Nguyen Danh Lam	Member of BOD	71,280,000	79,200,000
Mr. Le Viet Ha	Member of BOD	71,280,000	79,200,000
Mr. Ha The Vinh	Member of BOD	71,280,000	79,200,000
Mr. Jeong Sam Yong	Member of BOD	23,760,000	79,200,000
Mr. Kim Jung Wuk	Member of BOD	63,360,000	56,100,000
Mr Lee Jay Seok	Member of BOD	47,520,000	-
Mr. Suh Jae Il	Member of BOD	-	6,600,000
Mr Ho Thanh Tung	Senior Vice President – Chief Operations Officer Acting General Director from 7 July 2021	840,000,000	634,000,000
Mr Hoang Ngoc Hung	Executive Vice President of the Group	137,500,000	660,000,000
Mr Le Thanh Son	Senior Vice President of the Group – Chief Financial Officer	1,203,000,000	1,170,000,000
Mr. Luong Tuan Thanh	Senior Vice President of the Group cum Chief Technology Officer	85,500,000	341,750,000
Ms. Vu Thi Phuong Thanh	Head of Board of Supervision	89,640,000	99,600,000
Ms Nguyen Thi Hong Nhung	Member of Board of Supervision from 21 July 2021	60,000,000	-
Mr. Truong Thanh Phuc	Member of Board of Supervision from 21 July 2021	-	60,000,000
Mr. Nguyen Thanh Nam	Member of Board of Supervision	54,000,000	60,000,000
<b>TOTAL</b>		<b>3,738,880,000</b>	<b>4,193,250,000</b>

(\*) include salary, remuneration and bonus



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

### 34. SEGMENT INFORMATION

The primary segment reporting format is determined to be business segments as the Company's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The following tables present revenue, profit regarding the Company's business segment:

	<i>Currency: VND</i>		
	<i>Office rental</i>	<i>Other services</i>	<i>Total</i>
<b>As at 31 March 2022 and for the year then ended</b>			
<b>Revenue</b>			
Sales to external customers	120,404,893,688	9,543,189,284	129,948,082,972
Total revenue	120,404,893,688	9,543,189,284	129,948,082,972
<b>Results</b>			
Segment gross profit	60,439,566,412	574,958,321	61,014,524,733
Selling expenses	(82,495,564)		(82,495,564)
Unallocated income, expenses (i)			106,834,326,338
Net profit before tax			167,766,355,507
Corporate income tax expenses			-
Deferred tax income			57,996,340
Net profit after tax for the year			167,824,351,847
<b>Assets and liabilities</b>			
Segment assets	202,242,173,918	13,198,462,392	215,440,636,310
Unallocated assets (ii)			2,484,154,870,894
Total assets			2,699,595,507,204
Segment liabilities	5,498,699,705	39,681,004,640	45,179,704,345
Unallocated liabilities (iii)			787,898,292,132
Total liabilities			833,077,996,477
<b>As at 31 March 2021 and for the year then ended</b>			
Sales to external customers	114,189,141,825	23,629,149,677	137,818,291,502
Total revenue	114,189,141,825	23,629,149,677	137,818,291,502
<b>Results</b>			
Segment gross profit	60,662,925,941	587,397,449	61,250,323,390
Selling expenses	(91,729,290)	-	(91,729,290)
Unallocated income, expenses (i)			51,360,160,978
Net profit before tax			112,518,755,078
Corporate income tax expenses			(2,571,601,784)
Deferred tax income			57,996,340
Net profit after tax for the year			110,005,149,634
<b>Assets and liabilities</b>			
Segment assets	190,776,563,961	12,539,818,221	203,316,382,182
Unallocated assets (ii)			2,188,658,576,288
Total assets			2,391,974,958,470
Segment liabilities	6,857,774,409	33,724,326,138	40,582,100,547
Unallocated liabilities (iii)			652,699,699,043
Total liabilities			693,281,799,590

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

**34. SEGMENT INFORMATION (continued)**

- (i) Unallocated income, expenses mainly comprise of finance income, finance expense, general and administrative expenses and corporate income tax expense;
- (ii) Unallocated assets mainly comprise of cash and cash equivalents, financial investments, advances to suppliers, other receivables and construction in progress;
- (iii) Unallocated liabilities mainly comprise of accrued expenses, payables to employees, other payables, taxes, loans and financial leasing, bonus and welfare fund and scientific and technological development fund.

**35. COMMITMENTS AND CONTINGENCIES**

***Capital expenditure commitments***

As at 31 March 2022, the Company had contractual commitments with the amount of VND 211.85 billion relating to the construction of "CMC Creative Space" project.

***Capital contribution commitment***

As at 31 March 2022, the Company had contributed capital in CMC Education Co., Ltd, the outstanding amount of VND is 73.7 billion.

***Operating lease commitment as a lessor***

The Company is leasing out certain floor areas under operating lease arrangements. The minimum lease payment as at the separate balance sheet dates under these operating lease agreements are as follows:

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	47,117,092,752	46,956,395,223
From 1 - 5 years	17,353,478,589	44,912,694,730
<b>TOTAL</b>	<b><u>64,470,571,341</u></b>	<b><u>91,869,089,953</u></b>

***Operating lease commitment as a lessee***

The Company leases assets under operating lease arrangements. The minimum lease commitment as at the separate balance sheet dates under these operating lease agreements are as follows:

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	1,052,595,000	1,052,595,000
From 1 - 5 years	4,210,380,000	4,210,380,000
More than 5 years	30,120,721,505	31,173,893,586
<b>TOTAL</b>	<b><u>35,383,696,505</u></b>	<b><u>36,436,868,586</u></b>

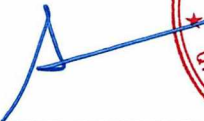
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 March 2022 and for the year then ended

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


There is no matter or circumstance that has arisen since the separate balance sheet date that requires adjustment or disclosure in the separate financial statements of the Company.



Chief Accountant  
Nguyen Hong Phuong



Chief Financial Officer  
Le Thanh Son

  
Executive President of the Group  
Nguyen Trung Chinh

29 June 2022

