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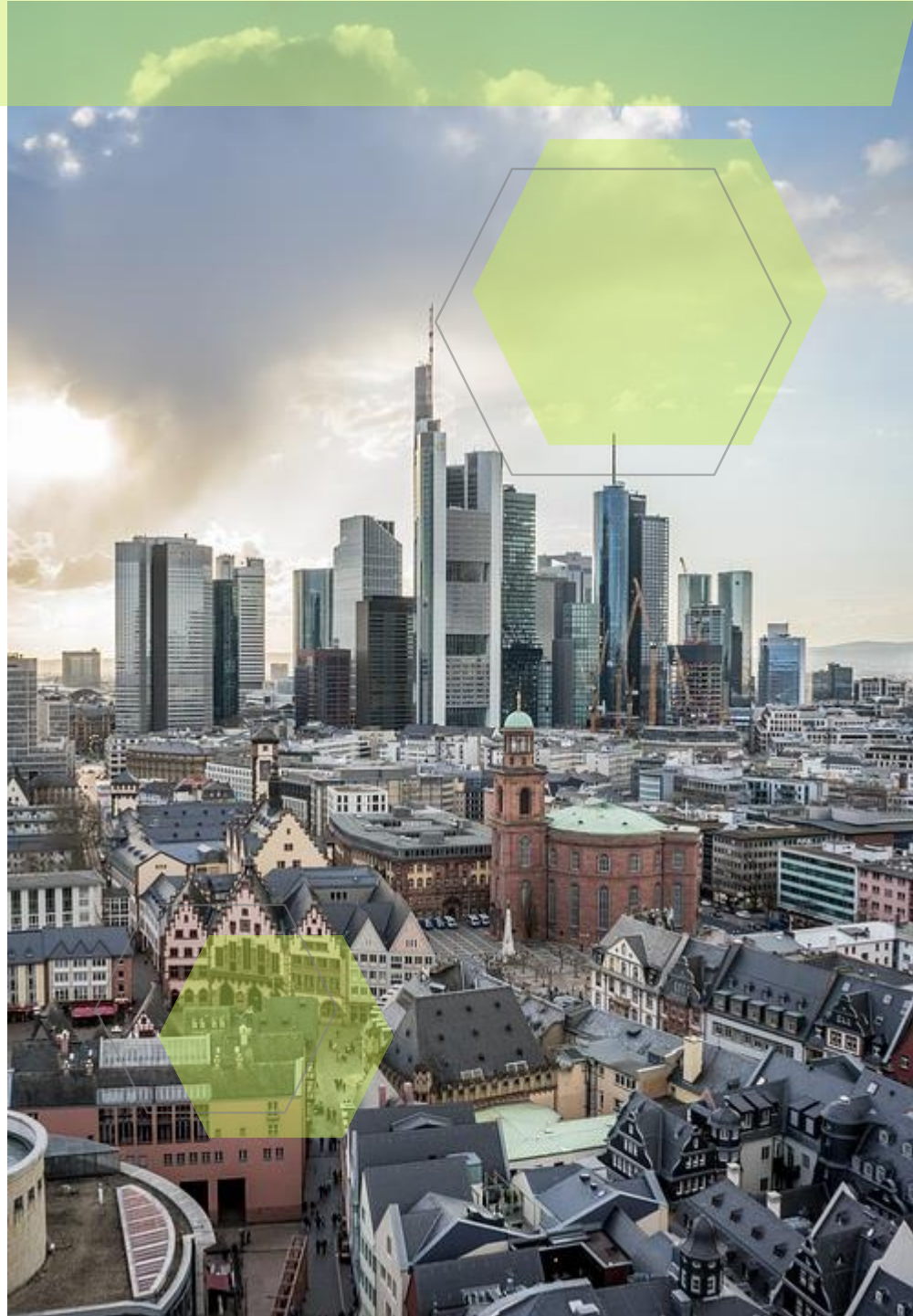
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LEGAL, LABOR AND TAX UPDATES IN 2022



VAT REDUCTION

OFFICIAL DISPATCH NO. 2688/BTC-TCT ON VAT IN DECREE NO. 15/2022/ND-CP

1. Regarding types of goods and service not eligible for VAT reduction

Pursuant to Clause 1, Article 1 of Decree No. 15/2022/ND-CP, Decree No. 15/2022/ND-CP stipulates the exclusion of specific groups of goods and services that are not entitled to tax reduction and is detailed in Appendix I, II and III promulgated together with Decree No. 15/2022/ND-CP. Tax Departments guide taxpayers to compare goods and services that taxpayers manufacture and trade with groups of goods and services that are not eligible for tax reduction in Clause 1, Article 1 of Decree No. 15/2022/ND-CP and the list of goods and services not entitled to tax reduction in Appendix I, II, III issued together with Decree No. 15/2022/ND-CP to comply with regulations.

2. Issuing invoices

- In case a premise signs a service contract (collecting money before or during service provision), and has issued an invoice at the time of collecting money before February 1, 2022 at 10% VAT but the service has been completed in the period from February 1, 2022 to the end of December 31, 2022, the amount invoiced before February 1, 2022 will not be eligible for VAT reduction policy; for the invoice of remaining unpaid amount prepared from February 1, 2022 to the end of December 31, 2022, it will be entitled to the VAT reduction policy.
- If the premise renders premise goods and services with 10% VAT in January, 2022 but prepares invoice in February, 2022, this will not be eligible for VAT reduction due to invoicing at the wrong time.
- Regarding invoices prepared before February 1, 2022 with 10% VAT and then there are errors (in terms of goods, VAT or return of goods) after February 1, 2022, adjusted invoices and returned goods invoices are prepared at 10% VAT.
- For rendering specific goods and services such as electricity supply, premises will be entitled to VAT reduction for invoices prepared from February 1, 2022 to the end of December 31, 2022.



NUMBER OF OVERTIME HOURS OF EMPLOYEES

RESOLUTION NO. 17/2022/UBTVQH15 ON OVERTIME HOURS OF EMPLOYEES

Number of overtime hours per year: If the employer is in need and gets its employees' consents, the overtime hours of an employee shall be in a range from 200 hours to no more than 300 hours per year, except for the following cases:

- Employees from 15 years old to under 18 years old;
- Employees with work capacity reduction of at least 51%, serious or very serious disabilities;
- Employees who are doing a laborious, toxic or dangerous work;
- Female employees are pregnant from the 7th month or from the 6th month if working in highland, deep-lying, remote, border or island areas;
- Female employees who are taking care of their children under 12 months old.

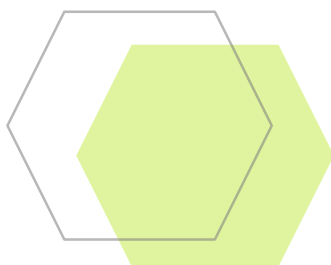
Notes: The above regulations on overtime hours per year shall not be applied to the case specified in Clause 3, Article 107 of the Labor Code.

The number of overtime hours per month: If the employer is allowed to use his employees for working overtime in the prescribed limited thereon, the overtime hours of an employee shall be in a range from 40 hours to 60 hours per month.

Implementing regulations on overtime hours in Resolution No. 17/2022/UBTVQH15 must fully comply with other relevant provisions of the Labor Code.

As organizing overtime work specified above, the employer must notify in writing the specialized labor agency under the provincial People's Committee as prescribed in Clause 4, Article 107 of the Labor Code.

Simultaneously, the employer is responsible for applying measures to enhance labor productivity and other measures to reduce overtime work; If having to work overtime, the employer shall implement welfare regimes to ensure the more favorable conditions for the employees.





APPLYING E-INVOICES IN 57 PROVINCES AND CENTRALLY-RUN CITIES

DECISION NO. 206/QĐ-BTC DATED FEBRUARY 24, 2022 GRANTED BY MINISTRY OF FINANCE ON APPLYING E-INVOICES IN 57 PROVINCES AND CENTRALLY-RUN CITIES

Applying e-invoices according to Circular No. 78 & Decree No. 123 Phase 2 for enterprises, economic organizations, business households and business individuals in 57 provinces and centrally-run cities (excluding 6 provinces and cities that have applied since November 2021, including Hanoi, Ho Chi Minh City, Hai Phong Province, Phu Tho Province, Quang Ninh Province and Binh Dinh Province). Implementation period is from April 2022.

In the upcoming time, businesses/economic organizations that are subject to the conversion and application of e-invoices according to the roadmap and regulations of the Ministry of Finance need to do the followings:

- ✓ Reviewing and identifying enterprises subject to the application of e-invoices, and the conversion roadmap under the guidance of the Tax Authority.
- ✓ Selecting an e-invoice software provider, announced by the General Department of Taxation that successfully connects with the Tax Authority to provide services of receiving, transmitting and archiving e-invoice data.
- ✓ Preparing conditions for IT infrastructure to make and transfer e-invoice data to the Tax Authority, send e-invoices to buyers and others on management and use e-invoices according to current regulations.

These Legal Updates are general information for internal use merely, and they are not provided to any specific case of any organizations or individuals. Although we endeavor to present as accurate information as possible, we do not assure that the aforesaid information remains its accuracy as at the date on which the readers receive these Legal Updates. You are advised to refer consultants before adopting these Legal Updates for specific cases.

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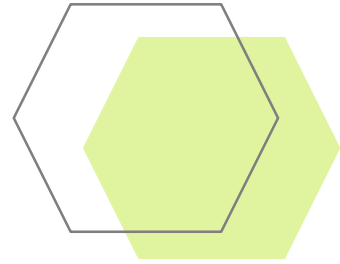
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INTRODUCTION TO CONSULTING SERVICES OF A&C

Baker Tilly A&C specializes in rendering auditing and consulting services in the fields of accounting - finance - tax - investment - legal - administration - construction

Financial Statements

Financial statement is one of the pivotal activities of Baker Tilly A&C. Hence, we are proud to bring satisfaction to you with the best quality of service.

Internal Audit

We are willing to provide a wide spectrum of advisory services which include the provision of internal audit teams, corporate governance, enterprise risk management, quality assurance reviews, legal compliance review and review of internal controls over financial statement preparation, etc.

Finalized Accounts of Investment Project

Audited Reports will help you (Investor and related parties) complete the procedures and approval for the final settlement of the investment capital, the final settlement value of the construction investment before the facility is put into use. The above services will provide you with reliable information and documents on selecting your investment partner and for the purposes of mortgage, transfer, equitization, dissolution, bankruptcy law for firm.

Consulting Service

We provide a range of consulting services including Tax Consultancy, Transfer Pricing, Business Consultancy, Due Diligence, Business Restructuring Consultancy, Legal and Investment Consultancy, Mergers and Acquisitions (M&A)

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With a team of professionals with knowledge of Vietnamese accounting, international accounting practices, many years of practical work experience in the business, accounting services provided by A&C always satisfy customers.

Training Service

Training topics on financial accounting, management accounting, auditing and internal audit, financial analysis, IFRSs, etc.

Organizing continuing professional development program and providing information on newly issued documents of the State
On-demand corporate training

Valuation Service

Including services of Business Valuation and Asset Valuation via the issuance of valuation certificate

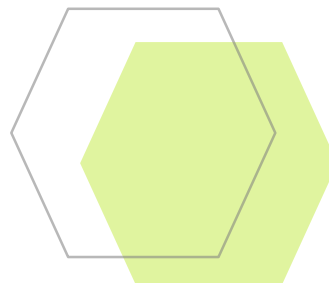
INTRODUCTION TO BAKER TILLY INTERNATIONAL

A&C is an independent member of BAKER TILLY INTERNATIONAL – a worldwide organization of professional accounting firms and business advisers

BAKER TILLY INTERNATIONAL a worldwide organization including the world's leading independent member firms of professional accounting firms and business advisers, was established in 1987 and has headquartered at Global Office, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU, United Kingdom. Baker Tilly International is represented by **122 member companies** in more than **146 countries** and **36,300 employees** worldwide. The members of Baker Tilly International are all high-quality independent accounting, auditing and consulting firms, committed to providing outstanding services to customers in domestic as well as worldwide.

BAKER TILLY INTERNATIONAL ranks in **the top 10** largest accounting and business advisory networks worldwide, with the global annual fee income of over **USD 3.9 billion**.

BAKER TILLY INTERNATIONAL is large enough to provide the services required by clients, whatever their size is and wherever they are located. Through its "**Global Care**" approach, **BAKER TILLY INTERNATIONAL** member firms strive to ensure that all aspects of a client's financial affairs are addressed at the highest quality and professional manner.



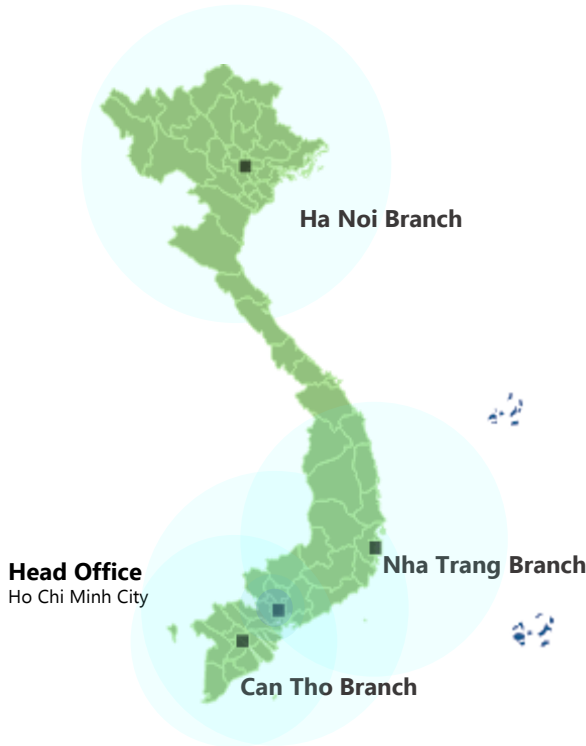
INTRODUCTION TO BAKER TILLY A&C

A&C Auditing and Consulting Co., Ltd.

Established in 1992, formerly known as a State-owned enterprise directly under the Ministry of Finance.

A&C specializes in auditing, accounting, consulting, valuation and training, and has been constantly developing and diversifying services.

During 30 years of operation, A&C has successfully developed a branch network in major economic centers in the country.



Baker Tilly A&C's team of more than 500 employees undergoes ongoing training for improving professional expertise, skills and courage as well as updates knowledge on laws, economics, technology, marketing, etc. In addition to local training courses, our auditors and consultants have been seconded in training and practicing courses overseas, such as Malaysia, Singapore, the Philippines, Hong Kong, Great Britain, France, Belgium, Ireland, etc. organized by A&C or supporting programs of Ministry of Finance, Baker Tilly International and other international professional organizations.

A&C has been providing services to more than 2,000 clients working in various operating sectors in Vietnam, including:

- ☉ Vietnamese businesses and FDI ones of all economic sectors including manufacturing, finance, banking, oil and gas, etc.;
- ☉ International and domestic organizations, representative offices, and individuals who are in need of our services;
- ☉ Projects funded by the World Bank, the Asian Development Bank, the European Union, etc.

Collective member of Vietnam Association of Certified Public Accountants (VACPA); Member of Vietnam Business Club (VBC) and Collective member of Vietnam Tax Advisory Association (VTCA).

Why is Baker Tilly A&C credible?

<p>TOP 10 Vietnam</p>	<p>Capable workforce and intensive experience</p>	<p>Local Understanding of the Vietnamese country, people and law</p>	<p>Co-operation with competent authorities</p>	<p>Worldwide membership network</p>	<p>Nationwide network</p>	<p>Dedication and profession</p>
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