



No. 024/2022/HĐKT.PN

AUDIT CONTRACT

**Ref: Audit of Financial Statement for the fiscal year ended
on . of Malayan Daching Company Limited**

- Based on the Civil Law No. 91/2015/QH13 dated November 24, 2015;
- Base on the Commercial Law No.36/2005QH11 dated June 14, 2005;
- Base on the Independent Audit Law No. 67/2011QH12 dated March 29, 2011;
- Based on the Decree 17/2012/NĐ-CP dated March 13, 2012 by the Government detailing and guiding the implementation of a number of articles of the law on independent audit;
- In conformity with the Vietnamese Standards of Auditing 210 on Terms of Audit Engagements;

Today, dated month year :

The contract is made and entered into by and between:

Party A: MALAYAN DACHING COMPANY LIMITED

Represented by : Ms. Phan Thi Hoang Oanh
Position : Office Manager
Address : 19 Dong Da Ward 2, Tan Binh Dist, HCM.
VAT code : 0313909851
Bank Account : 1023347887 at UOB bank – Ho Chi Minh City Branch.
Phone : 0901256788

Party B: BRANCH OF PHUONG NAM ACCOUNTING AND AUDITING COMPANY LIMITED

Represented by : **Mr. NGUYEN KHAC DOAN**
Position : Director
Address : 98 Vu Tong Phan St, An Phu Ward , Thu Duc City, Ho Chi Minh City
VAT code : 0306672217-005
Phone : (028) 6679 5151
Fax : (028) 3957 4199
Account No. : 0181003517724
Bank : Vietcombank – Thu Thiem Branch – Ho Chi Minh City

In consideration of the mutual covenants in this Contract, the above Parties agree as follows:



Article 1 DESCRIPTION OF SERVICE

- 1.1. Party B shall provide Party A the audit service for the financial statements of Party A for the fiscal year ended on _____ (including the balance sheet, income statement, report on change of equity (if any), cash flows statement and notes to the financial statement). The audit conducted by Party B aims to express the audit opinion on the financial statements of Party A.
- 1.2. The financial statements are prepared in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and legal regulations relevant to the preparation and presentation of financial statements.
- 1.3. Auditing of financial statements for the fiscal year ended on _____ Party B will audit the financial statements of the Company in accordance with Vietnamese Standards on Auditing.

Article 2 RESPONSIBILITIES

2.1. Party A's responsibilities

Party B's audit field work shall be conducted on the basis that Board of Directors and Board of Management of Party A (to a certain extent) understand and admit their responsibilities for:

- Preparation and presentation of Financial Statements on a true and fair basis, in accordance with Vietnamese Accounting Standards, Corporate Accounting Policy and relevant regulations;
- Construction and maintenance of internal control which Board of Directors and Board of Management of Party A (to a certain extent) find it necessary to ensure preparation and presentation of Financial Statements are free from material misstatements due to fraud or errors;
- Ensuring timely disclosure to Party B:
- + Rights to approach all documents, information which Board of Directors find them relevant to Financial statements preparation and presentation procedure such as accounting records, accounting books, documents and other matters;
- + Additional information which Auditors and Auditing company requires Board of Directors to supply or explain for the purpose of auditing; and
- + Rights to approach Party A's staff with no limit which Auditors and Auditing company find it necessary to collect audit evidences; Allocating suitable staff to work with Party B during audit procedure.

The failure of the Board of Directors to provide Party B with the aforementioned information or the right to communicate with employees in the Company of Party A may result in a delay in the completion of the work and the release of Party B's report, and / or change the scope of audit procedures, or even result in Party B's termination of service provision.

- Board of Directors and Board of Management of Party A (to a certain extent) have responsibilities for providing and confirmation on given exposition in written during audit procedure by "Letter of exposition from Board of Directors and Board of Management", one of requirements under Vietnamese Standards on Auditing, in which regulates clearly responsibilities of Party A's Board of Directors in Financial statements preparation and presentation and affirming that influence of unadjusted individual misstatements and total misstatements in the Financial statements which are collected by Party B during audit procedure for the present period and misstatements of previous periods are immaterial to total Financial statements.
- Facilitate Party B's staff during audit procedure at Party A's office.
- Responding to the draft of Audit Report within 03 working days, from the time party B sends the drafts to party A.

- Make full payment audit service fee and other fees (if any) to Party B under Article 4 of the contract.

2.2. Party B's responsibilities

- Party B shall conduct audit field work in accordance with Vietnamese Standards on Auditing, laws and relevant regulations. These auditing standards requires Party B to comply with professional ethics requirements, to set up plans and conduct audit field work to obtain suitable assurance of whether overall there is any material misstatement. During the audit field work, Party B shall conduct appropriate procedures to collect audit evidence of figures and disclosure in Financial statements. Procedures undertaken shall be subject to Auditors' judgment, including assessment of material misstatement risk in Financial statements due to frauds or errors. The audit field work also includes assessment of suitability of accounting policy used and accounting estimates of Board of Directors, as well as assessment of overall presentation of Financial statements.
- Party B has responsibility for informing Party A on audit extent and plan, appoint competent and experienced Auditors and Audit assistants to perform the audit.
- Party B performs the audit under principles of independence, objectivity and confidentiality. Thus Party B is not allowed to disclose to any other third party without Party A's consent, except in case of legal requirements and relevant regulations, or in case the above information are published by State agencies or disclosed by Party A.
- Party B has responsibility for asking Party A to affirm the exposition provided to Party B during audit procedure. In accordance with Vietnamese Accounting Standards, the compliance with these requirements and Letter of exposition of Party A's Board of Directors on relevant matters is one of the bases for Party B to express their opinion on Party A's Financial Statements.
- Due to latent restriction of audit as well as internal control, there are unavoidable risks that Auditors could not figure out material misstatements, although the audit has been planned and conducted in conformity with Vietnamese Standards on Auditing.
- In order to assess risks, Party B shall consider internal control systems used in Financial Statements preparation to design appropriate audit procedures in cases, however this is not for the purpose of expressing opinion on existence of Party A's internal control systems. Party B nevertheless shall inform Party A in written on any weaknesses in internal control systems found during Financial statement audit.

Article 3 AUDIT REPORT

3.1. Upon completion of audit, Party B shall provide Party A with:

- 05 original copies of the auditors' reports accompanied with the audited financial statements in Vietnamese and 02 original copies in English; 02 sets of Management letter in Vietnamese and English, if any, refers to any shortcomings and recommendations of the auditors in order to improve accounting systems and internal control systems of Party A.
- The audit report shall be made in writing, with the contents regulated by the Law on Independent Auditing, Vietnam Auditing Standards No. 700, No. 705 and No. 706, other related auditing standards and regulations.

3.2. In case Party A intends to issue Party B's audit report under any forms or any documents containing information of audited Financial Statements, Party A's Board of Directors agrees that they shall provide Party B one version of these documents and only publish these with the content of Party B in written.

3.3. Party A is responsible for submitting these reports to the relevant authorities.



Article 4 SERVICE FEES AND PAYMENT TERMS

4.1. Service fee for the service at Article 1:

Services	Fee (VND)
1. Audit financial statements for the fiscal year ended on	22,820,000
2. VAT (8%)	1,825,600
3. Total services	24,645,600

4.2. Payment term:

- First time : 50% after the contract has been signed VND 12,322,800
- Second time : 50% residual after Party B issues Audit report to Party A VND 12,322,800
- **Total: VND 24,645,600**
- The audit fee shall be paid via bank systems and directly to Party B's account.
- Party A will pay the second time of audit fees to Party B after Party B send VAT invoice and payment requests of audit fees to Party A.

Article 5 COMMITMENT

- 5.1. The two parties commit to undertake all articles stipulated in the Contract. During procedure, in case of any matters arising, the two parties are supposed to mutually find out the solutions.
- 5.2. Any dispute or complaint arising during contract implementation shall be solved by agreement or Civil Code of Socialist Republic of Vietnam and at economic Court chosen by parties.

Article 6 VALIDITY, LANGUAGE AND DURATION OF CONTRACTS

- 6.1. The contract has been made into 02 copies in Vietnamese and 02 copies in English, each party shall keep 01 copies for each language with equal value and shall come into force upon full signature, stamps of parties until the contract is terminated.
- 6.2. This contract is obviously terminated when Party A makes full payment and Party B issues invoice.

Party A's representative

MALAYANA DACHING CO., LTD

Party B's representative

**BRANCH OF PHUONG NAM
ACCOUNTING AND AUDITING CO., LTD**



PHAN THỊ HOÀNG OANH
Office Manager

NGUYEN KHAC DOAN
Director