

POST AND TELECOMMUNICATION EQUIPMENT JOINT STOCK COMPANY
No.61 Tran Phu - Dien Bien Ward - Ba Dinh District - Ha Noi

CONSOLIDATED FINANCIAL STATEMENTS
1st quarter of 2025

Post and Telecommunication Equipment Joint Stock Company

No.61 Tran Phu - Dien Bien Ward - Ba Dinh District - Ha Noi

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Consolidated Financial Statements

Denominator B02-DN

(Issued according to Circular No. 200/2014/TT-BTC)


DN - CONSOLIDATED STATEMENT OF INCOME - Q1 2025

Items	Code	Note	Q1 2025	Q1 2024	Cumulative amount from the beginning of the year to the end of this quarter	Cumulative amount from the beginning of the year to the end of
1. Revenue from sales of goods and rendering of services	01	4.1	132,982,969,244	95,609,976,735	132,982,969,244	95,609,976,735
2.Revenue deductions	02	4.2	58,534,718	-	58,534,718	0
3. Net revenue from sale of goods and rendering of services (10= 01-02)	10	4.3	132,924,434,526	95,609,976,735	132,924,434,526	95,609,976,735
4. Cost of good sold	11	4.4	119,162,322,488	80,397,683,868	119,162,322,488	80,397,683,868
5. Gross profit from sales of goods and rendesring (20=10-11)	20		13,762,112,038	15,212,292,867	13,762,112,038	15,212,292,867
6. Financial income	21	4.5	115,527,158	160,623,564	115,527,158	160,623,564
7. Financial expense	22	4.6	8,428,061,403	5,784,637,979	8,428,061,403	5,784,637,979
- In Which : Interest expense	23		8,479,125,578	5,768,518,566	8,479,125,578	5,768,518,566
8. Selling expense	25		4,998,842,047	2,207,373,955	4,998,842,047	2,207,373,955
9. General and administrative expense	26		10,267,949,051	6,941,687,903	10,267,949,051	6,941,687,903
10. Net profit from operating activities{30=20+(21-22)-(25+26)}	30		-9,817,213,305	439,216,594	-9,817,213,305	439,216,594

Items	Code	Note	Q1 2025	Q1 2024	Cumulative amount from the beginning of the year to the end of this quarter	Cumulative amount from the beginning of the year to the end of
11. Other income	31		634,738,129	109,410,926	634,738,129	109,410,926
12. Other expense	32		152,650,715	460,000,902	152,650,715	460,000,902
13. Other profit (40=31-32)	40		482,087,414	-350,589,976	482,087,414	-350,589,976
14. Total net profit before tax (50=30+40)	50		-9,335,125,891	88,626,618	-9,335,125,891	88,626,618
15. Current corporate income tax expense	51	4.7	62,413,658	15,212,103	62,413,658	15,212,103
17. Profit after corporate income tax (60=50-51-52)	60		-9,397,539,549	73,414,515	-9,397,539,549	73,414,515

Hà Nội, 21 April 2025

Preparer



Vo Minh Hue

Chief Accountant



Ma thi Nghiem

Chairman



Tran Hai Van

DN - CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Code	Note	31/03/2025	01/01/2025
ASSETS				
A- CURRENT ASSETS	100		1,151,193,662,537	1,371,007,217,058
I. Cash and cash equivalents	110	3.1	101,388,338,173	106,217,672,636
1. Cash	111		98,316,163,146	104,154,834,798
2. Cash equivalents	112		3,072,175,027	2,062,837,838
II. Short- term investments	120	3.2	5,145,884,450	5,145,884,450
1. Trading securities	121		72,900,000	72,900,000
3. Held-to-maturity investments	123		5,072,984,450	5,072,984,450
III. Short - term investments	130		607,540,747,817	870,835,882,277
1. Short -term trade receivables	131		509,093,444,837	809,880,322,552
2. Short -term prepay ments to suppliers	132		52,927,567,190	17,242,765,228
6. Other short - term receivables	136	3.3	58,249,557,947	56,442,616,654
7. Provision for short -term doubtful debts	137		-12,729,822,157	-12,729,822,157
IV. Inventories	140		417,146,605,822	380,841,534,035
1. Inventories	141	3.4	461,472,421,690	425,174,508,010
2. Provision for devaluation of inventories	149		-44,325,815,868	-44,332,973,975
V. Other short -term assets	150		19,972,086,275	7,966,243,660
1. Short -term prepaid expenses	151		739,420,448	343,147,843
2. Deductible VAT	152		19,189,237,003	7,524,090,378
3. Taxes and other receivables from State budget	153	3.5	43,428,824	99,005,439
B. NON-CURRENT ASSETS	200		1,205,439,750,153	1,168,851,475,801
I. Long-term receivable	210		29,438,076,869	28,822,241,688
1. Other long-term receivables	216		29,438,076,869	28,822,241,688
II. Fixed assets	220		274,108,601,273	248,776,070,316
1. Tangible fixed assets	221	3.7	134,694,574,978	105,691,866,600

	Code	Note	31/03/2025	01/01/2025
- Historical cost	222		299,392,937,445	293,703,881,642
- Accumulated depreciation	223		-164,698,362,467	-188,012,015,042
2. Finance lease assets	224	3.8	137,631,653,295	141,301,830,716
- Historical cost	225		142,525,223,190	142,525,223,190
- Accumulated depreciation	226		-4,893,569,895	-1,223,392,474
3. Intangible fixed assets	227	3.9	1,782,373,000	1,782,373,000
- Historical cost	228		2,133,782,000	2,193,782,000
- Accumulated depreciation	229		-351,409,000	-411,409,000
III. Investment real estate	230		1,811,721,697	1,850,963,362
- Historical cost	231		2,355,197,659	2,355,197,659
- Accumulated depreciation	232		-543,475,962	-504,234,297
IV. Long-term assets in progress			824,287,563,786	824,077,443,986
2. Construction in progress	242		824,287,563,786	824,077,443,986
V. Long-term investments	250		13,578,888,541	13,578,888,541
2. Investments in joint ventures and associates	252		13,578,888,541	13,578,888,541
VI. Other long-term assets	260		62,214,897,987	51,745,867,908
1. Long-term prepaid expenses	261	3.10	62,214,897,987	51,745,867,908
TOTAL ASSETS	270		2,356,633,412,690	2,539,858,692,859
CAPITAL				
C. LIABILITIES	300		2,059,267,738,566	2,233,068,307,703
I. Current liabilities	310		1,049,225,833,244	1,231,915,037,626
1. Short-term trade payables	311		436,355,338,938	561,803,178,604
2. Short-term payables from customers	312		9,795,554,827	1,234,404,404
3. Taxes and other payables to State budget	313	3.12	122,954,109	20,923,070,492
4. Payables to employees	314		1,640,413,979	5,321,342,367
5. Short-term accrued expenses	315	3.13	11,999,569,015	13,918,519,177
6. Short-term unearned revenues	318		469,262,943	175,815,154
9. Other short-term payables	319	3.14	16,311,091,665	5,869,303,995
9. Short-term borrowings and finance lease liabilities	320	3.11	566,670,273,368	615,152,927,717
11. Provisions for short-term payables	321		5,371,767,812	6,959,869,128

	Code	Note	31/03/2025	01/01/2025
12. Bonus and welfare fund	322		489,606,588	556,606,588
II. Non-current liabilities	330		1,010,041,905,322	1,001,153,270,077
6. Long-term unearned revenues	336		11,157,095,985	
7. Other long-term payables	337		865,652,044,995	865,592,044,995
8. Long-term borrowings and finance lease liabilities	338	3.15	131,564,627,264	133,898,627,264
11. Provisions for long-term payables	342		1,668,137,078	1,662,597,818
D. OWNER'S EQUITY	400		297,365,674,124	306,790,385,156
I. Owner's equity	410	3.16	297,365,674,124	306,790,385,156
1. Contributed capital	411		194,300,060,000	194,300,060,000
- Ordinary shares with voting rights	411a		194,300,060,000	194,300,060,000
2. Share Premium	412		45,934,846,208	45,934,846,208
7. Exchange rate differences	417		7,141,422,139	7,141,422,139
8. Development and investment funds	418		36,041,305,736	36,041,305,736
11. Retained earnings	421		13,948,040,041	23,372,751,073
-Retained earnings accumulated till the end of the previous year	421a		0	20,013,469,897
-Retained earnings of the current year	421b		0	3,359,281,176
TOTAL CAPITAL	440		2,356,633,412,690	2,539,858,692,859

Hà Nội, 21 April 2025

Preparer



Vo Minh Hue

Chief Accountant



Ma thi Nghiem

Chairman



Tran Hai Van

CONSOLIDATED STATEMENT OF CASH FLOWS

Year 2025

(Indirect method)

ITEMS	code	Note	01/01-31/03	
			Year 2025	Year 2024
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Profit before tax	01		-9,335,125,891	88,626,618
2. Adjustment for			8,718,637,429	9,749,950,531
Depreciation and amortization of fixed assets and investment properties	02		2,423,341,785	8,097,596,526
Provisions	03		-1,589,720,163	-4,306,130,973
Exchange gains/losses from retranslation of monetary items denominated in foreign	04		0	0
Gains/losses from investment	05		-594,109,771	189,966,412
Interest expense	06		8,479,125,578	5,768,518,566
3. Operating profit before changes in working capital	08		-616,488,462	9,838,577,149
Increase or decrease in receivables	09		125,327,740,356	109,960,840,691
Increase or decrease in inventories	10		-36,297,913,680	-29,993,574,456
Increase or decrease in payables	11		-26,857,294,610	-58,829,335,801
Increase or decrease in prepaid expenses	12		-10,535,836,541	-3,323,032,378
Interest paid	14		-5,020,563,706	-5,582,766,751
Corporate income tax paid	15		1,014,894,956	-3,946,668,412
Other revenue from business operations	16		-1,008,796,316	100,221,558
Other payments on operating activities	17		0	-6,915,209
Net cash flow from operating activities	20		46,005,741,997	18,217,346,391
II. CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase or construction of fixed assets and other long-term assets	21		-74,119,800	-165,282,826
Proceeds from disposals of fixed assets and other long-term assets	22		0	0
Loans and purchase of debt instruments from other entities	23		0	0

ITEMS	code	Note	01/01-31/03	
			Year 2025	Year 2024
Collection of loans and resale of debt instrument of other entities	24		0	0
Interest, dividends and profits received	27		55,697,689	121,509,785
Net cash flow from investing activities	30		-18,422,111	-43,773,041
III. CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings	33		351,581,337,213	302,840,281,211
Repayment of principal	34		-402,397,991,562	-309,044,255,522
Repayment of financial principal	35		0	0
Dividends or profits paid to owners	36		0	0
Net cash flow from financing activities	40		-50,816,654,349	-6,203,974,311
Net cash flows in the year	50		-4,829,334,463	11,969,599,039
Cash and cash equivalents at the beginning of the year	60		106,217,672,636	57,369,331,863
Effects of exchange rate fluctuations	61		0	0
Cash and cash equivalents at the end of the year	70		101,388,338,173	69,338,930,902

Hà Nội, 21 April 2025

Preparer



Vo Minh Hue

Chief Accountant



Ma thi Nghiem

Chairman



Tran Hai Van

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Q1 2025

1 GENERAL INFORMATION OF THE COMPANY

Form of ownership

Post and Telecommunication Equipment Joint Stock Company, formerly known as the Postal Equipment Factory under the Vietnam Post and Telecommunications Corporation, was transformed into a joint stock company under the Decision No. 46/2004/QĐ-BCVT dated 15 November 2004 issued by Ministry of Post and Telecommunication (currently known as Ministry of Information and Communications). The Company operates under the Business Registration Certificate of a joint stock company No. 0100686865 dated June 7, 2005, amended for the 10th time on 28 December 2023 issued by the Hanoi Authority for Planning and Investment.

The Company's headquarter is located at : No 61 Tran Phu St, Dien Bien Ward, Ba Dinh District, Ha Noi.

The Company's charter capital is VND 194,300,060,000 (One hundred ninety-four billion three hundred million and sixty thousand Vietnam Dongs), equivalent to 19,430,006 shares, par value of one share is VND 10,000.

Business field

Manufacturing and trading of post and telecommunication equipment.

Business activities

Main business activities of the Company includes:

- Exporting and importing materials and equipment in the field of post, telecommunication, electronics and information technology
- Manufacturing, assembling machinery and equipment in the field of post, telecommunication, broadcasting, television, electronics and information technology
- Trading in materials and equipment in the field of post, telecommunication, electronics and information technology
- Providing services such as ; construction, technology consulting in the field of post, telecommunication, electricity, electronics and information technology;
- Production of plastic products;
- Management consulting activities.

The company's operation in the fiscal year affects the Consolidated Financial Statements

The Company's revenue mainly comes from contracts performed for Vietnam Posts and Telecommunications Corporation (VNPT), investing in telecommunications infrastructure in local areas, mainly concentrated in the southern provinces

The Company's structure

The Company has subordinate units which are consolidated in the Financial Statement as at 31 March 2025 as below:

The subordinate units	Address	Rate of interest	Rate of voting rights	Main business activities
1. Postef Source Technology Solution Company Limited	Ha Noi	100%	100%	Production of power system and postal equipment
2. Postef Ba Dinh One Member Company Limited	Ha Noi	100%	100%	Manufacturing and supplying equipment and services in the field of post and telecommunication
3. Postef Da Nang One Member Company Limited	Da Nang	100%	100%	Manufacturing and supplying equipment and services in the field of post and telecommunication

2 ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1 Accounting period and accounting currency

Annual accounting period commences from 01 January and ends as at 31 December.

The Company maintains its accounting records in Vietnam Dong (VND).

2.2 Standards and Applicable Accounting Policies

Applicable Accounting Policies

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance, the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC and the Circular No. 202/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance guiding the preparation and presentation of Consolidated Financial Statements.

Declaration of compliance with Vietnamese Accounting Standards and Accounting System

The company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Consolidated Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

2.3 Basis for the preparation of Consolidated Financial Statements

Consolidated Financial Statements are prepared based on consolidating Separate Financial Statements of the Company and Financial Statements of its subsidiaries under its control as at 31 December annually. Control right is achieved when the company has power to govern the financial and operating policies of invested companies to obtain benefits from their activities.

Consistent accounting policies are applied in Financial Statements of subsidiaries and the Company. If necessary, adjustments are made to the Financial Statements of subsidiaries to ensure the consistency of application of accounting policies among the Company and its subsidiaries.

Balance, main incomes and expenses, including unrealized profit from intra-group transactions are eliminated in full from Consolidated Financial Statements.

2.4 Accounting estimates

The preparation of Consolidated Financial Statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to financial reporting requires the Board of Directors/General Director to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent liabilities and assets at the date of the Consolidated Financial Statements and the reported amounts of revenues and expenses during the fiscal year.

The estimates and assumptions that have a material impact in the Consolidated Financial Statements include:

- Provision for bad debts
- Provision for devaluation of inventory;
- Provision for payable expenses
- Distribution of prepaid expenses;
- Estimated useful life of fixed assets;
- Estimated corporate income tax

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company's Consolidated Financial Statements and that are assessed by the Board of General Directors to be reasonable under the circumstances.

2.5 Foreign currency transactions

The foreign currency transactions during the year are converted into Vietnam Dong using the actual exchange rate at the transaction date.

Actual exchange rate when revaluating monetary item denominated in foreign currencies at the reporting date of the Consolidated Financial Statements is determined under the following principles:

- For asset accounts, applying bid rate of the commercial banks where the Company regularly conducts transaction;
- For foreign currency deposits in bank, applying the bid rate of commercial bank where the Company opens its foreign currency accounts;
- For liability accounts, applying the offer rate of commercial banks where the Company regularly conducts transactions.

All exchange differences arising from foreign currency transactions in the year and from revaluation of remaining foreign currency monetary items at the end of the year are recorded immediately to operation results of the fiscal year.

2.6 Cash and cash equivalents

Cash includes cash on hand, demand deposits.

Cash equivalents are short-term investments with the maturity of not over 3 months from the date of investment, that are highly liquid and readily convertible into known amounts of cash and that are subject to an insignificant risk of conversion into cash.

2.7 Financial investments

Trading securities are initially recognized at original cost which includes purchase prices plus any directly attributable transaction costs such as brokerage, transaction fee, cost of information provision, taxes, bank's fees and charges. After initial recognition, trading securities are measured at original cost less provision for diminution in value of trading securities.

Held-to-maturity investments include: Term deposits held to maturity to earn profits periodically and other held to maturity investments.

In the Consolidated Financial Statements, investments in joint-ventures are accounted for using the equity method. Under this method, the investments are initially recognised at cost and adjusted thereafter for the post acquisition change in the Corporation's share in net assets of the associate after acquisition date..

The investor's ownership in the profit (loss) of the joint-venture company after purchasing is reflected in the Consolidated Income Statement, and the investor's ownership which changes after purchasing of the joint-venture company's funds is recorded into funds. The accumulative change after purchasing is adjusted to the remaining amount of investment in joint-venture company. Dividends received from

the joint-venture companies are deducted from investment of the joint-venture companies.

Provisions for devaluation of investments are made at the end of the year, specifically as follows:

- For investments in trading securities: provision shall be made on the basis of the excess of original cost of the investments recorded in the accounting book over their market value at the provision date.
- For investments held to maturity: provision for doubtful debts shall be made based on the recovery capacity in accordance with statutory regulations.

2.8 Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Company. The receivables shall be classified into short-term receivables or long-term receivables on the Consolidated Financial Statements according to their remaining terms at the reporting date.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or is missing and making feeling or estimating possible losses.

2.9 Inventories

Inventories are initially recognized at original cost including the purchase price, processing costs and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

The cost of inventory is calculated by weighted average method.

Inventory is recorded by perpetual method.

Method for valuation of work in process at the end of the year: The value of work in progress is recorded based on actual cost incurred for each stage in the production chain.

Provision for devaluation of inventories made at the end of the year is based on the excess of original cost of inventory over their net realizable value.

2.10 Fixed assets, Finance lease fixed assets

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets are recorded at cost, accumulated depreciation and carrying amount.

Value after initial recognition

If these costs increase the future economic benefits expected to be obtained from the use of tangible fixed assets beyond the standard operating level as initially assessed, these costs are capitalized, as an additional cost of tangible fixed assets.

Other costs incurred after fixed assets have been put into operation, such as repair, maintenance and overhaul costs, are recorded in the Consolidated Statement of Income statement in the period in which the costs are incurred.

The historical cost of finance lease fixed assets is recognised at the lower of fair value and present value of the minimum lease payments (in case of fair value is higher than present value of minimum lease payment) plus any directly attributable costs incurred related to finance lease (exclusive of value added tax). During the using time, finance lease fixed assets are recorded at historical cost, accumulated depreciation and carrying amount. Finance lease fixed assets are depreciated over the lease term and charged to operating expenses in order to fully recover the capital.

Fixed assets are depreciated (amortised) using the straight-line method over their estimated useful lives as follows:

- Buildings, structures	10 - 50 years
- Machinery, equipment	03 - 15 years
- Transportation equipment	06 - 10 years
- Office equipment	03 - 08 years
- Management software	03 years
- Long-term land use rights	Not amortized

2.11 Investment real estate

Investment properties are initially recognized at historical cost.

Investment properties held for capital appreciation, prior to 01 January 2015 are depreciated on a straight-line method basis similar to other fixed assets, but from 01 January 2015 are not depreciated.

Investment properties held for operating lease are recorded at cost, accumulated depreciation and carrying amount. In which, depreciation is deducted by using the straight-line method with estimated depreciation period of buildings and structures is 15 years.

2.12 Construction in progress

Construction in progress includes fixed assets which are being purchased or constructed but have not completed at the end of the accounting year and recorded at historical cost. This includes costs of construction, installation of equipment and other direct costs. Depreciation of these assets shall be made when these assets are completed and put into use.

2.13 Operating leases

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership of assets are retained by the lessor. Payments made under operating leases are charged to the statement of income on a straight-line basis over the period of the lease.

2.14 Business Cooperation Contract (BCC)

Business Cooperation Contract (BCC) is a contractual agreement between two or more venturers with the objectives of cooperating to carry out specific business activities without constitution of a new legal entity. This operation may be jointly controlled by venturers under BCC or controlled by one of them.

The Company has conducted the following business cooperation contracts:

- a) The Investment cooperation contract No. 156/HD. DT/Postef-Songhong ICT dated 24 April 2012 signed with Song Hong Investment Construction Trading Joint Stock Company on building complex at 63 Nguyen Huy Tuong, Thanh Xuan, Hanoi. Two parties agreed that Song Hong Investment Construction Trading Joint Stock Company would be in charge of opening bank accounts, doing the bookkeeping and settling project expenses. The company only records the annual land rental incurred from 01 January 2012 until now according to notification of tax authority that the Company paid on behalf of the joint-venture and records as receivable item for the project, which is reflected in the item "Other receivables". Profit distribution is made based on the capital contribution rate.
- b) The investment cooperation contract No. 40/2011/HDHTDT/POT-LVH-HL dated 28 December 2011 signed with the joint venture of Lien Viet Group Corporation and Him Lam Corporation on building POSTEF complex at 61 Tran Phu, Ba Dinh, Hanoi. All parties agreed that the Company would be the project owner and in charge of opening bank accounts and doing the bookkeeping during the investment and the construction phase. The project expenses are recorded on the incurred basis and under the scope of contract. The expenses are paid by the joint-venture and recorded in item "Construction in progress " and "Other payables". Profit distribution is made based on the capital contribution rate.

2.15 Prepaid expenses

The expenses incurred but related to operation results of several accounting periods are recorded as prepaid expenses and are allocated to the operating results in the following accounting periods.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on the nature of those expenses to select a reasonable allocation method and criteria.

Types of prepaid expenses of the Company include:

- Prepaid land expenses include prepaid land rental, including those related to leased land for which the Company has received certificate of land use right but not eligible for recording as intangible fixed asset in accordance with the Circular No.

45/2013/TT-BTC dated 25 April 2013 issued by the Ministry of Finance guiding regulation on management, use and depreciation of fixed assets and other expenses related to ensure for the use of leased land. These expenses are recognized in the Consolidated Statement of Income on a straight-line basis according to the lease term of the contract.

- Tools and supplies include assets which are possessed by the Company in an ordinary course of business, with historical cost of each asset less than 30 million dong and therefore not eligible for recording as fixed assets under current legal regulations. The historical cost of tools and supplies are allocated on the straight-line basis from 01 to 03 years.

- Other prepaid expenses are recorded at their historical cost and allocated on the straight-line basis over their useful lives from 01 to 03 years.

- Expenses for prepayment of infrastructure rental are allocated to expenses in the fiscal year according to the lease term.

- Project costs for leasing equipment that are Camera System, Operating Machinery and Equipment and related software are allocated on the straight-line basis over the useful life of 36 months.

2.16 Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company. Payables are classified as short-term and long-term in the Consolidated Financial Statements based on the remaining maturities of the payables at the reporting date.

2.17 Borrowings and finance lease liabilities

The value of finance lease liabilities is recognized at the payable amount equal to the present value of minimum lease payments or the fair value of leased assets.

Borrowings shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings. In case of borrowings or liabilities denominated in foreign currency, they shall be recorded in details in terms of types of currency.

2.18 Borrowing costs

Borrowing costs are recognized as operating expenses in the year, in which it is incurred excepting those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

2.19 Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting period, but the payments for such goods or services have not been made and other payables such as transportation costs,

factory relocation costs, interest expenses, etc. which are recorded to operating expenses of the reporting year.

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

2.20 Provision for payables

Provision for payables is only recorded when meeting all following conditions:

- The Company has a present debt obligation (legal obligation or joint obligation) as a result of past events;
- It is probable that the decrease in economic benefits may lead to the requirement for debt settlement;
- Debt obligation can be estimated reliably.

Value recorded as a provision for payable is the most reasonably estimated amount required to settle for the present debt obligation at the end of the fiscal year.

Only expenses related to the previously recorded provision for payable shall be offset by that provision for payable.

Provision for warranty of products, goods is deducted for products, goods according to time and committed in each specific contract.

The rate of provision for warranty is determined according to the rate of warranty value if the contract contains provisions or the Company's assessment of the possibility of warranty if the contract does not specify a specific warranty rate.

Provisions for payables are recorded as operating expenses of the accounting year. In case provision made for the previous accounting year but not used up exceeds the one made for the current accounting year, the difference is recorded as a decrease in operating expenses.

2.21 Unearned revenues

Unearned revenues include prepayments from customers for one or many accounting periods relating to asset leasing.

Unearned revenues are transferred to other income with the amount corresponding to each accounting period.

2.22 Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Share premium is recorded at the difference between the par value, the costs directly attributable to issuing shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profit distribution or loss handling of the Company.

Dividends to be paid to shareholders are recognised as a payable in Consolidated Statement of Financial Position after announcement of dividend payment from the Board of Management and announcement of cut-off date for dividend payment from Securities Depository Corporation of Vietnam.

2.23 Revenues

Revenue is recognized when it is probable that the economic benefits will flow to the Company which can be reliably measured. Revenue is determined at the fair value of the amounts received or to be received after deducting trade discounts, sales discounts, sales returns:

Revenue from sale of goods

- The majority of risks and benefits associated with the right to own the products or goods have been transferred to the buyer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Revenue from service providers

- Determine the work completed on the date of preparing the Balance Sheet

Financial income

Revenue arising from the used by the others of entity's assets yielding interest, royalties and dividends shall be recognised when:

- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The amount of the revenue can be measured reliably.

Dividends and distributed profits are recognized when the Company is entitled to receive dividends or receive profits from capital contributions.

2.24 Cost of goods sold

Cost of goods sold is recognized in accordance with revenue arising and in compliance with the prudence principle. In case loss of materials and goods exceeds the acceptable/normal level, the excess after deducting the responsibility of collective and individuals concerned, etc. are recognized fully and promptly into cost of goods sold in the year.

2.25 Financial expenses

Items recorded into financial expenses consist of:

- Borrowing costs;
- Exchange losses, etc.

The above items are recorded by total amount arising in the year without offsetting against financial income.

2.26 Corporate income tax

- a) Current corporate income tax expenses and deferred corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during the year and current corporate income tax rate.

Deferred income tax expense is determined on the basis of the deductible temporary difference, the taxable temporary difference and the corporate income tax rate.

Current corporate income tax expenses are deferred corporate income tax expenses are not offset against each other.

- b) Current corporate income tax rate

The Company applies the corporate income tax rate of 20% for the operating activities which have taxable .

2.27 Basic earnings per share

Basic earnings per share are calculated by dividing the profit or loss after tax allocated to shareholders who own common shares of the Company (after adjusting for the allocation of Bonus, Welfare Fund and Merit Fund) divided by the weighted average number of ordinary shares outstanding during the year.

2.28 Related Parties

The parties are regarded as related parties if that party has the ability to control or significantly influence over the other party in making decisions about the financial policies and activities. The Company's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and associates;
- Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel of the Company, the close family members of these individuals;
- Enterprises which the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

In considering the relationship of related parties to serve for the preparation and presentation of separate financial statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

2.29 Segment information

The Company mainly operates in the field of production and trading of post and telecommunication equipment, other activities accounted for negligible proportion (less than 10%) in production and business activities and in the total value of assets. In addition, the Company's activities are taken place in Vietnamese territory. Therefore, the Company does not make segment reporting by business sector and geographical area.

3- ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE ACCOUNTING BALANCE SHEET AND BUSINESS RESULTS REPORT: (Unit: VND)

3.1 Cash and Cash equivalents	<u>31/03/2025</u>	<u>01/01/2025</u>
-Cash on hand	98,316,163,146	104,154,834,798
-Cash equivalents	3,072,175,027	2,062,837,838
Total :	101,388,338,173	106,217,672,636
3.2 Financial investments ::		
- Trading securities	72,900,000	72,900,000
- Term Deposit	5,072,984,450	5,072,984,450
Total:	5,145,884,450	5,145,884,450
3.3 Other receivable :		
-Other short - term receivables	58,249,557,947	56,442,616,654
Total :	58,249,557,947	56,442,616,654
3.4 Inventories		
- Raw materials	81,659,728,753	98,545,694,633
- Tools, supplies	875,554,191	830,067,191
- Work in progress	744,476,600	1,174,284,468
- Finished goods	213,963,523,946	199,255,001,100
- Goods	163,187,090,530	124,414,734,169
- Consignments	1,042,047,670	954,726,449
Total :	461,472,421,690	425,174,508,010

3.5 Taxes and other receivables from State budget

- Personal income tax	43,428,824	99,005,439
-Other		
Total :	43,428,824	99,005,439

3.6 Tangible fixed assets :

	Building, structures	Machinery, equipment	Transportation equipment	Administration tools and equipment	Total
Historical cost					
Beginning balance	73,777,550,353	199,864,942,194	18,023,716,293	2,037,672,802	293,703,881,642
Arising increases	0	32,785,170,894	0	0	32,785,170,894
- Purchase in th year		32,425,170,894			32,425,170,894
- Financial leased fixed assets					0
Basic construction investment completed					0
- Internal transfer		360,000,000			360,000,000
Decreased generation	0	27,096,115,091	0	0	27,096,115,091
- Liquidation, disposal					0
- Financial leased fixed assets					0
- Other					0
- Internal transfer		27,096,115,091			27,096,115,091
Ending balance of the year	73,777,550,353	205,553,997,997	18,023,716,293	2,037,672,802	299,392,937,445
Accumulated depreciation					
Beginning balance	41,254,430,269	129,312,085,249	15,407,826,722	2,037,672,802	188,012,015,042
Arising increases	523,293,767	2,736,232,164	222,936,585	0	3,482,462,516
- Depreciation the year	523,293,767	2,736,232,164	222,936,585		3,482,462,516
- Financial leased fixed assets					0
- Internal transfer					0
Decreased generation	0	26,796,115,091	0	0	26,796,115,091
- Switch to financial leasing					0
- Liquidation, disposal					0
- Internal transfer		26,796,115,091			26,796,115,091
Ending balance of the year	41,777,724,036	105,252,202,322	15,630,763,307	2,037,672,802	164,698,362,467
Net carrying amount					
Beginning balance	32,523,120,084	70,552,856,945	2,615,889,571	0	105,691,866,600
Ending balance	31,999,826,317	100,301,795,675	2,392,952,986	0	134,694,574,978

3.7 FINANCE LEASE FIXED ASSETS :

	Machinery, equipment	Total
Historical cost		
Beginning balance	142,525,223,190	142,525,223,190
Beginning balance	0	0
- Financial lease for the year		0
- Other	0	0
Decreased generation		
	0	0
- Return financial leased fixed assets	0	0
- Other	0	0
- Converted to tangible fixed assets	0	0
Ending balance of the year	142,525,223,190	142,525,223,190
Accumulated depreciation		
Beginning balance	1,223,392,474	1,223,392,474
Beginning balance	3,670,177,421	3,670,177,421
-Depreciation in the year	3,670,177,421	3,670,177,421
- Other	0	0
Decreased generation		
	0	0
Return financial leased fixed assets	0	0
- Converted to tangible fixed assets	0	0
Ending balance of the year	4,893,569,895	4,893,569,895
Net carrying amount		
Beginning balance	141,301,830,716	141,301,830,716
Ending balance	137,631,653,295	137,631,653,295

3.8- Intangible fixed assets

	Land use rights	Computer software	Total
Historical cost			
Beginning balance	1,782,373,000	411,409,000	2,193,782,000
- Other discounts		60,000,000	60,000,000
Ending balance of the year	1,782,373,000	351,409,000	2,133,782,000
Accumulated depreciation			
Beginning balance	0	411,409,000	411,409,000
- Amortization for year		0	0
- Other discounts		60,000,000	60,000,000
Ending balance of the year	0	351,409,000	351,409,000
Net carrying amount			
Beginning balance	1,782,373,000	0	1,782,373,000
Ending balance	1,782,373,000	0	1,782,373,000

3.9 Construction in progress

	<u>31/03/2025</u>	<u>01/01/2025</u>
- Construction an installation of accu manufacturing molds	1,049,752,290	1,049,752,290
- Other		
- At NM4		
- Complex Project at 63 Nguyen Huy Tuong, TX	207,006,136	207,006,136
- Postef complex projec at 61 Tran Phu – Ba Dinh District Ha Noi	823,030,805,360	822,820,685,560
Total :	824,287,563,786	824,077,443,986

3.10 Prepaid expenses

Long-term

- Land rental at Bac Ninh VSIP, Infrastructure rental at Le Minh Xuan industrual Zone in HCM city and Lien Chieu industrual Zone in Da Nang city	55,213,837,413	44,340,666,686
- Project equipment rental cost		
- Other	6,408,626,776	6,729,273,456
- Dispatched tools and suppliesOther	592,433,798	675,927,766
Total :	62,214,897,987	51,745,867,908

3.11- Borrowings and Finance lease Liabilities

- Short-term borrowings	566,670,273,368	615,152,927,717
Total :	566,670,273,368	615,152,927,717

3.12 Tax and other payables to the state budget:

- Value-added tax	39,218,559	15,880,864,346
- Export, import duties		
- Corporate income tax	17,812,011	4,950,599,661
- Personal income tax	17,953,870	77,889,492
- Land tax and land rental		
- Other taxes	47,969,669	13,716,993
- Fees, charges and other pay		
Total :	122,954,109	20,923,070,492

3.13- Short-term accrued expenses

- Contract penalty expenses	10,120,556,703	10,120,556,703
- Interest expense	1,450,640,612	1,771,414,016
- Other	428,371,700	2,026,548,458
Total :	11,999,569,015	13,918,519,177

3.14 Other payables **Short-term :**

- Trade union fee	332,453,007	268,191,667
- Social insurance	42,481,236	33,223,699
- Social Policy Fund	401,116,458	423,713,260
- Other	15,535,040,964	5,144,175,369
Total :	16,311,091,665	5,869,303,995

3.15 Long-term borrowings	131,564,627,264	133,898,627,264
Long-term borrowings	131,564,627,264	133,898,627,264
- Long-term borrowings	131,564,627,264	133,898,627,264

3.16 Owner's equity :

3.16.1 Changes in owner's equity

	Contributed capital	Share Premium	Exchange rate differences	Development and investment funds	Retained earning	Total
A	1	2	4	6	5	9
Beginning balance of previous year	194,300,060,000	45,934,846,208	7,141,422,139	36,041,305,736	27,468,272,863	310,885,906,946
Profit for previous year					3,359,281,176	3,359,281,176
Dividend payment					-1,943,000,600	-1,943,000,600
Appropriation to Bonus & welfare fund					-522,695,692	-522,695,692
Decrease due to the State reclaiming previously received compensation					-4,059,445,000	-4,059,445,000
Administrative penalties and late payment fines after tax inspection					-885,230,474	-885,230,474
Remuneration for the Board of Management					-44,431,200	-44,431,200
Ending balance of previous year, beginning balance of this year	194,300,060,000	45,934,846,208	7,141,422,139	36,041,305,736	23,372,751,073	306,790,385,156
Profit for this year					-9,335,125,891	-9,335,125,891
Dividend payment						
Other					-27,171,483	-27,171,483
Appropriation to Bonus & welfare fund						
Corporate income tax					-62,413,658	-62,413,658
Ending balance of this year	194,300,060,000	45,934,846,208	7,141,422,139	36,041,305,736	13,948,040,041	297,365,674,124

3.16.2- Details of Contributed capital :

	<u>31/03/2025</u>	<u>01/01/2025</u>
- Vietnam posts and telecommunications Group	97,142,000,000	97,142,000,000
- Other	97,158,060,000	97,158,060,000
Total	194,300,060,000	194,300,060,000

Capital transaction with owners and distribution of dividends and profits

- Owner's contributed capital		
+ At the beginning of year	194,300,060,000	194,300,060,000
+ At the end of year	194,300,060,000	194,300,060,000
- Distributed dividends and profit		

3.16.3- Share

	<u>31/03/2025</u>	<u>01/01/2025</u>
- Quantity of Authorized issuing shares	19,430,006	19,430,006
- Quantity of outstanding share in circulation	19,430,006	19,430,006
+ Common shares	19,430,006	19,430,006

* Par value per share : VND 10.000

3.17 Enterprise funds

	<u>31/03/2025</u>	<u>01/01/2025</u>
- Development and investment funds	36,041,305,736	36,041,305,736
Total	36,041,305,736	36,041,305,736

4. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INCOME STATEMENT (Unit : VND)

	<u>Q1 2025</u>	<u>Q1 2024</u>
4.1 Total revenue from sales of goods and rendering of services	132,982,969,244	95,609,976,735
- Revenue from sale of goods	132,982,969,244	95,609,976,735
4.2 Revenue deductions	58,534,718	0
- Trade discounts	0	0
- Reduced sales price	58,534,718	0
- Goods sold were returned	0	0

4.3 Net revenue from sale of goods and rendering of services

132,924,434,526	95,609,976,735
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4.4- Cost of good sold

- Cost of good sold	119,162,322,488	80,397,683,868
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Total:	119,162,322,488	80,397,683,868
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4.5 Financial income

- Interest income	115,527,158	160,623,564
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- Dividends, profit distributed	0	0
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- Realised exchange gain	0	0
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- Other		0
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Total	115,527,158	160,623,564
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4.6- Financial expense

- Interest expenses	8,479,125,578	5,768,518,566
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- Other	-51,064,175	16,119,413
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Total	8,428,061,403	5,784,637,979
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4.7 Current corporate income tax expenses

- <i>Taxable income</i>	312,068,290	76,060,515
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+ <i>Total profit before corporate income tax</i>	-9,335,125,891	88,626,618
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+ Income is not subject to corporate income tax		12,566,103
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+ Expenses are not deductible when calculating corporate income tax	0	0
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- Current corporate income tax expense

62,413,658	15,212,103
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5. OTHER INFORMATION :

OTHER INFORMATION : Other long-term payables are the capital contribution of

Lien Viet Holdings Joint Stock Company to complete the investment project at 61 Tran Phu - Ba Dinh - Hanoi according to investment cooperation contract No. 40/2011/HDHTĐT/POT -LVH-HL December 28, 2011

Preparer



Vo Minh Hue

Ha Noi, 21 April 2025
Chief Accountant



Ma thi Nghiem



Chairman



Tran Hai Van