

# **SEPARATE FINANCIAL STATEMENTS 1ST QUARTER 2025**

**Apr-25**

**VTC TELECOMMUNICATION JOINT STOCK COMPANY**

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# (SEPARATE) BALANCE SHEET

As at March 31<sup>st</sup> 2025

Unit: VND

ASSETS	Code	Notes	Ending Balance	Beginning Balance
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>194,175,847,610</b>	<b>220,457,475,352</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>12,284,846,470</b>	<b>16,740,883,093</b>
1. Cash	111		12,284,846,470	16,740,883,093
2. Cash equivalents	112		-	-
<b>II. Short-term financial investments</b>	<b>120</b>		<b>309,650,000</b>	<b>309,650,000</b>
1. Held-to-maturity investments	123	V.2a	309,650,000	309,650,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>91,277,964,952</b>	<b>125,403,698,448</b>
1. Short-term trade receivables	131	V.3	50,730,293,510	102,276,318,781
2. Short-term prepayments to suppliers	132	V.4	7,459,656,823	4,329,580,910
3. Short-term internal receivables	133		-	-
4. Other short-term receivables	136	V.5a	33,515,138,509	19,235,505,647
5. Provision for short-term doubtful receivables	137		(427,123,890)	(437,706,890)
<b>IV. Inventories</b>	<b>140</b>		<b>88,519,502,301</b>	<b>76,947,516,100</b>
1. Inventories	141	V.6	88,519,502,301	76,947,516,100
<b>V. Other current assets</b>	<b>150</b>		<b>1,783,883,887</b>	<b>1,055,727,711</b>
1. Short-term prepaid expenses	151	V.7a	311,865,963	319,560,271
2. Deductible value added tax	152		837,627,686	99,208,835
3. Taxes and receivables from the State	153		634,390,238	636,958,605
<b>B- LONG-TERM ASSETS</b>	<b>200</b>		<b>25,925,596,813</b>	<b>26,163,365,612</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>510,528,192</b>	<b>518,528,192</b>
1. Other long-term receivables	216	V.5b	510,528,192	518,528,192
2. Provision for doubtful long-term receivables	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>4,494,598,008</b>	<b>4,810,231,662</b>
1. Tangible fixed assets	221	V.8	3,748,253,889	3,898,432,713
- Cost	222		16,229,692,462	16,005,782,371
- Accumulated depreciation	223		(12,481,438,573)	(12,107,349,658)
2. Finance lease fixed assets	224	V.9	727,352,536	886,546,426
- Cost	225		4,332,074,473	4,332,074,473
- Accumulated depreciation	226		(3,604,721,937)	(3,445,528,047)
3. Intangible fixed assets	227	V.10	18,991,583	25,252,523
- Cost	228		243,530,497	243,530,497
- Accumulated depreciation	229		(224,538,914)	(218,277,974)
<b>V. Long-term financial investments</b>	<b>250</b>		<b>18,300,778,171</b>	<b>18,300,778,171</b>
1. Investments in subsidiaries	251	V.2b	19,200,000,000	19,200,000,000
2. Provision for long-term financial investments	254	V.2b	(899,221,829)	(899,221,829)
<b>VI. Other long-term assets</b>	<b>260</b>		<b>2,619,692,442</b>	<b>2,533,827,587</b>
1. Long-term prepaid expenses	261	V.7b	2,371,823,865	2,285,959,010
2. Deferred income tax assets	262	V.11	247,868,577	247,868,577
<b>TOTAL ASSETS</b>	<b>270</b>		<b>220,101,444,423</b>	<b>246,620,840,964</b>

LIABILITIES AND OWNERS' EQUITY	Code	Notes	Ending Balance	Beginning Balance
<b>C - LIABILITIES</b>	<b>300</b>		<b>159,136,588,757</b>	<b>178,366,131,975</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>157,688,122,964</b>	<b>176,679,402,087</b>
1. Short-term trade payables	311	V.12	58,204,047,543	77,095,021,557
2. Short-term advances from customers	312	V.13	12,383,331	12,187,181
3. Taxes and other payables to the State	313	V.14	3,645,610,459	3,605,140,509
4. Payables to employees	314	V.15	2,805,613,102	453,877,535
5. Short-term accrued expenses	315	V.16	813,998,726	810,747,100
6. Short-term unrealized revenue	318	V.17	72,847,177	89,059,156
7. Other short-term payables	319	V.18	8,459,816,390	7,936,842,177
8. Short-term borrowings and finance lease liabilities	320	V.19a	81,727,276,445	84,729,997,081
9. Provision for short-term payables	321	V.20	-	-
10. Bonus and welfare fund	322	V.21	1,946,529,791	1,946,529,791
<b>II. Long-term liabilities</b>	<b>330</b>		<b>1,448,465,793</b>	<b>1,686,729,888</b>
1. Long-term unrealized revenue	336	V.17	-	-
2. Other long-term payables	337		-	-
3. Long-term borrowings and finance lease liabilities	338	V.19b	1,111,899,126	1,350,163,221
4. Provision for long-term payables	342		336,566,667	336,566,667
<b>D - OWNERS' EQUITY</b>	<b>400</b>		<b>60,964,855,666</b>	<b>68,254,708,989</b>
<b>I. Owners' equity</b>	<b>410</b>		<b>60,964,855,666</b>	<b>68,254,708,989</b>
1. Owners' contributed capital	411	V.22	45,346,960,000	45,346,960,000
- Common shares with voting rights	411a		45,346,960,000	45,346,960,000
2. Share premium	412	V.22	200,264,000	200,264,000
3. Treasury shares	415	V.22	(55,530,000)	(55,530,000)
4. Investment Development Fund	418	V.22	-	-
5. Undistributed profit after tax	421	V.22	15,473,161,666	22,763,014,989
- Undistributed profit after tax accumulated to the end of the previous period	421a		22,763,014,989	19,337,717,342
- Undistributed profit after tax of the current period	421b		(7,289,853,323)	3,425,297,647
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>440</b>		<b>220,101,444,423</b>	<b>246,620,840,964</b>

Ho Chi Minh, April 28<sup>th</sup> 2025

Ly Thi Thanh Nguyet  
Preparer

Vo Anh Thinh  
Chief AccountantLe Xuan Tien  
Chairman of the Board of Directors



**(SEPARATE) INCOME STATEMENT**  
For the 1<sup>st</sup> Quarter of the fiscal year ending December 31<sup>st</sup> 2025

Unit: VND

ITEMS	Code	Notes	Quarter IV		Accumulated from the beginning of the year to the end of this year	
			Current year	Previous year	Current year	Previous year
1. Revenue from goods sold and services rendered	01	VI.1	14,610,766,867	35,588,969,725	14,610,766,867	35,588,969,725
2. Revenue deductions	02		-	-	-	-
Net revenue from goods sold and services rendered	10		14,610,766,867	35,588,969,725	14,610,766,867	35,588,969,725
4. Cost of goods sold	11	VI.2	10,817,556,861	30,790,031,280	10,817,556,861	30,790,031,280
Gross profit from goods sold and services rendered	20		3,793,210,006	4,798,938,445	3,793,210,006	4,798,938,445
6. Financial income	21	VI.3	22,824,816	9,731,855	22,824,816	9,731,855
7. Financial expenses	22	VI.4	1,905,495,156	3,003,464,307	1,905,495,156	3,003,464,307
In which: Interest expense	23		1,905,495,156	3,002,170,782	1,905,495,156	3,002,170,782
8. Selling expenses	25	VI.5	2,461,452,911	2,433,171,439	2,461,452,911	2,433,171,439
9. General and administrative expenses	26	VI.6	6,795,504,955	5,185,630,022	6,795,504,955	5,185,630,022
10. Net profit from operating activities	30		(7,346,418,200)	(5,813,595,468)	(7,346,418,200)	(5,813,595,468)
11. Other income	31		85,820,832	2,000	85,820,832	2,000
12. Other expenses	32	VI.7	29,255,955	47,504	29,255,955	47,504
13. Other profit	40		56,564,877	(45,504)	56,564,877	(45,504)
14. Total accounting profit before tax	50		(7,289,853,323)	(5,813,640,972)	(7,289,853,323)	(5,813,640,972)
15. Current Corporate income tax expense	51	V.14	-	-	-	-
16. Deferred Corporate income tax expense	52	V.11	-	-	-	-
17. Profit after Corporate income tax	60		(7,289,853,323)	(5,813,640,972)	(7,289,853,323)	(5,813,640,972)

Ho Chi Minh, April 28<sup>th</sup> 2025



Ly Thi Thanh Nguyet  
Preparer



Vo Anh Thinh  
Chief Accountant



Le Xuan Tien  
Chairman of the Board of Directors

**(SEPARATE) CASH FLOWS STATEMENT****(under indirect method)****For the 1<sup>st</sup> Quarter of the fiscal year ending December 31<sup>st</sup> 2025**

Unit: VND

ITEMS	Code	Notes	Accumulated from the beginning of the year to the end of this year	
			Current year	Previous year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Profit before tax	01		(7,289,853,323)	(5,813,640,972)
2. Adjustments for				
- Depreciation of fixed assets and investment properties	02	V.8,9,10,17	539,543,745	999,124,048
- Provisions	03	V.2b, V.20	(10,583,000)	-
- Gains/losses from foreign exchange differences upon revaluation of monetary items in foreign currencies	04		-	-
- Gains/losses from investing activities	05	VI.3	(6,811,731)	(9,731,855)
- Interest expense	06	VI.4	1,905,495,156	3,002,170,782
- Other adjustments	07		-	-
3. Profit from operating activities before changes in working capital	08		(4,862,209,153)	(1,822,077,997)
- Increase/ decrease in receivables	09		33,408,466,012	37,715,359,846
- Increase/ decrease in inventories	10		(11,571,986,201)	(8,977,370,259)
- Increase/ decrease in payables (Other than accrued interest expense, corporate income tax payable)	11		(15,818,082,840)	(22,604,587,270)
- Increase/decrease in prepaid expenses	12		(78,170,547)	(133,735,769)
- Increase, decrease trading securities	13		-	-
- Interest expense paid	14	V.16, V.18, VI.	(2,075,970,803)	(3,252,450,105)
- Corporate income tax paid	15	V.14	-	330,000,000
- Other income from operating activities	16		-	-
- Other payments for operating activities	17	V.21	-	-
<b>Net cash flow from operating activities</b>	<b>20</b>		<b>(997,953,532)</b>	<b>1,255,138,446</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Purchase and construction of fixed assets and other long-term assets	21	V.8	(223,910,091)	(1,139,232,171)
2. Proceeds from liquidation and resale of fixed assets and other long-term assets	22		-	-
3. Cash spent on lending and purchasing debt instruments of other entities	23		-	-
4. Proceeds from loans and resale of debt instruments of other entities	24		-	-
5. Money spent on investment in other entities	25		-	-
6. Proceeds from capital investment in other entities	26		-	-
7. Proceeds from loan interest, dividends and profit received	27	V.5a, VI.3	6,811,731	351,202,655
<b>Net cash flow from investing activities</b>	<b>30</b>		<b>(217,098,360)</b>	<b>(788,029,516)</b>

VTC Telecommunications JSC

Address: No. 750 (3rd Floor) Dien Bien Phu street, Ward 10, District 10, Ho Chi Minh city.

FINANCIAL STATEMENTS

For the 1<sup>st</sup> Quarter of the fiscal year ending December 31<sup>st</sup> 2025

**Cash flows statement (cont.)**

ITEMS	Code	Notes	Accumulated from the beginning of the year to the end of this year	
			Current year	Previous year
III. CASH FLOWS FROM FINANCING ACTIVITIES				
1. Proceeds from issuing shares, receiving capital contributions from owners	31		-	-
2. Money to return capital to owners, buy back shares issued by the enterprise	32		-	-
3. Proceeds from borrowings	33	V.19a	28,024,107,075	66,140,012,140
4. Repayment of principal	34	V.19a	(31,026,827,711)	(60,373,493,457)
5. Repayment of finance lease principal	35	V.19b	(238,264,095)	-
6. Dividends, profit paid to the owners	36	V.18,V.22	-	-
Net cash flow from financing activities	40		(3,240,984,731)	5,766,518,683
Net cash flow during the period	50		(4,456,036,623)	6,233,627,613
Cash and cash equivalents at the beginning of the period	60	V.1	16,740,883,093	7,158,853,154
Effect of foreign exchange fluctuations	61		-	-
Cash and cash equivalents at the end of the period	70	V.1	12,284,846,470	13,392,480,767

Ho Chi Minh, April 28<sup>th</sup> 2025



**Ly Thi Thanh Nguyet**  
Preparer



**Vo Anh Thinh**  
Chief Accountant



**Le Xuan Tien**  
Chairman of the Board of Directors



## NOTES TO THE (SEPARATE) FINANCIAL STATEMENTS

For the 1<sup>st</sup> Quarter of the fiscal year ending December 31<sup>st</sup> 2025

### I. BUSINESS HIGHLIGHTS

#### 1. Establishment

The Company was established from the equitization of the State-owned enterprises which are Telephone Equipment Company and Information Equipment Researching and Manufacturing Center 1 (VTC1)" under the Decision No. 618/1999/QĐ-TCCB dated 8<sup>th</sup> September 1999 of the General Director of the General Post Office. The Company operates under the first Business Registration Certificate dated 30<sup>th</sup> December 1999, the 22<sup>nd</sup> amended certificate dated 19<sup>th</sup> February 2025 with the Enterprise Code No. 0301888195 issued by the Department of Planning and Investment of Ho Chi Minh City.

#### Form of ownership

Joint Stock Company

The Company's charter capital is VND 45.346.960.000 equivalent to 4.534.696 shares, and the par value of one share is VND 10.000.

Head office: No. 750 (3<sup>rd</sup> Floor) Dien Bien Phu Street, Ward 10, District 10, Ho Chi Minh City.

#### 2. Business sector

Operating in the fields of industrial production, trade and services.

#### 3. Main business lines

The Company's main activities are:

- Other telecommunications activities, details: Internet value-added services. Technical services for assessing the caliber of network and telecommunications equipment. Providing telecommunications services via existing telecommunications connections such as VOIP (internet telephony); Operation of internet access points; Providing value-added telecommunications services; Providing content services on the network; Providing information content services on mobile telecommunications networks. Providing basic and value-added telecommunications services; Exploiting and providing information content services on mobile telecommunications networks; Digital content trading; Providing information content services on the network.
- Wholesale of machinery, telecommunications and information technology equipment.

#### 4. Normal operating cycle

The normal operating cycle of the Company lasts 12 months of the normal fiscal year beginning on 01 January and ending on 31 December.

**5. Total employees as of March 31<sup>st</sup> 2025:** 91 persons. (As of 31 December 2024: 95 persons)

## 6. The Company's structure

The company has the following affiliated units:	Address	
Representative office in Hanoi - VTC Telecommunications Joint Stock Company	No. 355, Doi Can Street, Lieu Giai Ward, Ba Dinh District, Hanoi.	
Subsidiary	Address	Main business activities
Smart Technologies Investment and Development Joint Stock Company	Lot I-3b-4-a, Road N6, Saigon Hi-Tech Park, Tan Phu Ward, District 9, Ho Chi Minh City	Printing and producing cards used in the field of Post and Telecommunications, software production, trading in machinery and materials for card production, etc.

## 7. Disclosure of the comparability of information in the Financial Statements:

The selection of figures and information needs to be presented in the Financial Statements based on the principles of comparability among corresponding accounting periods.

## II. APPLICABLE ACCOUNTING STANDARDS AND REGIMES

### 1. Accounting period and reporting currency

The Company's yearly accounting period begins on 01 January and ends on 31 December annually. Vietnamese Dong (VND) is used as a currency unit for accounting records.

### 2. Applicable accounting standards and regime

#### *Applicable accounting regime*

The Company applies Vietnamese Accounting Standards and the Vietnamese Corporate Accounting Regime issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and Circular No. 53/2016/TT-BTC dated 21 March 2016 on amending, supplementing a number of articles of No. 200/2014/TT-BTC.

#### *Disclosure of compliance with Vietnamese Accounting Standards and system*

The Company applies the Vietnamese Accounting Standards and guiding documents issued by the State. The financial statements are prepared and presented in accordance with all regulations of each standard, circular guiding the implementation of the current corporate accounting standards and regime.

## III. APPLICABLE ACCOUNTING POLICIES

### 1. Basis for preparation of the separate financial statements

The separate financial statements are stated at cost.

The users of these separate financial statements should read them together with the consolidated financial statements of the Company and its subsidiaries (the Group) for the accounting period from 01/01/2025 to 31/03/2025 to obtain full information on the financial position, results of operations and cash flows of the Group as a whole.



## **2. Transactions in foreign currencies**

Foreign currency transactions during the accounting period are converted into Vietnamese Dong at the actual rate ruling at the transaction date.

The actual exchange rates are determined under the following principles:

- When buying or selling foreign currency: applying the exchange rates specified in the foreign exchange sale contracts between the Company and commercial banks;
- When contributing capital: applying the foreign currency buying rate of the bank where the Company opens its account at the date of capital contribution;
- When recording receivables: applying the buying rate of the commercial bank designated by the Company where the customer is supposed to pay at the transaction time;
- When recording payables: applying the selling rate of the commercial bank where the Company expects to conduct transactions at the transaction time;

Actual exchange rate when revaluing monetary items denominated in foreign currencies at the reporting date is determined under the following principles:

- For deposits in foreign currency: applying the buying rate of the bank where the Company opens its foreign currency accounts;
- For items classified as liabilities: applying the selling rate of the commercial bank where the Company regularly conducts transactions.

## **3. Cash and cash equivalents**

Cash comprises cash on hand and demand deposits.

## **4. Financial investments**

Held-to-maturity investments include term bank deposits (including treasury bills, promissory notes), bonds, preferred shares that the issuer is required to repurchase at a certain time in the future, loans, etc. held to maturity to earn periodic interest, and other held-to-maturity investments.

*Investments in subsidiaries, joint ventures and associates* are initially recorded in the accounting books at cost. After initial recognition, the value of these investments is determined at cost less provision for devaluation of the investment. Detail:

- A subsidiary is an enterprise controlled by the Parent company. Control is achieved when the Parent Company has the power to govern the financial and operating policies of an investee to obtain economic benefits from its activities.

## **5. Receivables**

Receivables are recorded in detail by receivable schedules, receivable objects, the type of currency, and other factors based on the Company's management needs.

Provisions for doubtful debts are made for overdue receivables of economic contracts, loan agreements, contractual commitments or debt commitments, and undue receivables that are difficult to recover. In which, the provisions for overdue debts are made based on the principal repayment schedule on the original sales contract without taking into account the debt extension among the parties and the undue receivables but the debtors have gone bankrupt or are in the process of dissolution, gone missing or run away.

## **6. Inventories**

Inventories are initially recognized at cost, including purchase cost, processing cost, and other directly attributable costs incurred to bring inventories to their current location and condition. After initial recognition, at the reporting date, if the net realizable value of inventories is lower than their original cost, the inventories are recognized at net realizable value.

The cost of inventories is determined as follows:

- Materials, merchandise consists of purchase costs, transportation costs and other directly attributable costs in bringing the inventories to their present location and condition.

The value of inventories is determined under the weighted average method.  
Inventories are recorded under the perpetual method.

An increase or decrease in the balance of provision for the devaluation of inventories is required to be made at the end of the financial year and recorded in the cost of goods sold.

## **7. Fixed assets**

Tangible fixed assets and intangible fixed assets are initially recognized at cost. During the useful lives, tangible fixed assets, and intangible fixed assets are recorded at cost, accumulated depreciation, and net book value.

Finance lease fixed assets are recorded at fair value or the present value of the minimum lease payment (in case the fair value is higher than the present value of the minimum lease payment) plus initial direct costs incurred related to the finance lease activity (excluding VAT). The finance lease fixed assets are recorded at cost, accumulated depreciation, and net book value while they are being used. The finance lease fixed asset is depreciated based on the lease term specified in the contract and included in the operating costs to ensure full capital recovery.

Fixed assets are depreciated under a straight-line basis over their estimated useful lives as follows:

- Buildings and structures	10 - 50 years
- Machinery and equipment	04 - 08 years
- Means of transportation	05 - 10 years
- Office equipment	03 - 05 years

## **8. Prepaid expenses**

Expenses incurred related to the operating results of several accounting periods are recorded as prepaid expenses to be gradually allocated to the operating results of the following accounting periods.

The calculation and allocation of long-term prepaid expenses to the operating cost in each accounting period are based on the nature and level of each expense to choose a reasonable method and criteria for allocation. Prepaid expenses are gradually allocated to the operating cost on a straight-line method.

The company's prepaid expenses include the following expenses:

**Tools and instruments:** Tools and instruments are put into use and allocated to expenses under the straight-line method with the allocation time not exceeding 36 months.

**Prepaid land rental fee:** Prepaid land rental fee represents the land rental fee paid for the land the Company is using. Prepaid land rental fee is allocated to expenses using the straight-line method over the lease term (600 months).

## **9. Liabilities**

Liabilities are recorded in detail by payable schedules, payable objects, the type of original currency, and other factors based on the Company's management needs.

The classification of payables into payables, accrued expenses, intercompany payables, and other payables is conducted according to the following principles:



- Trade payables reflect commercial obligations arising from purchasing transactions of goods, services, and assets, where the seller is an independent entity from the Company, including payables when importing through a trustee.
- Internal payables reflect payables between a superior unit and its inferior dependent accounting units having no legal status.
- Other payables reflect payables of non-commercial nature and are irrelevant to purchase, sales of goods or provisions of services.

#### **10. Borrowings and finance lease liabilities**

The value of a finance lease liability is the total payables calculated at the present value of the minimum lease payment or the fair value of the leased asset.

Borrowings and finance lease liabilities are recorded based on each lender, each loan agreement, and the repayment schedule of the borrowings and finance lease liabilities. In the case of borrowings and liabilities in foreign currencies, they should be recorded by types of original currencies.

#### **11. Borrowing cost**

Borrowing cost is recognized as an operating cost in the period when incurred, except costs incurred from the borrowings directly related to the construction investment or production of uncompleted assets are computed in these assets' value (capitalized) when they satisfy conditions stipulated in the VAS No. 16 "Borrowing costs". Besides, for the borrowings are used for construction of fixed assets, investment properties, loan interest will be capitalized even when the construction duration is less than 12 months.

#### **12. Accrued expenses**

Amounts that have to be paid for goods, services that the Company has received from the suppliers in the period but has not yet been paid out and other payables such as annual leave salary, costs during seasonal production halts, loan interest expense payable, etc. are recorded in the operating expenses of the reporting period.

The accounting of accrued expenses into production and business expenses in the period must comply with the matching principle between revenue and expenses incurred in the period. The incurred expenses must be settled with prepaid expenses, the difference will be reversed.

#### **13. Unrealized revenue**

Unrealized revenue includes revenues received in advance, such as amounts paid in advance by the clients for one or more accounting periods when leasing assets, interest received in advance when lending capital or purchasing debt instruments, and other unrealized revenues, like the difference between the selling price by deferred payments or by installations as committed and the selling price by prompt payment, revenue commensurate with the value of goods, services, or the amount that needs to be discounted for clients in traditional customer programs...

#### **14. Provision for severance allowance**

According to Vietnamese labor law, employees of the Company who have worked regularly for 12 months or more are entitled to a severance allowance. The working time used to calculate severance allowance is the total time the employee worked for the Company minus the time the employee participated in unemployment insurance under the provisions of law and the working time for which the Company paid severance allowance.

Severance allowance for employees is deducted before the end of each reporting period at a rate equal to half of the average monthly salary for each working year. The average monthly salary for severance pay is based on the average salary of the last 6 months before the date of this Financial Statement.

This accrued expense is used to pay one-time payment when the employee terminates the labor contract under the current regulations.

## **15. Owners' equity**

Owner's invested capital is recognized as owner' contributed capital.

Undistributed profit after tax reflects the operating results (profit or loss) after corporate income tax and the distribution of profits or handling of the company's losses. Profit distribution is made when the Company's undistributed profit after tax does not exceed the undistributed profit after tax presented in the consolidated financial statements after eliminating the effects of profits from bargain purchase gain. In the case of paying dividends, profits to owners exceeding the undistributed profit after tax are recorded as a decrease in the contributed capital. Undistributed profit after tax can be distributed to investors based on the capital contribution ratio after being approved by the General Shareholder Meeting and after appropriating funds in accordance with the Company's Charter and Vietnamese statutory regulations.

The Company appropriated funds from net profit after corporate income tax of the Company upon the request of the Board of Directors and approved by the Annual General Shareholder Meeting.

-Investment and development fund: This fund is created to serve for expanding operations or in-depth investment of the Company.

-Bonus and Welfare Fund, Bonus Fund for the Board of Management: This fund is used to reward and give material incentives, bring mutual benefits, and improve the welfare of employees, and is recorded as payable on the balance sheet.

## **16. Revenue**

### *Revenue from goods sold*

Revenue from goods sold shall be recognized when all of the following conditions have been satisfied:

- The amount of revenue can be measured reliably
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- Determine the completed portion of work on the Balance Sheet date;
- The cost incurred or to be incurred in respect of the transaction can be determined.

### *Financial income*

Income arising from interests, royalties, distributed dividends and profit shall be recognized if they simultaneously satisfy the two (2) following conditions:

- It is possible to obtain economic benefits from the concerned transactions;
- Income is determined with relative certainty.

Distributed dividends and profits will be recognized when the company is entitled to receive dividends, profits or profit from capital contribution.

## **17. Cost of goods sold**

Cost of goods sold in the period is recognized in accordance with the revenue generated in the period under the prudent principle. Cases of loss of materials and goods above normal levels, expenses above



normal levels, loss of inventories after deducting the liability of the concerned collectives and individuals, etc., are fully and promptly recorded in the cost of goods sold in the period.

### **18. Financial expenses**

Expenses recognized in financial expenses include:

- Expenses or losses related to financial investment activities;
- Borrowing cost
- Losses from liquidation, transfer of short-term securities, transaction costs of selling securities;
- Provision for the devaluation of trading securities, provision for loss of investments in other entities, loss arising from selling foreign currencies, foreign exchange loss...

The above amounts are recognized on the total amount incurred during the period, not offset against financial income.

### **19. Corporate income tax**

Current corporate income tax expense is determined based on taxable income in the period and corporate income tax rate enacted in the current accounting period.

Current year corporate income tax rate

The Company is entitled to apply the corporate tax rate of 20% on taxable income derived from production and business activities for the accounting period from 01/01/2024 to 31/12/2024

### **20. Related parties**

The parties are considered to be related when one party has the ability to control another or has significant influence in making decisions related to financial and operation policies. The Company's related parties include:

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

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



**IV. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE BALANCE SHEET****1. CASH AND CASH EQUIVALENTS**

No.	Items	Ending balance	Beginning balance
1.1	Cash on hand	9.393.312.560	13.605.000.000
1.2	Demand deposits	2.891.533.910	3.135.883.093
	+ Vietnam Technological and Commercial Joint Stock Bank (Techcombank)	9.925.935	439.253.656
	+ Military Commercial Joint Stock Bank (MB Bank)	464.478.867	2.417.625.796
	+ Vietnam Maritime Commercial Joint Stock Bank - Ho Chi Minh City Branch	2.017.354.438	11.613.643
	+ Tien Phong Commercial Joint Stock Bank (TP Bank)- Hung Vuong Branch (*)	399.774.670	267.389.998
	<b>Total</b>	<b>12.284.846.470</b>	<b>16.740.883.093</b>

(\*) Including VND 399.774.670 Deposited at TPBank- Hung Vuong Branch, which is used as collateral for a loan as at March 31<sup>st</sup> 2025

**2. FINANCIAL INVESTMENTS****a) Held-to-maturity investments**

	Ending balance		Beginning balance	
	Cost	Book value	Cost	Book value
Term deposits	309.650.000	309.650.000	309.650.000	309.650.000
Vietnam Technological and Commercial Joint Stock Bank - Sai Gon Branch (Techcombank)	309.650.000	309.650.000	309.650.000	309.650.000
<b>Total</b>	<b>309.650.000</b>	<b>309.650.000</b>	<b>309.650.000</b>	<b>309.650.000</b>

**b) Equity investments in other entities**

	Ending balance			Beginning balance		
	Cost	Fair value (*)	Provision	Cost	Fair value (*)	Provision
Investments in subsidiaries	19.200.000.000		(899.221.829)	19.200.000.000		(899.221.829)
-Smart Technologies Investment and Development Joint Stock Company	19.200.000.000		(899.221.829)	19.200.000.000		(899.221.829)
<b>Total</b>	<b>19.200.000.000</b>		<b>(899.221.829)</b>	<b>19.200.000.000</b>		<b>(899.221.829)</b>

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

(\*) The Company has not determined the fair value of these financial investments because Vietnamese Accounting Standards and the Vietnamese Corporate Accounting Regime do not have specific guidance on determining fair value.

#### Investments in subsidiaries

Details of the Company's Subsidiary as at March 31<sup>st</sup> 2025 are as follows:

Subsidiary	Place of establishment and operation	Benefit ratio	Voting rights ratio	Main business activities
Smart Technologies Investment and Development Joint Stock Company	Ho Chi Minh City	60%	60%	Printing and producing cards used in the field of Post and Telecommunications, software production, trading in machinery and materials for card production, etc.

### 3. SHORT-TERM TRADE RECEIVABLES

	Ending balance	Beginning balance
<b>Trade receivables from related parties</b>	<b>36.826.990.070</b>	<b>79.958.717.067</b>
Network Infrastructure Corporation (VNPT-Net)	2.342.768.670	4.685.537.340
Smart Technologies Investment and Development Joint Stock Company	27.500.000	27.500.000
Binh Duong Telecommunications	3.603.764.940	14.890.733.223
VNPT Media Corporation	65.780.000	287.630.200
Value-added Services Development Company - Branch of VNPT Media Corporation	217.833.791	399.690.338
Dong Nai Telecommunications - Branch of Vietnam Posts and Telecommunications Group	152.948.800	1.453.383.453
VNPT - Long An Business Center - Branch of Telecommunication Services Corporation	54.150.250	54.150.250
Long An Telecommunications - Branch of Vietnam Posts and Telecommunications Group	998.250.000	-
Corporate Customer Service Department - Branch of Telecommunication Services Corporation	5.986.022.475	7.280.435.194
Dak Lak Telecommunications - Branch of Vietnam Posts and Telecommunications Group	-	178.464.600
Binh Phuoc Telecommunications- Branch of Vietnam Posts and Telecommunications Group	-	258.855.480
VNPT - Thanh Hoa Business Center - Branch of Telecommunications Services Corporation	109.240.000	109.240.000
VNPT - Tay Ninh Business Center - Branch of Telecommunications Services Corporation	89.327.700	161.148.078



**VTC Telecommunications JSC***Address: No. 750 (3<sup>rd</sup> Floor) Dien Bien Phu street, Ward 10, District 10, Ho Chi Minh city.***(SEPARATE) FINANCIAL STATEMENTS***For the 1<sup>st</sup> Quarter of the fiscal year ending December 31<sup>st</sup> 2025**Notes to the Financial Statements (cont.)*

	<b>Ending balance</b>	<b>Beginning balance</b>
Information Operations Center - Branch of Vietnam Posts and Telecommunications Group - Ho Chi Minh City Telecommunications	335.056.470	1.288.584.106
Tan Binh Telecommunications Center - Branch of Vietnam Posts and Telecommunications Group - Ho Chi Minh City Telecommunications	26.241.652	26.241.652
VNPT - Da Nang Business Center - Branch of Telecommunication Services Corporation	49.435.000	49.435.000
VNPT - Ho Chi Minh City Business Center - Branch of Telecommunications Services Corporation	1.512.692.954	1.596.049.856
VNPT - Thua Thien Hue Business Center - Branch of Telecommunication Services Corporation	-	18.480.000
'Post and Telecommunication Services Construction Work Joint Stock Company	184.200.586	184.200.586
Advanced Network Systems Vietnam Co., Ltd	-	-
Individual Customer Department - Branch of Telecommunication Services Corporation	85.896.844	28.913.806
VNPT - Binh Duong Business Center - Branch of Telecommunication Services Corporation	55.440.000	55.440.000
VNPT - Binh Phuoc Business Center - Branch of Telecommunication Services Corporation	-	1.067.000.000
VNPT - Gia Lai Business Center - Branch of Telecommunication Services Corporation	-	6.470.000
South Sai Gon Telecommunications Center	2.253.621	920.319.165
Saigon Telecommunications Center - Ho Chi Minh City Telecommunications	6.066.144	141.662.304
Thu Duc Telecommunications Center - Branch of Vietnam Posts and Telecommunications Group - Ho Chi Minh City Telecommunications	1.816.269.988	1.816.269.988
VNPT Information Technology Company - Branch of Vietnam Posts and Telecommunications Group	9.346.201.480	21.241.367.000
Education Solution Center - Branch of VNPT Information Technology Company	-	65.000.000
Binh Thuan Telecommunications - Branch of Vietnam Posts and Telecommunications Group	147.536.565	567.394.762
Gia Lai Telecommunications - Branch of Vietnam Posts and Telecommunications Group	683.894.600	1.328.952.100
Project Management Board - VNPT Information Technology Company Branch	685.088.400	1.512.588.400
Binh Chanh Telecommunication Center	8.865.125	177.302.520

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

**VTC Telecommunications JSC***Address: No. 750 (3<sup>rd</sup> Floor) Dien Bien Phu street, Ward 10, District 10, Ho Chi Minh city.***(SEPARATE) FINANCIAL STATEMENTS***For the 1<sup>st</sup> Quarter of the fiscal year ending December 31<sup>st</sup> 2025**Notes to the Financial Statements (cont.)*

	<b>Ending balance</b>	<b>Beginning balance</b>
Southern Network Infrastructure Center - Branch of Network Infrastructure Corporation (Region II Center of Telecommunication services)	3.441.960.687	2.121.679.018
VNPT - Binh Dinh Business Center - Branch of Telecommunication Services Corporation	9.240.000	9.240.000
VNPT - Binh Thuan Business Center - Branch of Telecommunication Services Corporation	18.480.000	18.480.000
VNPT – Can Tho Business Center - Branch of Telecommunication Services Corporation	64.680.000	64.680.000
VNPT – Hau Giang Business Center - Branch of Telecommunication Services Corporation	9.240.000	9.240.000
VNPT – Hai Duong Business Center - Branch of Telecommunication Services Corporation	51.216.000	36.960.000
VNPT – Lang Son Business Center - Branch of Telecommunication Services Corporation	-	9.240.000
VNPT – Ninh Thuan Business Center - Branch of Telecommunication Services Corporation	9.240.000	9.240.000
VNPT – Quang Ninh Business Center - Branch of Telecommunication Services Corporation	-	145.860.000
VNPT – Quang Tri Business Center - Branch of Telecommunication Services Corporation	27.720.000	27.720.000
VNPT – Ba Ria- Vung tau Business Center - Branch of Telecommunication Services Corporation	55.440.000	55.440.000
Telecommunication Office - Ho Chi Minh City Telecommunication-Branch of Vietnam Posts and Telecommunications Group - Ho Chi Minh City Telecommunications	-	18.480.000
VNPT Center – IT Region 2 - Branch of VNPT Information Technology Company	668.250.000	668.250.000
West City Project Management Board - Ho Chi Minh City Telecommunications	-	211.770.680
Binh Dinh Telecommunications	5.187.240	103.744.800
Dak Nong Telecommunications	-	1.143.150.802
Khanh Hoa Telecommunications	438.375.328	3.341.251.966
Ninh Thuan Telecommunications	-	1.540.642.400
Phu Tho Telecommunications	-	3.190.000.000
Tra Vinh Telecommunications	2.104.000.000	5.104.000.00
Ba Ria- Vung Tau Telecommunications	-	251.208.000
Bac Giang Telecommunications	9.240.000	-
Ben Tre Telecommunications	1.182.695.360	-

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

	Ending balance	Beginning balance
Dong Thap Telecommunications	18.480.000	-
Lai Chau Telecommunications	36.630.000	-
Nam Dinh Telecommunications - Branch of Vietnam Posts and Telecommunications Group	59.239.400	-
Thai Nguyen Telecommunications - Branch of Vietnam Posts and Telecommunications Group	18.480.000	-
<b>Receivables from other customers</b>	<b>13.903.303.440</b>	<b>22.317.601.714</b>
Synergy Development Viet Company Limited	3.971.585.670	8.571.585.670
DTS Media Technology Joint Stock Company	3.086.784.624	-
Fisheries Information Center	-	2.863.920.000
Other customers	6.844.933.146	10.882.096.044
<b>Total</b>	<b>50.730.293.510</b>	<b>102.276.318.781</b>

#### 4. PREPAYMENTS TO SUPPLIERS

	Ending balance	Beginning balance
<b>Prepayments to suppliers to related parties</b>	-	-
<b>Prepay other customers</b>	<b>7.459.656.823</b>	<b>4.329.580.910</b>
ZTE Corporation	5.003.507.439	-
TBNET Telecommunication Joint Stock Company	1.594.590.638	-
Duc Vinh Telecommunication Services Company Limited	-	4.076.675.625
Others	861.558.746	252.905.285
<b>Total</b>	<b>7.459.656.823</b>	<b>4.329.580.910</b>

#### 5. OTHER RECEIVABLES

##### a). Other short-term receivables

	Ending balance		Beginning balance	
	Value	Provision	Value	Provision
<b>Receivable from related parties</b>	<b>3.164.121.370</b>	-	<b>3.173.255.273</b>	-
Board of Directors Members	1.601.076.416	-	1.601.076.416	-
Le Xuan Tien	1.029.479.053	-	1.029.479.053	-
Bui Van Bang	571.597.363	-	571.597.363	-



	Ending balance		Beginning balance	
	Value	Provision	Value	Provision
Board of Supervisors members	-	-	-	-
Board of Directors	1.236.520.086	-	1.236.520.086	-
Tran Van Mua	203.027.760	-	203.027.760	-
Nguyen Minh Vu	390.457.354	-	390.457.354	-
Nguyen Duc Long	406.466.520	-	406.466.520	-
Vo Anh Thinh	236.568.452	-	236.568.452	-
Other relevant parties	326.524.868	-	335.658.771	-
Corporate Customer Service Department - Branch of Telecommunication Services Corporation	194.926.785	-	194.926.785	-
VNPT - Gia Lai Business Center - Branch of Telecommunication Services Corporation	-	-	13.560.000	-
Binh Duong Telecommunications	113.984.331	-	113.984.331	-
VNPT Lai Chau	2.087.655	-	2.087.655	-
Post Office Construction and Service Joint Stock Company	11.100.000	-	11.100.000	-
Nam Dinh Telecommunications - Branch of Vietnam Posts and Telecommunications Group	4.426.097	-	-	-
<b>Receivables from other organizations and individuals</b>	<b>30.351.017.139</b>	<b>-</b>	<b>16.062.250.374</b>	<b>-</b>
Advances	29.426.644.467	-	15.313.813.567	-
Deposits, collaterals	175.150.000	-	174.062.345	-
Other receivables	749.222.672	-	574.374.462	-
<b>Total</b>	<b>33.515.138.509</b>	<b>-</b>	<b>19.235.505.647</b>	<b>-</b>

**b). Other long-term receivables**

	Ending balance		Beginning balance	
	Value	Provision	Value	Provision
Deposits, collaterals	510.528.192	-	518.528.192	-
<b>Total</b>	<b>510.528.192</b>	<b>-</b>	<b>518.528.192</b>	<b>-</b>

## 6. BAD DEBTS

	Ending balance		Beginning balance	
	Cost	Recoverable value	Cost	Recoverable value
<b>+ Trade receivables</b>	<b>672.303.127</b>	<b>327.849.022</b>	<b>707.579.794</b>	<b>352.542.689</b>
Tramexco Joint Stock Company	418.880.000	209.440.000	418.880.000	209.440.000
Others	253.423.127	118.409.022	288.699.794	143.102.689
<b>+ Advances to suppliers</b>	<b>82.669.785</b>	<b>-</b>	<b>82.669.785</b>	<b>-</b>
Others	82.669.785	-	82.669.785	-
<b>Total</b>	<b>754.972.912</b>	<b>327.849.022</b>	<b>790.249.579</b>	<b>352.542.689</b>

## 7. INVENTORIES

	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
Raw materials	1.037.798.307	-	1.043.764.050	-
Tools and instruments	-	-	-	-
Work in progress (*)	71.109.369.988	-	66.693.906.578	-
Finished products	196.982.220	-	196.982.220	-
Merchandise	15.987.557.656	-	8.825.069.122	-
Consignment goods	187.794.130	-	187.794.130	-
<b>Total</b>	<b>88.519.502.301</b>	<b>-</b>	<b>76.947.516.100</b>	<b>-</b>

- As at March 31<sup>st</sup> 2025, the Company has no stagnant, inferior inventories which can not be sold

(\*) Work in progress is mainly installation activities..

## 8. TANGIBLE FIXED ASSETS

Items	Buildings and structures	Machinery, equipment	Means of transportation	Management equipment, tools	Total
<b>I. Cost</b>					
1. Beginning balance	700.000.000	7.357.719.848	7.517.629.999	430.432.524	16.005.782.371
Purchased during year	-	193.001.000	-	30.909.091	223.910.091
Adjustment, reclassification		283.647.079		(283.647.079)	-
2. Ending balance	700.000.000	7.834.367.927	7.517.629.999	177.694.536	16.229.692.462
<b>II. Accumulated depreciation</b>					
1. Beginning balance	700.000.000	6.007.362.274	5.122.152.399	277.834.985	12.107.349.658
Depreciated during year	-	170.227.494	203.263.740	597.681	374.088.915
Adjustment, reclassification		131.049.540		(131.049.540)	-
2. Ending balance	700.000.000	6.308.639.308	5.325.416.139	147.383.126	12.481.438.573
<b>III. Net book value</b>					
1. Beginning balance	-	1.350.357.574	2.395.477.600	152.597.539	3.898.432.713
2. Ending balance	-	1.525.728.619	2.192.213.860	30.311.410	3.748.253.889

- Net book value at the end of the period of tangible fixed assets used as mortgage or pledge to secure loans: VND 1.622.821.441.

- Cost of fixed assets at the end of the period fully depreciated but still in use: VND 8.473.505.682

## 9. FINANCE LEASE FIXED ASSETS

Items	Machinery, equipment	Total
<b>I. Cost</b>		
1. Beginning balance	4.332.074.473	4.332.074.473
2. Ending balance	4.332.074.473	4.332.074.473
<b>II. Accumulated depreciation</b>		
1. Beginning balance	3.445.528.047	3.445.528.047
Depreciated during year	159.193.890	159.193.890
2. Ending balance	3.604.721.937	3.604.721.937
<b>III. Net book value</b>		
1. Beginning balance	886.546.426	886.546.426



2. Ending balance	727.352.536	727.352.536
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**10. INTANGIBLE FIXED ASSETS**

Items	Computer software	Total
<b>I. Cost</b>		
1. Beginning balance	243.530.497	243.530.497
2. Ending balance	243.530.497	243.530.497
<b>II. Accumulated depreciation</b>		
1. Beginning balance	218.277.974	218.277.974
Depreciated during year	6.260.940	6.260.940
2. Ending balance	224.538.914	224.538.914
<b>III. Net book value</b>		
1. Beginning balance	25.252.523	25.252.523
2. Ending balance	18.991.583	18.991.583

- Cost of intangible fixed assets at the end of the period fully depreciated but still in use VND 116,502,864

**11. PREPAID EXPENSES****a). Short-term prepaid expenses**

	Ending balance	Beginning balance
Tools and instruments used	5.208.613	12.227.953
Others	306.657.350	307.332.318
<b>Total</b>	<b>311.865.963</b>	<b>319.560.271</b>

**b). Long-term prepaid expenses**

	Ending balance	Beginning balance
Tools and instruments used	1.011.514.981	1.130.110.739
Land rental fee (*)	1.058.649.060	1.071.262.200
Others	301.659.824	84.586.071
<b>Total</b>	<b>2.371.823.865</b>	<b>2.285.959.010</b>

(\*) Land rent at Lot I-3b-4-b, N6 Road, Sai Gon High-Tech Park based on Land Lease Contract No. 04/HDTD/KCNC-2004 dated November 24<sup>th</sup> 2004 and Land Lease Contract Annex PL 04/KCNC-2009 dated October 26<sup>th</sup> 2009. Lease term is 50 years.

## 12. BORROWINGS AND FINANCE LEASE LIABILITIES

### a). Short-term borrowings

	Beginning balance		During year		Ending balance	
	Value	Recoverable amount	Increase	Decrease	Value	Recoverable amount
<i>Short-term loans payable to related parties</i>	<i>5.000.000.000</i>	<i>5.000.000.000</i>	<i>4.000.000.000</i>	<i>-</i>	<i>9.000.000.000</i>	<i>9.000.000.000</i>
Smart Technologies Investment and Development Joint Stock Company	5.000.000.000	5.000.000.000	4.000.000.000	-	9.000.000.000	9.000.000.000
<i>Short-term loans and financial leases payable to other organizations and individuals</i>	<i>79.729.997.081</i>	<i>79.729.997.081</i>	<i>24.262.371.170</i>	<i>31.026.827.711</i>	<i>72.727.276.445</i>	<i>72.727.276.445</i>
- Short-term borrowings	78.776.940.701	78.776.940.701	-	-	-	-
MB Bank - Transaction Center 2 Branch <sup>(1)</sup>	24.658.212.525	24.658.212.525	9.903.962.500	15.633.725.955	18.928.449.070	18.928.449.070
Techcombank – Sai Gon Branch <sup>(2)</sup>	3.723.750.000	3.723.750.000	-	3.723.750.000	-	-
TP Bank - Hung Vuong Branch <sup>(3)</sup>	10.220.787.480	10.220.787.480	3.700.745.936	7.269.351.756	6.652.181.660	6.652.181.660
MSB Bank – Ho Chi Minh Branch <sup>(4)</sup>	4.123.890.696	4.123.890.696	6.219.398.639	-	10.343.289.335	10.343.289.335
Borrowings from individuals <sup>(5)</sup>	36.050.300.000	36.050.300.000	4.200.000.000	4.400.000.000	35.850.300.000	35.850.300.000



Notes to the Financial Statements (cont.)

Total

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**Detailed information related to loans:**

***(1) MB Bank - Transaction Center 2 Branch***

Loan under the Credit Agreement No 249058.24.103.2344761.TD signed on October 04<sup>th</sup> 2024.

- Credit limit: VND 210.000.000.000
- The interest rate under the bank's indebtedness certificate
- Loan purpose: to serve commercial activities, and installation of telecommunications equipment.
- Credit granting period: from the contract signing date to September 25<sup>th</sup> 2025.
- Secured assets:
  - + Deposit contract at MB Bank - Transaction Center 2 Branch
  - + Toyota car, license plate 51F-524.47;
  - + Toyota car, license plate 30F-815.51;
  - + Double cabin pickup truck with license plate 51D-623.28;
  - + Double cabin pickup truck with license plate 51D-630.28;
  - + And the right to claim debt is formed from the bank's credit granting plan.

***(2) Techcombank - Sai Gon Branch***

Loan under Credit Limit Contract No. PDL 201812049900/HDCTD dated April 6<sup>th</sup> 2018, Contract Annex No. PLD201812049900/HDCTD signed on April 6<sup>th</sup> 2018, Contract Annex No. PDL201812049900/HDCTD/PLHM-2489479 dated February 17<sup>th</sup> 2025 and Contract Annex No. PDL201812049900/HDCTD/PLHM-2903685 dated March 12<sup>th</sup> 2025.

- Credit limit: VND 160.000.000.000.
- Credit granting period: from February 17<sup>th</sup> 2025 to February 17<sup>th</sup> 2026.
- Interest rate for each disbursement is specifically stipulated on the disbursement request cum debt acknowledgment contract established for each loan withdrawal.
- Loan term: within the limit that the lending bank specifically stipulates in the Disbursement Request and Debt Acknowledgement Agreement.
- Loan purpose: supplement working capital for business activities
- Secured assets: Real estate; Means of transportation; Assets in Group 1 as prescribed by the Bank; rights to claim debts and other secured assets/security measures.

***(3) TPBank - Hung Vuong Branch***

Loan under Credit Limit Contract No 85/2024/HDTD/TTKD.Q6 date July 25<sup>th</sup> 2024.

- Credit limit: VND 100.000.000.000
- Credit granting period: from July 25<sup>th</sup> 2024 to July 25<sup>th</sup> 2025
- Flexible interest rate: specified in the bank's indebtedness certificate.
- Loan term: not exceeding 09 months, specifically stated in the debt acknowledgement document
- Loan purpose: supplement working capital for production, trading of telecommunications electronic equipment and telecommunications construction services.
- Secured assets: Receivables from the Ship Management Software Supply Cooperation Contract No. 181218-01/KHDN-QLSP-VTC/HĐHT-VNPT-VSS between VTC Telecommunications Joint Stock Company and the Corporate Customer Department, VNPT - VINAPHONE signed on

December 18<sup>th</sup> 2018, the entire amount in the account at TPBank - Hung Vuong Branch together with the rights and interests arising from the receivables and mortgage account.

***(4) MSB Bank – Ho Chi Minh Branch***

Loan under Credit Limit Contract No 112-00031875.21218/2024/HĐTD November 11<sup>st</sup> 2024.

- Credit limit: VND 50.000.000.000
- Credit granting period: from November 08<sup>th</sup> 2024 to November 07<sup>th</sup> 2025
- Flexible interest rate: specified in the bank's indebtedness certificate.
- Loan term: not exceeding 09 months, specifically stated in the debt acknowledgement document
- Loan purpose: supplement working capital for production, trading of telecommunications electronic equipment and telecommunications construction services.

***(5) Borrowings from individuals***

Borrowings from individuals with interest rates from 10% to 12%/year, loan term from 01 to 09 months, loan purpose is to supplement the Company's working capital. Secured assets: No.

**Detailed information related to the finance lease liabilities of Chailease International Leasing Company Limited:**

Finance Lease Contract No. C230407602 dated 23 May 2023.

- Total contract value: VND 4.765.281.920
- Prepaid amount: VND 953.056.384
- Remaining loan amount: VND 3.812.225.536
- Lease term: 48 months
- Lease commencement date: May 25<sup>th</sup> 2023

Lease interest rate: Lease interest rate before lease commencement date: fixed interest rate of 10.70%/360 days. Rental interest rate after the lease commencement date: from the first rental payment period to the 6<sup>th</sup> rental payment period, the fixed interest rate is 10.70%/360 days, from the 7<sup>th</sup> payment period onwards, CILC's standard interest rate in VND + 4.51% margin is: 12.2%/360 days.



## 12. SHORT-TERM TRADE PAYABLES

	Ending balance	Beginning balance
<b>Trade payables from related parties</b>	<b>7.402.911.938</b>	<b>968.673.945</b>
Smart Technologies Investment and Development Joint Stock Company	915.296.098	1.353.917.070
Corporate Customer Service Department - Branch of Telecommunication Services Corporation	-	436.580.569
Advanced Network Systems Vietnam Co., Ltd	6.385.000.000	18.342.500.000
VNPT Information Technology Company - Branch of Vietnam Posts and Telecommunications Group	102.615.840	103.419.360
<b>Payable to other suppliers</b>	<b>50.801.135.605</b>	<b>56.858.604.558</b>
Ciena Communication Inc	28.763.496.568	28.763.496.568
Duc Vinh Telecommunication Services Company Limited	1.579.152.740	1.721.390.440
BCTECH High Technology Solutions Joint Stock Company	432.772.500	90.772.500
Ho Chi Minh City House Trade Management Co., Ltd	951.096.650	1.411.096.650
DTEL Telecommunication Technical Services Company Limited	3.115.067.540	3.949.313.928
Tan Trung Nam Telecommunication Services Company Limited	5.070.691.611	4.975.917.585
ADG National Technology Investment and Development Joint Stock Company	-	4.651.630.830
TBNET Telecommunication Joint Stock Company	570.358.000	1.134.658.000
Branch of ADG National Technology Investment and Development Joint Stock Company (Hanoi City)	88.454.520	1.393.039.032
Others	10.230.045.476	8.767.289.025
<b>Total</b>	<b>58.204.047.543</b>	<b>77.095.021.557</b>

The company has no overdue debt.

**13. ADVANCES FROM CUSTOMERS**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Advances from customers from related parties</i>	<i>11.088.000</i>	<i>11.088.000</i>
VNPT – Lam Dong Business Center - Branch of Telecommunication Services Corporation	11.088.000	11.088.000
<i>Advances from customers from others</i>	<i>1.295.331</i>	<i>1.099.181</i>
Others	1.295.331	1.099.181
<b>Others</b>	<b>12.383.331</b>	<b>12.187.181</b>

**14. TAXES AND PAYABLES TO THE STATE**

	<u>Receivables at the beginning of the year</u>	<u>Payables at the beginning of the year</u>	<u>Payables during year</u>	<u>Paid during year</u>	<u>Receivables at the end of the year</u>	<u>Payables at the end of the year</u>
- Value added tax	-	1.844.316.903	1.155.533.976	1.893.952.827	-	1.105.898.052
- Value added tax on imported goods	-	-	-	-	-	-
-Corporate income tax	-	1.668.814.227	-	-	-	1.668.814.227
-Personal income tax	-	92.009.379	573.964.871	533.494.921	-	132.479.329
-Import and export tax	-	-	-	-	-	-
-Other types of tax	636.958.605	-	41.016.319	38.447.952	634.390.238	-
<b>Total</b>	<b>636.958.605</b>	<b>3.605.140.509</b>	<b>1.770.515.166</b>	<b>2.465.895.700</b>	<b>634.390.238</b>	<b>2.907.191.608</b>

The Company's tax settlement is subject to examination by the tax authorities. Since the application of tax laws and regulations to various types of transactions is susceptible to varying interpretations, the tax amounts presented in the interim separate financial statements may be subject to change at the discretion of the tax authorities.

**Determination of taxes, fees, and charges payable.****Value added tax**

The company pays value added tax using the deduction method. Value added tax rate is as follows:

	<u>Tax rate</u>
- Value added tax rate for service and commercial activities	8% and 10%

During the year, the Company is entitled to a VAT reduction under Decree No.180/2024/ND-CP December 31<sup>st</sup> 2024 on reducing VAT by 8% from January 01<sup>st</sup> 2025 to June 30<sup>th</sup> 2025.

#### Corporate income tax

Income from the above activities is subject to Corporate income tax at a rate of 20%.

#### Other types of tax

The company declares and pays tax under regulations.

### 15. SHORT-TERM ACCRUED EXPENSES

	Ending balance	Beginning balance
- Interest expense	-	170.475.647
- Others	813.998.726	640.271.453
<b>Total</b>	<b>813.998.726</b>	<b>810.747.100</b>

### 16. OTHER PAYABLES

	Ending balance	Beginning balance
<i>Other payables from related parties</i>	<i>210.228.928</i>	<i>265.505.290</i>
Board of Directors	5.400.840	28.053.686
Le Xuan Tien	2.500.000	7.893.398
Vo Hung Tien	-	4.314.862
Lê Thi Thanh	-	4.314.862
Bui Van Bang	2.900.840	7.215.702
Tran Phuong Hien	-	4.314.862
Board of Supervisors	-	10.787.154
Nguyen Thien Loi	-	4.314.862
Nguyen Van Xuan	-	3.236.146
Phan Thanh Tu	-	3.236.146
Board of Directors	204.828.088	226.664.450
Tran Van Mua	22.896.020	22.896.020
Nguyen Minh Vu	111.260.079	141.381.393
Nguyen Duc Long	62.919.181	55.346.309
Vo Anh Thinh	7.752.808	7.040.728
<i>Payable to other organizations and individuals</i>	<i>8.249.587.462</i>	<i>7.671.336.887</i>
Surplus of assets awaiting resolution	-	-
Trade union fee	390.827.173	381.508.373



	<u>Ending balance</u>	<u>Beginning balance</u>
Social insurance; Health insurance; Unemployment insurance	617.128.000	202.391.000
Short-term deposits, collaterals	9.305.000	9.305.000
Dividends, profit payables	3.311.787.460	3.311.787.460
Expenses allocated for projects	953.269.000	929.508.500
Others	2.967.270.829	2.836.836.554
<b>Total</b>	<b>8.459.816.390</b>	<b>7.936.842.177</b>

The company has no overdue debt.

## 17. UNREALIZED REVENUE

### a). Short-term

	<u>Ending balance</u>	<u>Beginning balance</u>
The difference between the selling price is greater than the net book value of the fixed assets sold and leased back as finance lease fixed assets.	72.847.177	89.059.156
<b>Total</b>	<b>72.847.177</b>	<b>89.059.156</b>

### b). Long-term

	<u>Ending balance</u>	<u>Beginning balance</u>
The difference between the selling price is greater than the net book value of the fixed assets sold and leased back as finance lease fixed assets.	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 18. PROVISIONS FOR PAYABLES

	<u>Ending balance</u>	<u>Beginning balance</u>
Provision for severance allowance	336.566.667	336.566.667
<b>Total</b>	<b>336.566.667</b>	<b>336.566.667</b>

## 19. OWNERS' EQUITY

## a). Comparison table for changes in owners' equity

Target	Owners' invested capital	Share premium	Treasury shares	Investment and Development Fund	Undistributed profit (Restated)	Total
A	1	2	3	4	5	6
Balance as at 01/01/2024	45.346.960.000	200.264.000	(55.530.000)	11.226.292.206	11.281.825.236	67.999.811.442
Loss in the previous year	-	-	-	-	(5.813.640.972)	(5.813.640.972)
Profit distribution	-	-	-	-	-	-
Balance as at 31/03/2024	45.346.960.000	200.264.000	(55.530.000)	11.226.292.206	5.468.184.264	62.186.170.470
Balance as at 01/01/2025 <sup>(1)</sup>	45.346.960.000	200.264.000	(55.530.000)	-	22.763.014.989	68.254.708.989
Loss in the current year	-	-	-	-	(7.289.853.323)	(7.289.853.323)
Profit distribution <sup>(2)</sup>	-	-	-	-	-	-
Increase in undistributed profit from Investment Development Fund <sup>(3)</sup>	-	-	-	-	-	-
Balance as at 31/03/2025	45.346.960.000	200.264.000	(55.530.000)	-	15.473.161.666	60.964.855.666

b). *Owners' invested capital in detail*

	<b>Tỷ lệ</b>	<b>Ending balance</b>	<b>Beginning balance</b>
State shareholder	46,67%	21.163.160.000	21.163.160.000
Other shareholders	53,33%	24.183.800.000	24.183.800.000
<b>Total</b>	<b>100,00%</b>	<b>45.346.960.000</b>	<b>45.346.960.000</b>

State shareholder is Vietnam Posts and Telecommunications Group.

c). *Shares*

	<b>Ending balance</b>	<b>Beginning balance</b>
Number of registered shares	4.534.696	4.534.696
Number of shares issued and fully contributed	4.534.696	4.534.696
- <i>Common shares</i>	4.534.696	4.534.696
Number of treasury shares	5.553	5.553
- <i>Common shares</i>	5.553	5.553
Number of shares in circulation	4.529.143	4.529.143
- <i>Common shares</i>	4.529.143	4.529.143
Par value in circulation:	10.000	10.000

V. **ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INCOME STATEMENTS  
(Currency: VND)**1. **TOTAL REVENUE FROM GOODS SOLD AND SERVICES RENDERED**

	<b>Current period</b>	<b>Previous period</b>
Revenue from commercial sales	8.706.835.034	5.978.825.841
Revenue from services rendered	5.903.931.833	29.610.143.884
<b>Total</b>	<b>14.610.766.867</b>	<b>35.588.969.725</b>

2. **COST OF GOODS SOLD**

	<b>Current period</b>	<b>Previous period</b>
Cost of commercial activities	7.141.960.038	5.118.012.572
Cost of services rendered	3.675.596.823	25.672.018.708
<b>Total</b>	<b>10.817.556.861</b>	<b>30.790.031.280</b>



**3. FINANCIAL INCOME**

	<u>Current period</u>	<u>Previous period</u>
Interest income from deposits, loans	6.811.731	-
Foreign exchange gains during the period	16.013.085	9.731.855
Other financial revenue	-	-
<b>Total</b>	<b>22.824.816</b>	<b>9.731.855</b>

**4. FINANCIAL EXPENSES**

	<u>Current period</u>	<u>Previous period</u>
Loan interest	1.905.495.156	3.002.170.782
Foreign exchange loss during the period	-	-
Foreign exchange loss due to revaluation at the end of the period	-	1.293.525
Provision for investment loss	-	-
<b>Total</b>	<b>1.905.495.156</b>	<b>3.003.464.307</b>

**5. SELLING EXPENSES**

	<u>Current period</u>	<u>Previous period</u>
Labor cost	618.576.914	833.367.009
Tools and instruments	11.200.560	23.683.481
Warranty expense	76.831.408	26.000.308
External service costs	1.306.806.840	1.188.761.887
Other costs in cash	448.037.189	361.358.754
<b>Total</b>	<b>2.461.452.911</b>	<b>2.433.171.439</b>

**6. GENERAL AND ADMINISTRATIVE EXPENSES**

	<u>Current period</u>	<u>Previous period</u>
Employee cost	5.430.139.462	3.333.490.781
Management materials- Office supplies	22.286.480	17.133.911
Fixed asset depreciation	206.225.910	208.517.309
Tax, fee, charge	3.000.000	3.000.000

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

	<u>Current period</u>	<u>Previous period</u>
Provision for doubtful debts	(10.583.000)	-
External service costs	884.712.850	997.216.701
Other costs in cash	259.723.253	626.271.320
<b>Total</b>	<b>6.795.504.955</b>	<b>5.185.630.022</b>

## 7. OTHER INCOME

	<u>Current period</u>	<u>Previous period</u>
Income from contract breach penalties	-	-
Income from liquidation of fixed assets	-	-
Other income	85.820.832	2.000
<b>Total</b>	<b>85.820.832</b>	<b>2.000</b>

## 8. OTHER EXPENSES

	<u>Current year</u>	<u>Previous year</u>
Contract breach penalty costs	-	-
Cost of liquidation of tools and equipment	-	-
Other expenses	29.255.955	47.504
<b>Total</b>	<b>29.255.955</b>	<b>47.504</b>

## VI. OTHER INFORMATION

### 1. Transactions and balances with related parties

The Company's related parties include: members of key management, individuals related to members of key management and other related parties.

#### a) Transactions and balances with members of key management, individuals related to members of key management.

Members of key management include: members of the Board of Management, the Supervisory Board and members of the Executive Board.

Individuals related to members of key management are close members of the family of members of key management.

*Transactions with members of key management and individuals related to members of key management.*

The Company has not incurred transaction on sale of goods and rendering of services with members of key management and individuals related to members of key management.

Receivables from members of key management and individuals related to members of key management and those members and individuals are unsecured and will be paid in cash. There is not any provision for doubtful debts which was made for liabilities of members of key management and individuals related to members of key management.

**b) Transactions and balances with other related parties**

The Company's other related parties include:

Other related parties	Relationship
Vietnam Post and Telecommunications Group	Shareholders hold 46.67% of shares
Member units of Vietnam Post and Telecommunications Group	Member of Vietnam Post and Telecommunications Group

**Transactions with other related parties**

The Company entered a number of transactions with other related parties as follows:

	Accumulated from the beginning of the year to the end of this year	
	Current year	Previous year
<b>Members of Vietnam Posts and Telecommunications Group</b>		
Selling goods and providing services	6.218.763.184	29.946.728.346
Purchase goods and receive services	182.756.940	1.055.376.768

The purchase of goods and services from other related parties are subject to negotiated market price.

Receivables from other related parties were unsecured and will be paid in cash. There is not any provision for doubtful debts which was made for liabilities of other related parties.

**2. Subsequent events**

The Company's (separate) Financial Statements for the fiscal year ended December 31<sup>st</sup> 2024 would not be seriously affected by any important items, transactions, or any extraordinary events happened to the date of this report, which need any adjustments to the figures or disclosures in the (separate) financial statements.

Ho Chi Minh, April 28<sup>th</sup> 2025

**Lý Thị Thanh Nguyệt**  
Preparer

**Võ Anh Thịnh**  
Chief Accountant



**Lê Xuân Tiên**  
Chairman of the Board of Directors