

Yes

No

+ The profit after tax in the income statement has changed by 10% or more comparing to the same period statement of the previous year:

Yes

No

Explanatory document in case of yes case

Yes

No

+ The profit after tax in the income statement is a loss, changing from profit in the same period of the previous year to loss in this period of year:

Yes

No

Explanatory document in case of yes case:

Yes

No

This information was published on the company's website on: March 10, 2025 at the link: www.kasati.com.vn

3. Report on transactions with a value of 35% or more of total assets in 2024:

In case the listed company has transactions, please fully report the following contents:

- Transaction content: None
- Ratio of transaction value/total asset value of the enterprise (%) (*based on the most recent financial statements*);
- Transaction completion date:

We hereby commit that the information published above is true and take full legal responsibility for the content of the published information.

Attached documents:

- Financial statements
- Explanatory document

Organization representative

Legal representative/ Announcer
(Sign, full name, position and seal)



HỒ TÔNG GIÁM ĐỐC
Nguyễn Long



KASATI JOINT STOCK COMPANY

**AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

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STATEMENT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Kasati Joint Stock Company (the "Company") presents this report together with the Company's combined financial statements for the year ended 31 December 2024.

THE BOARD OF MANAGEMENT, SUPERVISORY BOARD AND THE BOARD OF GENERAL DIRECTORS

The members of the Board of Management, Supervisory Board and the Board of General Directors of the Company who held office during the year and to the date of this report are as follows:

Board of Management

Mr. To Hoai Van	Chairman
Mr. Le Phuoc Hien	Vice Chairman
Mr. Do Quang Khanh	Vice Chairman (Resigned on 25 April 2024)
Mr. Nguyen Long	Member
Ms. Hoang Thi Minh Phuong	Independent member
Mr. Vu Hoang Ha	Independent member (Appointed on 25 April 2024)

Supervisory Board

Ms. Ho Thi Kim Oanh	Head of Supervisory Board
Mr. Tran Quang Minh Man	Member
Mr. Le Xuan Bach	member

Board of General Directors

Mr. Le Phuoc Hien	General Director
Mr. Nguyen Long	Deputy General Director
Mr. Vo Ngoc Anh	Deputy General Director

Chief Accountant

Ms. Doan Thi Trieu Phuoc	Chief Accountant
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Legal representative

The legal representative of the Company during the year and to the date of this report are as follows: Mr. Le Phuoc Hien – General Director.

BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of General Directors of the Company are responsible for preparing the combined financial statements, which give a true and fair view of the financial position of the Company as of 31 December 2024, and its financial performance and its cash flows for the year then ended. In preparing these combined financial statements, the Board of General Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the combined financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the combined financial statements so as to minimize errors and frauds.

STATEMENT OF THE BOARD OF GENERAL DIRECTORS (CONTINUED)

BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY (CONTINUED)

The Board of General Directors of the Company is responsible for ensuring that the accounting books are properly recorded to fairly reflect the financial position of the Company at any time and to ensure that the Company's combined financial statements comply with Accounting Standards, Vietnamese Accounting Regime for Enterprise and legal regulations related to the preparation and presentation of combined financial statements. The Board of General Directors is also responsible for ensuring the safety of the Company's assets and taking appropriate measures to prevent and detect fraud and other irregularities.

The Board of General Directors confirms that the Company has complied with the above requirements in preparing these combined financial statements.

In the Board of General Directors' opinions, the combined financial statements give a true and fair view of the financial position of the Company as of 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to combined financial reporting.

For and on behalf of the Board of General Directors,



Le Phuoc Hien
General Director

Ho Chi Minh City, 10 March 2025

No.: 026 /VACO/BCKT.HCM

INDEPENDENT AUDITORS' REPORT

**To: The shareholders
The Board of Management and the Board of General Directors
Kasati Joint Stock Company**

We have audited the accompanying combined financial statements of Kasati Joint Stock Company (the "Company"), prepared on 10 March 2025 as set out from page 04 to page 32, which comprise the combined balance sheet as of 31 December 2024, and the combined statement of income, and combined statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of General Directors' Responsibility

The Board of General Directors are responsible for the preparation and fair presentation of these combined financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as the Board of General Directors determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of General Directors, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements give a true and fair view of, in all material respects, the financial position of the Company as of 31 December 2024, and its combined financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to combined financial reporting.




Nguyen Ngoc Thach
Deputy General Director
Audit Practising Registration Certificate
No. 1822-2023-156-1
For and on behalf of
HO CHI MINH CITY BRANCH
VACO AUDITING COMPANY LIMITED
Ho Chi Minh City, 10 March 2025


Nguyen Thi Thu Hien
Auditor
Audit Practising Registration Certificate
No. 4262-2024-156-1

COMBINED BALANCE SHEET
As of 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		209,004,385,592	240,501,817,900
I. Cash and cash equivalents	110	4	44,713,438,322	29,207,537,414
1. Cash	111		14,896,878,380	13,037,504,731
2. Cash equivalents	112		29,816,559,942	16,170,032,683
II. Short-term financial investments	120	5	-	7,354,228,675
1. Held-to-maturity investments	123		-	7,354,228,675
III. Short-term receivables	130		153,758,346,761	60,692,877,493
1. Short-term trade receivables	131	6	118,496,783,326	45,025,040,238
2. Short-term advances to suppliers	132		558,980,183	513,714,113
3. Other short-term receivables	136	7	35,175,647,698	15,627,187,588
4. Provision for short-term doubtful debts	137		(473,064,446)	(473,064,446)
IV. Inventories	140	8	10,440,765,267	130,457,566,185
1. Inventories	141		18,010,931,404	138,027,732,322
2. Provision for devaluation of inventories	149		(7,570,166,137)	(7,570,166,137)
V. Other short-term assets	150		91,835,242	12,789,608,133
1. Short-term prepayments	151	9	73,645,853	65,921,016
2. Value added tax deductibles	152		18,189,389	12,723,687,117
B. NON-CURRENT ASSETS	200		8,397,621,532	9,242,862,752
I. Long-term receivables	210		-	110,030,605
1. Other long-term receivables	216	7	-	110,030,605
II. Fixed assets	220		2,990,288,306	3,720,445,178
1. Tangible fixed assets	221	10	2,907,079,006	3,579,959,878
- Cost	222		41,666,955,229	41,666,955,229
- Accumulated depreciation	223		(38,759,876,223)	(38,086,995,351)
2. Intangible assets	227	11	83,209,300	140,485,300
- Cost	228		911,885,959	911,885,959
- Accumulated amortisation	229		(828,676,659)	(771,400,659)
III. Long-term financial investments	250	5	4,900,000,000	4,900,000,000
1. Investments in joint-ventures, associates	252		4,900,000,000	4,900,000,000
IV. Other long-term assets	260		507,333,226	512,386,969
1. Long-term prepayments	261	9	507,333,226	512,386,969
TOTAL ASSETS (270=100+200)	270		217,402,007,124	249,744,680,652

The accompanying notes are an integral part of these combined financial statements

COMBINED BALANCE SHEET (CONTINUED)
As of 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		139,695,606,445	178,437,111,024
I. Current liabilities	310		139,695,606,445	178,437,111,024
1. Short-term trade payables	311	12	80,607,100,217	152,173,909,229
2. Short-term advances from customers	312		1,867,338,098	292,384,633
3. Taxes and amounts payable to the State budget	313	13	2,708,671,009	144,519,761
4. Payables to employees	314		6,629,951,420	626,000,000
5. Short-term accrued expenses	315	14	37,616,256,717	5,723,924,705
6. Short-term unearned revenue	318		487,205,833	669,367,833
7. Other current payables	319	15	9,469,829,441	11,216,781,982
8. Short-term loans and obligations under finance leases	320		-	7,000,000,000
9. Bonus and welfare funds	322		309,253,710	590,222,881
D. EQUITY	400		77,706,400,679	71,307,569,628
I. Owner's equity	410	16	77,706,400,679	71,307,569,628
1. Owner's contributed capital	411		59,920,200,000	59,920,200,000
- Ordinary shares carrying voting rights	411a		59,920,200,000	59,920,200,000
2. Investment and development fund	418		4,644,865,177	3,024,805,255
3. Retained earnings	421		13,141,335,502	8,362,564,373
- Retained earnings accumulated to the prior year	421a		2,802,911,622	2,802,911,622
- Retained earnings of the current year	421b		10,338,423,880	5,559,652,751
TOTAL RESOURCES (440 = 300 + 400)	440		217,402,007,124	249,744,680,652



Le Phuoc Hien
General Director

Doan Thi Trieu Phuoc
Chief Accountant

Pham Thi Thanh Thao
Preparer

10 March 2025

COMBINED INCOME STATEMENT
For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services	01	19	450,864,541,619	182,080,407,062
2. Deductions	02		109,266,420	2,977,570,103
3. Net revenue from goods sold and services rendered (10 = 01 - 02)	10	19	450,755,275,199	179,102,836,959
4. Cost of sales	11	20	419,564,764,731	159,880,380,287
5. Gross profit from goods sold and services rendered (20 = 10 - 11)	20		31,190,510,468	19,222,456,672
6. Financial income	21	22	6,199,909,135	2,189,851,049
7. Financial expenses	22	23	1,705,304,595	225,061,836
- In which: Interest expense		23	131,356,153	-
8. General and administration expenses	26	24	22,384,271,074	14,574,632,542
9. Operating profit {30 = 20 + (21 - 22) - 26}	30		13,300,843,934	6,612,613,343
10. Other income	31		-	461,973,196
11. Other expenses	32		294,191,534	34,255,600
12. Profit from other activities (40 = 31 - 32)	40		(294,191,534)	427,717,596
13. Accounting profit before tax (50 = 30 + 40)	50		13,006,652,400	7,040,330,939
14. Current corporate income tax expense	51	25	2,668,228,520	1,480,678,188
15. Net profit after corporate income tax (60 = 50 - 51)	60		10,338,423,880	5,559,652,751
16. Basic earnings per share	70	26	1,643	870



Le Phuoc Hien
General Director

Doan Thi Trieu Phuoc
Chief Accountant

Pham Thi Thanh Thao
Preparer

10 March 2025

COMBINED CASH FLOW STATEMENT
For the year ended 31 December 2024
(Indirect method)

Unit: VND

ITEMS	Codes	Current year	Prior year
I. Cash flows from operating activities			
1. Profit before tax	01	13,006,652,400	7,040,330,939
2. Adjustments for:			
- Depreciation and amortisation of fixed assets	02	730,156,872	812,827,944
- Provisions	03	-	(1,133,000,000)
- Foreign exchange gain/ (loss) arising from translating foreign currency items	04	(882,301,527)	194,160,612
- Loss from investing activities	05	(1,598,794,094)	(2,352,870,809)
- Interest expense	06	131,356,153	-
3. Operating profit before movements in working capital	08	11,387,069,804	4,561,448,686
- Increase/ (Decrease) in receivables	09	(77,636,290,921)	50,676,959,679
- (Increase) in inventories	10	120,016,800,918	(85,609,913,068)
- Increase in payables (excluding accrued loan interest and corporate income tax payable)	11	(31,756,524,364)	(5,208,097,396)
- (Increase)/ Decrease in prepaid expenses	12	(2,671,094)	68,291,036
- Interest paid	14	(131,356,153)	-
- Corporate income tax paid	15	(1,994,009,892)	(1,508,160,109)
- Other cash inflows	16	11,600,000	13,200,000
- Other cash outflows	17	(107,550,000)	(718,900,000)
Net cash generated by operating activities	20	19,787,068,298	(37,725,171,172)
II. Cash flows from investing activities			
1. Acquisition and construction of fixed assets and other long-term assets	21	(88,550,000)	(1,642,896,364)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	-	263,636,364
3. Cash outflow for lending, buying debt instruments of other entities	23	(3,414,632,188)	(11,815,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	8,068,377,575	9,000,000,000
5. Interest earned, dividends and profits received	27	1,748,777,368	2,038,259,669
Net cash generated by/ (used in) investing activities	30	6,313,972,755	(2,156,000,331)
III. Cash flows from financing activities			
1. Proceeds from borrowings	33	31,647,822,479	7,000,000,000
2. Repayment of borrowings	34	(38,647,822,479)	-
3. Dividends and profits paid	36	(3,595,212,000)	(6,411,461,400)
Net cash (used in) financing activities	40	(10,595,212,000)	588,538,600
Net increase/ (decrease) in cash (50=20+30+40)	50	15,505,829,053	(39,292,632,903)
Cash and cash equivalents at the beginning of the year	60	29,207,537,414	68,499,552,588
Effects of changes in foreign exchange rates	61	71,855	617,729
Cash and cash equivalents at the end of the year (70=50+60+61)	70	44,713,438,322	29,207,537,414



Le Phuoc Hien
General Director

Doan Thi Trieu Phuoc
Chief Accountant

Pham Thi Thanh Thao
Preparer

10 March 2025

The accompanying notes are an integral part of these combined financial statements

NOTES TO THE COMBINED FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION

Structure of ownership

Kasati Joint Stock Company ("the Company") has been established under decision 470/QĐ-TCBD dated on 07 June 2002 issued by the General Director of General Post Office (Vietnam Post and Telecommunication Group) in relation to convert Communication Equipment Production Enterprise II into Telecom-Informatics-Electronic Joint Stock Company. The first business registration under Business Registration Certificate No. 0302826473 (formerly No. 4103001330) issued by Ho Chi Minh City of Planning and Investment Department dated 02 December 2002.

According to the 13th amended Enterprise Registration Certificate dated 21 December 2023, the Company's charter capital is VND 59,920,200,000.

The Company's shares are listed on Ha Noi Stock Exchange from 29 December 2010 with the transaction code is KST.

The number of employees as of 31 December 2024 was 79 (as of 01 January 2024 was 77).

Operating industry and principal activities

The Company's principal activities are:

- Commissioning, maintainance, repair of the telecommunication system, computer network (except recycle waste, electronic plating at the office). Construction, maintainance, operation assistant of telecommunication, informatic and electronic device.
- Information service via telephone.
- Post and telecommunication service agency; Providing information into Internet; Value Added Service provide to telecommunication network and internet; Agency for access, processing and exchange information to the internet (does not provide internet access service, game service at the head office). Public telecommunication, informatic service inside and outside of Vietnam. Internet Service Provider, Online Service Provider.
- Services relating to calls;
- House repairation;
- Motorbike maintainance and repairation;
- Trading of auto, vehicle with engine;
- Trading, maintainance, reparation of auto, vehicle with engine, motor, machinery – spare parts – other parts of auto, motor;
- Maintainance, reparation of auto, vehicle with engine;
- Advertising;
- Manufacturing and assembling electronic, informatic equipment;
- Trading computer software;
- Real estate business. Houses, offices and warehouses for lease;
- Railway and road works construction;
- Architectural activities and engineering consultant related;
- Dedicated design activities include interior and exterior decoration;
- Production, processing and installation of mechanical products, antenna tower pillar (not operating in the office);
- Trading materials, equipment and products in telecommunications, informatics and electronics. Trading electrical equipment, generators, refrigerated goods;
- Manufacturing and assembling telecommunication equipment;
- Construction of telecommunication, informatics and electronics works. Construction of residential facilities, industrial works;
- Assembling, maintenance, repairation refrigerated system, industrial and residential electricity (except waste, electroplating in the office);
- Leasing network-telecommunication-informatics-electricity-electronics and refrigerated equipment;
- Trading construction materials;

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

1. GENERAL INFORMATION (CONTINUED)

Operating industry and principal activities (Continued)

- Commercial brokerage;
- Trading cargo transportation by car, passenger transport by car under contract;
- Transferring in telecommunications, informatics and electronics technology;
- Trading motobikes;
- Passenger transportation in urban, suburban areas (except bus transportation);
- Trading machinery, spare parts-accessories of motorbikes;
- Trading construction machinery;
- Freight forwarding activities. Customs clearance agent;
- Packaging services (except packing of pesticides).
- Technical testing and analysis;
- Provision of temporary labor;
- Supply and management of labor resources.

The principal activities of the Company are construction, maintenance and supporting for the operation of telecommunications, informatics and electronic devices, trading in materials, equipment and products of telecommunications, informatics and electricity industries. death and office and warehouse leasing.

Normal production and business cycle

The Company's normal production and business cycle is carried out for a period of 12 months or less.

The Company's structure

Details of the Company's associates as at 31 December 2024 are as follows:

Name	Place of incorporation and operation	Proportion of ownership interest %	Proportion of voting power held %	Principal activity
Associates				
Kasaco Joint Stock Company	Ho Chi Minh City	49	49	Leasing system and software; Consultancy service, selection and training of telephone operators

Affiliated units with dependent accounting do not have legal entity status:

Name	Address
Kasati Joint Stock Company - Hanoi Branch	24, Me Tri Broadcasting station, residential group No. 1, Me Tri Ward, Nam Tu Liem District, Hanoi City
Kasati Joint Stock Company - Da Nang Branch	38 Ta My Duat Street, An Hai Bac Ward, Son Tra District, Da Nang City

Disclosure of information comparability in the financial statements

The corresponding figures from the prior year are comparable to this year's data.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

2. FINANCIAL YEAR, APPLIED ACCOUNTING STANDARDS AND REGIME

Financial year

The Company's financial year begins on 01 January and ends on 31 December.

Applied accounting regime

The Company applied Vietnamese Accounting Standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 53/2016/TT-BTC dated 21 March 2016 guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of combined financial statements.

Declaration of compliance with Accounting Standard and Accounting Regime

The Board of General Directors ensures to comply with the requirements of Vietnamese Accounting Standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 53/2016/TT-BTC dated 21 March 2016 guiding the implementation of accounting standards of the Ministry of Finance in preparation of combined financial statements.

The accompanying combined financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting convention

The accompanying combined financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to combined financial reporting.

Affiliated units have their own accounting work and dependent accounting. The Company's combined financial statements is prepared based on the combination of financial statements of affiliated units. Transactions and balances between affiliates are eliminated when preparing combined financial statements.

Estimates

The preparation of combined financial statements in conformity with Vietnamese Accounting Standards, Accounting Regime for enterprises and legal regulations relating to combined financial reporting requires the Board of General Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of General Directors' best knowledge, actual results may differ from those estimates.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Evaluation and recognition at fair value

According to the Law on Accounting came into effect from 01 January 2017, which included regulations on assessment and recognition at fair value. However, there is no specific instruction for this matter; therefore, the Board of General Directors have considered and applied as follows:

- (a) *Financial instruments are recognized and revaluated at fair value based on historical cost less provisions (if any) in accordance with current regulations;*
- (b) *Monetary items denominated in foreign currencies shall be evaluated based on the actual exchange rates;*
- (c) *For assets and liabilities (except items a and b as mentioned above), the Company does not have any basis to determine the reliable value; therefore, the Company records at historical cost.*

Financial instruments

Initial recognition

Financial assets: At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Company comprise cash, cash equivalents, trade and other receivables, and financial investments.

Financial liabilities: At the date of initial recognition financial liabilities are recognised at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Company comprise trade and other payables, accrued expenses, and borrowings.

Subsequent measurement after initial recognition

Currently, the Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 6 November 2009 ("Circular 210") and other relevant prevailing regulations, it did not adopt the equivalent guidance for the recognition and measurement of fair value of these financial assets and liabilities.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity. The Company's held-to-maturity investments are term deposits.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the income statement on accrual basis.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial investments (Continued)

Investments in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Interests in associates are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Provision for loss of investments in associates is made when the associates are incurred the loss as equal as the difference between the actual contributed capital of parties in associates and the actual equity multiplied by the percentage of capital contribution between controlling company and its parties. If the associates are the subjects for consolidated financial statements, the basis for determining the loss of provision is in the consolidated financial statements.

The change of provision for loss of investments in subsidiaries, joint ventures and associates need to be made at the balance sheet date and are recorded in financial expenses.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method and accounted for inventory in perpetual method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods, including:

Insurance costs: Incurred insurance costs are allocated to expenses using the straight-line method with an allocation period not exceeding 12 months.

Tools and supplies: Tools and supplies which have been used are allocated into expenses using the straight-line method no more than 36 months.

Fixed assets reparation costs: Fixed assets reparation costs that incur 1 time and have large value are allocated into expenses using the straight-line method no more than 36 months.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

Tangible fixed assets are depreciated using the straight-line method over their following estimated useful lives by years:

	<u>The estimated useful lives</u>
	(Years)
Buildings and structures	12
Machinery and equipment	03 – 05
Motor vehicles	12
Office equipment	04
Others	04

Gains and losses arising from the disposal or sale of assets are the differences between disposal income and the remaining asset value and are recognized in the Income statement.

Intangible assets and amortisation

Computer software: The purchase price of computer software that is not part of the associated hardware is capitalized. The cost of computer software is the total cost paid by the Company up to the time of using. Computer software is amortized on a straight-line basis over 03-05 years.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Payables and accrued expenses

Payables and accrued expenses are recognized for future amounts payable related to goods and services received. Accrued expenses are recognized based on reasonable estimates of the amount payable.

The classification of payables into trade payables, accrued expenses, and other payables are made on the following principles:

- Trade payables reflect payables arising from purchases of goods, services, assets and sellers are independent units to the company/enterprise, including accounts payable upon importation through consignee.
- Accrued expenses reflect amounts payable for goods or services received from the seller or provided to the buyer but not be paid due to lack of invoices or incomplete accounting records and documents, payments to employees for leave and prepaid production and business expenses.
- Other payables reflect non-trade payables and does not relate to the purchase, sale or supply of goods or services.

Equity

Owner's contributed capital: Owner's contributed capital is recognized based on the actual contributed capital of the shareholders.

Profit distribution

Profit after tax is distributed to shareholders after deducting funds in accordance with the Charter of Company and regulations of the law which has been approved by the General Assembly of Shareholders.

Profit distribution to shareholders is referenced to the non-monetary items included in retained earnings that may affect cash flows and the ability to pay dividends such as gains from revaluation of assets contributed capital, interest from revaluation of monetary items, financial instruments and other non-monetary items.

Dividends are recognized as liabilities when having the approval of the General Meeting of Shareholders.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Revenue is recognized when the Company is likely to receive a definable economic benefit. Revenue is determined according to the fair value of amounts collected or to be collected after deducting trade discounts, discounts on sales, and returned sales. The following specific recognition conditions must also be met when recognizing revenue.

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

- (a) The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with; ownership nor effective control over the goods sold;
- (c) The amount of revenue can be measured reliably;
- (d) It is probable that the economic benefits associated with the transaction will flow to the Company; and
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) The amount of revenue can be measured reliably;
- (b) It is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) The percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognised when the Company's right to receive payment has been established.

Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date as measured by the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable of recovery.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the income statement.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties

Parties are considered to be related when one party has ability to control another or has significant influence in making decision related to financial and operation policies. Parties are also considered as related parties when they bare the same control and significant influence.

Related parties' relationships are more important than the legal.

List of related parties during the year

<u>Related parties</u>	<u>Relationships</u>
Vietnam Posts and Telecommunications Group (VNPT)	Capital Contributor
Post and Telecommunication Joint Stock Insurance Corporation	Capital Contributor
Network Infrastructure Corporation	Directly under VNPT
VNPT Vinaphone	Directly under VNPT
VNPT Media	Directly under VNPT
VNPT-I	Directly under VNPT
VNPT Centers	Directly under VNPT
Cokyvina JSC	Directly under VNPT
Telecommunication Technical Service JSC	Subsidiary of VNPT
Telecommunications Equipment Ltd	Subsidiary of VNPT
Vineco Telecommunication Systems Joint Stock Company	Subsidiary of VNPT
Da Nang Telecommunications and Informatics Design JSC	Subsidiary of VNPT
Advanced Network Systems Vietnam Company Limited	Subsidiary of VNPT
Dongthap Telecommunication Investment and Construction JSC	Associate of VNPT
VTC Telecommunications JSC	Associate of VNPT
VNPT Technology	Capital contributed units of VNPT
Joint Stock Company for Telecoms and Informatics	Capital contributed units of VNPT
Kasaco Joint Stock Company	Associate
The Board of Management, Board of General Directors, supervisory Board, Chief Accountant and members closely related to these members	Key managements and closely related members

4. CASH AND CASH EQUIVALENTS

	<u>Closing Balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	411,469,703	206,563,495
Cash in bank	14,485,408,677	12,830,941,236
Cash equivalents (i)	29,816,559,942	16,170,032,683
Total	<u>44,713,438,322</u>	<u>29,207,537,414</u>

- (i) These are one-month term deposits at banks, with interest rates ranging from 3.0% to 3.4% per year

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

5. FINANCIAL INVESTMENTS

	Closing Balance		Opening Balance	
	Cost	Book value	Cost	Book value
	VND	VND	VND	VND
a) Short-term held-to-maturity investments	-	-	7,354,228,675	7,354,228,675
- Term deposits	-	-	7,354,228,675	7,354,228,675

	Closing Balance			Opening Balance		
	Cost	Provision	Fair value	Cost	Provision	Fair value
	VND	VND	VND	VND	VND	VND
b) Investments in joint ventures, associates						
Kasaco Joint Stock Company	4,900,000,000	-	(*)	4,900,000,000	-	(*)
Total	4,900,000,000	-		4,900,000,000	-	

(*) *Fair value*

As at the reporting date, the Company has not determined fair value of this financial investment to disclose in the combined financial statements as there are no quoted market prices for this financial investment and the Vietnamese accounting standards, accounting regime for enterprises does not have any guidance on how to calculate the fair value using the valuation techniques. Fair value of this investment can be different from book value.

Supplemental information

According to the 10th amended Business Registration Certificate No. 0305339252 dated 11 October 2019 issued by the Ho Chi Minh City Ministry of Planning and Investment, the Company invests in Kasaco Joint Stock Company with the amount of VND 4,900,000,000; equivalent to 49% of charter capital. At the end of the financial year, the Company invested VND 4,900,000,000; equivalent to 49% of charter capital (at the beginning of the year, the Company invested VND 4,900,000,000; equivalent to 49% of charter capital).

Operation status of associates

In the year, Kasaco Joint Stock Company's business was profitable. As of 31 December 2024, Kasaco Joint Stock Company has accumulated profit.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

6. TRADE RECEIVABLES

	<u>Closing Balance</u>	<u>Opening balance</u>
	VND	VND
a) Receivables from related parties	63,341,616,443	32,211,919,141
Kasaco Joint Stock Company	-	172,260,000
Network Infrastructure Corporation	31,400,022,769	20,630,554,222
Cokyvina Joint Stock Company	30,289,029,600	10,753,296,000
VNPT Centers	1,652,564,074	655,808,919
b) Short-term receivables from other customers	55,155,166,883	12,813,121,097
Mobifone Telecommunications Corporation and its dependent units	20,165,931,614	7,397,315,870
Posts And Telecommunications Material Supply JSC	27,990,573,440	-
Ericsson Vietnam Co.,Ltd	2,649,972,419	1,977,723,721
Interland Viet Nam Trading And Technology	473,064,446	473,064,446
Others	3,875,624,964	2,965,017,060
Total	118,496,783,326	45,025,040,238

7. OTHER RECEIVABLES

	<u>Closing Balance</u>	<u>Opening balance</u>
	VND	VND
a) Current	35,175,647,698	15,627,187,588
a1) Related parties	18,800,000	37,100,000
Paid on behalf of Vietnam Posts and Telecommunications Group	18,800,000	37,100,000
a2) Others	35,156,847,698	15,590,087,588
Advances	13,913,153,091	4,277,665,241
Deposits and mortgages (i)	21,078,761,362	9,957,646,996
Accrued interest income	154,264,280	304,247,554
Other receivables	10,668,965	1,050,527,797
b) Non-current	-	110,030,605
Deposits and mortgages	-	110,030,605
Total	35,175,647,698	15,737,218,193

- (i) Short-term deposits and mortgages are term deposits used as payment security for the execution of installation, maintenance, and equipment supply contracts arising this year, such as Antenna, GPON, and MANE in 19 provinces and cities,... Additionally, they are also used as deposits for foreign currency purchase contracts.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

8. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Goods in transit	-	-	1,069,754,594	-
Raw materials	6,909,999,345	(6,792,270,102)	6,909,999,345	(6,792,270,102)
Work in progress (i)	10,292,401,717	-	129,243,375,396	-
Finished goods	456,894,722	(456,894,722)	456,894,722	(456,894,722)
Merchandise	351,635,620	(321,001,313)	347,708,265	(321,001,313)
Total	18,010,931,404	(7,570,166,137)	138,027,732,322	(7,570,166,137)

Work in progress costs represent the actual costs incurred for ongoing projects, installation, and maintenance works as of 31 December 2024.

9. PREPAYMENTS

	Closing Balance	Opening balance
	VND	VND
a) Current	73,645,853	65,921,016
Tools and dies issued for consumption	44,742,593	14,438,492
Insurance costs	28,903,260	51,482,524
b) Non-current	507,333,226	512,386,969
Tools and dies issued for consumption	342,999,882	173,830,936
Repair costs	164,333,344	338,556,033

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

10. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structure	Machinery and equipment	Motor vehicles	Office equipment	Others	Total
	VND	VND	VND	VND	VND	VND
Cost						
Opening balance	10,872,785,090	23,263,063,754	5,639,480,779	1,772,005,436	119,620,170	41,666,955,229
Closing balance	10,872,785,090	23,263,063,754	5,639,480,779	1,772,005,436	119,620,170	41,666,955,229
ACCUMULATED DEPRECIATION						
Opening balance	10,740,735,020	23,161,141,275	2,405,688,116	1,659,810,770	119,620,170	38,086,995,351
- Charged for the year	82,977,396	48,328,008	481,359,504	60,215,964	-	672,880,872
Closing balance	10,823,712,416	23,209,469,283	2,887,047,620	1,720,026,734	119,620,170	38,759,876,223
NET BOOK VALUE						
Opening balance	132,050,070	101,922,479	3,233,792,663	112,194,666	-	3,579,959,878
Closing balance	49,072,674	53,594,471	2,752,433,159	51,978,702	-	2,907,079,006

The cost of the Company's fixed assets includes VND 37,961,822,047 (as of 01 January 2024 was VND 36,900,970,774) of assets which have been fully depreciated but are still in use as at 31 December 2024.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

11. INCREASES, DECREASES IN INTANGIBLE ASSETS

	<u>Computer software</u>	<u>Total</u>
	VND	VND
COST		
Opening balance	<u>911,885,959</u>	<u>911,885,959</u>
Closing balance	<u>911,885,959</u>	<u>911,885,959</u>
ACCUMULATED AMORTISATION		
Opening balance	<u>771,400,659</u>	<u>771,400,659</u>
- Charged for the year	<u>57,276,000</u>	<u>57,276,000</u>
Closing balance	<u>828,676,659</u>	<u>828,676,659</u>
NET BOOK VALUE		
Opening balance	<u>140,485,300</u>	<u>140,485,300</u>
Closing balance	<u>83,209,300</u>	<u>83,209,300</u>

The cost of the Company's intangible fixed assets includes VND 625,505,959 (as of 01 January 2024 was VND 625,505,959) of assets which have been fully depreciated but are still in use as of 31 December 2024.

12. SHORT-TERM TRADE PAYABLES

	<u>Closing balance</u>		<u>Opening balance</u>	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
Huawei International Pte.Ltd	33,954,891,840	33,954,891,840	139,875,499,922	139,875,499,922
Telsoft JSC	9,961,500,000	9,961,500,000	-	-
Transportation No. 9 Cooperative	9,126,031,760	9,126,031,760	2,658,667,360	2,658,667,360
Orange Plus Co., Ltd	14,494,204,800	14,494,204,800	4,416,596,000	4,416,596,000
Others	13,070,471,817	13,070,471,817	5,223,145,947	5,223,145,947
Total	<u>80,607,100,217</u>	<u>80,607,100,217</u>	<u>152,173,909,229</u>	<u>152,173,909,229</u>

13. TAXES AND AMOUNTS PAYABLES TO THE STATE BUDGET

	<u>Closing balance</u>	<u>Payable during the year</u>	<u>Paid during the year</u>	<u>Opening balance</u>
	VND	VND	VND	VND
Value added tax	13,656,561	12,882,117,397	(11,173,982,665)	1,721,791,293
Corporate income tax	99,732,653	2,668,228,520	(1,994,009,892)	773,951,281
Personal income tax	31,130,547	742,078,729	(560,280,841)	212,928,435
Land & housing tax, land rental charges	-	13,975,526,247	(13,975,526,247)	-
Other taxes	-	5,000,000	(5,000,000)	-
Total	<u>144,519,761</u>	<u>30,272,950,893</u>	<u>(27,708,799,645)</u>	<u>2,708,671,009</u>

14. SHORT-TERM ACCRUED EXPENSES

	<u>Closing Balance</u>	<u>Opening balance</u>
	VND	VND
Accrued expenses of maintenance and installation	<u>37,616,256,717</u>	<u>5,723,924,705</u>
Total	<u>37,616,256,717</u>	<u>5,723,924,705</u>

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

15. OTHER CURRENT PAYABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Trade union fee	21,119,300	182,885,195
Social insurance	31,122,730	27,335,470
Health insurance	668,340	-
Unemployment insurance	24,952,490	24,952,490
Short-term deposits received	1,580,206,000	1,543,996,000
Payables for constructions	7,804,772,708	7,268,586,452
Others	6,987,873	2,169,026,375
Total	<u>9,469,829,441</u>	<u>11,216,781,982</u>

16. OWNER'S EQUITY

Movement in owner's equity

	<u>Owner's contributed</u>	<u>Investment and development</u>	<u>Retained earnings</u>	<u>Total</u>
	VND	VND	VND	VND
Prior year's opening balance	59,920,200,000	-	12,885,595,804	72,805,795,804
Profit for the year	-	-	5,559,652,751	5,559,652,751
Development and Investment fund	-	3,024,805,255	(3,024,805,255)	-
Bonus and welfare funds	-	-	(622,334,863)	(622,334,863)
Dividends declared	-	-	(6,411,461,400)	(6,411,461,400)
Others	-	-	(24,082,664)	(24,082,664)
Current year's opening balance	<u>59,920,200,000</u>	<u>3,024,805,255</u>	<u>8,362,564,373</u>	<u>71,307,569,628</u>
Profit for the year	-	-	10,338,423,880	10,338,423,880
Investment and development fund (i)	-	1,620,059,922	(1,620,059,922)	-
Bonus and welfare funds (i)	-	-	(344,380,829)	(344,380,829)
Dividends declared (i)	-	-	(3,595,212,000)	(3,595,212,000)
Current year's closing balance	<u>59,920,200,000</u>	<u>4,644,865,177</u>	<u>13,141,335,502</u>	<u>77,706,400,679</u>

(i) Resolution of the 2024 Annual General Meeting of Shareholders No. 01/2024/NQ-ĐHĐĐD dated 25 April 2024 approved the plan to distribute 2023 retained earnings as following:

- Appropriation to the Bonus and welfare fund: VND 344,380,829;
- Appropriation to the Investment and Development fund: VND 1,620,059,922;
- Dividends to shareholders at the rate of 6% of capital contribution, equivalent to VND 3,595,212,000.

Dividends paid in this year were VND 3,595,212,000 (previous year was VND 6,411,461,400).

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

16. OWNER'S EQUITY (CONTINUED)

Charter capital

According to the Company's 13th amended Enterprise Registration Certificate dated 21 December 2023, the Company's charter capital is VND 59,920,200,000. The charter capital contributions by the shareholders as of 31 December 2024 had been made as follows:

Shareholder	Contributed capital			
	Closing balance		Opening balance	
	%	VND	%	VND
Vietnam Posts and Telecommunications Group	33.88%	20,300,000,000	33.88%	20,300,000,000
Post and Telecommunication Joint Stock Insurance Corporation	21.30%	12,761,800,000	21.30%	12,761,800,000
Other Shareholders	44.82%	26,858,400,000	44.82%	26,858,400,000
Total	100.00%	59,920,200,000	100.00%	59,920,200,000

Shares	Current year	Prior year
	Shares	Shares
Number of shares issued to the public	5,992,020	5,992,020
- Ordinary shares	5,992,020	5,992,020
Number of outstanding shares in circulation	5,992,020	5,992,020
- Ordinary shares	5,992,020	5,992,020
Par value of shares in circulation (VND)	10,000	10,000

17. OFF BALANCE SHEET ITEMS

Foreign currencies

	Closing Balance	Opening balance
U.S Dollar (USD)	1,871.32	1,907.45

18. BUSINESS AND GEOGRAPHICAL SEGMENTS

Segment information is presented by business sector and geographical area. Segment report is primarily geographical area based on internal organizational and management structure and internal financial statement system of the Company.

Geographical areas

The company's business is distributed mainly in the North, Central and South. The Company's operations in these three areas do not differ significantly in terms of risk and economic benefits. Therefore, the Company does not prepare the segment report according to geographical area.

Business sector

The Company's business is Construction and installation of telecommunication works.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

19. REVENUE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Gross revenue from goods sold and services rendered		
Sales of merchandise	235,617,198,080	92,864,967,686
Sales of services	215,247,343,539	89,215,439,376
	450,864,541,619	182,080,407,062
Deductions		
Sales rebate	103,700,000	2,601,000,000
Sales discount	5,566,420	376,570,103
	109,266,420	2,977,570,103
Net revenue from goods sold and services rendered	450,755,275,199	179,102,836,959
<i>In which:</i>		
Revenue from related parties		
Kasaco Joint Stock Company	436,200,000	471,000,000
Network Infrastructure Corporation	235,240,762,594	99,093,861,350
Cokyvina Joint Stock Company	114,624,976,878	19,705,669,000
VNPT Centers	1,094,016,190	2,217,188,135

20. COST OF SALES

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Cost of merchandise and finished goods sold	226,308,285,871	89,438,621,530
Cost of services provided	193,256,478,860	70,441,758,757
Total	419,564,764,731	159,880,380,287

21. PRODUCTION COST BY NATURE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Costs of raw materials	27,200,544,946	6,346,591,665
Labor costs	26,376,040,711	14,444,968,898
Depreciation and amortization cost	730,156,872	812,827,944
Cost of hired services	131,365,365,075	71,570,888,805
Provision/ (Reversal) expense appropriation	-	(1,133,000,000)
Other expenses	40,226,536,255	11,103,608,552
Total	225,898,643,859	103,145,885,864

22. FINANCIAL INCOME

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Bank interest	1,598,794,094	2,089,234,445
Foreign exchange gain	4,601,115,041	100,616,604
Total	6,199,909,135	2,189,851,049

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

23. FINANCIAL EXPENSE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Interest expense	131,356,153	-
Foreign exchange loss	1,573,948,442	225,061,836
Total	<u>1,705,304,595</u>	<u>225,061,836</u>

24. GENERAL AND ADMINISTRATION EXPENSES

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Costs for employees	13,738,918,882	8,097,814,757
Costs of raw materials	1,715,204,603	1,052,872,143
Depreciation and amortization of assets	519,287,592	494,263,180
Cost of hired services	1,667,182,785	1,742,220,468
Provision/ (Reversal) expense appropriation	-	(1,133,000,000)
Others	4,743,677,212	4,320,461,994
Total	<u>22,384,271,074</u>	<u>14,574,632,542</u>

25. CURRENT CORPORATE INCOME TAX EXPENSE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Profit before tax	13,006,652,400	7,040,330,939
Adjustments for taxable income		
<i>Add back: non-deductible expenses</i>	<i>334,490,201</i>	<i>363,060,000</i>
Current taxable income	13,341,142,601	7,403,390,939
Corporate income tax rate	20%	20%
Corporate income tax payable	2,668,228,520	1,480,678,188
Current corporate income tax expense	<u>2,668,228,520</u>	<u>1,480,678,188</u>

26. BASIC EARNINGS PER SHARE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Accounting profit after corporate income tax	10,338,423,880	5,559,652,751
<i>Less: Appropriation to the Bonus and welfare funds (i)</i>	<i>(495,542,933)</i>	<i>(344,380,829)</i>
Profit or loss attributable to ordinary shareholders	9,842,880,947	5,215,271,922
Average ordinary shares in circulation for the year	5,992,020	5,992,020
Basic earnings per share	<u>1,643</u>	<u>870</u>

- (i) According to the Resolution of the Annual General Meeting of Shareholders of 2024 No. 01/2024/NQ-DHDCD dated 25 April 2026, the Company distributed its profit in 2023 to the Bonus and welfare fund of VND 344,380,829.

The Bonus and welfare fund of 2024 is estimated based on the completion rate of after-tax plan according to the Resolution of the Annual General Meeting of Shareholders of 2024.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

27. FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of shareholders' equity (comprising capital, reserves and retained earnings).

Gearing ratio

The gearing ratio of the Company as at the balance sheet date was as follows:

	<u>Closing Balance</u>	<u>Opening Balance</u>
	VND	VND
Borrowings	-	7,000,000,000
Less: Cash and cash equivalents	(44,713,438,322)	(29,207,537,414)
Net debts	-	-
Equity	<u>77,706,400,679</u>	<u>71,307,569,628</u>
The ratio of net debts on equity	<u>-</u>	<u>-</u>

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset and financial liability are disclosed in Note 3.

Categories of financial instruments

	<u>Carrying value</u>	
	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Financial assets		
Cash and cash equivalents	44,713,438,322	29,207,537,414
Trade and other receivables	139,759,277,933	56,374,562,585
Held to maturity investment	-	7,354,228,675
Total	<u>184,472,716,255</u>	<u>92,936,328,674</u>
Financial liabilities		
Borrowings	-	7,000,000,000
Trade and other payables	89,999,066,798	163,155,518,056
Accrued expenses	37,616,256,717	5,723,924,705
Total	<u>127,615,323,515</u>	<u>175,879,442,761</u>

The Company determined fair value of its financial assets and liabilities as at the balance sheet date as disclosed in Note 03 since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 06 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

27. FINANCIAL INSTRUMENTS

Financial risk management objectives

The Company has set up risk management system to identify and assess the risks exposed by the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (price risk), credit risk and liquidity risk.

Market risk

The Company's activities expose it primarily to the financial risks of changes in prices. The Company does not hedge these risk exposures upon its assessment that the cost of hedging price risk might be higher than that incurred from market risk of fluctuation in prices in the future.

Commodity price risk management

The Company purchases materials, commodities from local and foreign suppliers for business purpose. Therefore, the Company is exposed to the risk of changes in selling prices of materials, commodities.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. The Company does not have any significant credit risk exposure to any counterparty because receivables consist of a large number of customers, spread across diverse industries and geographical areas.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

27. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives (Continued)

Liquidity risk management (Continued)

	<u>Less than 1 year</u>	<u>From 1-5 years</u>	<u>Total</u>
	VND	VND	VND
Closing balance			
Cash and cash equivalents	44,713,438,322	-	44,713,438,322
Trade and other receivables	139,759,277,933	-	139,759,277,933
Total	184,472,716,255	-	184,472,716,255
Closing balance			
Trade and other payables	89,999,066,798	-	89,999,066,798
Accrued expense	37,616,256,717	-	37,616,256,717
Total	127,615,323,515	-	127,615,323,515
Net liquidity gap	56,857,392,740	-	56,857,392,740
Opening balance			
Cash and cash equivalents	29,207,537,414	-	29,207,537,414
Trade and other receivables	56,264,531,980	110,030,605	56,374,562,585
Short-term financial investment	7,354,228,675	-	7,354,228,675
Total	92,826,298,069	110,030,605	92,936,328,674
Opening balance			
Borrowings	7,000,000,000	-	7,000,000,000
Trade and other payables	163,155,518,056	-	163,155,518,056
Accrued expense	5,723,924,705	-	5,723,924,705
Total	175,879,442,761	-	175,879,442,761
Net liquidity gap	(83,053,144,692)	110,030,605	(82,943,114,087)

The Board of General Directors assessed the liquidity risk at low level. The Board of General Directors believes that the Company will be able to generate sufficient funds to meet its financial obligations when they fall due.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

28. RELATED PARTY TRANSACTIONS AND BALANCES

In addition to balances and transactions with related parties presented in Note 5, 6, 7 and 20; during the year, the Company entered into the following significant transactions with its related parties:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Vietnam Posts and Telecommunications Group		
Got money to pay on behalf	92,300,000	-
Paid on behalf of bonus	92,300,000	37,100,000
Dividends payment	1,218,000,000	2,172,100,000
Cokyvina Joint Stock Company		
Receive payment from sales of service	102,255,700,949	33,342,313,971
Refund of VAT on sales of service	273,272,154	509,631,691
Kasaco Joint Stock Company		
Receive payment from sales of service	652,080,000	859,254,000
Purchase contract staffing service	1,915,680,000	-
Payment for contract staffing service	2,068,934,400	-
VNPT - Net		
Receive payment from sales of merchandise and service	247,145,875,628	133,774,415,441
Late delivery penalty	11,898,733	-
VNPT Centers		
Receive payment from sales of merchandise and service	645,518,794	517,331,090
Joint Stock Company for Telecoms and Informatics		
Purchasing	783,110,120	-
Payment for purchasing	498,797,876	-

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

28. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

The Board of Management, Supervisory Board, the Board of General Directors and Chief accountant remuneration

Remuneration paid to the Company's The Board of Management, Supervisory Board, the Board of General Directors and Chief accountant during the year was as follows:

No	Name	Position	Current year VND	Prior year VND
I. Board of Management			319,927,577	412,238,791
1.	To Hoai Van	Chairman	95,904,863	106,612,619
2.	Do Quang Khanh	Vice Chairman	22,616,000	81,734,674
3.	Nguyen Thi Hong Mai	Member	-	41,576,412
4.	Le Phuoc Hien	Vice Chairman	73,524,894	81,734,674
5.	Nguyen Long	Member	63,940,910	71,078,412
6.	Hoang Thi Minh Phuong	Member	63,940,910	29,502,000
7.	Vu Hoang Ha	Member	44,272,910	-
II. Board of General Directors			1,849,539,751	1,998,055,000
1.	Le Phuoc Hien	General Director	694,019,531	754,000,000
2.	Nguyen Long	Deputy General Director	596,007,000	649,149,000
3.	Vo Ngoc Anh	Deputy General Director	559,513,220	594,906,000
III. Board of Supervisors			343,855,475	360,864,871
1.	Ho Thi Kim Oanh	Head of Supervisory	279,927,573	289,796,457
2.	Do Ngoc Khanh	Member	-	20,786,207
3.	Tran Quang Minh Man	Member	31,963,951	35,534,207
4.	Le Xuan Bach	Member	31,963,951	14,748,000
IV. Chief accountant			408,210,513	441,331,000
	Doan Thi Trieu Phuong	Chief accountant	408,210,513	441,331,000
Total			2,965,806,226	3,212,489,662

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

29. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Cash outflows for purchases of fixed assets and construction in progress during the year include an amount of VND 88,550,000 (prior year: VND 0), is the amount used for purchasing fixed assets and construction in progress in the following year but paid in advance this year. Therefore, a corresponding amount has been adjusted in the increase, decrease in receivables.

During the year, the Company transferred short-term bank deposits to short-term deposits for an amount of VND 2,700,483,288. Therefore, a corresponding amount has been adjusted in the increase, decrease in receivables

Interest earned, dividends and profits received during the year exclude VND 154,264,280 (prior year: VND 304,247,554), which is interest from savings deposits accrued but not yet received. It also includes VND 304,247,554 (prior year: VND 253,272,778), which is an interest from savings deposits accrued in the prior year but received this year. Therefore, corresponding offsetting amounts have been adjusted in the increase, decrease in receivables



Le Phuoc Hien
General Director

Doan Thi Trieu Phuoc
Chief Accountant

Pham Thi Thanh Thao
Preparer

10 March 2025