

**HANOI TRANSFORMER AND ELECTRICAL MATERIALS
MANUFACTURING JOINT STOCK COMPANY**

No. 55 K2 Street , Cau Dien Ward , Nam Tu Liem District, Hanoi
Tax code: 0100779340

**FINANCIAL REPORT
QUARTER 2 2025**

Documents include:

Balance sheet

Business results report

Cash flow statement

Notes to financial statements

Hanoi, July 2025

**Hanoi Transformer and Electrical Materials
Manufacturing JSC**
**No. 55 - K2 Street - Cau Dien Ward - Nam Tu
Liem District - Hanoi City**

Form No. B 01 – DN

*(Issued under Circular No. 200/2014/TT-BTC
dated December 22, 2014 of the Ministry of*

BALANCE SHEET
As of June 30, 2025

Unit: VND

ASSET	Code	Explanation	Final issue 30/06/2025	First issue 01/01/2025
1	2	3	4	5
A - CURRENT ASSETS	100		1,121,666,751,308	1,241,405,542,441
I. Cash and cash equivalents	110		3,878,019,165	380,642,090
1. Cash	111	V.01	3,878,019,165	380,642,090
2. Cash equivalents	112		-	-
II. Short-term financial investments	120	V.02	873,190,885,006	979,511,601,647
1. Held-to-maturity investment	123		873,190,885,006	979,511,601,647
III. Short-term receivables	130		103,426,256,208	121,027,028,216
1. Short-term receivables from customers	131	V.03	84,176,082,916	99,008,377,314
2. Short-term prepayment to seller	132	V.04	960,793,231	1,241,383,478
3. Other short-term receivables	136	V.05	18,289,380,061	20,777,267,424
4. Provision for short-term doubtful receivables (*)	137	V.06		
IV. Inventory	140	V.07	141,164,377,045	140,438,316,866
1. Inventory	141		141,164,377,045	140,438,316,866
2. Provision for inventory price reduction (*)	149			
V. Other current assets	150		7,213,884	47,953,622
1. Short-term prepaid expenses	151		7,213,884	47,953,622
2. Deductible VAT	152			
B - LONG-TERM ASSETS	200		81,220,884,820	82,297,010,296
I. Long-term receivables	210		-	-
1. Other long-term receivables	216	V.05	-	-
II. Fixed assets	220		25,462,999	46,086,235
1. Tangible fixed assets	221	V.08	25,462,999	46,086,235
- Original price	222		82,492,929	82,492,929
- Accumulated depreciation value (*)	223		(57,029,930)	(36,406,694)
III. Investment real estate	230		80,943,846,289	81,881,419,795
- Original price	231		82,818,993,301	82,818,993,301
- Accumulated depreciation value (*)	232		(1,875,147,012)	(937,573,506)
IV. Long-term unfinished assets	240	V.09	-	-
1. Cost of unfinished basic construction	242		-	-
VI. Other long-term assets	260		251,575,532	369,504,266
1. Long-term prepaid expenses	261	V.10	251,575,532	369,504,266
TOTAL ASSETS (270 = 100 + 200)	270		1,202,887,636,128	1,323,702,552,737
A - LIABILITIES PAYABLE	300		883,345,225,029	382,404,309,578
I. Short-term debt	310		882,555,441,759	381,614,526,308
1. Short-term payables to suppliers	311	V.11	8,457,043,266	27,692,600,740
2. Short-term prepayment by buyer	312		124,527,017,547	29,787,862,338
3. Taxes and payments to the State	313	V.12	14,170,179,754	78,432,463,608
4. Must pay employees	314			
5. Short-term payable expenses	315	V.13	-	-
6. Short-term unrealized revenue	318	V.14		457,346,573
7. Other short-term payables	319	V.15	661,158,006,525	47,590,813,831
8. Short-term loans and financial leases	320	V.16		141,501,265,881
9 Short-term payables provisions	321		56,677,664,229	56,152,173,337
10 Bonus and welfare funds	322		17,565,530,438	-
II. Long-term debt	330		789,783,270	789,783,270

7. Other long-term payables	337		789,783,270	789,783,270
8. Long-term loans and financial leases	338			
B - OWNER'S EQUITY	400		319,542,411,099	941,298,243,159
I. Equity	410	V.17	319,542,411,099	941,298,243,159
1. Owner's equity	411		250,000,000,000	250,000,000,000
- Common shares with voting rights	411a		250,000,000,000	250,000,000,000
- Preferred stock	411b			
2. Share capital surplus	412		4,115,775,000	4,115,775,000
3. Development investment fund	418		4,028,775,960	4,028,775,960
4. Undistributed profit after tax	421		61,397,860,139	683,153,692,199
II. Funding sources and other funds	430	VI.26		
TOTAL CAPITAL (440 = 300 + 400)	440		1,202,887,636,128	1,323,702,552,737

Established, July 11, 2025

 <hr/> Lê Thị Thu Hương Người lập	 <hr/> Lê Thị Thu Hương Kế toán trưởng	  <hr/> Thạch Anh Đức Tổng Giám đốc
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Hanoi Transformer and Electrical Materials Manufacturing JSC

No. 55 - K2 Street - Cau Dien Ward - Nam Tu Liem District - Hanoi
City

Form No. B 02 – DN

(Issued under Circular No. 200/2014/TT-BTC
dated December 22, 2014 of the Ministry of
Finance)

BUSINESS PERFORMANCE REPORT
Q2/2025

Unit: VND

INDICATORS	Code	Explanati on	This year (Q2/2025)	Last year (Q2/2024)	Accumulated from the beginning of the year to the end of the second quarter of 2025	Accumulated from the beginning of the year to the end of the second quarter of 2024
1	2	3	4	5	6	7
1. Sales and service revenue	1	VI.1	5 494 696 733	1214 105 113 284	17 529 574 068	1214 138 882 944
2. Revenue deductions	2					
3. Net revenue from sales and service provision	10	VI.2	5 494 696 733	1214 105 113 284	17 529 574 068	1214 138 882 944
4. Cost of goods sold	11	VI.3	1 007 919 022	585 370 126 892	7 482 742 961	585 370 126 892
5. Gross profit from sales and service provision	20		4 486 777 711	628 734 986 392	10 046 831 107	628 768 756 052
6. Financial operating revenue	21	VI.4	11 160 922 936	4 516 500 341	22 881 414 900	6 891 069 429
7. Financial costs	22	VI.5	1 161 024 779	930 791 400	3 505 068 584	3 699 222 932
- Including interest expense	23		786 485 223	24 373 703	2 714 237 004	125 232 146
8. Selling expenses	25	VI.8	63,251,048	132,220,555,479	547,350,954	132,220,555,479
9. Business management costs	26	VI.8	1 366 851 239	1 359 134 597	2 477 450 951	2 483 873 533
10. Net profit from business activities	30		13 056 573 581	498 741 005 257	26 398 375 518	497 256 173 537

11. Other income	31	VI.6	71 934 303	102 475 679	73 934 303	434 100 236
12. Other costs	32	VI.7	233 130 000		233 130 000	3 135 006
13. Other profits	40		- 161 195 697	102 475 679	- 159 195 697	430 965 230
14. Total accounting profit before tax	50		12 895 377 884	498 843 480 936	26 239 179 821	497 687 138 767
15. Current corporate income tax expense	51	VI.9	2 625 701 577	99 538 054 755	5 294 461 964	99 538 054 755
16. Deferred corporate income tax expense	52					
17. Profit after corporate income tax	60		10 269 676 307	399 305 426 181	20 944 717 857	398 149 084 012
18. Basic earnings per share	70		411	15,972	838	15,926
19. Declining earnings per share	71					

Established, July 11, 2025



Lê Thị Thu Hương
Người lập



Lê Thị Thu Hương
Kế toán trưởng



Thạch Anh Đức
Tổng Giám đốc

**Hanoi Transformer and Electrical Materials
Manufacturing JSC**
No. 55 - K2 Street - Cau Dien Ward - Nam Tu Liem
District - Hanoi City

Form No. B 03 – DN

*(Issued under Circular No. 200/2014/TT-BTC
dated December 22, 2014 of the Ministry of
Finance)*

CASH FLOW STATEMENT
(By direct method) ()*
Q2/2025

Unit: VND

Target	Code	TM	This year (Q2/2025)	Last year (Q2/2024)	Accumulated from the beginning of the year to the end of this period this year	Accumulated from the beginning of the year to the end of the same period last year
1	2	3	4	5	6	7
I. Cash flow from operating activities						
1. Revenue from sales, provision of services and other revenues	1		115 665 476 156	404 539 438 516	120 016 788 583	478 954 111 275
2. Payments to suppliers of goods and services	2		-5 468 029 298	-47 489 887 251	-31 301 186 395	-138 299 153 253
3. Money paid to workers	3		- 739 585 817	- 726 128 333	-1 221 726 419	-1 222 250 811
4. Interest payment	4		-1 161 024 779	- 930 791 400	-3 505 068 584	-18 469 074 165
5. Corporate income tax payment	5			- 750 685 362	-77 278 591 201	-3 480 004 409
6. Other revenue from business activities	6		17 685 771 941	41 328 027 149	27 367 120 685	51 373 820 639
7. Other expenses for business activities	7		- 452 734 989	-10 991 175 247	-2 165 719 219	-15 160 851 587
Net cash flow from operating activities	20		125 529 873 214	384 978 798 072	31 911 617 450	353 696 597 689
II. Cash flow from investing activities						
1. Money spent on purchasing and constructing fixed assets and other long-term assets	21		- 126 582 348	- 284 135 460	- 311 163 853	- 895 743 247
2. Proceeds from liquidation, sale of fixed assets and other long-term assets	22					

3. Cash spent on lending and purchasing debt instruments of other entities	23		-443 038 444 874	-445 642 000 000	-705 758 444 874	-467 142 000 000
4. Money recovered from lending and reselling debt instruments of other entities	24		520 645 500 967	120 020 000 000	814 445 500 967	125 020 000 000
5. Interest income, dividends and profits distributed	27		2 219 624 903	703 875 598	4 711 133 266	723 457 686
Net cash flow from investing activities	30		79 700 098 648	-325 202 259 862	113 087 025 506	-342 294 285 561
III. Cash flow from financial activities						
1. Collect money from loans	33			23 984 654 173	71 307 036 432	91 876 282 714
2. Loan principal repayment	34		-202 387 381 765	-83 727 603 597	-212 808 302 313	-106 900 762 192
Net cash flow from financing activities	40		-202 387 381 765	-59 742 949 424	-141 501 265 881	-15 024 479 478
Net cash flow during the period	50		2 842 590 097	33 588 786	3 497 377 075	-3 622 167 350
Cash and cash equivalents at the beginning of the period	60		1 035 429 068	4 086 656 379	380 642 090	7 742 412 515
Cash and cash equivalents at the end of the period	70		3 878 019 165	4 120 245 165	3 878 019 165	4 120 245 165

Established, July 11, 2025



Lê Thị Thu Hương
Người lập



Lê Thị Thu Hương
Kế toán trưởng



Thạch Anh Đức
Tổng Giám đốc

NOTES TO FINANCIAL STATEMENTS

Quarter II 2025

I. BUSINESS CHARACTERISTICS

1. Form of capital ownership

Hanoi Transformer and Electrical Materials Manufacturing Joint Stock Company is a joint stock company operating under the first Business Registration Certificate registered on September 28, 2005, registered for the 14th change on December 26, 2024 with business registration number 0100779340 issued by the Department of Planning and Investment of Hanoi City.

The charter capital of the Company according to the 14th change in the Certificate of Business Registration dated December 26, 2024 is: 250,000,000,000 VND (*Two hundred and fifty billion VND*)

The Company's head office is located at No. 55, K2 Street, Cau Dien Ward, Nam Tu Liem District, Hanoi City.

2. Business Field

The Company's business fields are production, trade, and real estate investment and trading .

3. Business sector

- ✓ Real estate business; land use rights owned, used or leased. Details: Real estate business; Office leasing;
- ✓ Manufacture of motors, generators, electric transformers, electrical distribution and control equipment. Details: Manufacture of transformers and all kinds of electrical equipment, electrical instruments, electrical materials, electrical engineering machinery with voltage up to 110KV;
- ✓ Wholesale of other machinery, equipment and spare parts. Details: Buying and selling transformers and all kinds of electrical equipment, electrical instruments, electrical materials, electrical engineering machinery with voltage up to 110KV;
- ✓ Restaurants and mobile food services. Details: Restaurant and food service business (excluding karaoke room, bar, and dance club business);
- ✓ Agent, broker, auction. Details: Agent, consignment, wholesale, retail of goods, materials, electrical equipment, electronics, telecommunications;
- ✓ Construction of other civil engineering works. Details: Construction and installation of power lines and transformer stations with voltage up to 110KV;

- ✓ Repair of other equipment. Details: repair and maintenance of industrial electrical equipment with voltage up to 110 KV;
- ✓ Other remaining business support service activities not elsewhere classified. Details: Import and export business of all kinds of electrical equipment and insulating materials ;
- ✓ For conditional business lines, enterprises only conduct business when they meet all conditions as prescribed by law.

4. Normal production and business cycle

The Company's normal production and business activities are 12 months.

Average production and business cycle of industry and sector : 12 months.

5. Characteristics of the business 's operations during the accounting period that affect the separate financial statements

During the accounting period, the Company's operations did not have any significant characteristics that affected the Financial Statements. The Company's operations were normal.

6. Business structure

As of June 30, 2025, the Company's office is located at No. 55, K2 Street, Cau Dien Ward, Nam Tu Liem District, Hanoi City.

II . ACCOUNTING PERIOD, CURRENCY UNIT USED IN ACCOUNTING

1. Accounting period.

The Company's second quarter 2025 accounting period begins on April 1, 2025 and ends on June 30, 2025 of the calendar year.

2. Currency used in accounting

The currency used in accounting is Vietnamese Dong (national symbol is “đ”; international symbol is “VND”).

III. ACCOUNTING STANDARDS AND REGIMES APPLIED

1. Applicable accounting regime

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

2. Statement on compliance with Accounting Standards and Regimes

The Company has applied Vietnamese Accounting Standards and documents guiding the Standards issued by the State. Financial statements are prepared and presented in accordance with all provisions of each standard, circulars guiding the implementation of standards and the current applicable Accounting Regime.

IV. ACCOUNTING POLICIES APPLIED

1. Principles of recording cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits, short-term investments with maturity of no more than 03 months, highly liquid, easily convertible to known amounts of cash and subject to insignificant risk of conversion to cash.

Amounts of money deposited by other businesses and individuals at the Company are managed and accounted for as the Company's money.

2. Principles of accounting for receivables

The classification of receivables as trade receivables and other receivables is carried out according to the following principles:

- a. Receivables from customers include commercial receivables arising from purchase-sale transactions, such as: Receivables from sales, provision of services, liquidation, transfer of assets (fixed assets, financial investments) between the Company and the buyer (an entity independent of the seller, including receivables between the parent company and subsidiaries, joint ventures, and associates). These receivables include receivables from export sales of the consignor through the consignee;
- b. Other receivables include non-commercial receivables not related to purchase and sale transactions, such as:
 - Receivables generate financial operating revenue, such as: receivables from loan interest, deposits, dividends and distributed profits;
 - Amounts paid on behalf of a third party are entitled to be recovered; Amounts the export consignee must collect on behalf of the consignor;
 - Non-commercial receivables such as asset lending, receivables for fines, compensation, assets pending settlement, etc.

When preparing the Financial Statement, accountants base on the remaining term of receivables to classify them as long-term or short-term. The receivables indicators of the Balance Sheet may include items reflected in accounts other than receivables, such as: Loans reflected in Account 1283; Deposits and bets reflected in Account 244, advances in Account 141, etc.

3. Principles of inventory recording

a. Principles of inventory recording

The Company's inventories are assets purchased for production or sale in the normal production and business cycle. For unfinished products, if the production and circulation time exceeds a normal business cycle, they are not presented as inventories on the Balance Sheet but presented as long-term assets.

Products, goods, materials, assets kept on deposit, consigned for import and export, processed... that are not owned and controlled by the Company are not reflected as inventory.

Inventories are stated at cost. Where the net realizable value is lower than the cost price, inventories are stated at net realizable value. The cost of inventories comprises purchase costs, conversion costs and other directly attributable costs incurred in bringing the inventories to their present location and condition.

b. Method of calculating inventory value

Inventory value is determined by the weighted average method.

Method of determining the value of unfinished products: unfinished production and business costs are collected according to actual costs incurred for each production stage in the chain.

c. Inventory accounting method

Inventories are accounted for using the perpetual inventory method.

d. Method of setting up inventory price reduction provision

Provision for inventory devaluation is made at 6 months and year-end as the difference between the original cost of inventory and the net realizable value.

Provision for inventory price reduction is made in accordance with Circular 48/2019/TT-BTC dated August 8, 2019 of the Ministry of Finance guiding provisioning.

4. Principles of recording and depreciating fixed assets

Tangible fixed assets and intangible fixed assets are recorded at original cost. During use, tangible fixed assets and intangible fixed assets are recorded at original cost, accumulated depreciation and residual value.

Leased fixed assets are recorded at their original cost at fair value or the present value of the minimum lease payments (excluding VAT) and the initial direct costs incurred in connection with the leased fixed assets. During use, leased fixed assets are recorded at their original cost, accumulated depreciation and residual value.

The Company's fixed asset depreciation is estimated appropriately and implemented using the straight-line method in accordance with Circular No. 45/2013/TT-BTC dated April 25, 2013 of the Ministry of Finance promulgating the regime of management, use and depreciation of fixed assets.

5. Principles of accounting for prepaid expenses

Prepaid expenses that are only related to the production and business costs of one fiscal year or one business cycle are recorded as short-term prepaid expenses and are included in the production and business costs of the fiscal year. Expenses that have been incurred in the fiscal year but are related to the production and business results of many accounting years are recorded as long-term prepaid expenses to be gradually allocated to the business results of the following accounting years.

The calculation and allocation of long-term prepaid expenses into production and business expenses for each accounting period is based on the nature and extent of each type of expense to select a reasonable allocation method and criteria. Prepaid expenses are gradually allocated into production and business expenses using the straight-line method.

6. Principles of accounting for liabilities

The classification of payables as trade payables and other payables is carried out according to the following principles:

- a. Payables to sellers include commercial payables arising from transactions of purchasing goods, services, assets and sellers (who are independent entities from the buyer, including payables between parent companies and subsidiaries, joint ventures, and associates). These payables include payables when importing through a consignee (in consignment import transactions);
- b. Other payables include non-commercial payables not related to the purchase, sale, or provision of goods and services:
 - Payables related to financial expenses, such as: payables for interest, dividends and profits payable, and payables for financial investment activities;
 - Amounts payable by third parties; Amounts received by the trustee from related parties for payment as specified in the import-export trust transaction;
 - Non-commercial payables such as payables due to borrowed assets, payables for fines, compensation, surplus assets awaiting disposal, payables for social insurance, health insurance, unemployment insurance, union funds, etc.

When preparing financial statements, accountants base on the remaining term of payables to classify them as long-term or short-term. When there is evidence that a loss is likely to occur, accountants immediately record a payable according to the principle of prudence.

Payables in foreign currencies are revalued at the end of the period when preparing the Financial Statements. The actual transaction exchange rate when revaluating payables in foreign currencies at the time of preparing the Financial Statements is the exchange rate announced by the commercial bank where

the enterprise regularly conducts transactions (chosen by the Company when transacting with the payable entity).

7. Principles of recording loans

Loans with repayment period of more than 12 months from the date of preparation of Financial Statements, accountants present as long-term loans and financial lease debts. Loans due for repayment within the next 12 months from the date of preparation of Financial Statements, accountants present as short-term loans and financial lease debts to have a payment plan.

Borrowing costs directly related to the loan (other than interest payable), such as appraisal, auditing, loan application preparation costs, etc., are accounted for in financial expenses. In case these costs arise from a separate loan for the purpose of investment, construction or production of unfinished assets, they are capitalized.

When preparing the Financial Statements, the balance of foreign currency loans is revalued at the actual transaction exchange rate at the time of preparing the Financial Statements. Exchange rate differences arising from the payment and re-evaluation of foreign currency loans at the end of the period are recorded in financial income or expenses.

8. Principles of recognition and capitalization of borrowing costs

Borrowing costs are recorded as production and business expenses in the period when incurred, except for borrowing costs directly related to the investment, construction or production of unfinished assets, which are included in the value of that asset (capitalized) when meeting all the conditions specified in Vietnamese Accounting Standard No. 16 "Borrowing costs".

Borrowing costs directly related to the investment in construction or production of unfinished assets that require a sufficient period of time (over 12 months) to be put to use for the intended purpose or sale are included in the value of that asset (capitalized), including loan interest, allocation of discounts or premiums when issuing bonds, and additional costs incurred in connection with the borrowing process.

For separate loans for construction of fixed assets and investment real estate, interest is capitalized even when the construction period is less than 12 months;

9. Principles of recording payable expenses

Payables for goods and services received from sellers or provided to buyers during the reporting period but not actually paid due to lack of invoices or insufficient accounting records and documents, are recorded in production and business expenses of the reporting period.

Accounting for payable expenses into production and business expenses during the period must be carried out according to the principle of matching between revenue and expenses incurred during the period.

The accrued expenses will be settled with the actual expenses incurred. The difference between the provision and the actual expenses will be reversed.

10. Principles of recording equity

a. Principles of recording owner's capital contribution

Owner's equity is recorded at the actual capital contributed by the owner.

b. Principles for recording undistributed profits

Undistributed profit after tax is the profit from the Company's operations after deducting (-) adjustments due to retroactive application of changes in accounting policies and retroactive adjustments of material errors of previous years. Undistributed profit after tax can be distributed to investors based on the capital contribution ratio after being approved by the Board of Directors and after setting aside reserve funds in accordance with the Company's Charter and the provisions of Vietnamese law.

1 1. Principles and methods of revenue recognition

a. Sales revenue

Sales revenue is recognized when all of the following conditions are met:

- The significant risks and rewards of ownership of the product or goods have been transferred to the buyer;
- The Company no longer holds the right to manage the goods as the owner of the goods or the right to control the goods;
- Revenue is measured with relative certainty;
- The Company has obtained or will obtain economic benefits associated with the sale transaction;
- Identify the costs associated with a sales transaction

b. Service revenue

Revenue from rendering of services is recognised when the outcome of the transaction can be estimated reliably. Where the provision of services relates to several periods, revenue is recognised in each period according to the results of the work completed at the date of the Balance Sheet of that period. The outcome of a service provision transaction is recognised when the following conditions are satisfied:

- Revenue is measured with relative certainty;

- It is possible to obtain economic benefits from the transaction of providing that service;
- Determine the portion of work completed on the date of the Balance Sheet;
- Identify the costs incurred for the transaction and the costs to complete the transaction to provide that service.

The portion of service work completed is determined by the method of assessing completed work.

c. Financial revenue

Revenue arising from interest, dividends, distributed profits and other financial revenue is recognized when both (2) of the following conditions are satisfied:

- It is probable that the economic benefits associated with the transaction will flow to the entity;
- Revenue is determined with relative certainty.

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

d. Other income

Reflects other income outside of the enterprise's production and business activities, including:

- Income from sale and liquidation of fixed assets;
- Income from sale and leaseback of assets;
- Taxes payable when selling goods or providing services but then reduced or refunded (export tax refunded, VAT, special consumption tax, environmental protection tax payable but then reduced);
- Collect third-party compensation to compensate for lost assets (e.g. collect insurance claims, compensation for business relocation and similar amounts);
- Collect fines due to customer breach of contract;
- Other income besides the above.

12. Accounting principles for revenue deductions

Amounts adjusted to reduce sales revenue and service provision arising during the period include: Trade discounts, sales discounts and sales returns.

In case products, goods and services have been consumed in previous periods, and trade discounts, sales discounts or returned goods arise in the following period, the Company shall record a reduction in revenue according to the following principles:

- If products, goods, and services have been consumed in previous periods, and must be discounted, discounted, or returned in the next period but occur before the issuance of the Financial Statement, the accountant considers this an adjusting event that occurs after the date of the Balance Sheet and reduces revenue on the Financial Statement of the reporting period (previous period).
- In case products, goods, and services must be discounted, have trade discounts, or are returned after the issuance of the Financial Statement, the enterprise will record a reduction in revenue for the period in which they arise (the following period).

13. Principles of accounting for cost of goods sold

Reflects the cost of products, goods and services sold during the period.

The provision for inventory devaluation is included in the cost of goods sold based on the quantity of inventory and the difference between the net realizable value and the original cost of inventory.

For the value of inventory loss or damage, accountants immediately calculate it into the cost of goods sold (after deducting compensation, if any).

For direct material costs consumed in excess of normal levels, labor costs, and fixed general manufacturing costs not allocated to the value of products in stock, accountants immediately calculate them into the cost of goods sold (after deducting compensation, if any), even when the products and goods have not been determined to be consumed.

Import tax, special consumption tax, environmental protection tax have been included in the value of purchased goods. If these taxes are refunded when selling goods, they will be recorded as a reduction in the cost of goods sold.

Cost of goods sold expenses are not considered as expenses for calculating corporate income tax according to the provisions of the Tax Law but have full invoices and documents and have been accounted for correctly according to the Company's accounting regime. Accounting expenses are not recorded as a reduction but only adjusted in the corporate income tax settlement to increase the amount of corporate income tax payable.

14. Principles of financial cost accounting

Reflects financial operating expenses including expenses or losses related to financial investment activities, costs of lending and borrowing capital, costs of contributing capital to joint ventures and associations, losses on transferring short-term securities, costs of selling securities; Provision for

devaluation of trading securities, provision for losses on investments in other entities, losses arising from selling foreign currencies, exchange rate losses...

Financial expenses are not considered as expenses for calculating corporate income tax according to the provisions of the Tax Law but have full invoices and vouchers and have been accounted for correctly according to the Company's accounting regime. The accounting expenses are not recorded as a reduction but only adjusted in the corporate income tax settlement to increase the amount of corporate income tax payable.

15. Principles of accounting for sales costs and business management costs

Expenses recorded as selling expenses include: Actual expenses incurred in the process of selling products, goods, and providing services, including costs of offering, introducing products, advertising products, sales commissions, product and goods warranty costs, preservation, packaging, transportation costs , etc.

Expenses recorded as business management expenses include: Expenses for salaries of employees in the business management department (salaries, wages, allowances, etc.); social insurance, health insurance, union fees, unemployment insurance for business management employees; expenses for office materials, labor tools, depreciation of fixed assets used for business management; land rent, business license tax; provision for bad debts; outsourced services (electricity, water, telephone, fax, property insurance, fire and explosion insurance, etc.); other cash expenses (reception, customer conferences, etc.)

Sales expenses and business management expenses are not considered expenses for calculating corporate income tax according to the provisions of the Tax Law but have full invoices and vouchers and have been accounted for correctly according to the Company's accounting regime. The Company does not reduce accounting expenses but only adjusts them in the corporate income tax settlement to increase the amount of corporate income tax payable.

16. Principles and methods of recording current corporate income tax expenses

Current corporate income tax expense is the amount of corporate income tax payable calculated on taxable income in the year and the current corporate income tax rate. Currently, the Company is applying a corporate income tax rate of 20% .

17. Other accounting principles and methods

Stakeholders

Enterprises and individuals that directly or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties. Associates, individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel including the Board of Directors and officers of the Company, close members of the families of these individuals or these associates or companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention must be given to the substance of the relationship and not merely its legal form.

Hanoi Transformer and Electrical Materials Manufacturing Joint Stock Company

No. 55, K2 Street, Cau Dien, Nam Tu Liem, Hanoi

FINANCIAL REPORT

For the fiscal quarter ending June 30, 2025

V. ADDITIONAL INFORMATION TO ITEM PRESENTATIONS IN THE BALANCE SHEET

Unit: VND

1 . Money	01/01/2025		30/06/2025	
Cash on hand		614,517		614,517
Non-term bank deposits		380,027,573		3,877,404,648
Cash equivalents (term deposits < 3 months)				-
Total		380,642,090		3,878,019,165
2 . Short-term financial investment	01/01/2025		30/06/2025	
	Original price	Book value	Original price	Book value
Held to maturity investment				
- Term deposit (*)	979,511,601,647	979,511,601,647	873,190,885,006	873,190,885,006
Total	979,511,601,647	979,511,601,647	873,190,885,006	873,190,885,006
(*) Include				
- BIDV Bank - Ha Thanh Branch		215,200,000,000		27,670,000,000
- GPBank		12,643,500,967		62,388,353,322
- Vietcombank - Thanh Xuan Branch		8,750,000,000		9,120,000,000
- Vpbank		349,540,000,000		407,650,000,000
- Vietinbank - Current account under maintenance		33,878,100,680		34,969,160,680
- Vietinbank - Hanoi Branch		101,500,000,000		24,184,800,000
- Vietinbank - Chuong Duong Branch		68,000,000,000		68,000,000,000
- Vietinbank - Ha Thanh Branch		8,000,000,000		-
- Vietinbank - Trang An Branch		20,800,000,000		30,200,000,000
- Vietinbank - Thanh Xuan Branch		161,200,000,000		119,708,479,452
- VPS Securities Joint Stock Company		0		54,300,000,000
- VNDIRECT Securities Joint Stock Company		0		35,000,091,552
Total		979,511,601,647		873,190,885,006
3 . Short-term trade receivables	01/01/2025		30/06/2025	
a) Customer receivables		99,008,377,314		84,176,082,916
- Mechanical and Construction Joint Stock Company 18				
- Nguyen Thanh Linh				
- Ha Tinh Iron and Steel Corporation				
- Northern Construction Company - Lung Lo Construction Company				
- Sigma Engineering Joint Stock Company				
- Hanoi Electricity Joint Stock Company				
- HN Electrical Construction & Infrastructure Development JSC				
- Hoang An Company Limited				
- Receivable from apartment buyers		98,896,805,623		83,507,750,091
- Other receivables		111,571,691		668,332,825
b) Receivables from customers who are related parties		-		-
Total		99,008,377,314		84,176,082,916

4 . Short-term vendor prepayments		01/01/2025	30/06/2025
a) Prepayment to the seller		1,241,383,478	960,793,231
<i>CDC Construction Joint Stock Company</i>			
<i>Hoan My Trading and Service Investment Joint Stock Company</i>			
<i>Prepay other customers</i>		1,241,383,478	960,793,231
Total		1,241,383,478	960,793,231
5 . Other receivables		01/01/2025	30/06/2025
		Value Preventive	Value Preventive
a. Other short-term receivables			
- Advance		343,973,556 -	3,722,532,106 -
- Interest income from deposits		19,938,339,857 -	13,207,072,591 -
- Corporate income tax payable on sales progress payment		357,178,936 -	1,350,275,364 -
- Other receivables		137,775,075	9,500,000
Total		20,777,267,424 -	18,289,380,061 -
b. Other long-term receivables			
- Long-term margin betting (*)			
Total		0 -	0 -
(*) Make a deposit with the Department of Planning and Investment of Hanoi City to ensure the implementation of the investment project for the mixed-use residential service area, kindergarten and green trees project at No. 55, K2 Street, Cau Dien Ward, Nam Tu Liem District, Hanoi.			
6 . Bad debt		01/01/2025	30/06/2025
		Original price Reserved value	Original price Reserved value
- Total value of receivables that are overdue or overdue but unlikely to be recovered			-
<i>Mechanical and Construction Joint Stock Company 18</i>			-
<i>Nguyen Thanh Linh</i>			-
<i>Other customers</i>			-
Total		0 -	0 -

8 . Increase, decrease tangible fixed assets

Item	Home structure	Vehicle transport	Device, management	Fixed assets other	Add
Original price of fixed assets					
Opening balance			38,881,818	43,611,111	82,492,929
Increase in period	-	-	-		-
Decrease in period					-
Liquidation, sale					-
Closing balance	-	-	38,881,818	43,611,111	82,492,929

Item	Home structure	Vehicle transport	Device, management	Fixed assets other	Add
Accumulated depreciation					
Opening balance			27,433,287	19,285,025	46,718,312
Increase in period			4,860,228	5,451,390	10,311,618
Depreciation during the period			4,860,228	5,451,390	10,311,618
Decrease in period					0
Liquidation, sale					0
Closing balance	-	-	32,293,515	24,736,415	57,029,930
Residual value					
At the beginning of the period	-	-	11,448,531	24,326,086	35,774,617
At the end of the period	-	-	6,588,303	18,874,696	25,462,999

9 . Long-term unfinished assets	01/01/2025	30/06/2025
- Basic construction (Project of mixed-use area of services, housing, kindergarten and greenery)		
Total	0	0

11 . Short-term trade payables	01/01/2025		30/06/2025	
	Value	Number of debtors	Original price	Number of debtors
Short-term trade payables	27,692,600,740	27,692,600,740	8,457,043,266	8,457,043,266
- Vietnam Electrical Equipment Corporation	5,763,936,875	5,763,936,875	5,763,936,875	5,763,936,875
- Delta Construction Group Co., Ltd.	12,566,533,496	12,566,533,496	0	0
Thang Long Elevator Equipment Corporation	721,654,824	721,654,824	0	0
Sigma Engineering JSC				
Dat Xanh Northern Real Estate and Services Joint Stock Company				
Sunspace Door Joint Stock Company				
Anh Phat Construction Investment and Trading Joint Stock Company		0		0
Novodoor VN Door Joint Stock Company				
Eurowindow Joint Stock Company	1,044,275,806	1,044,275,806		0
Grande Joint Stock Company				
CDC Construction Joint Stock Company	3,151,958,450	3,151,958,450	0	0
Hoan My Investment, Trade and Service Joint Stock Company	2,133,414,188	2,133,414,188	2,159,482,099	2,159,482,099
- Other short-term payables to suppliers	2,310,827,101	2,310,827,101	533,624,292	533,624,292
b) Unpaid overdue debt	-	-	-	-
c) Payable to related parties	-	-	-	-
Total	27,692,600,740	27,692,600,740	8,457,043,266	8,457,043,266

12 . Taxes and other payments to the state

	01/04/2025	Amount payable during the period	Amount actually paid/cleared	30/06/2025
Value Added Tax	263,335,685	7,847,162,515	263,335,685	7,847,162,515
Special consumption tax	-			-
Export and import tax	-			-
Corporate income tax (*)	2,590,804,572	3,696,753,820		6,287,558,392
Personal income tax	35,254,103	113,244,126	113,039,382	35,458,847
Resource tax	-			-
Land use tax and agricultural fees	-			-
Land rent		74,065,628	74,065,628	
Other taxes	-			-
Total	2,889,394,360	11,731,226,089	450,440,695	14,170,179,754

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 Financial Statements may be subject to change at the discretion of the tax authorities.

13 . Short-term payable expenses

	01/01/2025	30/06/2025
Hoang Thanh Infrastructure Investment and Development Company		
Provisional cost estimate of apartments delivered during the period		-
Total	-	-

15 . Other short-term payables

	01/01/2025	30/06/2025
- Union fees	24,603,731	27,805,091
- Social insurance	-	-
- Receive deposits, short-term bets	1,900,000,000	500,000,000
- Other payables:	45,666,210,100	660,630,201,434
+ Dividends payable	8,193,800	625,008,193,800
+ Building Management Board (Maintenance fee)	33,880,099,140	35,039,826,008
+ Visaho Joint Stock Company (management fee)	0	51,180,702
+ Other payables	11,777,917,160	531,000,924
Total	47,590,813,831	661,158,006,525

16 . Loans and financial leases

	01/04/2025	Increase in the year	Decrease during the year	30/06/2025
16.1 Loans and finance leases	202,387,381,765	-	202,387,381,765	-
a, Long-term loans				-
b, Short-term loans	202,387,381,765		202,387,381,765	-
16.2 Amount of debt repayment capacity				-

17 . Equity

17.1. Equity Fluctuation Reconciliation Table

Item	Capital contribution	Capital surplus	Development investment fund	Profit after tax not yet adjusted	Total
Balance as of 01/04/2025	250,000,000,000	4,115,775,000	4,028,775,960	693,828,733,749	951,973,284,709
Capital increase this period	-	-	-	10,269,676,307	10,269,676,307
<i>Profit/loss for the period</i>	-	-	-	10,269,676,307	10,269,676,307
Capital reduction this period	-	-	-	642,700,549,917	642,700,549,917
<i>Dividends</i>	-	-	-	625,000,000,000	625,000,000,000
<i>Fund withdrawal</i>	-	-	-	17,700,549,917	17,700,549,917
Balance as of 30/06/2025	250,000,000,000	4,115,775,000	4,028,775,960	61,397,860,139	319,542,411,099

17.2. Details of owner's investment capital

	01/04/2025	30/06/2025
- Hoang Thanh Infrastructure Investment and Development Joint Stock Company	162,500,000,000	162,500,000,000
- Capital contributions of other entities	87,500,000,000	87,500,000,000
Add	250,000,000,000	250,000,000,000

17.3. Capital transactions with shareholders and distribution of dividends and profits.

	Second quarter of this year	Second quarter of last year
- Owner's equity		
+ Beginning capital contribution	250,000,000,000	250,000,000,000
+ <i>Capital increase during the year</i>	-	-
+ <i>Capital contribution decreased during the year</i>	-	-
+ Year-end capital contribution	250,000,000,000	250,000,000,000

17.4. Stocks

	01/04/2025	30/06/2025
Number of shares registered for issuance	25,000,000	25,000,000
Number of shares sold to the public	25,000,000	25,000,000
- Common stock	25,000,000	25,000,000
- Preferred stock (classified as equity)	-	-
Number of shares bought back	-	-
- Common stock	-	-
- Preferred stock (classified as equity)	-	-
Number of shares outstanding	25,000,000	25,000,000
- Common stock	25,000,000	25,000,000
- Preferred stock (classified as equity)	-	-
Outstanding share price	10,000	10,000

17.5. Enterprise funds:

	01/04/2025	30/06/2025
- Development investment fund	4,028,775,960	4,028,775,960

VI. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INCOME STATEMENT

Unit: Dong

1 . Total sales and service revenue

	Q2/2024	Q2/2025
- Sales revenue	1,213,790,894,150	3,458,675,151
- Revenue from finished product sales		
- Service revenue	314,219,134	2,036,021,582
Total	1,214,105,113,284	5,494,696,733

2 . Net revenue from sales and services	Q2/2024	Q2/2025
- Net revenue from sales of goods	1,213,790,894,150	3,458,675,151
- Net revenue from finished products	-	-
- Net revenue from providing services	314,219,134	2,036,021,582
Total	1,214,105,113,284	5,494,696,733
3 . Cost of goods sold	Q2/2024	Q2/2025
- Cost of goods sold	585,370,126,892	1,007,919,022
- Provision reversal		
Total	585,370,126,892	1,007,919,022
4 . Financial revenue	Q2/2024	Q2/2025
Interest on deposits and loans	4,516,500,341	11,160,922,936
Total	4,516,500,341	11,160,922,936
5 . Financial costs	Q2/2024	Q2/2025
- Interest expense	24,373,703	786,485,223
- Interest support for apartment buyers	902,231,784	374,539,556
- Other financial costs	4,185,913	
Total	930,791,400	1,161,024,779
6 . Other income	Q2/2024	Q2/2025
Other income	102,475,679	71,934,303
7 . Other costs	Q2/2024	Q2/2025
Other costs	0	233,130,000
8 . Selling and administrative expenses	Q2/2024	Q2/2025
a) Business management expenses incurred during the period	1,359,134,597	1,366,851,239
- Labor costs	695,208,429	646,911,503
- Material cost management	8,184,906	8,742,997
- Taxes, fees	0	
- Office supplies costs	13,115,697	
- Fixed asset depreciation costs	4,860,228	4,860,228
- Outsourcing service costs	604,039,484	586,898,147
- Other expenses in cash	33,725,853	119,438,364
b) Selling expenses incurred during the period	132,220,555,479	63,251,048
Selling expenses incurred during the period	132,220,555,479	63,251,048
- Cost of raw materials	298,169,677	8,840,749
- Labor costs		-
- Fixed asset depreciation costs		
- Outsourcing service costs		
- Product warranty costs	48,317,413,848	54,410,299
- Other expenses in cash	83,604,971,954	0

9 . Current corporate income tax expense	Q2/2024	Q2/2025
a. Profit before tax	498,843,480,936	12,895,377,884
b. Adjustments to increase (+), decrease (-) taxable profit		233,130,000
- Increase adjustments	-	233,130,000
+ <i>Penalties</i>		
- Adjustments for reduction	-	
+ <i>Loss transfer</i>	-	
c. Profit subject to corporate income tax (a)+(b)	498,843,480,936	13,128,507,884
d. Corporate income tax calculated at current tax rate	99,538,054,755	2,625,701,577
e. Corporate income tax reduced according to resolution 116 = d*30%		-
f. Corporate income tax payable = de	<u>99,538,054,755</u>	<u>2,625,701,577</u>
10 . Basic and diluted earnings per share	Q2/2024	Q2/2025
Profit after tax	399,305,426,181	10,269,676,307
Deduction from reward and welfare fund	-	-
Average outstanding shares during the period	25,000,000	25,000,000
Basic and diluted earnings per share	<u>15,972</u>	<u>411</u>

VII . OTHER INFORMATION

1 . Contingent Liabilities, Commitments and Other Information:

There are no contingent liabilities arising from past events that could affect the information presented in the Financial Statements that the Company does not control or has not recorded.

2 . Events occurring after the balance sheet date

There have been no events that could affect the information presented in the Financial Statements or have or could have a significant impact on the Company's operations.

3 . Information about related parties

Transactions with other related parties:

Board of Directors and General Director's income in the second quarter of 2025:

TT	Part	Income
1	Board of Directors, Executive Board	399,468,703
2	Board of Control	
Total		<u>399,468,703</u>

4 . Department report

The Company does not prepare segment reports because it does not satisfy one of the three conditions for preparing segment reports by business sector or geographical area as prescribed in Circular 20/2006/TT-BTC dated March 26, 2006 of the Ministry of Finance on guiding the implementation of (06) accounting standards issued under Decision No. 12/2005/QD-BTC dated February 15, 2005 of the Minister of Finance.

6 . Comparison information

Comparative figures are figures on the 2nd Quarter 2024 Financial Report of Hanoi Transformer and Electrical Materials Manufacturing Joint Stock Company prepared by the Company itself.

7 . Information on ongoing operations

There have been no events which may cast significant doubt on the Company's ability to continue as a going concern and the Company has no intention or necessity to cease operations or to reduce the scale of its operations significantly.

Hanoi, July 11, 2025