

**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**  
**AUDITED CONSOLIDATED FINANCIAL STATEMENTS**

**For the year ended 31 December 2024**



# **MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Bui Street, Hai Ba Trung District, Hanoi City

---

## **TABLE OF CONTENTS**

<b>CONTENTS</b>	<b>Page</b>
STATEMENT OF THE EXECUTIVE BOARD	2 - 4
INDEPENDENT AUDITORS' REPORT	5 - 7
AUDITED CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Balance Sheet	8 - 11
Consolidated Income Statement	12
Consolidated Cash Flow Statement	13 - 14
Notes to the Consolidated financial statements	15 - 66

## **MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoï Street, Hai Ba Trung District, Hanoi City

### **STATEMENT OF THE EXECUTIVE BOARD**

The Executive Board of Machines And Industrial Equipment Corporation - JSC presents this report together with the audited Corporation's Consolidated financial statements for the year ended 31 December 2024.

#### **THE CORPORATION**

Machines And Industrial Equipment Corporation - JSC (hereinafter referred to as "the Corporation") was formerly a State Corporation with the name of Industrial Machinery and Equipment Corporation. Industrial Machinery and Equipment Corporation was established under Decision No. 155/HDBT dated 12 May 1990 of the Council of Ministers (now the Government) and re-established under Decision No. 1117/QĐ/TCCBT dated 27 October 1995 of the Minister of Heavy Industry (now the Ministry of Industry and Trade). The Corporation was converted to operate under the model of Parent Company - Subsidiary Company under Decision No. 3168/QĐ-BCT dated 15 June 2010 of the Ministry of Industry and Trade. On 16 November 2015, the Ministry of Industry and Trade decided to determine the enterprise value of the Corporation to convert it to a Joint Stock Company under Decision No. 12494/QĐ-BCT.

The Corporation officially switched to operating in the form of a Joint Stock Company with the trading name of Machines And Industrial Equipment Corporation - JSC according to the 7th change in the Certificate of Business Registration of the Joint Stock Company dated 20 January 2017, the 12th change on 17 July 2024 issued by the Department of Planning and Investment of Hanoi City.

The Charter Capital of the Corporation - according to the 12th amended Certificate of Business Registration of the Joint Stock Company dated 17 July 2024 is: VND 1,419,915,000,000 (*In words: One thousand, four hundred and nineteen billion, nine hundred and fifteen million dong*).

International transaction name: MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION.

The abbreviation is: MIE.

The Corporation's shares are currently traded on the UpCOM exchange with the trading code MIE.

The Corporation's head office is located at 7A Mac Thi Buoï Street, Vinh Tuy Ward, Hai Ba Trung District, Hanoi City, Vietnam.

#### **THE BOARD OF DIRECTORS, BOARD OF SUPERVISORS AND EXECUTIVE BOARD**

The members of the Board of Directors, the Board of Supervisors and the Executive Board who have led the Corporation during the year and to the date of this Report are as follows:

##### **The Board of Directors**

Mr. Tran Quoc Toan	Chairman	
Mr. Pham Thanh Dong	Member	Resigned on 06/9/2024
Mr. Hoang Minh Viet	Member	
Mr. Cu Ngoc Phuong	Member	
Ms. Tran Thi Thu Trang	Member	Resigned on 15/3/2024
Mr. Le Huy Hai	Member	Appointed on 15/3/2024
Mr. Vu Trung Thuc	Member	Appointed on 06/9/2024

##### **The Board of Supervisors**

Mr. Dinh Quang Hoa	Head of Board of Supervisors
Ms. Nguyen Thi Khanh Ly	Member
Ms. Le Thi Minh Huyen	Member



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Bui Street, Hai Ba Trung District, Hanoi City

**STATEMENT OF THE EXECUTIVE BOARD (CONTINUED)****THE BOARD OF DIRECTORS, BOARD OF SUPERVISORS AND EXECUTIVE BOARD (CONTINUED)****The Executive Board**

Mr. Pham Thanh Dong	General Director	Resigned on 27/6/2024
Mr. Le Huy Hai	General Director	Appointed on 16/7/2024
Mr. Dau Huy Ngoc Linh	Deputy General Director	
Mr. Vu Trung Thuc	Deputy General Director	

**SUBSEQUENT EVENTS AFTER THE END OF THE FINANCIAL YEAR**

According to the Executive Board, from a materiality perspective, there were no extraordinary events occurring after the accounting book closing date that would affect the Corporation's financial position or operations, necessitating any adjustment or disclosure in the consolidated financial statements for the fiscal year ended 31 December 2024.

**AUDITORS**

The accompanying consolidated financial statements have been audited by CPA VIETNAM Auditing Company Limited - An independent member firm of INPACT.

**THE EXECUTIVE BOARD'S STATEMENT OF RESPONSIBILITY**

The Executive Board of the Corporation is responsible for preparing the consolidated financial statements, which give a true and fair view of the financial position of the Corporation as at 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 financial reporting. In preparing these consolidated financial statements, the Executive Board 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 consolidated financial statements;
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize material misstatements due to fraud or error;
- Prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Corporation will continue in business.

The Executive Board of the Corporation is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Corporation and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Executive Board is also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Bui Street, Hai Ba Trung District, Hanoi City

**STATEMENT OF THE EXECUTIVE BOARD (CONTINUED)**

**THE EXECUTIVE BOARD'S STATEMENT OF RESPONSIBILITY (CONTINUED)**

The Executive Board confirms that the Corporation has complied with the above requirements in preparing these consolidated financial statements.

For and on behalf of the Executive Board,



**Le Huy Hai**

**General Director**

*Hanoi, 25 March 2025*

**Head Office in Hanoi:**

8<sup>th</sup> floor, VG Building, No. 235 Nguyen Trai Str.,  
Thanh Xuan Dist., Hanoi, Vietnam

+84 (24) 3 783 2121    info@cpavietnam.vn  
+84 (24) 3 783 2122    www.cpavietnam.vn

No: 94/2025/BCKTHN-CPA VIETNAM-NV4

**INDEPENDENT AUDITORS' REPORT**

**To:**                    **The Shareholders**  
**The Board of Directors, the Board of Supervisors and the Executive Board**  
**Machines and Industrial Equipment Corporation - JSC**

We have audited the accompanying consolidated financial statements of Machines and Industrial Equipment Corporation - JSC, prepared on 25 March 2025 as set out from page 08 to page 66, which comprise the consolidated balance sheet as at 31 December 2024, the consolidated statement of income, and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Board of Executive Officers' Responsibility**

The Board of Executive Officers of the Corporation is responsible for the preparation and fair presentation of the consolidated financial statements of the Corporation in accordance with Vietnamese Accounting Standards, the Vietnamese enterprise accounting regime, and all applicable legal regulations relating to the preparation and presentation of such statements. In addition, the Board is responsible for establishing the internal control system that it deems necessary to ensure that the consolidated financial statements are free from material misstatement, whether resulting from fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Corporation's preparation and fair presentation of the consolidated 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 Corporation'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 Executive Officers, as well as evaluating the overall presentation of the consolidated financial statements.

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



**Basis for Qualified Audit Opinion**

- (1) As presented in Section 5.3; Section 5.4; Section 5.5, Part 5 "Notes to the consolidated financial statements", the Corporation has a number of outstanding debts on 31 December 2024 as follows: Accounts receivable from customers of The Vietnam National Complete Equipment And Technics Import Export Corporation Limited: VND 59,039,493,041; Advance payments to sellers of Mechanical Products Export Import Company Limited: VND 20,549,503,289; Other receivables of The Vietnam National Complete Equipment And Technics Import-Export Corporation Limited: VND 6,115,416,932. These are outstanding debts on 30 September 2014 (the time of determining the enterprise value for equitization) but have not been processed when determining the enterprise value as well as when announcing the enterprise value for equitization and the accounts receivable of Mechanical Products Export- Import Company Limited arising after September 30, 2014 that are overdue for payment on 31 December 2024 with a value of: VND 20,848,537,213 (for which a provision of VND 543,275,781 has been recognized). At the time of issuance of this Report, the Parent Company and four wholly-owned subsidiaries are awaiting approval from the competent authority for the equitization settlement and the settlement of related issues, including outstanding debts. Therefore, the Corporation has not yet made provisions for doubtful debts for these debts. We were also unable to perform alternative audit procedures to assess the value of the provisions required to be made on 31 December 2024. Therefore, we are unable to determine whether any adjustments to these figures are necessary.
- (2) As presented in Section 5.3; Section 5.4; Section 5.5, Part 5 "Notes to the consolidated financial statements", the Corporation has a number of outstanding debts on 31 December 2024 as follows: Accounts receivable from customers: VND 328,790,740, Prepayments to sellers: VND 234,572,661, Other receivables: VND 18,184,136,530. These are outstanding debts related to the case that occurred at the General Import-Export Trading Enterprise under Quang Trung Mechanical Engineering Company Limited (Subsidiary). According to the consolidated financial statements for the year ending 31 December 2024 of Quang Trung Mechanical Engineering Company Limited, due to the fact that the case is in the process of execution, Quang Trung Mechanical Engineering Company Limited has not yet determined the loss for the above doubtful debts. On 31 December 2024, the Corporation has not made any provision for doubtful debts for these debts. We are also unable to perform alternative audit procedures to evaluate the value of the provisions to be made on 31 December 2024. Therefore, we are unable to determine whether it is necessary to adjust these figures.

**Qualified Audit Opinion**

In our opinion, except for the effects of the matters described in the "Basis for Qualified Audit Opinion" paragraph, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 December 2024, as well as the consolidated results of its operations and its consolidated cash flows for the financial year ended on that date, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and the relevant statutory requirements applicable to the preparation and presentation of consolidated financial statements.

**Issues to emphasize**

As presented in Section 4, "Notes to the consolidated financial statements", at the date of issuance of this Report, the work related to the equitization settlement is still being carried out and the Corporation has not received a decision from the competent authority on the approval of the settlement of the value of the State capital portion at the date of official conversion into a Joint Stock Company.

As presented in Section 5.20.b, Part 5 "Notes to the consolidated financial statements", the Charter Capital on the Certificate of Business Registration of the Joint Stock Company of the Corporation is: VND 1,419,915,000,000. On 31 December 2024, the Owner's Contributed Capital (Code 411) on the consolidated balance sheet is VND 1,418,634,488,001, the difference of VND (1,280,511,999) compared to the Charter Capital is due to the financial handling process when the Corporation officially switches to operating in the form of a Joint Stock Company according to regulations. At the date of issuance of this Report, the Parent Company and four LLCs in which the Corporation owns 100% of capital are still waiting for competent



**Issues to emphasize (Continued)**

As presented in Section 7.2, Part 7 “Notes to the consolidated financial statements”, Mechanical Products Export-Import Company Limited - a subsidiary of the Corporation has restated some comparative figures of the Financial Statements for the year ended 31 December 2024. Therefore, the Corporation has restated some comparative figures of the consolidated financial statements for the year ended 31 December 2024.

Our qualified audit opinion is not affected by the above matters.



---

**Nguyễn Tài Dung****Vice General Director**

Audit Practising Registration Certificate

No. 0133-2023-137-1

*According to authorization No.11/2025/UQ-CPA  
VIETNAM dated 02/01/2025 of General Director*

For and on behalf of

**CPA VIETNAM AUDITING COMPANY LIMITED****An Independent member firm of INPACT***Ha Noi, 26 March 2025*

---

**Nguyễn Trung Khanh****Auditor**

Audit Practising Registration Certificate

No. 1128-2023-137-1





## CONSOLIDATED BALANCE SHEET

As at 31 December 2024

ASSETS	Code	Note	31/12/2024 VND	01/01/2024 VND
<b>A. SHORT-TERM ASSETS</b> (100=110+120+130+140+150)	<b>100</b>		<b>1,783,458,538,638</b>	<b>1,667,891,478,445</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5.1</b>	<b>65,798,590,433</b>	<b>55,925,027,852</b>
1. Cash	111		41,298,590,433	32,726,027,852
2. Cash equivalents	112		24,500,000,000	23,199,000,000
<b>II. Short-term financial investments</b>	<b>120</b>	<b>5.2</b>	<b>141,106,758,810</b>	<b>122,155,882,098</b>
1. Trading securities	121		1,467,690,500	1,467,690,500
2. Held to maturity investments	123		139,639,068,310	120,688,191,598
<b>III. Short-term receivables</b>	<b>130</b>		<b>795,830,661,921</b>	<b>770,271,105,601</b>
1. Short-term trade receivables	131	5.3	747,831,400,735	718,567,122,917
2. Short-term repayments to suppliers	132	5.4	53,298,423,687	45,712,041,071
3. Short-term intercompany receivables	133		637,500,000	637,500,000
4. Other short-term receivables	136	5.5	63,749,571,528	68,955,985,696
5. Allowances for short-term doubtful debts	137	5.6	(69,686,234,029)	(63,601,544,083)
<b>IV. Inventories</b>	<b>140</b>	<b>5.7</b>	<b>732,928,803,865</b>	<b>674,624,617,630</b>
1. Inventories	141		732,928,803,865	674,624,617,630
2. Allowances for decline in value of inventories	149		-	-
<b>V. Other current assets</b>	<b>150</b>		<b>47,793,723,609</b>	<b>44,914,845,264</b>
1. Short-term prepaid expenses	151	5.8	3,691,891,240	2,355,519,946
2. Deductible VAT	152		43,611,708,146	40,999,800,329
3. Taxes and receivables from the State Budget	153	5.16	490,124,223	1,559,524,989
<b>B. LONG-TERM ASSETS</b> (200=210+220+230+240+250+260)	<b>200</b>		<b>773,564,066,188</b>	<b>829,625,273,935</b>
<b>I. Long-term receivable</b>	<b>210</b>		<b>1,582,573,895</b>	<b>1,834,832,331</b>
1. Other long-term receivables	216	5.5	1,582,573,895	1,834,832,331
<b>II. Fixed assets</b>	<b>220</b>		<b>569,402,991,775</b>	<b>606,618,438,910</b>
1. Tangible fixed assets	221	5.9	519,102,928,329	554,495,211,419
- Cost	222		1,018,402,332,479	1,017,974,180,686
- Accumulated depreciation	223		(499,299,404,150)	(463,478,969,267)
2. Finance lease fixed assets	224	5.10	19,095,659,659	19,911,166,368
- Cost	225		20,391,502,725	20,391,502,725
- Accumulated depreciation	226		(1,295,843,066)	(480,336,357)
3. Intangible fixed assets	227	5.11	31,204,403,787	32,212,061,123
- Cost	228		41,203,252,956	41,081,362,956
- Accumulated amortisation	229		(9,998,849,169)	(8,869,301,833)

**CONSOLIDATED BALANCE SHEET (CONTINUED)**

As at 31 December 2024

ASSETS	Code Note	31/12/2024 VND	01/01/2024 VND
<b>III. Investment properties</b>	<b>230 5.12</b>	<b>25,614,023,848</b>	<b>26,516,667,280</b>
- Cost	231	33,755,261,371	33,755,261,371
- Accumulated depreciation	232	(8,141,237,523)	(7,238,594,091)
<b>IV. Long-term assets in progress</b>	<b>240 5.13</b>	<b>47,744,728,569</b>	<b>46,266,650,807</b>
1. Construction in progress	242	47,744,728,569	46,266,650,807
<b>V. Long-term financial investments</b>	<b>250 5.2</b>	<b>31,485,014,559</b>	<b>29,985,014,559</b>
1. Investments in joint ventures, associates	252	1,896,459,553	1,896,459,553
2. Investments in equity of other entities	253	28,088,555,006	28,088,555,006
3. Held to maturity investments	255	1,500,000,000	-
<b>VI. Other long-term assets</b>	<b>260</b>	<b>97,734,733,542</b>	<b>118,403,670,048</b>
1. Long-term prepaid expenses	261 5.8	97,734,733,542	118,403,670,048
<b>TOTAL ASSETS (270 = 100+200)</b>	<b>270</b>	<b>2,557,022,604,826</b>	<b>2,497,516,752,380</b>



## CONSOLIDATED BALANCE SHEET (CONTINUED)

As at 31 December 2024

RESOURCES	Code	Note	31/12/2024	01/01/2024
			VND	VND
<b>C. LIABILITIES (300=310+330)</b>	<b>300</b>		<b>1,110,909,194,484</b>	<b>1,047,802,877,231</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>1,092,323,218,977</b>	<b>1,015,604,398,835</b>
1. Short-term trade payables	311	5.14	286,160,486,503	328,051,160,766
2. Short-term advances from customers	312	5.15	83,072,579,859	76,603,406,221
3. Taxes and payables to the State Budget	313	5.16	58,307,916,760	52,572,363,738
4. Payables to employees	314		48,521,759,820	47,308,787,513
5. Short-term accrued expenses	315	5.17	26,599,841,249	23,704,847,964
6. Short-term intercompany payables	316		56,202,387	56,202,421
7. Short-term unearned revenues	318		2,855,677,353	1,544,454,809
8. Other short-term payables	319	5.18	46,692,975,363	31,101,240,984
9. Short-term borrowings and finance lease liabilities	320	5.19	518,528,465,026	439,635,531,832
10. Short-term provisions	321		3,057,028,942	1,265,461,824
11. Bonus and welfare fund	322		18,470,285,715	13,760,940,763
<b>II. Long-term liabilities</b>	<b>330</b>		<b>18,585,975,507</b>	<b>32,198,478,396</b>
1. Long-term accrued expenses	333	5.17	2,712,352,142	2,744,934,676
2. Other long-term payables	337	5.18	3,108,420,667	2,346,994,839
3. Long-term borrowings and finance lease liabilities	338	5.19	12,334,319,043	26,893,337,123
4. Long-term provisions	342		430,883,655	213,211,758
<b>D. OWNER'S EQUITY (400=410+430)</b>	<b>400</b>		<b>1,446,113,410,342</b>	<b>1,449,713,875,149</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>5.20</b>	<b>1,446,047,312,769</b>	<b>1,449,713,875,149</b>
1. Contributed capital	411		1,418,634,488,001	1,418,634,488,001
2. Differences upon asset revaluation	416		(1,202,379,963)	(1,202,379,963)
3. Development and investment funds	418		32,227,046,285	32,227,046,285
4. Undistributed profit after tax	421		(38,128,057,824)	(34,860,184,551)
- Undistributed profit after tax brought forward	421a		(46,084,503,103)	(41,990,386,806)
- Undistributed profit after tax for the current year	421b		7,956,445,279	7,130,202,255
5. Capital expenditure funds	429		34,516,216,270	34,914,905,377

**CONSOLIDATED BALANCE SHEET (CONTINUED)**

As at 31 December 2024

RESOURCES	Code Note	31/12/2024	01/01/2024
		VND	VND
II. Funding sources and other funds	430	66,097,573	-
1. Funding sources	431	66,097,573	-
<b>TOTAL RESOURCES (440 = 300+400)</b>	<b>440</b>	<b>2,557,022,604,826</b>	<b>2,497,516,752,380</b>

Preparator



Nguyen Trung Kien

Responsible for accounting



Pham Minh Duc

Ha Noi, 25 March 2025

General Director



Le Huy Hai



## CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2024

ITEMS	Code	Note	Year 2024	Year 2023
			VND	VND
1. Revenue from sales and services rendered	01	6.1	1,617,723,507,265	1,351,801,274,690
2. Deductible items	02	6.2	3,666,230,415	118,900,000
3. Net revenue from sales and services rendered (10=01-02)	10		1,614,057,276,850	1,351,682,374,690
4. Cost of goods sold	11	6.3	1,446,334,621,236	1,179,572,990,257
5. Gross profit from sales and services rendered (20=10-11)	20		167,722,655,614	172,109,384,433
6. Revenue from financial activities	21	6.4	17,368,061,984	12,083,594,851
7. Financial expenses	22	6.5	43,142,162,519	45,010,691,572
- In which: Interest expenses	23		42,475,023,111	44,312,805,768
8. Profit (loss) in associated companies, joint ventures	24		-	-
9. Selling expenses	25	6.6	13,945,863,928	11,315,881,970
10. Administrative expenses	26	6.7	120,105,778,857	119,265,321,212
11. Net profit from operating activities {30=20+(21-22)-(25+26)}	30		7,896,912,294	8,601,084,530
12. Other income	31	6.8	7,446,652,238	5,928,732,354
13. Other expense	32	6.9	6,321,437,780	6,297,977,816
14. Other profit (40=31-32)	40		1,125,214,458	(369,245,462)
15. Total profit before tax (50=30+40)	50		9,022,126,752	8,231,839,068
16. Current corporate income tax expenses	51	6.10	1,461,172,033	1,679,926,661
17. Deferred corporate income tax expenses	52		-	-
18. Profit after tax (60=50-51-52)	60		7,560,954,719	6,551,912,407
19. Profit after tax attributable to the Holding Company	61		7,956,445,279	7,130,202,255
20. Profit after tax attributable to non - controlling shareholders	62		(395,490,560)	(578,289,848)
21. Basic earnings per Share (*)	70	6.11	56.0	44.5

Preparator



Nguyen Trung Kien

Responsible for accounting



Pham Minh Duc

Ha Noi, 25 March 2025

General Director



Le Huy Hai

**CONSOLIDATED CASH FLOW STATEMENT***(Under Indirect method)*

For the year ended 31 December 2024

ITEMS	Code	Note	Year 2024	Year 2023
			VND	VND
<b>I. Cash flows from operating activities</b>				
1. Net profit before tax	01		9,022,126,752	8,231,839,068
2. Adjusted for the following				
Depreciation of fixed assets and investment properties	02		39,856,939,855	40,107,722,165
Provision for bad debt	03		8,093,928,961	7,671,099,542
Gains and losses of unrealized exchange rate difference	04		(2,601,836,018)	(610,015,846)
Profits or losses from investment activities	05		(13,480,896,494)	(10,793,353,329)
Interest expenses	06		42,475,023,111	44,312,805,768
3. Operating income (loss) before changes in working	08		83,365,286,167	88,920,097,368
(Increase) decrease in receivables	09		19,234,638,306	(42,463,588,421)
(Increase) decrease in inventory	10		(58,304,186,235)	(70,033,138,331)
Increase (decrease) in payables (excluding interest payable, EIT payables)	11		(55,617,663,672)	59,603,350,230
(Increase) decrease in prepaid expenses	12		19,332,565,212	(11,557,789,331)
Interest paid	14		(42,334,731,927)	(43,563,366,977)
Enterprise income tax paid	15		(747,748,496)	(1,588,560,354)
Other cash inflows from operating activities	16		262,808,571	-
Other cash outflows from operating activities	17		(2,303,879,001)	(2,750,493,212)
<i>Net cash inflows (outflows) from operating activities</i>	20		<i>(37,112,911,075)</i>	<i>(23,433,489,028)</i>
<b>II. Cash flows from investing activities</b>				
1. Cash paid for purchasing, building fixed assets and other long-term assets	21		(2,930,169,501)	(4,407,100,155)
2. Proceeds from disposals of fixed assets and other long term assets	22		45,454,545	616,859,027
3. Payments for purchase of debt instruments of other entities	23		(144,688,191,598)	(130,688,191,598)
4. Proceeds from sales of debt instruments of other entities	24		121,071,320,365	128,444,087,448
5. Receipts of interest, dividends	27		9,142,249,730	9,158,190,165
<i>Net cash from investing activities</i>	30		<i>(17,359,336,459)</i>	<i>3,123,844,887</i>



## CONSOLIDATED CASH FLOW STATEMENT(CONTINUED)

(Under Indirect method)

For the year ended 31 December 2024

ITEMS	Code	Note	Year 2024	Year 2023
			VND	VND
<b>III. Cash flows from financing activities</b>				
1. Proceeds from borrowings	33		828,027,185,736	647,879,164,572
2. Payments to settle debts(principal)	34		(760,436,867,450)	(609,171,526,441)
3. Payments to settle finance lease	35		(3,516,476,755)	(6,259,793,529)
4. Payments of interest, dividends	36		-	-
<i>Net cash flows from financing activities</i>	40		<i>64,073,841,531</i>	<i>32,447,844,602</i>
<b>Net cash flows in the period (50 = 20+30+40)</b>	50		<b>9,601,593,997</b>	<b>12,138,200,461</b>
<b>Cash at beginning of year</b>	60		<b>55,925,027,852</b>	<b>43,625,106,091</b>
Effect of exchange rate fluctuations	61		271,968,584	161,721,300
<b>Cash at end of year (70 = 50+60+61)</b>	70	5.1	<b>65,798,590,433</b>	<b>55,925,027,852</b>

Preparator



Nguyen Trung Kien

Responsible for accounting



Pham Minh Duc

Ha Noi, 25 March 2025

General Director



Le Huy Hai



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended as at 31 December 2024

**1. BUSINESS HIGHLIGHTS****1.1 Structure of ownership**

Machines And Industrial Equipment Corporation - JSC was formerly a State Corporation with the name of Industrial Machinery and Equipment Corporation. Industrial Machinery and Equipment Corporation was established under Decision No. 155/HDBT dated 12 May 1990 of the Council of Ministers (now the Government) and re-established under Decision No. 1117QD/TCCBT dated 27 October 1995 of the Minister of Heavy Industry (now the Ministry of Industry and Trade). The Corporation was converted to operate under the model of Parent Company - Subsidiary Company under Decision No. 3168/QD-BCT dated 15 June 2010 of the Ministry of Industry and Trade. On 16 November 2015, the Ministry of Industry and Trade decided to determine the enterprise value of the Corporation to convert it to a Joint Stock Company under Decision No. 12494/QD-BCT.

The Corporation officially switched to operating in the form of a Joint Stock Company with the trading name of Machines And Industrial Equipment Corporation - JSC according to the 7th change in the Certificate of Business Registration of the Joint Stock Company dated 20 January 2017, the 12th change on 17 July 2024 issued by the Department of Planning and Investment of Hanoi City.

The Charter Capital of the Corporation - according to the 12th amended Certificate of Business Registration of the Joint Stock Company dated 17 July 2024 is: VND 1,419,915,000,000 (In words: One thousand, four hundred and nineteen billion, nine hundred and fifteen million dong).

International transaction name: MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION.

The abbreviation is: MIE.

The Corporation's shares are currently traded on the Upcom exchange with the trading code MIE.

The Corporation's head office is located at 7A Mac Thi Bui Street, Vinh Tuy Ward, Hai Ba Trung District, Hanoi City, Vietnam.

The total number of employees of the Corporation and its subsidiaries as of 31 December 2024 is: 830 people (as of 31 December 2023, it is 855 people).

**1.2 Operating industries and principal activities**

- Manufacturing and manufacturing mechanical products (complete equipment, individual equipment, consumer metals, cluster details, spare parts);
- Investment, construction, manufacturing, installation, operation and transfer of independent thermal and hydroelectric power plants;
- Construction of industrial and civil works, road traffic works, irrigation works, urban infrastructure works;
- Investment consulting and technological and industrial technical services; Commercial business, etc.

**1.3 Normal production and business cycle**

The corporation's normal production and business cycle of 12 months.

**1.4 The Corporation's structure**

As at 31 December 2024, the Corporation has the following subsidiaries, associates and affiliated units:



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**1.4 The Corporation's structure (Continued)**

Name	Operating industries	Ownership ratio	Voting ratio
<b>I. Subsidiary</b>			
1. Hanoi Mechanical Company Limited	Manufacturing and manufacturing machines, metal cutting, technological equipment, construction of civil and industrial works, import and export and trading of industrial equipment and materials, etc.	100%	100%
2. Quang Trung Mechanical Engineering Company Limited	Design and manufacture of pulp production lines, manufacture of steel structures, industrial spare parts and equipment, X-ray inspection of pressure equipment. Manufacturing paper products, importing equipment and materials, operating office warehouses, importing and exporting electrical and electronic equipment for civil industry.	100%	100%
3. Mechanical Products Export - Import Company Limited	Buying, selling, importing and exporting household appliances, agricultural products, machinery and equipment, manufacturing and trading mechanical products, etc.	100%	100%
4. The Vietnam National Complete Equipment And Technics Import Export Corporation Limited	Export and import business; Entrusting and receiving entrustment for export and import of goods; Market research and public opinion polling; Trade brokerage, etc.	100%	100%
5. Duyen Hai Mechanical Joint Stock Company	Manufacturing and trading of machinery and equipment, industrial spare parts, gearboxes of all kinds of factory frames, rolled steel for construction and shaped steel. Import and export of machinery and equipment	98.189%	98.189%
6. Tools Joint Stock Company No.1	Trading in industrial products and mechanical measuring instruments.	51%	51%
<b>II. Affiliated, Joint Venture Company</b>			
Sai Gon-Ha Noi	Business of supermarkets, restaurants, hotels, investment projects		
1. Investment and Trading Joint Stock Company		20%	20%
<b>III. Dependent Units</b>			
1. Branch of Machines and Industrial Equipment Corporation - JSC (*)	Trading, buying and selling of machinery, equipment, industrial materials; Construction of industrial and civil works, urban and industrial park infrastructure works; ...	100%	100%
2. Industrial Construction Company	Site preparation; Mechanical processing, metal treatment and coating; Installation of water supply, drainage, heating and air conditioning systems; ...	100%	100%
3. Investment Consultant and Technical Industrial Service Company	Investment consulting, industrial services and technology transfer; Carry out tasks authorized by the Corporation.	100%	100%



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**1.4 The Corporation's structure (Continued)**

- (\*) The Branch of Machines and Industrial Equipment Corporation - JSC (affiliated unit) temporarily suspends operations for a period of 01 year from 01 December 2024 to 30 November 2025 based on Decision No. 934/QĐ-MIE-TCNS dated 29 October 2024 of the General Director of Machines and Industrial Equipment Corporation - JSC and the Certificate of temporary suspension of operations of the Business Registration Office under the Department of Planning and Investment of Ho Chi Minh City dated 1 November 2024.

**1.5 Disclosure of information comparability in the consolidated financial statement**

The Corporation consistently applies Viet Nam Accounting System of Circular No. 200/2014/TT-BTC issued by the Ministry of Finance dated 22/12/2014 and Circular No. 53/2016/TT-BTC dated 21/3/2016 on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC, therefore, information and data are presented in the Financial Statements which is comparable.

**2. ACCOUNTING PERIOD, CURRENCY****Annual Accounting period**

The Corporation's annual accounting period is according to the calendar year, starting from January 1 and ending on December 31 of each year.

**Currency unit used in accounting**

The accompanying consolidated financial statements are presented in Vietnam Dong (VND).

**3. APPLICABLE ACCOUNTING SYSTEM****3.1 Applicable accounting system**

The Corporation applies the Vietnamese Enterprise Accounting System issued together with Circular No. 200/2014/TT-BTC dated December 22, 2014 by the Ministry of Finance, and Circular No. 53/2016/TT-BTC dated March 21, 2016 on the amendments and supplements to certain provisions of Circular No. 200/2014/TT-BTC.

**3.2 Statement of complying with the accounting standard and accounting policies**

The Corporation's Executive Board ensures that it has fully complied with the Vietnamese Accounting Standards and the Vietnamese Enterprise Accounting System issued and effective in preparing and presenting these consolidated financial statements.

**4. ACCOUNTING POLICIES**

The following are the major accounting policies adopted by the corporation in the preparation of the consolidated financial statements:

**Basis for preparing consolidated financial statements**

The consolidated financial statements of the Corporation are prepared in Circular No. 202/2014/TT-BTC dated 22/12/2014 of the Ministry of Finance on Guidance on methods of preparing and presenting consolidated financial statements, specifically:



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**4. ACCOUNTING POLICIES (CONTINUED)****Basis for preparing consolidated financial statements (Continued)**

The accompanying consolidated financial statements are presented in Vietnam Dong (VND), using the historical cost principle and in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and other relevant legal relating to the preparation and presentation of the consolidated financial statements.

The consolidated financial statements incorporate the financial statements of the Holding company and enterprises controlled by the Company (its subsidiaries) prepared for the year ended 31 December 2024. Control is achieved where the Corporation has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Corporation.

Intragroup transactions and balances are eliminated in full on consolidation.

The non-controlling interest in the consolidated subsidiary's net assets is identified as a separate item from the parent's equity. Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination (see below) and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The accompanying consolidated 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.

**Equitization settlement**

At the date of issuance of this Report, the work related to the equitization settlement is still being carried out and the Corporation has not received a decision from the competent authority on approving the settlement of the value of the State capital portion at the official date of conversion into a Joint Stock Company.

**Estimates**

The preparation of consolidated financial statements in accordance with Vietnamese Accounting Standards requires the Board of Executive Officers to make estimates and assumptions that affect the reported amounts of liabilities, assets, and the presentation of contingent liabilities and assets as of the date of the consolidated financial statements, as well as the reported amounts of revenues and expenses throughout the financial year. Actual operating results may differ from these estimates and assumptions.

**Principles for definition of cash and cash equivalents**

Cash includes all cash on hand, cash in bank of the Company at the time of the Financial Statement.

Cash equivalents are short-term investments of which the due dates cannot exceed 3 months from the dates of the investments and the convertibility into cash is easy, and which do not have a lot of risks in the conversion into cash as of the balance sheet date.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**4. ACCOUNTING POLICIES (CONTINUED)****Financial investments***Trading securities*

Trading securities include securities held for trading purposes (including securities with a maturity of more than 12 months that are bought and sold for profit), such as: Shares, bonds listed on the stock market; other types of securities and financial instruments

Trading securities are recorded at cost and determined at the fair value of the payments at the time of the transaction. The time of recording trading securities is the time when the Corporation has ownership, specifically as follows:

- Listed securities are recorded at the time of the matching order (T+0);
- Unlisted securities are recorded at the time of official ownership according to the provisions of law.

*Held-to-maturity investments*

Held-to-maturity investments comprise investments that the Corporation has the positive intent or ability to hold to maturity, including term deposits at banks held to maturity to earn periodic interest. Held-to-maturity investments are deposits with a maturity period longer than 3 months.

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. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less provision for doubtful debts.

Provision for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

*Investments in joint ventures, associates and other investments*

Investments in joint ventures, associates over which the Corporation has significant influence are accounted for using the equity method.

Distributions from the accumulated profits of the associates received by the Corporation after the date of acquisition are recognized in the Corporation's income statement for the period. Other distributions are considered as a recovery of investments and are deducted from the investment value.

*Other investments*

These investments are stated at cost, which includes purchase prices and any directly attributable expenditures. After initial recognition, these investments are measured at cost less provision for diminution in value of the investments.

*Provision for impairment of investments*

Provision for impairment of capital contributions to joint ventures, investments in associates, and investments in equity instruments of other entities is recognized when there is conclusive evidence that the value of these investments has declined as of the end of the financial year.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**4. ACCOUNTING POLICIES (CONTINUED)****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 assessed and considered for receivables that are overdue and face difficulties in debt recovery, 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 valued at cost, for those which have costs higher than the net realisable value, it must be calculated according to the 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. 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 Corporation's inventory impairment provision is made when there is reliable evidence of a decline in the net realisable value compared to the cost of the inventory.

**Tangible fixed assets accounting and depreciation principles**

Tangible fixed assets are recognized at historical cost which are stated at cost less accumulated depreciation. Historical cost of a fixed asset includes all costs incurred by the Company to acquire the fixed asset up to the date it is ready for use.

Tangible fixed assets are amortized on a straight-line basis over their estimated useful lives. The specific depreciation period is as follows:

<b>Assets</b>	<b>Years</b>
Buildings and architectures	30 - 50
Machinery and equipments	05 - 06
Transportation means	03 - 06
Management tools	03 - 05

When a fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off and any gains or losses arising from the liquidation are included in other income or other expenses during the year.

**Finance Leases Accounting Principles**

A lease is classified as a finance lease when the majority of the benefits and risks of ownership of the asset are transferred to the lessee. All other leases are treated as operating leases.

**Finance Lease**

Under a finance lease, the leased asset is recognized as an asset and the corresponding finance lease liability is recorded on the Balance Sheet at the lower of the fair value of the leased asset or the present value of the minimum lease payments at the inception of the lease.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**4. ACCOUNTING POLICIES (CONTINUED)****Finance Leases Accounting Principles (Continued)**

Lease payments for finance-leased assets are allocated between finance cost and the reduction of the principal liability. The finance cost is calculated on a fixed interest rate basis on the outstanding balance for each accounting period throughout the lease term.

Finance-leased assets are depreciated using the straight-line method over their estimated useful lives, similar to assets owned by the Corporation. Specifically:

	<u>Years</u>
Machinery and Equipment	10 - 15

**Intangible fixed assets accounting and depreciation principles**

Intangible fixed assets of the Corporation is computer software which are stated at cost less accumulated amortization.

The cost of intangible fixed assets is all the costs that the Corporation has to spend to get it up to the time of putting the assets into the state of ready to use.

Computer software is amortized using the straight- line method over its estimated useful life of 5 years.

**Investment real estate assets accounting and depreciation principles**

Investment properties are composed of land use rights, buildings and structures held by the Corporation to earn rentals or for capital appreciation. Investment properties held to earn rentals are stated at cost less accumulated depreciation.

The costs of investment properties comprise all the expenditures (cash and cash equivalents) paid by the Corporation or the fair value of other consideration given to acquire the investment property at the time of its acquisition or completion of construction.

The costs related to investment properties incurred after initial recognition must be recognized as operating expenses unless it is certain that these costs will increase the future economic benefits from the investment property beyond its originally assessed value, in which case they are added to the cost of the investment property.

Depreciation: Investment properties for rental are depreciated using the straight-line method to allocate the cost over the estimated useful life. The Corporation does not depreciate investment properties held for appreciation. The depreciation period is as follows:

	<u>Years</u>
Housing	40 - 50

Disposal: Gains and losses from the disposal of investment properties are determined as the difference between the net proceeds from disposal and the carrying amount of the investment properties and are recognised as income or expense in the Income Statement.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**4. ACCOUNTING POLICIES (CONTINUED)****Construction in progress**

Properties in the course of construction for production, rental and administrative purposes or for other purposes are carried at cost including any costs that are necessary to form the asset including service cost and interest expense related cost in accordance with the Corporation's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

**Prepaid expenses**

Prepaid expenses are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepaid expenses of the Corporation include: tools, instruments, repair expenses and other expenses.

Tools and supplies issued for consumption, repair expenses and other expenses which are amortized on a straight – line method with an allocation period not exceeding 36 months.

**Payables**

The payables are monitored in detail by maturity terms, subjects, kind of currency and other factors according to management demand of the Corporation.

The payables include payable to suppliers, loans payables and other payables which are determined almost certainly about the recorded value and duration which are not less than the obligation payable, they are classified as follows:

- Trade payables includes commercial payables arising from the purchase of goods, services and assets between the Corporation and the seller (the independent unit of the Company, including amounts payable between the Holding company and its subsidiaries, joint ventures, associates);
- Other payables include non-commercial payables, non-related transactions of purchasing and selling of goods and services.

**Principles of Unearned Revenue Recognition**

Unearned revenue includes: Revenue received in advance (advance payments received from customers over multiple accounting periods for activities such as leasing assets, infrastructure).

Unearned revenue is allocated using the straight-line method, based on the number of periods for which payment has been received in advance.

**Principles for the Recognition of Borrowings and Finance Lease Liabilities**

Includes borrowings, excluding loans in the form of bond issuance or preferred shares with clauses obligating the issuer to repurchase at a specific point in the future.

The Corporation tracks loans in detail for each debtor and classifies them into short-term and long-term categories based on the repayment timeline.

Direct costs related to the loans are recognized as financial expenses, except for costs incurred from loans specifically used for investment, construction, or production of unfinished assets, which are capitalized.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**4. ACCOUNTING POLICIES (CONTINUED)****Principles of Accrued Expenses Recognition**

Accrued expenses refer to actual costs that have not yet been paid but may be allocated to production and business expenses in the current period to ensure compliance with the matching principle between revenue and expenses. When these expenses are actually incurred, any discrepancies (if any) are either additionally recorded or reversed accordingly.

**Principle for recognition of owners' equity**

Owners' equity is recognized as the actual capital contributed to the Company.

Profit after corporate income tax is distributed to shareholders after the allocation of funds in accordance with the Corporation's Charter, legal regulations, and approval by the General Meeting of Shareholders.

**Revenue recognition*****Revenue from sale of goods***

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

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

***Revenue from services***

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 years, revenue is recognised in each year by reference to the percentage of completion of the transaction at the consolidated balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Corporation;
- The percentage of completion of the transaction at the consolidated balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

***Construction Revenue***

When the outcome of a construction contract can be reliably estimated:

- For construction contracts where the contractor is paid based on planned progress, revenue and expenses related to the contract are recognized in proportion to the work completed, as determined by the Company at the end of the accounting period.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**4. ACCOUNTING POLICIES (CONTINUED)****Revenue recognition (Continued)****Construction Revenue (Continued)**

- For construction contracts where the contractor is paid based on the value of work performed, revenue and expenses related to the contract are recognized in proportion to the work completed, as confirmed by the customer and reflected on the issued invoice.

Adjustments to construction volume, compensation claims, and other revenues are recognized as revenue only when agreed upon with the customer.

When the Outcome of a Construction Contract Cannot Be Reliably Estimated:

- Revenue is recognized only to the extent of the contract costs incurred for which payment is relatively certain.
- Contract costs are recognized as expenses only when they are incurred.

The difference between the cumulative revenue recognized from the construction contract and the cumulative amounts invoiced based on the planned progress of the contract is recorded as a receivable or payable based on the planned progress of the construction contracts.

**Revenue from Operating Lease of Assets**

Revenue from the operating lease of assets is recognized on a straight-line basis over the lease term. Lease payments received in advance for multiple periods are allocated to revenue in accordance with the lease term.

**Financial Operating Revenue**

Revenue from interest income be recognized when these two (2) conditions are met:

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

**Dividends and Distributed Profits**

Dividends and distributed profits are recognized when the Corporation has the right to receive dividends or profits from its capital contributions. Dividends received in shares are only recorded by the number of shares increased, the value of shares received is not recorded.

**Accounting Principles for Deductions from Revenue**

Deductions from revenue include:

Sales Discounts: Reductions granted to buyers due to inferior quality, defective goods, or non-conformity to specifications as stipulated in the economic contract. This does not include discounts already reflected in VAT invoices or sales invoices.

**Principle for recognition of the cost of goods sold**

Cost of goods sold is the total cost incurred of finished products, goods, services, investment real estate; production price of construction products in the period according to the principle of matching with revenue.

**Financial expenses**

The following expenses are recognized as financial expenses:



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**4. ACCOUNTING POLICIES (CONTINUED)****Financial expenses (Continued)**

- Costs related to lending and borrowing activities;
- Losses from exchange rate fluctuations in transactions involving foreign currencies;
- Other financial expenses.

**Principles and methods of recording current income tax expenses**

Corporate income tax expense (or corporate income tax assets) is the total of current income tax expense and deferred income tax expense expected to be paid to (or recovered from) tax authorities when determining profit or loss for a period.

Current Corporate Income Tax Expense: This represents the corporate income tax payable calculated on taxable income during the period using the prevailing corporate income tax rate. The payable income tax is based on taxable income and the applicable tax rate for the reporting period. The difference between taxable income and accounting profit arises from adjustments made to reconcile differences between accounting profit and taxable income under the current tax regulations.

The company has an obligation to pay corporate income tax (CIT) for taxable income at the current tax rate of 20%.

The determination of the Corporation's income tax is based on current tax regulations. However, these regulations change from time to time and the final determination of corporate income tax depends on the inspection results of the competent tax authority.

**Basic Earnings Per Share**

Basic earnings per share (EPS) for common shares is calculated by dividing the profit or loss attributable to holders of common shares by the weighted average number of common shares outstanding during the reporting period.

**Related parties**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Parties are also considered to be related if they are subject to common control or common significant influence. To examine related party relationships, the nature of the relationship is more important than the legal form.

**Segment Reporting**

A segment is a distinguishable component of the Corporation engaged in providing related products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and returns that differ from those of other segments.

The Board of General Directors considers the Corporation's primary activity to be the supply and installation of industrial equipment, with operations primarily concentrated in the Hanoi area. Therefore, the Corporation does not present segment reports by business field or geographical area in accordance with Vietnamese Accounting Standard No. 28 - Segment Reporting.



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5. INFORMATION SUPPLEMENT FOR ITEMS ON CONSOLIDATED BALANCE SHEET****5.1 Cash and cash equivalents**

	31/12/2024	01/01/2024
	VND	VND
Cash in hand	2,663,428,447	4,526,507,452
Cash at banks	38,635,161,986	28,199,520,400
(*) Cash equivalents	24,500,000,000	23,199,000,000
<b>Total</b>	<b>65,798,590,433</b>	<b>55,925,027,852</b>

(\*) Cash equivalents represent time deposits at commercial banks with original terms not exceeding 3 months, rates ranging from 1.6%/year - 4.5%/year.

**5.2 Financial investments**

Unit: VND

**a) Trading Securities**

	31/12/2024			01/01/2024		
	Original Cost	Fair value	Provision	Original Cost	Fair value	Provision
(i) CONTREXIM (7.625 shares)	378,200,000	57,950,000	-	378,200,000	57,950,000	-
(i) ABBANK (26.943 shares)	1,089,430,000	199,378,200	-	1,089,430,000	215,544,000	-
EIB (5 shares)	60,500	96,500	-	60,500	160,000	-
<b>Total</b>	<b>1,467,690,500</b>	<b>257,424,700</b>	<b>-</b>	<b>1,467,690,500</b>	<b>273,654,000</b>	<b>-</b>

The fair value of trading securities is determined based on the quantity and closing price of that stock on the Vietnamese stock market on 31 December 2024.

- (i) This is a financial investment of Mechanical Products Export - Import Company Limited arising before 30 September 2014 (the time of determining the enterprise value). At the time of issuing this report, the handling of the above financial investment along with other investments is awaiting the approval of results of the equitization settlement approval of Machines and Industrial Equipment Corporation - JSC. Therefore, Mechanical Products Export - Import Company Limited has not yet made provisions for the above securities devaluation.



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

Form B 09 - DN/HN

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.2 Financial investments (Continued)****b) Held to maturity investments**

	31/12/2024		01/01/2024	
	Original Cost	Book value	Original Cost	Book value
<b>b.1 Short-term {i}</b>	<b>139,639,068,310</b>	<b>139,639,068,310</b>	<b>120,688,191,598</b>	<b>120,688,191,598</b>
Joint Stock Commercial Bank For Investment and Development Of Vietnam - Hanoi Branch	47,000,000,000	47,000,000,000	25,000,000,000	25,000,000,000
Joint Stock Commercial Bank For Foreign Trade Of Vietnam - Chuong Duong Branch	9,372,052,075	9,372,052,075	9,372,052,075	9,372,052,075
Asia Commercial Joint Stock Bank	16,000,000,000	16,000,000,000	11,000,000,000	11,000,000,000
Viet Nam Joint Stock Commercial Bank For Industry And Trade	-	-	1,500,000,000	1,500,000,000
Saigon Thuong Tin Commercial Joint Stock Bank	14,000,000,000	14,000,000,000	10,000,000,000	10,000,000,000
Tien Phong Commercial Joint Stock Bank - Tay Hanoi Branch	40,767,016,235	40,767,016,235	51,316,139,523	51,316,139,523
Viet Nam Joint Stock Commercial Bank For Industry And Trade - Thanh Xuan Branch	12,500,000,000	12,500,000,000	12,500,000,000	12,500,000,000
<b>b.2 Long-term {ii}</b>	<b>1,500,000,000</b>	<b>1,500,000,000</b>	<b>-</b>	<b>-</b>
Viet Nam Joint Stock Commercial Bank For Industry And Trade	1,500,000,000	1,500,000,000	-	-
<b>Total</b>	<b>141,139,068,310</b>	<b>141,139,068,310</b>	<b>120,688,191,598</b>	<b>120,688,191,598</b>

{i} Deposits at commercial banks have a remaining term of less than 12 months, with interest rates from 4.0%/year - 5.3%/year.

Of the VND 47,000,000,000 deposit at Joint Stock Commercial Bank For Investment And Development Of Vietnam - Hanoi Branch, VND 11,000,000,000 has been used by the Corporation as collateral for the Corporation's loans at this bank; and

The entire deposit balance at the Joint Stock Commercial Bank for Foreign Trade of Vietnam – Chuong Duong Branch has been pledged by the Corporation as collateral for its guarantees at this bank.

{ii} This is a time deposit at a commercial bank with an original maturity of more than 12 months, bearing an interest rate of 4.2%/year.



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

Form B 09 - DN/HN

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.2 Financial investments (Continued)****c) Equity investments in other entities**

	31/12/2024			01/01/2024		
	Original Cost	Fair value	Provision	Original Cost	Fair value	Provision
<b>Investments in joint ventures and associates</b>	<b>123,507,495</b>	<b>(*)</b>	<b>-</b>	<b>123,507,495</b>	<b>(*)</b>	<b>-</b>
IBC 37 Trang Thi Building Joint Venture	23,507,495		-	23,507,495		-
Paper Trade Union Joint Stock Company	100,000,000		-	100,000,000		-
<b>Investments in joint ventures and associates</b>	<b>1,772,952,058</b>	<b>(*)</b>	<b>-</b>	<b>1,772,952,058</b>	<b>(*)</b>	<b>-</b>
{1} Sai Gon-Ha Noi Investment and Trading Joint Stock Company	1,772,952,058		-	1,772,952,058		-
<b>Investments in other entities</b>	<b>28,088,555,006</b>	<b>(*)</b>	<b>-</b>	<b>28,088,555,006</b>	<b>(*)</b>	<b>-</b>
{2} Royal City Real Estate Development & Investment Joint Stock Company	9,520,000,000		-	9,520,000,000		-
{3} Hai Duong Grinding Wheels Joint Stock Company	3,381,542,806		-	3,381,542,806		-
{4} Hai Phong Machinery Manufacturing Joint Stock Company	1,432,012,200		-	1,432,012,200		-
{5} Dong Binh Cement Joint Stock Company	12,905,000,000		-	12,905,000,000		-
a. <i>Capital contributed by officers and employees</i>	11,585,000,000		-	11,585,000,000		-
b. <i>Capital contribution of Machines and Industrial Equipment Corporation -JSC (investment of Mecanimex)</i>	1,320,000,000		-	1,320,000,000		-
Ha Sa Coffee Joint Stock Company	850,000,000		-	850,000,000		-
<b>Total</b>	<b>29,985,014,559</b>		<b>-</b>	<b>29,985,014,559</b>		<b>-</b>



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoï Street, Hai Ba Trung District, Hanoi City

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.2 Financial investments (Continued)**

{1} Sai Gon - Ha Noi Investment and Trading Joint Stock Company: Charter capital is VND 90,000,000,000 divided into 900,000 shares, the Corporation owns 20% of voting shares. This investment was re-evaluated according to Decision No. 12494/QĐ-BCT dated 16 November 2015 of the Minister of Industry and Trade on determining the value of the Machines and Industrial Equipment Corporation under the Ministry of Industry and Trade for equitization on 30 September 2014 at VND 1,800,000,000. On 20 January 2017, the Corporation evaluated the financial investment according to regulations and the investment value in Sai Gon-Ha Noi Investment and Trading Joint Stock Company was recorded by the Corporation as VND 1,772,952,058.

{2} Royal City Real Estate Development & Investment Joint Stock Company has a charter capital of VND 2,443,000,000,000. Hanoi Mechanical Company Limited is one of the founding shareholders of Royal City Real Estate Development & Investment Joint Stock Company with an initial ownership ratio of 2.149%.

{3} Hai Duong Grinding Wheels Joint Stock Company: Converted from Grinding Stone Company under the Corporation. This investment was initially recorded by the Corporation as VND 1,000,000,000, accounting for 2.22% of voting shares. Based on the approved valuation results, this investment was valued at VND 1,631,736,071. On 20 January 2017 (the official date of conversion into a Joint Stock Company), the Corporation revalued this investment and recorded the value of the investment as VND 3,717,410,306. On 31 December 2024, the value of this investment was recorded as VND 3,381,542,806 (including the dividends received by the Corporation in the previous period, after conversion into a Joint Stock Company).

{4} Hai Phong Machinery Manufacturing Joint Stock Company: Converted from Hai Phong Manufacturing Mechanical Factory under the Corporation. This investment was initially recorded by the Corporation as VND 1,037,690,000, accounting for 10% of voting shares. This investment was revalued according to Decision No. 12494/QĐ-BCT dated 16 November 2015 of the Minister of Industry and Trade on determining the value of the Machines and Industrial Equipment Corporation under the Ministry of Industry and Trade for equitization on 30 September 2014 at VND 1,463,141,355. On 20 January 2017 (the official time of conversion into a Joint Stock Company), based on the trading price of shares of Hai Phong Machinery Manufacturing Joint Stock Company, the Corporation revalued this investment and recorded the value of the investment as VND 1,432,012,200. On 27 March 2018, the Corporation issued Official Letter No. 269/CV-MIE-HĐQT to the Ministry of Industry and Trade regarding the divestment of MIE's capital invested in Hai Phong Machinery Manufacturing Joint Stock Company. On 4 May 2018, the Ministry of Industry and Trade issued Official Letter No. 3475/BCT-CN agreeing to divest all of the Corporation's capital invested in Hai Phong Machinery Manufacturing Joint Stock Company. However, the divestment was unsuccessful and the Corporation reported to the Ministry of Industry and Trade.

{5} Dong Binh Cement Joint Stock Company: Charter capital is VND 301,000,000,000. Initially, this investment was recorded by the Corporation as VND 31,200,000,000, accounting for 10.37% of voting shares. This investment was re-evaluated according to Decision No. 12494/QĐ-BCT dated 16 November 2015 of the Minister of Industry and Trade on determining the value of the Machines and Industrial Equipment Corporation under the Ministry of Industry and Trade for equitization as of 30 September 2014 at VND 27,298,839,658. On 20 January 2017 (the official date of conversion into a Joint Stock Company), the Corporation re-evaluated this investment and recorded the investment value as VND 12,905,000,000, corresponding to the investment value of other shareholders.



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**  
No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

Issued under Circular No. 202/2014/TT-BTC  
December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.2 Financial investments (Continued)**

*In addition, on 27 September 2023, the Corporation completed the construction of the "Project to restructure the Machines And Industrial Equipment Corporation - JSC". The Corporation sent Official Dispatch No. 853/CV-MIE-DDV dated 27 September 2023 to the Ministry of Industry and Trade for approval of the "Project to restructure the Machines And Industrial Equipment Corporation - JSC".*

(\*) At the date of preparation of these consolidated financial statements, the Corporation has no basis to determine the fair value of investments in joint ventures, associates company and Other Investments so notes in the consolidated financial statements for the year ending 31 December 2024 because there is no market price for these investments and the current Vietnamese Accounting Standards and Vietnamese Enterprise Accounting Regime do not provide specific guidance on how to determine the fair value of these financial investments. The fair value of these financial investments may differ from their book value.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

5.3 Trade receivables	31/12/2024	01/01/2024
	VND	VND
<b>Short-term</b>	<b>747,831,400,735</b>	<b>718,567,122,917</b>
Electrical Project Management Board 2 - Vietnam Electricity	10,921,017,611	28,232,045,741
Royal Real Estate Group Corporation	41,536,297,736	41,536,297,736
Truong Giang Bach Dang Investment Development Joint Stock Company	38,640,991,588	-
289 Company Limited	49,341,769,610	51,141,769,610
Namvang Corporation	46,256,854,941	46,556,854,941
Z179 Mechanical One Member Limited Liability Company	25,416,523,357	25,143,950,947
Hung Phat Industry Trading and Investment Company Limited	129,548,437,375	73,626,365,595
HHT Technology Import Export Joint Stock Company	5,202,271,439	44,735,326,767
Quang Tuyen Viet Nam Company Limited	56,715,441,240	62,375,441,240
{1} Customers of the General Import - Export Trading Enterprise Enterprise	328,790,740	328,790,740
{2} Viet Nam Trading and Technology Investment Company Limited	28,315,360,500	28,315,360,500
{2} Other customers at the Vietnam National Complete Equipment and Technics Import Export Corporation Limited	30,724,132,541	30,724,132,541
{3} Thien Hoang Long Trading and Manufacturing Joint Stock Company	17,915,103,323	18,003,231,223
{3} Other customers at Echanical Products Export - Import Company Limited	2,933,433,890	2,933,433,890
Other customers	264,034,974,844	264,914,121,446
<b>Total</b>	<b>747,831,400,735</b>	<b>718,567,122,917</b>

Trade receivables include outstanding debts of the Corporation's subsidiaries, including:

**(1) Quang Trung Mechanical Engineering Company Limited**

Outstanding debt at Quang Trung Mechanical Engineering Company Limited with an amount of VND 328,790,740.

In addition to the above receivables, the General Import-Export Trading Enterprise has other outstanding debts, including: Other receivables with an amount of VND 18,184,136,530 (Note 5.5 - "Other receivables"), Advance payments to suppliers: VND 234,572,661 (Note 5.4 - "Advances to suppliers"), Payables to suppliers: VND 10,527,414,264 (Note 5.14 - "Trade payables") and loans with a total amount of VND 1,446,904,132 (Note 5.19 - "Loans and obligations under finance leases").

The above outstanding debts are related to the case and the same subject is Mr. Nguyen Duy Xuyen - former Deputy General Director and Director of General Import-Export Business Enterprise - a unit under Quang Trung Mechanical Engineering Company Limited. Due to signs of intentionally violating the State's regulations on economic management causing serious consequences, the Hanoi City Police Investigation Agency issued Decision No. 142/PC44 (D2) dated 19 April 2013 to initiate a criminal case, Decision No. 572/PC44(D2) dated 5 August 2013 and temporary detention warrant No. 76/PC44(D2) on the same day to prosecute the accused against Mr. Nguyen Duy Xuyen.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.3 Trade receivables (Continued)**

According to the Appeal Judgment No. 536/2022/HS-PT dated 11 August 2022 of the High People's Court in Hanoi, it is decided to: Partially amend the decision on the penalty of the First Instance Criminal Judgment No. 50/2020/HS-ST dated 14 February 2020 of the People's Court of Hanoi City.

- (i) Nguyen Duy Xuyen and Than Thi Nham are jointly required to compensate the Vietnam Bank For Agriculture and Rural Development - South Hanoi Branch (Agribank - South Hanoi Branch) the amount of VND 24,990,000,000 and the Vietnam Joint Stock Commercial Bank For Industry And Trade - East Hanoi Branch (Vietinbank - East Hanoi Branch) the amount of VND 24,262,809,296. In total, Nguyen Duy Xuyen and Than Thi Nham are required to compensate the Vietnam Bank For Agriculture And Rural Development - South Hanoi Branch and the Vietnam Joint Stock Commercial Bank For Industry And Trade - East Hanoi Branch VND 49,252,809,296. Divided by shares, Nguyen Duy Xuyen must compensate VND 30,000,000,000, Than Thi Nham must compensate VND 19,252,809,296.
- (ii) Not accepting the appeal of Quang Trung Mechanical Engineering Company Limited No. 96/CV-CKQT dated 24 February 2020 sent to the Hanoi People's Court requesting the appellate court to resolve force Vietnam Joint Stock Commercial Bank for Industry and Trade to return to Quang Trung Mechanical Engineering Company Limited the total principal amount of VND 695,138,503 and interest according to the Bank's regulations calculated up to the date of full payment of principal and interest.

On 18 July 2023, The Board of Supervisors of Quang Trung Mechanical Engineering Company Limited held a meeting (Minutes of the meeting) and agreed to handle the matter in accordance with the contents stated in the report No. 26.06/CKQT-TCKT dated 26 June 2023. According to this Minutes of the meeting, Quang Trung Mechanical Engineering Company Limited still has unresolved issues because the Company has not been able to work with Mr. Nguyen Duy Xuyen and Ms. Than Thi Nham to determine the damages that these subjects have directly (or indirectly) caused to the General Import-Export Business Enterprise as well as remedial measures. After determining the losses, the Company will carry out the following financial handling.

**(2) The Vietnam National Complete Equipment and Technics Import Export Corporation Limited**

The outstanding debt at the Vietnam National Complete Equipment and Technics Import Export Corporation Limited (hereinafter referred to as "Techno Import") with the amount of VND 59,039,493,041 overdue as of 30 September 2014 (the time of determining the enterprise value for equitization of the Corporation) arose from the sale of goods. Currently, this company and the parent company are waiting for the approval of the equitization settlement from the competent authority and implementing the divestment according to the policy, therefore, Techno Import has not set up a provision for bad debts for these outstanding debts.

**(3) Mechanical Products Export- Import Company Limited**

Receivables at Mechanical Products Export – Import Company Limited that arose after 30 September 2014 have been overdue for 03 years or are slow to collect to collect, with an outstanding balance of VND 20,848,537,213 (The Corporation has made a provision of VND 543,275,781 for these receivables).



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.4 Advances to suppliers**

	31/12/2024	01/01/2024
	VND	VND
<b>Short-term</b>		
Tam Long Company Limited	1,519,227,626	1,005,757,988
Bao Diep Construction Service Company Limited	2,439,486,621	-
Hoang Anh Lifting Equipments and Steel Structure Joint Stock Company	6,151,057,723	7,015,523,361
Hoang Nam CO., LTD (*)	6,683,910,393	6,683,910,393
Saigon Cali Trading and Services Company Limited Branch (*)	8,028,886,473	8,028,886,473
Hoang Thien Coffee Company Limited (*)	4,045,239,997	4,045,239,997
Truong Tho Tea - Coffee Company Limited (*)	1,206,227,898	1,206,227,898
Ha Sa Coffee Joint Stock Company (*)	585,238,528	585,238,528
Customers of the General Import - Export Trading Enterprise (**)	234,572,661	234,572,661
Other suppliers	22,404,575,767	16,906,683,772
<b>Total</b>	<b>53,298,423,687</b>	<b>45,712,041,071</b>

(\*) Outstanding debt at Mechanical Products Export - Import Company Limited, including advance payments for goods purchase contracts (arising before 30 September 2014) that have been canceled and have not been recovered by Mechanical Products Export - Import Company Limited, with an amount of VND 20,549,503,289. Mechanical Products Export - Import Company Limited is still waiting for competent authorities to review and handle this debt when approving the equitization settlement.

(\*\*) The bad debt of the General Import - Export Trading Enterprise Enterprise - dependent Units of Quang Trung Mechanical Engineering Company Limited (Subsidiary) arose during the period when Mr. Nguyen Duy Xuyen was the Executive Director of the General Import - Export Trading Enterprise Enterprise. Currently, Quang Trung Mechanical Engineering Company Limited is still in the process of handling the existing problems of the Enterprise but related to Mr. Nguyen Duy Xuyen and other related individuals.



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

Form B 09 - DN/HN

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.5 Other receivables**

Unit: VND

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
<b>a) Short-term</b>	<b>63,749,571,528</b>	<b>243,533,062</b>	<b>68,955,985,696</b>	<b>243,533,062</b>
Receivables from equitization	5,294,615,031	-	5,254,084,019	-
Deposits	6,388,398,912	-	6,332,835,292	-
Social insurance	16,751,797	-	5,267,233	-
Advances	8,867,932,491	-	20,466,570,145	-
{1} Receivables from Nguyen Duy Xuyen and related parties	18,184,136,530	-	18,184,136,530	-
{i} <i>Nguyen Duy Xuyen (*)</i>	3,113,960,981	-	3,113,960,981	-
{ii} <i>Nguyen Duy Xuyen - Than Thi Nham (**)</i>	15,070,175,549	-	15,070,175,549	-
Other receivables	24,997,736,767	243,533,062	18,713,092,477	243,533,062
{2} <i>Hai Phong City Customs Department</i>	6,115,416,932	-	6,115,416,932	-
<i>Other receivables at TechNo</i>	1,854,056,468	243,533,062	861,442,984	243,533,062
<i>Other receivables</i>	15,555,924,567	-	11,736,232,561	-
<b>b) Long-term</b>	<b>1,582,573,895</b>	<b>-</b>	<b>1,834,832,331</b>	<b>-</b>
Receivables from dividends and profits received	680,297,295	-	1,019,955,731	-
Deposits	814,876,600	-	814,876,600	-
Other receivables	87,400,000	-	-	-
<b>Total</b>	<b>65,332,145,423</b>	<b>243,533,062</b>	<b>70,790,818,027</b>	<b>243,533,062</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.5 Other receivables (Continued)**

**(1) Quang Trung Mechanical Engineering Company Limited**

This is a debt related to Mr. Nguyen Duy Xuyen - former Deputy General Director and Director of General Import-Export Trading Enterprise Enterprise - a unit under Quang Trung Mechanical Engineering Company Limited which has been presented in detail in Note No. (1) - Section 5.3. "Receivables from customers". Accordingly:

- {i} Mr. Nguyen Duy Xuyen's receivables after Quang Trung Mechanical Engineering Company Limited adjusted accounting data;
- {ii} Receivables related to Mr. Nguyen Duy Xuyen and Ms. Than Thi Nham after Quang Trung Mechanical One Member Co., Ltd. adjusted the accounting data. Accordingly, some consequences caused by these two subjects according to the Appeal Judgment No. 536/2022/HS-PT dated 11 August 2022 of the High People's Court in Hanoi but not separated by each subject were handled by Quang Trung Mechanical One Member Co., Ltd. together join in the subject "Nguyen Duy Xuyen and Than Thi Nham".

**(2) The Vietnam National Complete Equipment and Technics Import Export Corporation Limited**

In late 2004 and early 2005, the Branch of the Vietnam National Complete Equipment and Technics Import Export Corporation Limited imported a shipment of automobiles under 23 contracts and paid import tax in full as prescribed (Official Dispatch No. 242/HQHP-PNV dated 29 April 2010 of the Hai Phong Customs Department). However, the General Department of Customs stated that the Company declared the taxable value incorrectly and requested tax collection. After that, the file was sent to the Department of Police Investigation of Economic Management and Position Crimes (Official Dispatch No. 87/TCHQ-DT dated 8 February 2007 of the General Department) - The Ministry of Public Security sent comments to the Prime Minister on this file; The Government Office issued Official Dispatch No. 343/VPCP-KTTH dated 17 January 2011 announcing the conclusion of Prime Minister Nguyen Tan Dung: The General Department of Customs shall base on the provisions of the Law on Taxes and the Law on Customs to collect tax on the number of imported cars in 2004 - 2005 of enterprise that declared incorrect tax values but have not paid the full amount to the State budget.

On 24 November 2014, the Ministry of Industry and Trade issued Document No. 11767/BCT-TC to the Prime Minister requesting the General Department of Customs to lift the tax enforcement against The Vietnam National Complete Equipment and Technics Import Export Corporation Limited and return the collected tax enforcement money, allowing the cancellation of the tax arrears of VND 6,115,416,932 of The Vietnam National Complete Equipment and Technics Import Export Corporation Limited.

On 12 June 2015, the Ministry of Finance issued Document No. 7818/BTC-TCDN on handling the remaining issues when equitizing Machines and Industrial Equipment Corporation, the document stated that "The tax arrears of The Vietnam National Complete Equipment and Technics Import Export Corporation Limited will be handled after receiving the Prime Minister's direction".





**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.5 Other receivables (Continued)****(2) The Vietnam National Complete Equipment and Technics Import Export Corporation Limited (Continued)**

Supplementary Information on the Divestment at Techno Import: On 26 March 2018, the Corporation submitted Official Letter No. 276/CV-MIE-DDV to the Ministry of Industry and Trade to report on and propose the restructuring of Techno Import. On 22 June 2018, the Ministry of Industry and Trade issued Official Letter No. 4961/BCT-CN, approving in principle the Corporation's divestment plan at Techno Import. On 29 August 2018, the Ministry of Industry and Trade issued Official Letter No. 6935/BCT-CN, providing guidance on the Corporation's divestment plan at Techno Import. On 29 November 2018, the Ministry of Finance issued Official Letter No. 14893/BTC-TCDN, detailing the guidelines for implementing the Corporation's divestment from Techno Import. On 19 April 2019, the Corporation issued Official Letter No. 321/CV-MIE-DDV to the Ministry of Industry and Trade, requesting approval of the plan for the transfer of its contributed capital in Techno Import. In this submission, the Corporation proposed the application of Decree No. 128/2014/ND-CP, dated 31 December 2014, on the sale, assignment, and transfer of wholly state-owned enterprises to facilitate the divestment process through a public auction of the enterprise, including the assumption of outstanding liabilities. On 8 July 2019, the Ministry of Industry and Trade issued Official Letter No. 4857/BCT-CN, stating that the Corporation does not meet the criteria and conditions for the application of Decree No. 128/2014/ND-CP, dated 31 December 2014.

As of the date of preparation of this consolidated financial statement, the divestment of the Corporation's investment in Techno Import has not yet been completed.

**5.6 Bad debt**

Unit: VND

	31/12/2024			01/01/2024		
	Original Cost	Fair value	Provision	Original Cost	Fair value	Provision
<b>Short-term</b>						
<b>Trade receivables</b>	<b>164,134,712,103</b>	<b>95,980,154,363</b>	<b>(69,365,700,967)</b>	<b>152,507,565,384</b>	<b>89,226,554,363</b>	<b>(63,281,011,021)</b>
Song Hong Mechanical Construction and Investment Joint Stock Company	2,196,370,548	-	(2,196,370,548)	2,196,370,548	-	(2,196,370,548)
TJS Technical Services and Construction Joint Stock Company	1,074,362,256	-	(1,074,362,256)	1,074,362,256	-	(1,074,362,256)
Royal Real Estate Group Corporation	41,536,297,736	34,436,297,736	(7,100,000,000)	41,536,297,736	35,736,297,736	(5,800,000,000)



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.6 Bad debt (Continued)**

	31/12/2024			01/01/2024		
	Original Cost	Fair value	Provision	Original Cost	Fair value	Provision
Design & Construction Consulting Branch	269,196,839	-	(269,196,839)	269,196,839	-	(269,196,839)
Licogi 16 Mechanical Joint Stock Company	512,859,599	-	(512,859,599)	512,859,599	-	(512,859,599)
289 Company Limited	49,341,769,610	19,949,542,548	(29,392,227,062)	51,141,769,610	21,749,542,548	(29,392,227,062)
Namvang Corporation	46,256,854,941	31,132,077,784	(15,124,777,157)	46,556,854,941	31,432,077,784	(15,124,777,157)
Hydraulic Works Consulting Company I	62,004,000	-	(62,004,000)	62,004,000	-	(62,004,000)
Dinh River Sugarcane Joint Stock Company	19,526,259	-	(19,526,259)	19,526,259	-	(19,526,259)
Danang Agricultural Products Import Export Company	35,943,400	-	(35,943,400)	35,943,400	-	(35,943,400)
Pharung Shipyard Company Limited	25,331,000	-	(25,331,000)	25,331,000	-	(25,331,000)
Quang Trung Mechanical Welded Steel Pipe Manufacturing Enterprise	100,000,000	-	(100,000,000)	100,000,000	-	(100,000,000)
Mechanical Research Institute	25,937,400	-	(25,937,400)	25,937,400	-	(25,937,400)
Duyen Ha Company Limited Branch - Duyen Ha Cement Factory	196,956,250	-	(196,956,250)	196,956,250	-	(196,956,250)
699 Construction Joint Stock Company	402,114,696	-	(402,114,696)	402,114,696	-	(402,114,696)
Ha Bac Chemical Mechanical Limited Company	80,583,400	-	(80,583,400)	80,583,400	-	(80,583,400)
Thai Nguyen Cement Factory Project Management Board	1,843,705,600	-	(1,843,705,600)	1,843,705,600	-	(1,843,705,600)
Quang Ngai Road	21,283,743	-	(21,283,743)	21,283,743	-	(21,283,743)
Tuyen Quang Road	305,192,800	-	(305,192,800)	305,192,800	-	(305,192,800)



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

Form B 09 - DN/HN

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.6 Bad debt (Continued)**

	31/12/2024			01/01/2024		
	Original Cost	Fair value	Provision	Original Cost	Fair value	Provision
Nhat Linh Company	544,656,400	-	(544,656,400)	544,656,400	-	(544,656,400)
Number 3 Construction Machinery Installation Company	144,605,164	-	(144,605,164)	144,605,164	-	(144,605,164)
Xuan Hoa Company	77,000,000	-	(77,000,000)	77,000,000	-	(77,000,000)
Construction Machinery Corporation - JSC	99,964,035	-	(99,964,035)	99,964,035	-	(99,964,035)
VIKOWA Joint Venture	162,500,000	-	(162,500,000)	162,500,000	-	(162,500,000)
Sao Do Company	256,750,000	-	(256,750,000)	256,750,000	-	(256,750,000)
Simac Company - Italy	461,213,726	-	(461,213,726)	461,213,726	-	(461,213,726)
Fourdry Chemical System Company	231,128,561	-	(231,128,561)	231,128,561	-	(231,128,561)
Lai Chau Paper Mill Project Management Board	422,385,000	-	(422,385,000)	422,385,000	-	(422,385,000)
Lai Chau Number 2 Construction Company	540,960,500	-	(540,960,500)	540,960,500	-	(540,960,500)
Number 2 Construction Enterprise - Number 1 Construction Company	253,694,700	-	(253,694,700)	253,694,700	-	(253,694,700)
Southern Construction and Installation Enterprise - Machine Installation Company	51,020,000	-	(51,020,000)	51,020,000	-	(51,020,000)
Taag Machinery - American exported machines	51,142,244	-	(51,142,244)	51,142,244	-	(51,142,244)
Nghe An Sugarcane Joint Venture Company	1,500,000	-	(1,500,000)	1,500,000	-	(1,500,000)
Lisemco Joint Stock Company	594,642,814	-	(594,642,814)	594,642,814	-	(594,642,814)
Power Plant Engineering and Construction One Member Company Limited	410,182,449	239,054,735	(171,127,714)	410,182,449	189,054,735	(221,127,714)



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.6 Bad debt (Continued)**

	31/12/2024			01/01/2024		
	Original Cost	Fair value	Provision	Original Cost	Fair value	Provision
Hai Phong Branch of Nam Thuan Investment Development Company Limited	398,605,200	119,581,560	(279,023,640)	398,605,200	119,581,560	(279,023,640)
Bac Thanh Cong Investment Joint Stock Company	1,163,622,735	-	(1,163,622,735)	1,163,622,735	-	(1,163,622,735)
Balkan Technology and Trade Company Limited	224,701,779	-	(224,701,779)	235,701,779	-	(235,701,779)
ECC Hydropower Construction and Installation Single - Member Limited Liability Company	13,501,464,171	10,103,600,000	(3,397,864,171)	-	-	-
VNECO 10 Electricity Construction Joint Stock Company	14,629,322	-	(14,629,322)	-	-	-
COMA1 Machinery Installation Joint Stock Company	46,675,203	-	(46,675,203)	-	-	-
Kim Lien Oil and Gas Investment Consultant Construction Company Limited	42,118,385	-	(42,118,385)	-	-	-
LILAMA 10 Joint Stock Company	8,965,451	-	(8,965,451)	-	-	-
Quang Minh Investment, Trade and General Joint Stock Company	1,040,419	-	(1,040,419)	-	-	-
Soc Son Mechanical and Steel Joint Stock Company	91,023,768	-	(91,023,768)	-	-	-
Thang Long Accurate Mechanical Joint Stock Company	330,000	-	(330,000)	-	-	-
VNT 19 Pulp - Paper Joint Stock Company	31,900,000	-	(31,900,000)	-	-	-
LISEMCO Joint Stock Company	431,931,900	-	(431,931,900)	-	-	-
Petroleum Mechanical Joint Stock Company	111,343,881	-	(111,343,881)	-	-	-
Hoang Thien Coffee Company Limited	4,045,239,997	3,377,372,551	(667,867,446)	-	-	-



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the financial year ended as at 31 December 2024

## 5.6 Bad debt (Continued)

	31/12/2024			01/01/2024		
	Original Cost	Fair value	Provision	Original Cost	Fair value	Provision
<b>Advances to suppliers</b>	77,000,000	-	(77,000,000)	77,000,000	-	(77,000,000)
Consulting Designing and Investment Service Joint Stock Company	77,000,000	-	(77,000,000)	77,000,000	-	(77,000,000)
<b>Other receivables</b>	243,533,062	-	(243,533,062)	243,533,062	-	(243,533,062)
Electrical Equipment Supply Company	16,503,327	-	(16,503,327)	16,503,327	-	(16,503,327)
Hoai Nam Company	119,559,455	-	(119,559,455)	119,559,455	-	(119,559,455)
Dac Lac Sugarcane Company	107,470,280	-	(107,470,280)	107,470,280	-	(107,470,280)
<b>Total</b>	<b>169,043,760,943</b>	<b>99,357,526,914</b>	<b>(69,686,234,029)</b>	<b>152,828,098,446</b>	<b>89,226,554,363</b>	<b>(63,601,544,083)</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.7 Inventories**

Unit: VND

	31/12/2024		01/01/2024	
	Original Cost	Provision	Original Cost	Provision
Raw materials	63,692,842,341	-	57,985,481,500	-
Tools and supplies	6,149,817,698	-	6,010,751,391	-
Work in progress	577,649,872,303	-	496,060,540,237	-
Finished goods	72,260,475,286	-	76,097,242,240	-
Goods	12,685,617,556	-	36,965,499,732	-
Consignments	490,178,681	-	1,505,102,530	-
<b>Total</b>	<b>732,928,803,865</b>	<b>-</b>	<b>674,624,617,630</b>	<b>-</b>

**5.8 Prepaid expenses**

	31/12/2024	01/01/2024
	VND	VND
<b>a) Short-term</b>	<b>3,691,891,240</b>	<b>2,355,519,946</b>
Dispatched tools and supplies	6,827,732	9,518,759
Prepaid expenses awaiting allocation	3,685,063,508	2,346,001,187
<b>b) Long-term</b>	<b>97,734,733,542</b>	<b>118,403,670,048</b>
Prepaid land rent, infrastructure	65,729,756,212	67,344,102,208
Compensation for site clearance	2,059,021,424	2,176,679,792
Tools, equipment and other long-term prepaid expenses	29,945,955,906	48,882,888,048
<b>Total</b>	<b>101,426,624,782</b>	<b>120,759,189,994</b>



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.9 Increase, decrease in tangible fixed assets**

Unit: VND

	Buildings and architectures	Machinery and equipments	Transportation means	Management tools	Other fixed assets	Total
<b>COST</b>						
Opening balance as at 01/01/2024	572,456,839,226	393,416,304,159	46,309,758,458	2,097,887,479	3,693,391,364	1,017,974,180,686
Increase in the year	894,653,216	1,822,695,182	-	77,824,000	-	2,795,172,398
Purchase	145,000,000	1,822,695,182	-	77,824,000	-	2,045,519,182
Finished building	749,653,216	-	-	-	-	749,653,216
Decrease in the year	(1,269,118,659)	(266,981,714)	(830,920,232)	-	-	(2,367,020,605)
Liquidation or transfer	-	(266,981,714)	(830,920,232)	-	-	(1,097,901,946)
Others	(1,269,118,659)	-	-	-	-	(1,269,118,659)
Closing balance as at 31/12/2024	572,082,373,783	394,972,017,627	45,478,838,226	2,175,711,479	3,693,391,364	1,018,402,332,479
<b>ACCUMULATED DEPRECIATION</b>						
Opening balance as at 01/01/2024	179,978,553,765	247,880,106,010	33,388,955,909	1,703,396,020	527,957,563	463,478,969,267
Increase in the year	16,081,357,955	18,102,763,075	2,521,153,231	177,154,709	126,813,408	37,009,242,378
Depreciation charges	16,081,357,955	18,102,763,075	2,521,153,231	177,154,709	126,813,408	37,009,242,378
Decrease in the year	(100,256,631)	(257,630,632)	(830,920,232)	-	-	(1,188,807,495)
Liquidation or transfer	-	(257,630,632)	(830,920,232)	-	-	(1,088,550,864)
Others	(100,256,631)	-	-	-	-	(100,256,631)
Closing balance as at 31/12/2024	195,959,655,089	265,725,238,453	35,079,188,908	1,880,550,729	654,770,971	499,299,404,150
<b>NET BOOK VALUE</b>						
Opening balance as at 01/01/2024	392,478,285,461	145,536,198,149	12,920,802,549	394,491,459	3,165,433,801	554,495,211,419
Closing balance as at 31/12/2024	376,122,718,694	129,246,779,174	10,399,649,318	295,160,750	3,038,620,393	519,102,928,329

- The original cost of assets that have been fully depreciated but are still in use on 31 December 2024, is VND 63,207,490,066 (on December 31, 2023, it was VND 53,763,334,452).
- As of 31 December 2024, the Corporation has used the real estate asset, which is its head office located at 7A Mac Thi Buoi, Vinh Tuy Ward, Hai Ba Trung District, Hanoi, as collateral for Credit Facility Agreement No. 01/2023/31009/HDTD, dated 21 December 2023, with the Joint Stock Commercial Bank for Investment and Development of Vietnam. The carrying amount of this asset was VND 22,669,253,258 as of 31 December 2024, compared to VND 24,232,650,038 as of 31 December 2023.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.10 Increase, decrease in finance lease fixed assets**

Unit: VND

	<b>machinery and equipments</b>	<b>Total</b>
<b>COST</b>		
Opening balance as at 01/01/2024	20,391,502,725	20,391,502,725
Increase in the year	-	-
Decrease in the year	-	-
Closing balance as at 31/12/2024	20,391,502,725	20,391,502,725
<b>ACCUMULATED DEPRECIATION</b>		
Opening balance as at 01/01/2024	480,336,357	480,336,357
Increase in the year	815,506,709	815,506,709
Depreciation charges	815,506,709	815,506,709
Decrease in the year	-	-
Closing balance as at 31/12/2024	1,295,843,066	1,295,843,066
<b>NET BOOK VALUE</b>		
Opening balance as at 01/01/2024	19,911,166,368	19,911,166,368
Closing balance as at 31/12/2024	19,095,659,659	19,095,659,659

**5.11 Increase, decrease in intangible fixed assets**

Unit: VND

	<b>Land use right</b>	<b>Computer software</b>	<b>Total</b>
<b>COST</b>			
Opening balance as at 01/01/2024	37,220,221,480	3,861,141,476	41,081,362,956
Increase in the year	-	121,890,000	121,890,000
Purchase	-	121,890,000	121,890,000
Decrease in the year	-	-	-
Closing balance as at 31/12/2024	37,220,221,480	3,983,031,476	41,203,252,956
<b>ACCUMULATED DEPRECIATION</b>			
Opening balance as at 01/01/2024	7,248,665,724	1,620,636,109	8,869,301,833
Amortisation charges	855,385,100	274,162,236	1,129,547,336
Closing balance as at 31/12/2024	8,104,050,824	1,894,798,345	9,998,849,169
<b>NET BOOK VALUE</b>			
Opening balance as at 01/01/2024	29,971,555,756	2,240,505,367	32,212,061,123
Closing balance as at 31/12/2024	29,116,170,656	2,088,233,131	31,204,403,787

The original cost of intangible fixed assets that have been fully depreciated but remain in use as of 31 December 2024 is VND 639,891,526 (as at 31 December 2023, it was VND 639,891,526).



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.12 Increase, decrease in investment properties**

Unit: VND

	01/01/2024	Increase	Decrease	31/12/2024
<b>Investment properties for lease</b>				
<b>COST</b>	<b>33,755,261,371</b>	-	-	<b>33,755,261,371</b>
Housing and Infrastructure	33,755,261,371	-	-	33,755,261,371
<b>ACCUMULATED DEPRECIATION</b>	<b>7,238,594,091</b>	<b>902,643,432</b>	-	<b>8,141,237,523</b>
Housing and Infrastructure	7,238,594,091	902,643,432	-	8,141,237,523
<b>NET BOOK VALUE</b>	<b>26,516,667,280</b>	-	<b>902,643,432</b>	<b>25,614,023,848</b>
Housing and Infrastructure	26,516,667,280	-	902,643,432	25,614,023,848

The investment real estate for lease is located on the 4th floor of the SME Hoàng Gia Building, No. 12 To Hieu, Quang Trung Ward, Ha Dong District, Hanoi City, and the factory at No. 133, Quan Toan Ward, Hong Bang District, Hai Phong City. These properties are used by the Corporation for leasing activities.

The revenue and cost of goods sold related to the investment real estate leased during the year are presented in Notes 6.1 and 6.3, with amounts of VND 3,476,223,668 and VND 902,643,432, respectively.

According to the regulations in Vietnamese Accounting Standard No. 05 - Investment Real Estate, the fair value of the investment real estate as of 31 December 2024, needs to be presented. However, the Corporation does not have sufficient information to determine the fair value of these assets at the date of the consolidated statement of financial position.

**5.13 Long-term assets in progress**

Unit: VND

	31/12/2024		01/01/2024	
	Original Cost	Recoverable value	Original Cost	Recoverable value
<b>Construction in progress</b>				
Project of Moving and constructing factory of Hanoi Mechanical Company Limited	45,580,806,503	45,580,806,503	45,580,806,503	45,580,806,503
Other costs	2,163,922,066	2,163,922,066	685,844,304	685,844,304
<b>Total</b>	<b>47,744,728,569</b>	<b>47,744,728,569</b>	<b>46,266,650,807</b>	<b>46,266,650,807</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.14 Trade payables**

Unit: VND

	31/12/2024		01/01/2024	
	Value	Recoverable value	Value	Recoverable value
<b>Short-term</b>	<b>286,160,486,503</b>	<b>275,633,072,239</b>	<b>328,051,160,766</b>	<b>317,523,746,502</b>
Investment and Global Technology Solutions JSC	24,811,766,579	24,811,766,579	24,811,766,579	24,811,766,579
IMEC Global Joint Stock Company	60,425,287,273	60,425,287,273	64,557,812,842	64,557,812,842
Ngo Hoang Company Limited	5,432,556,040	5,432,556,040	23,849,452,000	23,849,452,000
Ha Noi Steel Trading and Produce Investment Company Limited	44,700,264,698	44,700,264,698	39,335,081,250	39,335,081,250
Investment and Development Green Energy Company Limited	-	-	25,289,858,491	25,289,858,491
Trade payables at General				
(*) Import-Export Trading Enterprise	10,527,414,264		10,527,414,264	
Payables to other entities	140,263,197,649	140,263,197,649	139,679,775,340	139,679,775,340
<b>Total</b>	<b>286,160,486,503</b>	<b>275,633,072,239</b>	<b>328,051,160,766</b>	<b>317,523,746,502</b>

- (\*) This payable is related to Mr. Nguyen Duy Xuyen during the period when he was the Executive Director of the General Export-Import Business Enterprise - a subsidiary of Quang Trung Mechanical Engineering Company Limited. Accordingly, Quang Trung Mechanical Engineering Company Limited will continue to verify this payable to determine whether the debt obligation lies with Mr. Nguyen Duy Xuyen or Quang Trung Mechanical Engineering Company Limited.

**5.15 Trade receivables**

	31/12/2024	01/01/2024
	VND	VND
<b>Short-term</b>	<b>83,072,579,859</b>	<b>76,603,406,221</b>
Tra Khuc 2 Hydropower Joint Stock Company	30,585,423,773	-
Bo Sinh Hydropower Joint Stock Company	4,711,963,800	-
Royal City Real Estate Development & Investment JSC	7,900,000,000	7,900,000,000
SMS group GmbH	-	10,628,377,315
Hanoi Capital Command	8,360,000,000	-
Hamada Heavy Industries Limited Liability Company	-	24,782,632,074
Nam Sum 1A Power Sole Company Limited	-	15,603,370,099
Others	31,515,192,286	17,689,026,733
<b>Total</b>	<b>83,072,579,859</b>	<b>76,603,406,221</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.16 Taxes and other receivables from, payables to the State Budget**

Unit: VND

	01/01/2024	Payable	Paid amounts	31/12/2024
<b>a) Payables</b>				
Value added tax	14,788,855,158	8,134,751,265	9,001,462,117	13,922,144,306
Special sales tax	2,684,381,427	-	-	2,684,381,427
Import / export duties	2,209,306,104	417,040,750	417,040,750	2,209,306,104
Corporate income tax	266,955,800	1,540,713,140	716,282,575	1,091,386,365
Personal income tax	201,740,678	626,324,983	536,751,628	291,314,033
Land taxes and land rental	19,018,538,341	6,853,291,771	3,050,813,936	22,821,016,176
Other Payables	13,402,586,230	2,239,779,383	353,997,264	15,288,368,349
<b>Total</b>	<b>52,572,363,738</b>	<b>19,811,901,292</b>	<b>14,076,348,270</b>	<b>58,307,916,760</b>
<b>b) Receivables</b>				
Value added tax	347,521,202	1,147,709,227	1,130,641,425	330,453,400
Import / export duties	439,925	41,279,568	41,279,568	439,925
Corporate income tax	552,923,851	524,819,003	31,465,921	59,570,769
Personal income tax	97,841,865	440,756,333	345,857,034	2,942,566
Land taxes and land rental	457,530,000	2,023,942,216	1,566,412,216	-
Other Payables	103,268,146	14,606,983	8,056,400	96,717,563
<b>Total</b>	<b>1,559,524,989</b>	<b>4,193,113,330</b>	<b>3,123,712,564</b>	<b>490,124,223</b>

**5.17 Accrued expenses**

	31/12/2024	01/01/2024
	VND	VND
<b>a) Short-term</b>	<b>26,599,841,249</b>	<b>23,704,847,964</b>
Interests	6,187,209,477	5,937,133,670
Advance deduction of operating costs of Tincom City building premises	768,783,306	252,503,267
Office and factory rental costs	17,371,791,462	15,750,140,442
Construction costs of projects	1,435,272,621	1,435,272,621
Other accrued expenses	836,784,383	329,797,964
<b>b) Long-term</b>	<b>2,712,352,142</b>	<b>2,744,934,676</b>
Costs to be paid for factory relocation project	2,712,352,142	2,712,352,142
Other accrued expenses	-	32,582,534
<b>Total</b>	<b>29,312,193,391</b>	<b>26,449,782,640</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

5.18 Other payables	31/12/2024	01/01/2024
	VND	VND
<b>a) Short-term</b>	<b>46,692,975,363</b>	<b>31,101,240,984</b>
Revenue from officers and employees contributing capital to Dong Banh Cement Joint Stock Company	11,585,000,000	11,585,000,000
Trade union fund	886,002,104	696,807,882
Social insurance	2,019,516,953	1,220,912,183
Health insurance	628,138,168	177,968,172
Unemployment insurance	276,355,759	76,987,238
Payables on equitization	4,257,988,040	4,257,988,040
Short-term deposits	1,417,303,958	1,339,835,958
Payable for late payment of tax	-	2,346,441,178
Other payables and obligations	25,622,670,381	9,399,300,333
<b>b) Long-term</b>	<b>3,108,420,667</b>	<b>2,346,994,839</b>
Long-term deposits	3,108,420,667	2,346,994,839
<b>Total</b>	<b>49,801,396,030</b>	<b>33,448,235,823</b>



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

**Form B 09 - DN/HN**

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.19 Borrowings and Finance Lease Liabilities**

Unit: VND

	31/12/2024		In the year		01/01/2024	
	Value	Recoverable value	Increase	Decrease	Value	Recoverable value
<b>a) Short-term borrowings</b>	<b>518,528,465,026</b>	<b>517,081,560,894</b>	<b>828,034,510,736</b>	<b>749,141,577,542</b>	<b>439,635,531,832</b>	<b>438,188,627,700</b>
<b>Bank loan (VND)</b>	<b>498,650,560,470</b>	<b>498,650,560,470</b>	<b>801,715,213,715</b>	<b>720,023,500,635</b>	<b>416,958,847,390</b>	<b>416,958,847,390</b>
Joint Stock Commercial Bank For Investment and Development Of Vietnam - Hanoi Branch	-	-	15,896,565,141	15,896,565,141	-	-
{1} Viet Nam Joint Stock Commercial Bank For Industry And Trade - Thanh Xuan Branch	24,949,999,070	24,949,999,070	48,275,575,150	49,340,556,755	26,014,980,675	26,014,980,675
{2} Military Commercial Joint Stock Bank - Thang Long Branch	74,714,775,557	74,714,775,557	74,722,100,557	74,999,426,413	74,992,101,413	74,992,101,413
Joint stock commercial bank for foreign trade of Vietnam - Thanh Cong Branch	-	-	-	2,853,484,610	2,853,484,610	2,853,484,610
{3} Tien Phong Commercial Joint Stock Bank - Tay Hanoi Branch	302,717,739,031	302,717,739,031	540,724,234,585	515,149,136,127	277,142,640,573	277,142,640,573
{4} Vietnam Prosperity Joint Stock Commercial Bank	62,933,766,974	62,933,766,974	102,242,650,127	44,308,883,153	5,000,000,000	5,000,000,000
{5} An Binh Commercial Joint Stock Bank - Nguyen Chanh Branch	8,041,000,000	8,041,000,000	8,041,000,000	-	-	-
{6} Vietnam Bank For Agriculture and Rural Development - Long Bien Branch	22,460,080,491	22,460,080,491	-	3,500,000,000	25,960,080,491	25,960,080,491
{7} Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch	2,833,199,347	2,833,199,347	11,813,088,155	13,975,448,436	4,995,559,628	4,995,559,628



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Bui Street, Hai Ba Trung District, Hanoi City

Form B 09 - DN/HN

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.19 Borrowings and Finance Lease Liabilities (Continued)**

		31/12/2024		In the year		01/01/2024	
		Value	Recoverable value	Increase	Decrease	Value	Recoverable value
<b>Bank loan (USD)</b>		<b>10,109,860,350</b>	<b>10,109,860,350</b>	<b>1,089,297,021</b>	<b>1,978,076,907</b>	<b>10,998,640,236</b>	<b>10,998,640,236</b>
{3}	Tien Phong Commercial Joint Stock Bank - Tay Hanoi Branch	910,882,678	910,882,678	1,089,297,021	1,978,076,907	1,799,662,564	1,799,662,564
{8}	Ho Chi Minh City Development joint Stock Commercial Bank - Thang Long Branch	9,198,977,672	9,198,977,672	-	-	9,198,977,672	9,198,977,672
<b>Personal loan</b>		<b>1,398,960,111</b>	<b>1,321,140,074</b>	<b>1,230,000,000</b>	<b>6,140,000,000</b>	<b>6,308,960,111</b>	<b>6,231,140,074</b>
	Ms. Tran Thi Thuoc (*)	77,820,037		-	-	77,820,037	
	Other individuals	1,321,140,074	1,321,140,074	1,230,000,000	6,140,000,000	6,231,140,074	6,231,140,074
<b>Other organization (*)</b>		<b>1,369,084,095</b>		-	-	<b>1,369,084,095</b>	
	Company union	119,084,095		-	-	119,084,095	
	Mitsu Vina Steel Production Joint Stock Company	1,250,000,000		-	-	1,250,000,000	
<b>Other loans</b>		<b>3,000,000,000</b>	<b>3,000,000,000</b>	<b>24,000,000,000</b>	<b>21,000,000,000</b>	-	-
	Other loans	3,000,000,000	3,000,000,000	24,000,000,000	21,000,000,000	-	-
<b>Current portion of long-term debt</b>		<b>4,000,000,000</b>	<b>4,000,000,000</b>	-	-	<b>4,000,000,000</b>	<b>4,000,000,000</b>
{9}	Saigon Beer, Alcohol and Beverage Corporation (now Saigon Beer - Alcohol - Beverage Corporation) - SABECO	4,000,000,000	4,000,000,000	-	-	4,000,000,000	4,000,000,000



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
For the financial year ended as at 31 December 2024

**5.19 Borrowings and Finance Lease Liabilities (Continued)**

	31/12/2024		In the year		01/01/2024	
	Value	Recoverable value	Increase	Decrease	Value	Recoverable value
<b>b) Long-term borrowings</b>	<b>12,334,319,043</b>	<b>12,334,319,043</b>	-	<b>14,559,018,080</b>	<b>26,893,337,123</b>	<b>26,893,337,123</b>
<b>Bank loan</b>	<b>477,353,606</b>	<b>477,353,606</b>	-	<b>11,302,614,908</b>	<b>11,779,968,514</b>	<b>11,779,968,514</b>
{10} Military Commercial Joint Stock Bank	477,353,606	477,353,606	-	2,002,614,908	2,479,968,514	2,479,968,514
Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch	-	-	-	9,300,000,000	9,300,000,000	9,300,000,000
<b>Finance Lease Liabilities</b>	<b>11,856,965,437</b>	<b>11,856,965,437</b>	-	<b>3,256,403,172</b>	<b>15,113,368,609</b>	<b>15,113,368,609</b>
{11} Chailease International Leasing Company Limited - Hanoi Branch	566,578,179	566,578,179	-	458,996,520	1,025,574,699	1,025,574,699
{12} Vietcombank Financial Leasing Co., Ltd	11,290,387,258	11,290,387,258	-	2,797,406,652	14,087,793,910	14,087,793,910
<b>Total</b>	<b>530,862,784,069</b>	<b>529,415,879,937</b>	<b>828,034,510,736</b>	<b>763,700,595,622</b>	<b>466,528,868,955</b>	<b>465,081,964,823</b>

**Information about loans:**

{1} The loan under the Credit Agreement No. 01/2023 - HĐCVHM/NHCT127-CKHN dated 28 December 2023

Credit limit: Not exceeding VND 40,000,000,000;

Interest rate: Specifically specified in each debt acknowledgement document;

Limit maintenance period: From 28 December 2023 to 28 December 2024;

Loan purpose: Supplement working capital for production and business activities;

Collateral:

- Mortgage contract for valuable papers, number 02/2021/HDBD/NHCT127-CKHN, dated 12 November 2021;

- Mortgage contract for valuable papers, number 02/2021/HDBD/NHCT127-CKHN, dated 23 September 2021;

- Movable Property Mortgage Agreement No. 01/2020/HDBD/NHCT127-MMTB dated 25 March 2020.



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Bui Street, Hai Ba Trung District, Hanoi City

**Form B 09 - DN/HN**

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.19 Borrowings and Finance Lease Liabilities (Continued)**

**Information about loans (Continued)**

{2} The loan under Credit Facility Agreement No. 193185.24.054.34801.TD, dated 05 March 2024

Credit limit: VND 95,000,000,000;

Interest rate: As specified in the debt acknowledgment documents between MB and the borrower, and subject to change at each disbursement;

Facility term: From the signing date of the agreement until 28 February 2025;

Loan purpose: To finance production and trading activities related to industrial machinery, mechanical service products, and metal structures;

Collateral:

- Asset rights: Land use rights arising from Lease Agreement No. 01/HDKCN-KS, dated 15 November 2007, and its appendix No. 06/PLHĐ-KS.CKHN, dated 11 November 2019, between Hanoi Mechanical Company Limited and Khai Son Joint Stock Company; Land Use Right Certificate No. CR439773 issued by the Department of Natural Resources and Environment of Bac Ninh Province on 05 December 2019;

- Real estate: Fixed assets attached to land located at Thanh Khuong Commune, Thuan Thanh District, Bac Ninh Province, under Land Use Right Certificate No. CR439773 issued by the Department of Natural Resources and Environment of Bac Ninh Province on 05 December 2019, including land use rights, ownership of residential buildings, and other assets attached to the land.





**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

**Form B 09 - DN/HN**

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.19 Borrowings and Finance Lease Liabilities (Continued)**

**Information about loans (Continued)**

{3} The loan under Credit Facility Agreement No. 575/2024/HD TD/HDG, dated 01 October 2024

Credit limit: VND 330,000,000,000;

L/C limit: VND 190,000,000,000; Guarantee limit: VND 330,000,000,000;

Interest rate: As specified in each debt acknowledgment document;

Loan purpose: To supplement working capital; to issue payment guarantees, international/domestic letters of credit (L/C) in service of manufacturing activities in mechanical engineering and steel trading, as well as trading of components and medical equipment, materials, and machinery.

Collateral:

- Pledge: Deposits pledged at the credit agreement or under other agreements between TPBank and the Borrower (if any);

- Mortgages and pledges as stipulated in the following agreements: Mortgage Agreement No. 348/2021/HDBD/HDG/01, dated 05 July 2021; Mortgage Agreement No. 757/2020/HDBD/HDG/01, dated 02 February 2021; Mortgage Agreement No. 511/2021/HDBD/HDG/01, dated 01 November 2021; Pledge Agreement No. 185/2024/HDBD/HDG, dated 15 May 2024; Pledge Agreement No. 757/2020/HDBD/HDG/02, dated 02 February 2021; Pledge Agreement No. 167/2024/HDBD/HDG, dated 06 May 2024

- Collateral agreements executed prior to, on, or subsequent to the effective date of this Agreement, including any modifications, amendments, supplements, or replacements thereto.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.19 Borrowings and Finance Lease Liabilities (Continued)**

**Information about loans (Continued)**

{4} Include:

+ Credit Facility Agreement No. CLC-22721-01, dated 04 July 2024

Credit limit: VND 70,000,000,000;

Interest rate: As agreed in the debt acknowledgment agreement(s) or relevant documents signed between the parties;

Facility term: 12 months;

Loan purpose: To supplement working capital; issue guarantees and various types of domestic UPAS L/Cs to serve production, processing, and trading activities in mechanical components, machinery, and mechanical products;

Collateral:

- Pledged: For each guarantee or L/C issuance request, the customer is required to pledge an amount of cash as per VPBank's request or based on mutual agreement between the parties;

- Mortgage: Real estate located at No. 76 Nguyen Trai Street, Thuong Dinh Ward, Thanh Xuan District, Hanoi, under Land Use Right Certificate No. AD 493835 issued by the Hanoi People's Committee on 12 December 2006, according to Mortgage Contract No. 1118/2024 and any amendments, supplements, or replacements thereof (if any).

+ Credit Facility Agreement No. CLC-22721-02, dated 04 July 2024

Overdraft limit: VND 5,000,000,000;

Interest rate: 12.5%/ year;

Facility term: From 12 July 2024 to 4 July 2025;

Loan purpose: To supplement working capital for production, processing, and trading of mechanical components, machinery, and mechanical products.



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

**Form B 09 - DN/HN**

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.19 Borrowings and Finance Lease Liabilities (Continued)**

**Information about loans (Continued)**

{5} Credit Facility Agreement No. 1385/24/TD/SME/126, dated 13 November 2024

Credit limit: VND 270,000,000,000;

Guarantee limit: VND 25,000,000,000;

L/C issuance limit: VND 100,000,000,000;

Interest rate: As agreed in the debt acknowledgment agreement(s) or other related documents signed between the parties;

Facility term: 12 months;

Loan purpose: To supplement working capital, issue guarantees, and issue UPAS L/Cs with a tenor not exceeding 6 months to serve business operations;

Collateral: Collateral agreements were established prior to or concurrently with the signing date of this Agreement, or as otherwise stipulated or referenced for obligation purposes.

{6} Credit agreement number 1220-LAV-201800795 dated 22/11/2018, specifically:

Loan limit: VND 45,900,000,000;

Interest: According to each indebtedness certificate;

Purpose: Supplement working capital for business operations.

{7} Credit Facility Agreement No. 32/2024/HDTD/HGM, dated 18/3/2024

Credit limit: VND 10,000,000,000;

Term: 12 months;

Interest rate: Floating, subject to change from time to time;

Loan purpose: To supplement working capital for business operations, excluding steel trading activities.

{8} Credit agreement number 77/10/TL/HN dated 02/8/2010, specifically:

Outstanding loan principal as of 31/12/2022: USD 428,507;

The Company has not received any notice of interest on this loan from 2014 to present.



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

**Form B 09 - DN/HN**

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.19 Borrowings and Finance Lease Liabilities (Continued)**

**Information about loans (Continued)**

- {9} The loan from Saigon Beer – Alcohol – Beverage Corporation (now Saigon Beer-Alcohol-Beverage Joint Stock Corporation) - SABECO, interest rate is 6.6%/year, loan term is 5 years.
- {10} The loan under Contract number 39622.190.54.34801.TD dated 10/10/2019  
Loan limit: VND 20,000,000,000;  
Interest rate: Interest rate per disbursement.
- {11} Includes the following contract:
- Financial leasing contract number B211005213 dated 26/10/2021, according to which:  
Asset value (including VAT): VND 447,150,000; Lease value: VND 335,362,500; Lease term: 48 months.
  - Financial leasing contract number B211006812 dated 16/12/2021, according to which:  
Asset value (including VAT): VND 710,600,000; Lease value: VND 646,646,000; Lease term: 48 months.
  - Financial leasing contract number B220136712 dated 21/3/2022, according to which:  
Asset value (including VAT): VND 580,800,000; Lease value: VND 418.176.000; Lease term: 48 months.
  - Financial leasing contract number B220331915 dated 24/5/2022, according to which:  
Asset value (including VAT): VND 605,280,000; Lease value: VND 435.801.600; Lease term: 48 months.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.19 Borrowings and Finance Lease Liabilities (Continued)**

**Information about loans (Continued)**

{12} Includes the following contract:

- Financial leasing contract number 109.22.07CTTC dated 19/9/2022, according to which:  
Asset value (including VAT): VND 497,047,104; Rental amount (including VAT): VND 347,932,973 ; Lease term: 36 months.
- Financial leasing contract number 109.22.06/CTTC dated 23/12/2022 and amended, supplemented contract dated 28/2/2023, according to which:  
Asset value (including VAT): VND 3,554,100,000; Rental amount (including VAT): VND 2,487,870,000; Lease term: 48 months.
- Financial leasing contract number 196.23.01/CTTC dated 20/4/2023, according to which:  
Asset value (including VAT): VND 225,060,000; Rental amount (including VAT): VND 157,542,000; Lease term: 36 months.
- Financial leasing contract number 196.23.02/CTTC dated 20/4/2023 and amended, supplemented contract dated 05/5/2023, according to which:  
Asset value (including VAT): VND 318,615,000; Rental amount (including VAT): VND 223,030,500; Lease term: 36 months.
- Financial leasing contract number 196.23.05/CTTC dated 24/5/2023, according to which:  
Asset value (including VAT): VND 15,460,831,870; Rental amount (including VAT): VND 11,595,623,902; Lease term: 72 months.

**Detailed of loans and financial leases by unit:**

Parent company includes notes {9}

Hanoi Mechanical Company Limited includes notes {2}; {3}; {4}; {5}; {10}; {11} and {12}

Mechanical Products Export- Import Company Limited includes note {6}

The Vietnam National Complete Equipment and Technics Import Export Corporation Limited includes note {8}

Tools Joint Stock Company No1 includes notes {7}



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

**Form B 09 - DN/HN**

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.19 Borrowings and Finance Lease Liabilities (Continued)**

- (\*) The short-term loans (which are loans from Quang Trung Mechanical Engineering Company Limited) cannot be assessed for repayment ability due to their connection with a criminal case involving the same individual, Mr. Nguyen Duy Xuyen - former Deputy General Director and Director of the General Export-Import Business Enterprise - a subsidiary of Quang Trung Mechanical Engineering Company Limited. Accordingly, Quang Trung Mechanical Engineering Company Limited will continue to verify these loans to determine whether the debt obligation lies with Mr. Nguyen Duy Xuyen or Quang Trung Mechanical Engineering Company Limited. The specific loans are as follows:

*Unit: VND*

	31/12/2024		In the year		01/01/2024	
	Value	Recoverable value	Increase	Decrease	Value	Recoverable value
<b>Short-term borrowings</b>	<b>1,446,904,132</b>		-	-	<b>1,446,904,132</b>	
<b>Personal loan</b>	<b>77,820,037</b>		-	-	<b>77,820,037</b>	
Ms. Tran Thi Thuoc	77,820,037		-	-	77,820,037	
<b>Other organizations</b>	<b>1,369,084,095</b>		-	-	<b>1,369,084,095</b>	
Company union	119,084,095		-	-	119,084,095	
Mitsu Vina Steel Production Joint Stock Company	1,250,000,000		-	-	1,250,000,000	
<b>Total</b>	<b>1,446,904,132</b>		-	-	<b>1,446,904,132</b>	



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

No. 7A Mac Thi Buoi Street, Hai Ba Trung District, Hanoi City

**Form B 09 - DN/HN**

Issued under Circular No. 202/2014/TT-BTC

December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.20 Owner's Equity***a) Increase and decrease in owner's equity**Unit: VND*

	Owner's Equity	Revaluation Surplus	Investment and development fund	Retained earnings	Non-controlling interests	Total
As at 01/01/2023	1,418,634,488,001	(1,202,379,963)	32,227,046,285	(35,188,159,410)	35,493,195,225	1,449,964,190,138
Profit in the previous year	-	-	-	7,130,202,255	(578,289,848)	6,551,912,407
Distribution of previous year's profit	-	-	-	(5,587,585,653)	-	(5,587,585,653)
Other decrease	-	-	-	(1,214,641,743)	-	(1,214,641,743)
As at 31/12/2023	1,418,634,488,001	(1,202,379,963)	32,227,046,285	(34,860,184,551)	34,914,905,377	1,449,713,875,149
As at 01/01/2024	1,418,634,488,001	(1,202,379,963)	32,227,046,285	(34,860,184,551)	34,914,905,377	1,449,713,875,149
Profit in the this year	-	-	-	7,956,445,279	(395,490,560)	7,560,954,719
Appropriation to the Bonus, Welfare, and Management Bonus Funds {i}	-	-	-	(7,229,728,007)	(3,198,547)	(7,232,926,554)
Other decrease	-	-	-	(3,994,590,545)	-	(3,994,590,545)
As at 31/12/2024	1,418,634,488,001	(1,202,379,963)	32,227,046,285	(38,128,057,824)	34,516,216,270	1,446,047,312,769

{i} The Corporation has appropriated a Bonus & Welfare Fund and an Executive Management Bonus Fund from the 2023 undistributed after-tax earnings in accordance with the Profit Distribution Plan of the Parent Company, as set forth in Official Letter No. 297/CV-MIE-DDV dated 15 April 2024, for an amount of VND 814,338,152.

In addition to the above fund allocation at the parent company, the allocation at the subsidiaries is as follows:

- Duyen Hai Mechanical Joint Stock Company appropriated a Bonus & Welfare Fund from the 2023 undistributed after-tax earnings in accordance with Resolution No. 37/NQ-MIE-HDQT dated 21 June 2024, of Machines and Industrial Equipment Corporation - JSC.
- Quang Trung Mechanical Engineering Company Limited appropriated a Bonus & Welfare Fund from the 2023 undistributed after-tax earnings in accordance with Resolution No. 36/NQ-MIE-HDQT dated 21 June 2024, of Machines and Industrial Equipment Corporation - Joint Stock Company.
- Hanoi Mechanical Limited appropriated a Bonus & Welfare Fund from the 2023 undistributed after-tax earnings in accordance with Decision No. 316/QD-CKHN-TCKT dated 24 July 2024, of the Company's General Director.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**5.20 Owner's Equity (Continued)***b) Contributed capital*

Object	31/12/2024 VND	01/01/2024 VND
1. State capital and other shareholders (*)	1,418,634,488,001	1,418,634,488,001
<b>Total</b>	<b>1,418,634,488,001</b>	<b>1,418,634,488,001</b>

(\*) The charter capital on the Business Registration Certificate of the Corporation as a joint-stock company is VND 1,419,915,000,000, which is higher than the owner's equity on the consolidated statement of financial position (VND 1,280,511,999) due to the financial processing when the Corporation officially transitioned to operate as a joint-stock company in accordance with regulations. The parent company and the four single-member limited liability companies wholly owned by the Corporation are still awaiting approval from the competent authorities for the equitization settlement file. After receiving the official approval for the equitization settlement file, the Corporation will make the necessary adjustments to its capital as required.

*c) Capital transactions with owners*

Owner's invested equity	Year 2024 VND	Year 2023 VND
<b>Opening capital</b>	<b>1,418,634,488,001</b>	<b>1,418,634,488,001</b>
Increase in capital during the fiscal year	-	-
Decrease in capital during the fiscal year	-	-
<b>Closing capital</b>	<b>1,418,634,488,001</b>	<b>1,418,634,488,001</b>

*d) Shares*

	31/12/2024 Share	01/01/2024 Share
Number of shares registered for issuance	141,991,500	141,991,500
Number of shares sold to public market	141,991,500	141,991,500
Number of shares outstanding	141,991,500	141,991,500
Number of shares outstanding average	141,991,500	141,991,500
Par value of shares outstanding (VND/Share)	10,000	10,000



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**6. INFORMATION SUPPLEMENT TO CONSOLIDATED INCOME STATEMENTS****6.1 Revenue from goods sold and services rendered**

	Year 2024 VND	Year 2023 VND
<b>Revenue</b>	<b>1,617,723,507,265</b>	<b>1,351,801,274,690</b>
Sale of goods and services	192,514,289,770	232,891,685,539
Sale of merchandise	1,212,213,253,347	914,779,967,060
Sales of industrial production projects	211,827,649,747	202,771,934,857
Others	1,168,314,401	1,357,687,234
<b>Total</b>	<b>1,617,723,507,265</b>	<b>1,351,801,274,690</b>

**6.2 Deductible items**

	Year 2024 VND	Year 2023 VND
Sales rebates	3,533,632,815	-
Sales return	132,597,600	118,900,000
<b>Total</b>	<b>3,666,230,415</b>	<b>118,900,000</b>

**6.3 Cost of goods and services rendered**

	Year 2024 VND	Year 2023 VND
Costs of goods sold	177,616,600,331	233,817,743,729
Costs of finished goods sold	1,103,971,773,275	819,537,654,172
Cost of industrial production projects	164,746,247,630	126,217,592,356
<b>Total</b>	<b>1,446,334,621,236</b>	<b>1,179,572,990,257</b>

**6.4 Financial income**

	Year 2024 VND	Year 2023 VND
Interest income	8,094,197,966	10,081,354,687
Dividends, profits earned	5,527,093,880	273,088,106
Realized foreign exchange gains	1,063,727,766	1,101,557,306
Exchange rate difference gain from revaluation of foreign currency items	2,681,211,904	610,015,846
Other financial income	1,830,468	17,578,906
<b>Total</b>	<b>17,368,061,984</b>	<b>12,083,594,851</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**6.5 Financial expenses**

	Year 2024 VND	Year 2023 VND
Loan interests	42,475,023,111	44,312,805,768
Realized foreign exchange losses	587,352,517	665,245,036
Unrealized foreign exchange losses	79,375,886	-
Other financial expenses	411,005	32,640,768
<b>Total</b>	<b>43,142,162,519</b>	<b>45,010,691,572</b>

**6.6 Selling expenses**

	Year 2024 VND	Year 2023 VND
Labor	5,344,731,440	4,420,782,298
Raw materials and consumables	887,841,117	396,234,626
Office supplies	2,289,316	5,859,522
Depreciation and amortisation	64,288,332	64,288,332
Warranty provision	-	1,478,673,582
Out-sourced services	6,446,200,536	4,554,359,322
Others	1,200,513,187	395,684,288
<b>Total</b>	<b>13,945,863,928</b>	<b>11,315,881,970</b>

**6.7 Administration expenses**

	Year 2024 VND	Year 2023 VND
Labor	61,945,903,226	54,166,272,769
Raw materials and consumables	708,893,707	620,078,274
Office supplies	565,294,988	835,526,576
Depreciation and amortisation	7,569,218,778	8,554,034,739
Taxes, Fees and Charges	2,934,658,068	6,065,029,253
Provisioning	4,795,095,875	6,149,402,320
Out-sourced services	13,434,349,270	14,136,182,253
Others	28,152,364,945	28,738,795,028
<b>Total</b>	<b>120,105,778,857</b>	<b>119,265,321,212</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**6.8 Other income**

	Year 2024 VND	Year 2023 VND
Handling overdue debt	-	1,015,416,294
Fixed asset liquidation	45,454,545	617,859,027
Electricity, water, other services	973,173,822	771,095,459
Compensation, fines	5,241,897,902	2,607,686,642
Other income	1,186,125,969	916,674,932
<b>Total</b>	<b>7,446,652,238</b>	<b>5,928,732,354</b>

**6.9 Other expenses**

	Year 2024 VND	Year 2023 VND
Late payment of taxes and social insurance	3,127,566,271	226,835,157
VAT not deductible, tax refund	551,395,308	3,459,956,885
Liquidation of fixed assets	16,351,082	159,746,723
Electricity, water, other services	973,173,822	771,095,459
Fines, compensation	-	719,247,939
Other expenses	1,652,951,297	961,095,653
<b>Total</b>	<b>6,321,437,780</b>	<b>6,297,977,816</b>

**6.10 Current corporate income tax expense**

	Year 2024 VND	Year 2023 VND
Corporate Income Tax Expenses based on taxable profit in the current year	1,461,172,033	1,679,926,661
<b>Total current corporate income tax expense</b>	<b>1,461,172,033</b>	<b>1,679,926,661</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**6.11 Basic earnings per share**

	Year 2024 VND	Year 2023 VND
Accounting profit after corporate income tax of the parent company	7,956,445,279	7,130,202,255
(*) Appropriation to bonus and welfare fund, executive management bonus	-	(814,338,152)
Profit for calculating basic earnings per share	7,956,445,279	6,315,864,103
Average ordinary shares in circulation for the year (Shares)	141,991,500	141,991,500
Basic earnings per share (VND/Share)	56.0	44.5

- (\*) As of the reporting date, the Corporation is unable to reliably estimate the amount of profit for the year ending 31 December 2024, that may be allocated to the Bonus & Welfare Fund and the Executive Management Bonus. Should the Corporation proceed with such allocations for the year ending 31 December 2024, the net profit attributable to shareholders and basic earnings per share would decrease.

The Corporation has re-determined the appropriation to the Bonus & Welfare Fund and the Executive Management Bonus for the year ending 31 December 2023, based on the Profit Distribution Plan attached to Official Letter No. 297/CV-MIE-DDV dated 15 April 2024. Accordingly, the basic earnings per share for the year ending 31 December 2023, are restated as follows:

Unit: VND

	Previously Reported (1)	Restated (2)	Difference (3)=(2)-(1)
Profit after corporate income tax (Parent Co.)	7,130,202,255	7,130,202,255	-
Appropriation to the Bonus & Welfare Fund and Executive Management Bonus	(800,000,000)	(814,338,152)	(14,338,152)
Net profit for basic EPS	6,330,202,255	6,315,864,103	(14,338,152)
Weighted average number of ordinary shares	141,991,500	141,991,500	-
Basic earnings per share (VND/Share)	44.6	44.5	(0.1)



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**7. OTHER INFORMATION****7.1 Transactions with Related parties****a) Information**

<b>Subjects</b>	<b>Relationship</b>
<b>Organization</b>	
Ministry of Industry and Trade	Large shareholder with significant influence
Hanoi Mechanical Company Limited	Subsidiary
Quang Trung Mechanical Engineering Company Limited	Subsidiary
Mechanical Products Export-Import Company Limited	Subsidiary
The Vietnam National Complete Equipment And Technics Import Export Corporation Limited	Subsidiary
Duyen Hai Mechanical Joint Stock Company	Subsidiary
Tools Joint Stock Company No.1	Subsidiary
Sai Gon-Ha Noi Investment and Trading Joint Stock Company	Affiliated Company
Branch of Machines and Industrial Equipment Corporation-JSC	Dependent Units
Ha Noi Construction Industrial Joint Stock Company	Dependent Units
Investment Consulting and Industrial Technical Services Company	Dependent Units
<b>Person</b>	
Board of Directors, Board of Supervisors, Executive Board, other managers And close family members of individuals who are related parties of the Corporation <i>Include:</i>	Significant influence
<b>Board of Directors</b>	
Mr. Tran Quoc Toan	Chairman
Mr. Pham Thanh Dong	Member (Resigned on 06 September 2024)
Mr. Hoang Minh Viet	Member
Mr. Cu Ngoc Phuong	Member
Ms. Tran Thi Thu Trang	Member (Resigned on 15 March 2024)
Mr. Le Huy Hai	Member (Appointed on 15 March 2024)
Mr. Vu Trung Thuc	Member (Appointed on 06 September 2024)
<b>Board of Supervisors</b>	
Mr. Dinh Quang Hoa	Head of Board of Supervisors
Ms. Nguyen Thi Khanh Ly	Member
Ms. Le Thi Minh Huyen	Member

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**7.1 Transactions with Related parties (Continued)****a) Information (Continued)****Executive Board**

Mr. Pham Thanh Dong	General Director (Resigned on 27 June 2024)
Mr. Le Huy Hai	General Director (Appointed on 16 July 2024)
Mr. Vu Trung Thu	Deputy General Director
Mr. Dau Huy Ngoc Linh	Deputy General Director

**Other managers**

Mr. Nguyen Ngoc Hung	Representative of State capital
Mr. Dinh Hong Mai	President of the Corporation's Trade Union

**b) Transactions with related parties**

	Year 2024 VND	Year 2023 VND
<b>Key personnel income</b>		
<b>Board of Directors, Executive Board</b>	<b>1,660,714,152</b>	<b>1,573,027,984</b>
Mr. Tran Quoc Toan	443,232,000	426,045,628
Mr. Pham Thanh Dong	320,760,000	412,760,014
Mr. Hoang Minh Viet	268,709,400	296,058,702
Mr. Cu Ngoc Phuong	70,000,000	61,000,000
Ms. Tran Thi Thu Trang	15,380,952	195,495,333
Mr. Le Huy Hai	260,398,800	76,000,000
Mr. Vu Trung Thuc	226,233,000	84,534,646
Mr. Dau Huy Ngoc Linh	56,000,000	21,133,661
<b>Board of Supervisors</b>	<b>390,424,000</b>	<b>344,058,702</b>
Mr. Dinh Quang Hoa	332,424,000	296,058,702
Ms. Nguyen Thi Khanh Ly	29,000,000	24,000,000
Ms. Le Thi Minh Huyen	29,000,000	24,000,000
<b>Other managers</b>	<b>233,092,000</b>	<b>158,376,702</b>
Mr. Nguyen Ngoc Hung	82,000,000	9,000,000
Mr. Dinh Hong Mai	151,092,000	149,376,702



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the financial year ended as at 31 December 2024

**7.2 Comparison information**

Comparative information refers to the data derived from the consolidated financial statements for the financial year ended 31 December 2023, which were audited by CPA VIETNAM Auditing Company Limited - An independent member firm of INPACT. Certain comparative items, including Selling Expenses and General and Administrative Expenses in the consolidated statement of profit or loss for the financial year ended 31 December 2024, have been reclassified.

During the financial year ended 31 December 2024, Mechanical Products Export-Import Company Limited - a subsidiary of the Corporation - restated certain comparative information, including Selling Expenses and General and Administrative Expenses in its 2024 profit or loss statement. Accordingly, the Corporation has restated the comparative information for these items in the consolidated statement of profit or loss for the financial year ended 31 December 2024.

Unit: VND

ITEMS	Code	Note	Before		Difference 2023
			Restated 2023	Adjustment 2023	
			(1)	(2)	(3)=(1)-(2)
1. Selling expenses	25	{i}	11,315,881,970	8,955,839,248	2,360,042,722
2. Administrative expenses	26	{i}	119,265,321,212	121,625,363,934	(2,360,042,722)

{i} The Corporation reclassified these items as a result of reclassifications made by Mechanical Products Export - Import Company Limited - a subsidiary of the Corporation.

Preparator



Nguyen Trung Kien

Responsible for accounting



Pham Minh Duc

Hanoi, 25 March 2025

General Director



Le Huy Hai