

MINISTRY OF INDUSTRY AND TRADE  
**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**  
Address: No. 7A Mac Thi Bui, Vinh Tuy Ward, Hai Ba Trung District, Hanoi  
Tax code: 0100101379  
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# **CONSOLIDATED FINANCIAL STATEMENTS**

## **Fourth Quarter of 2024**

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**Ha Noi, January 2025**



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

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## CONSOLIDATED BALANCE SHEET

As at 31 December 2024

ASSETS		Code	Note	31/12/2024 VND	01/01/2024 VND
<b>A.</b>	<b>SHORT-TERM ASSETS</b> (100=110+120+130+140+150)	<b>100</b>		<b>1,788,793,880,823</b>	<b>1,667,891,478,445</b>
<b>I.</b>	<b>Cash and cash equivalents</b>	<b>110</b>	<b>6</b>	<b>66,893,356,590</b>	<b>55,925,027,852</b>
1.	Cash	111		42,393,356,590	32,726,027,852
2.	Cash equivalents	112		24,500,000,000	23,199,000,000
<b>II.</b>	<b>Short-term investments</b>	<b>120</b>	<b>5</b>	<b>142,606,758,810</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		141,139,068,310	120,688,191,598
<b>III.</b>	<b>Short-term receivables</b>	<b>130</b>		<b>797,908,054,423</b>	<b>770,271,105,601</b>
1.	Short-term trade receivables	131	7	791,533,211,875	718,567,122,917
2.	Short-term advances to suppliers	132		19,877,289,177	45,712,041,071
3.	Short-term intra-company receivables	133		637,500,000	637,500,000
4.	Other short-term receivables	136	8	54,706,173,560	68,955,985,696
5.	Short-term allowances for doubtful debts	137		(68,846,120,189)	(63,601,544,083)
<b>IV.</b>	<b>Inventories</b>	<b>140</b>	<b>9</b>	<b>731,071,882,723</b>	<b>674,624,617,630</b>
1.	Inventories	141		731,071,882,723	674,624,617,630
<b>V.</b>	<b>Other current assets</b>	<b>150</b>		<b>50,313,828,277</b>	<b>44,914,845,264</b>
1.	Short-term prepaid expenses	151	10	3,713,060,436	2,355,519,946
2.	Deductible VAT	152		46,094,345,776	40,999,800,329
3.	Taxes and other receivables from government budget	153	16	506,422,065	1,559,524,989
<b>B.</b>	<b>LONG-TERM ASSETS</b> (200=210+220+230+240+250+260)	<b>200</b>		<b>777,162,455,180</b>	<b>829,625,273,935</b>
<b>I.</b>	<b>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	8	1,582,573,895	1,834,832,331
<b>II.</b>	<b>Fixed assets</b>	<b>220</b>		<b>569,282,163,000</b>	<b>606,618,438,910</b>
<b>1.</b>	<b>Tangible fixed assets</b>	<b>221</b>	<b>11</b>	<b>518,982,099,554</b>	<b>554,495,211,419</b>
	- Cost	222		1,018,953,198,637	1,017,974,180,686
	- Accumulated depreciation	223		(499,971,099,083)	(463,478,969,267)
<b>2.</b>	<b>Finance lease fixed assets</b>	<b>224</b>		<b>19,095,659,659</b>	<b>19,911,166,368</b>
	- Cost	225		20,391,502,725	20,391,502,725
	- Accumulated depreciation	226		(1,295,843,066)	(480,336,357)
<b>3.</b>	<b>Intangible fixed assets</b>	<b>227</b>	<b>12</b>	<b>31,204,403,787</b>	<b>32,212,061,123</b>
	- Cost	228		41,203,252,956	41,081,362,956
	- Accumulated depreciation	229		(9,998,849,169)	(8,869,301,833)

**CONSOLIDATED BALANCE SHEET**  
As at 31 December 2024 (continued)

ASSETS	Code	Note	31/12/2024 VND	01/01/2024 VND
<b>III. Investment properties</b>	<b>230</b>	<b>13</b>	<b>25,856,448,088</b>	<b>26,516,667,280</b>
- Cost	231		33,755,261,371	33,755,261,371
- Accumulated depreciation	232		(7,898,813,283)	(7,238,594,091)
<b>IV. Long-term assets in progress</b>	<b>240</b>	<b>14</b>	<b>48,755,209,537</b>	<b>46,266,650,807</b>
1. Construction in progress	242		48,755,209,537	46,266,650,807
<b>V. Long-term investments</b>	<b>250</b>	<b>5</b>	<b>29,985,014,559</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
<b>VI. Other long-term assets</b>	<b>260</b>		<b>101,701,046,101</b>	<b>118,403,670,048</b>
1. Long-term prepaid expenses	261	10	101,701,046,101	118,403,670,048
<b>TOTAL ASSETS (270 = 100+200)</b>	<b>270</b>		<b>2,565,956,336,003</b>	<b>2,497,516,752,380</b>

**CONSOLIDATED BALANCE SHEET**  
As at 31 December 2024 (continued)

ASSETS		Code	Note	31/12/2024 VND	01/01/2024 VND
<b>A.</b>	<b>LIABILITIES (300=310+330)</b>	<b>300</b>		<b>1,121,035,851,231</b>	<b>1,047,802,877,231</b>
<b>I.</b>	<b>Short-term liabilities</b>	<b>310</b>		<b>1,102,442,242,704</b>	<b>1,015,604,398,835</b>
1.	Short-term trade payables	311	15	329,964,364,795	328,051,160,766
2.	Short-term prepayments from customers	312		49,059,208,321	76,603,406,221
3.	Taxes and other payables to government	313	16	59,087,844,678	52,572,363,738
4.	Payables to employees	314		47,964,250,382	47,308,787,513
5.	Short-term accrued expenses	315	17	26,530,048,889	23,704,847,964
6.	Short-term intra-company 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 payments	319	18	46,791,101,271	31,101,240,984
9.	Short-term borrowings and finance lease	320	19	518,528,465,026	439,635,531,832
10.	Short-term provisions	321		3,216,806,357	1,265,461,824
11.	Bonus and welfare fund	322		18,388,273,245	13,760,940,763
<b>II.</b>	<b>Long-term liabilities</b>	<b>330</b>		<b>18,593,608,527</b>	<b>32,198,478,396</b>
1.	Long-term accrued expenses	333	17	2,712,352,142	2,744,934,676
2.	Other long-term payables	337	18	3,108,420,667	2,346,994,839
3.	Long-term borrowings and finance lease liabilities	338	19	12,334,319,043	26,893,337,123
4.	Long-term provisions	342		438,516,675	213,211,758
<b>B.</b>	<b>OWNER'S EQUITY (400=410+430)</b>	<b>400</b>		<b>1,444,920,484,772</b>	<b>1,449,713,875,149</b>
<b>I.</b>	<b>Owner's equity</b>	<b>410</b>	<b>20</b>	<b>1,444,854,387,199</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		(39,317,387,690)	(34,860,184,551)
	Undistributed profit after tax brought forward	421a		(46,084,634,919)	(41,990,386,806)
	Undistributed profit after tax for the current year	421b		6,767,247,229	7,130,202,255
5.	Capital expenditure funds	429		34,512,620,566	34,914,905,377

**CONSOLIDATED BALANCE SHEET**  
 As at 31 December 2024 (continued)

ASSETS	Code Note	31/12/2024 VND	01/01/2024 VND
<b>II. Funding sources and other funds</b>	<b>430</b>	<b>66,097,573</b>	<b>-</b>
1. Funding sources	431	66,097,573	-
<b>TOTAL RESOURCES (440 = 300+400)</b>	<b>440</b>	<b>2,565,956,336,003</b>	<b>2,497,516,752,380</b>

Hanoi, 23<sup>rd</sup> January 2025

**Preparator**



**Pham Minh Duc**

**Responsible for accounting**



**Dao Van Thang**

**General Director**



**Le Huy Hai**

**CONSOLIDATED INCOME STATEMENT**  
**For the period from 01/10/2024 to 31/12/2024**

ITEMS	Code	Note	Fourth Quarter of		From 01/01/2024 to		Unit: VND
			2024	Fourth Quarter of 2023	31/12/2024	31/12/2023	
1. Revenue from sale of goods and rendering of services	01		499,007,053,107	510,239,807,477	1,614,954,345,606	1,351,801,274,690	
2. Deductible items	02		3,549,877,815	828,075,676	3,669,278,915	118,900,000	
3. Net revenue from sales of goods and rendering of services (10 = 01 - 02)	10	21	495,457,175,292	509,411,731,801	1,611,285,066,691	1,351,682,374,690	
4. Cost of goods sold	11	22	445,684,540,345	458,142,424,022	1,437,578,978,065	1,179,572,990,257	
5. Gross profit from sale of goods and rendering of services (20 = 10 - 11)	20		49,772,634,947	51,269,307,779	173,706,088,626	172,109,384,433	
6. Revenue from financial activities	21	23	3,554,697,901	2,739,497,604	12,686,711,089	12,083,594,851	
7. Financial expenses	22	24	11,241,918,908	12,858,277,725	43,572,469,942	45,010,691,572	
In which: Interest payable	23		10,957,108,902	11,962,250,001	42,841,285,948	44,312,805,768	
9. Selling expenses	25		3,199,719,840	3,502,651,556	10,883,998,176	8,955,839,248	
10. Administrative expenses	26		34,472,786,698	37,130,260,973	124,353,295,201	121,625,363,934	
11. Net profit from operating activities {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		4,412,907,402	517,615,129	7,583,036,396	8,601,084,530	
12. Other income	31		787,621,250	2,571,799,312	7,564,046,027	5,928,732,354	
13. Other expense	32		2,647,862,478	664,457,177	6,433,073,491	6,297,977,816	
14. Other profit (40 = 31 - 32)	40	25	(1,860,241,228)	1,907,342,135	1,130,972,536	(369,245,462)	

**CONSOLIDATED INCOME STATEMENT**  
 For the period from 01/10/2024 to 31/12/2024 (continued)

Unit: VND

ITEMS	Code	Note	Fourth Quarter of 2024	Fourth Quarter of 2023	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
15. Total profit before tax (50 = 30 + 40)	50		2,552,666,174	2,424,957,264	8,714,008,932	8,231,839,068
16. Current business income tax expenses	51	26	785,578,845	296,303,604	2,345,847,967	1,679,926,661
17. Profit after tax (60 = 50 - 51 - 52)	60		1,767,087,329	2,128,653,660	6,368,160,965	6,551,912,407
18. Profit after tax attributable to the Holding Company	61		1,775,321,736	2,152,541,103	6,767,247,229	7,130,202,255
19. Profit after tax attributable to non - controlling shareholders	62		(8,234,407)	(23,887,443)	(399,086,264)	(578,289,848)

Hanoi, 23<sup>rd</sup> January 2025

Preparator



Pham Minh Duc

Responsible for accounting



Dao Van Thang

General Director



Le Huy Hai

**CONSOLIDATED CASH FLOW STATEMENT**  
*(Under Indirect method)*  
For the period from 01/01/2024 to 31/12/2024

Unit: VND

Items	Code	Note	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
<b>I. Cash flows from operating activities</b>				
1. Net profit before tax	01		8,714,008,932	8,231,839,068
2. Adjusted for the following			77,464,237,268	80,688,258,300
Depreciation of fixed assets and investment properties	02		39,197,659,684	40,107,722,165
Provision for bad debt	03		6,808,425,556	7,671,099,542
Gains and losses of unrealized exchange rate difference	04		(3,361,456,627)	(610,015,846)
Profits or losses from investment activities	05		(8,021,677,293)	(10,793,353,329)
Interest expenses	06		42,841,285,948	44,312,805,768
3. Operating income (loss) before changes in working	08		86,178,246,200	88,920,097,368
(Increase) decrease in receivables	09		(62,817,463,681)	(42,463,588,421)
(Increase) decrease in inventory	10		(53,768,402,655)	(70,033,138,332)
Increase (decrease) in payables (excluding interest payable, EIT payables)	11		18,087,703,802	59,603,350,230
(Increase) decrease in prepaid expenses	12		15,345,083,457	(11,557,789,331)
Interest paid	14		(43,448,761,962)	(43,563,366,977)
Enterprise income tax paid	15		(622,402,687)	(1,588,560,354)
Other cash inflows from operating activities	16		7,411,044,703	-
Other cash outflows from operating activities	17		(11,171,595,130)	(2,750,493,211)
Net cash inflows (outflows) from operating activities	20		(44,806,547,953)	(23,433,489,028)
<b>II. Cash flows from investing activities</b>				
1. Cash paid for purchasing, building fixed assets and other long-term assets	21		(901,751,591)	(4,407,100,155)
2. Proceeds from disposals of fixed assets and other long term assets	22		1,145,454,545	616,859,027
3. Payments for purchase of debt instruments of other entities	23		(110,316,139,523)	(130,688,191,598)
4. Proceeds from sales of debt instruments of other entities	24		93,365,262,811	128,444,087,448
5. Receipts of interest, dividends	27		8,438,275,486	9,158,190,165
Net cash from investing activities	30		(8,268,898,272)	3,123,844,887

CONSOLIDATED CASH FLOW STATEMENT (continued)  
(Under Indirect method)  
For the period from 01/01/2024 to 31/12/2024

Unit: VND

Items	Code	Note	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
<b>III. Cash flows from financing activities</b>				
1. Proceeds from borrowings	33		838,584,510,736	647,879,164,572
2. Payments to settle debts	34		(770,921,451,364)	(609,171,526,441)
3. Payments to settle finance lease	35		(4,354,495,217)	(6,259,793,529,00)
<i>Net cash flows from financing activities</i>	<b>40</b>		<b>63,308,564,155</b>	<b>32,447,844,602</b>
Net cash flows in the period (50 = 20+30+40)	<b>50</b>		<b>10,233,117,930</b>	<b>12,138,200,461</b>
Cash at beginning of year	<b>60</b>		<b>55,925,027,852</b>	<b>43,625,106,091</b>
Effect of exchange rate fluctuations	61		735,210,808	161,721,300
Cash at end of year (70 = 50+60+61)	<b>70</b>		<b>66,893,356,590</b>	<b>55,925,027,852</b>

Hanoi, 23<sup>rd</sup> January 2025

Preparator



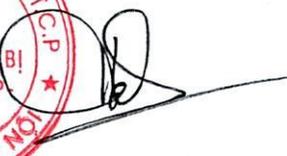
Pham Minh Duc

Responsible for accounting



Dao Van Thang

General Director

Le Huy Hai

**Notes to the Consolidated Financial Statements**

**1. BUSINESS HIGHLIGHT**

**1.1 Structure of ownership**

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 May 12, 1990 of the Council of Ministers (now the Government) and re-established under Decision No. 1117QD/TCCBDT dated October 27, 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 June 15, 2010 of the Ministry of Industry and Trade. On November 16, 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 January 20, 2017, the 11th change on July 4, 2022 issued by the Department of Planning and Investment of Hanoi City.

The Charter Capital of the Corporation - according to the 11th amended Certificate of Business Registration of the Joint Stock Company dated July 4, 2022 is: VND 1,419,915,000,000 (In words: One thousand, four hundred and nineteen billion, nine hundred and fifteen million dong).

The Charter Capital on the Certificate of Business Registration of the Joint Stock Company of the Corporation is greater than the Owner's Contribution Capital on the Consolidated Balance Sheet as at 31 December 2024 by VND 1,280,511,999 due to the financial settlement process when the Corporation officially switched to operating as a joint stock company according to regulations. The parent company and 4 LLCs 100% owned by the Corporation are still waiting for competent authorities to review and approve the equitization settlement dossier. After the equitization settlement dossier is officially approved, the Corporation will make adjustments to the Capital according to regulations.

Based on the number of shares held, the shareholder structure ratio at December 31, 2024 is as follows:

<b>Shareholders</b>	<b>Number of shares</b>	<b>Ownership ratio</b>
State shareholder (Ministry of Industry and Trade)	141,384,680	99.5726%
Staff	537,820	0.3788%
Other investors	69,000	0.0468%
- <i>Organizations</i>	20,000	0.0141%
- <i>Individual</i>	49,000	0.0345%
<b>Total</b>	<b>141,991,500</b>	<b>100,00%</b>

**1.2 Operating industries and principal activities**

- Manufacturing and manufacturing mechanical products (complete equipment, individual equipment, consumer metals, cluster details, spare parts);

**Notes to the Consolidated Financial Statements**

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- 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 The Corporation's structure**

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

**Notes to the Consolidated Financial Statements**

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

Name	Operating industries	Owners hip 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%
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.	100%
3. Mechanical Products Export-Import Company Limited	Manufacturing paper products, importing equipment and materials, operating office warehouses, importing and exporting electrical and electronic equipment for civil industry. Buying, selling, importing and exporting household appliances, agricultural products, machinery and equipment, manufacturing and trading mechanical products, etc.	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%
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.	98,189%
6. Tools Joint Stock Company No1	Import and export of machinery and equipment Trading in industrial products and mechanical measuring instruments.	51%
<b>II. Affiliated, Joint Venture Company</b>		
1. Sai Gon-Ha Noi Investment and Trading Joint Stock Company	Business of supermarkets, restaurants, hotels, investment projects	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%
2. Industrial Construction Company	Site preparation; Mechanical processing, metal treatment and coating; Installation of water supply, drainage, heating and air conditioning systems; ...	100%
3. Investment Consulting and Industrial Technical Services Company	Investment consulting, industrial services and technology transfer; Carry out tasks authorized by the Corporation.	100%

**Notes to the Consolidated Financial Statements**

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**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 Vietnamese Dong (VND).

**3. APPLICABLE ACCOUNTING SYSTEM**

**Applicable accounting system**

The Corporation applies Business accounting system of Viet Nam issued under Circular No.200/2014/TT-BTC dated 22/12/2014 of the Ministry of Finance on "Guidelines for accounting policies for Enterprises" and Circular No. 53/2016/TT-BTC dated 21/3/2016 of Ministry of Finance on guidelines, amendments to some articles of Circular No. 200/2014/TT-BTC.

**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**

**Basis for preparing consolidated financial statements**

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

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 2022. 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

**Notes to the Consolidated Financial Statements**

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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.

**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.

**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

## Notes to the Consolidated Financial Statements

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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 made when there is solid evidence showing a decline in the value of these investments at the end of the accounting period.

### **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 - 16
Transportation means	03 - 06
Management tools	03 - 05

## Notes to the Consolidated Financial Statements

### Tangible fixed assets accounting and depreciation principles (Continued)

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.

### 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.

### Consstruction 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.

**Notes to the Consolidated Financial Statements**

**4. ACCOUNTING POLICIES (CONTINUED)**

**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 of Loan Recognition**

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.

**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.

**Notes to the Consolidated Financial Statements**

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**4. ACCOUNTING POLICIES (CONTINUED)**

**Principles for recording dividends payable**

Dividends are recorded as Liabilities when there is a dividend payment notice from the Board of Directors of the Corporation and notice of the closing date for receiving dividends from the Vietnam Securities Depository Center.

**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.

**Notes to the Consolidated Financial Statements**

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**4. ACCOUNTING POLICIES (CONTINUED)**

**Revenue recognition (Continued)**

***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.
- 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:

**Notes to the Consolidated Financial Statements**

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- 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.
- Ales returned: Returns of goods due to breaches of commitments, violations of economic contracts, or issues with quality, deterioration, incorrect types, or non-compliance with specifications.

**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:

- 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.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**5. FINANCIAL INVESTMENTS**

	31/12/2024 (VND)			01/01/2024 (VND)		
	Original cost	Fair value	Provision	Original cost	Fair value	Provision
<b>a) Trading securities</b>	<b>1,467,690,500</b>	<b>1,467,790,000</b>	<b>-</b>	<b>1,467,690,500</b>	<b>1,467,790,000</b>	<b>-</b>
- Total value of shares (of Mechanical Products Import-Export Company Limited)	1,467,630,000	1,467,630,000	-	1,467,630,000	1,467,630,000	-
- EIB (SCP)	60,500	160,000	-	60,500	160,000	-
<b>b) Investments held to maturity</b>						
	31/12/2024 (VND)		01/01/2024 (VND)			
	Original cost	Accounting value	Original cost	Accounting value		
- Term deposits over 3 months	141,139,068,310	141,139,068,310	120,688,191,598	120,688,191,598		
<b>c) Long-term financial investments</b>						
	31/12/2024 (VND)			01/01/2024 (VND)		
	Original cost	Fair value	Provision	Original cost	Fair value	Provision
- Investments in joint ventures and associates	29,985,014,559	29,985,014,559	-	29,985,014,559	29,985,014,559	-
- Investments in other entities	1,896,459,553	1,896,459,553	-	1,896,459,553	1,896,459,553	-
- Investments in other entities	28,088,555,006	28,088,555,006	-	28,088,555,006	28,088,555,006	-
Detailed information on investments at the end of the accounting period Fourth Quarter of 2024:						
Name of joint ventures and associates	Ownership (%)	Voting ratio (%)	Benefit ratio (%)	Original price (VND)	Provision (VND)	Fair value (VND)
<b>Joint ventures and associates</b>				<b>1,896,459,553</b>	<b>-</b>	<b>1,896,459,553</b>
Saigon - Hanoi Investment and Trading Joint Stock Comp	20%	20%	20%	1,772,952,058	-	1,772,952,058
IBC Trang Thi Building Joint Venture	50%	50%	50%	23,507,495	-	23,507,495
Paper Union Joint Stock Company				100,000,000	-	100,000,000
<b>Other investments</b>				<b>28,088,555,006</b>	<b>-</b>	<b>28,088,555,006</b>
Hai Duong Grinding Stone Joint Stock Company	2%	2%	2%	3,381,542,806	-	3,381,542,806
Hai Phong Mechanical Engineering Joint Stock Company	10%	10%	10%	1,432,012,200	-	1,432,012,200
Royal Real Estate City Investment and Development Joint Stock Company	2,149%	2,149%	2,149%	9,520,000,000	-	9,520,000,000
Dong Banh Cement Joint Stock Company	10,36%	10,36%	10,36%	12,905,000,000	-	12,905,000,000
<i>In which:</i>						
+ Capital contribution of the General Corporation of Machinery and Equipment (investment of Mecanimex)				1,320,000,000	-	1,320,000,000
+ Capital contribution of other shareholders				11,585,000,000	-	11,585,000,000
Hasa Coffee Joint Stock Company	7%	7%	7%	850,000,000	-	850,000,000
<b>Total</b>				<b>29,985,014,559</b>	<b>-</b>	<b>29,985,014,559</b>

6. Cash	31/12/2024	01/01/2024
	VND	VND
Cash in hand	2,524,323,423	4,526,507,452
Cash at banks	38,636,033,167	28,199,520,400
Cash exchangeable (Term deposit of no more than 3 month)	25,733,000,000	23,199,000,000
<b>Total</b>	<b>66,893,356,590</b>	<b>55,925,027,852</b>

7. Trade receivables	31/12/2024	01/01/2024
	VND	VND
Hung Phat Industrial Investment and Trade Company Limited	127,856,875,975	73,626,365,595
Quang Tuyen VN Steel Company Limited	56,715,441,240	62,375,441,240
289 Company Limited	49,341,769,610	51,141,769,610
Z179 Mechanical One Member Co., Ltd.	22,443,498,357	25,143,950,947
Nam Vang Joint Stock Company	46,256,854,941	46,556,854,941
ECC Hydropower Construction and Installation Company Limited	17,283,368,198	18,892,484,695
Royal Real Estate Group Joint Stock Company	41,536,297,736	41,536,297,736
HHT Technology Equipment Import-Export Joint Stock Company	5,202,271,439	44,735,326,767
Song Da 5 Joint Stock Company	20,230,743,441	18,668,006,133
Vietnam Technology Investment and Trade Company Limited	28,315,360,500	28,315,360,500
Power Project Management Board 2 - Vietnam Electricity Group	10,921,017,611	28,232,045,741
Thien Hoang Long Trading and Production Joint Stock Company	17,915,103,323	18,003,231,223
Song Vang Hydropower Joint Stock Company	1,788,319,259	12,155,822,376
Hong Tin Mechanical Trading Joint Stock Company	24,465,652,598	-
Other entities	321,260,637,647	249,184,165,413
<b>Total</b>	<b>791,533,211,875</b>	<b>718,567,122,917</b>

8. Other receivables	31/12/2024 (VND)		01/01/2024 (VND)	
	Value	Provisions	Value	Provisions
<b>a) Other short-term receivables</b>				
Receivables from equitization	5,254,084,019	-	5,254,084,019	-
Deposits	5,134,398,912	-	6,332,835,292	-
Social insurance	-	-	5,267,233	-
Advances	8,446,412,100	-	20,466,570,145	-
Mr Nguyen Duy Xuyen - Mrs Than Thi Nham (*)	18,184,136,530	-	18,184,136,530	-
Other receivables	17,687,141,999	-	18,713,092,477	-
Hai Phong City Customs Department	6,115,416,932	-	6,115,416,932	-
Other receivables at TechNo	1,854,056,468	(243,533,062)	861,442,984	(243,533,062)
Other receivables	9,717,668,599	-	11,736,232,561	-
<b>Total</b>	<b>54,706,173,560</b>	<b>(243,533,062)</b>	<b>68,955,985,696</b>	<b>(243,533,062)</b>

(\*) Note: Are receivables of the General Import-Export Business Enterprise, under Quang Trung Mechanical Engineering Company Limited.

MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC

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

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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b) Long-term	31/12/2024	01/01/2024
	VND	VND
Deposits	814,876,600	814,876,600
Land clearance fee pending offset with annual land rent (of Quang Trung Mechanical Company Limited)	767,697,295	1,019,955,731
<b>Total</b>	<b>1,582,573,895</b>	<b>1,834,832,331</b>

9. Inventories	31/12/2024 (VND)		01/01/2024 (VND)	
	Value	Provision	Value	Provision
Raw materials	63,539,692,952	-	57,985,481,500	-
Tools and supplies	6,118,157,699	-	6,010,751,391	-
Work in progress	577,209,879,513	-	496,060,540,237	-
Finished goods	70,891,867,355	-	76,097,242,240	-
Goods	12,822,106,523	-	36,965,499,732	-
Consignments	490,178,681	-	1,505,102,530	-
<b>Total</b>	<b>731,071,882,723</b>	<b>-</b>	<b>674,624,617,630</b>	<b>-</b>

10. Prepaid expenses

a) Short-term	31/12/2024	01/01/2024
	VND	VND
Dispatched tools and supplies	3,713,060,436	2,355,519,946
<b>Total</b>	<b>3,713,060,436</b>	<b>2,355,519,946</b>

b) Long-term	31/12/2024	01/01/2024
	VND	VND
Compensation for site clearance, Prepaid land rent, infrastructure	68,388,975,860	69,520,782,000
Tools, equipment and other long-term prepaid expenses	33,312,070,241	48,882,888,048
<b>Total</b>	<b>101,701,046,101</b>	<b>118,403,670,048</b>

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****11. Increase, decrease in tangible fixed assets***Unit: VND*

Item	Buildings and architectures	Machinery and equipments	Transportation means	Management tools	Other fixed assets	Total
<b>I. COST</b>						
As at 01/12/2024	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
Finished building	739,589,216	-	-	-	-	739,589,216
Purchase	-	2,082,995,108	-	112,824,000	-	2,195,819,108
Liquidation or transfer	169,118,659	266,981,714	420,290,000	-	-	856,390,373
Other reduction	1,100,000,000	-	-	-	-	1,100,000,000
As at 31/12/2024	571,927,309,783	395,232,317,553	45,889,468,458	2,210,711,479	3,693,391,364	1,018,953,198,637
<b>II. ACCUMULATED DEPRECIATION</b>						
As at 01/12/2024	179,978,553,765	247,880,106,010	33,388,955,909	1,703,396,020	527,957,563	463,478,969,267
Depreciation charges	16,572,937,396	18,271,831,304	2,202,791,351	234,873,789	99,025,375	37,381,459,215
Liquidation or transfer	-	257,630,632	420,290,000	-	-	677,920,632
Other reduction	100,256,631	-	-	-	111,152,136	211,408,767
As at 31/12/2024	196,451,234,530	265,894,306,682	35,171,457,260	1,938,269,809	515,830,802	499,971,099,083
<b>III. RESIDUAL VALUE</b>						
As at 01/12/2024	392,478,285,461	145,536,198,149	12,920,802,549	394,491,459	3,165,433,801	554,495,211,419
As at 31/12/2024	375,476,075,253	129,338,010,871	10,718,011,198	272,441,670	3,177,560,562	518,982,099,554

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****12. Increase, decrease in intangible fixed assets***Unit: VND*

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 13. Increase, decrease in investment properties

Item					<i>Unit: VND</i>
	Infrastructure	Land use rights	Housing	Other	Total
<b>I. COST</b>					
As at 01/12/2024	-	-	33,755,261,371	-	33,755,261,371
Purchase	-	-	-	-	-
Other increases	-	-	-	-	-
Other decreases	-	-	-	-	-
As at 31/12/2024	-	-	33,755,261,371	-	33,755,261,371
<b>II. ACCUMULATED DEPRECIATION</b>					
As at 01/12/2024	-	-	7,238,594,091	-	7,238,594,091
Amortisation charges	-	-	660,219,192	-	660,219,192
Other decreases	-	-	-	-	-
As at 31/12/2024	-	-	7,898,813,283	-	7,898,813,283
<b>III. RESIDUAL VALUE</b>					
As at 01/12/2024	-	-	26,516,667,280	-	26,516,667,280
As at 31/12/2024	-	-	25,856,448,088	-	25,856,448,088

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

14. Long-term assets in progress	31/12/2024 VND	01/01/2024 VND
<b>a) Work in progress</b>		
Project to relocate production facilities of Hanoi Mechanical Engineering Company Limited	45,580,806,503	45,580,806,503
Other	3,174,403,034	685,844,304
<b>Total</b>	<b>48,755,209,537</b>	<b>46,266,650,807</b>
15. Trade payables	31/12/2024 VND	01/01/2024 VND
IMEC Global Joint Stock Company	60,425,287,273	64,557,812,842
Hanoi Steel Production and Trading Investment Company Limited	44,550,149,198	39,335,081,250
Trung Anh Private Enterprise	7,663,740,170	11,430,486,870
Global Technology Investment and Solution Joint Stock Company	24,811,766,579	24,811,766,579
Other	192,513,421,575	187,916,013,225
<b>Total</b>	<b>329,964,364,795</b>	<b>328,051,160,766</b>
16. Taxes and other receivables from, payables to the state budget	31/12/2024 VND	01/01/2024 VND
<b>a. Receivables</b>		
Value added tax	330,453,400	347,521,202
Import / export duties	439,925	439,925
Corporate income tax	59,570,769	552,923,851
Personal income tax	19,240,408	97,841,865
Land taxes and land rental	-	457,530,000
Other Payables	96,717,563	103,268,146
<b>Total</b>	<b>506,422,065</b>	<b>1,559,524,989</b>
<b>b. Payables</b>		
Value added tax	13,929,037,887	14,788,855,158
Special sales tax	2,684,381,427	2,684,381,427
Import / export duties	2,209,306,104	2,209,306,104
Corporate income tax	1,878,161,224	266,955,800
Personal income tax	254,980,821	201,740,678
Land taxes and land rental	20,405,980,004	19,018,538,341
Other Payables	17,725,997,211	13,402,586,230
<b>Total</b>	<b>59,087,844,678</b>	<b>52,572,363,738</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 17. Accrued expenses

a) Short-term	31/12/2024 VND	01/01/2024 VND
Interests	6,187,209,477	5,937,133,670
Construction costs of projects	1,435,272,621	1,687,775,888
Other accrued expenses	18,907,566,791	16,079,938,406
<b>Total</b>	<b>26,530,048,889</b>	<b>23,704,847,964</b>

b) Long-term	31/12/2024 VND	01/01/2024 VND
Other accrued expenses	2,712,352,142	2,744,934,676
<b>Total</b>	<b>2,712,352,142</b>	<b>2,744,934,676</b>

## 18. Other payables obligations

a) Short-term	31/12/2024 VND	01/01/2024 VND
Trade union fund	994,853,565	696,807,882
Social insurance, Health insurance, Unemployment insurance	3,097,549,789	1,475,867,593
Payables on equitization	4,257,988,040	4,257,988,040
Short-term deposits received	917,303,958	1,339,835,958
Other payables and obligations	37,523,405,919	23,330,741,511
<i>Receipts from employees contributing capital to Dong Banh Cement Joint Stock Company</i>	<i>11,585,000,000</i>	<i>11,585,000,000</i>
<i>Other</i>	<i>25,938,405,919</i>	<i>11,745,741,511</i>
<b>Total</b>	<b>46,791,101,271</b>	<b>31,101,240,984</b>

b) Long-term	31/12/2024 VND	01/01/2024 VND
Long-term deposits received	1,042,122,500	2,346,994,839
<i>Other</i>	<i>2,066,298,167</i>	<i>-</i>
<b>Total</b>	<b>3,108,420,667</b>	<b>2,346,994,839</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****19. Borrowings and Finance Leases**

	<b>31/12/2024</b>	<b>01/01/2024</b>
	<b>VND</b>	<b>VND</b>
<b>a) Short-term borrowings</b>		
Bank loans	505,760,420,820	427,957,487,626
Institutional loans	7,369,084,095	1,369,084,095
Personal loans	1,398,960,111	6,308,960,111
Other	4,000,000,000	4,000,000,000
<b>Total</b>	<b>518,528,465,026</b>	<b>439,635,531,832</b>
<b>b) Long-term borrowings</b>		
Bank loans	477,353,606	11,779,968,514
Other	11,856,965,437	15,113,368,609
<b>Total</b>	<b>12,334,319,043</b>	<b>26,893,337,123</b>

**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

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**Form B 09 - DN/HN**

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**20. Owner's Equity**

**a. Reconciliation table of changes in Owner's Equity:**

*Unit: VND*

	<b>Owner's Equity</b>	<b>Differences upon asset</b>	<b>Investment and development fund</b>	<b>Retained earnings</b>	<b>Non-controlling interests</b>	<b>Total</b>
<b>As of 01/01/2024</b>	<b>1,418,634,488,001</b>	<b>(1,202,379,963)</b>	<b>32,227,046,285</b>	<b>34,914,905,377</b>	<b>(34,860,184,551)</b>	<b>1,449,713,875,149</b>
Profit/(loss) in the period	-	-	-	(399,086,264)	6,767,247,229	6,368,160,965
Profit distribution	-	-	-	(3,198,547)	(11,224,450,368)	(11,227,648,915)
<b>As of 31/12/2024</b>	<b>1,418,634,488,001</b>	<b>(1,202,379,963)</b>	<b>32,227,046,285</b>	<b>34,512,620,566</b>	<b>(39,317,387,690)</b>	<b>1,444,854,387,199</b>

**b. Owner's equity details**

	<b>31/12/2024</b>			<b>01/01/2024</b>		
	<b>Common Share Capital</b>	<b>Preferred share capital</b>	<b>Total</b>	<b>Common Share Capital</b>	<b>Preferred share capital</b>	<b>Total</b>
- Capital of the State and Other Shareholders	1,418,634,488,001	-	1,418,634,488,001	1,418,634,488,001	-	1,418,634,488,001
<b>Total</b>	<b>1,418,634,488,001</b>	<b>-</b>	<b>1,418,634,488,001</b>	<b>1,418,634,488,001</b>	<b>-</b>	<b>1,418,634,488,001</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

21. Revenue from sale of goods and rendering of services	Fourth Quarter of 2024 (VND)	Fourth Quarter of 2023 (VND)
<b>Sales and service revenue</b>	<b>499,007,053,107</b>	<b>509,530,631,801</b>
Revenue from sale of merchandises and services rendered	38,442,840,070	111,476,891,968
Revenue from sales of finished goods	330,144,691,290	397,614,603,628
revenue from Construction	129,910,488,096	-
Other revenue	509,033,651	439,136,205
<b>Deductible items</b>	<b>3,549,877,815</b>	<b>118,900,000</b>
<b>Net revenue from sales and service</b>	<b>495,457,175,292</b>	<b>509,411,731,801</b>
22. Cost of goods and services rendered	Fourth Quarter of 2024 (VND)	Fourth Quarter of 2023 (VND)
Costs of goods sold	37,084,153,608	95,681,622,706
Costs of finished goods sold	311,718,791,870	362,460,801,316
Construction activities	96,881,594,867	-
<b>Total</b>	<b>445,684,540,345</b>	<b>458,142,424,022</b>
23. Financial income	Fourth Quarter of 2024 (VND)	Fourth Quarter of 2023 (VND)
Interest income	3,300,803,551	1,820,802,400
Exchange rate difference	253,894,350	662,392,571
Other	-	256,302,633
<b>Total</b>	<b>3,554,697,901</b>	<b>2,739,497,604</b>
24. Financial costs	Fourth Quarter of 2024 (VND)	Fourth Quarter of 2023 (VND)
Loan interests	10,960,772,936	11,962,250,001
Unrealized foreign exchange losses	281,145,972	100,567,852
Other financial expenses	-	795,459,872
<b>Total</b>	<b>11,241,918,908</b>	<b>12,858,277,725</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

25. Other profits	Fourth Quarter of 2024 (VND)	Fourth Quarter of 2023 (VND)
<b>Other income</b>		
Other income	787,621,250	2,571,799,312
<b>Other expense</b>		
Other expense	2,647,862,478	664,457,177
<b>Other profit</b>	(1,860,241,228)	1,907,342,135
<b>26. Current business income tax expenses</b>	<b>Fourth Quarter of 2024 (VND)</b>	<b>Fourth Quarter of 2023 (VND)</b>
Current business income tax expenses	785,578,845	296,303,604
<b>Total</b>	<b>785,578,845</b>	<b>296,303,604</b>

**27. Information on stakeholders**

Company Name	Information	Ownership
Saigon - Hanoi Investment and Trading Joint Stock Company	Affiliated companies	20%

**28. Comparison information**

Comparison information on the Balance Sheet is data taken from the audited Consolidated Financial Statements for the accounting period ended December 31, 2023 and the Consolidated Financial Statements for the Fourth Quarter of 2023.

Preparator



Pham Minh Duc

Responsible for accounting



Dao Van Thang

Hanoi, 23<sup>rd</sup> January 2025

General Director



Le Huy Hai