

No.: 187 /CDMTR-P5

Da Nang, 19th April, 2025

Re: Explanation of the decrease of more than 10% of
profit after tax compared to the same period last year

**DISCLOSURE OF INFORMATION ON THE STATE SECURITIES
COMMISSION'S PORTAL AND HANOI STOCK EXCHANGE'S PORTAL**

To:

- The State Securities Commission;
- Hanoi Stock Exchange.

1. Company name: Central Area Electrical Mechanical JSC (CEMC)
2. Stock code: CJC
3. Address: Hoa Cam Industrial Zone, Hoa Tho Tay Ward, Cam Le District, Da Nang City.
4. Telephone: 0236 2218455 – Fax: 0236 3846224
5. Submitted by: Mr. Le Thanh Lam - Position: General Director.
6. Contents of information disclosure:
 - 6.1. The 1st Quarter financial statements of Central Area Electrical Mechanical JSC were prepared on 19/04/2025, consist of: Balance Sheet, Income Statement, Cash Flow Statement, Notes to the Financial Statements.
 - 6.2. The explanation about the decrease of more than 10% in the profit after tax in the 1st Quarter financial statements compared to the same period last year: In the 1st Quarter of 2025, we had an increase in the profit before tax but the profit after tax has decreased because in the same period of 2024, we had an accumulated loss before so we don't have to pay the corporate income tax.
7. The financial statements were published on the Company's website at: www.cemc.com.vn

I declare that all information provided is true and I shall be fully responsible to the government for these contents.

Recipient:

- As above;
- Archives: P5.

GENERAL DIRECTOR ✓



LE THANH LAM

No.: **188** /CĐMTR-P5
Re: Disclosure of 1st Quarter
Financial Statements

Da Nang, 19th April, 2025

PERIODIC DISCLOSURE OF FINANCIAL STATEMENTS

To: Hanoi Stock Exchange

Complying with clause 3 and 4, Article 14 of Circular No. 96/2020/TT-BTC dated November 16th, 2020 and Circular No. 68/2024/TT/BTC dated 18th September 2024 which was amended of the Minister of Finance guiding on information disclosure on the stock market, Central Area Electrical Mechanical JSC discloses information on the 1st Quarter financial statements as at 31/03/2025 to Hanoi Stock Exchange as below:

1. Name of Organization:

- Stock code: CJC
- Address: Hoa Cam Industrial Zone, Cam Le District, Da Nang City
- Tel: 0236 2218455 Fax: 0236 3846224
- Email: P5.cemc.dng@gmail.com Website: www.cemc.com.vn

2. Content of information disclosure:

- The 1st Quarter financial statements complying with clause 3, Article 14 of Circular No. 96/2020/TT-BTC and Circular No. 68/2024/TT-BTC which was amended, consists of:

☒ Separate financial statement (A listed company has no subsidiaries and a superior accounting unit has subsidiaries);

☐ Consolidated financial statement (A listed company has subsidiaries);

☐ General financial statement (A listed company has an accounting unit directly under a separate accounting organization);

- Cases in which cause must be explained:

+ Auditing organization gives an opinion that is not an unqualified opinion:

☐ Yes

☒ No

In case of ticking 'Yes', explanation letter is required:

☐

Yes

☒ No

+ There is a difference of 5% or more in profit after tax between before and after audit, resulting in a change from loss to gain or vice versa :

☐ Yes

☒ No

In case of ticking 'Yes', explanation letter is required:

☐ Yes

☒ No

+ Profit after corporate income tax in income statement changes by 10% or more, compared to the same period last year.

☒ Yes

☐ No

In case of ticking 'Yes', explanation letter is required:

☒ Yes

☐ No

+ Profit after tax in a reporting period incurs loss, converting from profit in the same period last year to loss in this period and vice versa?

☐ Yes

☒ No

In case of ticking 'Yes', explanation letter is required:

☐ Yes

☒ No

+ The financial statements was published on the Company's website on 19/04/2025 at: www.cemc.com.vn

3. Report on transactions valued at 35% or more of total asset:

- Content of transaction: N/A.
- Ratio of transaction value to total asset (%) (basing on the latest financial statements): N/A.
- Transaction completion date: N/A.

I declare that all information provided is true and I shall be fully responsible to the government for these contents.

Recipient:

- As above;
- Archives: P5.



GENERAL DIRECTOR ✓

LÊ THÀNH LÂM

SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

CENTRAL AREA ELECTRICAL MECHANICAL JSC
Financial Statements
1st Quarter of 2025

CENTRAL AREA ELECTRICAL MECHANICAL JSC

Hoa Cam Industrial Zone, Hoa Tho Tay Ward, Cam Le District, Da Nang City.

Form B 01 - DN

Issued under Circular No. 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

BALANCE SHEET

As at 31 March 2025

Unit: VND

Items	Code	Note	31/03/2025	01/01/2025
A. CURRENT ASSETS	100		178,507,717,161	227,739,089,045
I. Cash and cash equivalents	110		17,912,926,661	30,166,901,118
1. Cash	111	V.01	17,912,926,661	30,166,901,118
2. Cash equivalents	112	V.01	-	-
II. Short-term financial investments	120		-	-
1. Trading securities	121		-	-
2. Held-to-maturity investments	123		-	-
III. Short-term receivables	130		91,279,458,459	110,705,165,045
1. Short-term trade receivables	131	V.03	80,550,746,431	99,884,770,799
2. Short-term prepayments to suppliers	132		9,880,740,578	9,257,482,425
3. Other short-term receivables	136	V.04	2,514,083,704	3,229,024,075
4. Provision for doubtful short-term receivables	137		(1,666,112,254)	(1,666,112,254)
IV. Inventories	140		65,343,959,855	82,676,314,948
1. Inventories	141	V.5	65,343,959,855	82,676,314,948
2. Provision for decline in value of inventories	149		-	-
V. Other current assets	150		3,971,372,186	4,190,707,934
1. Short-term prepaid expenses	151	V.9	1,261,467,827	981,946,579
2. Deductible value-added tax	152		2,669,904,359	3,073,649,824
3. Taxes and amounts receivable from the State	153	V.12	40,000,000	135,111,531
B. NON-CURRENT ASSETS	200		18,026,690,586	19,614,310,643
I. Long-term receivables	210		1,457,582,722	1,457,582,722
1. Long-term trade receivables	211		-	-
2. Other long-term receivables	216		1,457,582,722	1,457,582,722

	Items	Code	Note	31/03/2025	01/01/2025
II. Fixed assets		220		13,531,006,946	14,586,983,990
I. Tangible fixed assets		221		13,531,006,946	14,586,693,667
- Cost		222	V.7	123,615,286,459	123,615,286,459
- Accumulated depreciation		223	V.7	(110,084,279,513)	(109,028,592,792)
2. Intangible fixed assets		227		-	290,323
- Cost		228	V.8	93,333,653	93,333,653
- Accumulated amortization		229	V.8	(93,333,653)	(93,043,330)
III. Investment properties		230		-	-
IV. Non-current assets in progress		240		438,622,151	700,372,820
1. Long-term work in progress		241		-	-
2. Construction in progress		242	V.6	438,622,151	700,372,820
V. Long-term financial investments		250		23,354,439	23,354,439
1. Investments in associates, joint ventures		252	V.2	1,774,439,303	1,774,439,303
2. Provision for long-term investments		254		(1,751,084,864)	(1,751,084,864)
VI. Other non-current assets		260		2,576,124,328	2,846,016,672
1. Long-term prepaid expenses		261	V.9	2,576,124,328	2,846,016,672
2. Other non-current assets		268		-	-
TOTAL ASSETS		270		196,534,407,747	247,353,399,688
C. LIABILITIES		300		101,565,681,380	153,404,447,493
I. Current liabilities		310		92,050,683,584	143,889,449,697
1. Short-term trade payables		311	V.11	13,968,050,179	32,257,034,945
2. Short-term advances from customers		312		22,358,398,169	55,554,701,277
3. Taxes and amounts payable to the State		313	V.12	170,151,477	15,031,168
4. Payables to employees		314		1,503,671,117	5,004,391,716
5. Short-term accrued expenses		315	V.13	2,767,731,446	2,422,769,410
6. Other short-term payables		319	V.14	629,629,801	568,440,535
7. Short-term loans and finance lease liabilities		320	V.10	49,963,175,308	47,253,504,559
8. Provision for short-term payables		321	V.15	653,872,330	653,872,330
9. Reward and welfare fund		322		36,003,757	159,703,757
II. Non-current liabilities		330		9,514,997,796	9,514,997,796
1. Long-term trade payables		331		-	-
2. Provision for long-term payables		342	V.15	9,514,997,796	9,514,997,796

INCOME STATEMENT
The 1st Quarter of 2025

Unit: VND

ITEMS	Code	Note	The 1st Quarter		Accumulation from the beginning of the year to the end of this quarter	
			Quarter 1 of this year	Quarter 1 of previous year	Current year	Previous year
	2	3	4	5	6	5
1. Revenue from sales and service provision	01	VI.1	62,670,856,520	58,718,924,783	62,670,856,520	58,718,924,783
2. Deductions	02	VI.2		-	-	-
3. Net revenue from sales and service provision(10 = 01 - 02)	10		62,670,856,520	58,718,924,783	62,670,856,520	58,718,924,783
4. Cost of goods sold	11	VI.3	56,978,136,939	53,657,990,194	56,978,136,939	53,657,990,194
5. Gross profit from sales and service provision (20 = 10 - 11)	20		5,692,719,581	5,060,934,589	5,692,719,581	5,060,934,589
6. Financial income	21	VI.4	13,643,195	50,534,646	13,643,195	50,534,646
7. Financial expenses	22	VI.5	821,784,779	1,157,669,161	821,784,779	1,157,669,161
Including: Interest expenses	23		819,160,414	1,157,669,161	819,160,414	1,157,669,161
8. Selling expenses	25	VI.8	-	-	-	-
9. Administrative expenses	26	VI.8	3,515,862,853	2,696,871,056	3,515,862,853	2,696,871,056
10. Operating profit [30 = 20 + (21-22) - (25+26)]	30		1,368,715,144	1,256,929,018	1,368,715,144	1,256,929,018
11. Other income	31	VI.6	6,289,910	5,749,413	6,289,910	5,749,413
12. Other expenses	32	VI.7	100,287,339	7,081,954	100,287,339	7,081,954
13. Other profit (40 = 31 - 32)	40		(93,997,429)	(1,332,541)	(93,997,429)	(1,332,541)
14. Accounting profit before tax (50 = 30+40)	50		1,274,717,715	1,255,596,477	1,274,717,715	1,255,596,477
15. Current corporate income tax expense	51		254,943,543	-	254,943,543	-
16. Deferred corporate income tax expense	52			-	-	-
17. Profit after tax(60 = 50 - 51 - 52)	60		1,019,774,172	1,255,596,477	1,019,774,172	1,255,596,477
18. Basic earnings per share(*)	70		127	157	127	157
19. Diluted earnings per share (*)	71		127	157	127	157

ITEMS	Code	Note	The 1st Quarter		Accumulation from the beginning of the year to the end of this quarter	
			Quarter 1 of this year	Quarter 1 of previous year	Current year	Previous year
1	2	3	4	5	6	5

Da Nang, 19th April, 2025

Preparer



Ms. Nguyen Thi Thanh Phuc

Chief Accountant



Ms. Phan Huynh Tuyet Trinh

General Director



Mr. Le Thanh Lam



CASH FLOW STATEMENT
(Direct method)
As at 31 March 2025

Unit: VND

ITEMS	Code	Note	Accumulation from the beginning of the year to the end of this quarter	
			Current year	Previous year
I Cash flows from operating activities				
1 Cash receipts from sales, service provision and other income	01		52,023,014,262	89,059,226,625
2 Cash paid to suppliers	02		(52,235,386,206)	(82,495,103,005)
3 Cash paid to employees	03		(11,543,080,031)	(10,327,399,746)
4 Loan interest paid	04		(875,044,079)	(1,240,934,508)
5 Other cash receipts from operating activities	06		1,795,916,365	3,963,903,751
6 Other payments for operating activities	07		(3,450,377,330)	(10,541,342,462)
Net cash from operating activities	20		(14,284,957,019)	(11,581,649,345)
II Cash flows from investing activities				
1 Purchase and construction of fixed assets and other non-current assets	21		(684,851,686)	(772,674,449)
2 Cash paid for loans, acquisition of debt instruments	23		-	(7,129,099)
3 Recovery of loans, re-sales of debt instruments	24		-	3,709,719,280
4 Investments in other entities	25		-	-
5 Recovery of investments in other entities	26		-	-
6 Loan interest, dividends and profit received	27		6,163,499	188,847,127
Net cash from investing activities	30		(678,688,187)	3,118,762,859
III Cash flows from financing activities				
1 Proceeds from stock issuance, capital contribution	31		0	-
2 Proceeds from borrowings	33		47,408,695,553	78,479,662,776

ITEMS	Code	Note	Accumulation from the beginning of the year to the end of this quarter	
			Current year	Previous year
3 Repayment of borrowings	34		(44,699,024,804)	(62,622,964,375)
Net cash from financing activities	40		2,709,670,749	15,856,698,401
Net cash flows for the year	50		(12,253,974,457)	7,393,811,915
Cash and cash equivalents at the beginning of the year	60		30,166,901,118	18,325,247,799
Impacts of exchange rate fluctuations	61		-	-
Cash and cash equivalents at the end of the year	70		17,912,926,661	25,719,059,714

Preparer

Chloe

Chief Accountant

Alal

Da Nang, 19th April, 2025

General Director



Ms. Nguyen T Thanh Phuc

Ms. Phan Huynh Tuyet Trinh

Mr. Le Thanh Lam

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NOTES TO THE FINANCIAL STATEMENTS
1st Quarter of 2025

I - Nature of operations

1. Overview: Central Area Electrical Mechanical Joint Stock Company ("the Company") was established through the equitization of a State-owned enterprise (i.e. Electrical Mechanical Enterprise under Power Company No. 3) in accordance with Decision No. 3146/QĐ-BCN dated 06/10/2005 by the Ministry of Industry. The Company is an independent accounting entity, operating in compliance with Enterprise Registration Certificate No. 3203000887, which was issued by the Department of Planning and Investment of Da Nang City on 03/02/2006 and has been amended 14 times, most recently on 21/06/2022, with the enterprise code of 0400528732, and adhering to the Enterprise Law, its Charter and other relevant regulations.

2. Principal scope of business: Manufacture and installation of mechanical products, equipment and structures.

3. Operating activities: Manufacture of mechanical products, equipment and structures in the industrial and civil fields; Repair, restoration of electrical equipments and transformers; Design, manufacture and repair of pressure-resistant equipment and lifting equipment; Machining, treatment and coating of metals; Manufacture of plastics products; Wholesale of iron, steel and other metals (excluding precious metals), other machinery and equipment, solid, liquid and gaseous fuels and related products.

II - Accounting year, currency used in accounting

1. The Company's annual accounting period starts on 01 January and ends on 31 December.

2. Financial statements and accounting transactions are expressed in Vietnamese Dong (VND).

III - Applied accounting standards and accounting system

The Company adopts Vietnamese Accounting Standards and Vietnamese Corporate Accounting System as guided in Circular No. 200/2014/TT-BTC dated 22/12/2014 and Circular No. 53/2016/TT-BTC dated 21/3/2016 providing amendments and supplements to certain articles of Circular No. 200/2014/TT-BTC promulgated by the Ministry of Finance.

IV - Summary of significant accounting policies

1. Cash and cash equivalents

Cash includes cash on hand and bank demand deposits.

All short-term investments which are collectible or mature of 3 months or less as from purchasing date, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value at reporting date shall be recognized as cash equivalents.

2. Held-to-maturity investments

Held-to-maturity investments are term deposits (including treasury bills, promissory notes), bonds, preferred shares which the issuer is required to re-buy them at a certain time in the future and held-to-maturity loans to earn profits periodically and other held to maturity investments.

Held-to-maturity investments are recorded at book value upon revaluation. Provision for loss of held-to-maturity investments shall be recorded as a decrease directly in the book value of investments.

In case where held-to-maturity investments are monetary items denominated in foreign currencies, they are revaluated using the buying rate of the commercial bank where the Company regularly conducts transactions at the time of the financial statements.

3. Receivables

Receivables include trade receivables and other receivables.

- Trade receivables are trade-related amounts arising from trading activities between the Company and its customers;
 - Other receivables include non-trade amounts which are not related to trading activities, intra-company transactions.
- Receivables are recorded at cost less provision for doubtful debts. Provision for doubtful debts represents the estimated loss amounts at the balance sheet date for overdue receivables which the Company has claimed many times but still has not collected yet or which have not been overdue but the debtor is in the state of insolvency, doing dissolution procedures, missing or running away.

4. Inventories

Inventories are stated at the lower of cost and net realizable value.

Value of inventories is calculated using the weighted average method for raw materials and merchandise and the specific identification method for mechanical and construction projects, and accounted for using the perpetual method with cost determined as follows:

- Materials, goods: Cost comprises costs of purchase, costs of conversion and any directly attributable costs of bringing the inventories to their present location and condition;
- Finished products: Cost comprises cost of direct materials and labour plus attributable overhead based on the normal level of activities.

Net realizable value is the estimated selling price less the estimated costs of completing the products and the estimated costs needed for their consumption.

Provision for decline in value of inventories is made for each kind of inventories when the net realizable value of that kind of inventories is less than cost.

5. Tangible fixed assets

Cost

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible assets comprises their purchase price and all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready-for-use state. The costs incurred after the initial recognition of tangible fixed asset shall be recorded as increase in their historical cost if these costs are certain to augment future economic benefits obtained from the use of those assets. Those incurred costs which fail to meet this requirement must be recognized as production and business expenses in the period.

Depreciation

Depreciation of tangible fixed assets is calculated on a straight-line basis over their estimated useful lives. The depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance. Details are as follows:

Kinds of assets	Depreciation period (years)
Buildings, architectures	5 - 25
Machinery, equipment	3 - 10
Motor vehicles, transmission equipment	6 - 8
Office equipment	3

6. Intangible fixed assets

Cost

Intangible fixed assets are stated at cost less accumulated amortization.

The cost of intangible fixed assets comprises all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready-for-use state.

Amortization

Intangible fixed assets are amortized on a straight-line basis over their estimated useful lives. The amortization period is in conformity with Circular No. 45/2013/TT-BTC dated 25/04/2013 by the Ministry of Finance.

Details are as follows:

Kind of assets	Amortization period (years)
Computer software	3 - 5

7. Investments in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associate but not control or joint control over those policies. An entity is considered as an associate if the Company holds (directly or indirectly) from 20% to under 50% voting shares of the entity.

Investments in associates are recorded at cost less provision. Dividends and profits received in money or non-monetary asset for the period before the investment date shall be recorded as a decrease in value of investment.

Provision

Provision for investments in associates is made if these investments are impaired or the investees suffer losses leading to the irrecoverability of the Company's investments.

With regards to the investees who are required to prepare the consolidated financial statements, the provision is made based on the consolidated financial statements. For other cases, the provision is made based on the financial statements of the investees.

8. Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses. These are expenditures that have been incurred but related to the operations of many accounting periods. The Company's primary

prepayments are as follows:

- Costs of tools and instruments being put into use are amortized in accordance with the straight-line method for a period ranging from 1 year to 3 years.
- Other prepaid expenses: the Company selects appropriate method and criteria of allocation over the period in which economic benefits are expected to be received based on the nature and extent of the prepaid expenses.

9. Payables

Payables include trade payables and other payables.

- Trade payables are trade-related amounts, arising from trading activities between the company and its suppliers;
- Other payables are non-trade amounts, which are not related to trading activities, intra-company transactions.

Payables are recognized at cost and reported as short-term and long-term payables based on the remaining terms at the balance sheet date.

Payables are monitored according to their creditors, principal terms, remaining terms and original currencies.

10. Accrued expenses

Accruals are recognized for amount to be paid in the future for goods and services received, whether or not billed to the Company.

11. Loans and finance lease liabilities

Loans and finance lease liabilities are recorded at cost and classified into current and non-current liabilities based on the remaining terms at the balance sheet date.

The Company monitors loans and finance lease liabilities according to their creditors, loan agreements, principal terms, remaining terms and original currencies.

Borrowing costs

Borrowing costs comprise interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent that they qualify the conditions to be capitalized in accordance with Accounting Standard "Borrowing costs".

Borrowing costs associated with a particular borrowing for the purpose of obtaining a qualifying asset shall be capitalized as part of the cost of that asset. For general borrowing funds, the borrowing costs eligible for capitalization in the period shall be determined according to the capitalization rate, which is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period.

Capitalization of borrowing costs shall be suspended during extended periods in which it suspends active development of a qualifying asset, except to the extent that the suspension is necessary. Capitalization shall be ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

12. Provision for payables

Provision for payables is a present obligation (legal or constructive) of the Company as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. A provision is recognized when a reliable estimate can be made on the amount of the obligation.

13. Owners' equity

Share capital represents the amount of capital actually contributed by shareholders.

Share premium

Share premium reflects the difference between the issue price and par value of the shares issued, costs directly related to the issuance of shares; difference between the re-issue price and book value, costs directly related to the re-issuance of shares; the capital component of convertible bonds as they fall due.

Profit distribution

Profit after corporate income tax is available for appropriation to funds and to shareholders as provided for in the Company's Charter or Resolutions of the General Meeting of Shareholders.

The dividends to be paid to the shareholders shall not exceed the undistributed profit after tax and with consideration of non-monetary items in undistributed post-tax profits that may affect cash flow and ability to pay dividends.

14. Recognition of revenue and other income

• Revenue from construction contracts is recognized in the following two cases:

Where a construction contract stipulates that the contractor is allowed to make payments according to the set schedule, and when the results of contract performance can be reliably estimated, revenue and costs related to the contract shall be recognized based on the portion of work completed.

Where a construction contract stipulates that the contractor is allowed to make payments according to the value of work completed, and when the results of contract performance can be reliably estimated, revenue and costs related to the contract shall be recognized based on the portion of work completed and certified by the customers during the reporting period.

• Revenue from sales and service provision is recognized to the extent that it is probable to obtain economic benefits, it can be reliably measured and the following conditions are also met:

Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer and there are no significant uncertainties regarding recovery of the consideration due or the likely return of goods.

Revenue from service provision is recognized when the services have been rendered. In case that the services are to be provided in many accounting periods, the determination of revenue in each period is done on the basis of the service completion rate as of the balance sheet date.

• Revenue from financing activities is recognized when revenue is determined with relative certainty and it is possible to obtain economic benefits from the transactions.

Interest is recognized on the basis of the actual term and interest rates.

Dividends and profits shared are recognized when the Company has the rights to receive dividends or profit from the capital contribution.

• Other income is the income derived out of the Company's scope of business and recognized when it can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company.

15. Cost of goods sold

Cost of products, goods sold and services rendered shall be recognized in the correct accounting period in accordance with the matching principle and conservatism principle.

Costs of inventories and services rendered which are incurred in excess of the ordinary level shall be charged out to cost of goods sold in the period, not to the production cost of goods and services.

16. Financial expenses

Financial expenses reflect expenses or losses related to financial investment activities: interest expense, provision for loss from investment in other entities, loss from sale of foreign currency, foreign exchange loss and other expenses attributable to investing activities.

17. Selling expenses, administrative expenses

Selling expenses reflect expenses actually incurred in process of selling products, goods, rendering services.

Administrative expenses recognized are expenses actually incurred related to the overall administration of enterprises.

18. Current corporate income tax expense

Current income tax is the tax amount computed based on the taxable income in the period at the tax rates ruling at the balance sheet date. The difference between taxable income and accounting profit is due to the adjustments of temporary differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses.

19. Financial instruments

Initial recognition

Financial assets

A financial asset is recognized initially at cost plus transaction costs directly attributable to the acquisition of the asset. The Company's financial assets comprise cash on hand, cash in bank, held-to-maturity investments, trade receivables and other receivables.

Financial liabilities

A financial liability is recognized initially at cost plus transaction costs directly attributable to the issuance of such liability. The Company's financial liabilities comprise borrowings, trade payables, accrued expenses and other payables.

Subsequent measurement

Currently, there has been no requirement for subsequent measurement of financial instruments.

20. Tax rates and charges payable to the State Budget applied by the Company

- Value-added tax (VAT): A VAT rate of 10% is applicable for mechanical products and electrical equipment; The Company was entitled to a 2% reduction in value-added tax rate for some items with a tax rate of 10% in accordance with the prevailing regulations.
- Corporate income tax (CIT): CIT is levied at the rate of 20%.
- Other taxes and obligation are fulfilled in accordance with the prevailing regulations.

21. Related parties

Parties are considered to be related if one party has the ability to (directly or indirectly) control the other party or exercise significant influence over the other party in making financial or operational decisions.

V - Additional information for items presented in the balance sheet

01 - Cash

	31/03/2025	01/01/2025
- Cash	188,168,108	103,857,230
- Bank demand deposit	17,724,758,553	30,063,043,888

Total 17,912,926,661 30,166,901,118

Unit: VND

02 - Financial investments

a) Held-to-maturity investments

Short-term

- Term deposits from over 3 months to under 12 months

Long-term

b) Investments in other entities

			31/03/2025			01/01/2025		
Cost	Fair value	Provision	Cost	Fair value	Provision	Cost	Fair value	Provision
	</							

- Investment in associate

+ Truong Thong Trading Co., Ltd	1,774,439,303	1,751,084,864	1,774,439,303	1,751,084,864	
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Total 1,774,439,303 1,751,084,864

03 - Trade receivables:

- Short-term trade receivables

+ Lilama 10 Joint Stock Company

+ Central Power Projects Management Board

+ Other customers

04 - Other receivables

a) Short-term

- Deposits

- Spare parts

- Advances

- Other receivables

Total

b) Long-term

- Deposits

Total**05 - Inventories**

- Materials

- Tools and instruments

- Work in progress

- Finished products

- Merchandise

Total

* No inventories were unsaleable, or poor quality or slow-moving at the end of the period

* No inventories were pledged as security for borrowings at the end of the period

06. Construction in progress

+ Capital construction

Total**07. Tangible fixed assets :**

	31/03/2025	01/01/2025
80,550,746,431	99,884,770,799	
29,946,013,003	37,058,620,315	
16,192,081,004	20,234,615,292	
34,412,652,424	42,591,535,192	
Cost	Provision	
1,720,714,808	2,892,526,974	
25,934,000	21,360,000	
752,254,683	311,066,934	
15,180,213	4,070,167	
2,514,083,704	3,229,024,075	
Cost	Provision	
1,457,582,722	1,457,582,722	
1,457,582,722	1,457,582,722	
Cost	Provision	
13,148,511,133	14,956,876,288	
62,380,319	62,581,393	
51,921,237,067	67,445,025,931	
90,244,535	90,244,535	
121,586,801	121,586,801	
65,343,959,855	82,676,314,948	0
Cost	Provision	
438,622,151	700,372,820	
438,622,151	700,372,820	
Cost	Provision	

Items		Buildings, architectures	Machinery, equipment	Transmissions equipment	Office equipment	Others	Total
I. Cost							
1. Opening balance		49,410,747,539	58,100,215,131	14,323,260,671	1,781,063,118	-	123,615,286,459
2. Increases		-	-	-	-	-	-
- Purchases		-	-	-	-	-	-
- Self construction		-	-	-	-	-	-
- Others		-	-	-	-	-	-
3. Decreases		-	-	-	-	-	-
- Disposals		-	-	-	-	-	-
- Others		-	-	-	-	-	-
4. Closing balance		49,410,747,539	58,100,215,131	14,323,260,671	1,781,063,118	-	123,615,286,459
II. Depreciation			-	-	-	-	-
Opening balance		44,404,744,413	51,137,639,938	13,078,736,759	407,471,682	-	109,028,592,792
- Charge for the year		264,953,865	606,333,731	133,491,588	50,907,537	-	1,055,686,721
- Disposals		-	-	-	-	-	-
- Others		-	-	-	-	-	-
Closing balance		44,669,698,278	51,743,973,669	13,212,228,347	458,379,219	-	110,084,279,513
III. Net book value			-	-	-	-	-
- Opening balance		5,006,003,126	6,962,575,193	1,244,523,912	1,373,591,436	-	14,586,693,667
- Closing balance		4,741,049,261	6,356,241,462	1,111,032,324	1,322,683,899	-	13,531,006,946

- The amount of tangible fixed assets which were pledged as security for borrowings at the end of the period:

2,330,664,349

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

88,675,670,717

8. Intangible fixed assets :

Items		Accounting software	Others	Total
Cost				
Opening balance		93,333,653		93,333,653
- Increases				
- Decreases				
Closing balance		93,333,653	-	93,333,653
Amortization				
Opening balance		93,043,330	-	93,043,330
- Charge for the year		290,323		290,323
- Decreases				

Closing balance				93,333,653	-	93,333,653
Net book value						
- Opening balance				290,323	-	290,323
- Closing balance				-	-	-

- Cost of intangible fixed assets fully amortized but still in use at the end of the period:

93,333,653

9 - Prepaid expenses

a) Short-term

- Overhaul costs
- Repair expenses
- Vehicle inspection and insurance fees
- Others

b) Long-term

- Overhaul costs
- Repair expenses
- Vehicle inspection and insurance fees
- Others

Total

31/03/2025

1,261,467,827

01/01/2025

981,946,579

452,652,967 652,163,621
25,264,493 45,042,144
783,550,368 284,740,814
2,576,124,327 2,846,016,672

1,305,604,660 778,172,304
371,523 -
1,270,148,144 2,067,844,368
3,837,592,155 3,827,963,251

10 - Loans and finance lease liabilities

a) Short-term loans

b) Long-term loans

Total

31/03/2025

49,963,175,308

01/01/2025

47,253,504,559

49,963,175,308 47,253,504,559

11 - Trade payables

a) Short-term payables

- + Citicomic Commercial Joint Stock Company
- + Thai Nguyen Company Limited
- + Other suppliers

Total

31/03/2025

3,748,297,850 1,818,973,200
10,219,752,329 30,438,061,745
13,968,050,179 32,257,034,945

b) Long-term payables

12 - Taxes and amounts receivable from/payable to the State

a) Payable

- Value-added tax
- Corporate income tax
- Personal income tax

Opening balance

Amount to be paid

Actual amount paid

Closing balance

(95,111,531) 254,943,543 - 159,832,012
15,031,168 209,986,322 214,698,025 10,319,465

- Other taxes	-	4,000,000	4,000,000	-
- Fees, charges and other payables	0			
Total	(80,080,363)	468,929,865	218,698,025	170,151,477
b) Receivable				
- Value-added tax	(40,000,000)			(40,000,000)
- Corporate income tax			0	-
- Personal income tax				
- Fees, charges and other payables				
Total	(40,000,000)	0	0	(40,000,000)
13- Accrued expenses	31/03/2025		01/01/2025	
a) Short-term				
- Land & infrastructure rental costs	2,359,190,202			2,177,714,109
- Interest expense	-			55,883,665
- Others	408,541,244			189,171,636
b) Long-term				
- Interest expense				-
- Others				-
Total	2,767,731,446			2,422,769,410
14 - Other Payable	31/03/2025		01/01/2025	
a) Short-term				
- Trade union fees	284,915,709			197,937,278
- Other payables	344,714,092			370,503,257
Total	629,629,801			568,440,535
b) Long-term				
- Other payables				
15 - Provision for payables	31/03/2025		01/01/2025	
a) Short-term				
- Provision for warranty of steel structure works	653,872,330			653,872,330
Total	653,872,330			653,872,330
a) Long-term	31/03/2025		01/01/2025	
- Provision for warranty of steel structure works	9,514,997,796			9,514,997,796
Total	9,514,997,796			9,514,997,796
16 - Equity				
a- Statement of changes in equity				

Item	Share capital	Share premium	Investment and development fund	Other owners' equity	Exchange rate differences	Undistributed profit after tax	Total
As at 01/01/2023	80,000,000,000	3,680,199,000	-	-	-	2,449,047,317	86,129,246,317
- Increase in the year	-	-	-	-	-	7,819,705,878	7,819,705,878
- Decrease in the year	-	-	-	-	-	-	-
As at 01/01/2024	80,000,000,000	3,680,199,000	-	-	-	10,268,753,195	93,948,952,195
- Increase in the year	-	-	-	-	-	1,019,774,172	1,019,774,172
- Decrease in the year	-	-	-	-	-	-	-
As at 31/12/2024	80,000,000,000	3,680,199,000	-	-	-	11,288,527,367	94,968,726,367

b- Capital transactions with shareholders and distribution of dividends and profits

- Shareholders' investment capital							
+ Opening paid-in capital						80,000,000,000	80,000,000,000
+ Increase in paid-in capital						-	-
+ Decrease in paid-in capital							
+ Closing paid-in capital						80,000,000,000	80,000,000,000
- Dividends, distributed profits						-	-

c- Shares

- Number of shares authorized to be issued						31/03/2025	01/01/2025
- Number of shares issued to the public						8,000,000	8,000,000
+ Common shares						8,000,000	8,000,000
+ Preferred shares (classified as equity)						8,000,000	8,000,000
- Number of outstanding shares						8,000,000	8,000,000
+ Common shares							
+ Preferred shares (classified as equity)						-	-
- Par value of outstanding shares						10,000	10,000

d- Dividends

17 - Off-balance sheet items

Foreign currencies						31/03/2025	01/01/2025
- USD						5,188.08	0
- Lak						1,278,291,706	0

VI- Additional information for items presented in the income statement

1 - Revenue from sale and service provision		Quarter I/2025	Quarter I/2024
	- Sales of mechanical products, electrical equipment	62,670,856,520	58,718,924,783
	- Sales of supplies, goods and other operations	62,647,265,617	57,604,911,040
2 - Revenue deductions		23,590,903	1,114,013,743
3 - Cost of goods sold		Quarter I/2025	Quarter I/2024
	- Cost of mechanical products, electrical equipment	56,978,136,939	53,657,990,194
	- Cost of supplies, goods and other operations	56,966,026,939	52,671,568,201
		12,110,000	986,421,993
4 - Financial income		Quarter I/2025	Quarter I/2024
	- Interest income from bank deposits	13,643,195	50,534,646
	- Gains of exchange rate differences arising in current period	6,163,499	50,534,646
	- Gains of unrealized exchange rate differences	7,479,696	-
	- Other financial income	-	-
5 - Financial expenses		Quarter I/2025	Quarter I/2024
	- Interest expense	821,784,779	1,157,669,161
	- Losses of exchange rate differences arising in current period	819,160,414	1,157,669,161
	- Losses of unrealized exchange rate differences	2,624,365	-
	- Provision for investment loss	-	-
	- Prompt payment discount	-	-
6 - Other income		Quarter I/2025	Quarter I/2024
	- Other income	6,289,910	5,749,413
7 - Other expenses		Quarter I/2025	Quarter I/2024
	- Residual value of fixed assets and asset disposal losses	100,287,339	7,081,954
	- Other expenses	-	-
8 - Selling expenses and administrative expenses			
a- Administrative expenses		3,515,862,853	2,696,871,056
		100,287,339	7,081,954
		3,515,862,853	2,696,871,056
		3,515,862,853	2,696,871,056

- Staff costs
- Other expenses
- b- Selling expenses**
 - Brokerage commission
 - Provision for product warranties

2,149,545,219	1,247,138,524
1,366,317,634	1,449,732,532

9 - Operating expenses by elements

- Materials expenses
- Labor costs
- Depreciation and amortization of fixed assets
- Outside service expenses
- Other cash expenses

Quarter 1/2025	Quarter 1/2024
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45,035,334,941	159,184,765,496
28,123,010,287	144,747,239,430
9,157,932,175	8,216,548,113
1,055,977,044	947,530,421
5,074,454,949	3,819,793,696
1,623,960,486	1,453,653,836

10- Current corporate income tax expense

- Current corporate income tax expense

Quarter 1/2025	Quarter 1/2024
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254,943,543	0
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VII- Other informations

Information on related parties

Related parties

- Truong Thong Trading Co., Ltd
- Austdoor Group Joint Stock Company
- Tien Phong Nam Mien Trung Trading and Manufacturing JSC
- Quang Tri Austwood Joint Stock Company
- a. Income of key management members

Relationship

- Associated company
- Common member of the Board of Directors
- Common member of the Board of Directors
- Common member of the Board of Directors

Salary of Board of Directors

- Mr. Nguyen Huu Thang

Remuneration of Board of Directors

- Mr. Phan Ngoc Hieu
- Mr. Dang Phan Tuong

Quarter 1/2025	Quarter 1/2024
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Chairman (Executive)	139,276,622	123,083,289
Member	9,000,000	9,000,000
Member	9,000,000	9,000,000

- Mr. Duong Quoc Tuan

Salary and remuneration of Board of Supervisors

Salary of Management

- Mr. Le Thanh Lam

- Mr. Ngo Han

- Mr. Le Dinh Phuoc Toan

- Ms. Phan Huynh Tuyet Trinh

Member

9,000,000

9,000,000

131,437,286

126,220,533

General Director

116,989,778

103,778,074

Deputy General Director

89,071,177

81,356,296

Deputy General Director

97,042,925

76,992,513

Chief Accountant

92,293,778

82,723,259

b. Significant transactions with related parties

Tien Phong Nam Mien Trung Trading and Manufacturing ISC

c. Outstanding balances with related parties

Austdoor Group Joint Stock Company

Tien Phong Nam Mien Trung Trading and Manufacturing ISC

Truong Thong Trading Co., Ltd

Transaction

Quarter 1/2025

Quarter 1/2024

Sale of goods

1,179,102,396

0

Items

31/03/2025

01/01/2025

Trade receivables

0

1,063,019,998

Trade receivables

1,395,789,189

122,358,601

Trade receivables

571,751,852

571,751,852

Preparer



Ms. Nguyen Thi Thanh Phuc

Chief Accountant



Ms. Phan Huynh Tuyet Trinh

Da Nang, 19th April 2025

General Director



Mr. Le Thanh Lam