

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**

## **1st Quarter of 2025**

### **CONTENTS:**

- |   |                         |
|---|-------------------------|
| 1. Consolidated Balance Sheet                     | (Form No. B 01 - DN/HN) |
| 2. Consolidated Income Statement                  | (Form No. B 02 - DN/HN) |
| 3. Consolidated Cash Flow Statement               | (Form No. B 03 - DN/HN) |
| 4. Notes to the Consolidated Financial Statements | (Form No. B 09 - DN/HN) |

**Ha Noi, April 2025**



**TABLE OF CONTENTS**

	<b>Page</b>
1. Consolidated Balance Sheet	2-5
2. Consolidated Income Statement	6-7
3. Consolidated Cash Flow Statement	8-9
4. Notes to the Consolidated Financial Statements	10-33

## CONSOLIDATED BALANCE SHEET

As at 31 March 2025

ASSETS		Code	Note	31/03/2025 VND	01/01/2025 VND
<b>A.</b>	<b>SHORT-TERM ASSETS</b> <b>(100=110+120+130+140+150)</b>	<b>100</b>		<b>1,789,560,455,215</b>	<b>1,783,458,538,638</b>
<b>I.</b>	<b>Cash and cash equivalents</b>	<b>110</b>	<b>6</b>	<b>55,984,100,724</b>	<b>65,798,590,433</b>
1.	Cash	111		28,784,100,724	41,298,590,433
2.	Cash equivalents	112		27,200,000,000	24,500,000,000
<b>II.</b>	<b>Short-term investments</b>	<b>120</b>	<b>5</b>	<b>157,106,758,810</b>	<b>141,106,758,810</b>
1.	Trading securities	121		1,467,690,500	1,467,690,500
2.	Held to maturity investments	123		155,639,068,310	139,639,068,310
<b>III.</b>	<b>Short-term receivables</b>	<b>130</b>		<b>777,026,753,904</b>	<b>795,830,661,921</b>
1.	Short-term trade receivables	131	7	716,201,395,145	747,831,400,735
2.	Short-term advances to suppliers	132		55,079,337,025	53,298,423,687
3.	Short-term intra-company receivables	133		637,500,000	637,500,000
4.	Other short-term receivables	136	8	75,794,755,763	63,749,571,528
5.	Short-term allowances for doubtful debts	137		(70,686,234,029)	(69,686,234,029)
<b>IV.</b>	<b>Inventories</b>	<b>140</b>	<b>9</b>	<b>757,540,415,252</b>	<b>732,928,803,865</b>
1.	Inventories	141		757,540,415,252	732,928,803,865
<b>V.</b>	<b>Other current assets</b>	<b>150</b>		<b>41,902,426,525</b>	<b>47,793,723,609</b>
1.	Short-term prepaid expenses	151	10	4,977,997,920	3,691,891,240
2.	Deductible VAT	152		36,339,310,831	43,611,708,146
3.	Taxes and other receivables from government budget	153	16	585,117,774	490,124,223
<b>B.</b>	<b>LONG-TERM ASSETS</b> <b>(200=210+220+230+240+250+260)</b>	<b>200</b>		<b>758,438,943,566</b>	<b>773,564,066,188</b>
<b>I.</b>	<b>Long-term receivable</b>	<b>210</b>		<b>3,672,822,500</b>	<b>1,582,573,895</b>
1.	Other long-term receivables	216	8	3,672,822,500	1,582,573,895
<b>II.</b>	<b>Fixed assets</b>	<b>220</b>		<b>557,287,010,729</b>	<b>569,402,991,775</b>
<b>1.</b>	<b>Tangible fixed assets</b>	<b>221</b>	<b>11</b>	<b>447,410,366,062</b>	<b>519,102,928,329</b>
-	Cost	222		910,749,699,826	1,018,402,332,479
-	Accumulated depreciation	223		(463,339,333,764)	(499,299,404,150)
<b>2.</b>	<b>Finance lease fixed assets</b>	<b>224</b>		<b>78,957,674,964</b>	<b>19,095,659,659</b>
-	Cost	225		81,069,002,725	20,391,502,725
-	Accumulated depreciation	226		(2,111,327,761)	(1,295,843,066)
<b>3.</b>	<b>Intangible fixed assets</b>	<b>227</b>	<b>12</b>	<b>30,918,969,703</b>	<b>31,204,403,787</b>
-	Cost	228		41,203,252,956	41,203,252,956
-	Accumulated depreciation	229		(10,284,283,253)	(9,998,849,169)



**CONSOLIDATED BALANCE SHEET**  
**As at 31 March 2025 (continued)**

ASSETS	Code	Note	31/03/2025 VND	01/01/2025 VND
<b>III. Investment properties</b>	<b>230</b>	<b>13</b>	<b>25,661,090,260</b>	<b>25,614,023,848</b>
- Cost	231		33,755,261,371	33,755,261,371
- Accumulated depreciation	232		(8,094,171,111)	(8,141,237,523)
<b>IV. Long-term assets in progress</b>	<b>240</b>	<b>14</b>	<b>49,070,841,228</b>	<b>47,744,728,569</b>
1. Construction in progress	242		49,070,841,228	47,744,728,569
<b>V. Long- term investments</b>	<b>250</b>	<b>5</b>	<b>31,485,014,559</b>	<b>31,485,014,559</b>
1. Investments in joint- ventures, associates	252		1,896,459,553	1,896,459,553
2. Investments in equity of other entities	253		28,088,555,006	28,088,555,006
3. Đầu tư nắm giữ đến ngày đáo hạn	255		1,500,000,000	1,500,000,000
<b>VI. Other long-term assets</b>	<b>260</b>		<b>91,262,164,290</b>	<b>97,734,733,542</b>
1. Long-term prepaid expenses	261	10	91,262,164,290	97,734,733,542
<b>TOTAL ASSETS (270 = 100+200)</b>	<b>270</b>		<b>2,547,999,398,781</b>	<b>2,557,022,604,826</b>



**CONSOLIDATED BALANCE SHEET**  
**As at 31 March 2025 (continued)**

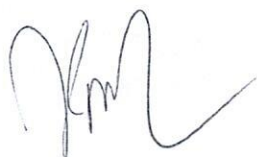
ASSETS		Code	Note	31/03/2025 VND	01/01/2025 VND
<b>A.</b>	<b>LIABILITIES (300=310+330)</b>	<b>300</b>		<b>1,101,153,402,477</b>	<b>1,110,909,194,484</b>
<b>I.</b>	<b>Short-term liabilities</b>	<b>310</b>		<b>1,044,512,660,831</b>	<b>1,092,323,218,977</b>
1.	Short-term trade payables	311	15	280,551,652,491	286,160,486,503
2.	Short-term prepayments from customers	312		64,958,101,021	83,072,579,859
3.	Taxes and other payables to government budget	313	16	59,154,837,326	58,307,916,760
4.	Payables to employees	314		40,837,667,489	48,521,759,820
5.	Short-term accrued expenses	315	17	27,208,628,905	26,599,841,249
6.	Short-term intra-company payables	316		56,202,387	56,202,387
7.	Short-term unearned revenues	318		1,613,238,127	2,855,677,353
8.	Other short-term payments	319	18	40,949,486,290	46,692,975,363
9.	Short-term borrowings and finance lease liabilities	320	19	507,050,789,722	518,528,465,026
10.	Short-term provisions	321		2,465,262,713	3,057,028,942
11.	Bonus and welfare fund	322		19,666,794,360	18,470,285,715
<b>II.</b>	<b>Long-term liabilities</b>	<b>330</b>		<b>56,640,741,646</b>	<b>18,585,975,507</b>
1.	Long-term accrued expenses	333	17	2,712,352,142	2,712,352,142
2.	Long-term unearned revenues	336		827,460,074	-
3.	Other long-term payables	337	18	2,940,110,667	3,108,420,667
4.	Long-term borrowings and finance lease liabilities	338	19	49,381,533,538	12,334,319,043
5.	Long-term provisions	342		779,285,225	430,883,655
<b>B.</b>	<b>OWNER'S EQUITY (400=410+430)</b>	<b>400</b>		<b>1,446,845,996,304</b>	<b>1,446,113,410,342</b>
<b>I.</b>	<b>Owner's equity</b>	<b>410</b>	<b>20</b>	<b>1,446,845,996,304</b>	<b>1,446,047,312,769</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		(37,476,550,366)	(38,128,057,824)
	<i>Undistributed profit after tax brought forward</i>	<i>421a</i>		<i>(39,250,473,557)</i>	<i>(46,084,503,103)</i>
	<i>Undistributed profit after tax for the current year</i>	<i>421b</i>		<i>1,773,923,191</i>	<i>7,956,445,279</i>
5.	Capital expenditure funds	429		34,663,392,347	34,516,216,270

**CONSOLIDATED BALANCE SHEET**  
As at 31 March 2025 (continued)

ASSETS	Code Note	31/03/2025 VND	01/01/2025 VND
II. Funding sources and other funds	430	-	66,097,573
1. Funding sources	431	-	66,097,573
<b>TOTAL RESOURCES (440 = 300+400)</b>	<b>440</b>	<b>2,547,999,398,781</b>	<b>2,557,022,604,826</b>

Hanoi, 24<sup>th</sup> April 2025

Preparator



Nguyen Trung Kien

Responsible for accounting



Pham Minh Duc

General Director



Le Huy Hai



**CONSOLIDATED INCOME STATEMENT**  
**For the period from 01/01/2025 to 31/03/2025**

*Unit: VND*

ITEMS	Code	Note	1st Quarter of 2025	1st Quarter of 2024	From 01/01/2025 to 31/03/2025	From 01/01/2024 to 31/03/2024
1. Revenue from sale of goods and rendering of services	01		324,480,308,504	321,786,945,577	324,480,308,504	321,786,945,577
2. Deductible items	02		201,494,544	75,989,000	201,494,544	75,989,000
3. Net revenue from sales of goods and rendering of services (10 = 01 - 02)	10	21	324,278,813,960	321,710,956,577	324,278,813,960	321,710,956,577
4. Cost of goods sold	11	22	279,349,509,226	281,163,978,904	279,349,509,226	281,163,978,904
5. Gross profit from sale of goods and rendering of services (20 = 10 - 11)	20		44,929,304,734	40,546,977,673	44,929,304,734	40,546,977,673
6. Revenue from financial activities	21	23	1,571,176,538	1,837,598,692	1,571,176,538	1,837,598,692
7. Financial expenses	22	24	11,079,006,752	10,577,794,424	11,079,006,752	10,577,794,424
<i>In which: Interest payable</i>	23		10,799,521,993	10,546,706,135	10,799,521,993	10,546,706,135
9. Selling expenses	25		3,226,847,411	2,210,848,590	3,226,847,411	2,210,848,590
10. Administrative expenses	26		26,224,705,495	27,452,553,664	26,224,705,495	27,452,553,664
11. Net profit from operating activities {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		5,969,921,614	2,143,379,687	5,969,921,614	2,143,379,687
12. Other income	31		61,381,421,194	441,884,067	61,381,421,194	441,884,067
13. Other expense	32		64,837,413,243	1,150,850,229	64,837,413,243	1,150,850,229
14. Other profit (40 = 31 - 32)	40	25	(3,455,992,049)	(708,966,162)	(3,455,992,049)	(708,966,162)



**CONSOLIDATED INCOME STATEMENT**  
**For the period from 01/01/2025 to 31/03/2025 (continued)**

Unit: VND

ITEMS	Code	Note	1st Quarter of 2025	1st Quarter of 2024	From 01/01/2025 to 31/03/2025	From 01/01/2024 to 31/03/2024
15. Total profit before tax (50 = 30 + 40)	50		2,513,929,565	1,434,413,525	2,513,929,565	1,434,413,525
16. Current business income tax expenses	51	26	592,830,297	507,013,074	592,830,297	507,013,074
17. Profit after tax (60 = 50 - 51 - 52)	60		1,921,099,268	927,400,451	1,921,099,268	927,400,451
18. Profit after tax attributable to the Holding Company	61		1,773,923,191	1,035,562,074	1,773,923,191	1,035,562,074
19. Profit after tax attributable to non - controlling shareholders	62		147,176,077	(108,161,623)	147,176,077	(108,161,623)

Hanoi, 24<sup>th</sup> April 2025

Preparator



Nguyen Trung Kien

Responsible for accounting



Pham Minh Duc

General Director



Le Huy Hai

**CONSOLIDATED CASH FLOW STATEMENT**  
*(Under Indirect method)*  
**For the period from 01/01/2025 to 31/03/2025**

*Unit: VND*

Items	Code	Note	From 01/01/2025 to 31/03/2025	From 01/01/2024 to 31/03/2024
<b>I. Cash flows from operating activities</b>				
1. Net profit before tax	01		2,513,929,565	1,434,413,525
2. Adjusted for the following			(23,659,141,635)	19,092,051,837
Depreciation of fixed assets and investment properties	02		(34,876,189,512)	9,944,930,819
Provision for bad debt	03		756,635,341	40,865,451
Gains and losses of unrealized exchange rate difference	04		(56,434,302)	(56,369,791)
Profits or losses from investment activities	05		(290,811,285)	(1,384,080,777)
Interest expenses	06		10,807,658,123	10,546,706,135
3. Operating income (loss) before changes in working	08		(21,145,212,070)	20,526,465,362
(Increase) decrease in receivables	09		15,833,864,166	20,705,628,506
(Increase) decrease in inventory	10		(24,611,611,386)	(31,067,989,789)
Increase (decrease) in payables (excluding interest payable, EIT payables)	11		(43,882,402,029)	(15,436,792,371)
(Increase) decrease in prepaid expenses	12		5,186,462,572	(9,516,129,932)
Interest paid	14		(10,916,004,864)	(10,746,689,292)
Enterprise income tax paid	15		(222,497,285)	3,570,409,417
Other cash inflows from operating activities	16		(62,800,000)	-
Other cash outflows from operating activities	17		(7,000,767,948)	(990,859,144)
<i>Net cash inflows (outflows) from operating activities</i>	20		<i>(86,820,968,844)</i>	<i>(22,955,957,243)</i>
<b>II. Cash flows from investing activities</b>				
1. Cash paid for purchasing, building fixed assets and other long-term assets	21		(786,574,074)	(116,236,000)
2. Proceeds from disposals of fixed assets and other long term assets	22		65,531,700,000	-
3. Payments for purchase of debt instruments of other entities	23		(20,000,000,000)	(16,500,000,000)
4. Proceeds from sales of debt instruments of other entities	24		4,000,000,000	12,500,000,000
5. Receipts of interest, dividends	27		3,558,711,987	1,113,175,853
<i>Net cash from investing activities</i>	30		<i>52,303,837,913</i>	<i>(3,003,060,147)</i>



**CONSOLIDATED CASH FLOW STATEMENT (continued)**  
*(Under Indirect method)*  
**For the period from 01/01/2025 to 31/03/2025**

Unit: VND

Items	Code	Note	From 01/01/2025 to 31/03/2025	From 01/01/2024 to 31/03/2024
<b>III. Cash flows from financing activities</b>				
1. Proceeds from borrowings	33		238,933,249,179	177,744,578,684
2. Payments to settle debts	34		(186,190,210,741)	(150,267,683,659)
3. Payments to settle finance lease	35		(28,083,524,793)	(4,327,926,218)
<i>Net cash flows from financing activities</i>	<i>40</i>		<i>24,659,513,645</i>	<i>23,148,968,807</i>
 Net cash flows in the period (50 = 20+30+40)	 50		 (9,857,617,286)	 (2,810,048,583)
Cash at beginning of year	60		65,798,590,433	55,925,027,852
Effect of exchange rate fluctuations	61		43,127,577	56,369,791
Cash at end of year (70 = 50+60+61)	70		55,984,100,724	53,171,349,060

Hanoi, 24<sup>th</sup> April 2025

Preparator



Nguyen Trung Kien

Responsible for accounting



Pham Minh Duc

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 12th change on July 17, 2024 issued by the Department of Planning and Investment of Hanoi City.

The Charter Capital of the Corporation - according to the 12th amended Certificate of Business Registration of the Joint Stock Company dated July 17, 2024 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 March 2025 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 March 31, 2025 is as follows:

<u>Shareholders</u>	<u>Number of shares</u>	<u>Ownership ratio</u>
State shareholder (Ministry of Industry and Trade)	141,384,680	99.5726%
Staff	537,820	0.3788%
Other investors	69,000	0.0468%
- Organizations	20,000	0.0141%
- Individual	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);

**MACHINES AND INDUSTRIAL EQUIPMENT  
CORPORATION - JSC**

No. 7A Mac Thi Bui Street, Hai Ba Trung District, Hanoi City  
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**Form B 09 - DN/HN**

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

**Notes to the Consolidated Financial Statements**

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- Investment, construction, manufacturing, installation, operation and transfer of independent thermal and hydroelectric power plants;
- Construction of industrial and civil works, road traffic works, irrigation works, urban infrastructure works;
- Investment consulting and technological and industrial technical services; Commercial business, etc.

**1.3 The Corporation's structure**

As at March 31, 2025, the Corporation has the following subsidiaries, associates and affiliated units:



**Notes to the Consolidated Financial Statements**

<b>1.4 The Corporation's structure (Continued)</b>		<b>Owners hip ratio</b>
<b>Name</b>	<b>Operating industries</b>	
<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 March 2025. 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



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**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**

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 recognition 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



#### **4. ACCOUNTING POLICIES (CONTINUED)**

##### **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><b>Years</b></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.



#### **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.

#### **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.

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**Notes to the Consolidated Financial Statements**

**Related parties**

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

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

**Segment Reporting**

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

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



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 5. FINANCIAL INVESTMENTS

	31/03/2025 (VND)			01/01/2025 (VND)		
	Original cost	Fair value	Provision	Original cost	Fair value	Provision
a) Trading securities	1,467,690,500	257,424,700	-	1,467,690,500	257,424,700	-
- Total value of shares (of Mechanical Products Import-Export Company Limited)	1,467,630,000	257,328,200	-	1,467,630,000	257,328,200	-
- EIB (SCP)	60,500	96,500	-	60,500	96,500	-
b) Investments held to maturity						
	31/03/2025 (VND)		01/01/2025 (VND)			
	Original cost	Accounting value	Original cost	Accounting value		
- Term deposits over 3 months	155,639,068,310	155,639,068,310	139,639,068,310	139,639,068,310		
c) Long-term financial investments						
	31/03/2025 (VND)			01/01/2025 (VND)		
	Original cost	Fair value	Provision	Original cost	Fair value	Provision
- Investments in joint ventures and associates	31,485,014,559	31,485,014,559	-	31,485,014,559	31,485,014,559	-
- Investments in other entities	1,896,459,553	1,896,459,553	-	1,896,459,553	1,896,459,553	-
- Investment held until maturity	28,088,555,006	28,088,555,006	-	28,088,555,006	28,088,555,006	-
- Investment held until maturity	1,500,000,000	1,500,000,000	-	1,500,000,000	1,500,000,000	-
Detailed information on investments at the end of the accounting period 1st Quarter of 2025:						
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>				1,896,459,553	-	1,896,459,553
Saigon - Hanoi Investment and Trading Joint Stock Com	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>				28,088,555,006	-	28,088,555,006
Hai Duong Grinding Stone Joint Stock Company	2%	2%	2%	3,381,542,806	-	3,381,542,806
Hai Phong Mechanical Engineering Joint Stock Compan	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 Binh Cement Joint Stock Company	10.36%	10.36%	10.36%	12,905,000,000	-	12,905,000,000
<i>In which:</i>						
<i>+ Capital contribution of the General Corporation of</i>						
				1,320,000,000	-	1,320,000,000
<i>Machinery and Equipment (investment of</i>						
<i>+ Capital contribution of other shareholders</i>						
				11,585,000,000	-	11,585,000,000
Hasa Coffee Joint Stock Company	7%	7%	7%	850,000,000	-	850,000,000
<b>Investment held until maturity</b>				1,500,000,000	-	1,500,000,000
<b>Total</b>				31,485,014,559	-	31,485,014,559

	31/03/2025 VND	01/01/2025 VND
<b>6. Cash</b>		
Cash in hand	3,867,982,448	2,663,428,447
Cash at banks	24,916,118,276	38,635,161,986
Cash exchangeable (Term deposit of no more than 3 month)	27,200,000,000	24,500,000,000
<b>Total</b>	<b>55,984,100,724</b>	<b>65,798,590,433</b>

	31/03/2025 VND	01/01/2025 VND
<b>7. Trade receivables</b>		
Hung Phat Industrial Investment and Trade Company Limited	87,159,162,148	127,856,875,975
Quang Tuyen VN Steel Company Limited	56,715,441,240	56,715,441,240
289 Company Limited	49,341,769,610	49,341,769,610
Z179 Mechanical One Member Co., Ltd.	17,917,463,382	22,443,498,357
Nam Vang Joint Stock Company	46,156,854,941	46,256,854,941
ECC Hydropower Construction and Installation Company Limited	17,283,368,198	17,283,368,198
Royal Real Estate Group Joint Stock Company	39,836,297,736	41,536,297,736
Bach Dang Truong Giang Development Investment Joint Stock Company	36,385,277,221	38,640,991,588
HHT Technology Equipment Import-Export Joint Stock Company	19,168,649,639	5,202,271,439
Song Da 5 Joint Stock Company	19,309,369,433	20,230,743,441
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	10,921,017,611
Thien Hoang Long Trading and Production Joint Stock Company	17,890,829,123	17,915,103,323
Namsum 1A Electricity Company Limited	7,257,013,168	6,493,226,053
Song Vang Hydropower Joint Stock Company	2,109,449,097	1,788,319,259
Hong Tin Mechanical Trading Joint Stock Company	41,033,656,018	24,465,652,598
Other entities	219,400,416,080	232,424,608,866
<b>Total</b>	<b>716,201,395,145</b>	<b>747,831,400,735</b>

	31/12/2024 (VND)		01/01/2024 (VND)	
	Value	Provisions	Value	Provisions
<b>8. Other receivables</b>				
<b>a) Other short-term receivables</b>				
Receivables from equitization	5,254,084,019	-	5,254,084,019	-
Deposits	5,840,027,955	-	6,367,398,912	-
Social insurance	230,016	-	934,469	-
Advances	10,233,688,194	-	8,423,087,440	-
Mr Nguyen Duy Xuyen - Mrs Than	18,184,136,530	-	18,184,136,530	-
Thi Nham (*)	36,282,589,049	-	25,519,930,158	-
Other receivables	6,115,416,932	-	6,115,416,932	-
Hai Phong City Customs Department	1,950,442,984	(243,533,062)	1,854,056,468	(243,533,062)
Other receivables at TechNo	28,216,729,133	-	17,550,456,758	-
Other receivables	75,794,755,763	(243,533,062)	63,749,571,528	(243,533,062)
<b>Total</b>				



**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

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

Tel: (84-4) 38 252 498 Fax: (84-4) 38 261 129

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****Form B 09 - DN/HN**

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

December 22, 2014 of the Ministry of Finance

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

	31/03/2025 VND	01/01/2025 VND
<b>b) Long-term</b>		
Deposits	135,000,000	814,876,600
Land clearance fee pending offset with annual land rent (of Quang Trung Mechanical Company Limited)	3,537,822,500	767,697,295
<b>Total</b>	<b>3,672,822,500</b>	<b>1,582,573,895</b>

<b>9. Inventories</b>	<b>31/03/2025 (VND)</b>		<b>01/01/2025 (VND)</b>	
	<b>Value</b>	<b>Provision</b>	<b>Value</b>	<b>Provision</b>
Raw materials	71,539,730,827	-	63,692,842,341	-
Tools and supplies	14,234,726,824	-	6,149,817,698	-
Work in progress	582,420,829,828	-	577,649,872,303	-
Finished goods	71,352,099,881	-	72,260,475,286	-
Goods	17,529,990,144	-	12,685,617,556	-
Consignments	463,037,748	-	490,178,681	-
<b>Total</b>	<b>757,540,415,252</b>	<b>-</b>	<b>732,928,803,865</b>	<b>-</b>

**10. Prepaid expenses**

	31/03/2025 VND	01/01/2025 VND
<b>a) Short-term</b>		
Dispatched tools and supplies	4,977,997,920	3,691,891,240
<b>Total</b>	<b>4,977,997,920</b>	<b>3,691,891,240</b>
<b>b) Long-term</b>		
Compensation for site clearance, Prepaid land rent, infrastructure Tools, equipment and other long-term prepaid expenses	67,355,776,533 23,906,387,757	67,788,777,636 29,945,955,906
<b>Total</b>	<b>91,262,164,290</b>	<b>97,734,733,542</b>

**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

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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 01/01/2025	572,457,847,885	394,795,517,627	45,478,838,226	2,097,887,479	3,693,391,364	1,018,402,332,479
Finished building	-	-	-	-	-	-
Purchase	-	206,500,000	340,000,000	77,824,000	-	624,324,000
Liquidation or transfer	-	108,398,106,755	-	-	-	108,398,106,755
Other reduction	-	-	-	-	-	-
As at 31/03/2025	572,457,847,885	286,603,910,872	45,818,838,226	2,175,711,479	3,693,391,364	910,749,699,826
<b>II. ACCUMULATED DEPRECIATION</b>						
As at 01/01/2025	196,232,382,358	265,645,563,342	35,079,188,908	1,960,225,841	654,770,971	499,299,404,150
Depreciation charges	3,813,649,727	4,016,283,739	576,564,975	44,361,079	30,398,245	8,481,257,764
Liquidation or transfer	-	44,714,055,420	-	-	-	44,714,055,420
Other reduction	-	-	-	-	-	-
As at 31/03/2025	200,046,032,085	224,947,791,661	35,655,753,883	2,004,586,920	685,169,216	463,339,333,764
<b>III. RESIDUAL VALUE</b>						
As at 01/01/2025	376,225,465,527	129,149,954,285	10,399,649,318	137,661,638	3,038,620,393	519,102,928,329
As at 31/03/2025	372,411,815,800	61,656,119,211	10,163,084,343	171,124,559	3,008,222,148	447,410,366,062



## 12. Increase, decrease in intangible fixed assets

Unit: VND

Items	Land use right	Computer software	Other	Total
<b>I. COST</b>				
As at 01/01/2025	37,220,221,480	3,983,031,476	-	41,203,252,956
Purchase	-	-	-	-
Other increases	-	-	-	-
Other decreases	-	-	-	-
As at 31/03/2025	37,220,221,480	3,983,031,476	-	41,203,252,956
<b>II. ACCUMULATED DEPRECIATION</b>				
As at 01/01/2025	8,104,050,824	1,894,798,345	-	9,998,849,169
Amortisation charges	213,846,275	71,587,809	-	285,434,084
Other decreases	-	-	-	-
As at 31/03/2025	8,317,897,099	1,966,386,154	-	10,284,283,253
<b>III. RESIDUAL VALUE</b>				
As at 01/01/2025	29,116,170,656	2,088,233,131	-	31,204,403,787
As at 31/03/2025	28,902,324,381	2,016,645,322	-	30,918,969,703

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 13. Increase, decrease in investment properties

13. Increase, decrease in investment properties

						Unit: VND
Item	Infrastructure	Land use rights	Housing	Other	Total	
<b>I. COST</b>						
As at 01/01/2025	-	-	-	33,755,261,371	-	33,755,261,371
Purchase	-	-	-	-	-	-
Other increases	-	-	-	-	-	-
Other decreases	-	-	-	-	-	-
As at 31/03/2025	-	-	-	33,755,261,371	-	33,755,261,371
<b>II. ACCUMULATED DEPRECIATION</b>						
As at 01/01/2025	-	-	-	7,898,813,283	-	7,898,813,283
Amortisation charges	-	-	-	195,357,828	-	195,357,828
Other decreases	-	-	-	-	-	-
As at 31/03/2025	-	-	-	8,094,171,111	-	8,094,171,111
<b>III. RESIDUAL VALUE</b>						
As at 01/01/2025	-	-	-	25,856,448,088	-	25,856,448,088
As at 31/03/2025	-	-	-	25,661,090,260	-	25,661,090,260



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

	<b>31/03/2025</b>	<b>01/01/2025</b>
	<b>VND</b>	<b>VND</b>
<b>14. Long-term assets in progress</b>		
<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	3,490,034,725	2,163,922,066
<b>Total</b>	<b>49,070,841,228</b>	<b>47,744,728,569</b>
<b>15. Trade payables</b>		
IMEC Global Joint Stock Company	72,713,495,173	60,425,287,273
Hanoi Steel Production and Trading Investment Company Limited	29,026,231,452	44,700,264,698
Trung Anh Private Enterprise	7,663,740,170	7,663,740,170
Global Technology Investment and Solution Joint Stock Company	24,811,766,579	24,811,766,579
Other	146,336,419,117	148,559,427,783
<b>Total</b>	<b>280,551,652,491</b>	<b>286,160,486,503</b>
<b>16. Taxes and other receivables from, payables to the state budget</b>		
<b>a. Receivables</b>		
Value added tax	330,453,400	330,453,400
Import / export duties	439,925	439,925
Corporate income tax	59,570,769	59,570,769
Personal income tax	97,936,117	2,942,566
Other Payables	96,717,563	96,717,563
<b>Total</b>	<b>585,117,774</b>	<b>490,124,223</b>
<b>b. Payables</b>		
Value added tax	13,447,668,484	13,922,144,306
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	1,342,276,747	1,091,386,365
Personal income tax	196,170,678	258,309,643
Land taxes and land rental	23,711,960,697	22,821,016,176
Other Payables	15,563,073,189	15,321,372,739
<b>Total</b>	<b>59,154,837,326</b>	<b>58,307,916,760</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 17. Accrued expenses

	31/03/2025 VND	01/01/2025 VND
<b>a) Short-term</b>		
Interests	6,184,140,984	6,187,209,477
Construction costs of projects	1,435,272,621	1,435,272,621
Other accrued expenses	19,589,215,300	18,977,359,151
<b>Total</b>	<b>27,208,628,905</b>	<b>26,599,841,249</b>

	31/03/2025 VND	01/01/2025 VND
<b>b) Long-term</b>		
Other accrued expenses	2,712,352,142	2,712,352,142
<b>Total</b>	<b>2,712,352,142</b>	<b>2,712,352,142</b>

## 18. Other payables obligations

	31/03/2025 VND	01/01/2025 VND
<b>a) Short-term</b>		
Trade union fund	900,741,357	992,477,485
Social insurance, Health insurance, Unemployment insurance	4,887,649,318	2,925,709,440
Payables on equitization	4,257,988,040	4,257,988,040
Short-term deposits received	1,041,978,958	1,417,303,958
Other payables and obligations	29,861,128,617	37,099,496,440
<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>18,276,128,617</i>	<i>25,514,496,440</i>
<b>Total</b>	<b>40,949,486,290</b>	<b>46,692,975,363</b>

	31/03/2025 VND	01/01/2025 VND
<b>b) Long-term</b>		
Long-term deposits received	933,812,500	1,042,122,500
<i>Other</i>	<i>2,006,298,167</i>	<i>2,066,298,167</i>
<b>Total</b>	<b>2,940,110,667</b>	<b>3,108,420,667</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 19. Borrowings and Finance Leases

	31/03/2025	01/01/2025
	VND	VND
<b>a) Short-term borrowings</b>		
Bank loans	498,382,745,516	505,760,420,820
Institutional loans	3,369,084,095	7,369,084,095
Personal loans	1,298,960,111	1,398,960,111
Other	4,000,000,000	4,000,000,000
<b>Total</b>	<b>507,050,789,722</b>	<b>518,528,465,026</b>
<b>b) Long-term borrowings</b>		
Bank loans	76,392,894	477,353,606
Other	49,305,140,644	11,856,965,437
<b>Total</b>	<b>49,381,533,538</b>	<b>12,334,319,043</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 20. Owner's Equity

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

Unit: VND

	Owner's Equity	Differences upon asset	Investment and development fund	Retained earnings	Non-controlling interests	Total
As of 01/01/2025	1,418,634,488,001	(1,202,379,963)	32,227,046,285	34,516,216,270	(38,128,057,824)	1,446,047,312,769
Profit/(loss) in the period	-	-	-	147,176,077	1,773,923,191	1,921,099,268
Profit distribution	-	-	-	-	(1,122,415,733)	(1,122,415,733)
As of 31/03/2025	1,418,634,488,001	(1,202,379,963)	32,227,046,285	34,663,392,347	(37,476,550,366)	1,446,845,996,304

## b. Owner's equity details

	31/03/2025			01/01/2025		
	Common Share Capital	Preferred share capital	Total	Common Share Capital	Preferred share capital	Total
- 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
Total	1,418,634,488,001	-	1,418,634,488,001	1,418,634,488,001	-	1,418,634,488,001



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

<b>21. Revenue from sale of goods and rendering of services</b>	<b>1st Quarter of 2025 (VND)</b>	<b>1st Quarter of 2024 (VND)</b>
<b>Sales and service revenue</b>	<b>324,480,308,504</b>	<b>321,786,945,577</b>
Revenue from sale of merchandises and services rendered	53,768,217,193	39,922,087,168
Revenue from sales of finished goods	231,523,024,529	258,708,838,257
revenue from Construction	35,695,002,091	22,996,933,060
Other revenue	3,494,064,691	159,087,092
<b>Deductible items</b>	<b>201,494,544</b>	<b>75,989,000</b>
<b>Net revenue from sales and service</b>	<b>324,278,813,960</b>	<b>321,710,956,577</b>
<b>22. Cost of goods ang services rendered</b>	<b>1st Quarter of 2025 (VND)</b>	<b>1st Quarter of 2024 (VND)</b>
Costs of goods sold	45,304,922,343	32,829,380,178
Costs of finished goods sold	207,845,164,714	226,631,438,847
Construction activities	25,887,475,202	21,703,159,879
<b>Total</b>	<b>279,349,509,226</b>	<b>281,163,978,904</b>
<b>23. Financial income</b>	<b>1st Quarter of 2025 (VND)</b>	<b>1st Quarter of 2024 (VND)</b>
Interest income	1,380,040,536	1,664,001,901
Exchange rate difference	191,136,002	62,200,621
Other	-	111,396,170
<b>Total</b>	<b>1,571,176,538</b>	<b>1,837,598,692</b>
<b>24. Financial costs</b>	<b>1st Quarter of 2025 (VND)</b>	<b>1st Quarter of 2024 (VND)</b>
Loan interests	10,807,658,123	10,546,706,135
Unrealized foreign exchange losses	271,348,629	-
Other financial expenses	-	31,088,289
<b>Total</b>	<b>11,079,006,752</b>	<b>10,577,794,424</b>

**MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION - JSC**

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

25. Other profits	1st Quarter of 2025 (VND)	1st Quarter of 2024 (VND)
<b>Other income</b>		
Other income	61,381,421,194	441,884,067
<b>Other expense</b>		
Other expense	64,837,413,243	1,150,850,229
<b>Other profit</b>	(3,455,992,049)	(708,966,162)
<b>26. Current business income tax expenses</b>	<b>1st Quarter of 2025 (VND)</b>	<b>1st Quarter of 2024 (VND)</b>
Current business income tax expenses	592,830,297	507,013,074
<b>Total</b>	<b>592,830,297</b>	<b>507,013,074</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, 2024 and the Consolidated Financial Statements for the 1st Quarter of 2024.

**Preparator**


Nguyen Trung Kien

**Responsible for accounting**


Pham Minh Duc

Hanoi, 24<sup>th</sup> April 2025**General Director**

Le Huy Hai