

No.: 03/2025/CV – VIMID

Hanoi, 20th January 2025

(Re: Explanation for General FS of Q4/2024)

To: - The State Securities Commission
- Hanoi Stock Exchange

- 1. Entity Name:** Vietnam Machine Investment Development J.S.C
- 2. Ticker:** VVS
- 3. Registered Address:** BT1-07 An Hung New Urban Area, Duong Noi Ward, Ha Dong District, Hanoi
- 4. Contents of Information Disclosure:**
General Financial Statement for QIV/2024 of Vietnam Machine Investment Development J.S.C includes: Balance Sheet, Income Statement, Statement of Cash flows and Notes to Financial Statement.
Contents: Explanation on net profit after tax in the business result of the reporting period decreased by over 10% compared to same period of previous year, as follows:

Items	Quarter IV/2024	Quarter IV/2023	Decrease
Net profit before tax (VND)	9,173,310,172	16,502,315,571	44.41%
Net profit after tax (VND)	6,630,153,659	14,006,079,308	52.66%

The decrease by 52.66% in net profit after tax in QIV/2024 has come from the dramatic increase in Selling, General & Administrative expenses (SG&A) in QIV/2024 (Selling expenses have increased by 107.46%; General & Administrative expenses have increased by 29.51% in comparison to the same period in 2023) due to the upsurge in salary and bonus expenses by the end of the year, specifically:

- VIMID has developed a salary policy based on position to ensure fairness and encourage the dedication among employees. This policy is based on each individual's performance and contribution with the goal of increasing operational efficiency and sales revenue throughout the system. Therefore, the increase in monthly salary has led to the upsurge in total employee salary expenses in QIV/2024.
- Tet bonuses and performance bonuses have been increased and mainly recognized in QIV/2024.
- Gross profit margin has decreased by 1.04% compared to the same period in 2023 due to the increases in foreign exchange rates which consequently has led to augmentation in accounted cost of goods sold whilst it has been considerably difficult to adjust the selling prices due to market competitive factors.

Vietnam Machine Investment Development J.S.C hereby explains the reasons for the Net profit after tax in Income Statement in the Q4/2024 decreased by over 10% compared to the same period report last year to the State Securities Commission and Hanoi Stock Exchange.

We hereby declare to take full responsibility for the accuracy and truthfulness of the above contents./.

Recipients:

- The SSC;
- Hanoi Stock Exchange;
- Director;
- Communication Dept.;
- Filings: VT.

LEGAL REPRESENTATIVE OF THE ENTITY
DIRECTOR



GIÁM ĐỐC
Nguyễn Vũ Trụ