

VIETNAM ENGINE AND AGRICULTURAL MACHINERY CORPORATION

REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the period from 01 January 2025 to 30 June 2025

August 2025

TABLE OF CONTENTS

<u>CONTENT</u>	<u>PAGE(S)</u>
STATEMENT OF THE BOARD OF GENERAL DIRECTORS	1 - 2
REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION	3 - 5
INTERIM CONSOLIDATED BALANCE SHEET	6 - 7
INTERIM CONSOLIDATED INCOME STATEMENT	8
INTERIM CONSOLIDATED CASH FLOW STATEMENT	9
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS	10 - 47

STATEMENT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Vietnam Engine and Agricultural Machinery Corporation (hereinafter referred to as the "Corporation") presents this report together with the interim consolidated financial statements for the period from 01 January 2025 to 30 June 2025.

BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS

The members of the Board of Management and the Board of General Directors of the Corporation who held office during the period and up to the date of this report are as follows:

Board of Management

Mr. Ngo Khai Hoan	Chairman
Mr. Nguyen Hoang Giang	Member
Ms. Nguyen Thi Nga	Member
Mr. Nguyen Tien Vy	Member
Mr. Phan Kim Khoa	Member (Dismissed on 20 June 2025)
Mr. Ngo Quang Trung	Member (Appointed on 25 April 2025)
Ms. Nguyen Thi Hoa	Member
Ms. Tran Thi Nguyet	Member

Board of General Directors

Mr. Nguyen Hoang Giang	General Director
Mr. Le Minh Quy	Deputy General Director
Mr. Pham Anh Tuan	Deputy General Director
Mr Le Cong Hoang	Deputy General Director (Appointed on 22 August 2025)

Board of Supervisors

Ms. Nguyen Thi Phuong Lan	Head of the Board of Supervisors
Ms. Nguyen Thi Dien	Member
Ms. Le Thi Thanh Binh	Member

Legal Representative

The legal representative of the Corporation during the period and to the date of this report is Mr. Nguyen Hoang Giang - General Director.

BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of General Directors of the Corporation is responsible for preparing the interim consolidated financial statements, which give a true and fair view of the financial position of the Corporation, its financial performance and its cash flows in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of interim consolidated financial statements. In preparing these interim consolidated financial statements, the Board of General Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the interim consolidated financial statements;
- Prepare the interim consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the interim consolidated financial statements so as to minimize errors and frauds.

STATEMENT OF THE BOARD OF GENERAL DIRECTORS (CONTINUED)

BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY (CONTINUED)

The Board of General Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Corporation and that the accounting records and interim consolidated financial statements comply with applied accounting regime. The Board of General Directors is also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities as well as legal regulations relating to the preparation and presentation of interim consolidated financial statements.

The Board of General Directors confirm that they have complied with the above requirements in the preparation of the interim consolidated financial statements.

In the Board of General Directors' opinion, the interim consolidated financial statements give a true and fair view of the financial position of the Corporation as at 30 June 2025, as well as its financial performance and its cash flows for the period from 01 January 2025 to 30 June 2025 in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of interim consolidated financial statements.

For and on behalf of the Board of General Directors,



Nguyễn Hoàng Giang
General Director
Hanoi, 26 August 2025

No: 297 /VACO/BCSX.NV2

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To: **The Shareholders**
 The Board of Management and the Board of General Directors
 Vietnam Engine and Agricultural Machinery Corporation

We have reviewed the accompanying interim consolidated financial statements of Vietnam Engine and Agricultural Machinery Corporation (hereinafter referred to as "the Corporation") prepared on 26 August 2025 as set out from page 6 to page 47, which comprise the interim consolidated balance sheet as at 30 June 2025, the interim consolidated income statement, the interim consolidated cash flow statement for the period from 01 January 2025 to 30 June 2025 and the notes to the interim consolidated financial statements (collectively referred to as the "interim consolidated financial statements").

Board of General Directors' Responsibility

The Board of General Directors is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of interim consolidated financial statements and for such internal control as the Board of General Directors determines is necessary to enable the preparation of interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on the interim consolidated financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 - Review of Interim Financial Information performed by the Independent Auditor of the Entity.

A review of interim financial statements consists of making inquiries primarily on persons who are responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As at 30 June 2025, the Corporation is recording long-outstanding receivables and inventories for which the recoverability has not yet been assessed as a basis for making full provisions at the time of preparing the consolidated financial statements, specifically:

- *The advance payment to Mekong AUTO Company Limited Branch (CHANGAN) with the amount of VND 135 billion (as at 31 December 2024: VND 135 billion) is currently under litigation and has not yet received a final judgment. Long-outstanding receivables (including trade receivables, other receivables, advances to suppliers, and deficits in assets awaiting solution) with the amount of VND 142.2 billion (as at 31 December 2024: VND 139.5 billion).*
- *As stated in Note 11, the Corporation has made a provision for the decline in value of inventories for certain slow-moving inventory codes with signs of value decline, but the basis used to determine their net realizable value is not in compliance with current regulations. Additionally, the Corporation has a number of slow-moving inventory codes with signs of value decline for which no provision for decline in value of inventories has been made.*

We were unable to obtain sufficient and appropriate information and documents to assess the recoverability of the aforementioned long-outstanding receivables and the net realizable value of the inventories. Therefore, we could not determine the necessary adjustments to the provision for doubtful debts relating to receivables, the provision for decline in value of inventories, and other related items in the Corporation's interim consolidated financial statements.

Ho Chi Minh Office

10th Floor, HUD Building, No. 159 Dien Bien Phu Street
Ward 2, Binh Thanh District, Ho Chi Minh City
Tel: (84-28) 3840 6618 - Fax: (84-28) 3840 6616

Dong Nai Office

No. 79 Ha Huy Giap Street, Quyet Thang Ward
Bien Hoa City Dong Nai Province
Tel: (84-251) 382 8560 - Fax: (84-251) 382 8560

Binh Duong Office

No. 12, Street 5, Group 19
Quarter 3, Chanh Nghia Ward
Thu Dau Mot City, Binh Duong Province

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION (CONTINUED)

Basis for Qualified Conclusion (Continued)

As the date of preparing the interim consolidated financial statements, the Corporation has not fully recognized the value of surplus/deficits in assets awaiting solution from the inventory count at VEAM Motor Factory - a Branch of the Corporation. We were unable to obtain sufficient and appropriate information and documents to assess whether adjustments are necessary for this item and related items in the Corporation's interim consolidated financial statements.

At the date of preparing the interim consolidated financial statements on 30 June 2025, the value of technology licensing fees related to the mid-range four-wheel tractor research and manufacturing project is being recorded by the Corporation under the "Construction in progress" item with an amount of VND 53.5 billion (Note 15 of the interim consolidated financial statements). Meanwhile, the Hanoi High People's Court has concluded that the individuals involved are responsible for fully reimbursing this amount to the Corporation. We were unable to obtain sufficient and appropriate information and documents to assess whether adjustments are necessary for the "Construction in progress" item and related items in the Corporation's interim consolidated financial statements.

As at 30 June 2025, Material and Complete Equipment Export-Import Corporation, a subsidiary of the Corporation, is recording an amount of VND 492.5 billion in long-term prepayments (as at 31 December 2024: VND 473 billion) including depreciation, borrowing costs, and certain other expenses; and an amount of VND 8.8 billion in work in progress on the balance sheet (as at 31 December 2024: VND 8.8 billion). We were unable to obtain sufficient appropriate evidence regarding the above prepayments and work in progress. As a result of this matter, we are unable to assess whether adjustments are necessary for the long-term prepayments, work in progress, and related items in the Corporation's interim consolidated financial statements as at 30 June 2025.

Auditors' Conclusion

Based on our review, except for the possible impact of the matters described in the "Basis for Qualified Conclusion" paragraph, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not give a true and fair view, in all material aspects, the financial position of the Corporation as at 30 June 2025, its financial performance and its cash flows for the period from 01 January 2025 to 30 June 2025 in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of the interim consolidated financial statements.

Emphasis of Matters

As stated in Note 8, the Corporation presents information relating to the recognition of its interest income from capital support.

As stated in Note 15, the Corporation and Tractor and Agricultural Machinery Company Limited have not yet completed the procedures to extend the "Relocation and new construction of the small tractor manufacturing plant" project, and the project has not had any implementation or acceptance activities.

As stated in Note 38, Southern Vietnam Engine and Agricultural Machinery Company Limited (a subsidiary of the Corporation) has submitted official letters to competent authorities requesting continued application of the land lease rates under Decision No. 1357/TC/QD/TCT dated 30 December 1995 issued by the Minister of Finance. However, the authorities have not yet responded to this request.

As stated in Note 39, Tran Hung Dao Mechanical Co., Ltd (a subsidiary of the Corporation) has not recognized the investment in Thai Binh Duong Investment Joint Venture Company Limited, valued at VND 40 billion, due to insufficient documentation from related partners.

As stated in Note 40 of the Notes to the interim consolidated financial statements:

- At the date of preparing the interim financial statements on 30 June 2025, the competent authorities have not yet officially approved the equitization finalization of the Parent company - Vietnam Engine and Agricultural Machinery Corporation at the time the Parent company was officially converted into a joint stock company.
- The Corporation has not recognized receivables from the individuals required to execute the judgment, nor the corresponding late payment interest, pursuant to the Criminal Appeal Judgment No. 855/2023/HS-PT dated 15 November 2023 of the Hanoi High People's Court and the Criminal First-Instance Judgment No. 234/2023/HS-ST dated 12 June 2023 of the Hanoi People's Court.

Our qualified conclusion is not related to these matters.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION (CONTINUED)

Other Matters

The comparative information for the items in the interim consolidated balance sheet is the information in the consolidated financial statements for the year ended 31 December 2024 of the Corporation, which was audited by another independent auditing company with the audit report No. 258/UHY-BCKT dated 24 March 2025. The comparative information for the items in the interim consolidated income statement and the interim consolidated cash flow statement for the period from 01 January 2024 to 30 June 2024 was reviewed under Review report No. 901/2024/UHY-BCSX dated 28 August 2024. These reports were issued with a qualified opinion and a qualified conclusion, respectively, due to:

The Corporation has not made sufficient provisions for overdue receivables, provisions for decline in inventories, and deferred expenses pending resolution at the Sponge Iron Plant that ceased operations in 2015. These matters continue to affect the interim consolidated financial statements for the period from 01 January 2025 to 30 June 2025, as described in the "Basis for Qualified Conclusion" paragraph above.



Chu Manh Hoan

Deputy General Director

Audit Practising Registration Certificate

No.: 1403-2023-156-1

For and on behalf of

VACO AUDITING COMPANY LIMITED

Hanoi, 26 August 2025

INTERIM CONSOLIDATED BALANCE SHEET

As at 30 June 2025

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A - CURRENT ASSETS	100		25,039,570,902,814	18,721,872,715,582
I. Cash and cash equivalents	110	4	329,417,442,724	411,763,339,601
1. Cash	111		215,153,713,956	262,076,518,638
2. Cash equivalents	112		114,263,728,768	149,686,820,963
II. Short-term financial investments	120	5	16,261,266,781,080	13,098,359,931,765
1. Held to maturity investments	123		16,261,266,781,080	13,098,359,931,765
III. Short-term receivables	130		7,076,380,067,119	3,831,834,101,297
1. Short-term trade receivables	131	6	925,415,388,558	924,710,726,837
2. Short-term advances to suppliers	132	7	204,982,300,665	199,911,879,299
3. Other short-term receivables	136	8	6,581,840,107,994	3,342,143,271,731
4. Provision for short-term doubtful debts	137	10	(645,805,741,492)	(645,022,225,505)
5. Deficits in assets awaiting solution	139	9	9,948,011,394	10,090,448,935
IV. Inventories	140	11	1,232,925,440,775	1,250,893,782,055
1. Inventories	141		1,793,929,182,432	1,783,217,465,405
2. Provision for devaluation of inventories	149		(561,003,741,657)	(532,323,683,350)
V. Other short-term assets	150		139,581,171,116	129,021,560,864
1. Short-term prepayments	151	12	25,494,030,815	22,246,209,212
2. Value-added tax deductible	152		111,615,208,222	105,406,635,534
3. Taxes and other receivables from the State budget	153	18	2,471,932,079	1,368,716,118
B - NON-CURRENT ASSETS	200		5,721,941,926,842	8,821,302,441,007
I. Long-term receivables	210		11,526,605,707	11,397,282,463
1. Other long-term receivables	216	8	11,526,605,707	11,397,282,463
II. Fixed assets	220		1,344,831,722,033	1,422,994,933,713
1. Tangible fixed assets	221	13	1,269,628,617,863	1,346,573,523,069
- Cost	222		5,498,761,225,941	5,490,377,771,469
- Accumulated depreciation	223		(4,229,132,608,078)	(4,143,804,248,400)
2. Intangible fixed assets	227	14	75,203,104,170	76,421,410,644
- Cost	228		126,143,312,285	126,143,312,285
- Accumulated amortisation	229		(50,940,208,115)	(49,721,901,641)
III. Long-term assets in progress	240	15	85,505,619,558	84,264,630,728
1. Long-term construction in progress	242		85,505,619,558	84,264,630,728
IV. Long-term financial investments	250	5	3,661,034,319,722	6,702,867,363,467
1. Investments in joint-ventures, associates	252		3,595,870,522,964	6,637,703,566,709
2. Equity investments in other entities	253		66,313,796,758	66,313,796,758
3. Provision for impairment of long-term financial investments	254		(1,150,000,000)	(1,150,000,000)
V. Other long-term assets	260		619,043,659,822	599,778,230,636
1. Long-term prepayments	261	12	618,996,431,666	599,731,002,480
2. Deferred tax assets	262		47,228,156	47,228,156
TOTAL ASSETS (270 = 100 + 200)	270		30,761,512,829,656	27,543,175,156,589

INTERIM CONSOLIDATED BALANCE SHEET (CONTINUED)

As at 30 June 2025

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C - LIABILITIES	300		1,175,411,257,866	1,294,986,180,575
I. Short-term liabilities	310		1,121,569,756,617	1,244,150,877,196
1. Short-term trade payables	311	16	295,313,184,812	340,373,144,675
2. Short-term advances from customers	312	17	19,062,961,875	18,556,396,566
3. Taxes and amounts payable to the State budget	313	18	88,738,758,537	75,821,955,160
4. Payables to employees	314		124,546,172,300	205,376,535,149
5. Short-term accrued expenses	315	19	86,998,733,666	87,814,155,588
6. Short-term unearned revenue	318		5,348,214,369	5,590,244,794
7. Other short-term payables	319	20	174,406,078,917	170,513,758,155
8. Short-term loans and obligations under finance leases	320	21	135,330,820,312	127,155,668,919
9. Provision for short-term payables	321		2,741,235,680	2,741,235,680
10. Bonus and welfare fund	322		189,083,596,149	210,207,782,510
II. Long-term liabilities	330		53,841,501,249	50,835,303,379
1. Long-term trade payables	332	17	395,155,522	395,155,522
2. Long-term unearned revenue	336		10,940,322,859	7,101,536,907
3. Other long-term payables	337	20	1,649,565,300	1,679,207,300
4. Deferred tax liabilities	341		39,870,727,100	40,884,721,176
5. Long-term provisions	342		985,730,468	774,682,474
D - OWNER'S EQUITY	400		29,586,101,571,790	26,248,188,976,014
I. Owner's equity	410	22	29,583,877,264,188	26,245,710,543,446
1. Owner's contributed capital	411		13,288,000,000,000	13,288,000,000,000
- Ordinary shares carrying voting rights	411a		13,288,000,000,000	13,288,000,000,000
2. Other owner's capital	414		27,089,186,656	27,089,186,656
3. Assets revaluation reserve	416		(71,424,341,027)	(71,424,341,027)
4. Foreign exchange reserve	417		4,531,573,183	4,360,314,104
5. Investment and development fund	418		28,125,501,907	28,125,501,907
6. Retained earnings	421		16,071,028,895,548	12,749,121,724,961
- Retained earnings accumulated to the prior year end	421a		12,698,114,809,996	5,387,929,160,246
- Retained earnings of the current period	421b		3,372,914,085,552	7,361,192,564,715
7. Non-controlling interest	429		236,526,447,921	220,438,156,845
II. Other resources and funds	430		2,224,307,602	2,478,432,568
1. Subsidised funds	431		(83,098,463)	(98,098,463)
2. Funds for fixed assets acquisition	432		2,307,406,065	2,576,531,031
TOTAL SOURCES (440 = 300 + 400)	440		30,761,512,829,656	27,543,175,156,589



Nguyễn Hoàng Giang
General Director
Hanoi, 26 August 2025

Vu Phong Hai
Accountant in charge

Bui Tuan Anh
Preparer

INTERIM CONSOLIDATED INCOME STATEMENT

For the period from 01 January 2025 to 30 June 2025

Unit: VND

ITEM	Codes	Notes	Current period	Prior period
1. Gross revenue from goods sold and services rendered	01	25	2,091,846,169,543	1,929,838,871,487
2. Deductions	02		4,364,300,113	6,858,172,265
3. Net revenue from goods sold and services rendered (10 = 01 - 02)	10		2,087,481,869,430	1,922,980,699,222
4. Cost of goods sold	11	26	1,796,686,995,502	1,619,657,963,591
5. Gross profit from goods sold and services rendered (20 = 10 - 11)	20		290,794,873,928	303,322,735,631
6. Financial income	21	27	423,010,650,070	442,218,564,161
7. Financial expenses	22	28	4,608,238,790	2,336,191,509
- In which: Interest expenses	23		538,524,258	1,021,038,412
8. Share of profit of associates	24		3,069,469,580,495	2,865,531,003,586
9. Selling expenses	25	29	44,606,336,373	42,568,148,910
10. General and administration expenses	26	29	228,679,113,255	202,291,348,912
11. Operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		3,505,381,416,075	3,363,876,614,047
12. Other income	31	30	6,827,416,399	3,909,038,963
13. Other expenses	32	31	4,849,952,725	5,394,185,061
14. Profit/ (loss) from other activities (40 = 31 - 32)	40		1,977,463,674	(1,485,146,098)
15. Accounting profit before tax (50 = 30 + 40)	50		3,507,358,879,749	3,362,391,467,949
16. Current corporate income tax expense	51	33	98,222,836,701	105,554,350,592
17. Deferred corporate tax expense	52		(1,013,994,076)	(780,087,999)
18. Net profit after corporate income tax (60 = 50 - 51 - 52)	60		3,410,150,037,124	3,257,617,205,356
18.1. Profit after tax of shareholders of the parent company	61		3,372,914,085,552	3,218,559,810,670
18.2. Profit after tax of non-controlling shareholders	62		37,235,951,572	39,057,394,686
19. Basic earnings per share	70	34	2,538	2,422



Nguyen Hoang Giang
General Director
Hanoi, 26 August 2025

Vu Phong Hai
Accountant in charge

Bui Tuan Anh
Preparer

INTERIM CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

For the period from 01 January 2025 to 30 June 2025

Unit: VND

ITEM	Codes	Current period	Prior period
I. Cash flows from operating activities			
1. Profit before tax	01	3,507,358,879,749	3,362,391,467,949
2. Adjustments for			
- Depreciation and amortisation of fixed assets and investment properties	02	117,401,156,513	123,016,110,993
- Provisions	03	29,674,622,288	(10,980,488,381)
- Foreign exchange (gain)/ loss arising from translating foreign currency items	04	286,844,571	(796,691,673)
- (Gain)/loss from investing activities	05	(3,486,542,206,958)	(3,299,110,785,812)
- Interest expenses	06	538,524,258	1,021,038,412
3. Operating profit before changes in working capital	08	168,717,820,421	175,540,651,488
- (Increase)/decrease in receivables	09	(12,241,273,343)	(15,630,703,045)
- (Increase)/decrease in inventories	10	(10,711,717,027)	48,288,962,322
- Increase/(decrease) in payables (excluding accrued loan interest and corporate income tax payable)	11	(106,964,943,533)	(165,472,093,915)
- (Increase)/decrease in prepaid expenses	12	(22,513,250,789)	(9,431,897,592)
- Interest paid	14	(363,834,785)	(275,430,540)
- Corporate income tax paid	15	(92,915,624,764)	(187,754,415,704)
- Other cash inflows	16	266,236,597	835,369,411
- Other cash outflows	17	(95,927,318,663)	(68,163,879,674)
Net cash generated by/(used in) operating activities	20	(172,653,905,886)	(222,063,437,249)
II. Cash flows from investing activities			
1. Acquisition and construction of fixed assets and other long-term assets	21	(45,149,940,389)	(39,481,695,389)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	3,662,320,600	-
3. Cash outflow for lending, buying debt instruments of other entities	23	(15,328,359,024,097)	(14,429,616,362,195)
4. Cash recovered from lending, selling debt instruments of other entities	24	12,165,452,174,782	10,859,931,865,537
5. Interest earned, dividends and profits received	27	3,287,720,685,382	3,847,607,494,081
Net cash generated by/(used in) investing activities	30	83,326,216,278	238,441,302,034
III. Cash flows from financing activities			
1. Proceeds from borrowings	33	47,999,330,651	48,223,068,984
2. Repayment of borrowings	34	(39,824,179,258)	(53,207,151,351)
3. Dividends and profits paid	36	(1,648,502,848)	(358,025,548)
Net cash generated by/(used in) financing activities	40	6,526,648,545	(5,342,107,915)
Net increase/(decrease) in cash (50 = 20 + 30 + 40)	50	(82,801,041,063)	11,035,756,870
Cash and cash equivalents at the beginning of the year	60	411,763,339,601	358,402,283,328
Effects of changes in foreign exchange rates	61	455,144,186	386,474,617
Cash and cash equivalents at the end of the period (70 = 50 + 60 + 61)	70	329,417,442,724	369,824,514,815



Nguyen Hoang Giang
General Director
Hanoi, 26 August 2025

[Signature]

Vu Phong Hai
Accountant in charge

[Signature]

Bui Tuan Anh
Preparer

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

1. GENERAL INFORMATION

Structure of ownership

Vietnam Engine and Agricultural Machinery Corporation (hereinafter referred to as "the Corporation") was established in Vietnam under the first Business Registration Certificate No. 0100103866 dated 6 October 2010 issued by Hanoi Authority for Planning and Investment, and the 11th amended certificate dated 01 July 2024. Prior to converting into a joint-stock company, Vietnam Engine and Agricultural Machinery Corporation operated as a State-owned one-member limited liability company under the Ministry of Industry and Trade, in accordance with Decision No. 4874/QĐ-BCT dated 30 May 2014 of the Ministry of Industry and Trade on the equitization of Vietnam Engine and Agricultural Machinery Corporation; Decision No. 562/QĐ-TTg dated 5 April 201, of the Government on the approval of the equitization plan for the parent company - Vietnam Engine and Agricultural Machinery Corporation; and Decision No. 5029/QĐ-BTC dated 23 December 2016 of the Ministry of Industry and Trade on adjusting the charter capital structure of Vietnam Engine and Agricultural Machinery Corporation.

As at 30 June 2025, the charter capital of Vietnam Engine and Agricultural Machinery Corporation is VND 13,288,000,000,000, divided into 1,328,800,000 common shares, with a par value of VND 10,000 per share. Since 2 July 2018, the shares of Vietnam Engine and Agricultural Machinery Corporation have been traded on the UPCoM market with the stock code VEA.

The Corporation's head office is located at Lot D, D1 Area, Phu Thuong Ward, Hanoi, Vietnam.

Operating industries and principal activities

The Corporation's operating industries and principal activities are:

- Manufacture of agricultural and forestry machinery;
- Manufacture of engines and turbines (except for aircraft, car, motorcycle, and motorbike engines);
- Manufacture of motor vehicles, motorcycles, and motorbikes; Manufacture of food, beverage, and tobacco processing machinery;
- Manufacture of motor vehicle bodies, trailers, and semi-trailers;
- Manufacture of parts and accessories for motor vehicles and their engines;
- Manufacture of bearings, gears, gearing, and driving elements;
- Manufacture of other fabricated metal products not elsewhere classified;
- Manufacture of pumps, compressors, taps, and valves;
- Wholesale of agricultural machinery, equipment, motor vehicles, and their parts and accessories;
- Wholesale of parts and accessories for cars and other motor vehicles; Wholesale of motorcycles and motorbikes;
- Maintenance and repair of motorcycles and motorbikes, wholesale of parts and accessories for motorcycles and motorbikes;
- Manufacture of ovens, furnaces, and furnace burners, lifting and handling equipment;
- Manufacture of power-driven hand tools and other general purpose machinery;
- Manufacture of machine tools, metal-forming machinery, and metallurgical machinery;
- Manufacture of mining and construction machinery; Manufacture of iron, steel, cast iron, cast steel, and non-ferrous metal castings;
- Manufacture of structural metal products, tanks, reservoirs, and metal containers; Manufacture of boilers (except central heating boilers); Forging, pressing, stamping, and roll-forming of metal;
- Repair of fabricated metal products;
- Repair and maintenance of other transport equipment (except for cars, motorcycles, motorbikes, and other engines); Repair of other equipment; Installation of industrial machinery and equipment;
- Wholesale of other machinery, equipment, and parts;
- Completion of construction works; Other specialized construction activities;
- Repair of machinery and equipment, electrical equipment, and electronic and optical equipment;
- Scientific research and experimental development in natural sciences and engineering;
- Other professional, scientific, and technical activities not elsewhere classified.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements***1. GENERAL INFORMATION (CONTINUED)****Operating industries and principal activities (Continued)**

- Building residential and non-residential buildings; electrical installation;
- Installation of water, heating and air-conditioning systems; other construction installation; Mining of iron ores, other non-ferrous metal ores, and precious metal ores;
- Wholesale of metals and metal ores; Short-term accommodation services;
- Restaurants and mobile food service activities (excluding bars, karaoke rooms, dance halls, etc.);
- Catering services for specific events (parties, meetings, weddings, etc.);
- Other food service activities (excluding bars);
- Other specialized wholesale not elsewhere classified;
- Non-specialized wholesale trade;
- Wholesale of textiles, clothing, and footwear; Wholesale of electronic and telecommunication equipment and parts; Wholesale of other household goods; Wholesale of other building materials and equipment;
- Wholesale of solid, liquid, and gaseous fuels and related products;
- Real estate business, land use rights owned, used, or leased;
- Real estate brokerage, auction, and land use right auction consulting;
- Other business support service activities not elsewhere classified;
- Architectural and related technical consulting activities.

The Corporation's principal business activities are the manufacture and trading of motor vehicles, engines, and agricultural machinery.

Corporation's structure

As at 30 June 2025, the Corporation's subordinate units include:

No.	Branch name	Address	Accounting policy
1	Vietnam Engine and Agricultural Machinery Corporation - Ho Chi Minh Branch	- Address: 90 - 92 Tran Binh Trong Street, Cho Quan Ward, Ho Chi Minh City	Dependent Accounting
2	Vietnam Engine and Agricultural Machinery Corporation - Nghe An Branch	- Address: 284 Binh Minh Street, Cua Lo Ward, Nghe An Province	Dependent Accounting
3	Veam Motor Factory - Vietnam Engine and Agricultural Machinery Corporation	- Address: Quang Trung Ward, Thanh Hoa Province.	Independent Accounting
4	Branch of Viet Nam Engine and Agricultural Machinery Corporation - Foundry Factory	- Address: Lot B15, Zone B, Hiep Phuoc Industrial Park, Nguyen Van Tao Street, Hiep Phuoc Commune, Ho Chi Minh City.	Independent Accounting

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

1. GENERAL INFORMATION (CONTINUED)

Corporation's structure (Continued)

Details of the Corporation's subsidiaries as at 30 June 2025 are as follows:

No.	Name of subsidiaries/Associates	Place of incorporation and operation	Proportion of ownership interest (%)	Proportion of voting rights (%)	Main activities
Subsidiaries					
1	Precision Equipment No.1 JSC	Hanoi	51.00	51.00	Manufacture and trading of mechanical products, hydraulic pumps, water pumps, tools, molds and jigs....
2	Pho Yen Mechanical JSC	Thai Nguyen	51.00	51.00	Manufacture of spare parts and accessories for engines
3	Coloa Mechanical JSC	Hanoi	53.66	53.66	Road freight transport
4	VEAM Transport and Trading JSC	Hanoi	51.00	51.00	Passenger transport, road freight transport
5	Material and Complete Equipment Export-Import Corporation (i)	Hanoi	51.00	51.99	Wholesale of machinery, equipment and other spare parts
6	Machinery Spare Parts No.1 JSC	Thai Nguyen	55.00	55.00	Manufacture and sale of materials and spare parts for motor vehicles
7	Tractor and Agricultural Machinery Co., Ltd	Hanoi	100.00	100.00	Manufacture of tractors and agricultural machinery
8	Tran Hung Dao Mechanical Co., Ltd	Bac Ninh and Hanoi	100.00	100.00	Manufacture of agricultural and forestry machinery
9	Song Cong Diesel Co., Ltd	Thai Nguyen	100.00	100.00	Production of spare parts for agriculture and fisheries
10	Southern Vietnam Engine and Agricultural Machinery Co., Ltd	Dong Nai	100.00	100.00	Manufacture of engines and agricultural machinery
11	Research Institute of Technology for Machinery	Hanoi	100.00	100.00	Research, application and technology transfer in the fields of materials, casting, heat treatment, mechanics and automation
12	Veam Korea Corporation	Korea	89.00	89.00	Exporting Korean products to the Vietnamese market
13	Vinh Mechanical JSC (ii)	Nghe An	49.00	59.93	Manufacture of metal structures
Associates					
1	Nakycos JSC	Ho Chi Minh City	49.00	49.00	Manufacture, purchase and sale of machinery, equipment and spare parts
2	An Giang Mechanical JSC	An Giang	47.41	47.41	Manufacture of other fabricated metal products not elsewhere classified
3	Veam Tay Ho Investment JSC	Hanoi	29.01	29.01	Construction of houses and offices; provision of public services for urban areas, houses and offices
4	Honda Vietnam Co., Ltd	Vinh Phuc	30.00	30.00	Manufacture, assembly and import of motorbikes and automobiles for sale and export
5	Toyota Motor Vietnam Co., Ltd	Vinh Phuc	20.00	20.00	Installation and manufacture of automobiles and automobile spare parts and provision of automobile warranty and repair services in Vietnam
6	Matexim Hai Phong JSC (iii)	Hai Phong	20.38	21.23	Passenger transport, wholesale of metals and metal ores

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

1. GENERAL INFORMATION (CONTINUED)

Corporation's structure (Continued)

No.	Name of subsidiaries/Associates	Place of incorporation and operation	Proportion of ownership interest (%)	Proportion of voting rights (%)	Main activities
Associates					
7	Ford Vietnam Limited (iv)	Hai Duong	25.00	25.00	Manufacturing and installing cars and automotive parts; importing; exporting various types of cars
8	Golden City - CKV Joint Stock Company (v)	Nghe An	14.30	26.00	Real estate business, land use rights belong to the owner, user or tenants

Note:

- (i) Material and Complete Equipment Export-Import Corporation is a subsidiary of the Corporation because the Corporation holds 51.00% of the direct voting rights and 0.99% of the indirect voting rights through Song Cong Diesel Company Limited (a subsidiary in which the Corporation holds 100% of the voting rights). Accordingly, the Corporation's total voting rights in Material and Complete Equipment Export-Import Corporation are 51.99%.
- (ii) Vinh Mechanical Joint Stock Company is a subsidiary of the Corporation because the Corporation holds 49.00% of the direct voting rights and 10.93% of the indirect voting rights through Machinery Spare Parts No.1 Joint Stock Company (a subsidiary in which the Corporation holds 55.00% of the voting rights). Accordingly, the Corporation's total voting rights in Vinh Mechanical Joint Stock Company are 59.93%.
- (iii) Matexim Hai Phong Joint Stock Company is an associate of the Corporation because the Corporation holds 19.46% of the direct voting rights and 1.77% of the indirect voting rights through Material and Complete Equipment Export-Import Corporation (a subsidiary in which the Corporation holds 51.99% of the voting rights). Accordingly, the Corporation's total voting rights in Matexim Hai Phong Joint Stock Company are 21.23%.
- (iv) Ford Vietnam Limited is an associate of the Corporation because the Corporation holds 25.00% of the indirect voting rights through Song Cong Diesel Company Limited (a subsidiary in which the Corporation holds 100% of the voting rights). Accordingly, the Corporation's total voting rights in Ford Vietnam Limited are 25.00%.
- (v) Golden City - CKV Joint Stock Company is a joint venture/associate of the Corporation because the Corporation holds 26.00% of the indirect voting rights through Vinh Mechanical Joint Stock Company (a subsidiary in which the Corporation holds 59.33% of the voting rights). Accordingly, the Corporation's total voting rights in Golden City - CKV Joint Stock Company are 26.00%.

Pursuant to the investment principle contract No. 26/2015/HDNT-HT/GDC-CKV dated 12 August 2015, Vinh Mechanical Joint Stock Company and Golden City - CKV Joint Stock Company contributed capital with the purpose of cooperating in the investment and construction of a project on an area of 40,789.5 m² at No. 7, Mai Hac De Street, Vinh City, Nghe An Province. At the time of the investment cooperation, Vinh Mechanical Joint Stock Company was the entity managing and using the land lot under the land use rights certificate No. AL 189519 issued by the People's Committee of Nghe An Province on September 12, 2008. Subsequently, Vinh Mechanical Joint Stock Company and Golden City - CKV Joint Stock Company signed a joint venture contract No. 27/2015/HDNT-HT/GDC-CKV dated August 12, 2015, to establish a joint venture company, Golden City - CKV Joint Stock Company. Accordingly, Vinh Mechanical Joint Stock Company made a cash contribution of VND 5,200,000,000, equivalent to 26.00%. Vinh Mechanical Joint Stock Company borrowed a corresponding amount from Golden City - CKV Joint Stock Company under loan contract No. 10/2016/HDVT.GOLDEN. Under this contract, all dividends and benefits of Vinh Mechanical Joint Stock Company in Golden City - CKV Joint Stock Company would belong to Golden City - CKV Joint Stock Company, and after the loan term, Vinh Mechanical Joint Stock Company would transfer all of these shares back to Golden City - CKV Joint Stock Company at a par value of VND 10,000 per share to offset the loan amount.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

1. GENERAL INFORMATION (CONTINUED)

Normal production and business cycle

The Corporation's normal production and business cycle is carried out for a period of 12 months or less.

Statement on comparability of information in consolidated financial statements

The comparative figures on the interim consolidated balance sheet are the figures from the audited consolidated financial statements for the fiscal year ended 31 December 2024. The comparative figures on the interim consolidated income statement and cash flow statement are the figures from the reviewed interim consolidated financial statements for the period from 1 January 2024 to 30 June 2024.

2. ACCOUNTING PERIOD, APPLIED ACCOUNTING STANDARDS AND REGIME

Accounting period

The Corporation's financial year begins on 01 January and ends on 31 December. These interim consolidated financial statement are prepared for the period from 01 January 2025 to 30 June 2025.

Applied accounting regime

The Corporation applies the Vietnamese Accounting Standards and accounting regime for enterprises issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance on guiding the accounting regime for enterprises; Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC on guiding the accounting regime for enterprises; and Circular No. 202/2014/TT-BTC dated 22 December 2014 and other circulars guiding the implementation of Vietnamese Accounting Standards issued by the Ministry of Finance in the preparation and presentation of the interim consolidated financial statements.

Declaration of compliance with accounting standard and accounting regime

The Board of General Directors and the Board of Management ensures to comply with the requirements of Vietnamese Accounting Standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014; Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC; and Circular No. 202/2014/TT-BTC dated 22 December 2014, as well as other circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in the preparation of the interim consolidated financial statements.

The accompanying interim 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting convention

The interim consolidated financial statements are prepared on an accrual basis of accounting (except for information related to cash flows) in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of interim consolidated financial statements.

The consolidated financial statements incorporate the separate financial statements of the Corporation and the financial statements of enterprises controlled by the Corporation (its subsidiaries) for the period from 01 January 2025 to 30 June 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.

Intragroup transactions and balances are eliminated in full on consolidation.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting convention (Continued)

VEAM Korea Corporation - a subsidiary of the Corporation - uses the Korean Won (KRW) as its accounting currency. For the purpose of preparing statutory consolidated financial statements in Vietnam, VEAM Korea Corporation has converted its financial statements for the 6-month period ended 30 June 2025, prepared in Korean Won (KRW), into Vietnamese Dong (VND) according to the following principles:

- Assets and liabilities are converted to Vietnamese Dong (VND) at the actual exchange rate at the end of the period (which is the transfer rate of Vietnam Joint Stock Commercial Bank for Industry and Trade as at 30 June 2025).
- Owners' equity (contributed capital, share premium) is converted to Vietnamese Dong (VND) at the actual exchange rate on the date the capital was contributed.
- Exchange rate differences are converted to Vietnamese Dong (VND) at the actual exchange rate on the valuation date.
- Retained earnings arising after the investment date are converted to Vietnamese Dong (VND) by calculating the items in the interim income statement.
- Items in the interim income statement and interim cash flow statement are converted to Vietnamese Dong (VND) at the average exchange rate for the 6-month period ended 30 June 2025.

The exchange rate difference arising from the conversion of VEAM Korea Corporation's interim financial statements from Korean Won (KRW) to Vietnamese Dong (VND) is recognized under the "Foreign exchange reserve" item - Code 417 in the owner's equity of the interim consolidated balance sheet.

The accompanying interim 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.

Accounting estimates

The preparation of interim consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of interim consolidated financial statements requires the Board of General Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the interim consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although these accounting estimates are based on the Board of General Directors' best knowledge, actual results may differ from those estimates.

Evaluation and recognition at fair value

Pursuant to Article 28 - Evaluation and recognition at fair value of the Law on Accounting No. 88/2015/HQH13 was passed on 20 November 2015, by the 13th National Assembly of the Socialist Republic of Vietnam, at its 10th session, and takes effect as from 1 January 2017, assets and liabilities must be evaluated and recognised at fair value at the end of the accounting period. However, by the time of issuing this report, there is no guidance in applying the assessment and recognition at fair value. Therefore, the Board of General Directors has considered and applied the fair value in accordance with the accounting policy as follows:

- (a) *Monetary items denominated in foreign currencies shall be evaluated based on the actual exchange rates;*
- (b) *For assets and liabilities (except items a, b and c as mentioned above), the Company does not have any basis to determine the reliable value; therefore, the Company records at historical cost.*

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business consolidation

Business combinations are accounted for using the acquisition method. The cost of a business combination includes the fair value, on the date of exchange, of the net assets exchanged, liabilities incurred or assumed, and equity instruments issued by the acquirer in exchange for control of the acquiree, as well as costs directly attributable to the business combination. The identifiable assets, liabilities, and contingent liabilities of the acquiree that are assumed in a business combination are recognized at their fair values on the acquisition date.

In cases where, prior to the date of gaining control, the investment was an associate or a long-term financial investment of the Parent Company and the acquisition of the subsidiary is assessed as a business combination, upon preparing the consolidated report, the acquirer re-measures the previously held investment at its fair value on the date control is obtained and recognizes the difference between the fair value and the carrying amount of the investment in the consolidated income statement.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Investments in associates

An associate is an entity over which the Corporation has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Interests in associates are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Corporation's share of the net assets of the associate. Losses of an associate in excess of the Corporation's interest in that associate (which includes any long-term interests that, in substance, form part of the Corporation's net investment in the associate) are not recognised.

In case a member entity of the Corporation transacts with an associate of the Corporation, the unrealized gains/losses corresponding to the Corporation's share in the associate are eliminated from the interim consolidated financial statements.

The Corporation's equity investments in associates were revalued at the time of equitization and are awaiting approval by the competent authorities as prescribed.

Financial instruments

Initial recognition

Financial assets: At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Corporation comprise cash, cash equivalents, trade and other receivables, deposits and financial investments.

Financial liabilities: At the date of initial recognition financial liabilities are recognised at historical cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Corporation comprise trade and other payables, and accrued expenses.

Subsequent measurement after initial recognition

Currently, Circular No. 210/2009/TT-BTC issued by the Ministry of Finance dated 6 November 2009 ("Circular 210") and the current regulations have no specific guidance on determining the fair value of financial assets and liabilities.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

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.

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.

Equity investments in other entities

Equity investments in other entities represent the Corporation's investments in ordinary shares of the entities over which the Corporation has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment.

The provision for losses on equity investment of other entities is based on the investee's losses incurred from 23 January 2017 (the date the Corporation officially became a joint-stock company) until the date of the financial statements. The provision amount is calculated by multiplying the investee's losses during this period by the Corporation's ownership percentage in the investee.

The Corporation's equity investments in associates were revalued at the time of equitization and are awaiting approval by the competent authorities as prescribed.

Capital support loans

Capital support loans are amounts provided to subsidiaries and joint ventures at interest rates ranging from 0% to 5% per annum. They are recognized at cost, less any provision for doubtful debts. Provision for doubtful debts for these capital support loans and overdue interest receivables from the Parent Company's Office - Corporation are made in accordance with current regulations.

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 made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

The accounting method used by the Corporation to account for inventories is the perpetual inventory method. Inventories are determined on the basis of the lower of cost and net realizable value. The cost of inventories includes direct materials, direct labor and overheads (if any) that have been incurred in bringing the inventories to their present location and condition. The selling price of inventories is determined using the weighted average method. Net realizable value is determined by the estimated selling price less the estimated costs of completion and the costs of marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Tangible fixed assets are depreciated using the straight-line method based on the estimated useful life as follows:

	(Estimated useful lives)
Buildings and structures	05 - 25
Machinery and equipment	03 - 15
Means of transport, transmission equipment	05 - 10
Office equipment	03 - 10
Other fixed assets	04 - 08

The Corporation's tangible fixed assets were revalued at the time of equitization and are awaiting approval by the competent authorities as prescribed.

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the interim consolidated income statement.

Intangible fixed assets and amortisation

Land use rights

Intangible fixed assets represent the value of land use rights and are stated at original cost less accumulated amortisation. Land use rights are amortised using the straight-line method over the land use period, in which:

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible fixed assets (Continued)

Address	Useful lives
Land use rights at Lot D, D1 Area, Phu Thuong Ward, Tay Ho District, Hanoi	50 years
Land use rights at 37 Nguyen Thai Binh, District 1, Ho Chi Minh City	In the process of granting the land use rights certificate
Land use rights at VEAM Hotel, Cua Lo	Long term
Land use rights of Material and Complete Equipment Export-Import Corporation	Long term
Land use rights of Machinery Spare Parts No.1 JSC	Long term
Land use rights at Tien Son Industrial Park, Bac Ninh of Tran Hung Dao Mechanical Co., Ltd	47 years
Land use rights at Block 1, Binh Da Ward, Bien Hoa City, Dong Nai Province of Southern Vietnam Engine and Agricultural Machinery Co., Ltd	13.5 years
Land use rights of Research Institute of Technology for Machinery	Long term
Land use rights of Song Cong Diesel Company Limited	Long term

The Corporation's intangible fixed assets were revalued at the time of equitization and are awaiting approval by the competent authorities as prescribed.

Other intangible fixed assets

Other intangible fixed assets including patents, computer software, and website copyrights of the Corporation are stated at cost less accumulated amortization. Other intangible fixed assets are amortised using the straight-line method over their useful lives.

Leasing

A lease is classified as an operating lease when the lessor retains most of the risks and rewards incidental to the ownership of the asset. Operating lease expenses are recognized in the income statement using the straight-line method over the lease term. Any incentives received or receivable for entering into an operating lease are also recognized using the straight-line method over the lease term.

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost. Cost includes costs that are necessary to form the assets 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.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepayments include prepaid land and office rent, brand value, scientific research project costs and other prepayments.

Brand value is recognized in the enterprise valuation record of Vietnam Engine and Agricultural Machinery Corporation at the time of equitization and is awaiting approval by the competent authorities as prescribed. It is allocated to production and business expenses over a period of 10 years, starting from the date the Corporation officially became a joint-stock company.

Land and office rentals, prepaid industrial park infrastructure costs represent rentals that have been paid in advance. Prepaid rentals are allocated to the interim income statement using the straight-line method over the lease term.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepayments (Continued)

Sponge iron plant expenses: These are the costs related to interest, depreciation, and land rental for the Sponge Iron Plant, which has been inactive since 2015, and for the Bac Kan Branch of Material and Complete Equipment Export-Import Corporation, a subsidiary of the Corporation. These costs will be allocated when the plant generates corresponding operating revenue.

Car parking lot infrastructure costs: These are prepaid costs related to the rental of infrastructure for a car parking lot for multiple periods. These costs are allocated to the income statement over the lease term.

Other prepayments include the value of tools and supplies awaiting allocation, fixed asset repair costs, building maintenance costs and other minor costs, which are considered to provide future economic benefits to the Corporation. These costs are capitalized as prepayments and are allocated to the interim separate income statement using the straight-line method in accordance with current regulations.

The Corporation's prepayments were revaluated at the time of equitization and are awaiting approval from the competent authority as prescribed.

Payables and accrued expenses

Payables and accrued expenses are recognized for future amounts payable related to goods and services received. Accrued expenses are recognized based on reasonable estimates of the amount payable.

The classification of payables into trade payables, accrued expenses, and other payables are made on the following principles:

- Trade payables reflect payables arising from purchases of goods, services, assets and sellers are independent units to the Corporation, including accounts payable upon importation through consignee.
- Accrued expenses reflect amounts payable for goods or services received from the seller or provided to the buyer but not be paid due to lack of invoices or incomplete accounting records and documents, payments to employees for the 13th-month salary and prepaid production and business expenses.
- Other payables reflect non-trade payables and does not relate to the purchase, sale or supply of goods or services.

Equity

Owner's contributed capital: Owner's contributed capital is recognized based on the actual contributed capital of the shareholders.

Profit distribution

Profit after tax is distributed to shareholders after deducting funds in accordance with the Charter of Corporation and regulations of the law which has been approved by the General Meeting of Shareholders.

Profit distribution to shareholders is referenced to the non-monetary items included in retained earnings that may affect cash flows and the ability to pay dividends such as gains from revaluation of assets contributed capital, interest from revaluation of monetary items, financial instruments and other non-monetary items.

Dividends are recorded as liabilities when approved by the General Meeting of Shareholders, the dividend payment notice of the Board of Management of the Corporation and the dividend record date notice of the Vietnam Securities Depository and Clearing Corporation.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue

Sales revenue

Revenue from sales is recognized when all five (5) following conditions are satisfied:

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

Service revenue

Revenue from a transaction involving the rendering of services is recognised when the outcome of such transaction can be measured reliably. Where a transaction involving the rendering of services is over several periods, revenue is recognised in the year based on the stage of completion of the transaction at the balance sheet date of that year. The outcome of a transaction involving the rendering of services is recognised when all four (4) of the following conditions are met:

- (a) The amount of revenue can be measured reliably;
- (b) It is probable that the economic benefits associated with the transaction will flow to the entity;
- (c) The percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is recognized on an accrual basis, based on the outstanding balances and the applicable interest rate.

Interest from investments is recognized when the Corporation is entitled to receive interest.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the income statement.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (Continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

Related parties

Parties are considered to be related parties when one party has ability to control another or has significant influence in making decision related to financial and operation policies. Parties are also considered as related parties when they bare the same control and significant influence.

When considering the relationship of related parties, it is more focused on the nature of the relationship than the legal form.

The related parties of the Corporation for the period from 01 January 2025 to 30 June 2025 are:

- Ministry of Industry and Trade: Shareholders account for 88.47% of the Corporation's charter capital;
- Associates: as presented in Note 1 - General information - Corporation's structure;
- Members of the Board of Management, Board of General Directors, Board of Supervisors: Key leaders;

4. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	3,485,651,767	4,121,049,029
Demand deposits at bank	211,668,062,189	257,955,469,609
Cash equivalents (i)	114,263,728,768	149,686,820,963
Total	<u>329,417,442,724</u>	<u>411,763,339,601</u>

Note:

- (i) As at 30 June 2025, cash equivalents represent deposits at commercial banks in Vietnamese Dong with original terms of less than 3 months and earning interest rates from 3.5%/year to 4.5%/year.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements***5. FINANCIAL INVESTMENTS**

	Closing balance		Opening balance	
	Cost	Carrying amount	Cost	Carrying amount
	VND	VND	VND	VND
Held-to-maturity investments (i)				
Term deposits				
Vietnam Bank for Agriculture and Rural Development	832,181,567,566	832,181,567,566	1,548,181,567,566	1,548,181,567,566
Vietnam Joint Stock Commercial Bank for Industry and Trade	6,285,403,000,000	6,285,403,000,000	2,056,103,000,000	2,056,103,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam	8,179,045,090,226	8,179,045,090,226	6,704,545,090,226	6,704,545,090,226
Joint Stock Commercial Bank for Foreign Trade of Vietnam	588,300,000,000	588,300,000,000	85,600,000,000	85,600,000,000
Ho Chi Minh City Development Joint Stock Commercial Bank	140,100,000,000	140,100,000,000	90,930,000,000	90,930,000,000
Saigon Thuong Tin Commercial Joint Stock Bank	65,530,000,000	65,530,000,000	63,800,000,000	63,800,000,000
Southeast Asia Commercial Joint Stock Bank	43,000,000,000	43,000,000,000	2,403,000,000,000	2,403,000,000,000
Others	127,707,123,288	127,707,123,288	146,200,273,973	146,200,273,973
Total	16,261,266,781,080	16,261,266,781,080	13,098,359,931,765	13,098,359,931,765

	Closing balance		Opening balance	
	Cost	Net book value using the equity method	Cost	Net book value using the equity method
	VND	VND	VND	VND
Investment in joint-ventures and associates (ii)	1,090,396,118,044	3,595,870,522,964	1,090,396,118,044	6,637,703,566,709
Nakyc JSC	10,550,698,651	-	10,550,698,651	-
An Giang Mechanical JSC	23,823,075,776	60,377,892,389	23,823,075,776	54,603,156,670
VEAM Tay Ho Investment JSC (iii)	9,467,051,066	9,547,207,502	9,467,051,066	9,480,620,727
Honda Vietnam Co. Ltd	359,311,428,087	2,071,515,826,380	359,311,428,087	5,302,286,801,542
Toyota Motor Vietnam Co., Ltd	287,776,054,812	652,233,067,849	287,776,054,812	526,148,666,336
Ford Vietnam Limited	374,904,000,000	779,249,218,378	374,904,000,000	722,157,717,548
Matexim Hai Phong JSC	19,363,809,652	17,747,310,466	19,363,809,652	17,826,603,886
Golden City - CKV Joint Stock Compay	5,200,000,000	5,200,000,000	5,200,000,000	5,200,000,000

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements***5. FINANCIAL INVESTMENTS (CONTINUED)**

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Investments in other entities (iv)	66,313,796,758	(1,150,000,000)	66,313,796,758	(1,150,000,000)
Five Stars Company Limited	45,112,913,628	-	45,112,913,628	-
Kum-Ba Joint Stock Company	11,001,060,828	-	11,001,060,828	-
Mekong Auto Corporation, Ltd	-	-	-	-
Viet Nam Steel Corporation	5,050,000,000	(1,150,000,000)	5,050,000,000	(1,150,000,000)
MTX Phat Linh Investment Joint Stock Company	5,000,000,000	-	5,000,000,000	-
Thac Da Trading and Tourism Joint Stock Company	149,822,302	-	149,822,302	-

Note:

- (i) As at 30 June 2025, held-to-maturity investments represent term deposits at commercial banks denominated in Vietnamese Dong with original maturities of more than 3 months and remaining maturities of no more than 12 months from the end of the accounting period.
- (ii) Investments in associates are accounted for using the equity method in the Corporation's consolidated financial statements, based on the interim financial statements for the period from 01 January 2025 to 30 June 2025.

The Corporation has not determined the fair value of its capital contributions to investees at the end of the reporting period because there are no quoted market prices for these financial instruments, and/or Vietnamese Accounting Standards and accounting regime for enterprise currently do not provide guidance on calculating fair value using valuation techniques. The fair value of these financial instruments may differ from their carrying amount.

- (iii) The Corporation has contributed its land use rights at Lot D, Zone D1, Phu Thuong Ward, as capital to Veam Tay Ho Investment Joint Stock Company under Business Registration Certificate No. 0103022083. However, the Corporation has repurchased 5 floors of office space and is in the process of completing the procedures to transfer the land use rights to Veam Tay Ho Investment Joint Stock Company.
- (iv) At the date of these interim financial statements, the Corporation has not obtained the financial statements of Five Stars Company Limited., Kum-Ba Joint Stock Company, Mekong Auto Corporation, Ltd, MTX Phat Linh Investment Joint Stock Company, and Thac Da Trading and Tourism Joint Stock Company for the period from 01 January 2025 to 30 June 2025.

The Corporation's investments in other entities were revalued at the time of equitization and are awaiting approval by the competent authorities as prescribed.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

6. TRADE RECEIVABLES

	Closing balance		Opening balance	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term trade receivables	720,545,308,748	287,070,370,372	689,880,134,820	285,714,986,922
Minh Quang Investment JSC	19,049,744,651	19,049,744,651	19,049,744,651	19,049,744,651
Minh Quang Steel JSC	79,320,729,210	79,320,729,210	79,320,729,210	79,320,729,210
Future investment and Trading services JSC	76,792,879,435	76,792,879,435	76,792,879,435	76,792,879,435
Others	545,381,955,452	111,907,017,076	514,716,781,524	110,551,633,626
b) Trade receivables to related parties	204,870,079,810	95,405,401,437	234,830,592,017	95,405,401,437
Honda Vietnam Co., Ltd	103,319,682,604	-	120,304,906,340	-
Mekong Auto Branch	2,172,222,000	2,172,222,000	2,172,222,000	2,172,222,000
Toyota Motor Vietnam Co., Ltd	6,144,995,769	-	19,120,284,240	-
Matexim Hai Phong JSC and its branches	93,233,179,437	93,233,179,437	93,233,179,437	93,233,179,437
Total	925,415,388,558	382,475,771,809	924,710,726,837	381,120,388,359

7. ADVANCES TO SUPPLIERS

	Closing balance		Opening balance	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term advances to suppliers	28,802,572,396	1,888,858,254	23,732,151,030	1,888,858,254
Shandong Tangjun Ouling Automobile Manufacture Co., Ltd. (i)	1,700,000,000	1,700,000,000	1,700,000,000	1,700,000,000
Nam Anh Trading and Construction Consulting Design Co., Ltd	1,675,712,100	-	-	-
Others	25,426,860,296	188,858,254	22,032,151,030	188,858,254
b) Advances to suppliers from related parties	176,179,728,269	41,153,879,039	176,179,728,269	41,153,879,039
Mekong Auto Branch (ii)	169,609,728,269	34,583,879,039	169,609,728,269	34,583,879,039
Matexim Hai Phong JSC Branch in Quang Ninh	6,500,000,000	6,500,000,000	6,500,000,000	6,500,000,000
Nakycos JSC	70,000,000	70,000,000	70,000,000	70,000,000
Total	204,982,300,665	43,042,737,293	199,911,879,299	43,042,737,293

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

7. ADVANCES TO SUPPLIERS (CONTINUED)

Note:

- (i) According to the Criminal Appeal Judgment No. 167/2023/HSPT dated 17 March 2023 of the High People's Court in Hanoi, the relevant individuals must compensate VEAM VND 9,000,000,000. In 2023, the Hanoi City Civil Judgment Enforcement Department transferred to the Corporation the amount of compensation paid by the relevant individuals of VND 7,300,000,000. The prepayment to Shandong Tangjun Ouling Automobile Manufacture Co., Ltd. was reduced in value corresponding to the amount of compensation paid by the relevant individuals.
- (ii) Including the advance payment to the Branch of Mekong Auto Company Limited ("MAC") under contract No. 16/2014/VEAM-Mekong Auto signed on 22 October 2014 in the amount of VND 134,589,036,240 and the advance payment for sample vehicles in the amount of VND 436,812,990. According to the contract, the Corporation will pay in advance the entire value of imported components to Mekong Auto Company Limited Branch according to the import documents so that the Branch of Mekong Auto Company Limited can assemble and sell to the Corporation 1,500 Changan brand light trucks Model SC1022DB4N4. The Corporation has paid the entire value of imported components to the Branch of Mekong Auto Company Limited and received 239 fully assembled vehicles; the remaining debt corresponds to the number of components that Mekong Auto Company Limited Branch has imported but has not yet delivered vehicles to the Corporation. The Corporation has filed a lawsuit against the Branch of Mekong Auto Company Limited and other related entities on 29 March 2023 and an amendment and supplement to the lawsuit on 16 November 2023 to the People's Court of Dong Anh District - Hanoi City. The Corporation has also paid the advance court fee according to the Notice dated 31 December 2024 of the People's Court of Dong Anh District.

According to the petition, the Corporation requests the competent Court of First Instance to declare Contract 16 and Order 15 invalid and resolve the consequences of the invalid Contract with the request that MAC must refund the Corporation the advance payment of Order 15 of VND 160,097,982,240, accepting the Corporation's refund to MAC the amount of VND 32,963,700,000 corresponding to 239 finished vehicles that the Corporation has received and delivered, thus after deduction, MAC must also refund the Corporation the amount of VND 127,134,282,240. At the same time, the Corporation has requested the Court to conduct an on-site appraisal and asset valuation of 1,261 sets of Changan vehicle components.

Regarding Contract 16 and Order 15, the Corporation also sued Saigon Thuong Tin Commercial Joint Stock Bank - Hanoi 8/3 Branch ("Sacombank"), requesting the competent Court of First Instance to declare the Mortgage Contract No. 0118102017/HDCC (VEAM mortgaged valuable papers with a total value of VND 150,000,000,000, including: Deposit Contract No. 020035491791/HDTG-SACOMBANK-VEAM; and Deposit Contract No. 020043150007/HDTG-SACOMBANK-VEAM to secure all obligations of the Branch of Mekong Auto Company Limited for Sales Contract No. 2017CA0220HB that this branch signed with partner Changan International Corporation to purchase 1,500 sets of components to assemble cars for Order 15. The Court opened a first-instance trial, the first hearing on 22 July 2025, regarding the invalidity of the Specialized Account Management Contract and the payment agreement by irrevocable letter of credit.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

8. OTHER RECEIVABLES

	Closing balance		Opening balance (Restated)	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Other short-term receivables	6,581,840,107,994	220,287,232,390	3,342,143,271,731	219,548,076,992
<i>a1) Other short-term receivables from non-related parties</i>	<i>527,301,943,924</i>	<i>98,934,619,091</i>	<i>679,092,432,086</i>	<i>97,679,190,230</i>
Advances	3,011,177,179	-	1,921,968,364	-
Deposits, mortgages	4,066,145,046	-	5,442,566,928	-
Accrued interest receivable from deposits	358,631,907,083	-	510,206,266,966	-
Receivable from capitalization (i)	10,164,296,365	-	10,164,296,365	-
Contractor tax for the VEAM-ZIBO (cabin contract (ii)	957,390,582	-	957,390,582	-
Receivables from overdue interest and contract breach penalties (iii)	94,188,312,415	92,877,289,554	94,188,312,415	92,877,289,554
Others	56,282,715,254	6,057,329,537	56,211,630,466	4,801,900,676
<i>a2) Other receivables from related parties</i>	<i>6,054,538,164,070</i>	<i>121,352,613,299</i>	<i>2,663,050,839,645</i>	<i>121,868,886,762</i>
<i>Capital support receivables</i>				
Nakyc JSC	1,504,324,210	1,504,324,210	1,504,324,210	1,504,324,210
Matexim Hai Phong JSC	82,600,000,000	82,600,000,000	83,150,000,000	83,150,000,000
<i>Interest receivable on capital support</i>				
Matexim Hai Phong JSC	34,234,914,328	32,887,947,904	34,234,914,328	32,887,947,904
Nakyc JSC	1,388,261,289	1,313,801,363	1,388,261,289	1,280,074,826
<i>Dividends and profits receivable</i>				
Matexim Hai Phong JSC	1,868,256,000	1,868,256,000	1,868,256,000	1,868,256,000
Nakyc JSC	200,903,500	200,903,500	200,903,500	200,903,500
Honda Vietnam Co. Ltd	5,931,764,124,421	-	2,539,726,799,996	-
<i>Other receivables</i>				
Matexim Hai Phong JSC	977,380,322	977,380,322	977,380,322	977,380,322
b) Long-term other receivables	11,526,605,707	-	11,397,282,463	-
Long-term mortgages, deposits	45,700,000	-	45,700,000	-
Others	11,480,905,707	-	11,351,582,463	-
Total	6,593,366,713,701	220,287,232,390	3,353,540,554,194	219,548,076,992

Note:

- (*) In the years prior to 2014, the Corporation signed capital support contracts with its subsidiaries and associated joint ventures, and capital support interest was recognized up to 31 December 2014 (including additional capital support interest recorded in 2024 with the amount of VND 9,216,513,359 according to Inspection Conclusion No. 1538/KL-TTCP dated 7 July 2023 of the Government Inspectorate). Since 1 January 2015, the Parent Company has stopped recognizing capital support interest from these companies. The capital support interest arising in the period from 1 January 2015 to 30 June 2025 according to the terms of the contract is still monitored in detail by the Corporation according to regulations. The Corporation has not recorded the capital support interest for this period in financial revenue because according to the guidance at Point d, Clause 1 and Point b, Clause 3, Article 80 of Circular 200/2014/TT-BTC, the capital support interest arising in the period from 1 January 2015 to 30 June 2025 is not eligible to record financial revenue.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

8. OTHER RECEIVABLES (CONTINUED)

Note:

- (i) Receivables for equitization reflect expenses incurred in connection with the equitization process. This value may be adjusted upon final approval from the competent authorities.
- (ii) Receivable for contractor tax paid of VND 957,390,582. Pursuant to Criminal Appeal Judgment No. 167/2023/HSPT dated 17 March 2023 of the Hanoi High People's Court, the Corporation is not required to pay this amount of tax. Therefore, the Corporation will be reimbursed this amount from the tax authority by the civil judgment enforcement agency.
- (iii) Receivables for contract violation penalties and overdue interest from 19 debtors at VEAM Transport and Trading Joint Stock Company (abbreviated as "Vetranco").

9. DEFICITS IN ASSETS AWAITING SOLUTION

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Inventories	9,350,729,445	9,493,166,986
Fixed assets	597,281,949	597,281,949
Total (*)	<u>9,948,011,394</u>	<u>10,090,448,935</u>

Note:

(*) Including the value of inventory and fixed assets missing during the inventory process:

- Inventory minutes dated 23 January 2017 (the date the Corporation officially converted into a joint stock company); Inventory minutes as of 31 December 2020 and Inventory Report No. 575/BC-KD&PTTT dated 9 September 2024 of the Parent Company Office. In which, the missing assets awaiting handling according to Inventory Report No. 575/BC-KD&PTTT dated 9 September 2024 have been handled by the Parent Company Office. Inventory and fixed assets at the Parent Company Office - The Corporation discovered a shortage: VND 4,480,227,657 as at 30 June 2025 (VND 4,493,764,928 as at 31 December 2024).
- Minutes of the inventory dated 31 December 2019 and 31 December 2020, Inventory result report No. 38/BC-VM dated 7 February 2020 and Inventory result report No. 150A/BC-HDKK dated March 2, 2021, Inventory result report No. 01/BC-HDKK dated January 8, 2022 of the Inventory Council; Minutes of meeting No. 01/BB-VM dated January 10, 2022 on the inventory work in 2021; Inventory result report No. 01/BC-HDKK dated January 8, 2023 of the Inventory Council; Minutes of meeting No. 01/BB-VM dated 10 January 2023 on the inventory work in 2022 of VEAM Motor Factory; Report on the results of the 2023 inventory No. 07A/BC-HDKK dated 23 January 2024 and Minutes of the meeting on the 2023 inventory No. 02A/BB-VM dated 23 January 2024 of VEAM Motor Factory. Inventory found to be missing at VEAM Motor Factory - a branch of the Corporation as at 30 June 2025 with a value of VND 4,296,609,308 (as at 31 December 2024: VND 4,349,211,124).
- The value of shortage of assets awaiting solution at the subsidiary, Tran Hung Dao Mechanical Joint Stock Company is VND 1,171,174,429.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements***10. BAD DEBTS**

	Closing balance			Opening balance		
	Cost	Recoverable amount	Overdue period	Cost	Recoverable amount	Overdue period
	VND	VND		VND	VND	
a) Trade accounts receivable	433,759,835,087	51,283,253,278		433,791,760,325	52,681,371,966	
Future investment and Trading services Company Limited	76,792,879,435	-	over 3 years	76,792,879,435	-	over 3 years
Minh Quang Steel JSC	79,320,729,210	-	over 3 years	79,320,729,210	-	over 3 years
Matexim Hai Phong JSC and its branches	93,233,179,437	-	over 3 years	93,233,179,437	-	over 3 years
Mekong Auto Branch	2,172,222,000	-	over 3 years	2,172,222,000	-	over 3 years
Others	182,240,825,005	51,283,253,278	over 3 years	182,272,750,243	52,681,371,966	over 3 years
b) Short-term advances to suppliers	178,068,586,523	135,025,849,230		178,078,586,523	135,025,849,230	
Mekong Auto Branch	169,609,728,269	135,025,849,230	over 3 years	169,609,728,269	135,025,849,230	over 3 years
Matexim Hai Phong JSC Branch in Quang Ninh	6,500,000,000	-	over 3 years	6,500,000,000	-	over 3 years
Shandong Tangjun Ouling Automobile Manufacture Co., Ltd	1,700,000,000	-	over 3 years	1,700,000,000	-	over 3 years
Nakyco JSC	70,000,000	-	over 3 years	70,000,000	-	over 3 years
Others	188,858,254	-	over 3 years	198,858,254	-	over 3 years
c) Other short-term receivables	221,707,848,740	1,421,426,350		222,314,252,740	1,455,152,887	
Matexim Hai Phong JSC	1,868,256,000	-	over 3 years	1,868,256,000	-	over 3 years
Nakyco JSC	200,903,500	-	over 3 years	200,903,500	-	over 3 years
Matexim Hai Phong JSC	977,380,322	-	over 3 years	977,380,322	-	over 3 years
Personal Income Tax Program "Loyalty Program"	3,594,830,000	-	over 3 years	3,594,830,000	-	over 3 years
Interest on funded assistance	119,727,499,827	1,421,426,350	over 3 years	120,277,499,827	1,455,152,887	over 3 years
Receivables from contractual interest as per the judgment	92,877,289,554	-	over 3 years	92,877,289,554	-	over 3 years
Others	2,461,689,537	-	over 3 years	2,518,093,537	-	over 3 years
Total	833,536,270,350	187,730,528,858		834,184,599,588	189,162,374,083	

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

11. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Goods in transit	281,767,574	-	87,699,392	-
Raw materials	275,161,475,820	(36,641,053,606)	253,624,136,119	(36,976,900,223)
Tool and supplies	59,190,854,598	(4,321,266,850)	66,442,602,942	(4,321,266,850)
Work in progress	241,497,803,779	(2,700,734,734)	228,136,244,126	(2,700,734,734)
Finished goods	989,418,814,333	(458,624,477,133)	990,285,243,891	(431,812,473,525)
Goods	185,202,529,301	(43,041,893,541)	182,089,825,264	(39,786,244,382)
Goods on consignment	43,175,937,027	(15,674,315,793)	62,551,713,671	(16,726,063,636)
Total	1,793,929,182,432	(561,003,741,657)	1,783,217,465,405	(532,323,683,350)

Note:

- (*) It includes business and production expenses related to the sponge iron factory, which has been non-operational for many years, incurred at the Matexim Bac Kan Branch of Material and Complete Equipment Export-Import Corporation - a subsidiary of the Corporation - with the amount of VND 8,802,002,030.
- (i) Provision for impairment of inventories as at 30 June 2025 includes:
- Provision for impairment of inventories made based on the estimated selling price in the Certificate and Valuation Report in November 2023 is VND 85,180,975,110 (as at 31 December 2024: VND 511,424,606,394), of which: the Parent Company's Office is VND 5,735,324,306 and VEAM Motor Factory is VND 79,445,650,804.
 - Provision for impairment of inventories made based on estimated selling price in the Certificate and Valuation Report in May 2025 at VEAM Motor Factory is VND 455,340,810,834.
 - Provision for impairment of inventories made based on the scrap selling price of Foundry Factory is VND 341,899,076 (as at 31 December 2024: VND 445,594,138).
 - Provision for impairment of inventories at subsidiaries (including: Tractor and Agricultural Machinery Company Limited; Pho Yen Mechanical Joint Stock Company; Vinh Mechanical Joint Stock Company; Material and Complete Equipment Export-Import Corporation and Southern Vietnam Engine and Agricultural Machinery Company Limited) is VND 20,130,056,637.
- (ii) As at 30 June 2025, the Corporation has slow-moving inventory and signs of decline in value but has not yet made provision for inventory devaluation with the amount of VND 142.1 billion (as at 31 December 2024: VND 150.6 billion), of which:
- The value at the Parent Company's Office is VND 70,850,027,607 (as at 31 December 2024: VND 70,856,245,957).
 - The value at the VEAM Motor Factory is VND 38,808,696,011 (as at 31 December 2024: VND 52,862,255,056).
 - The value at Tran Hung Dao Mechanical Joint Stock Company - Subsidiary is approximately VND 16.1 billion (as at 31 December 2024: VND 10.5 billion).
 - The value at Material and Complete Equipment Export-Import Corporation - Subsidiary is approximately VND 16.4 billion (as at 31 December 2024: VND 16.4 billion).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

12. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
Short-term	25,494,030,815	22,246,209,212
Allocated tools and supplies	14,478,570,981	16,084,014,668
Insurance and related fees	674,937,696	651,991,846
Others	10,340,522,138	5,510,202,698
Long-term	618,996,431,666	599,731,002,480
Land and office rental (i)	21,731,720,214	22,782,124,580
Brand values (ii)	4,885,796,943	6,430,714,263
Tools, equipment, transportation costs	44,946,502,764	39,976,028,700
Cost of the foam iron factory (iii)	492,571,414,070	473,066,380,911
Parking lot infrastructure	3,686,514,295	3,742,810,545
Prepaid infrastructure costs of Phu Nghia Industrial Park	29,606,414,491	29,929,784,385
Others	21,568,068,889	23,803,159,096
Total	644,490,462,481	621,977,211,692

Note:

- (i) Land rental includes land rental at office No. 90-92 Tran Binh Trong - Ho Chi Minh City until 15 April 2028; land rental and assets available on the land for a period of 12 months until 01 September 2025 according to economic contract No. 05/HDKT/TAMAC-VEAM/2024 signed on 27 September 2024 and prepaid land rental according to Land Sublease Contract No. 30/HDTD.05 dated 28 March 2005 between Tan Thuan Industrial Development Company and Vietnam Engine and Agricultural Machinery Corporation. This item has been transferred from Vietnam Engine and Agricultural Machinery Casting Company Limited and recorded by the Branch according to the Minutes of handover of assets formed after investment dated 20 September 2012 between the Corporation and the Branch.
- (ii) Represents the brand value of the Corporation which is included in the enterprise value upon equitization according to the results of determining the enterprise value for the purpose of enterprise equitization and is allocated over 10 years.
- (iii) This includes interest, depreciation, and land lease costs for the sponge iron factory that ceased operations since 2015, and for Bac Kan Branch of Material and Complete Equipment Export - Import Corporation - Subsidiaries of the Corporation. Specifically, long-term prepayments of the sponge iron factory are VND 434,043,512,676 (as at 31 December 2024: VND 414,538,479,517) and long-term prepayments of Matexim Bac Kan Branch are VND 58,527,901,394 (as at 31 December 2024: VND 58,527,901,394).

VIETNAM ENGINE AND AGRICULTURAL MACHINERY CORPORATION

Lot D, Area D1, Phu Thuong Ward, Hanoi, Vietnam

FORM B 09a-DN/HN

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

13. INCREASE, DECREASE IN TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Motor vehicles, transmission	Office equipment	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
Opening balance	1,744,591,277,882	3,467,587,231,433	240,716,128,992	33,628,791,936	3,854,341,226	5,490,377,771,469
- Purchase during the period	764,667,491	36,973,967,055	1,491,900,000	7,407,407	-	39,237,941,953
- Other increases	-	-	13,263,965	9,847,715	-	23,111,680
- Disposal	-	(29,399,043,751)	(1,022,405,455)	(363,559,046)	-	(30,785,008,252)
- Other decreases	-	(35,500,000)	-	(57,090,909)	-	(92,590,909)
Closing balance	1,745,355,945,373	3,475,126,654,737	241,198,887,502	33,225,397,103	3,854,341,226	5,498,761,225,941
ACCUMULATED DEPRECIATION						
Opening balance	1,139,153,684,966	2,755,952,079,514	218,428,093,541	26,484,087,483	3,786,302,896	4,143,804,248,400
- Depreciation for the period	30,423,881,939	79,527,178,976	5,487,251,334	739,900,516	4,637,274	116,182,850,039
- Other increases	-	-	13,263,605	9,845,195	-	23,108,800
- Disposal	-	(29,399,043,751)	(1,022,405,455)	(363,559,046)	-	(30,785,008,252)
- Other decreases	-	(35,500,000)	-	(57,090,909)	-	(92,590,909)
Closing balance	1,169,577,566,905	2,806,044,714,739	222,906,203,025	26,813,183,239	3,790,940,170	4,229,132,608,078
NET BOOK VALUE						
Opening balance	605,437,592,916	711,635,151,919	22,288,035,451	7,144,704,453	68,038,330	1,346,573,523,069
Closing balance	575,778,378,468	669,081,939,998	18,292,684,477	6,412,213,864	63,401,056	1,269,628,617,863

The cost of fixed assets that have been fully depreciated but are still in use as at 30 June 2025 is VND 2,076,949,039,620 (as at 31 December 2024: VND 1,984,594,653,441).

As at 30 June 2025, at the Parent Company's Office, the cost of temporarily unused, damaged tangible fixed assets is VND 52,202,831,236 (with net book value of VND 6,779,102,488), and the cost of damaged fixed assets still in use is VND 5,777,656,387 (with net book value of VND 69,600,797).

The Corporation's subsidiaries use fixed assets formed from borrowed capital and some other fixed assets as collateral for loans, as disclosed in Note 21 to the interim consolidated financial statements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements***14. INCREASE, DECREASE IN INTANGIBLE FIXED ASSETS**

	Copyright, patent	Land use rights, industrial park infrastructure costs	Software	Royalty fee	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
Opening balance	1,795,000,000	88,405,060,703	22,002,905,257	13,855,846,325	84,500,000	126,143,312,285
Closing balance	1,795,000,000	88,405,060,703	22,002,905,257	13,855,846,325	84,500,000	126,143,312,285
ACCUMULATED AMORTISATION						
Opening balance	1,795,000,000	21,003,094,243	13,187,952,165	13,651,355,233	84,500,000	49,721,901,641
Charge for the period	-	437,984,392	739,555,990	40,766,092	-	1,218,306,474
Closing balance	1,795,000,000	21,441,078,635	13,927,508,155	13,692,121,325	84,500,000	50,940,208,115
NET BOOK VALUE						
Opening balance	-	67,401,966,460	8,814,953,092	204,491,092	-	76,421,410,644
Closing balance	-	66,963,982,068	8,075,397,102	163,725,000	-	75,203,104,170

Intangible fixed assets include the value of the right to use the land lot at 37 Nguyen Thai Binh, District 1, Ho Chi Minh City with the cost of VND 10,262,436,326, which is in the process of applying for a land use right certificate.

The cost of intangible fixed assets includes intangible fixed assets that have been fully depreciated but are still in use as of 30 June 2025 is VND 25,938,890,942 (as at 31 December 2024: VND 25,938,890,942).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

15. CONSTRUCTION IN PROGRESS

	Closing balance	Opening balance
	VND	VND
Project Investment in manufacturing medium-sized four-wheel tractors (i)	53,507,597,654	53,507,597,654
Construction costs for the office and factory of Tran Hung Dao Mechanical Company Limited (ii)	11,871,206,422	11,871,206,422
The project to relocate and build a new small tractor manufacturing plant of Tractor and Agricultural Machinery Company Limited (iii)	10,288,550,496	10,288,550,496
Others	9,838,264,986	8,597,276,156
Total	85,505,619,558	84,264,630,728

Note:

- (i) Construction in progress for the the Medium-sized 4-wheel tractor manufacturing investment project represents the technology transfer royalty fee under Contract No. 02/VEAM-ISEKI/2016 signed on 5 July 2016 with ISEKI & CO., LTD with the amount of VND 56,529,995,370 for the Medium-sized 4-wheel tractor manufacturing investment project in Bim Son. The Corporation has been granted a certificate of registration for a technology transfer contract by the Ministry of Science and Technology under Official Dispatch No. 24/GCN-BKHCN dated 02 August 2016. According to Resolution No. 58/NQ-HDQT dated 26 June 2020 of the Board of Directors, it was decided to assign the General Director of the Corporation to direct the implementation of work to continue evaluating the four-wheel tractor market (MK4B) in the direction of cooperation with professional market assessment consulting units to have a basis for investment decisions to develop and test the MK4B gearbox according to the design of Li - gasoline ISEKI to take advantage of the available mechanical production capacity of the units within the Corporation as well as external units to minimize the total production investment.

According to the Criminal Appeal Judgment No. 167/2023/HSPT dated 17 March 2023 of the High People's Court in Hanoi, the relevant individuals must compensate VEAM 48,943,720,130 VND, VEAM will be refunded the amount of contractor tax paid of 7,586,276,240 VND. The relevant individuals are making compensation. The basic construction investment cost of the Project "Investment in the production of medium-sized four-wheel tractors" has been reduced in value corresponding to the amount of compensation paid by the relevant individuals of about 3 billion VND.

- (ii) This includes salary costs, survey and design fees, and other expenses not yet finalized for the Corporation Relocation and New Construction Project (Phase II). Certain completed and operational items of the project were provisionally recognized as an increase in fixed assets by Tran Hung Dao Mechanical Co., Ltd from 2003 to 2010.
- (iii) The project was approved in principle for implementation under Resolution No. 23/NQ-VEAM/HDTV dated 31 July 2014 of the Members' Council of Vietnam Engine and Agricultural Machinery Corporation.

According to Decision No. 141/QD-VEAM/HDTV dated 2 November 2016:

- Project name: Relocation and new construction of a small tractor manufacturing plant
- Capacity: 28,000 two-wheel tractors/year
- Total investment: VND 432,146,684,000
- Implementation period: From Q4/2016 to Q1/2018

According to Decision No. 51/QD-HDQT dated 12 October 2020 on approving the adjustment of implementation period for the "Relocation and new construction of a small tractor manufacturing plant" project, the timeframe was revised from "Quarter IV/2016 to Quarter I/2018" to "Quarter IV/2016 to Quarter I/2023", and an amended Investment Registration Certificate No. 01 was issued on 4 December 2020 to reflect the extension of the investment period. At the date of this report, the extended deadline has passed, but the Corporation and Tractor and Agricultural Machinery Company Limited have not completed the project extension procedures. Furthermore, the project has not had any new implementation or acceptance activities.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

16. TRADE PAYABLES

	Closing balance		Opening balance	
	Value	Amount able to be paid off	Value	Amount able to be paid off
	VND	VND	VND	VND
a) Short-term trade payables	295,226,309,312	295,226,309,312	340,286,269,175	340,286,269,175
Produce and Trading Material - Equipment	8,314,821,625	8,314,821,625	14,303,288,285	14,303,288,285
Joint Stock Company				
Honda Trading Viet Nam Co., Ltd	21,640,050,880	21,640,050,880	30,759,511,976	30,759,511,976
Citicom Commercial Joint Stock Company	14,452,357,590	14,452,357,590	20,793,688,300	20,793,688,300
Cuong Dai Limited Company	2,788,467,662	2,788,467,662	3,659,155,508	3,659,155,508
Others	248,030,611,555	248,030,611,555	270,770,625,106	270,770,625,106
b) Trade payables to related parties	86,875,500	86,875,500	86,875,500	86,875,500
Nakyc JSC	86,875,500	86,875,500	86,875,500	86,875,500
Total	295,313,184,812	295,313,184,812	340,373,144,675	340,373,144,675

17. ADVANCES FROM CUSTOMERS

	Closing balance	Opening balance
	VND	VND
a) Short-term advances from customers	19,062,961,875	18,556,396,566
Huantao Automobile Co., Ltd	1,464,331,174	1,464,331,174
Viet Nam Electrical Mechanical JSC	945,560,441	945,560,441
Nguyen Gia Phat JSC	190,430,000	190,430,000
Kim Hoang Hao JSC - Danang Branch	137,611,100	137,611,100
Others	16,325,029,160	15,818,463,851
a) Long-term advances from customers	395,155,522	395,155,522
Others	395,155,522	395,155,522

18. TAXES AND AMOUNTS RECEIVABLE FROM/PAYABLE TO THE STATE BUDGET

	Opening balance	Payable during the period	Paid during the period	Closing balance
	VND	VND	VND	VND
Payables				
Value-added-tax payable	5,987,494,127	29,707,148,027	25,747,307,162	9,947,334,992
Value-added-tax payable related imported goods	-	10,391,033,051	10,391,033,051	-
Import, export tax	-	5,985,713,653	5,985,713,653	-
Corporate income tax	54,128,807,605	97,972,304,810	92,900,981,691	59,200,130,724
Personal income tax	7,367,760,460	27,571,320,813	31,139,092,279	3,799,988,994
Natural resource tax	592,811,130	2,064,653,863	2,339,245,792	318,219,201
Land tax, land rental	358,251,928	10,285,336,336	3,600,259,783	7,043,328,481
Other taxes	3,685,145	125,932,907	127,089,475	2,528,577
Fees, charges and other payables	7,383,144,765	3,724,463,264	2,680,380,461	8,427,227,568
Total	75,821,955,160	187,827,906,724	174,911,103,347	88,738,758,537

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

**18. TAXES AND AMOUNTS RECEIVABLE FROM/PAYABLE TO THE STATE BUDGET
(CONTINUED)**

	Opening balance	Payable during the period	Paid during the period	Closing balance
	VND	VND	VND	VND
Receivables				
Value-added-tax payable	-	347,468,936	439,132,846	91,663,910
Value-added-tax payable related imported goods	323,241,566	110,261,907	-	212,979,659
Corporate income tax	256,806,561	250,531,891	14,643,073	20,917,743
Personal income tax	421,144,605	1,859,747,159	3,543,016,149	2,104,413,595
Natural resource tax	367,503,386	536,871,861	211,325,647	41,957,172
Land tax, land rental	20,000	20,000	-	-
Total	1,368,716,118	3,104,901,754	4,208,117,715	2,471,932,079

19. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Shipping, insurance, and storage costs (i)	9,955,109,906	11,132,115,003
Interest expenses	64,708,145,622	59,901,960,737
Other accruals	12,335,478,138	16,780,079,848
Total	86,998,733,666	87,814,155,588

Note:

- (i) The payable expenses related to the Truck Transportation Service Contract No. 20181230269/TCGc-VM dated 21 January 2019 between TCG Trading and Services Joint Stock Company and Vietnam Engine and Agricultural Machinery Corporation - Motor Factory. The Factory has sent Documents No. 11CV-NM dated 12 April 2021; No. 193/VM-KTDV-PT dated 31 May 2021; 77A/CV-VM dated 26 April 2022 to TCG Trading and Services Joint Stock Company regarding the completion of contractual obligations, however, up to the time of issuing this financial statement, the Vietnam Engine and Agricultural Machinery Corporation - Motor Factory has not received any response.

20. OTHER PAYABLES

	Closing balance	Opening balance
	VND	VND
a) Short-term	174,406,078,917	170,513,758,155
Trade union fee	5,388,797,005	9,437,233,653
Insurance	822,426,472	145,062,725
Short-term mortgages, deposits received	12,173,309,979	11,609,038,139
Dividends or profits payables	5,183,775,616	5,515,158,464
Surplus of assets awaiting resolution (i)	20,261,688,227	20,367,826,371
Centre of International Relation and Investment Joint Stock Company (ii)	88,988,000,000	88,988,000,000
Other payables	41,588,081,618	34,451,438,803
b) Long-term	1,649,565,300	1,679,207,300
Long-term mortgages, deposits received	1,649,565,300	1,679,207,300
Total	176,055,644,217	172,192,965,455

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

20. OTHER PAYABLES (CONTINUED)

Note:

- (i) Surplus assets awaiting disposal are excess inventories of unknown causes discovered during the inventory process at VEAM Motor Factory - a branch of the Corporation according to the Inventory Minutes of 31 December 2019 and 31 December 2020, Inventory Results Report No. 38/BC-VM dated 7 February 2020 and Inventory Results Report No. 150A/BC-HDKK dated 2 March 2021, Inventory Results Report No. 01/BC-HDKK dated 8 January 2022 of the Inventory Council; Minutes of the meeting on inventory work in 2021 No. 01/BB-VM dated 10 January 2022; Inventory Results Report No. 01/BC-HDKK dated 9 January 2023 of the Inventory Council; Minutes of the meeting on inventory work in 2022 No. 01/BB-VM dated 10 January 2023 of Vietnam Engine and Agricultural Machinery Corporation - Motor Factory, however, does not include the value of surplus assets such as excess inventory materials and goods whose unit price cannot be determined, accordingly, they are not recorded in the value of surplus assets awaiting disposal.
- (ii) This represents a payable to Centre of International Relation and Investment Joint Stock Company related to the investment cooperation to execute the project of relocating Tractor and Agricultural Machinery Company Limited - a subsidiary of the Corporation - to a new location, and to construct an office, apartment, and commercial center complex on the land lot at 4 Chu Van An, Ha Dong, Hanoi, as per principle contract No. 03/2010/HDNT dated 23 February 2010, and its appendices.

According to the agreement, Centre of International Relation and Investment Joint Stock Company was to arrange a total of VND 300 billion for the Company to invest in the new factory project, including 50% of the land-use purpose change fee paid to the state budget that would be refunded by the State as prescribed by law. It was also arranged to provide a minimum of VND 50 billion for a joint venture capital contribution to implement the project. Following the signing of the agreement, Centre of International Relation and Investment Joint Stock Company was to transfer a deposit of VND 30 billion to the Company. The two parties have not yet signed a contract appendix specifying the disbursement schedule as outlined in the principle contract.

The amount received by Tractor and Agricultural Machinery Company Limited from Centre Of International Relation and Investment Joint Stock Company was used to pay for the transfer of assets attached to land use rights at Tien Son Industrial Park, Bac Ninh, from Tran Hung Dao Mechanical Company Limited with the amount of VND 71,930,200,000 (excluding 10% VAT), and for a number of other expenses. The remaining amount was placed in a savings deposit at Vietnam Bank for Agriculture and Rural Development.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements***21. LOANS AND OBLIGATIONS UNDER FINANCE LEASES**

	Closing balance		During the period		Opening balance	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
Short-term loans and obligations under finance leases (*)	135,330,820,312	135,330,820,312	39,824,179,258	47,999,330,651	127,155,668,919	127,155,668,919
Military Commercial Joint Stock Bank - Tay Ho Branch	27,335,205,700	27,335,205,700	304,794,300	-	27,640,000,000	27,640,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Nam Thai Nguyen Branch	11,849,945,693	11,849,945,693	11,742,589,606	23,592,535,299	-	-
Shinhan Bank Vietnam Limited - Thai Nguyen Branch	-	-	11,306,795,352	11,306,795,352	-	-
Joint Stock Commercial Bank For Investment and Development of Viet Nam - Thang Long Branch	5,204,902,226	5,204,902,226	1,800,000,000	-	7,004,902,226	7,004,902,226
Vietnam Development Bank - Bac Kan - Thai Nguyen Branch (i)	63,757,186,242	63,757,186,242	150,000,000	-	63,907,186,242	63,907,186,242
Mekong Auto Branch - Related parties	1,840,000,000	1,840,000,000	-	-	1,840,000,000	1,840,000,000
Others (ii)	25,343,580,451	25,343,580,451	14,520,000,000	13,100,000,000	26,763,580,451	26,763,580,451

(*) Short-term loans at subsidiaries are used to supplement working capital for business operations or to make payments for goods under credit limit contracts. Long-term loans at subsidiaries are used to acquire fixed assets or to settle costs for construction in progress.

The Corporation's subsidiaries use fixed assets acquired with the borrowed capital and certain other fixed assets as collateral for the aforementioned loans.

- (i) This represents an overdue long-term loan from the Vietnam Development Bank (VDB) - Bac Kan - Thai Nguyen Regional Branch under Investment Credit Contract No. 63/2010/HDTDDT - NHPT dated 29 October 2010 between the bank's branch and Material and Complete Equipment Export-Import Corporation. The purpose of the loan is to fund the construction and equipment installation for the non-coke metallurgical factory project. The contractual loan amount is VND 335,348,000,000. The loan term is 9.5 years (from the date of the first disbursement), with a grace period of 1.5 years from the date of the first loan disbursement. The collateral for the loan consists of the post-investment assets (including assets were formed using state investment credit loan capital, other mobilized capital from Vietnam Engine and Agricultural Machinery Corporation, and the investor's own capital) of the non-coke metallurgical factory project, which has a capacity of 100,000 tons of sponge iron per year.
- (ii) This includes a loan from Golden City Joint Stock Company with the amount of VND 5.2 billion, as presented in Note 1 of the Notes to the interim consolidated financial statements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements***22. OWNER'S EQUITY**

	Share capital	Other equity	Revaluation surplus	Foreign exchange gains/losses	Development and investment funds	Retained earnings	Non-controlling interest	Total
	VND	VND	VND	VND	VND	VND	VND	VND
As at 01/01/2024	13,288,000,000,000	27,089,186,656	(71,424,341,027)	4,262,630,249	28,125,501,907	12,218,270,751,580	231,112,094,170	25,725,435,823,535
Profit for the prior period	-	-	-	-	-	7,361,192,564,715	70,529,938,012	7,431,722,502,727
Translation of foreign currency financial statements (Veam Korea Corporation)	-	-	-	97,683,855	-	-	12,073,286	109,757,141
Appropriation to funds	-	-	-	-	-	(139,594,407,334)	(33,167,992,823)	(172,762,400,157)
Dividend distribution	-	-	-	-	-	(6,690,747,184,000)	(48,047,955,800)	(6,738,795,139,800)
As at 31/12/2024	13,288,000,000,000	27,089,186,656	(71,424,341,027)	4,360,314,104	28,125,501,907	12,749,121,724,961	220,438,156,845	26,245,710,543,446
Profit for the period	-	-	-	-	-	3,372,914,085,552	37,235,951,572	3,410,150,037,124
Translation of foreign currency financial statements (Veam Korea Corporation)	-	-	-	171,259,079	-	-	21,166,853	192,425,932
Appropriation to funds	-	-	-	-	-	(54,197,959,875)	(19,627,745,149)	(73,825,705,024)
Dividend distribution	-	-	-	-	-	-	(1,317,120,000)	(1,317,120,000)
Other decreases	-	-	-	-	-	3,191,044,910	(223,962,200)	2,967,082,710
As at 30/06/2025	13,288,000,000,000	27,089,186,656	(71,424,341,027)	4,531,573,183	28,125,501,907	16,071,028,895,548	236,526,447,921	29,583,877,264,188

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

22. OWNER'S EQUITY (CONTINUED)

Shares	Closing balance	Opening balance
Number of shares issued to the public	1,328,800,000	1,328,800,000
Common shares	1,328,800,000	1,328,800,000
Number of outstanding shares	1,328,800,000	1,328,800,000
Common shares	1,328,800,000	1,328,800,000

Common share with a par value of VND 10,000 per share.

Charter capital

According to Business Registration Certificate (11th amended certificate dated 01 July 2024), the charter capital of the Corporation is VND 13,288,000,000,000 (31 December 2024: VND 13,288,000,000,000). As at 30 June 2025, the charter capital has been fully contributed by shareholders as follows:

	Closing balance		Opening balance	
	VND	Rate	VND	Rate'
Ministry of Industry and Trade	11,755,829,660,000	88.47%	11,755,829,660,000	88.47%
Others	1,532,170,340,000	11.53%	1,532,170,340,000	11.53%
Total	13,288,000,000,000	100%	13,288,000,000,000	100%

23. OFF-CONSOLIDATED BALANCE SHEET ITEMS

	Closing balance	Opening balance
Foreign currencies		
- USD	1,655,662.86	1,585,368.50
- EUR	921.13	1,762.5
- JPY	191	191.0
- CAD	47,316.5	368.6

24. BUSINESS SEGMENT AND GEOGRAPHICAL SEGMENT

The main business of the Corporation is the trading of power machinery and agricultural machinery. During the period, the Corporation did not have any other significant business activities. Accordingly, the financial information presented in the interim separate balance sheet as of 30 June 2025 and the revenue and expenses presented in the interim separate income statement for the period from 01 January 2025 to 30 June 2025 are all related to the trading of power machinery and agricultural machinery. Revenue and cost of goods sold by each business activity are presented in Notes 25 and 26.

The Corporation does not have any business activities outside of Vietnam; therefore, the Corporation does not prepare business segment reports by any geographical area outside of Vietnam.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

25. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	Current period	Prior period
	VND	VND
Sales of merchandise, finished goods	1,976,909,496,072	1,851,012,873,958
Sales of services	96,780,618,855	66,596,332,970
Others	18,156,054,616	12,229,664,559
Total	2,091,846,169,543	1,929,838,871,487
Deductions	4,364,300,113	6,858,172,265
In which:		
- Trade discounts;	3,762,452,369	2,004,114,430
- Sales discounts	27,236,700	-
- Sales returns	574,611,044	4,854,057,835
Net revenue from sale of goods and services	2,087,481,869,430	1,922,980,699,222

26. COST OF GOODS SOLD AND SERVICES RENDERED

	Current period	Prior period
	VND	VND
Cost of goods sold and finished goods	1,678,253,657,840	1,555,284,729,354
Cost of services	73,951,726,921	53,854,668,756
Others	4,425,310,188	4,667,228,024
Expenses that exceed the norms	11,376,242,246	15,930,333,169
Provision for/ Reversal of devaluation of inventories	28,680,058,307	(10,078,995,712)
Total	1,796,686,995,502	1,619,657,963,591

27. FINANCIAL INCOME

	Current period	Prior period
	VND	VND
Interest income from deposits	413,322,775,552	433,485,793,654
Interest income from capital support (i)	-	11,251,521
Dividends and profit contributed	-	75,464,324
Realized foreign exchange gain	9,641,724,551	8,609,615,295
Unrealized foreign exchange gain	11,316,419	-
Others	34,833,548	36,439,367
Total	423,010,650,070	442,218,564,161

Note:

- (i) During this period, the Corporation has not recorded any profit from capital support activities for its subsidiaries and associates. Profit from capital support activities arising from the above capital support activities is determined and recorded by the Corporation depending on the production and business situation of each subsidiary and associate with an interest rate of 0% - 5%/year.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

28. FINANCIAL EXPENSES

	Current period	Prior period
	VND	VND
Interest expense	538,524,258	1,021,038,412
Realized foreign exchange loss	3,693,556,679	1,248,981,118
Unrealized foreign exchange loss	298,160,990	-
Others	77,996,863	66,171,979
Total	4,608,238,790	2,336,191,509

29. EXPENSES, GENERAL AND ADMINISTRATION EXPENSES

	Current period	Prior period
	VND	VND
Selling expenses		
Labour expenses	16,484,024,335	14,578,545,480
Material, packing cost	2,474,080,641	2,874,228,826
Depreciation and amortisation	1,200,841,568	1,343,816,200
Provision for/(Reversal of) provision for warranty	(12,161,144)	127,903,118
Out-sourced services	8,151,432,098	6,113,980,343
Other monetary expenses	16,308,118,875	17,529,674,943
Total	44,606,336,373	42,568,148,910
General and administrative expenses		
Labour expenses	135,553,760,984	120,865,590,794
Administrative supplies expenses	7,134,151,478	5,399,802,237
Depreciation and amortisation	15,980,568,129	15,833,202,173
Taxes, fees and charges	7,213,788,617	9,200,630,546
Provision for/(Reversal of) doubtful debts	1,000,431,089	(633,880,967)
Out-sourced services	13,796,176,939	15,800,363,671
Other monetary expenses	48,000,236,019	35,825,640,458
Total	228,679,113,255	202,291,348,912

30. OTHER INCOME

	Current period	Prior period
	VND	VND
Proceeds from disposal of fixed assets	3,749,850,911	7,272,727
Compensation received, damages recovered, contract penalties	1,429,664,528	2,310,583,927
Others	1,647,900,960	1,591,182,309
Total	6,827,416,399	3,909,038,963

31. OTHER EXPENSES

	Current period	Prior period
	VND	VND
Depreciation of unused fixed assets	2,296,588,275	2,260,353,939
Fines for tax, administrative violations	1,882,910,783	746,500,743
Others	670,453,667	2,387,330,379
Total	4,849,952,725	5,394,185,061

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

32. PRODUCTION COST BY NATURE

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Raw material costs	1,070,256,430,706	938,138,026,981
Labour costs	431,226,530,171	377,316,968,287
Depreciation and amortisation	98,841,326,557	103,508,996,239
Provisions	26,395,834,823	(15,342,825,654)
Out-sourced services	119,123,300,105	103,652,768,718
Other monetary expenses	109,569,874,094	97,281,654,235
Total	1,855,413,296,456	1,604,555,588,806

33. CURRENT CORPORATE INCOME TAX EXPENSE

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Current corporate income tax expense at the Parent Company	68,431,570,228	74,262,271,781
Current corporate income tax expense at subsidiaries	29,791,266,473	31,292,078,811
Total	98,222,836,701	105,554,350,592

34. BASIC EARNINGS PER SHARE

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Profit after tax	3,372,914,085,552	3,218,559,810,670
Appropriation of bonus and welfare funds (i)	-	-
Profit to calculate basic earnings per share	3,372,914,085,552	3,218,559,810,670
Weighted average number of ordinary shares to calculate basic earnings per share	1,328,800,000	1,328,800,000
Par value of share	10,000	10,000
Basic earning per share	2,538	2,422

Note:

- (i) The Parent Company appropriated the bonus and welfare fund from retained earnings for the year 2024. However, the Parent Company was unable to separately determine the bonus and welfare fund for the period from 01 January 2024 to 30 June 2024, and therefore did not restate the basic earnings per share. This indicator will be restated in the financial statements for the year ended 31 December 2025.

35. OPERATING LEASE COMMITMENTS

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Minimum operating lease expenses recognized in the income statement during the period (i)	1,611,550,805	746,296,260

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

35. OPERATING LEASE COMMITMENTS (CONTINUED)

Note:

(i) Operating lease payments and allocations represent the total rentals for office and warehouse space at the following locations:

- Office lease at 90-92 Tran Binh Trong, HCM under Economic Contract No. 03/HDKT/2008 signed on 04 August 2008 and Appendix dated 08 December 2010 with Southern Vietnam Engine and Agricultural Machinery Company Limited, lease term of 20 years from 15 April 2008. The one-time rental payment is VND 30,645,000,000.
- Land and property lease at Tien Son Industrial Park, Bac Ninh under Economic Contract No. 05/HDKT/TAMAC-VEAM/2024 signed on 27 September 2024. Lessor: Tractor And Agricultural Machinery Company Limited, lease term of 12 months to 1 September 2025, rental price VND 1,794,000,000/year.
- Warehouse rental at Group 22, Dong Anh Town, Hanoi under contract No. 1512/HD-VEAM-CPLOA signed on 15 December 2023 and Appendix No. 001/2024/VEAM-CLOA dated 31 December 2024. Lessor: Co Loa Mechanical Joint Stock Company, lease term of 24.5 months until 31 December 2025, rental price of VND 78,540,000/year.
- Warehouse rental at Quarter 1, Binh Da Ward, Bien Hoa, Dong Nai under contract No. 001/HD-VEAM/SVEAM/2025 signed on 31 December 2024. Lessor: Southern Vietnam Engine and Agricultural Machinery Company Limited, lease term of 12 months until 31 December 2025, rental price 99,600,000 VND/year.

As of 30 June 2025, the Corporation has non-cancellable operating lease commitments with the following payment schedule:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Within 01 year	354,343,182	1,258,272,727
From the second to the fifth year	-	-
Over 5 years	-	-
Total	<u>354,343,182</u>	<u>1,258,272,727</u>

36. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Interest earned, dividends and profits received do not include outstanding differences at the end of the accounting period related to accrued interest, capital support loan, dividends, and shared profits. Therefore, the amount presented under the "Interest earned, dividends and profits received" item reflects the actual cash received during the period and changes in accounts receivable have been adjusted by the same amount.

Interest paid excludes unpaid differences at the end of the reporting period related to accrued interest. Accordingly, the amount presented under the "Interest paid" item reflects the actual amount paid during the period and changes in accounts payable have been adjusted by the same amount (excluding interest payable and corporate income tax payable).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

37. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

	From 01/01/20205 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Purchase	89,318,502,760	95,729,618,126
Honda Vietnam Co., Ltd	88,486,965,928	95,099,224,744
VEAM Tay Ho Investment JSC	831,536,832	630,393,382
Revenue	555,513,092,419	499,650,795,962
Honda Vietnam Co., Ltd	525,555,236,655	476,921,420,581
Toyota Motor Vietnam Co., Ltd	29,674,120,786	22,479,096,381
Ford Viet Nam Limited	-	162,564,000
An Giang Mechanical JSC	283,734,978	87,715,000
Shared profits, dividends	6,111,302,624,240	5,087,514,685,993
Honda Vietnam Co., Ltd	5,931,764,124,421	5,079,453,599,993
Ford Viet Nam Limited	179,267,773,819	-
VEAM Tay Ho Investment JSC	270,726,000	270,726,000
An Giang Mechanical JSC	-	7,790,360,000
Capital support interest	-	11,251,521
Nakycos JSC	-	11,251,521

38. CONTINGENT LIABILITIES

Regarding the land rental issue, Southern Vietnam Engine and Agricultural Machinery Company Limited ("SVEAM") is currently provisionally recognizing land rent based on the guidance in Official Letter No. 6366/STNMT-QH dated 16 August 2021 from the Department of Natural Resources and Environment of Dong Nai province, titled "Reviewing the land rent records of Southern Vietnam Engine and Agricultural Machinery Company Limited in Binh Da ward, Bien Hoa city". This does not yet reflect the amounts stated in the land rent payment notices from the Dong Nai Provincial Tax Department. The Corporation has submitted a series of appeals to relevant authorities and is continuing to work with the Dong Nai Provincial Tax Department. On 24 August 2021, the People's Committee of Dong Nai province issued Official Letter No. 10242, assigning the Provincial Tax Department to lead a review, in coordination with the Department of Finance, the Department of Natural Resources and Environment, and other related units, to re-determine the land rental rate in accordance with regulations. On 25 April 2022, the General Department of Taxation issued Official Letter No. 1263/TCT-CS, requesting the Dong Nai Provincial Tax Department to review and cross-reference the records and actual land lease contracts based on regulations. It also requested coordination with local land management authorities (Department of Finance, Department of Natural Resources and Environment) to reach a consensus on the land rental rate for the 2011-2015 period. On 31 January 2024, the Corporation sent Official Letter No. 014/CV-SVEAM-HC to the State Audit Office of Vietnam, State Audit Office Region XIII, the People's Committee of Dong Nai province, the Dong Nai Provincial Tax Department, and the Department of Natural Resources and Environment. The letter requested the continued application of the land rental rate under Decision No. 1357/TC/QD/TCT dated 30 December 1995 of the Minister of Finance. On 14 November 2024, a meeting minutes between State Audit Office Region XIII, the Dong Nai Department of Natural Resources and Environment, the Dong Nai Provincial Tax Department, and SVEAM, addressing SVEAM's appeal on the land rental rate, concluded with the statement: "If the Corporation does not agree with the price mentioned in Contract No. 28/HDTD, the Corporation may request the Department of Natural Resources and Environment for a review". On 10 December 2024, SVEAM prepared Official Letter No. 161/CV-SVEAM/HC, submitting it to the People's Committee of Dong Nai province, the Department of Natural Resources and Environment of Dong Nai province, and the Dong Nai Provincial Tax Department, with the request to "continue applying the land rental rate under Decision No. 1357/TC/QD/TCT dated 30 December 1995 of the Ministry of Finance. At the date of this report, the Corporation has not received any feedback from the State Audit Office of Vietnam, State Audit Office Region XIII, the People's Committee of Dong Nai province, the Dong Nai Provincial Tax Department, or the Dong Nai Department of Natural Resources and Environment. The outcome of the appeal remains undetermined. The Corporation's accompanying financial statements for the year ended 31 December 2024 do not contain any adjustments related to this matter.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

39. COMMITMENTS

According to Joint Venture Cooperation Contract No. 149/HDLD/THD-TBG dated 10 November 2009 and Contract Appendix No. 01/PI-HDLD dated 15 October 2010 signed between Tran Hung Dao Mechanical Company Limited - a subsidiary - and Thai Binh Financial Investment Group Joint Stock Company ("TBG"), TBG will compensate the subsidiary for the value of goodwill and assets on the land (buildings, structures) in the amount of VND 40,000,000,000. This amount is to be paid by TBG on behalf of the subsidiary as a capital contribution to Thai Binh Duong Financial Investment Joint Venture Company (the joint venture). However, the subsidiary has not received any documents or records from the partner regarding this payment transaction made by TBG to the joint venture. Consequently, the subsidiary has not recognized the value of the capital contribution to the joint venture in its financial statements.

40. OTHER INFORMATION

Equitization settlement

The financial statements are prepared for the period from 1 January 2025 to 30 June 2025, excluding adjustments (if any) related to the equitization settlement of the Parent Corporation - Corporation because the Corporation has not yet had the minutes of approval of the equitization settlement from the competent authorities on the date the Parent Corporation - Corporation officially converted into a Joint Stock Corporation. At the same time, the leased land lots in the entire Corporation are being reviewed to re-sign the land lease contracts when the Corporation converts from a One Member Limited Liability Corporation to a Joint Stock Corporation with the competent authorities.

Dividends and profit distribution

On 29 May 2025, the Board of Directors submitted Document No. 368/TTr-HDQT to the 2025 Annual General Meeting of Shareholders on profit distribution for 2024: dividend payment of VND 6,189,656,704,000; deductions from the manager's reward fund and employee reward and welfare fund with the amounts of VND 1,331,042,339 and VND 62,518,231,493 respectively; currently, the Ministry of Industry and Trade has not yet commented on the approval of the 2024 profit distribution plan, so the Board of Directors has proposed that the General Meeting of Shareholders authorize the Board of Directors to distribute profits according to the opinion of the Ministry of Industry and Trade. The General Meeting of Shareholders of the Corporation has approved the profit distribution plan according to the proposal No. 368/TTr-HDQT under Resolution No. 02/NQ-DHDCD dated 20 June 2025.

Other information

The Corporation is implementing the conclusions in Inspection Conclusion No. 1538/KL-TTCP dated 7 July 2023 of the Government Inspectorate and Conclusion No. 3202/KL-BCT dated 8 May 2019 of the Ministry of Industry and Trade. In the coming time, the Corporation will continue to accelerate the implementation progress according to the above conclusions and periodically report the implementation progress and difficulties to the superior agencies.

Pursuant to the Criminal Appeal Judgment No. 167/2023/HSPT dated 17 March 2023 of the High People's Court in Hanoi and the Criminal First Instance Judgment No. 159/2022/HS-ST dated 24 May 2022 of the People's Court of Hanoi City (details presented in Notes No. 7, 8, 15), in the coming time, the Corporation will continue to coordinate with the Civil Judgment Enforcement Department of Hanoi City to have a basis to accelerate the recovery of the entire amount according to the above Judgments.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements***40. OTHER INFORMATION (CONTINUED)****Other information (Continued)**

According to the Criminal Appeal Judgment No. 855/2023/HS-PT dated 15 November 2023 of the High People's Court in Hanoi and the Criminal First Instance Judgment No. 234/2023/HS-ST dated 12 June 2023 of the People's Court of Hanoi, individuals involved in the illegal sale and purchase of discounted cars; illegal purchase of inner tubes, tires, and fairings must compensate VEAM Motor Factory with the amounts of VND 55,673,446,360 and VND 16,828,878,687, respectively, forcing the individuals involved to return to VEAM Motor Factory the amounts of VND 2,417,298,653 and VND 1,468,609,133, respectively. At the same time, from the date of the judgment enforcement request of the judgment debtor until the completion of all amounts, the judgment debtor must also pay monthly interest on the remaining amount to be enforced at the basic interest rate announced by the State Bank corresponding to the late payment period at the time of payment. Accordingly, on 23 January 2024, the Director of Veam Motor Factory sent the Hanoi City Civil Judgment Enforcement Department a request for judgment enforcement with the contents of the above-mentioned Judgments. The Corporation has not yet recorded the receivables according to the judgment results and the corresponding late payment interest according to the principle of prudence because the time of collection of this receivable debt has not been determined.

VEAM Motor Factory is using the leased land plot in Bac Son Ward, Bim Son Town, Thanh Hoa Province under Contract No. 212/HD/TD dated 18 December 2006 between the Corporation and the People's Committee of Thanh Hoa Province for business purposes from 2004 to 2054. The total area of the leased land is 288,804.9 m². Under these contracts, VEAM Motor Factory must pay annual land rent until the contract expires according to current State regulations.



Nguyễn Hoàng Giang
General Director

Hanoi, 26 August 2025

Vu Phong Hai
Accountant in charge

Bui Tuan Anh
Preparer

