

No.: **195** /CV-MIE-TCKT

Hanoi, 28 March, 2025

On the explanation of exception conclusion
recorded in the audited combined financial
statements 2024

To:

- State Securities Commission of Vietnam;
- Hanoi Stock Exchange.

*Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the
Ministry of Finance on guidance on information disclosure on the stock market;*

*Pursuant to the audited combined Financial Statements 2024 of MACHINES
AND INDUSTRIAL EQUIPMENT CORPORATION., JSC*

MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION.,
JSC(Corporation) explains the auditor's exceptional audit opinion as follows:

1. Exception audit opinion stated in audited combined financial statements 2024

In our opinion, except for the effects of the matters described in the “Basis for qualified audit opinion” paragraph, the Combined financial statements present fairly, in all material respects, the financial position of the Corporation on December 31, 2024, as well as the Combined results of its operations and its Combined cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and the relevant statutory requirements applicable to the preparation and presentation of Combined financial statements

Basis of exception audit opinion

As presented in Section 5.2.b, Part 5, Notes to the Combined Financial Statements, the Corporation has investments in two subsidiaries, namely Mechanical Products Export- Import Company Limited and The Vietnam National Complete Equipment And Technics Import Export Corporation Limited, with book values as of December 31, 2024 of VND 186,946,683,204 and VND 35,893,995,830, respectively (as of December 31, 2023, the values were VND 186,946,683,204 and VND 35,893,995,830). As of the date of these Combined financial statements, the Corporation has not assessed the impairment of the investments in these two subsidiaries. We have not been able to obtain sufficient appropriate audit evidence regarding the impairment of these investments and have not been able to perform alternative audit procedures to assess the value of the provisions required to be made at December 31, 2024 and December 31, 2023. Therefore, we are unable to determine whether any adjustments to these figures are necessary.

2. Explanation


The Corporation explains as follows:



Similar to previous explanations, the units are currently waiting for competent authorities to approve the equitization settlement and handle related issues, including the above-mentioned outstanding debt. The competent authorities are still carrying out the equitization settlement at the Corporation, so the Corporation has not yet assessed the loss of investment in these two subsidiaries in the audited Consolidated Financial Statements for 2024.

As soon as the competent authorities carry out the equitization settlement, the Corporation will make adjustments according to regulations. Currently, the Corporation has sent documents to the Ministry of Industry and Trade urging the equitization settlement according to Official Dispatches No. 726/CV-MIE-TCKT dated July 21, 2021, Official Dispatch No. 212/CV-MIE-TCKT dated March 25, 2022 and Official Dispatch No. 286/CV-MIE-TCKT dated April 14, 2023 but has not received any response.

MACHINES AND INDUSTRIAL EQUIPMENT CORPORATION.,JSC hereby commits that the above contents are correct and we will be responsible for them.

Best regards. 

Recipients:

- As above;
- Board of Directors, Board of Supervisors (to replace report);
- Website of MIE;
- Archived: Office, Finance – Accounting.

GENERAL DIRECTOR

