

MINISTRY OF INDUSTRY AND TRADE  
**MACHINES AND INDUSTRIAL  
EQUIPMENT CORPORATION**  
No.: 631 /CV-MIE-TCKT

**SOCIALIST REPUBLIC OF VIETNAM**  
**Independence - Freedom - Happiness**

Hanoi, 29 August 2025

On the explanation of exceptional audit  
opinion recorded in the audited  
Consolidated Financial Statements for the  
period ended 30 June 2025

To:

- State Securities Commission;
- 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 interim consolidated financial statements for the accounting period ending June 30, 2025 of the Machines and Industrial Equipment Corporation.,JSC with the disclosed information.

Machines and Industrial Equipment Corporation.,JSC (Corporation) explains the auditor's exceptional audit opinion as follows:

**1. The audit opinion except as stated in the audited Consolidated Financial Statements 2024**

**Qualified Audit Opinion**

Based on our review, except for the effects 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 present fairly, in all material respects, the financial position of the Corporation as at 30 June 2025, and the results of its operations and its 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 interim consolidated financial statements.

**Basis for Qualified Audit Opinion**

(1) As described in Note 5.3; Note 5.4; Note 5.5, Part 5 "Notes to the Interim Consolidated Financial Statements", the Corporation has a number of outstanding debts as of June 30, 2025 as follows: Accounts receivable from customers of Complete Equipment Import-Export and Engineering Company Limited: VND 59,039,493,041; Advance payments to sellers of Mechanical Products Import-Export Company Limited: VND 20,549,503,289; Other receivables of Complete Equipment Import-Export and Engineering Company Limited: VND 6,115,416,932. These are outstanding debts as of September 30, 2014 (the time of determining the enterprise value for equitization) but





have not been processed when determining the enterprise value as well as when announcing the enterprise value for equitization and the receivables from customers of Mechanical Products Import-Export Company Limited arising after September 30, 2014 that are overdue as of June 30, 2025 with a value of: VND 20,800,288,813 (provisions have been made: VND 543,275,781). At the time of issuing this interim consolidated financial statement, the parent company and four subsidiaries 100% owned by the parent company are waiting for the competent authority to approve the equitization settlement and handle related issues, including outstanding debts. Therefore, the Corporation has not made provisions for doubtful debts for these debts. We were also unable to perform alternative review procedures to evaluate the amount of the provision required as at 30 June 2025. Therefore, we were unable to determine whether any adjustments to these figures were necessary.

(2) As presented in Note 5.3; Note 5.4; Note 5.5, Part 5 "Notes to the Interim Consolidated Financial Statements", the Corporation has a number of outstanding debts as at 30 June 2025 as follows: Accounts receivable from customers: VND 328,790,740, Advances to suppliers: VND 234,572,661, Other receivables: VND 18,184,136,530. These are outstanding debts related to the case that occurred at the General Import-Export Business Enterprise under Quang Trung Mechanical Company Limited (a subsidiary). According to the interim consolidated financial statements for the accounting period ending June 30, 2025 of Quang Trung Mechanical Company Limited, due to the case being in the enforcement phase, Quang Trung Mechanical Company Limited has not yet determined the loss for the above doubtful debts. As of June 30, 2025, the Corporation has not yet made provisions for doubtful debts for these debts. We were also unable to perform alternative review procedures to assess the value of the provisions to be made as of June 30, 2025. Therefore, we are unable to determine whether it is necessary to adjust these figures.

### **Exception audit opinion**

In our opinion, except for the effects of the matters described in the "Basis for qualified audit opinion" paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2024, as well as the consolidated results of its operations and its consolidated 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 consolidated financial statements.

### **2. Explanation**

The Auditor's exceptions are all old issues, which have been stated in the audited financial statements of many previous periods and the Corporation has also given




corresponding explanations. The Corporation would like to restate the explanation as follows:

(1) External opinion No. (1): Regarding the opinion on receivables at subsidiaries, the Corporation would like to explain as follows: Similar to previous explanations, receivables at subsidiaries include a number of overdue outstanding debts arising before September 30, 2014 (the time of determining the enterprise value for equitization), because currently the units are waiting for competent authorities to approve the equitization settlement and handle related issues, including the above-mentioned outstanding debts. The competent authorities are still carrying out the equitization settlement at the Corporation, so the Corporation has not yet assessed the receivable loss of these two subsidiaries in the audited interim consolidated financial statements for 2025.

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.

(2) Exception No. (2): These debts are all financial assets of the General Import-Export Trading Enterprise (a branch of Quang Trung Mechanical Company Limited), related to the criminal case that occurred at the Enterprise. At the time of preparing the audited interim consolidated financial statements for the accounting period ending on June 30, 2025, the case was in the execution phase and Quang Trung Mechanical Company Limited continued to sue Mr. Nguyen Duy Xuyen. Therefore, the Company and the General Corporation have not yet assessed this loss in the audited interim consolidated financial statements for 2025.

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 at: VT, TCKT.

**GENERAL DIRECTOR**   
  
**Le Huy Hai**