

VEAM ENGINE AND AGRICULTURAL MACHINERY CORPORATION
AUDITED CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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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 consolidated financial statements for the year ended 31 December 2025.

BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS

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

Board of Management

Mr. Ngo Khai Hoan	Chairman
Mr. Nguyen Hoang Giang	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 Directors of the Corporation is responsible for preparing the consolidated financial statements for the year that give a true and fair view of the financial position, business results and cash flow of the Corporation for the year, in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and relevant legal regulations concerning the preparation and presentation of consolidated financial statements. In preparing these consolidated financial statements, the Board of 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 consolidated financial statements;
- Prepare the 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 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 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 consolidated financial statements.

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

In the Board of General Directors' opinion, the consolidated financial statements give a true and fair view of the financial position of the Corporation as of 31 December 2025, as well as the results of business operations and cash flows for the year then ended, in accordance with the Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of consolidated financial statements.

For and on behalf of the Board of General Directors, 



Nguyen Hoang Giang
General Director
Hanoi, 26 March 2026

No: 160 /VACO/BCKiT.NV2

INDEPENDENT AUDITORS' REPORT

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

We have audited the attached Consolidated Financial Statements of Vietnam Engine and Agricultural Machinery Corporation - JSC (hereinafter referred to as "the Corporation"), prepared on 26 March 2026 as set out from page 06 to page 50, including the Consolidated Balance Sheet as at 31 December 2025, the Consolidated Income Statement, the Consolidated Cash Flow Statement for the year then ended and the Notes to the Consolidated Financial Statements (collectively referred to as "Consolidated Financial Statements").

Board of General Directors' Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Corporation's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of General Directors, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Basis for Qualified Opinion

As at 31 December 2025, the Corporation recognized a provision for slow-moving and long-outstanding inventories amounting to VND 101.8 billion (of which VND 92.8 billion was recognized by the Parent Company and VND 9 billion by its subsidiary, Vietnam Engine and Agricultural Machinery One Member Limited Company). The corresponding provision as at 31 December 2024 amounted to VND 14.8 billion. In addition, slow-moving inventories with a carrying amount of approximately VND 81.1 billion have not been assessed for net realizable value. Although we have performed necessary audit procedures, we were unable to obtain sufficient appropriate audit evidence to assess the adequacy of the provision for inventory obsolescence. Consequently, we were unable to determine whether any adjustments might be necessary to the provision recognized/(reversed) during 2025 and the related balances in the consolidated financial statements.

VACO Hanoi

12A Floor, 319 Corporation Tower, No.63 Le Van Luong
Yen Hoa Ward, Hanoi City
Tel: (84-24) 3577 0781/ Fax: (84-24) 3577 0787

VACO Ho Chi Minh³

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

VACO Dong Nai

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

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INDEPENDENT AUDITORS' REPORT (CONTINUED)

Basis for Qualified Opinion (Continued)

As at the date of the consolidated financial statements as at 31 December 2025, the value of the technology licensing costs related to the research and manufacturing project of the medium-sized four-wheel tractor is recorded by the Corporation under the item "Work in progress" with an amount of VND 53.5 billion (Note 15 of the financial statements), while the Hanoi High People's Court has concluded that the individuals involved are fully responsible for reimbursing the Corporation for this cost. However, the Corporation has not yet adjusted and recorded the receivables from the relevant individuals, nor has it assessed the recoverability or made provisions (if any) as required. We have not been able to obtain sufficient appropriate audit evidence to determine whether any adjustments are needed to the Work-in-Progress Construction Costs item and related items on the Corporation's consolidated financial statements.

As at the date of the financial statements, certain receivables and payables of the Corporation have not been fully reconciled and confirmed. In particular, Vietnam Engine and Agricultural Machinery Transportation and Trading Joint Stock Company and Tran Hung Dao Mechanical One Member Limited Company have not fully reconciled their receivables and other receivables (including overdue penalties and breach interest) amounting to approximately VND 332 billion and VND 33.1 billion, respectively. In addition, Tran Hung Dao Mechanical One Member Limited Company has not assessed the recoverability of overdue receivables nor recognized an allowance for doubtful debts, with the estimated cumulative provision required as at the beginning of the year amounting to approximately VND 40.1 billion and the impact for the year amounting to approximately VND 41.4 billion. We were unable to obtain sufficient appropriate audit evidence to assess the existence of these receivables, as well as their recoverability and the adequacy of the related allowance for doubtful debts. Accordingly, we were unable to determine whether any adjustments might be necessary to these balances in the Corporation's consolidated financial statements.

Viet Nam National Complete Equipment and Materials Joint Stock Company – a subsidiary of the Corporation – has recorded pre-operating expenses amounting to VND 58,527,901,394, presented under "Long-term prepaid expenses" in the consolidated balance sheet as at 31 December 2025. We were unable to assess the appropriateness of the recognition, accumulation and allocation of these expenses, as well as their impact on the related balances in the consolidated financial statements. Accordingly, we were unable to determine whether any adjustments might be necessary.

Vietnam Engine and Agricultural Machinery One Member Limited Company – a subsidiary of the Corporation – has recorded an investment in Nam Sao Ha Noi Company Limited under "Investments in other entities" in the consolidated balance sheet as at 31 December 2025 with an amount of VND 45,112,913,628. The subsidiary has not assessed the recoverability of this investment to determine whether a provision for impairment of financial investments is required in accordance with Vietnamese Accounting Standards and the applicable accounting regime. We were also unable to obtain sufficient appropriate audit evidence to assess the impairment of this investment; accordingly, we were unable to determine whether any provision for impairment of financial investments should be recognized in the Corporation's consolidated financial statements for the year ended 31 December 2025.

Inventories and prepaid expenses items in the consolidated balance sheet as at 31 December 2025 include suspended costs pending resolution relating to the sponge iron plant at Viet Nam National Complete Equipment and Materials Joint Stock Company amounting to approximately VND 502.8 billion (31 December 2024: approximately VND 481.8 billion). We were unable to obtain sufficient appropriate audit evidence to determine whether any adjustments might be necessary to inventories, prepaid expenses and the related balances in the Corporation's consolidated financial statements.

Auditors' Opinion

In our opinion, except for the impact of the matters mentioned in the "Basis for qualified opinion" paragraph, the attached consolidated financial statements fairly and reasonably reflect, in all material respects, the consolidated financial position of the Corporation as of December 31, 2025, as well as the separate operating results and consolidated cash flow for the year then ended, in accordance with the Vietnamese accounting standards, accounting regime for enterprises and relevant legal provisions on the preparation and presentation of consolidated financial statements.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Emphasis of Matters

We would like to draw the readers' attention to the following notes to the consolidated financial statements, which describe certain matters as presented by the Corporation:

- Note 9 describes the recognition of interest income from financial support at the Corporation;
- Note 16 describes that the Corporation and Vietnam Engine and Agricultural Machinery One Member Limited Company have not completed the procedures for extending the project "Relocation and new construction of the small tractor manufacturing plant", and no implementation or acceptance activities have been carried out;
- Notes 38 and 40 describe contingent liabilities and contingent assets of Southern Engine and Agricultural Machinery One Member Limited Company, a subsidiary of the Corporation;
- Note 40 describes that Tran Hung Dao Mechanical One Member Limited Company, a subsidiary of the Corporation, has not recognized its investment in Pacific Financial Investment Joint Venture Company Limited amounting to VND 40 billion due to insufficient supporting documentation from the relevant parties;
- Note 41 describes that: (i) the competent authorities have not yet formally approved the final settlement of the equitization of the Parent Company - Vietnam Engine and Agricultural Machinery Corporation at the time of its official conversion into a joint stock company; and (ii) the Corporation has not recognized receivables from related individuals subject to enforcement and the related late payment interest in accordance with Appellate Criminal Judgment No. 855/2023/HS-PT dated 15 November 2023 of the High People's Court in Hanoi, First-instance Criminal Judgment No. 234/2023/HS-ST dated 12 June 2023 of the People's Court of Hanoi, First-instance Criminal Judgment No. 157/2025/HS-ST dated 06 March 2025, and Judgment No. 580/2025/HSST dated 19 August 2025 of the People's Court of Hanoi, due to uncertainties regarding recoverability.

Our qualified opinion does not relate to these matters.

Other matters

The comparative information is those presented on the consolidated financial statements for the year ended 31 December 2024, of the Corporation, which were audited by another independent auditing company, with audit report No. 258/UHY-BCKT dated 24 March 2025. The reports were issued with an qualified opinion due to:

The Corporation has not adequately provisioned for overdue receivables, provision for devaluation of inventories and outstanding expenses related to the sponge iron plant that ceased operations in 2015. These issues continue to affect the consolidated financial statements for the year ended 31 December 2025, as described in the "Basis for qualified opinion" 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 March 2026

A blue ink signature of Vu Manh Hung.

Vu Manh Hung
Auditor
Audit Practising Registration Certificate
No.: 2737-2023-156-1

CONSOLIDATED BALANCE SHEET

As at 31 December 2025

Unit: VND

ASSETS	Code	Notes	Closing balance	Opening balance
A - CURRENT ASSETS	100		19,583,148,788,456	18,721,872,715,582
I. Cash and cash equivalents	110	5	408,356,910,612	411,763,339,601
1. Cash	111		242,624,784,585	262,076,518,638
2. Cash equivalents	112		165,732,126,027	149,686,820,963
II. Short-term financial investments	120	6	13,758,009,657,792	13,098,359,931,765
1. Held to maturity investments	123		13,758,009,657,792	13,098,359,931,765
III. Short-term receivables	130		4,150,810,929,724	3,831,834,101,297
1. Short-term trade receivables	131	7	961,208,866,917	924,710,726,837
2. Short-term advances to suppliers	132	8	216,162,487,886	199,911,879,299
3. Other short-term receivables	136	9	3,762,903,730,554	3,342,143,271,731
4. Provision for short-term doubtful debts	137	11	(799,524,018,841)	(645,022,225,505)
5. Deficits in assets awaiting resolution	139	10	10,059,863,208	10,090,448,935
IV. Inventories	140	12	1,129,108,221,344	1,250,893,782,055
1. Inventories	141		1,545,892,760,595	1,783,217,465,405
2. Provision for devaluation of inventories	149		(416,784,539,251)	(532,323,683,350)
V. Other current assets	150		136,863,068,984	129,021,560,864
1. Short-term prepaid expenses	151	13	19,075,749,885	22,246,209,212
2. Value-added tax deductible	152		115,822,049,631	105,406,635,534
3. Taxes and other receivables from the State budget	153	19	1,965,269,468	1,368,716,118
B - NON-CURRENT ASSETS	200		8,794,266,264,330	8,821,302,441,007
I. Long-term receivables	210		10,964,966,457	11,397,282,463
1. Other long-term receivables	216	9	10,964,966,457	11,397,282,463
II. Fixed assets	220		1,286,342,069,556	1,422,994,933,713
1. Tangible fixed assets	221	14	1,210,642,736,697	1,346,573,523,069
- Cost	222		5,571,872,176,164	5,490,377,771,469
- Accumulated depreciation	223		(4,361,229,439,467)	(4,143,804,248,400)
2. Intangible fixed assets	227	15	75,699,332,859	76,421,410,644
- Cost	228		128,108,312,285	126,143,312,285
- Accumulated amortization	229		(52,408,979,426)	(49,721,901,641)
III. Non-current assets in progress	240	16	86,377,737,175	84,264,630,728
1. Construction in progress	242		86,377,737,175	84,264,630,728
IV. Long-term financial investments	250	6	6,762,180,698,007	6,702,867,363,467
1. Investments in joint ventures, associates	252		6,697,266,723,551	6,637,703,566,709
2. Investments in other entities	253		66,313,796,758	66,313,796,758
3. Provision for long-term financial investments	254		(1,499,822,302)	(1,150,000,000)
4. Held-to-maturity investments	255	6	100,000,000	-
V. Other non-current assets	260		648,400,793,135	599,778,230,636
1. Long-term prepayments	261	13	648,358,493,122	599,731,002,480
2. Deferred tax assets	262		42,300,013	47,228,156
TOTAL ASSETS (270 = 100 + 200)	270		28,377,415,052,786	27,543,175,156,589

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED BALANCE SHEET (CONTINUED)

As at 31 December 2025

Unit: VND

RESOURCES	Mã số	Thuyết minh	Closing balance	Opening balance
C - LIABILITIES	300		1,336,540,019,404	1,294,986,180,575
I. Current liabilities	310		1,285,909,691,465	1,244,150,877,196
1. Short-term trade payables	311	17	298,137,530,254	340,373,144,675
2. Short-term advances from customers	312	18	14,842,100,594	18,556,396,566
3. Taxes and other payables to the State budget	313	19	80,747,870,827	75,821,955,160
4. Payables to employees	314		223,970,752,569	205,376,535,149
5. Short-term accrued expenses	315	20	109,222,852,275	87,814,155,588
6. Short-term unearned revenue	318		4,785,040,136	5,590,244,794
7. Other short-term payables	319	21	201,584,252,007	170,513,758,155
8. Short-term loans and obligations under finance leases	320	22	108,038,659,834	127,155,668,919
9. Provision for short-term payables	321		7,560,401,322	2,741,235,680
10. Bonus and welfare fund	322		237,020,231,647	210,207,782,510
II. Non-current liabilities	330		50,630,327,939	50,835,303,379
1. Long-term trade payables	332	18	377,377,744	395,155,522
2. Long-term unearned revenue	336		9,550,768,197	7,101,536,907
3. Other long-term payables	337	21	1,464,236,884	1,679,207,300
4. Deferred tax liabilities	341		38,252,214,646	40,884,721,176
5. Long-term provisions	342		985,730,468	774,682,474
D - OWNER'S EQUITY	400		27,040,875,033,382	26,248,188,976,014
I. Owner's equity	410	23	27,038,035,850,746	26,245,710,543,446
1. Share 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		4,031,248,285	4,360,314,104
5. Investment and development fund	418		28,125,501,907	28,125,501,907
6. Retained earnings	421		13,541,444,667,380	12,749,121,724,961
- Retained earnings accumulated to the prior year end	421a		6,392,947,045,936	5,387,929,160,246
- Retained earnings for the current year	421b		7,148,497,621,444	7,361,192,564,715
7. Non-controlling interest	429		220,769,587,545	220,438,156,845
II. Other funds	430		2,839,182,636	2,478,432,568
1. Subsidised fund	431		800,901,537	(98,098,463)
2. Funds for fixed assets acquisition	432		2,038,281,099	2,576,531,031
TOTAL SOURCES (440 = 300 + 400)	440		28,377,415,052,786	27,543,175,156,589



Nguyen Hoang Giang
General Director
Hanoi, 26 March 2026

Handwritten signatures of Vu Phong Hai and Bui Tuan Anh.

Vu Phong Hai
Accountant in charge

Bui Tuan Anh
Preparer

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2025

Unit: VND

ITEM	Code	Notes	Current year	Prior year
1. Revenue from goods sold and services rendered	01	26	4,473,816,702,662	4,115,440,223,331
2. Deductions	02		8,287,298,316	12,008,154,369
3. Net revenue from goods sold and services rendered (10 = 01 - 02)	10		4,465,529,404,346	4,103,432,068,962
4. Cost of goods sold and services rendered	11	27	3,779,808,771,400	3,477,781,814,080
5. Gross profit from sale of goods and services (20 = 10 - 11)	20		685,720,632,946	625,650,254,882
6. Financial income	21	28	930,904,920,050	857,627,788,376
7. Financial expenses	22	29	5,740,403,741	7,161,653,882
- Including: Interest expenses	23		1,565,492,070	1,518,531,801
8. Profit from investments in associates	24		6,630,114,784,889	6,729,688,814,900
9. Selling expenses	25	30	98,652,445,718	88,525,929,554
10. General and administrative expenses	26	30	694,738,051,671	486,653,689,604
11. Net profits from operating activities {30 = 20 + (21 - 22) - (25 + 26)}	30		7,447,609,436,755	7,630,625,585,118
12. Other income	31	31	12,218,068,912	8,466,594,600
13. Other expenses	32	32	35,459,051,815	12,742,802,310
14. Other profit/ (loss) (40 = 31 - 32)	40		(23,240,982,903)	(4,276,207,710)
15. Net profit before tax (50 = 30 + 40)	50		7,424,368,453,852	7,626,349,377,408
16. Current Corporate income tax expenses	51	33	207,565,233,708	197,325,867,261
17. Deferred corporate income tax expenses	52		(2,627,578,387)	(2,698,992,580)
18. Net profit after corporate income tax (60 = 50 - 51)	60		7,219,430,798,531	7,431,722,502,727
18.1. Profit attributable to owners of the parent	61		7,148,497,621,444	7,361,192,564,715
18.2. Profit attributable to non-controlling interests	62		70,933,177,087	70,529,938,012
19. Basic earnings per share (*)	70	34	5,380	5,412



Nguyen Hoang Giang
General Director
Hanoi, 26 March 2026

Vu Phong Hai
Accountant in charge

Bui Tuan Anh
Preparer

CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)
For the year ended 31 December 2025

Unit: VND

ITEM	Code	Current year	Prior year
I. Cash flows from operating activities.			
1. Profit before tax	01	7,424,368,453,852	7,626,349,377,408
2. Adjustments for:			
- Depreciation and amortisation of fixed assets and investment properties	02	255,873,003,249	245,609,531,572
- Provisions	03	43,992,862,873	(13,120,435,458)
- Foreign exchange (gain)/ loss arising from translating foreign currency items	04	(458,525,170)	(1,090,231,042)
- (Gain)/loss from investing activities	05	(7,552,015,218,357)	(7,570,410,737,639)
- Interest expense	06	1,565,492,070	1,518,531,801
3. Operating profit before movements in working capital	08	173,326,068,517	288,856,036,642
- (Increase)/Decrease in receivables	09	(59,338,665,264)	(42,433,458,938)
- (Increase)/Decrease in inventories	10	210,415,590,440	35,273,260,656
- Increase/(Decrease) in payables (excluding accrued loan interest and corporate income tax payable)	11	(15,730,865,819)	(8,822,567,679)
- (Increase)/Decrease in prepaid expenses	12	(45,457,031,315)	(34,476,677,560)
- Interest paid	14	(455,125,266)	(4,221,941,365)
- Corporate income tax paid	15	(202,902,817,333)	(277,559,461,045)
- Other cash inflows	16	1,120,093,984	432,966,036
- Other cash outflows	17	(143,711,022,913)	(146,873,601,352)
Net cash generated by/(used in) operating activities	20	(82,733,774,969)	(189,825,444,605)
II. Cash flows from investing activities			
1. Acquisition and construction of fixed assets and other long-term assets	21	(103,392,431,040)	(81,117,073,397)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	3,668,708,364	205,900,000
3. Cash outflow for lending, buying debt instruments of other entities	23	(20,033,750,950,793)	(19,035,950,523,650)
4. Cash recovered from lending, selling debt instruments of other entities	24	19,378,211,167,699	18,827,275,638,718
5. Interest earned, dividends and profits received	27	7,064,568,070,515	7,285,121,742,944
Net cash generated by/(used in) investing activities	30	6,309,304,564,745	6,995,535,684,615
III. Cash flows from financing activities			
1. Proceeds from borrowings	33	51,549,330,651	52,083,237,724
2. Repayment of borrowings	34	(70,666,339,736)	(67,742,705,786)
3. Dividends and profits paid	36	(6,210,401,684,510)	(6,737,827,839,734)
Net cash generated by/(used in) financing activities	40	(6,229,518,693,595)	(6,753,487,307,796)
Net increase/(decrease) in cash (50 = 20 + 30 + 40)	50	(2,947,903,819)	52,222,932,214
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	(458,525,170)	1,138,124,059
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)	70	408,356,910,612	411,763,339,601



Nguyen Hoang Giang
General Director
Hanoi, 26 March 2026

Vu Phong Hai
Accountant in charge

Bui Tuan Anh
Preparer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying 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 06 October 2010 issued by Hanoi Authority for Planning and Investment, the 11th amendment 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/QD-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/QD-TTg dated 05 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/QD-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 31 December 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 02 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, Tay Ho 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 CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying 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 31 December 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 CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

1. GENERAL INFORMATION (CONTINUED)

Corporation's structure (Continued)

Details of the Corporation's subsidiaries as at 31 December 2025 are as follows:

No.	Name of Subsidiaries/ Associated companies	Place of incorporation and operations	Proportion of ownership interest (%)	Proportion of voting rights (%)	Main activities
Subsidiaries					
1	Precision Equipment No.1 JSC	Hanoi	51.00	51.00	Manufacturing 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	Manufacture of spare parts and accessories for engines,...
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 Spareparts No.1 JSC	Hanoi	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 machines
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 Limited Company	Thai Nguyen	100.00	100.00	Production of spare parts for agriculture, fisheries, and motor vehicle accessories
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	South Korea	89.00	89.00	Exporting Korean products to the Vietnamese market
13	Vinh Mechanical JSC (ii)	Nghe An	49.00	59.93	Manufacturing mental structures
Associated companies					
1	Nakyco 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	Construction of various types of bridges, manufacturing of rice harvesting machines of all
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
6	Matexim Hai Phong JSC (iii)	Hai Phong	20.38	21.23	Passenger transport, wholesale of metals and metal ores

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

1. INFORMATION (CONTINUED)

Corporation's structure (Continued)

No.	Name of Subsidiaries/ Associated companies	Place of incorporation and operations	Proportion of ownership interest (%)	Proportion of voting rights (%)	Main activities
Associated companies					
7	Ford Viet Nam 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 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 12 September 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 12 August 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 CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying 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 consolidated balance sheet are the figures on the audited consolidated financial statements for the year ended 31 December 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.

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 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 consolidated financial statements.

The accompanying consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

3. NEW ACCOUNTING GUIDANCE ISSUED BUT NOT YET EFFECTIVE

On 27 October 2025, the Ministry of Finance issued Circular No. 99/2025/TT-BTC ("Circular 99") providing guidance on the accounting regime for enterprises. This Circular will take effect from 1 January 2026 and will apply to fiscal years beginning on or after 1 January 2026. This Circular replaces Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance providing guidance on the accounting regime for enterprises; Circular No. 75/2015/TT-BTC dated 18 May 2015 of the Ministry of Finance amending and supplementing Article 128 of Circular No. 200/2014/TT-BTC dated 22 December 2014; and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC dated 22 December 2014. The Corporation's Board of General Directors is currently assessing the impact of the adoption of Circular 99 on the Corporation future combined financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting convention

The 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 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 year ended 31 December 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.

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 year ended 31 December 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 year (which is the transfer rate of Vietnam Joint Stock Commercial Bank for Industry and Trade as at 31 December 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 income statement.
- Items in the income statement and cash flow statement are converted to Vietnamese Dong (VND) at the average exchange rate for the ended 31 December 2025.

The exchange rate difference arising from the conversion of VEAM Korea Corporation's 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 consolidated balance sheet.

The accompanying consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Accounting estimates

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting year. Although these accounting estimates are based on the Board of General Directors' best knowledge, actual results may differ from those estimates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 01 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.*

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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 - 14

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 consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 year, in which:

Address	Useful lives
Land use rights at Lot D, D1 Area, Tay Ho Ward, Hanoi	50 years
Land use rights at 37 Nguyen Thai Binh, 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 amortisation. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepayments (Continued)

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 income statement using the straight-line method over the lease term.

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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue distribution (Continued)

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.

Revenue recognition

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 CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

4. 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 year 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;

5. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	7,477,637,626	4,121,049,029
Demand deposits	235,147,146,959	257,955,469,609
Cash equivalents (i)	165,732,126,027	149,686,820,963
Total	<u>408,356,910,612</u>	<u>411,763,339,601</u>

Note:

- (i) As at 31 December 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 4.75%/year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements***6. FINANCIAL INVESTMENTS**

	Closing balance		Opening balance	
	Cost	Carrying amount	Cost	Carrying amount
	VND	VND	VND	VND
Held to maturity investments (i)				
a) Short-term term deposits	13,758,009,657,792	13,758,009,657,792	13,098,359,931,765	13,098,359,931,765
<i>Vietnam Bank for Agriculture and Rural Development</i>	<i>1,077,181,567,566</i>	<i>1,077,181,567,566</i>	<i>1,548,181,567,566</i>	<i>1,548,181,567,566</i>
<i>Vietnam Joint Stock Commercial Bank for Industry and Trade</i>	<i>1,493,303,000,000</i>	<i>1,493,303,000,000</i>	<i>2,056,103,000,000</i>	<i>2,056,103,000,000</i>
<i>Joint Stock Commercial Bank for Investment and Development of Vietnam</i>	<i>8,230,045,090,226</i>	<i>8,230,045,090,226</i>	<i>6,704,545,090,226</i>	<i>6,704,545,090,226</i>
<i>Joint Stock Commercial Bank for Foreign Trade of Viet Nam</i>	<i>2,585,900,000,000</i>	<i>2,585,900,000,000</i>	<i>85,600,000,000</i>	<i>85,600,000,000</i>
<i>Ho Chi Minh City Development Joint Stock Commercial Bank</i>	<i>69,950,000,000</i>	<i>69,950,000,000</i>	<i>90,930,000,000</i>	<i>90,930,000,000</i>
<i>Saigon Thuong Tin Commercial Joint Stock Bank</i>	<i>79,030,000,000</i>	<i>79,030,000,000</i>	<i>63,800,000,000</i>	<i>63,800,000,000</i>
<i>Southeast Asia Commercial Joint Stock Bank</i>	<i>-</i>	<i>-</i>	<i>2,403,000,000,000</i>	<i>2,403,000,000,000</i>
<i>Others</i>	<i>222,600,000,000</i>	<i>222,600,000,000</i>	<i>146,200,273,973</i>	<i>146,200,273,973</i>
b) Long-term term deposits	100,000,000	100,000,000	-	-
<i>Others</i>	<i>100,000,000</i>	<i>100,000,000</i>	<i>-</i>	<i>-</i>
Total	13,758,009,657,792	13,758,009,657,792	13,098,359,931,765	13,098,359,931,765

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements***6. FINANCIAL INVESTMENTS (CONTINUED)**

	Closing balance		Opening balance	
	Cost	Net equity value	Cost	Net equity value
	VND	VND	VND	VND
Investment in joint-ventures and associates (ii)	1,090,396,118,044	6,697,266,723,551	1,090,396,118,044	6,637,703,566,709
Nakyco JSC	10,550,698,651	-	10,550,698,651	-
An Giang Mechanical JSC	23,823,075,776	66,190,520,113	23,823,075,776	54,603,156,670
VEAM Tay Ho Investment JSC (iii)	9,467,051,066	9,501,890,598	9,467,051,066	9,480,620,727
Honda Vietnam Co. Ltd	359,311,428,087	5,186,770,853,777	359,311,428,087	5,302,286,801,542
Toyota Motor Vietnam Co., Ltd	287,776,054,812	573,095,683,091	287,776,054,812	526,148,666,336
Ford Viet Nam Limited	374,904,000,000	840,796,605,022	374,904,000,000	722,157,717,548
Matexim Hai Phong JSC	19,363,809,652	15,711,170,950	19,363,809,652	17,826,603,886
Golden City - CKV Joint Stock Company (iv)	5,200,000,000	5,200,000,000	5,200,000,000	5,200,000,000

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Other long-term financial investments (v)	66,313,796,758	(1,499,822,302)	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	-
Viet Nam Steel Corporation	5,050,000,000	(1,350,000,000)	5,050,000,000	(1,150,000,000)
Matexim 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)	149,822,302	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

6. FINANCIAL INVESTMENTS (CONTINUED)

Note:

- (i) As of 31 December 2025, short-term investments held to maturity represent deposits in Vietnamese Dong held in Commercial Banks with an original term of more than 3 months and a remaining term of no more than 12 months from the end of the accounting period;
- (ii) Investments in associate companies are reflected using the equity method in the consolidated financial statements of the Corporation based on the financial statements for the financial year ended 31 December 2025. of the companies;

The Corporation has not determined the fair value of its equity investments in companies at the end of the accounting period because there are no listed market prices for these financial instruments and/or the Vietnamese Accounting Standards and the Vietnamese Enterprise Accounting System do not currently provide guidance on how to calculate fair value using valuation techniques. The fair value of these financial instruments may differ from their book value;

- (iii) The Corporation has contributed capital to VEAM Tay Ho Investment Joint Stock Company in the form of land use rights at Lot D, Zone D1, Tay Ho Ward, according to Business Registration Certificate No. 0103022083. However, the Corporation has acquired 5 office floors and is in the process of transferring land use rights to VEAM Tay Ho Investment Joint Stock Company;
- (iv) As of the date of this financial report, the Corporation has not yet obtained the financial reports of Hanoi Five Star Company Limited, Kumba Joint Stock Company, Mekong Auto Company Limited, Matexim Phat Linh Investment Joint Stock Company and Thac Da Tourism Joint Stock Company for the financial year ended 31 December 2025.

Investments in other units of the Corporation were re-evaluated at the time of equitization and are awaiting approval from the competent authority as prescribed.

7. TRADE RECEIVABLES

	Closing balance		Opening balance	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term trade receivables	742,243,548,919	290,502,026,593	687,641,194,264	283,476,046,366
Minh Quang Investment Joint Stock Company	18,886,613,400	18,886,613,400	19,049,744,651	19,049,744,651
Minh Quang Steel JSC	78,641,471,296	78,641,471,296	79,320,729,210	79,320,729,210
Future investment and Trading services Company Limited	76,135,268,600	76,135,268,600	76,792,879,435	76,792,879,435
Others	568,580,195,623	116,838,673,297	512,477,840,968	108,312,693,070
b) Trade receivables to related parties	218,965,317,998	97,609,341,993	237,069,532,573	97,644,341,993
Honda Vietnam Company Ltd	112,817,276,584	-	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	8,538,699,421	-	19,120,284,240	-
Nakycos JSC	2,203,940,556	2,203,940,556	2,238,940,556	2,238,940,556
Matexim Hai Phong JSC and its branches	93,233,179,437	93,233,179,437	93,233,179,437	93,233,179,437
Total	961,208,866,917	388,111,368,586	924,710,726,837	381,120,388,359

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements***8. ADVANCES TO SUPPLIERS**

	Closing balance		Opening balance	
	Value	Provision	Value	Provision
a) Short-term advances to suppliers	39,982,759,617	1,588,858,254	23,732,151,030	1,888,858,254
Shandong Tangjun Ouling Automobile Manufacture Co., Ltd. (i)	1,400,000,000	1,400,000,000	1,700,000,000	1,700,000,000
Others	38,582,759,617	188,858,254	22,032,151,030	188,858,254
a) Advances to suppliers from related parties	176,179,728,269	176,179,728,269	176,179,728,269	41,153,879,039
Mekong Auto Branch (ii)	169,609,728,269	169,609,728,269	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	216,162,487,886	177,768,586,523	199,911,879,299	43,042,737,293

Note:

- (i) According to Criminal Appeal Judgment No. 167/2023/HSPT dated March 17, 2023, of the High People's Court of Hanoi, the individuals involved must compensate VEAM 9,000,000,000 VND. In 2023, the Civil Enforcement Department of Hanoi City transferred to the Corporation the amount of 7,300,000,000 VND that the individuals involved had already compensated. In 2025, the advance payment to Shandong Tangjun Ouling Automobile Manufacture Co., Ltd. was recorded as a reduction in value corresponding to the amount of 300,000,000 VND that the individuals involved had already compensated.
- (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 CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

9. OTHER RECEIVABLES

	Closing balance		Opening balance (Restated)	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Other short-term receivables	3,762,903,730,554	233,644,063,732	3,342,143,271,731	220,859,099,853
a1) Other short-term receivables from non-related parties	674,777,121,225	111,544,484,009	679,092,432,086	98,990,213,091
Advances	1,897,878,435	560,000,000	1,921,968,364	-
Deposits and collaterals	3,069,853,667	-	5,442,566,928	-
Accrued interest receivable from deposits	508,695,177,079	-	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
Yen Thanh Cassava Factory	11,630,810,523	11,630,810,523	11,630,810,523	-
Others	44,173,402,159	6,476,383,932	44,580,819,943	6,112,923,537
a2) Other receivables from related parties	3,088,126,609,329	122,099,579,723	2,663,050,839,645	121,868,886,762
Capital support receivables				
Nakyc JSC	1,504,324,210	1,504,324,210	1,504,324,210	1,504,324,210
Matexim Hai Phong JSC	82,000,000,000	82,000,000,000	83,150,000,000	83,150,000,000
Interest receivable on capital support (*)				
Matexim Hai Phong JSC	34,234,914,328	34,234,914,328	34,234,914,328	32,887,947,904
Nakyc JSC	1,458,768,759	1,313,801,363	1,388,261,289	1,280,074,826
Dividends and profits receivable				
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	2,965,882,062,210	-	2,539,726,799,996	-
Other receivables				
Matexim Hai Phong JSC and its branches	977,380,322	977,380,322	977,380,322	977,380,322
b) Long-term other receivables	10,964,966,457	-	11,397,282,463	-
Long-term mortgages, deposits	45,700,000	-	45,700,000	-
Others	10,919,266,457	-	11,351,582,463	-
Total	3,773,868,697,011	233,644,063,732	3,353,540,554,194	220,859,099,853

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 31 December 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 01 January 2015 to 31 December 2025 is not eligible to record financial revenue.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements***9. 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").

10. DEFICITS IN ASSETS AWAITING RESOLUTION

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Inventories	9,462,581,259	9,493,166,986
Fixed assets	597,281,949	597,281,949
Total (*)	10,059,863,208	10,090,448,935

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 09 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 31 December 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 02 March 2021, Inventory result report No. 01/BC-HDKK dated 08 January 2022 of the Inventory Council; Minutes of meeting No. 01/BB-VM dated 10 January 2022 on the inventory work in 2021; Inventory result report No. 01/BC-HDKK dated 08 January 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 31 December 2025 with a value of VND 4,362,356,232 (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 Co., Ltd is VND 1,171,174,429 and Machinery Spare Parts No.1 Joint Stock Company is VND 46,104,890.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements***11. BAD DEBTS**

	Closing balance			Opening balance		
	Balance	Recoverable amount	Overdue time	Balance	Recoverable amount	Overdue time
	VND	VND		VND	VND	
a) Trade accounts receivable	433,203,103,205	45,091,734,619		433,801,760,325	52,681,371,966	
Future investment and Trading services Company Limited	76,135,268,600	-	over 3 years	76,792,879,435	-	over 3 years
Minh Quang Steel JSC	78,641,471,296	-	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	183,020,961,872	45,091,734,619	over 3 years	182,282,750,243	52,681,371,966	over 3 years
b) Short-term advances to suppliers	177,768,586,523	-		178,068,586,523	135,025,849,230	
Mekong Auto Branch	169,609,728,269	-	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	1,400,000,000	-	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	188,858,254	-	over 3 years
c) Other short-term receivables	234,000,890,374	356,826,642		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 and its branches	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	119,198,007,297	144,967,396	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	15,284,223,701	211,859,246	over 2, 3 years	2,518,093,537	-	over 3 years
Total	844,972,580,102	45,448,561,261		834,184,599,588	189,162,374,083	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

12. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Goods in transit	10,518,989,230	-	87,699,392	-
Raw materials	301,367,097,045	(37,606,984,409)	253,624,136,119	(36,976,900,223)
Tool and supplies	35,095,933,532	(4,004,270,743)	66,442,602,942	(4,321,266,850)
Work in progress	233,532,819,005	(2,700,734,734)	228,136,244,126	(2,700,734,734)
Finished goods	760,671,636,469	(316,164,023,727)	990,285,243,891	(431,812,473,525)
Goods	177,523,386,518	(52,477,795,306)	182,089,825,264	(39,786,244,382)
Goods on consignment	27,182,898,796	(3,830,730,332)	62,551,713,671	(16,726,063,636)
Total	1,545,892,760,595	(416,784,539,251)	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 31 December 2025 includes:
 - The provision devaluation of inventories is established based on the estimated asset value in Valuation Certificate No. 093/2025/1325/CT-VALUINCO/BAN2 dated 12 January 2026 and Valuation Report No. 093/2025/1325/BC-VALUINCO/BAN2 issued by the International Valuation and Investment Consultancy Joint Stock Company at the Parent Company's Office, amounting to VND 16,187,728,146 (as at 31 December 2024: established based on the estimated asset value in the Valuation Certificate and Valuation Report of November 2023, which was VND 5,836,559,393).
 - The provision for inventory devaluation for components at the VEAM Automobile Factory Branch is established based on the estimated selling price in the Valuation Certificate and Report dated January 17, 2024, at VND 76,724,442,759 (as of December 31, 2024, the provision based on the aforementioned certificate is VND 79,455,650,804);
 - The provision for inventory devaluation for automobiles at the VEAM Automobile Factory Branch is based on the estimated selling price in the 10th bidding approval document dated November 4, 2025, of VND 300,706,296,978 (as of December 31, 2024, it is based on the estimated selling price in the Valuation Certificate and Report dated January 17, 2024, of VND 426,132,396,197);
 - The provision for inventory devaluation at the Casting Factory Branch is based on the scrap selling price of VND 789,432,410 (as of December 31, 2024, it is VND 445,594,138).
 - The provision for inventory devaluation at subsidiaries (including: Tractor and Agricultural Machinery Company Limited; Pho Yen Mechanical Joint Stock Company; Vinh Mechanical Joint Stock Company; Complete Equipment and Supplies Joint Stock Company and Southern Engine and Agricultural Machinery Company Limited) is VND 22,376,638,958.
- (ii) As at 31 December 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 11.2 billion (as at 31 December 2024: VND 81.6 billion), of which:
 - The value at the VEAM Motor Factory is VND 2,745,858,490 (as at 31 December 2024: VND 257,514,100).
 - The value at the Parent Company's Office is VND 70,850,027,607.
 - The value at Tran Hung Dao Mechanical Joint Stock Company - Subsidiary is approximately VND 8.5 billion (as at 31 December 2024: VND 10.5 billion).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

13. PREPAYMENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Short-term	19,075,749,885	22,246,209,212
Tools and supplies issued for consumption	13,178,649,419	16,084,014,668
Insurance and related fees	461,685,544	651,991,846
Others	5,435,414,922	5,510,202,698
Long-term	648,358,493,122	599,731,002,480
Land and office rental (i)	20,822,250,152	22,782,124,580
Brand value (ii)	3,340,879,623	6,430,714,263
Tools, equipment, transportation costs	52,165,078,901	39,976,028,700
Cost of the foam iron factory (iii)	512,546,282,683	473,066,380,911
Parking lot infrastructure	3,625,030,727	3,742,810,545
Prepaid infrastructure costs of Phu Nghia Industrial Park	28,952,627,929	29,929,784,385
Others	26,906,343,107	23,803,159,096
Total	667,434,243,007	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 loan interest, depreciation and land rentals for the sponge iron factory that ceased operations since 2015, and Bac Kan Branch of Material and Complete Equipment Export - Import Corporation - Subsidiaries of the Corporation; in which, long-term prepayments of the sponge iron factory are VND 454,018,381,289 (as at 01 January 2025: VND 414,538,479,517) and long-term prepayments of Matexim Bac Kan Branch are VND 58,527,901,394 (as at 01 January 2025: VND 58,527,901,394).

VIETNAM ENGINE AND AGRICULTURAL MACHINERY CORPORATION

Lot D, Area D1, Tay Ho Ward, Hanoi, Vietnam

FORM B 09-DN/HNIssued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements***14. INCREASE, DECREASE IN TANGIBLE FIXED ASSETS**

	Buildings and structures	Machinery & equipment	Motor vehicles transmission	Office equipment	Other	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 year	-	61,166,381,853	7,652,457,609	43,771,043	-	68,862,610,505
- Completed construction in progress	3,983,256,451	14,812,237,172	1,248,368,160	1,439,558,434	-	21,483,420,217
- Other increases (i)	-	-	-	-	26,909,114,370	26,909,114,370
- Disposal	-	(34,269,535,653)	(1,022,405,455)	(420,649,955)	-	(35,712,591,063)
- Other decrease	-	-	(27,633,262)	(20,516,072)	-	(48,149,334)
- Reclassification	1,114,442,099	(5,651,262,132)	6,099,192,300	(1,562,372,267)	-	-
Closing balance	1,749,688,976,432	3,503,645,052,673	254,666,108,344	33,108,583,119	30,763,455,596	5,571,872,176,164
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 year	60,446,218,786	155,183,725,876	8,950,463,818	1,687,128,066	26,918,388,918	253,185,925,464
- Disposal	-	(34,269,535,653)	(1,022,405,455)	(420,649,955)	-	(35,712,591,063)
- Other decreases	-	-	(27,632,512)	(20,510,822)	-	(48,143,334)
- Reclassification	1,099,041,769	(5,310,084,404)	5,735,375,115	(1,524,332,480)	-	-
Closing balance	1,200,698,945,521	2,871,556,185,333	232,063,894,507	26,205,722,292	30,704,691,814	4,361,229,439,467
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	548,990,030,911	632,088,867,340	22,602,213,837	6,902,860,827	58,763,782	1,210,642,736,697

The cost of fixed assets that have been fully depreciated but are still in use as at 31 December 2025 is VND 2,259,378,320,474 (as at 31 December 2024: VND 1,984,594,653,441).

The original cost of fixed assets that have been fully depreciated but are not in use as of December 31, 2025 is VND 26,909,114,370 (as of December 31, 2024, it was VND 0). As of December 31, 2025, at the Parent Company's office, the original cost of temporarily damaged tangible fixed assets not in use is VND 51,837,442,814 (remaining value: VND 5,534,130,279), and the original cost of damaged fixed assets in use is VND 4,650,005,666 (remaining value: VND 0).

The subsidiaries of the Corporation use fixed assets formed from borrowed capital and some other fixed assets as collateral for loans as presented in Note 22 of the Notes to the Consolidated Financial Statements.

VIETNAM ENGINE AND AGRICULTURAL MACHINERY CORPORATION

Lot D, Area D1, Tay Ho Ward, Hanoi, Vietnam

FORM B 09-DN/HN

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

14. INCREASE, DECREASE IN TANGIBLE FIXED ASSETS (CONTINUED)
Note:

- (i) This is the value of 305 sets of stamping molds for car cabin parts purchased at various times from 2005 to 2011. These molds were purchased by the General Corporation's leaders in violation of the law, with improper and incomplete procurement, causing waste and losses to the state. According to Judgment No. 157/2025/HS-ST dated March 6, 2025, of the Hanoi People's Court, the individuals involved must compensate the General Corporation with VND 13,604,363,700 (rounded figure). In addition, according to the recommendation of the Hanoi City Police regarding this case and according to the judgment of the Hanoi People's Court, these 305 sets of stamping molds are fixed assets, therefore the Company records an increase in assets and makes additional depreciation at the time of purchase. The assets, which are stamping machines, are being monitored at the VEAM Automobile Factory Branch; these stamping dies have not yet been handed over to the VEAM Automobile Factory by the General Corporation Office.

15. INCREASE, DECREASE IN INTANGIBLE FIXED ASSETS

	Copyright, patent	Land use rights, industrial park infrastructure costs	Software	Royalty fee	Other	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
- Completed construction in progress	-	-	1,965,000,000	-	-	1,965,000,000
Closing balance	1,795,000,000	88,405,060,703	23,967,905,257	13,855,846,325	84,500,000	128,108,312,285
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
- Depreciation for the year	-	969,481,873	1,660,179,812	57,416,100	-	2,687,077,785
Closing balance	1,795,000,000	21,972,576,116	14,848,131,977	13,708,771,333	84,500,000	52,408,979,426
NET BOOK VALUE						
Opening balance	-	67,401,966,460	8,814,953,092	204,491,092	-	76,421,410,644
Closing balance	-	66,432,484,587	9,119,773,280	147,074,992	-	75,699,332,859

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 that have been fully amortized but are still in use as of 31 December 2025 is VND 17,474,893,864 (as at 31 December 2024: VND 7,777,132,474).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

16. 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
Hung Dao Mechanical One Member Company Limited (ii)	11,936,576,793	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	10,645,012,232	8,597,276,156
Total	86,377,737,175	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 CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

17. 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	297,209,968,904	297,209,968,904	340,286,269,175	340,286,269,175
Produce and Trading Material - Equipment Joint Stock Company	3,117,695,086	3,117,695,086	14,303,288,285	14,303,288,285
Honda Trading Viet Nam Co., Ltd	31,051,816,761	31,051,816,761	30,759,511,976	30,759,511,976
Citicom Commercial Joint Stock Company	2,401,099,085	2,401,099,085	20,793,688,300	20,793,688,300
Cuong Dai Limited Company	2,169,699,544	2,169,699,544	3,659,155,508	3,659,155,508
Others	258,469,658,428	258,469,658,428	270,770,625,106	270,770,625,106
	927,561,350	927,561,350	86,875,500	86,875,500
b) Trade payables to related parties				
Honda Vietnam Company Ltd	840,685,850	840,685,850	-	-
Nakycos JSC	86,875,500	86,875,500	86,875,500	86,875,500
Total	298,137,530,254	298,137,530,254	340,373,144,675	340,373,144,675

18. ADVANCES FROM CUSTOMERS

	Closing balance	Opening balance
	VND	VND
a) Short-term advances from customers	14,842,100,594	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	50,000,000	190,430,000
Kim Hoang Hao Jsc - Danang Branch	-	137,611,100
Others	12,382,208,979	15,818,463,851
a) Long-term advances from customers	377,377,744	395,155,522
Others	377,377,744	395,155,522

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

	Opening balance	Payable during the year	Paid during the year	Closing balance
	VND	VND	VND	VND
Payables				
Value-added-tax	5,987,494,127	58,344,640,300	54,687,868,371	9,644,266,056
Value-added-tax on imported goods	-	24,936,662,902	24,936,662,902	-
Import, export tax	-	11,958,303,899	11,958,303,899	-
Corporate income tax	54,128,807,605	207,578,216,516	202,757,792,341	58,949,231,780
Personal income tax	7,367,760,460	43,524,986,676	47,260,605,502	3,632,141,634
Natural resource tax	592,811,130	3,395,089,905	3,978,972,435	8,928,600
Land tax, land rental	358,251,928	10,400,900,565	9,975,415,399	783,737,094
Other taxes	3,685,145	326,913,703	293,602,772	36,996,076
Fees, charges and other payables	7,383,144,765	5,961,418,231	5,651,993,409	7,692,569,587
Total	75,821,955,160	366,427,132,697	361,501,217,030	80,747,870,827

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

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

	Opening balance	Receivable during the year	Received during the year	Closing balance
	VND	VND	VND	VND
Receivables				
Value-added-tax on imported goods	323,241,566	110,261,907	-	212,979,659
Corporate income tax	256,806,561	253,213,538	145,024,992	148,618,015
Personal income tax	421,144,605	54,437,223	74,313,150	441,020,532
Natural resource tax	367,503,386	344,592,345	1,139,740,221	1,162,651,262
Land tax, land rental	20,000	20,000	-	-
Total	1,368,716,118	762,525,013	1,359,078,363	1,965,269,468

20. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Shipping, insurance, and storage costs (i)	10,621,349,105	11,132,115,003
Interest expenses	69,990,740,965	59,901,960,737
Other accruals	28,610,762,205	16,780,079,848
Total	109,222,852,275	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.

21. OTHER PAYABLES

	Closing balance	Opening balance
	VND	VND
a) Short-term	201,584,252,007	170,513,758,155
Trade union fee	7,984,335,240	9,437,233,653
Social insurance	25,953,942	145,062,725
Short-term deposits and collaterals	29,156,425,440	11,609,038,139
Dividends or profits payables	23,110,073,430	5,515,158,464
Surplus of assets awaiting resolution (i)	19,873,384,804	20,367,826,371
Centre Of International Relation & Investment Joint Stock Company (ii)	88,988,000,000	88,988,000,000
Other payables	32,446,079,151	34,451,438,803
b) Long-term	1,464,236,884	1,679,207,300
Long-term deposits and collaterals	1,464,236,884	1,679,207,300
Total	203,048,488,891	172,192,965,455

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

20. OTHER PAYABLES (CONTINUED)

Note:

- (i) The surplus assets awaiting processing are excess inventory of unknown origin discovered during the inventory process at the VEAM Automobile Factory - a branch of the Corporation, according to the Inventory Minutes of December 31, 2019 and December 31, 2020, Inventory Results Report No. 38/BC-VM dated February 7, 2020 and Inventory Results Report No. 150A/BC-HĐKK dated March 2, 2021, Inventory Results Report No. 01/BC-HĐKK dated January 8, 2022 of the Inventory Council; Minutes of the meeting on inventory work in 2021 No. 01/BB-VM dated January 10, 2022; Inventory Results Report No. 01/BC-HĐKK dated January 9, 2023 of the Inventory Council; Minutes of the meeting on inventory work in 2022 No. 01/BB-VM dated January 10, 2023 of Veam Automobile Factory.
- (ii) Showing the amount payable to the International Relations Investment Production Joint Stock Company related to the investment cooperation project to relocate the Tractor and Agricultural Machinery Company Limited - a subsidiary of the Corporation - to a new location and to invest in the construction of an office complex, apartment building and commercial center at land plot No. 4 Chu Van An, Ha Dong, Hanoi according to the Principal Agreement No. 03/2010/HĐNT dated February 23, 2010 and its appendices.

Accordingly, the Company has been provided with a total investment of VND 300 billion by the International Relations Investment and Production Joint Stock Company for the new factory project. This includes 50% of the amount paid to the State budget for land use conversion, which will be reimbursed by the State according to the law, and a minimum of VND 50 billion arranged for joint venture capital contribution to implement the project. After signing the contract, the International Relations Investment and Production Joint Stock Company will transfer a deposit of VND 30 billion to the Company. The two parties have not yet signed an addendum to the contract specifying the disbursement schedule as per the principal contract.

The amount received by the Tractor and Agricultural Machinery Company Limited from the International Relations Investment and Production Joint Stock Company was used to pay for the transfer of assets attached to land use rights in Tien Son Industrial Park - Bac Ninh from Tran Hung Dao Mechanical Company Limited, amounting to VND 71,930,200,000 (excluding 10% value-added tax) and some other expenses. The remaining amount was deposited in a savings account at the Vietnam Bank for Agriculture and Rural Development.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements***22. 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 (*)	108,038,659,834	108,038,659,834	70,666,339,736	51,549,330,651	127,155,668,919	127,155,668,919
Military Commercial Joint Stock Bank - Tay Ho Branch	27,035,205,700	27,035,205,700	604,794,300	-	27,640,000,000	27,640,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Nam Thai Nguyen Branch	-	-	23,592,535,299	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	5,154,902,226	5,154,902,226	1,850,000,000	-	7,004,902,226	7,004,902,226
Vietnam Development Bank - Bac Kan - Thai Nguyen Branch (i)	63,187,186,242	63,187,186,242	720,000,000	-	63,907,186,242	63,907,186,242
Mekong Auto Branch - Related parties	1,800,000,000	1,800,000,000	40,000,000	-	1,840,000,000	1,840,000,000
Others (ii)	10,861,365,666	10,861,365,666	32,552,214,785	16,650,000,000	26,763,580,451	26,763,580,451
- Golden City - CKV Joint Stock Company	5,200,000,000	5,200,000,000	-	-	5,200,000,000	5,200,000,000
- Others in Materials and Complete Equipment JSC	5,661,365,666	5,661,365,666	32,552,214,785	16,650,000,000	21,563,580,451	21,563,580,451

(*) 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 consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements***23. 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
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 year	-	-	-	-	-	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)
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 year	-	-	-	-	-	7,148,497,621,444	70,933,177,087	7,219,430,798,531
Translation of foreign currency financial statements (Veam Korea Corporation)	-	-	-	(329,065,819)	-	-	(40,671,056)	(369,736,875)
Dividend distribution (i)	-	-	-	-	-	(6,189,656,704,000)	(35,829,192,627)	(6,225,485,896,627)
Appropriation to equity funds at the Parent Company (i)	-	-	-	-	-	(63,849,273,832)	-	(63,849,273,832)
Appropriation to equity funds at Subsidiaries	-	-	-	-	-	(106,070,963,044)	(34,712,981,775)	(140,783,944,819)
Other decreases	-	-	-	-	-	3,402,261,851	(18,900,929)	3,383,360,922
31/12/2025	13,288,000,000,000	27,089,186,656	(71,424,341,027)	4,031,248,285	28,125,501,907	13,541,444,667,380	220,769,587,545	27,038,035,850,746

Note:

- (i) Profit distribution in accordance with Resolution No. 183/NQ-HĐQT dated 03 November 2025 and Submission No. 1208/TT-TCNS-TCKT dated 19 November 2025 of the Board of Directors (approved at the 2025 Annual General Meeting of Shareholders regarding the 2024 profit distribution plan):
- Dividend distribution: VND 6,189,656,704,000;
 - Appropriation to the bonus fund for managers and the reward and welfare fund for employees in the amounts of VND 1,331,042,339 and VND 62,518,231,493, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

22. OWNER'S EQUITY (CONTINUED)

Share	Closing balance	Opening balance
Number of shares sold public	1,328,000,000	1,328,000,000
<i>Common shares</i>	<i>1,328,000,000</i>	<i>1,328,000,000</i>
Number of shares outstanding	1,328,000,000	1,328,000,000
<i>Common shares</i>	<i>1,328,000,000</i>	<i>1,328,000,000</i>

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 31 December 2025, the charter capital has been fully contributed by shareholders as follows:

	Closing balance		Opening balance	
	VND	Ratio	VND	Ratio
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%

24. OFF-CONSOLIDATED BALANCE SHEET ITEMS

	Closing balance	Opening balance
Foreign currencies		
- USD	2,953,946	1,585,369
- EUR	68,506	1,762
- JPY	191	191
- CAD	685	369

25. BUSINESS SEGMENT AND GEOGRAPHICAL SEGMENT

The Corporation's main business activity is the trading of power machinery and agricultural machinery. During the period, the Corporation did not have any other significant business activities. Therefore, the financial information presented in the Balance Sheet as at 31 December 2025, and the revenue and expenses presented in the Income Statement for the fiscal year ending December 31, 2025, are all related to the trading of power machinery and agricultural machinery. Revenue and cost of goods sold for each business activity are presented in Notes No. 26 and No. 27.

The Corporation does not conduct any business outside of Vietnam; therefore, the Corporation does not prepare business segment reports for any geographical region outside of Vietnam.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

26. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	Current year	Prior year
	VND	VND
Revenue from goods and finished goods sold	4,226,642,499,689	3,899,711,421,411
<i>Of which: Revenue from liquidation of vehicles via public auction at VEAM Motor Plant Branch (i)</i>	<i>145,810,142,504</i>	<i>-</i>
Revenue from services rendered	212,109,629,047	191,731,554,306
Others	35,064,573,926	23,997,247,614
Total	4,473,816,702,662	4,115,440,223,331
Deductions	8,287,298,316	12,008,154,369
In which:		
- Trade discounts;	5,973,596,012	5,135,498,210
- Sales discounts	253,355,964	-
- Goods returned	2,060,346,340	6,872,656,159
Net revenue from sale of goods and services	4,465,529,404,346	4,103,432,068,962

Note:

- (i) During the year, VEAM Automobile Factory sold off long-standing inventory of automobiles through public auction in accordance with the law and the directives of the Corporation. This activity was carried out on the basis of legal grounds and approvals from competent authorities, including: the Board of Directors (in Resolution No. 125/NQ-HĐQT dated August 1, 2025 of the Board of Directors of Vietnam Engine and Agricultural Machinery Corporation - JSC); decisions of the General Director of the Corporation; reports and submissions from the VEAM Automobile Factory Branch; minutes of the meeting of the Council for handling and determining the starting price; and valuation certificates issued by independent valuation units.

Before planning the public auction, the Corporation had sent documents to relevant agencies to develop sales plans, such as: Document No. 102/VEAM-KTKH dated 21 February 2015, from VEAM to the Ministry of National Defense regarding the linkage and supply of products serving the defense industry and industrial mobilization; Document No. 108/VEAM-KD&PTTT dated 24 February 2025, from VEAM to the Vietnamese Trade Office in Pakistan regarding the search for partners to cooperate with VEAM; Document No. 211/VEAM-KD&PTTT dated 04 April 2025, from VEAM to the Vietnamese Trade Office in Cuba and the Department of Foreign Market Development (Ministry of Industry and Trade) regarding the search for partners to cooperate with VEAM.

The organization of implementation, determination of the starting price, selection of the sales method, as well as compliance with relevant laws and internal regulations concerning the management and use of state capital, are the responsibility of the Board of Directors and management levels of the Corporation and VEAM Automobile Factory. This information has been publicly disclosed during transactions, and written reports have been submitted to the Ministry of Industry and Trade for approval. The Corporation has reported to the State ownership representative agency, the Ministry of Industry and Trade, on the plan and results of selling long-standing inventory vehicles at the VEAM Automobile Factory, including: Document No. 57/VEAM-BPPDVNN dated 19 August 2025, regarding the report and request for opinions on the plan for selling inventory vehicles at the Factory; and Official Letter No. 83/VEAM-BPPDVNN dated 31 October 2025, regarding the report on the results of selling long-term inventory vehicles at the VEAM Automobile Factory, along with accompanying internal reports and submissions, sent to the Ministry of Industry and Trade to serve the work of monitoring and managing state capital in the enterprise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

26. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED (CONTINUED)

Note:

Based on that, during the year, VEAM Automobile Factory organized 3 auction rounds, specifically:

- Round 1 (8th auction): auctioned 2,071 unsold vehicles, divided into 755 asset lots, with a total starting price of approximately VND 430.58 billion; 579 vehicles (207 lots) were successfully auctioned, with a total winning bid value of approximately VND 127.70 billion;

- Round 2 (9th auction): auctioned 1,492 unsold vehicles, divided into 552 asset lots, with a total starting price of approximately VND 303.25 billion; 890 vehicles (286 lots) were successfully auctioned, with a total winning bid value of approximately VND 176.74 billion;

- Round 3 (10th auction): 602 unsold vehicles were auctioned off, divided into 250 lots, with a total starting price of approximately VND 135.83 billion; 165 vehicles (69 lots) were successfully auctioned, with a total winning bid value of approximately VND 40.76 billion.

In total, 1,634 vehicles were successfully auctioned across three phases. In 2025, VEAM Automobile Factory delivered 647 vehicles, with the remaining vehicles to be delivered to customers the following year.

The auctions were conducted through a professional auction organization, ensuring transparency and openness in accordance with current regulations. The liquidation of these long-standing unsold vehicles aims to recover capital, reduce storage costs, and mitigate the risk of price drops and loss of state capital.

27. COST OF GOODS SOLD AND SERVICES RENDERED

	Current year	Prior year
	VND	VND
Cost of goods sold and finished goods	3,705,445,010,626	3,285,863,451,215
<i>Of which: Cost of finished goods for vehicles liquidated via public auction at VEAM Motor Plant Branch (i)</i>	264,862,753,246	-
Cost of services rendered	161,028,476,565	149,739,644,962
Others	9,807,560,948	10,518,200,641
Expenses that exceed the norms	19,301,663,497	33,899,365,196
Provision for/ Reversal of devaluation of inventories	(115,773,940,236)	(2,238,847,934)
<i>Of which: Reversal of provision for finished goods of vehicles sold via public auction at VEAM Motor Plant Branch (i)</i>	142,324,820,952	-
Total	3,779,808,771,400	3,477,781,814,080

Note:

(i) Book value; Provision made for long-term finished vehicle inventory that has been liquidated (as in Note No. 26).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

28. FINANCIAL INCOME

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Deposit interest	918,161,217,634	839,051,921,782
Capital support interest (i)	70,507,470	1,394,309,361
Dividends and profit received	-	75,464,324
Realized foreign exchange gain	12,588,298,274	16,898,288,965
Others	84,896,672	207,803,944
Total	930,904,920,050	857,627,788,376

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.

29. FINANCIAL EXPENSES

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Interest expense	1,565,492,070	1,518,531,801
Provision for/ Reversal of devaluation of trading securities and investment losses	349,822,302	(700,000,000)
Realized foreign exchange loss	3,704,447,576	6,221,621,512
Others	120,641,793	121,500,569
Total	5,740,403,741	7,161,653,882

30. EXPENSES, GENERAL AND ADMINISTRATION EXPENSES

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Selling expenses		
Labour	39,642,554,348	33,097,406,649
Material, packagings, tools and supplies	7,406,204,280	6,164,215,009
Depreciation and amortisation	2,241,451,136	2,555,871,801
Provision for/(Reversal of) provision for warranty	892,427,148	1,279,252,577
Out-sourced services	14,795,375,352	12,742,751,241
Other monetary expenses	33,674,433,454	32,686,432,277
Total	98,652,445,718	88,525,929,554
General and administrative expenses		
Labour	327,422,839,527	292,673,241,131
Administrative supplies expenses	16,046,028,060	12,189,785,133
Depreciation and amortisation	31,759,616,228	31,480,250,600
Taxes, fees and charges	11,184,369,571	19,157,491,514
Provision for/(Reversal of) doubtful debts	158,322,174,137	(2,684,723,068)
Out-sourced services	26,947,105,629	42,305,424,329
Other monetary expenses	123,055,918,519	91,532,219,965
Total	694,738,051,671	486,653,689,604

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

31. OTHER INCOME

	Current year	Prior year
	VND	VND
Proceeds from disposal of fixed assets	3,664,303,776	200,227,272
Compensation received, damages recovered, contract penalties	1,820,542,869	3,626,741,396
Others	6,733,222,267	4,639,625,932
Total	12,218,068,912	8,466,594,600

32. OTHER EXPENSES

	Current year	Prior year
	VND	VND
Depreciation of unused fixed assets (i)	31,370,814,227	4,665,135,586
Fines for tax, administrative violations	2,500,729,083	2,436,200,059
Others	1,587,508,505	5,641,466,665
Total	35,459,051,815	12,742,802,310

Note:

- (i) This includes VND 26,909,114,370 – the depreciation cost for the year of 305 stamping molds as mentioned in Note No. 14.

33. CURRENT CORPORATE INCOME TAX EXPENSE

	Current year	Prior year
	VND	VND
Current corporate income tax expense at the Parent Company	144,919,041,729	138,251,266,783
Current corporate income tax expense at subsidiaries	62,646,191,979	59,074,600,478
Total	207,565,233,708	197,325,867,261

34. BASIC EARNINGS PER SHARE

	Current year	Prior year
	VND	VND
Profit after tax	7,148,497,621,444	7,361,192,564,715
Adjustment of bonus and welfare funds (i)	-	(169,920,236,876)
Profit to calculate basic earnings per share	7,148,497,621,444	7,191,272,327,839
Weighted average number of ordinary shares to calculate basic earnings per share	1,328,800,000	1,328,800,000
Par value per share	10,000	10,000
Basic earnings per share	5,380	5,412

Note:

- (i) The Corporation restates the previous year's basic earnings per share due to the allocation of management bonus funds and employee reward and welfare funds at the Corporation's Head Office with amounts of VND 1,331,042,339 and VND 62,518,231,493 respectively; and VND 106,070,963,044 at the subsidiaries, the previously presented amount being VND 5,540.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

35. OPERATING LEASE COMMITMENTS

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

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 31 December 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	-	-
Total	354,343,182	1,258,272,727

36. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash received from interest on loans, dividends, and distributed profits: This excludes any outstanding differences at the end of the accounting period related to accrued interest, capital support interest, dividends, and distributed profits. Therefore, the amount presented under "Cash received from interest on loans, dividends, and distributed profits" reflects the actual amount received during the period, and a corresponding amount adjusted on the (Increase)/(Decrease) of receivables.

Interest paid: This excludes any outstanding differences at the end of the accounting period related to accrued interest. Therefore, the amount presented under "Interest paid" reflects the actual amount received during the period, and a corresponding amount adjusted on the Increase/(Decrease) of payables (excluding interest payable subject to corporate income tax).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

37. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

	Current year VND	Prior year VND
Purchase from related parties	181,507,912,680	208,656,213,538
Honda Vietnam Co. Ltd	179,344,961,818	206,240,780,610
VEAM Tay Ho Investment JSC	2,162,950,862	2,415,432,928
Revenue with related parties	1,120,078,719,470	1,124,204,649,561
Honda Vietnam Co. Ltd	1,046,255,158,128	1,063,572,877,572
Toyota Motor Vietnam Co.,Ltd	72,706,273,118	59,701,500,989
Ford Viet Nam Limited	-	162,564,000
An Giang Mechanical JSC	1,117,288,224	767,707,000
Shared profits, dividends	6,570,551,628,047	5,745,021,650,855
Honda Vietnam Co. Ltd	5,931,764,124,421	5,079,453,599,993
Toyota Motor Vietnam Co.,Ltd	264,129,783,988	261,471,922,012
Ford Viet Nam Limited	358,535,547,638	395,764,316,850
VEAM Tay Ho Investment JSC	541,452,000	541,452,000
An Giang Mechanical JSC	15,580,720,000	7,790,360,000
Loan interest income	70,507,470	1,394,309,361
Nakyco JSC	70,507,470	47,342,937
Matexim Hai Phong JSC	-	1,346,966,424

The remuneration and salaries of the Board of Directors, the General Management Board, and other managers for the year are as follows:

		Current year VND	Prior year VND
<u>Board of Management</u>			
Ngo Khai Hoan	Chairman of the Board of Directors	2,217,600,000	1,157,076,169
Nguyen Hoang Giang	Board Member and General Director	2,743,755,324	1,157,076,169
Nguyen Thi Hoa	Board Member	1,552,320,000	809,953,330
Ngo Quang Trung	Board Member from 25 April 2025	1,063,001,735	-
Nguyen Tien Vy	Board Member	997,920,002	280,209,822
Tran Thi Nguyet	Board Member	310,464,000	161,990,663
Phan Kim Khoa	Board Member	396,000,000	280,209,822
Nguyen Khac Hai	Board Member	-	896,455,087
Phan Pham Ha	Board Member	-	765,536,346
Nguyen Thi Nga	Board Member	-	118,219,159
<u>Board of General Directors</u>			
Le Minh Quy	Deputy General Director	1,836,300,616	1,496,356,369
Pham Anh Tuan	Deputy General Director	1,775,443,809	1,315,178,507
Le Cong Hoang	Deputy General Director	500,972,546	-
Vu Phong Hai	In charge of accounting	1,379,301,776	543,134,929
Nguyen Thi Mai Huong	Chief Accountant until 10 June 2024	-	405,998,251
<u>Board of Supervisors</u>			
Nguyen Thi Phuong Lan	Head of the Board of Supervisors	1,330,560,000	1,200,899,176
Nguyen Thi Dien	Member	997,920,002	900,674,381
Le Thi Thanh Binh	Member	199,584,000	180,134,876
		17,301,143,810	11,669,103,056

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

38. CONTINGENT LIABILITIES

At the time of preparing the consolidated main report, Southern Vietnam Engine and Agricultural Machinery Company Limited ("SVEAM") had the following contingent liabilities:

(i) Regarding the recovery of input value-added tax refunds:

On 28 July 2009, the Dong Nai Tax Department issued document No. 2732/CT - KT1 stating that no input value-added tax refund would be granted for two export shipments to ASCO Company (Iraq) under contracts No. M121/99 and M122/99 dated 08 September 1999, related to the deferred payment program for Iraq, because the Company had not provided bank payment documents. On 21 October 2009, the Ministry of Finance issued Official Letter No. 14826/BTC-TCT in response to the Dong Nai Provincial Tax Department, agreeing to postpone the recovery of the value-added tax refunded to the Company related to the export contract for goods sold on deferred payment terms to ASCO Company under the Iraqi Ministry of Agriculture, under the Deferred Payment Scheme for Iraq, pending the results of the debt reconciliation between the two governments. Once the debt reconciliation results for the Deferred Payment Scheme for Iraq, related to the Company's export contract, are available, the Company is responsible for presenting a confirmation document from the competent authority regarding the amount payable by the foreign party under the relevant export contract, which will be deducted from the Vietnamese debt, to the Tax Department to replace the bank payment documents for the exported goods as stipulated.

On 23 December 2019, the Dong Nai Tax Department issued Decision No. 2892/QD-THMPQDXP-CT regarding the temporary suspension of the aforementioned value-added tax refund.

To date, SVEAM has not received a final decision from the competent authority on this matter, therefore the company has not yet determined whether it is obligated to repay the refunded value-added tax as per the Tax Department's letter.

(ii) Regarding land lease fees at the address in Quarter 29, Tam Hiep Ward, Dong Nai Province (old address: Quarter 1, Tam Hiep Ward, Bien Hoa City, Dong Nai Province):

As at 31 December 2025, SVEAM is continuing to work with and submit proposals to competent State agencies to request a review and reassessment of land lease rates and policies on exemption and reduction of land lease fees according to Decree No. 103/2024/ND-CP dated July 30, 2024, for the leased land in Quarter 29, Tam Hiep Ward, Dong Nai Province.

While awaiting official opinions from relevant authorities, SVEAM is recording and fulfilling its land lease obligations based on the principle of adjusting land lease rates every 5 years, whereby the adjustment does not exceed 15% of the rate applied in the previous period, in accordance with Decision No. 1357/TC/QD/TCT dated 30 December 1995, of the General Department of Taxation and the guidance in Document No. 6366/STNMT-QH dated 16 August 2021, of the Department of Natural Resources and Environment of Dong Nai province.

Regarding the aforementioned land area, SVEAM has received notices of land lease payment from the Dong Nai Provincial Tax Department for the periods from 2011 to 2025.

At the time of preparing the Financial Statements, SVEAM is continuing to work with relevant authorities to clarify related issues. The company will make accounting and adjustments to related obligations (if any) based on the official conclusions of the competent State authorities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

39. CONTINGENT ASSETS

At the time of preparing the consolidated financial statements, Southern Vietnam Engine and Agricultural Machinery Company Limited ("SVEAM") has the following contingent assets:

(i) Regarding the land acquisition of the Rubber Factory:

On 11 April 2025, SVEAM received Notice No. 441/TB-UBND from the People's Committee of Bien Hoa City regarding the land acquisition for the project to convert Bien Hoa 1 Industrial Park into an urban-commercial-service area and improve the environment, An Binh Ward, Bien Hoa City, Dong Nai Province. Accordingly, the Company's land for the Rubber Factory, located on plot No. 19, cadastral map sheet No. 35, An Binh Ward, Bien Hoa City, Dong Nai Province (now Tran Bien Ward), was acquired.

On October 10, 2025, SVEAM received Decision No. 2293/QD-UBND from the People's Committee of Tran Bien Ward regarding compensation and support for Southern Agricultural Machinery and Engine Company Limited whose land was expropriated.

(ii) Regarding the land acquisition for Factory 2:

On 30 May 2025, SVEAM received Notice No. 1893/TB-UBND from the People's Committee of Bien Hoa City regarding the land acquisition for the project to transform Bien Hoa Industrial Park 1 into an urban, commercial, and service area and improve the environment in An Binh Ward, Bien Hoa City, Dong Nai Province. Accordingly, SVEAM's Factory 2 land, located on plot No. 69, cadastral map No. 47, An Binh Ward, Bien Hoa City, Dong Nai Province (now Tran Bien Ward), was acquired.

On 31 December 2025, SVEAM received Decision No. 3706/QD-UBND from the People's Committee of Tran Bien Ward regarding compensation and support for Southern Agricultural Machinery and Engine Company Limited whose land was acquired.

SVEAM has received decisions regarding compensation and support for the two aforementioned land plots. However, after review, the company found that the compensation and support levels in these decisions do not fully reflect the value of the assets attached to the land being acquired. Therefore, SVEAM has not agreed with the compensation and support levels mentioned above and has hired an independent valuation firm to reassess the value of the assets for the purpose of liquidating assets on the land and returning the land to the local authorities. This will also serve as a basis for proposing a suitable compensation plan to the competent authorities.

As of the time of preparing the consolidated financial statements, SVEAM has not received any compensation or support payments, and the parties are still in the process of discussion and processing. Because no final decision on the compensation level has been approved, SVEAM has not recorded any receivables or income related to this matter in the financial statements.

SVEAM will record this when an official decision is made and the conditions for recognition under current accounting regulations are met.

40. OTHERS COMMITMENT

According to Joint Venture Cooperation Agreement No. 149/HĐLD/THĐ-TBG dated November 10, 2009 and Appendix No. 01/Pl-HĐLD dated 15 October 2010 signed between Tran Hung Dao Mechanical Engineering Co., Ltd. - 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 (houses, structures) with the amount of VND 40,000,000,000; This amount will be paid by TBG by transferring capital contribution to Thai Binh Financial Investment Joint Venture Company Limited (Joint Venture Company) on behalf of the Subsidiary. However, the Subsidiary has not yet been provided with documents regarding this payment transaction by TBG to the Joint Venture Company; Accordingly, the subsidiary company did not record the value of its capital contribution to the joint venture company in its financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

41. OTHER INFORMATION

Equitization settlement

The financial statements are prepared for the year ended 31 December 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.

Other information

The Corporation is implementing the conclusions of Inspection Conclusion No. 1538/KL-TTCP dated 07 July 2023, of the Government Inspectorate on the restructuring of state-owned enterprises under the Ministry of Industry and Trade, and Conclusion No. 3202/KL-BCT dated May 8, 2019, of the Ministry of Industry and Trade on the inspection of the management and use of capital and assets; the situation of production, business and service activities; and personnel organization at the Power and Agricultural Machinery Corporation - JSC. In the coming period, the Corporation will continue to accelerate the implementation according to the conclusions and periodically report on the progress as well as any difficulties encountered during the implementation process to the superior state management agencies.

According to Criminal Appeal Judgment No. 167/2023/HSPT dated March 17, 2023, of the High People's Court of Hanoi and Criminal First Instance Judgment No. 159/2022/HS-ST dated May 24, 2022, of the People's Court of Hanoi City (details presented in Explanatory Notes No. 8, 9, 16), Judgment No. 157/2025/HS-ST dated 06 March 2025, of the People's Court of Hanoi City (details presented in Explanatory Note No. 13), and Judgment No. 580/2025/HSST dated 19 August 2025, of the People's Court of Hanoi City, in the coming period, the Corporation will continue to coordinate with the Civil Enforcement Department of Hanoi City to further promote the recovery of the entire amount of money according to the aforementioned judgments.

According to Criminal Appeal Judgment No. 855/2023/HS-PT dated November 15, 2023, of the High People's Court of Hanoi and Criminal First Instance Judgment No. 234/2023/HS-ST dated June 12, 2023, of the People's Court of Hanoi City, the individuals involved in the illegal sale of discounted automobiles and the illegal purchase of inner tubes, tires, and fenders must compensate VEAM Automobile Factory with the amounts of VND 55,673,446,360 and VND 16,828,878,687 respectively, and are required to return VND 2,417,298,653 and VND 1,468,609,133 respectively to VEAM Automobile Factory. Simultaneously, from the date the enforcement request is filed by the judgment creditor until all amounts are fully enforced, the judgment debtor shall also bear monthly interest on the remaining amount to be enforced at the basic interest rate announced by the State Bank of Vietnam corresponding to the period of delay at the time of payment. On 23 January 2024, the Director of Veam Automobile Factory submitted an Enforcement Request to the Civil Enforcement Department of Hanoi City containing the contents of the aforementioned judgments. At the time of preparing the Financial Statements, the Corporation had not yet recorded the receivables based on the judgment results and the corresponding late payment interest according to the principle of prudence, as the recovery time for these receivables had not yet been determined (see Note 9 above).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

40. OTHER INFORMATION (CONTINUED)

Other information (Continued)

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.



Nguyen Hoang Giang
General Director

Hanoi, 26 March 2026



Vu Phong Hai
Accountant in charge

Bui Tuan Anh
Preparer