

No: **233** /BC-MIE-TCKT

*Ha Noi, April 08.th, 2026*

## **2025 ANNUAL REPORT**

To: - The State Securities Commission;  
- Hanoi Stock Exchange.

### **I. GENERAL INFORMATION**

#### **1. General information**

- Name of company in Vietnamese: *Tong cong ty May va Thiet bi cong nghiep CTCP.*
- Name of company in English: *Machines and Industrial Equipment Corporation.*
- Abbreviation: *MIE*
- Digital enterprise registration certificate (Enterprise Identification Number): *0100101379; issued by the Department of Planning and Investment of Hanoi for the 13th time on August 15, 2025.*
- Charter capital: *1,419,915,000,000 VND.*
- State capital invested in MIE (represented by SCIC as the owner's representative): *1,413,846,800,000 VND.*
- Address of headoffice: *7A Mac Thi Bui Street, Vinh Tuy Ward, Hanoi City.*
- Telephone: *024.38252498;* - Fax: *024.38261129.*
- Website: *[www.mie.com.vn](http://www.mie.com.vn);* - Stock symbol: *MIE.*
- History and development: *Machines and Industrial Equipment Corporation (MIE), formerly known as Machinery and Industrial Equipment Corporation, was established under Decision No. 155/HĐBT dated 12 May 1990 issued by the Council of Ministers (now the Government), and subsequently re-established under Decision No. 1117/QĐ-TCCBĐT dated 27 October 1995 issued by the Minister of Heavy Industry (now the Ministry of Industry and Trade).*

On 16 November 2015, MIE was valued by the Ministry of Industry and Trade for equitization pursuant to Decision No. 12494/QĐ-BCT.

MIE officially operated as a joint stock company under the name Machinery and Industrial Equipment Corporation in accordance with the Enterprise Registration Certificate (7th amendment dated 20 January 2017; 13th amendment dated 15 August 2025) issued by the Hanoi Department of Planning and Investment.

The charter capital of MIE, as stated in the Enterprise Registration Certificate, is VND 1,419,915,000,000 (*in words: One trillion four hundred nineteen billion nine hundred fifteen million Vietnamese Dong*).

On 29 December 2025, the competent authorities completed the transfer of the ownership representative rights of the State capital from the Ministry of Industry and Trade to the State Capital Investment Corporation (SCIC) in accordance with the handover minutes.

#### **2. Business lines and areas**





- Business scope: Manufacturing of mechanical products, whole equipment lines, construction, installation of industrial works and commercial business. MIE has two main product groups:

+ Group of products of whole equipment and industrial parts: Production and manufacture of mechanical products, whole equipment lines, construction and installation of industrial works.

+ Traditional product groups include: Mechanical machine tools of all kinds, cast iron, steel, non-ferrous metals, regulated goods, reducers, cutting tools of all kinds, etc.

- Business area: Vietnam and countries around the world.

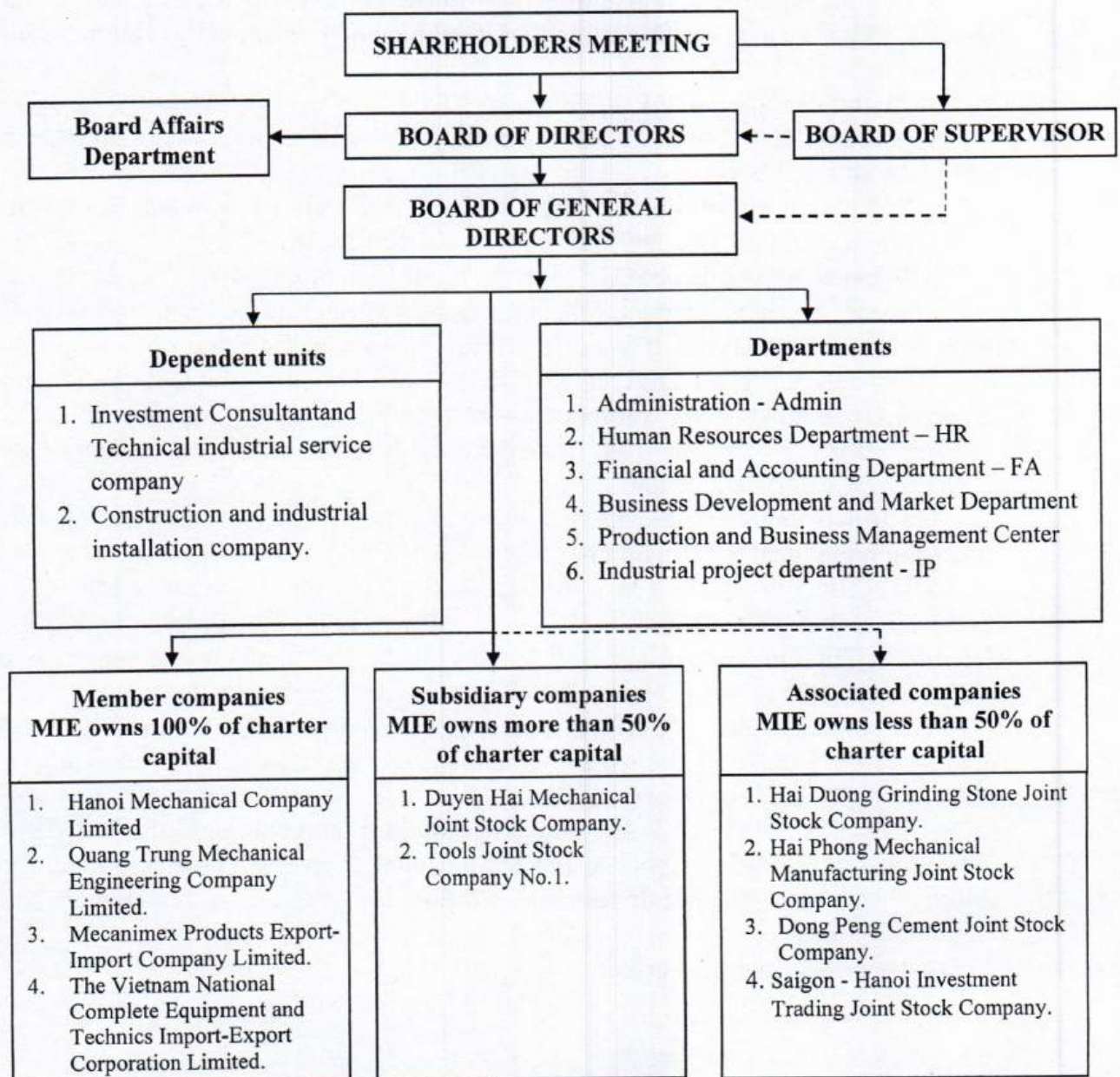
### 3. Information on the governance model, business organization and management apparatus

- Governance model: Joint stock company.

- Organizational structure of MIE comprises: General Meeting of Shareholders, Board of Directors, Board of Supervisors and Director.

- Management structure:

#### Organizational and operational diagram of Industrial Machines and Equipment Corporation





**List of subsidiaries and associates**

No	Unit	Address	Main production and business fields	State capital as of MIE 31/12/2025 (billion VND)	Ownership ratio of MIE (contributed capital/VDL)
1	Hanoi Mechanical Company Limited (HAMECO)	No. 76, Nguyen Trai Street, Thanh Xuan Ward, Hanoi City	Machine tool manufacturing; Design, manufacture and installation of industrial equipment; Performing vocational training functions to serve social needs...	644,670	100%
2	QUANG TRUNG Mechanical Engineering Company Limited (QTMEC)	No. 360 Giai Phong Street, Phuong Liet Ward, Hanoi City	Manufacturing steel structure products, factories, non-standard structures; Manufacturing of cranes and gantry cranes; Manufacturing hydraulic mechanical equipment...	163,327	100%
3	MECANIMEX Products Export-Import Company Limited (MECANIMEX Co. Ltd.)	No. 4 Vu Ngoc Phan Street, Lang Ward, Hanoi City	Export: All kinds of machine tools, hand tools and other consumer mechanical products; Agricultural products such as coffee, pepper...; Imports: Machinery, steel, iron, plastics, materials for fields; Manufacture of bolts, nuts, etc.	186,946	100%
4	The Vietnam National Complete Equipment and Technics Import-Export Corporation Limited (TECHNOIMPORT)	No. 13 Dang Dung Street, Ba Dinh Ward, Hanoi City	Import and export of all works and equipment lines, machinery, equipment and spare parts...; Investment and trade consulting; Forwarding, transporting goods...	35,893	100%
5	Tools Joint Stock Company No.1 (TJC)	No. 108 Nguyen Trai Street, Thanh Xuan District, Hanoi City	Manufacture and trading of metal cutting tools, measuring tools, pressure processing tools, spare parts for industrial equipment; Construction of civil, industrial, traffic, irrigation, infrastructure, lines and power stations up to 35 kV...	3,868	51%



No	Unit	Address	Main production and business fields	State capital as of MIE 31/12/2025 (billion VND)	Ownership ratio of MIE (contributed capital/VDL)
6	Duyen Hai Mechanical Joint Stock Company (Duyen Hai JS Co.)	No. 133 Old Road 5, Hong An Ward, Hai Phong City	Manufacturing and trading of machinery and industrial spare parts; Manufacturing of all kinds of gear reducers, factory frames and construction steel structures; Manufacturing and trading of dredgers and dredger accessories. Manufacturing and trading of equipment for the shipbuilding industry, lifting equipment, construction rolled steel, shaped steel... Import and export of machinery, equipment and materials.	126,294	98,19%
7	Saigon - Hanoi Investment Trading Joint Stock Company	No. 926 Bach Dang Street, Hong Ha Ward, Hanoi City	Supermarket services, hotels, restaurants, commercial centers; Trading in metals, machinery, equipment...	1,772	20%
8	Hai Duong Grinding Stone Joint Stock Company	No. 296 Hoang Ngan Street, Viet Hoa Ward, Hai Phong City	Production and export trading import of grinding stones, grinding grains, grinding discs, cutting discs, draft paper, materials and equipment for the production of grinding stones and grinding grains; Consulting, supplying, installing equipment and technology for grinding wheel production,...	3,381	2,22%
9	Hai Phong Mechanical Manufacturing Joint Stock Company	150 To Hieu Street, Hai Phong City	Machine production and sales tools, auto parts, motorcycle parts and refrigeration equipment.	1,432	10%
10	Dong Peng Cement Joint Stock Company	Chi Lang Town, Lang Son Province	Manufacturing, buying, selling cement, building materials; Mining of iron ore and other ores; Mining of stones, sand, gravel, clay. Purchase and sale of equipment and materials,...	12,905	10,37%



## **4. Development orientation**

### ***4.1. Main objectives of the Corporation:***

To progressively develop MIE into a core enterprise in the field of mechanical engineering and industrial equipment supply in Vietnam, with a focus on the design, manufacturing, supply, installation, and delivery of complete equipment systems for various industries, thereby contributing to the country's industrialization and modernization in the current context.

In the context of the transfer of the State capital ownership representative rights to SCIC, MIE is focusing on restructuring its governance model towards a streamlined, efficient, and transparent framework; enhancing corporate governance in line with best practices; strengthening internal controls and risk management, thereby maximizing the efficiency of capital utilization and resources.

To further develop traditional product markets with established brand recognition, including machine tools, cutting tools, standardized mechanical products, castings, transformer enclosures, and spare parts; while gradually expanding participation in the production and supply of supporting industrial products for various sectors. MIE also focuses on enhancing the MIE brand in the areas of design, supply, installation, and technology transfer of complete equipment systems for both domestic and international markets.

To continue expanding markets for core traditional products such as machine tools, cutting tools, cast products, steel structures, and auxiliary industrial equipment; while gradually integrating more deeply into the supporting industry supply chain, particularly in the fields of energy, manufacturing and processing, and technical infrastructure.

To strengthen EPC (Engineering, Procurement and Construction) contracting capabilities, prioritizing participation in projects within areas of experience and competitive advantage, including hydropower, thermal power, renewable energy, chemical industry, cement, food processing, and environmental treatment. MIE will proactively establish joint ventures and partnerships with domestic and international partners to enhance competitiveness in bidding for large-scale and technically complex projects.

To promote export activities, expand partnerships, markets, and business lines in industrial equipment manufacturing; and significantly increase the proportion of export revenue in total revenue.

### ***4.2. Development strategy to 2026 and subsequent years:***

#### ***a) For the parent company:***

Strengthen and closely connect with member units to support technology, finance, promote and market for units with potential and key traditional products such as machine tools, cutting tools, regulated goods, casting products, etc. in order to improve quality, lower costs, diversify products, expand the development of the domestic market and promote export to increase revenue for these products.

The parent company is the center, creating mechanisms, cohesion and close coordination with 03 pillar units of MIE: HAMECO, QTMEC, Duyen Hai JS Co to promote the strengths of each unit, as well as creating synergy so that MIE has sufficient capacity to bid and receive bids for complex and valuable items and works in the thermal power industries, hydropower, renewable electric energy, chemicals, cement, food, domestic water treatment, wastewater, clean energy. Up to now, it has mastered a number of technologies



and is capable of working as an EPC general contractor for a number of renewable energy projects such as solar power and continues to strive in the following years as an EPC general contractor in all the above fields.

In addition, focus on the following stages:

- To attach importance to promoting the export market in the industrial market for new and close foreign partners.
- Improve the capacity of designing, supplying, installing, and transferring technology of entire equipment lines to industries.
- Promote joint ventures and associations to bring into full play the capacity of factories, equipment and capital. Take advantage of the capacity in terms of technology, marketing and job search capabilities of joint venture partners.
- Diversify industries, strengthen marketing and order search to promote revenue commensurate with capital and facilities.

*b) For subsidiaries:*

Actively promote the development of the domestic market and export key and traditional products that have been branded: machine tools, cutting tools, regulated goods, casting products, transformer shells, steel structures with mechanical processing, spare parts, etc. supply to industries.

Investment in capacity building: Human resources, equipment for high-tech processing and manufacturing.

***4.3. Sustainable development objectives (environmental, social and community) and main programs related to the short- and medium-term of the Corporation:***

Continue to maintain its position as one of the major units in the field of mechanical engineering, manufacturing and installing all equipment for the industry in Vietnam.

Develop human resources, technology and products at the same time. Be a responsible member of the business community.

Capable of becoming a reputable partner in joint venture activities, suppliers, and customers for domestic and international cooperation.

## **5. Risks**

In addition to objective risks and industry-specific characteristics of the mechanical engineering sector - such as increasing competition and the long implementation cycles of large-scale industrial projects, which are often accompanied by delayed payment schedules affecting cash flows and operational efficiency - MIE is also exposed to the following key risks:

- Strategic risk: The transfer of the State capital ownership representative rights to SCIC may lead to changes in MIE's strategic direction, governance model, and investment objectives across different phases. If such adjustments are not implemented in a timely and coordinated manner, they may affect the continuity of business operations as well as the execution of medium- and long-term plans.

- Human resources risk: As an enterprise operating in the mechanical engineering sector, MIE requires a highly skilled and technically qualified workforce. However, due to limitations in both policy mechanisms and resources, the current compensation framework has not been sufficiently competitive to attract and retain high-quality personnel.



- Competitive risk: Although the domestic mechanical engineering market is relatively large, foreign competitors with advantages in technology, equipment, and even pricing (particularly equipment originating from China), along with agile and flexible private mechanical enterprises, are increasingly gaining a competitive edge.

- Legal and regulatory risk: MIE's production and business activities are significantly influenced by State policies relating to the mechanical engineering sector and raw material markets, particularly steel and metal products. Changes in tax policies, technical standards, public investment regulations, or trade barriers may directly impact input costs, competitiveness, and overall operational efficiency.

- Foreign exchange and monetary policy risk: In the context of limited capital resources for business operations, MIE is significantly affected by fluctuations in interest rates, exchange rates, and monetary policy. Exchange rate volatility may increase the cost of imported materials and equipment, while tightening credit conditions or rising cost of capital may adversely affect MIE's ability to mobilize funds, implement projects, and maintain overall financial performance.

## **II. OPERATIONS IN THE YEAR**

### **1. Situation of production and business operations**

#### **Results of business operations in 2025**

*Unit: Billion VND*

<b>No.</b>	<b>Indicators</b>	<b>Năm 2024</b>	<b>Năm 2025</b>
1	Total asset	2.557,02	2.607,52
2	Owner's Equity	1.446,11	1.455,22
3	Net revenue	1.614,06	1.624,82
4	Cost of Goods Sold	1.450,04	1.435,47
5	Gross Profit	164,02	189,35
6	Financial Income	17,37	12,12
7	Financial Expenses	43,14	48,58
8	Selling Expenses	15,61	15,78
9	General and Administrative Expenses	114,73	127,76
10	Profits from business activities	7,89	9,35
11	Other profits	1,13	13,05
12	Profit before tax	9,02	22,41
13	Profit after tax	7,56	18,36

*Source: Audited Consolidated Financial Statements for 2024 and 2025*



## 2. Organization and Human resource

### List of the Board of Management

No.	Full name	Position	Date of Birth/ Place of Birth	Professional Qualification	ID Number/ Date of Issue/ Place of Issue	Number of Shares Owned and Represented in the Period	Ownership and Representation Ratio (%)	Notes
1	Le Huy Hai	General Director	12/8/1976 Linh Toai Commune, Thanh Hoa Province	Engineer in Electrical and Construction Engineering	038076016280 31/7/2023 PDAMSO	- SCIC-appointed capital representative; number of shares represented: 28.094.890	- SCIC-appointed capital representative; percentage of shares represented: 19,785	
2	Vu Trung Thuc	Deputy General Director	07/8/1978 Dai Xuyen Commune, Hanoi City	Engineer in Mechanical and Computational Engineering	001078004419 10/5/2021 PDAMSO	- Individual shareholding: 1.300 - SCIC-appointed capital representative; number of shares represented: 21.207.702	- Individual shareholding: 0,00092 - SCIC-appointed capital representative; percentage of shares represented: 15	
3	Dau Huy Ngoc Linh	Deputy General Director	02/9/1981 Quynh Luu Commune, Nghe An Province	Bachelor of Economics	040081030314 19/4/2023 PDAMSO	- Individual shareholding: 1.000	- Individual shareholding: 0,00070%	
4	Nguyen Van Giap	Deputy General Director	04/7/1982 Kieu Phu Commune, Hanoi City	Hydraulic Engineer	001082040208 24/4/2021 PDAMSO			Appointed to the position of Deputy General Director effective 5 August 2025
5	Cu Ngoc Phuong	Deputy General Director	12/4/1966 Nguyen Trai Commune, Hung Yen	Mechanical Engineer	033066003769 28/6/2021 PDAMSO			Appointed to the position of Deputy General Director effective 1 December 2025



No.	Full name	Position	Date of Birth/ Place of Birth	Professional Qualification	ID Number/ Date of Issue/ Place of Issue	Number of Shares Owned and Represented in the Period	Ownership and Representation Ratio (%)	Notes
6	To Hong Dan	Deputy General Director	17/11/1981 108 Military Central Hospital, Hanoi City	Engineer in Hydraulic Machinery and Automation; Bachelor of Economic Law	001081008701 29/4/2021 PDAMSO			Appointed to the position of Deputy General Director effective 10 December 2025

### **2.1. Changes in the Board of Management:**

- On 5 August 2025, the Board of Directors of MIE issued Decision No. 568/QĐ-MIE-HĐQT on the term-based appointment of Mr. Nguyen Van Giap, Director of the Investment Consultant and Technical Industrial Service Company, as Deputy General Director of MIE.

- On 28 November 2025, the Board of Directors of MIE issued Decision No. 910/QĐ-MIE-HĐQT assigning Mr. Cu Ngoc Phuong, a member of the Board of Directors, to concurrently hold the position of Deputy General Director of MIE.

- On 10 December 2025, the Board of Directors of MIE issued Decision No. 946/QĐ-MIE-HĐQT on the term-based appointment of Mr. To Hong Dan, who had been performing the duties of Deputy General Director and serving as Head of the Business Development and Market Department, as Deputy General Director of MIE.

### **2.2. Number of staffs:**

As of December 31, 2025, MIE had a total of 830 management staff and employees.

Employee Policies: MIE ensures full compliance with regulations regarding social insurance, health insurance, and unemployment insurance contributions for employees.

MIE also nominates staff and workers to participate in training programs to enhance their skills, expertise, and professional qualifications, meeting work requirements and production demands.

## **3. Investment activities, project implementation**

### **3.1. Major investments:**

#### **a) Project investments:**

Investment activities of MIE in 2025: the total investment disbursed during the year amounted to VND 21.798 billion, primarily allocated to the procurement of equipment to replace outdated assets, the implementation of environmental-related projects in compliance with requirements of competent authorities, and the renovation and repair of workshops to ensure stable and continuous production and business operations.

#### **b) Financial investments:**

No financial investments were made.

### **3.2. Subsidiaries, associated companies**

#### **a) Hanoi Mechanical Company Limited (Hameco):**



Hameco is a single-member limited liability company wholly owned by MIE, representing the largest subsidiary in terms of capital scale within the MIE group. MIE's investment in the Company exceeds VND 644 billion, equivalent to 45.4% of the charter capital of the Parent Company.

In 2025, export orders from the Company's key partners were maintained at a stable level, including counterweight products for Ondo Co., manhole covers for Hasegawa Co., engine casings for TOSHIBA, gearbox housings for N.A Condor, hydropower equipment for VOITH, GLOBAL, and GUGLER, steel rolling components for SMS Group (Germany), and 185-ton load-bearing wheels for Gael Force. However, amid the increasingly unpredictable fluctuations in the global and regional economic environment affecting supply chains, the Company's total export value reached only USD 3.21 million, equivalent to 53.5% of the planned target.

For domestic customers, the Company entered into a contract with the Hanoi Capital High Command to implement the DC82-ST production project. Other orders included crane structure fabrication for Vinalift, casting orders for Thaco, roller pit assemblies and components for the Hoa Phat steel rolling line for HCD, casting blanks for X179 and Z125 factories, as well as various repair orders.

The Company's business performance in 2025 is as follows:

No.	Indicator	Unit	2025 Plan	2025 Actual
1	Total Revenue	Billion VND	950.0	1,033.98
2	Profit Before Tax	Billion VND	7.18	7.90

*b) Quang Trung Mechanical Engineering Company Limited (QTMEC):*

QTMEC is a single-member limited liability company wholly owned by MIE, with an investment capital of VND 163.327 billion, equivalent to 11.5% of the Parent Company's charter capital.

In recent years, the Company has consistently focused on selecting customers with strong potential and sound liquidity, as well as projects with high mechanical engineering content and value-added. At the same time, it has continued to maintain and leverage its advantages in product quality and delivery schedules for key traditional customers such as Hitachi, Taihei, Hyosung, and GE, while actively promoting marketing activities and seeking new customers. As a result, the Company has secured sufficient contracts to ensure stable employment for its workforce throughout the year.

By the end of 2025, the Company achieved and, in most cases, exceeded its key performance targets compared to the annual plan, except for the export target, which reached only 55.5% of the annual plan due to the impact of heightened global economic and geopolitical uncertainties.

The Company's business performance in 2025 is as follows:

No.	Indicator	Unit	2025 Plan	2025 Actual
1	Total Revenue	Billion VND	145.0	150.84
2	Profit Before Tax	Billion VND	1.50	1.66



*c) Mecanimex Products Export-Import Company Limited (Mecanimex):*

Mecanimex is a single-member limited liability company specializing in the import and export of mechanical products, wholly owned by MIE. MIE's investment in the Company amounts to approximately VND 186.945 billion, equivalent to 13.17% of the charter capital of the Parent Company.

In 2025, the Company maintained stable business operations, with total revenue reaching VND 141.7 billion, exceeding the annual plan by 23.9%. The revenue structure remained relatively well-balanced among trading, services, and industrial production activities.

However, profitability remained modest, with profit before tax amounting to VND 0.98 billion, reflecting limitations in production capacity, technology, workforce quality, and market development capabilities. In addition, external factors such as the competitive environment, industry policies, and supply chain conditions continued to have a notable impact on the Company's operations.

Overall, in 2025, the Company's production and business activities achieved the revenue target set for the year; however, operating efficiency remained modest. The Company therefore needs to continue addressing its internal shortcomings while making effective use of available support mechanisms and policies in order to enhance its competitiveness and operational efficiency in the coming years.

The Company's business performance in 2025 is as follows:

No.	Indicator	Unit	2025 Plan	2025 Actual
1	Total Revenue	Billion VND	114.3	141.73
2	Profit Before Tax	Billion VND	0.69	0.98

*d) The Vietnam National Complete Equipment and Technics Import-Export Corporation Limited (Technoimport):*

Technoimport Company is a single-member limited liability company specializing in the import and export of complete equipment and technical solutions, wholly owned by MIE. The Company's investment capital amounts to VND 35.893 billion, equivalent to 2.53% of the Parent Company's charter capital.

In 2025, MIE did not assign any production and business plan targets to the Company. Although the Company carried out the handover and return of land and property facilities at its Ho Chi Minh City branch and its Hanoi office, it continued to incur late-payment charges related to outstanding house and land rental obligations arising prior to its transfer back to MIE. As a result, the Company recorded a loss in 2025. Its core business activities were virtually inactive, with only limited import-export activities conducted at certain branches.

The Company's business performance in 2025 is as follows:

No.	Indicator	Unit	2025 Plan	2025 Actual
1	Total Revenue	Billion VND	Not assigned	1.32
2	Profit Before Tax	Billion VND	Not assigned	-1.10



*e) Duyen Hai Mechanical Joint Stock Company:*

In recent years, Duyen Hai Mechanical Joint Stock Company has undergone a clear shift in its product mix and market structure, with a growing proportion of export orders, including both direct exports and indirect exports through intermediary partners. In 2025, export-related product groups such as Danieli products, Hamada products (Japan), and indirect export products (KongJin) accounted for a significant proportion, estimated at over 30% of total revenue, thereby contributing to market diversification and higher production value.

At the same time, the Company continued to maintain its traditional products for the domestic market, notably hydro-mechanical items for hydropower projects, which accounted for 31% of revenue, and rolling mill spare parts and industrial components, which represented the largest share at 32%. This indicates that the Company has maintained a balance between the domestic and export markets, ensuring production stability while gradually expanding its international market presence.

Overall, the Company's product structure in 2025 showed a positive shift toward a higher proportion of export products, while its traditional business lines remained firmly maintained, thereby providing a stable foundation for production and business activities amid continued market volatility.

The Company's business performance in 2025 is as follows:

No.	Indicator	Unit	2025 Plan	2025 Actual
1	Total Revenue	Billion VND	120.0	125.41
2	Profit Before Tax	Billion VND	1.35	1.58

*g) Tool Joint Stock Company No.1:*

Tool Joint Stock Company No.1 is a joint-stock company in which MIE holds a 51% stake. MIE's investment in the Company amounts to VND 3.836 billion, equivalent to 0.27% of the Parent Company's charter capital.

In 2025, the Company's production and business activities were affected by a number of adverse factors arising from the economic environment, policy changes and market conditions. Changes in the management mechanism, together with additional investment requirements for fire prevention and fighting and environmental protection, increased costs and placed significant pressure on the Company's financial resources.

In addition, rising input costs, including electricity, water, materials and wages, together with borrowing pressure and intense market competition, directly affected the Company's operating efficiency. Nevertheless, the Company maintained stable production operations, ensured employment for its workforce, and gradually adapted to market fluctuations.

Overall, 2025 was a year marked by numerous difficulties and challenges for the Company. Although operating efficiency remained modest, the Company was able to maintain stability in its production and business activities, thereby laying a foundation for gradual improvement and development in the coming years.

In addition, the Company's profit before tax increased significantly due to the recognition of income and profit from the transfer of real estate in Ho Chi Minh City at



the end of December 2025, which contributed an additional profit of approximately VND 5 billion.

The Company's business performance in 2025 is as follows:

No.	Indicator	Unit	2025 Plan	2025 Actual
1	Total Revenue	Billion VND	55.16	62.06
2	Profit Before Tax	Billion VND	0.27	8.17

#### 4. Financial situation of MIE

##### 4.1. Financial situation:

Unit: Billion VND

Indicators	2024	2025	% change	Notes
Total asset	2,557.02	2,607.53	1.98%	
Net revenue	1,614.06	1,624.82	0.67%	
Profits from business activities	7.89	9.35	18.50%	
Other profits	1.13	13.05	1054.87%	
Profit before tax	9.02	22.41	148.45%	
Profit after tax	7.56	18.36	142.86%	
Payout ratio	0	0		

Source: Audited Consolidated Financial Statements for 2024 and 2025.

##### 4.2. Major financial indicators:

Indicators	2024	2025	Notes
1. Solvency ratio			
+ Current ratio:			
Short term Asset/Short term debt	1.63	1.64	
+ Quick ratio:			
$\frac{\text{Short term Asset} - \text{Inventories}}{\text{Short term Debt}}$	0.96	0.87	
2. Capital structure Ratio			
+ Debt/Total assets ratio	43.45%	44.19%	
+ Debt/Owner's Equity ratio	76.82%	79.18%	
3. Operation capability Ratio			
+ Inventory turnover:			
Cost of goods sold/Average inventory	2.055	1.84	
+ Total asset turnover:			
Net revenue/ Average Total Assets	0.64	0.63	



Indicators	2024	2025	Notes
<i>4. Profitability</i>			
+ Profit after tax/ Net revenue Ratio	0.468%	1.130%	
+ Profit after tax/ total capital Ratio	0.523%	1.262%	
+ Profit after tax/ Total assets Ratio	0.296%	0.700%	
+ Profit from business activities/ Net revenue Ratio	0.49%	0.576%	

*Source: Audited Consolidated Financial Statements for 2024 and 2025.*

## **5. Shareholders structure, change in the owner's equity:**

### **5.1. Shares:**

- Total number of floating shares: 141.991.500 shares.

- Types of shares: Ordinary shares.

Of which:

+ Number of freely transferable shares: 141.931.600 shares

+ Number of preferred shares: 59.900 shares.

### **5.2. Shareholders structure:**

*a) Shareholders structure by ownership percentages:*

- Major shareholders:

+ The State shareholder, represented by the Ministry of Industry and Trade as the owner's representative, held 141.384.680 shares, accounting for 99.57% of the charter capital up to and including 28/12/2025.

+ Since 29/12/2025, State Capital Investment Corporation, acting as the owner's representative, has held 141.384.680 shares, accounting for 99.57% of the charter capital.

- Minor shareholders: held 606.820 shares, accounting for 0.43% of the charter capital.

*b) Institutional and Individual shareholders:*

- Institutional shareholders hold 141.404.680 shares, accounting for 99.5867% of charter capital.

- Individual shareholders hold 586.820 shares, accounting for 0.4133% of charter capital.

*c) Domestic and foreign shareholders:*

- Domestic shareholders: 141.991.500 shares, accounting for 100% of the charter capital.

- Foreign shareholders: 0 shares, accounting for 0% of the charter capital.

### **5.3. Change in the owner's equity:**

On 29/12/2025, the Ministry of Industry and Trade and State Capital Investment Corporation officially signed the "Minutes on the Transfer of the Rights and Responsibilities of the Representative of State Capital Ownership in Machines and Industrial Equipment Corporation - JSC from the Ministry of Industry and Trade to State



Capital Investment Corporation.” The value of State capital in Machines and Industrial Equipment Corporation - JSC transferred to State Capital Investment Corporation was VND 1.413.846.800.000, corresponding to 141.384.680 shares.

**5.4. Transaction of treasury stocks:** *None.*

**5.5. Other securities:** *None.*

## **6. Environment-Social-Governance Report of the Company**

### **6.1. Environmental Impact:**

In pursuit of sustainable business development, MIE strictly complies with environmental protection regulations. It fully implements directives from the Prime Minister as well as local departments and agencies concerning water consumption, energy use, and emissions. Each unit within MIE has established specific regulations for workshops, departments, and divisions regarding water usage, energy consumption, and emissions, ensuring efficiency, conservation, and compliance with legal requirements.

### **6.2. Management of raw materials:**

*a) The total amount of raw materials used for the manufacture and packaging of the products as well as services of the organization during the year:*

MIE's core business activities include manufacturing mechanical products, complete equipment lines, industrial construction, installation, and trade. As a result, the primary raw materials used in production are various types of iron and steel. Product packaging primarily consists of wooden planks and boards.

*b) The percentage of materials recycled to produce products and services of the organization:*

The proportion of recycled materials used is minimal. MIE has casting production lines that allow some surplus steel and scrap metal to be recycled as input materials for casting new components and products. Any unusable surplus material is collected and disposed of in compliance with regulations.

### **6.3. Energy consumption:**

*a) Energy consumption - directly and indirectly:*

MIE guides and monitors the annual energy usage of its subsidiaries, compiles energy consumption reports, and formulates energy-saving plans for subsequent years in coordination with local Departments of Industry and Trade. MIE's energy consumption data for 2025 is presented below:

Energy Consumption (2025)							Converted (TOE)
Electricity (kWh)	Coal (tons)	DO (liters)	FO (liters)	Gasoline (liters)	Gas (m <sup>3</sup> )	Others (tons)	
8.120.726	104.79	30.019.0	2,738.3	35,395	1,484.3	0.00	1,386.09

*b) Energy savings through initiatives of efficiently using energy:*

MIE adheres to Directive No. 20/CT-TTg of the Prime Minister on strengthening electricity savings from 2020-2025 and Decision No. 280/QĐ-TTg (2019), which approved the National Energy Efficiency Program (2019-2030). This program targets national energy savings of 5-7% by 2025 and 8-10% by 2030.

Regulations on economical and efficient use of energy were developed and promulgated for application at MIE and its affiliated units.



Plans were formulated, and regular supervision and inspection were conducted in relation to energy use at offices and enterprises. Electrical equipment was arranged and operated in a reasonable manner, with power consumption reduced during peak hours

*c) The report on energy saving initiatives:*

Regulations on energy use in workshops, including pig iron and steel smelting, mechanical processing, structural fabrication, forging, stamping, etc.

Regulations on electricity usage in indirect departments and offices.

Maintenance and servicing requirements for high-loss electrical equipment.

Annual Energy Usage Planning: Based on the previous year's energy consumption data, an energy usage plan and strategy for the following year are developed, ensuring a minimum of 5% savings compared to the previous year.

Based on the established regulations and MIE's annual energy utilization plan, unit heads are assigned the responsibility of overseeing implementation. The monitoring and enforcement are carried out by the Company's leadership and specialized departments, with clear and specific guidelines to implement energy-saving measures and ensure strict supervision, including:

- Melting iron and steel during off-peak hours (third shift), while mold-making, raw material preparation, mold removal, and cleaning operations take place in the first and second shifts.

- Complying with operational guidelines for high-power equipment such as air compressors, shearing machines, and cutting machines to prevent idle operation and energy waste.

- Gradually replacing industrial cooling fans from three-phase to single-phase models.

- Optimizing lighting arrangements and ensuring proper switching on/off by designated personnel.

- Turning off unnecessary electrical devices before leaving rooms and completely disconnecting power when equipment is not in use after working hours. Maximizing natural lighting and ventilation, reducing artificial lighting when occupancy decreases. Designing and installing a rational general lighting system to cut at least 50% of power consumption for lighting in hallways, outdoor areas, and fences.

- Using air conditioning only when necessary, maintaining a cooling temperature of 25°C or higher. Regularly inspecting and maintaining ventilation ducts and thermal conduits to minimize energy loss. Using fans instead of air conditioners when the weather is not excessively hot.

- Purchasing LED and compact fluorescent bulbs to replace incandescent lamps in suitable areas, ensuring that only energy-efficient lighting sources are used in a short period. When replacing electrical equipment, energy-labeled products must be prioritized.

- For high-energy-loss equipment: Establishing maintenance schedules for substations, power cables, cranes, etc. to minimize avoidable losses.

- Regularly monitoring power loss factors and installing power compensators at substations with low power factors.

- Monthly tracking of energy consumption data across different units, calculating losses for each production workshop, office department, and outdoor lighting system to promptly detect and address wasteful energy usage.



Through these energy-saving measures, MIE and its subsidiaries have contributed to improving business efficiency, raising employee awareness of safe and efficient energy usage, and significantly enhancing overall production performance.

#### **6.4. Water consumption:**

##### *a) Water supply and amount of water used:*

The primary water source used by MIE for domestic and production purposes is supplied by water treatment and management units in the respective provinces and cities where MIE's units are located.

##### *b) Percentage and total volume of water recycled and reused:*

The percentage and total volume of recycled and reused water in MIE are negligible. Only cooling water for machining equipment operates in a circulating system and is periodically replaced.

#### **6.5. Compliance with the law on environmental protection:**

*a) Number of times the company is fined for failing to comply with laws and regulations on environment: None.*

*b) The total amount to be fined for failing to comply with laws and regulations on the environment: None.*

#### **6.6. Policies related to employees:**

##### *a) Number of employees, average wages of workers:*

*Total number of employees as of December 31, 2025: 830 employees.*

*Average number of employees in 2025: 830 employees.*

*Average salary: VND 15,12 million per person per month.*

##### *b) Labor policies to ensure health, safety and welfare of workers:*

*- Fully complying with occupational safety regulations as stipulated in the Labor Code and the Law on Occupational Safety and Hygiene.*

*- Ensuring full and proper contributions to social insurance and health insurance as required by law.*

*- Guaranteeing monthly salary payments in accordance with regulations.*

*- Providing welfare benefits and paying attention to employees' well-being.*

*- Equipping engineers and workers with adequate protective gear to ensure workplace safety.*

##### *c) Employee training:*

*Organizing training programs and sending staff for training based on the needs of departments and centers.*

*MIE's leadership is committed to encouraging employees to participate in training programs to enhance their professional capabilities and provides necessary support for study time.*

#### **6.7. Report on responsibility for local community:**

MIE and its subsidiaries recognize that for sustainable development, businesses must not only comply with regulations ensuring production and business activities but also adhere to standards regarding environmental protection, workplace safety, gender equality, labor rights, employee training and development, and community contributions, including social welfare activities such as humanitarian and charitable initiatives...



MIE actively participates in movements organized by local authorities and industry agencies, supports the "Vietnamese People Prioritize Using Vietnamese Goods" campaign, contributes to local funds, supports Agent Orange victims, orphans, and visits families in difficult circumstances and policy beneficiary families.

It also collaborates with local military command units to implement national defense and security measures, ensuring public safety in MIE headquarters.

Furthermore, MIE strictly complies with local regulations on environmental protection, occupational safety, and fire prevention and control.

**6.8. Report on green capital market activities under the guidance of the ssc: None.**

### **III. REPORT AND EVALUATION OF THE BOARD OF DIRECTORS**

#### **1. Evaluation of production and business results**

In 2025, against the backdrop of the domestic economy continuing to maintain its recovery momentum, with the macroeconomic environment remaining fundamentally stable and GDP growth sustained at a relatively high level; lending interest rates commonly ranged from approximately 6,0% – 9,0% per annum (lower than in the previous period). At the same time, the USD/VND exchange rate was kept within a reasonable band, fluctuating around 24.500 – 25.500 VND/USD, thereby creating favorable conditions for MIE's production and business activities, particularly in controlling financial costs and the cost of imported raw materials.

However, MIE still had to face many difficulties and challenges, such as limited technological and equipment capacity; financial resources not yet truly abundant; the quality of human resources requiring further improvement; and increasingly fierce market competition. In that context, with a proactive and flexible approach to management, together with the decisive direction of MIE's leadership and the efforts of its member units, MIE's production and business activities in 2025 still achieved positive results, specifically as follows:

- Total revenue reached 1,656.4 billion VND, equivalent to 106.6% of the annual plan.
- Industrial production value reached 1,336.29 billion VND, equivalent to 95.9% of the annual plan; industrial production revenue reached 1,314.5 billion VND, equivalent to 98.7% of the annual plan.
- Profit before tax reached 22.41 billion VND, equivalent to 195.5% of the annual plan. MIE's consolidated profit before tax exceeded the annual plan as most member units recorded profit before tax above plan.
- Average income reached 15.12 million VND/person/month, equivalent to 116.93% of the annual plan.

#### **2. Financial situation**

The Parent Company has always ensured the effective management of finances, working with credit institutions to secure sufficient capital for production and business activities. However, there are still some issues that need to be focused on and addressed: the outstanding issues from old projects and the recovery of debts. Despite a strong determination to implement many measures to resolve these issues definitively, avoid unnecessary costs, and quickly recover capital for production and business activities, the results achieved are still modest.



Most of the subsidiaries do a good job of balancing cash flow for production and business, making good use of working capital and customer capital to meet capital needs for operations. However, subsidiaries still have many inherent difficulties: most of the machinery lines are outdated, the efficiency of using fixed assets is not high, some machine lines have not been fully exploited, some equipment has not been fully compensated for depreciation costs, etc financial problems have not yet been handled and overcome... leading to low operational efficiency.

### **3. Improvements in Organizational Structure, Policies, and Management:**

#### ***3.1. Improvements in Organizational Structure:***

In 2025, MIE restructured and reorganized the supporting apparatus of the Parent Company in order to enhance management and operational efficiency and ensure alignment with practical requirements. At the same time, this reorganization was aimed at maintaining a flexible organizational structure capable of meeting the demands of reform in the new stage of development, creating conditions for greater specialization, maximizing the capabilities of employees and staff, and contributing to improved production and business performance.

#### ***3.2. Improvements in Policies:***

##### ***3.2.1. Working hours***

With effect from 01/11/2025, MIE's executive office adjusted its in-person working hours in order to help ease traffic congestion in Hanoi, minimize the impact on employees' commuting, and at the same time ensure MIE's production and business activities remained uninterrupted, without affecting the progress or quality of the tasks assigned to employees.

##### ***3.2.2. Application of information technology in work organization and processing***

Since 01/8/2025, MIE has implemented online work management through the Base platform as a step toward replacing previous manual management methods, thereby improving management and administration efficiency; enhancing transparency, discipline and accountability in the performance of duties by departments and individuals; and meeting the requirement to modernize working methods in a more professional manner in line with MIE's digital transformation process.

### **4. Future development plan**

High specialization in the main production and business lines of MIE.

Promote the development of the market for traditional branded goods.

Promote exports, expand partners, markets, and equipment manufacturing fields for industries. Sharply increase the proportion of export revenue to total revenue.

#### ***4.1. For the Parent Company:***

The Parent Company is the center, creating a mechanism, cohesion, and close coordination with subsidiaries to promote all the strengths of each unit, as well as creating synergy for MIE to have sufficient capacity to bid and receive bids for complex and high-value items and works in the thermal power industry. hydropower, renewable electric energy, chemicals, cement, food, domestic water treatment, wastewater, clean energy, renewable energy.

#### ***4.2. For subsidiaries:***

Actively promote the development of the domestic market and export key and traditional branded products: Machine tools, cutting tools, regulated goods, casting



products, transformer shells, steel structures with mechanical processing, spare parts... supply to industries.

## **5. Management's Explanation of the Audit Opinion.**

### **5.1. The Auditor's Opinion Except for the Matters Stated in the 2024 Audited Consolidated Financial Statements:**

(1) As presented in Notes 5.3, 5.4 and 5.5, Section 5, "Notes to the Consolidated Financial Statements", as at 31/12/2025, the Corporation had several outstanding receivables and advances as follows: trade receivables of The Vietnam National Complete Equipment and Technics Import - Export Corporation Limited: VND 59.039.493.041; advances to suppliers of MECANIMEX Products Export-Import Company Limited: VND 20.549.503.289; other receivables of The Vietnam National Complete Equipment and Technics Import - Export Corporation Limited: VND 6.115.416.932. These were outstanding balances existing as at 30/9/2014 (the date used for determining enterprise value for equitization) but had not yet been resolved during the enterprise valuation process or upon the announcement of enterprise value for equitization. In addition, trade receivables of MECANIMEX Products Export-Import Company Limited arising after 30/9/2014 and overdue for payment as at 31/12/2025 amounted to VND 20.848.537.213 (for which a provision of VND 543.275.781 had been made). As at the date of issuance of these consolidated financial statements, the Parent Company and four subsidiaries wholly owned by the Parent Company were awaiting approval from the competent authorities for the finalization of equitization and the resolution of related matters, including these outstanding balances. Accordingly, the Corporation had not made an allowance for doubtful debts in respect of these balances. We were also unable to perform alternative audit procedures to assess the amount of provision required to be recognized as at 31/12/2025. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

(2) As presented in Notes 5.3, 5.4 and 5.5, Section 5, "Notes to the Consolidated Financial Statements", as at 31/12/2025, the Corporation had several outstanding balances as follows: trade receivables of VND 328.790.740, advances to suppliers of VND 234.572.661, and other receivables of VND 18.184.136.530. These outstanding balances are related to the case that occurred at the General Import-Export Trading Enterprise under Quang Trung Mechanical Engineering Company Limited (a subsidiary). According to the aggregated financial statements of Quang Trung Mechanical Engineering Company Limited for the financial year ended 31/12/2025, as the case is still in the judgment enforcement stage, Quang Trung Mechanical Engineering Company Limited has not yet determined the loss in respect of the above doubtful receivables. As at 31/12/2025, the Corporation had not made any allowance for doubtful debts in respect of these outstanding balances. We were also unable to perform alternative audit procedures to assess the amount of provision required to be recognized as at 31/12/2025. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

### **5.2. Explanation:**

(1) Receivables at certain subsidiaries include a number of long-outstanding balances that were overdue prior to 30 September 2014 (the valuation date for equitization) and are pending approval of the equitization finalization by the competent authorities. Such approval will also address related matters, including the aforementioned outstanding receivables. Accordingly, MIE has not assessed any impairment losses in



respect of these receivables of the two subsidiaries in the audited consolidated financial statements for the financial year ended 31 December 2025.

(2) With respect to the audit qualification relating to the case under investigation at the General Import-Export Trading Enterprise, a dependent unit of Quang Trung Mechanical Engineering Company Limited (a subsidiary):

These balances represent financial receivables of the General Import-Export Trading Enterprise (a branch of Quang Trung Mechanical Engineering Company Limited), which are associated with a criminal case that occurred at the enterprise. As at the date of the audited consolidated financial statements for the financial year ended 31 December 2025, the case is in the enforcement stage, and Nguyen Duy Xuyen continues to be subject to legal proceedings initiated by Quang Trung Mechanical Engineering Company Limited. Accordingly, neither the subsidiary nor MIE has assessed any impairment loss in respect of these balances in the audited consolidated financial statements for the year ended 31 December 2025.

On 29 December 2025, the Ministry of Industry and Trade of Vietnam and State Capital Investment Corporation signed a memorandum on the transfer of the State ownership representative rights in Machines & Industrial Equipment Corporation (MIE) from the Ministry of Industry and Trade to SCIC. Under this arrangement, the Ministry of Industry and Trade remains responsible for approving the equitization finalization of MIE.

## **6. Assessment reports related to the Corporation's environmental and social responsibilities**

### ***6.1. Assessment related to environmental indicators (water consumption, energy, emissions, etc.):***

For the sustainable development goal of the enterprise, the Board of Directors of MIE always implements the guidelines and policies of the Board of Directors and closely directs, requiring the heads of units, heads of departments, departments and divisions to propagate and disseminate to all employees to strictly implement the provisions of the environmental law. Fully implement and implement the Prime Minister's Directives, regulations of local Departments, Departments and Branches on tasks such as: Water consumption, energy use, emissions, etc. Units must develop and promulgate specific regulatory documents of each workshop and indirect departments on water use, energy use, emissions, etc. ensuring thrift, efficiency and compliance with regulations.

Develop plans, urge, inspect and regularly report on the implementation of promulgated regulations.

Compare this year's targets with the previous year to make reasonable adjustments.

### ***6.2. Assessment related to employee issues:***

In 2025, MIE ensured stable employment and met workforce demand across the entire system.

Working conditions and the working environment have been fully maintained and progressively improved, supporting stable operations and enhancing productivity and efficiency.

MIE has fulfilled all statutory obligations to ensure employees' rights and benefits in accordance with applicable labor laws.

### ***6.3. Assessment related to the responsibility of enterprises to the local community:***



The Board of Management has implemented and required subsidiaries to effectively carry out community-related responsibilities, including:

- Promoting a diverse workforce to enhance and enrich the business community;
- Improving employees' quality of life;
- Contributing to inclusive, equitable, and sustainable local development;
- Fostering a culture of environmental responsibility within the workforce and workplace;
- Promoting diversity and inclusion as a catalyst for positive change.

#### **IV. EVALUATION OF THE BOARD OF DIRECTORS ON THE OPERATION OF THE CORPORATION**

##### **1. Evaluation by the Board of Directors on all aspects of the Corporation's activities, including assessments related to environmental and social responsibility**

###### ***1.1. Regarding production and business activities:***

The Board of Directors has directed and supervised the Board of Management in implementing the 2025 business plan according to the Resolution of the 2025 Annual General Meeting of Shareholders which has been approved. The parent company and its subsidiaries are trying to complete the assigned production and business plan.

The results of production and business activities in 2025 are as follows:

*Unit: Billion VND*

TT	Quota	Parent Company		Consolidation of Corporations	
		Plan for 2025	Implementation in 2025	Plan for 2025	Implementation in 2025
1	Total Revenue	266.4	281.4	1,553.2	1,656.4
2	Production value	227.4	228.1	1,392.6	1,336.3
3	Profit before tax	2.47	3.22	11.46	22.41
4	Profit after tax	1.97	2.65	8.91	18.36
4	Average income (million/month/year)	19.99	23.87	12.93	15.12

MIE's production and business activities continued to focus on its traditional business lines and core products. In 2025, most key consolidated performance indicators of MIE exceeded the approved plan by favorable margins, particularly consolidated profit before tax and profit after tax, which delivered strong results compared to targets. These achievements reflect the significant efforts of the Board of Management and all employees across MIE during a year characterized by considerable volatility and challenges.

###### ***1.2. The implementation of the restructuring of the Corporation and its subsidiaries:***

In 2025, in line with the Government's overall policy, MIE actively implemented restructuring initiatives in respect of its investee entities. Initial progress has been made, with approval obtained from the competent authorities for the divestment of MIE's equity



interests in two joint-stock companies in which MIE holds controlling stakes, in accordance with applicable regulations.

For underperforming entities, MIE has developed and submitted restructuring plans to the competent authorities for approval, including a bankruptcy plan for Technoimport Company and the continued suspension of operations of MIE's Ho Chi Minh City branch, in order to minimize any adverse impact on the overall operational efficiency of MIE.

### ***1.3. Personnel work:***

In 2025, in order to further strengthen its leadership structure and attract qualified and capable personnel, MIE proactively issued a pilot regulation on the recruitment of a Deputy General Director. The implementation results indicate that the objectives have been achieved effectively.

However, the current management workforce across MIE and its subsidiaries remains insufficient, with many personnel required to undertake multiple roles concurrently.

### ***1.4. Financial work:***

Most units have ensured adequate funding to support their production and business activities. At certain subsidiaries, due to objective constraints in accessing credit from financial institutions, the parent company has implemented supporting measures to maintain stable operations.

However, at some units, certain financial indicators still present potential risks and have not yet reached a satisfactory level of financial safety. In addition, long-standing financial issues have shown limited improvement, particularly in relation to doubtful receivables and slow-moving inventories. Overall business performance remains relatively low compared to equity levels.

### ***1.5. Investment and procurement of assets:***

In 2025, MIE's investment and asset procurement activities primarily focused on the acquisition of small-scale equipment, implementation of environmental-related items in compliance with regulatory requirements, and repairs of workshops and facilities to ensure stable and continuous operations.

Due to limited financial resources, investment and procurement activities have been carefully considered, calculated, and implemented on a cost-efficient basis, ensuring that capital deployment achieves optimal effectiveness.

### ***1.6. Other activities:***

Environmental and social responsibility activities were effectively implemented, with MIE maintaining good performance in environmental protection and community engagement.

## **2. Evaluation of the Board of Directors on the operation of the Board of Management.**

The Board of Directors has exercised oversight over the Board of Management in the execution of its duties, ensuring the implementation of resolutions and decisions of the Board of Directors, as follows:



- The Board of Management has managed and operated MIE's activities in accordance with its assigned functions and responsibilities; reported and sought guidance from the Board of Directors on significant, exceptional matters and those falling under its authority; and ensured the strict implementation of the Board of Directors' resolutions and decisions.

- Regular reports on MIE's production and business performance, as well as its financial position and that of its subsidiaries, have been presented by the General Director at meetings of the Board of Directors. Issues arising during operations have been promptly reported to and addressed with guidance from the Board of Directors.

- Proactively developed the consolidated production and business plan for 2025 for both MIE and the parent company, submitted to the Board of Directors for onward submission to the General Meeting of Shareholders for approval; and organized the implementation of business activities in accordance with the approved plan.

- Proactively reviewed, revised, and restructured internal regulations on functions, duties, and organizational structure, and reorganized the supporting apparatus of the parent company for submission to the Board of Directors for approval.

- Proactively proposed policies on equitization and divestment of MIE's investments in its subsidiaries.

- Implemented financial supervision of subsidiaries in accordance with MIE's issued supervision regulations, ensuring that monitoring results are objective, transparent, and accurately reflect the operational performance of the units.

- Actively addressed outstanding issues relating to ongoing contracts and projects at the parent company, achieving positive outcomes.

- Proactively reviewed, revised, and developed internal regulations and policies in line with operational requirements, thereby strengthening the legal framework for corporate governance.

### **3. Plans and orientations of the Board of Directors**

3.1. The Board of Directors shall develop the production and business plan for 2026, as well as the production and business plan for the 2026–2031 period, and submit these plans to the General Meeting of Shareholders for the 2026–2031 term for consideration and approval.

3.2. The Board of Directors shall direct the General Director to organize and effectively implement the plans approved by the General Meeting of Shareholders, striving to achieve the highest possible performance in the 2026 production and business plan, while also formulating and implementing appropriate management and governance solutions aligned with MIE's operational conditions.

3.3. The Board of Directors shall develop a comprehensive restructuring scheme for the entire Corporation and submit it to the competent authorities for review and approval prior to submission to the General Meeting of Shareholders for final approval.

3.4. The Board of Directors shall direct the General Director to organize a review of the equitization finalization dossiers that have been prepared, ensuring readiness to serve the final settlement process in accordance with the instructions and requirements of the competent authorities.



3.5. The Board of Directors shall direct the General Director to enhance the efficiency of capital utilization and to continue strengthening management and governance at companies in which MIE holds equity interests, with the objective of improving the effectiveness of invested capital at these entities.

3.6. The Board of Directors shall focus resources on gradually resolving legacy issues and improving the overall management and efficiency of capital and assets.

3.7. The Board of Directors shall supervise and direct the General Director and other managers in the day-to-day operations of MIE, as well as in the implementation of resolutions and decisions of the General Meeting of Shareholders and the Board of Directors.

3.8. The Board of Directors shall ensure full and strict compliance with directives of SCIC through the capital representatives of SCIC.

## V. CORPORATE GOVERNANCE

### 1. Board of Directors

#### 1.1. Members and structure of the Board of Directors:

##### The list of members of the Board of Directors

No.	Full name	Position	Number of shares held and/or represented during the period	Ownership and representation (%)	Management positions in other companies	Notes
1	Tran Quoc Toan	Chairman of the Board of Directors	- Individual: 9.600 - Representing SCIC capital: 63,987,198	- Individual: 0,00676 - Representing SCIC capital: 45%		Elected at the 2021 AGM of Shareholders Term: 2021-2026
2	Le Huy Hai	Board Member	-Representing SCIC capital: 28.094.890	- Representing SCIC capital: 19,785%		Elected at the 2024 AGM Term: 2021-2026
3	Vu Trung Thuc	Board Member	- Individual: 1.300 - Representing SCIC capital: 21,207,702	- Individual: 0,00092% - Representing SCIC capital: 15%	Chairman of the Board of Directors of Duyen Hai Mechanical Joint Stock Company (MIE holds 98.19% of charter capital)	Elected at the 2nd Extraordinary General Meeting of Shareholders in 2024 Term: 2021-2026



No.	Full name	Position	Number of shares held and/or represented during the period	Ownership and representation (%)	Management positions in other companies	Notes
4	Hoang Minh Viet	Board Member	- Individual: 1.100	- Individual: 0,00077%		Elected at the 2021 AGM Term: 2021-2026 Dismissed on 26 June 2025
5	Cu Ngoc Phuong	Board Member	0	0	General Director of Duyen Hai Mechanical Joint Stock Company (MIE holds 98.19% of charter capital)	Elected at the 2021 AGM Term: 2021-2026

**1.2. The committees of the Board of Directors: None.**

**1.3. Activities of the Board of Directors:**

In 2025, in compliance with the provisions of the Law on Enterprises, the Charter on Organization and Operation of MIE, and in response to governance and business operation requirements, the Board of Directors of MIE convened 15 in-person meetings and conducted 9 written resolutions by circulation, issuing a total of 59 resolutions and 32 decisions.

**1.4. Activities of the Board of Directors independent members: None.**

**1.5. the list of members of the Board of Directors possessing certificates on corporate governance. The list of members of the Board of Directors participating in corporate governance training programs in the year: None.**

## **2. Board of Supervisors**

**2.1. Members and structure of the Board of Supervisors:**

### **The list of members of the Board of Supervisors**

N o.	Full Name	Position	Date/Place of Birth	Professional Qualification	ID Number / Issue Date / Place of Issue	Shares Represented and Owned	Ownership and Representation Ratio (%)	Notes
1	Dinh Quang Hoa	Head of Board of Supervisors	05/4/1973 My Trach Village, Duong An Commune,	Bachelor of Economics	030073003308 08/12/2021 PDAMSO	0	0	



N o.	Full Name	Position	Date/Place of Birth	Professional Qualification	ID Number / Issue Date / Place of Issue	Shares Represented and Owned	Ownership and Representation Ratio (%)	Notes
			Hai Phong City					
2	Le Thi Minh Huyen	Member of Board of Supervisors	26/7/1972 Phu Tho Province	Bachelor of Economics	026172007322 17/5/2021 PDAMSO	0	0	
3	Nguyen Thi Khanh Ly	Member of Board of Supervisors	22/12/1983 Quynh Phu Commune, Hung Yen Province	Bachelor of Economics	034183000120 10/7/2021 PDAMSO	0	0	

## 2.2. Activities of the Board of Supervisors:

a) The Board of Supervisors has successfully completed the following tasks:

- Supervision over the Board of Directors, the Board of Management, and shareholders:

At the beginning of 2025, the Board of Supervisors convened a meeting to assign specific responsibilities to each member.

- The Board of Supervisors exercised oversight over the Board of Directors and the General Director in relation to management and executive activities in accordance with the Charter of Operation of the Board of Supervisors. The Head of the Board of Supervisors attended all meetings of the Board of Directors, monitored the content and implementation of resolutions and decisions issued by the Board of Directors, and supervised compliance with procedures for convening and conducting meetings in accordance with applicable laws and the Company's Charter.

- The Head of the Board of Supervisors attended all meetings of the Board of Directors and the Board of Management, monitored resolutions and decisions issued by the Board of Directors to remain informed of key directives on business operations, and supervised the performance of duties by the Board of Directors and the Board of Management.

- The Board of Supervisors coordinated with the Finance and Accounting Department and relevant divisions to conduct financial supervision over subsidiaries in 2025 in accordance with applicable regulations.

- The Board of Supervisors submitted to the Annual General Meeting of Shareholders a proposal for the appointment of the independent auditor for the 2025 financial statements.

- The Board of Supervisors reviewed and assessed the audited consolidated financial statements of MIE, as audited by CPA Vietnam Auditing Company Limited, and reported to the Annual General Meeting of Shareholders on the following matters: the performance results of MIE for 2024 and the operational plan of MIE for 2025; and the results of the self-assessment of the Board of Supervisors and each member for 2025.

- The Board of Supervisors reviewed quarterly financial statements and examined reviewed and audited semi-annual and consolidated financial statements for 2025.



- The Board of Supervisors performed other duties in accordance with the Charter of Operation and applicable laws.

- In 2025, no complaints, petitions, or feedback from shareholders or employees were received by the Board of Supervisors.

*b) Coordination Between the Board of Supervisors, the Board of Directors, and the Board of Management:*

- The Board of Supervisors, the Board of Directors, the Board of Management, and management personnel maintained close coordination in governance and operations, contributing to the mitigation of risks in business activities.

- The Board of Directors and the General Director ensured timely and accurate disclosure of information in compliance with applicable regulations. Key information on business performance and financial position was publicly disclosed on the Company's website.

- The Board of Directors and the Board of Management facilitated the Board of Supervisors in performing inspection and supervisory functions and in accessing relevant information and documents upon request.

*c) Other activities of the Board of Supervisors (if any): None.*

*d) Board of Supervisors's meetings:*

No.	Full Name	Position	Meetings Attended	Attendance Rate	Reason for Absence	Dismissal /Appointment of BoS Members
1	Dinh Quang Hoa	Head of BoS	04/04	100%	-	-
2	Le Thi Minh Huyen	Member of BoS	04/04	100%	-	-
3	Nguyen Thi Khanh Ly	Member of BoS	04/04	100%	-	-

### 3. Transactions, remunerations and benefits of the Board of Directors, Board of Management and Board of Supervisors.

#### 3.1. Salary, rewards, remuneration and benefits:

No.	Full Name	Position	Remuneration, Compensation and Other Benefits			
			Annual Salaries and Remuneration	Allowances and Other Income	Payments from the Bonus and Welfare Fund	Total
A	Board of Directors and Management		1.589.700.000	111.560.960	59.500.000	1.760.760.960
1	Tran Quoc Toan	Chairman of the BoD	537.600.000	36.220.960	16.000.000	589.820.960



N o.	Full Name	Position	Remuneration, Compensation and Other Benefits			
			Annual Salaries and Remuneration	Allowances and Other Income	Payments from the Bonus and Welfare Fund	Total
2	Le Huy Hai	Member of BoD, General Director	522.600.000	13.420.000	16.000.000	552.020.000
3	Vu Trung Thuc	Member of BoD, Deputy General Director	401.200.000	27.580.000	16.000.000	444.780.000
4	Cu Ngoc Phuong	Member of BoD, Deputy General Director	73.500.000	-	5.500.000	79.000.000
5	Hoang Minh Viet (dismissed on 26 June 2025)	Member of BoD	54.800.000	34.340.000	6.000.000	95.140.000
<b>B</b>	<b>Deputy General Directors</b>		<b>550.896.521</b>	<b>24.753.912</b>	<b>26.500.000</b>	<b>602.150.433</b>
1	To Hong Dan	Full-time Deputy General Director	368.896.521	24.253.912	16.000.000	409.150.433
2	Dau Huy Ngoc Linh	Concurrent Deputy General Director	49.500.000	500.000	5.500.000	55.500.000
3	Nguyen Van Giap	Part-time Deputy General Director	132.500.000	-	5.000.000	137.500.000
<b>C</b>	<b>Board of Supervisors</b>		<b>449.200.000</b>	<b>23.380.000</b>	<b>16.000.000</b>	<b>488.580.000</b>
1	Dinh Quang Hoa	Head of the Board of Supervisors	391.200.000	23.380.000	16.000.000	430.580.000
2	Le Thi Minh Huyen	Member of the Board of Supervisors	29.000.000			29.000.000



N o.	Full Name	Position	Remuneration, Compensation and Other Benefits			
			Annual Salaries and Remuneration	Allowances and Other Income	Payments from the Bonus and Welfare Fund	Total
3	Nguyen Thi Khanh Ly	Member of the Board of Supervisors	29.000.000			29.000.000
<b>D</b>	<b>Other Key Management Personnel</b>		<b>251.716.000</b>	<b>20.380.000</b>	<b>22.000.000</b>	<b>294.096.000</b>
1	Nguyen Ngoc Hung	Concurrent State Capital Representative	85.500.000	-	5.500.000	91.000.000
2	Dinh Thi Hong Mai	Chairwoman of the Trade Union	166.216.000	20.380.000	16.500.000	203.096.000
<b>E</b>	<b>Total</b>		<b>2.841.512.521</b>	<b>180.074.872</b>	<b>124.000.000</b>	<b>3.145.587.393</b>

**3.2. Share transactions by internal shareholders: None.**

**3.3. Contracts or transactions with internal shareholders: None.**

**3.4. Assessing the Implementation of regulations on corporate governance:**

*a) The Corporation adheres to corporate governance in compliance with legal regulations and its internal governance policies, thereby defining the authority, responsibilities, and working relationships between the Board of Directors, the General Director, and the Board of Supervisors.*

Board of Directors' Activities: In 2025, MIE's Board of Directors issued resolutions and decisions, directing and overseeing the Board of Management in their implementation.

Board of Management's Activities: The Management Board complied with the resolutions and decisions of the Board of Directors and submitted matters within its authority for approval. The General Director managed and operated MIE's business activities while ensuring compliance with MIE's Charter, Financial Management Regulations, and Investment Project Management Regulations....

Board of Supervisors' Activities and the Role of Supervisors:

- The Board of Supervisors monitored the activities of the Board of Directors and the Board of Management based on its operational regulations.

- The Head of the Board of Supervisors attended all Board of Directors meetings, reviewed resolutions and decisions, and ensured that meeting procedures aligned with legal requirements and MIE's Charter.

*b) Information Disclosure and Transparency:*



MIE discloses information in accordance with regulations applicable to large public companies under the Enterprise Law No. 59/2020/QH14 dated June 17, 2020, Decree No. 47/2021/ND-CP dated April 1, 2021, the Securities Law No. 54/2019/QH14 dated November 26, 2019, Circular No. 96/2020/TT-BTC dated November 16, 2020, Decision No. 606/QĐ-SGDHN dated September 29, 2016, and MIE's Information Disclosure Regulations.

In 2025, MIE made both periodic and extraordinary disclosures, including:

- Periodic Disclosure:

+ List of state shareholders and major shareholders for 2025 and the first six months of 2025.

+ Report on the assessment of the implementation results of the 2024 business and production plan.

+ Financial statements, including: Q4 2024; audited financial statements for FY2024; Q1 and Q2 2025; reviewed semi-annual financial statements; and Q3 2025 financial statements.

+ Disclosure regarding the appointment of the audit firm for the review of the semi-annual financial statements and the audit of the 2025 annual financial statements.

+ Corporate governance reports for 2024 and the first six months of 2025.

+ Report on corporate governance practices and organizational structure for 2024.

+ Annual Report for 2024.

- Disclosure related to the General Meeting of Shareholders:

+ Disclosure of information relating to the 2025 Annual General Meeting of Shareholders and accompanying documents.

- Extraordinary Disclosure:

+ Announcement of change in personnel: Chief Accountant of MIE.

+ Confirmation of changes in enterprise registration: change of Chief Accountant.

+ Explanation regarding the continued warning status of MIE shares.

+ Resolution of the Board of Directors on the extension of the timeline for convening the 2025 Annual General Meeting of Shareholders.

+ Explanatory announcement regarding the decision of the Hanoi Stock Exchange to maintain the warning status of MIE shares.

+ Announcement of change in personnel: dismissal of a member of the Board of Directors.

+ Announcement of change in personnel: Chief Accountant of MIE.

+ Appointment of Mr. Nguyen Van Giap as Deputy General Director of MIE.

+ The 13th amendment of the Enterprise Registration Certificate dated 15 August 2025 and confirmation of changes in enterprise registration (change of Chief Accountant).

+ Decision on the adjustment of the 2025 business and production plan of the Parent Company – MIE.



+ Announcement of personnel changes regarding the assignment of responsibilities for corporate governance, Secretary of the Capital Representative Division, and Secretary to the Board of Directors.

+ Decision on the continued temporary suspension of operations of MIE's branch in Ho Chi Minh City.

+ Confirmation of continued temporary suspension of operations of MIE's branch in Ho Chi Minh City.

+ Announcement of personnel changes and decision on concurrent appointment of Mr. Cu Ngoc Phuong, Member of the Board of Directors, as Deputy General Director.

+ Appointment of Mr. To Hong Dan as Deputy General Director.

+ Minutes on the transfer of state capital ownership representation at MIE from the Ministry of Industry and Trade to the State Capital Investment Corporation (SCIC).

*c) Shareholder Rights and Fair Treatment:*

MIE ensures that employee-shareholders can exercise their rights and fulfill their obligations as shareholders in accordance with the Organization and Operations Charter. It promotes their role and responsibility in corporate management and oversight.

## **VI. FINANCIAL STATEMENTS**

### **1. Financial Inspection and Supervision in 2025**

**Financial supervision of subsidiaries by the Parent Company:** MIE commenced financial supervision of subsidiaries in March and the process remains ongoing as of the reporting date.

### **2. Auditor's opinions**

The audit opinion has been addressed and explained in Section III, Item 5 of this Report.

### **3. Audited financial statements**

The consolidated financial statements of MIE and the separate financial statements of the Parent Company for 2025 have been audited and disclosed to the Hanoi Stock Exchange, the State Securities Commission of Vietnam, the National Business Registration Portal, and the official website of The Machines and Industrial Equipment Corporation (MIE) (link: <https://mie.com.vn/bao-cai-tai-chinh.html>).

### **4. Other Activities**

#### **4.1. The implementation of divestment from non-core investments**

In 2025, divestment activities from non-core investments at certain subsidiaries (such as Hanoi Mechanical Company and Mecanimex) showed no significant progress compared to 2024.

#### **4.2. Compliance with Tax Obligations**

In general, subsidiaries of MIE complied with applicable tax laws and regulations, with no prolonged delays in tax declaration or payment, except for Technoimport.

#### **4.3. Implementation of Reporting Regime**

- **Parent Company:** In 2025, the Parent Company complied with regulations on



financial reporting and supervisory reporting applicable to MIE.

- **Subsidiaries:** The majority of subsidiaries complied with deadlines and requirements for submission of financial statements and supervisory reports.

***Recipients:***

- As above;
- BoD, BoS(for reporting);
- HR; GAD; Office;
- Archived: Administration, FAD.

**CONFIRMATION BY THE  
COMPANY'S LEGAL  
REPRESENTATIVE**

*(Signature, full name and seal)*



**Le Huy Hai**

