

PROPOSAL

Approval of the Audited Financial Statements for the fiscal year ending December 31, 2024 of Vietnam Machinery Installation Corporation - JSC

To: The 2025 Annual General Meeting of Shareholders of
Vietnam Machinery Installation Corporation - JSC

Pursuant to Law on Enterprises No. 59/2020/QH14 dated June 17, 2020;

Pursuant to the Charter of organization and operation of Vietnam Machinery Installation Corporation - JSC;

Based on the 2024 Financial Statements of Vietnam Machinery Installation Corporation - JSC audited by AASC Auditing Company Limited,

The Board of Directors of the Corporation respectfully submits to the 2025 Annual General Meeting of Shareholders for approval of the 2024 Separate Financial Statement and the 2024 Consolidated Financial Statement of Vietnam Machinery Installation Corporation - JSC audited by AASC Auditing Company Limited (*The financial statement is attached to the documents of the General Meeting of Shareholders*). A summary of key indicators is as follows:

I. SEPARATE FINANCIAL STATEMENTS FOR THE YEAR 2024:

1. Assets - Capital:

NO.	Target	VND	Amount
I	TOTAL ASSETS	VND	5,456,847,636,714
1	Current assets	VND	4,760,179,231,454
2	Long-term assets	VND	696.668.405.260
II	TOTAL CAPITAL	VND	5,456,847,636,714
1	Liabilities	VND	4,459,648,220,309
2	Owner's Equity	VND	997.199.416.405

2. Business performance results in 2024:

NO.	Target	VND	Amount
1	Sales and service revenue	VND	6,063,679,892,214
2	Total net profit before tax	VND	95,644,541,841
3	Profit after corporate income tax	VND	94.215.472.485

3. Auditor's Opinion on Separate Financial Statements

The audit report with an unqualified opinion and emphasis of matter is as follows:
"We would like to note the following content:

In note 2.3 - "Basis for preparing separate financial statements", up to the time of issuance of this report, the work related to the equitization settlement of the Corporation is still being carried out and the Corporation has not yet received the decision of the competent authority approving the settlement of the value of State capital at the time of official conversion into a joint stock company.

This matter to be emphasized does not modify our unqualified audit opinion stated above."

II. CONSOLIDATED FINANCIAL STATEMENTS 2024:

1. Assets - Capital:

NO.	Target	VND	Amount
I	TOTAL ASSETS	VND	6,116,540,524,913
1	Current assets	VND	5,257,743,842,325
2	Long-term assets	VND	858.796.682.588
II	TOTAL CAPITAL	VND	6,116,540,524,913
1	Liabilities	VND	5.138.300.957.827
2	Owner's Equity	VND	978.239.567.086

2. Business performance results in 2024:

NO.	Target	VND	Amount
1	Sales and service revenue	VND	6.101.321.678.819
2	Total net profit before tax	VND	82.811.510.195
3	Profit after corporate income tax	VND	79,224,943,547

3. Auditor's opinion on the Consolidated Financial Statements:

The audit report is a report with exceptions and issues to be emphasized, specifically as follows:

Exception:

"1. Issues at Subsidiaries affecting the consolidated financial statements:

Accounts receivable and provisions for doubtful debts

As of January 1, 2024 and December 31, 2024, the Corporation's subsidiaries, including Lilama Mechanical Installation Joint Stock Company, Lilama 5 Joint Stock Company and Lilama 7 Joint Stock Company, recorded a number of overdue receivables with a total value of VND 79.91 billion and VND 78.32 billion, respectively. However, we have not yet collected evidence of the Board of Directors' assessment as well as other relevant documents on the collectibility of these receivables. Therefore, we are unable to determine the necessary adjustments (if any) to the Corporation's Consolidated Financial Statements for the fiscal year ended December 31, 2024.

Inventory

We have performed the necessary audit procedures, however, we cannot ensure the accuracy and loss (if any) of the unfinished production and business costs at the subsidiaries of the Corporation, including: Lilama Mechanical Installation Joint Stock Company, Lilama 5 Joint Stock Company and Lilama 7 Joint Stock Company with the total value at January 1, 2024 and December 31, 2024 being VND 301.45 billion and VND 287.24 billion, respectively. Therefore, we have not determined the necessary adjustments related to the item "Unfinished production and business costs" as well as the impacts (if any) on the Consolidated Financial Statements for the fiscal year ending December 31, 2024 of the Corporation.

Liabilities

As of January 1, 2024 and December 31, 2024, the Corporation's subsidiary - Lilama 5 Joint Stock Company is reflecting overdue interest expenses with the same amount of VND 74.01 billion and a loan from the Bank for Investment and Development of Vietnam - Bim Son Branch (BIDV) with the amounts of VND 183.01 billion and VND 182.96 billion, respectively. With the audit procedures performed, we do not have a basis to determine the accuracy and completeness of the interest expenses recorded in this year and previous years as well as the accuracy and obligation for the balance of the loan to BIDV Bank of this subsidiary. Therefore, we cannot assess the impacts (if any) related to the items "Short-term payable expenses", "Borrowings and financial lease liabilities" at January 1, 2024 and December 31, 2024 and the "Financial expenses" indicator on the Consolidated Financial Statements for the fiscal year ending December 31, 2024 of the Corporation.

As of January 1, 2024 and December 31, 2024, the Corporation's subsidiary - Lilama Mechanical Installation Joint Stock Company is presenting the accumulated interest expense from 2023 to the end of 2024 for short-term loans to Vietnam Joint Stock Commercial Bank for Investment and Development - Ninh Binh Branch, the amounts are VND 10.81 billion and VND 21.31 billion respectively in the item "Other short-term receivables" without recording in the annual business results. This leads to the fact that on the Consolidated Income Statement, the "Financial Expenses" indicator for 2024 and the comparative figures for 2023 are being understated, leading to the "Total accounting profit before tax" indicator being overstated with the same amount of VND 10.5 billion and VND 10.81 billion, respectively. On the Consolidated Balance Sheet as of January 1, 2024 and December 31, 2024, the "Other short-term receivables" and "Undistributed profit after tax" indicators are being overstated with the amounts of VND 10.81 billion and VND 21.31 billion, respectively.

As of December 31, 2024, according to the announcement of the Social Insurance agency at the Corporation's subsidiary - Lilama Mechanical Installation Joint Stock Company, it is obliged to pay late payment interest on Social Insurance with an accumulated amount of 7.07 billion VND (as of January 1, 2024, it is 5.95 billion VND), of which the late payment interest arising in 2024 is 1.13 billion VND (in 2023, it is 0.93 billion VND). This late payment penalty has not been recorded by the Subsidiary on the Financial Statements for the fiscal year ending on December 31, 2024, which leads to the "Other short-term payables" indicator being recorded lower, the Undistributed Profit after tax indicator on the Consolidated Balance Sheet as of December 31, 2024 is reflecting higher with the same amount of VND 7.07 billion (at January 1, 2024, the corresponding impact is VND 5.95 billion). The "Profit after corporate income tax" indicator on the Consolidated Business

Results Report in 2024 is reflecting higher by VND 1.13 billion (in 2023 , the corresponding impact is VND 0.93 billion).

Some other issues

At the Subsidiary - Lilama 7 Joint Stock Company, the amount of " Long-term prepaid expenses" as of January 1, 2024 and December 31, 2024 is VND 8.72 billion and VND 2.1 billion, respectively. Through the audit procedures performed, we cannot assess the appropriateness of the above figures to the Consolidated Balance Sheet as of January 1, 2024 and December 31, 2024 as well as the impact of this issue on the Consolidated Financial Statements for the fiscal year ending December 31, 2024 of the Corporation.

We are unable to assess the appropriateness of the balances of receivables and payables at January 1, 2024 and December 31, 2024 at the Subsidiary - Lilama 7 Joint Stock Company with the receivable amounts of VND 18.40 billion and VND 20.98 billion, respectively , and payable amounts of VND 34.18 billion and VND 33.42 billion, respectively, as well as the impact of this matter on the Consolidated Financial Statements of the Corporation.

At the Subsidiary - Lilama 7 Joint Stock Company is recording interest and late payment penalties for land lease and infrastructure fees arising from previous years into other expenses in 2024 according to Arbitration Award No. 40/19 dated February 4, 2020 between Lilama 7 Joint Stock Company and Saigon - Da Nang Investment Joint Stock Company with an amount of VND 4.9 billion without retroactively adjusting these expenses into the business results of previous years . This leads to the indicator " Undistributed profit after tax " on the Consolidated Balance Sheet as of January 1, 2024 being reflected higher and the indicator "Total accounting profit before tax" on the Consolidated Business Performance Report 2024 of the Corporation being reflected lower with the same amount of VND 4.9 billion.

2. Issues at Associated Companies affecting the consolidated financial statements:

The Corporation is accounting for investments in Associates using the equity method as presented in Note 2.9 - Notes to the consolidated financial statements. However, the value of this equity method investment has not been considered for the impact of the basis of the qualified and disclaimer audit opinions stated in the Audit Reports for the 2024 Financial Statements of the Companies: Lilama 45-1 Joint Stock Company, Lilama 45-3 Joint Stock Company, Lilama 69-1 Joint Stock Company, Lilama 69-3 Joint Stock Company, Lilama Real Estate Joint Stock Company and Lilama Experimental Equipment Installation Joint Stock Company . electricity . We are unable to assess the impact of these matters on the Financial Statements of the above entities. Therefore , we are unable to determine the necessary adjustments (if any) to the item " Investment in joint ventures and associates" (Code 252 on the Consolidated Balance Sheet) as of January 1, 2024 and December 31, 2024 and the item "Profit or loss in joint ventures and associates" (Code 24 on the Consolidated Statement of Business Performance) for the fiscal year ended December 31, 2024 of the Corporation.

Qualified Audit Opinion

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

flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and the relevant statutory requirements applicable to financial reporting."

Reason for exception:

1.1 Regarding issues affecting consolidated financial statements arising at subsidiaries:

Regarding the opinion on receivables and provision for doubtful debts : Currently, the general economic situation is facing many difficulties , therefore , customers of the Corporation's subsidiaries (Lilama 5, Lilama 7 and Lilama Mechanical Installation) are facing many difficulties in arranging payment sources. Along with that , the project settlement is still facing many difficulties . Therefore, the subsidiaries are setting up provisions based on the Company 's loss assessment .

Regarding the exception on inventory: The Financial Statements of 03 subsidiaries of LILAMA, including: LILAMA 5, LILAMA 7 and LILAMA Mechanical Installation Company , currently reflect the exception on the accuracy and loss (if any) of the item Unfinished Production and Business Costs. The reason is that the above companies have not provided full documents proving the benefits that can be obtained from the inventory or the losses (if any) of the item Unfinished Production and Business Costs to the auditors. In the coming time, the above companies will conduct inspections, comparisons and determine losses (if any) at the projects to fully reflect the costs in the production and business results.

Regarding financial expenses and payable expenses of Lilama 5 Company : At January 1, 2024 and December 31, 2024, Lilama 5 had overdue bank loans, however, the company and the banks have not yet reconciled and confirmed the loan interest and late payment penalties for overdue loans . Therefore , the auditing unit gives its opinion on this loan as well as the financial expenses arising in relation to this loan.

Regarding the financial expenses of Lilama Machinery Installation : The Company is estimating and temporarily recording the interest expense payable in 2024 for the short-term loan at Vietnam Joint Stock Commercial Bank for Investment and Development - Ninh Binh Branch with an amount of VND 21.3 billion in the item "Other short-term receivables" that has not been recorded in the business results in 2024. Lilama Machinery Installation is working with the Bank to compare and determine the value of the interest to accurately reflect the production and business results.

Regarding the late payment penalty interest according to the Notice of the Social Insurance Agency of Lilama Machinery Installation: Lilama Machinery Installation is working with the insurance agency to request a postponement or extension of the payment of the social insurance principal debt, as well as a request for exemption of late payment penalty interest. Based on the results of the work, the Company will reflect it in the financial statements and business production results.

For prepaid expenses of Lilama 7 Company : These are tools and equipment, long-term expenses, however, the Company has not yet inventoried and accurately evaluated them to determine allocation to production and business expenses.

Regarding the receivables and payables of Lilama 7 Company: The Company has sent a reconciliation report of receivables and payables to customers, but at the time of the audit,

the Company has not received the full reconciliation report, leading to the auditor's opinion on the receivables and payables.

Regarding interest and late payment penalties for land lease and infrastructure fees arising from previous years , the Company will pay interest and late payment penalties in 2024 , so the Company will record these expenses in the year and not retroactively adjust them to the business results of previous years .

1.2 Regarding issues affecting the consolidated financial statements arising at the associated company

Based on the audit opinion on the 2024 financial statements of the associated companies including: Lilama 45.1, Lilama 45.3, Lilama 69-1, Lilama 69-3, LILAMA Real Estate Joint Stock Company and Mechanical Installation - Testing Joint Stock Company electricity ; the auditors of the auditing company all gave audit opinions that were not fully accepted. On the other hand, the auditors of the auditing company AASC (auditing the consolidated financial statements of LILAMA) could not collect sufficient appropriate audit evidence to determine the impact (if any) related to the item " Investment in joint ventures and associates" and the item " Profit or loss in joint ventures and associates" and gave an exception opinion on this issue .

Points to note:

" We would like to note the following content:

In note 2.3 - " Basis for preparing consolidated financial statements", up to the time of issuance of this report, the work related to the equitization settlement of the Corporation is still being carried out and the Corporation has not yet received the decision of the competent authority on approving the settlement of the value of State capital at the time of official conversion into a joint stock company.

This matter to be emphasized does not modify our audit opinion except as stated above."

We respectfully submit to the General Meeting of Shareholders for consideration and approval./.

**ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN**

Recipient:

- As above;
- Board of Directors;
- Board of Supervisors;
- Archived: Finance-Acct.Dept;
Board of Directors.

