



ANNUAL REPORT

VIETNAM MACHINE INVESTMENT DEVELOPMENT JOINT STOCK COMPANY

2024



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OVERVIEW OF VIETNAM MACHINE INVESTMENT DEVELOPMENT JOINT STOCK COMPANY

Registered name in Vietnamese: **CÔNG TY CỔ PHẦN ĐẦU TƯ PHÁT TRIỂN MÁY VIỆT NAM**

Registered name in English: **VIETNAM MACHINE INVESTMENT DEVELOPMENT JOINT STOCK COMPANY**

Abbreviated Name: VIMID JSC

Business Registration Certificate No.: 0104498100

First registration: March 5, 2010

15th Amendment: November 21, 2024

Charter capital: VND 215,250,000,000 (In words: Two hundred fifteen billion two hundred fifty million Vietnamese Dongs)

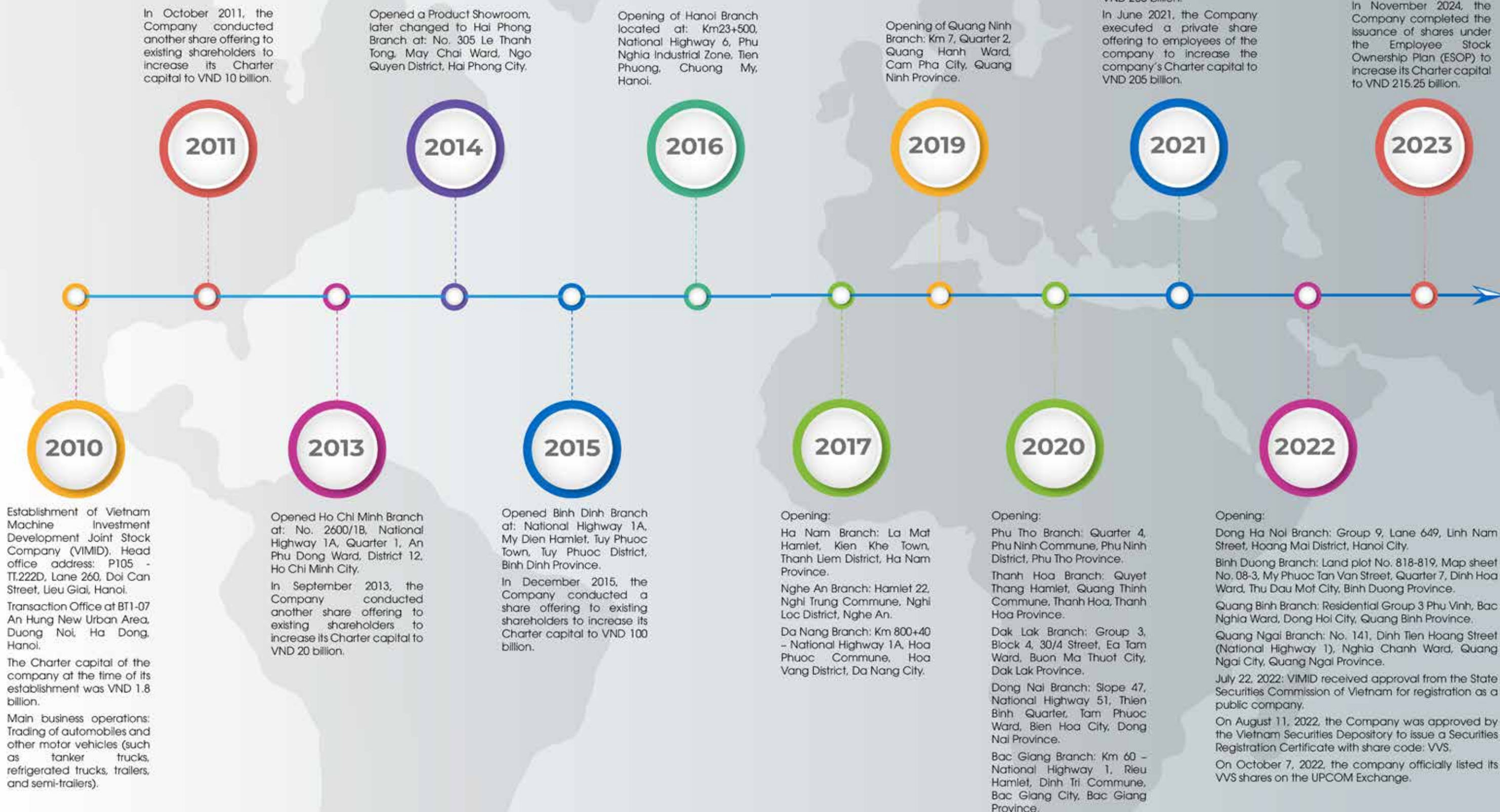
Head office address: BT1-07, An Hung New Urban Area, To Huu Street, Duong Noi Ward, Ha Dong District, Hanoi City, Vietnam

Phone number: 024.6666.1788

Website: www.vimid.vn

Securities code: VVS

01 ESTABLISHMENT PROCESS AND DEVELOPMENT STAGE OF THE COMPANY



02 BUSINESS LINES OF THE COMPANY

No.	Name of business lines	Code of business lines
1	Commission agents, brokers and auction agents <i>Details: Sales agency of goods</i>	4610 (main)
2	Retail sale of small cars (with 9 or fewer seats)	4512
3	Sale of parts and accessories for motor vehicles and other motor vehicles	4530
4	Maintenance and repair of motor vehicles	4520
5	Sale of motorcycles	4541
6	Sale of motorcycle parts and accessories	4543
7	Sale, maintenance and repair of motorcycles	4542
8	Commission agents for automobiles and other motor vehicles	4513
9	Wholesale of motor vehicles and other motor vehicles	4511

(Source: Vietnam Machine Investment Development Joint Stock Company)



03 INFORMATION ON THE GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGEMENT STRUCTURE

3.1. Governance model

Vietnam Machine Investment Development Joint Stock Company operates under the standard corporate governance structure for joint stock companies including: the General Meeting of Shareholders, the Board of Directors, the Audit Committee of the Board of Directors and the Directors in accordance with Point b, Clause 1, Article 137 of the Law on Enterprises.

3.2. Business operational model

The company follows a Head office - Branch operational model. In 2024, Vietnam Machine Investment Development Joint Stock Company (VIMID) restructured and optimized its nationwide branch network to align with the business situation of the Company, accordingly, the Company currently has 16 branches nationwide.

Diagram No. 1. Business organizational model



Source: VVS



LIST OF COMPANY BRANCHES

Ha Noi

Tien Phuong Industrial and Handicraft Site,
Son Dong Hamlet, Tien Phuong Commune,
Chuong My District, Hanoi City

Dong Ha Noi

Group 9, Lane 649, Linh Nam Street,
Hoang Mai District, Hanoi City

Phu Tho

Zone 4, Phu Ninh
Commune, Phu Ninh
District, Phu Tho Province

Quang Ninh

Km7 - National Highway 18, Quang Hanh Ward,
Cam Pha City, Quang Ninh Province

Bac Giang

Km 60 - Highway 1, Rieu Hamlet, Dinh Tri
Commune, Bac Giang City, Bac Giang Province

Thanh Hoa

Tien Thanh Hamlet, Hoang Loc Commune,
Hoang Hoa District, Thanh Hoa Province

Hai Phong

Traco Dinh Vu, 356 Dinh Vu Street, Km2+100,
Dong Hai 2 Ward, Hai An District, Hai Phong City

Nghe An

Hamlet 2, Nghi Trung Commune,
Nghi Loc District, Nghe An Province

Ha Nam

La Mat Hamlet, Kien Khe Town,
Thanh Liem District, Ha Nam Province

Dak Lak

Group 3, Block 4, 30/4 Street, Ea Tam Ward,
Buon Ma Thuot City, Dak Lak Province

Da Nang

Km 800+40 of Highway 1A, Hoa Phuoc
Commune, Hoa Vang District, Da Nang City

Dong Nai

No.47, National Highway 51, Thien Binh Quarter,
Tam Phuoc Ward, Bien Hoa City, Dong Nai Province

Quang Ngai

No. 141, Dinh Tien Hoang Street
(National Highway 1),
Nghia Chanh Ward, Quang Ngai City,
Quang Ngai Province, Vietnam

Binh Duong

Land plot No. 818-819, Map sheet No. 08-3,
My Phuoc Tan Van Street, Dinh Hoa Ward,
Thu Dau Mot City, Binh Duong Province.

Binh Dinh

My Dien Hamlet, Tuy Phuoc Town,
Tuy Phuoc District, Binh Dinh Province

Ho Chi Minh

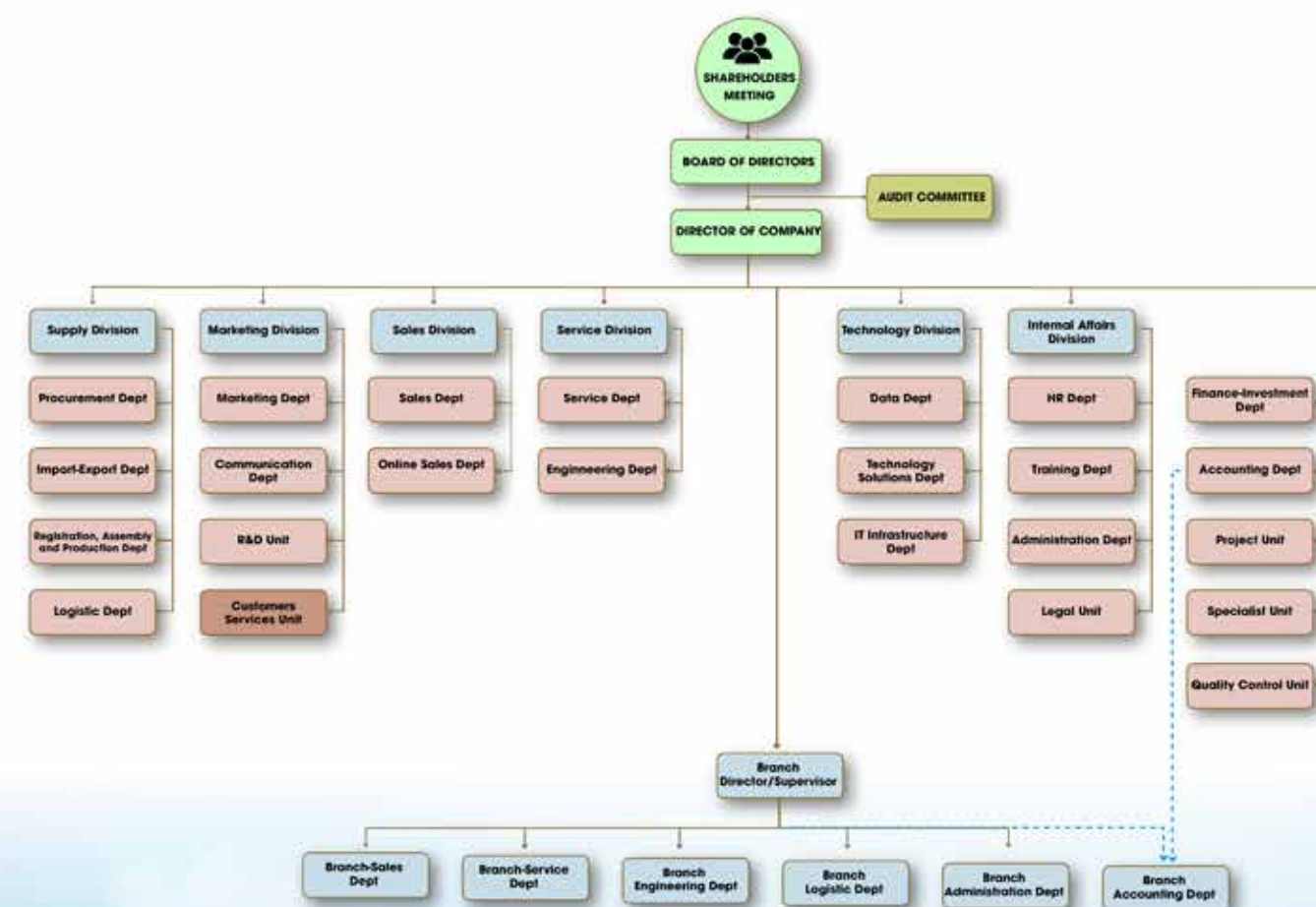
2600/1B National Highway 1A, Quarter 1,
An Phu Dong Ward, District 12, Ho Chi Minh City

★ CN VIMID
— National Highway 1A
— INTERPROVINCIAL ROAD

3.3. Organizational Structure

Currently, Vietnam Machine Investment Development Joint Stock Company is organized and operates under Law on Enterprises No. 59/2020/QH14 approved by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020.

The governance and management structure of the Company is based on the Company Charter approved by the General Meeting of Shareholders on May 29, 2021.



(Source: VVS)

✓ GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders consists of all shareholders with voting rights, being the highest authority of the Company, deciding on issues stipulated by law and the Company's Articles of Association. The General Meeting of Shareholders will approve the annual financial statements of the Company and the financial budget for the following year.

✓ BOARD OF DIRECTORS

The Board of Directors is the management body of the Company, with full authority to act on behalf of the Company to decide all issues related to the purposes and interests of the Company, except for those issues within the authority of the General Meeting of Shareholders. The Board of Directors is responsible for overseeing the CEO and other managers. The rights and obligations of the Board of Directors are stipulated by law and the Company's Articles of Association, internal regulations of the Company and resolutions of the General Meeting of Shareholders. The Board of Directors has 05 members. The Board of Directors elects one member to be the Chairperson.

✓ AUDIT COMMITTEE

The Audit Committee is a specialized body under the Board of Directors. The Chairperson of the Audit Committee is an independent member of the Board of Directors. Other members of the Audit Committee shall be non-executive members of the Board of Directors.

✓ DIRECTOR OF THE COMPANY

The Director of the Company is the executive who decides on issues related to the Company's daily operations and is responsible to the General Meeting of Shareholders, the Board of Directors and the law for his/her decisions and the results of production and business activities. Determine the organizational structure, responsibilities and powers of subordinate units, management levels in the company, develop long-term and annual production plans, business plans, new investment projects, joint ventures to submit to the Board of Directors and the General Meeting of Shareholders for approval.

Reporting to the Director of the Company are Directors of Specialized Divisions/Branch Directors who advise and support the Director of the Company in management and operations, with the following functions and responsibilities:

Functions: Implement management and operation activities on the system according to the objectives assigned by the Company's Leadership from time to time. The professional director is directly responsible to the Leadership in his/her assigned area of responsibility.

Tasks: Developing strategies, operating, managing activities in the field of operations in charge; developing quality policies and standards; Designing the operational personnel apparatus for each department in charge and supervising the implementation.

DIVISIONS/DEPARTMENTS/UNITS

✓ SALES DIVISION: including (1) Sales Department and (2) Online Sales Department

● SALES DEPARTMENT:

Functions: Managing sales channel system, sales policy, organizing sales activities, planning, managing customer relationships related to the field of vehicle product business. Taking responsibility for business performance to the Board of Management of the Company.

Tasks: Developing detailed sales policies and establishing sales plans for each stage to suit the needs of customers; build and develop customer sources, manage customer data, maintain old customers, expand new customer systems; make business plans, analyze and calculate product costs and product selling prices according to each item in charge. Monitoring and evaluating vehicle business performance on the channels in charge.

● ONLINE SALES DEPARTMENT:

Functions: Organizing the construction and implementation of sales activities (vehicles, spare parts, services) on online channels according to the objectives assigned by the Leadership. Managing customer relations on assigned platforms and be responsible to the Company's Leadership for the performance in the field of online activities.

Tasks: Implementing business activities of the company's products and services on online platforms. Monitoring, evaluating and proposing effective business solutions and campaigns on each channel and each segment to ensure performance and optimize costs.

MARKETING DIVISION: includes (1) Marketing Department; (2) Communication Department; (3) R&D Unit; (4) Customer Service Unit.

● Marketing Department:

Functions: Organizing and implementing market research, developing sales policies, managing marketing activities on the system. Organizing sales promotion activities for domestic and foreign markets.

Tasks: Collecting all market information related to the Company's business fields to determine the market scope for current products and make forecasts on the demand of new products and goods, consumption trends and brand positioning; Developing and implementing marketing strategies to promote the Company's products and strengths.

● COMMUNICATION DEPARTMENT:

Functions: Managing the corporate brand system Establishing, positioning, promoting and supervising the system of brands, trademarks and images; organizing the implementation of communication activities according to the objectives assigned by the Company's Leadership.

Tasks: Assuming prime responsibility for developing annual strategies, plans and programs on communication - Acting as a focal point for information on all aspects of the Company's activities within the system and to the public; performing the company's spokesperson Tasks.

● R&D UNIT:

Functions: Organizing and implementing research and development, improving new products and services in line with the development direction of the system, ensuring the goals assigned by the Leadership.

Tasks: studying the trend of using products and services, improving the development of products and services to meet the needs and tastes of future customers.

● CUSTOMER SERVICE UNIT:

Functions: Measuring and improving the level of customer satisfaction with the company's products and services. Developing strategies, policies, programs, customer care scenarios applied in the system.

Tasks: Carrying out pre-sales, in-sales, and post-sales customer care activities, and handling arising complaints.

SERVICE DIVISION: includes (1) Service Department and (2) Engineering Department

● SERVICE DEPARTMENT:

Functions: Developing and organizing the implementation of strategies related to service and spare part business. Taking responsibility for the business performance of the Unit in charge of the Board of Management of the Company.

Tasks: Developing detailed sales policies and establishing sales plans for each stage to suit the needs of customers; build and develop customer sources, manage customer data, maintain old customers, expand new customer systems; make business plans, analyze and calculate product costs and product selling prices according to each item in charge. Monitoring and evaluating the performance of the spare parts and services business to provide an appropriate way to improve and ensure optimal costs.

● ENGINEERING DEPARTMENT:

Functions: Managing technical operations, technical innovation, and production optimization; oversee operations, maintenance; conducting scientific research, technology development, and production environmental safety.

Tasks: Developing detailed policies, standards, technical norms, and establishing operational plans for the engineering department and branches for each stage to align with customer demand.

TECHNOLOGY DIVISION: includes (1) Data Department; (2) Technology Solutions Department; (3) IT Infrastructure Department.

● **DATA DEPARTMENT:**

Functions: Managing data, research and design storage systems, and establishing data connectivity to facilitate data utilization.

Tasks: Building and managing the data center, ensuring data storage, connectivity, and security across the system.

● **TECHNOLOGY SOLUTIONS DEPARTMENT:**

Functions: Managing technology solutions and technology application systems.

Tasks: Developing, enhancing, and operating the company's IT solution application systems..

● **IT INFRASTRUCTURE DEPARTMENT:**

Functions: Managing IT infrastructure systems and information security.

Tasks: Design, build, and operate IT infrastructure systems; develop information security policies; implement data protection and cybersecurity measures.

SUPPLY DIVISION: includes (1) Procurement Department; (2) Import-Export Department; (3) Registration, Assembly and Production Department; (4) Logistics Department.

● **PROCUREMENT DEPARTMENT**

Functions: Organizing and implementing domestic and foreign procurement activities to ensure the supply of goods for the system. Managing outsourced services to ensure consistency and efficiency across the system. Overseeing supplier management and partnership relations.

Tasks: Developing policies and standards for domestic and international supplier management; research domestic and international markets; execute procurement operations for vehicles, spare parts, goods, services, and machinery/equipment company-wide; overseeing warranty activities with suppliers.

● **IMPORT-EXPORT DEPARTMENT**

Functions: Managing the import/export of goods, spare parts, temporary import and re-export activities, customs clearance of goods in accordance with the Company's professional standards and ensuring compliance with the provisions of applicable laws.

Tasks: Completing procedures and documents for import and export of goods such as sales contracts, shipping documents, import and export documents, payment procedures, goods delivery procedures; coordinating to carry out L/C opening activities, making bank guarantees; Receiving, checking, comparing, importing and exporting goods records with the actual quantity at the border gate during customs clearance documents; managing and tracking orders and contracts. Coordinating with relevant departments to ensure on-time delivery and receipt of goods.

● **REGISTRATION, ASSEMBLY AND PRODUCTION DEPARTMENT**

Functions: Organizing and implementing product inspection, testing, modification, refurbishment, and assembly activities in compliance with current technical standards and legal regulations.

Tasks: Performing registration and testing of vehicle products and spare parts throughout the company. Performing operations related to product renovation and conversion as per customer requirements.

● **LOGISTICS DEPARTMENT**

Functions: Managing warehouse systems (vehicles and spare parts inventory). Organizing warehouse operations, managing inventory, coordinating logistics, and establishing warehouse standards to optimize operations.

Tasks: Developing standards for goods export and import norms and standards at warehouses. Controlling the import and export of goods in the company-wide warehouse system. Coordinating goods transfer, transportation, and distribution throughout the warehouse system.

INTERNAL AFFAIRS DIVISION: includes (1) HR Department; (2) Training Department; (3) Administration Department; (3) Legal Department

● **HR DEPARTMENT**

Functions: Managing human resources, developing and implementing HR strategies to meet the objectives of developing production and business systems, optimizing operations, and ensuring labor efficiency.

Tasks: Developing personnel policies, regulations, and processes. Managing HR budgeting and staffing for the entire system, handling recruitment, compensation and benefits, talent development, and labor relations.

● **TRAINING DEPARTMENT**

Functions: Managing corporate knowledge, developing training regulations, policies, procedures, and programs. Promoting self-learning and building internal trainer systems.

Tasks: Developing training policies, regulations, and processes, and identifying training demands, managing training activities, developing, and evaluating training results of the HR system throughout the company.

● **ADMINISTRATION DEPARTMENT**

Functions: Organizing and implementing administrative operations, providing administrative services, and managing external administrative relations.

Duties: Providing logistics, reception, clerical, storage, transportation, service, maintenance, security, administrative procedures; Procurement and management of equipment, office equipment, uniforms, IT equipment; Office facilities management (new investment, preservation, maintenance); administration of administrative external relations, events, seminars, conferences, social work, culture, sports and sports throughout the Company.

● **LEGAL UNIT**

Functions: Organizing the development and adjustment of policies, procedures, and regulations related to compliance to ensure the company's legal operations. Managing the company's legal knowledge system. Providing legal consultation, support, and representation as required by the Company's Leadership.

Tasks: Developing, implementing, reviewing, evaluating, and proposing adjustments to policies, regulations, processes, operating the legal sector, and managing the company's intellectual property system. Performing tasks related to corruption prevention to ensure transparency and fairness in the company.

FINANCE - INVESTMENT DEPARTMENT

Functions: Being responsible for the effective management and use of financial resources. Controlling necessary financial resources for all business activities of the company.

Duties: Preparing budgets, providing financial forecasts, and addressing financial-related issues; managing all cash inflows and outflows; overseeing the company's existing assets and analyzing/selecting new investment opportunities.

ACCOUNTING DEPARTMENT

Functions: Organizing the development and operation of policies and operating procedures on the accounting regime and its changes over time in business activities in accordance with the State's regulations on accounting standards and accounting principles.

Duties: Recording, calculating, and reporting the company's assets, materials, capital, business operations, and fund usage; providing financial and accounting reports to relevant authorities; reporting business performance to the company's Directors.

QUALITY CONTROL UNIT

Functions: Developing and maintaining operational procedures to ensure product and service quality standards. Ensuring system operations comply with advanced quality management standards.

Tasks: Establishing and controlling product quality and operational standards; managing documentation and regulatory compliance; identifying and assessing risks, then developing and monitoring corrective/preventive measures throughout the company. Implementing anti-corruption and anti-waste measures within the department.

BRANCH NETWORK

Functions: Branches are subordinate units of the company, responsible for conducting business operations within their assigned regions (provinces/geographical areas). Depending on scale, branches are managed by a Branch Director or Supervisor.

Branch management structure:

Branch Director/Supervisor: Be responsible for all production and business activities of the branch based on business plans and decisions of the Company's Board of Management;

Depending on operational scale, branches will be equipped with personnel from specialized departments such as Sales Department, Service Business Department, Accounting Department, and Administration Department, etc.

Tasks: Branches are responsible for planning and implementing business operations for goods and services in their assigned regions; building HR teams, assigning tasks, and monitoring/evaluating employee performance to ensure the branches meet their business objectives.

04 DEVELOPMENT STRATEGY OF THE COMPANY

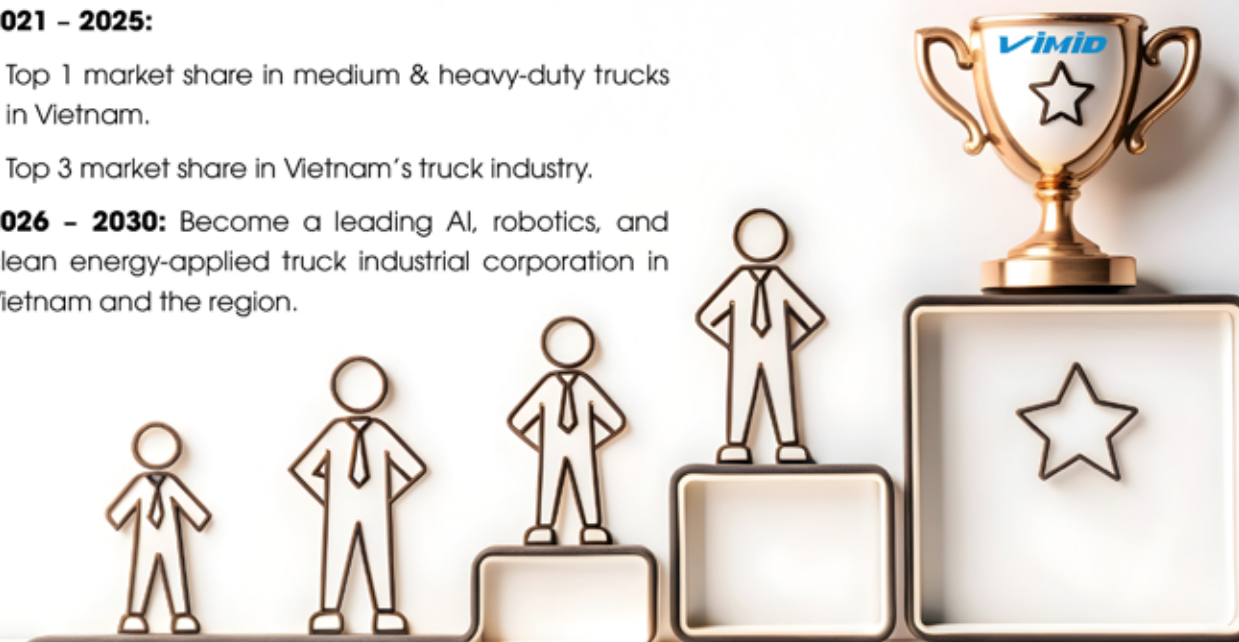
✓ 4.1. VISION, BUSINESS OBJECTIVES AND BUSINESS PLAN OF THE COMPANY

VIMID continuously innovates technology and builds an ecosystem to develop products and services that bring success to customers:

2021 – 2025:

- Top 1 market share in medium & heavy-duty trucks in Vietnam.
- Top 3 market share in Vietnam's truck industry.

2026 – 2030: Become a leading AI, robotics, and clean energy-applied truck industrial corporation in Vietnam and the region.



To achieve this vision, VIMID continuously enhances management efficiency, business operations, and market share growth to maintain its number 1 position in medium & heavy-duty truck distribution in Vietnam.

Additionally, VIMID expands R&D in light-heavy trucks, green energy trucks, and high-quality services to offer customers diverse, suitable, safe, and efficient choices, enhancing value and customer experience.

2025 is a pivotal year marking 15 years of formation and development of VIMID. With the motto of "Solid Foundation – Ready for Breakthrough", VIMID is determined to complete strategic goals in Human Resources, Branding, Technology, Service Station Network, Supply Chain, Marketing, and Corporate Governance, thereby laying a solid foundation for a new era of breakthrough and sustainable development.

✓ 4.2. MISSION

Provide comprehensive transportation solutions that meet customers' highest demands and elevate the value of Vietnam's freight transport industry. Be committed to delivering value and prosperity to customers, shareholders, employees, and partners while making positive contributions to the community.

For shareholders, customers, and partners: Promote sustainable cooperation and mutual development, uphold integrity and credibility in all commitments, and ensure the production of quality, safe, and efficient products to remain a trusted "Companion" of partners, customers, and shareholders.



For employees: Foster a professional, dynamic working environment that respects individuality and encourages creativity, guided by the six core values -VIMERS: Value – Independent - Mental – Equal – Reliable – Share, facilitate improvement of income and development opportunities for all employees.

For the social community: Prioritize social and environmental responsibility, operate transparently as a professional company listed on the stock exchange, increase contributions to the state budget, and elevate Vietnam's freight transport industry.

✓4.3. CORE VALUES

Vietnam Machine Investment Development Joint Stock Company defines core values as a guideline for all activities, creating a solid foundation for sustainable development. These values not only reflect our corporate identity, but also our commitment to customers, partners, employees, and the community - VIMID's identity, responsibilities, and aspirations in the transportation industry.

VALUE
INDEPENDENT
MENTAL
EQUAL
RELIABLE
SHARE



★ Value

The acquired values are not only material but also mental, not only the values of individual element but also the totality of value of related elements. Individuals and organizations affirm their positions through the values contributed to the organization, customers and society.

Instead of being dependent on the past values, always strive to renew, constantly bring the beyond-expectation values to yourself, your family and your organization. Each product or service should provide values that surpass the market standards and even the expectations of customers.

★ Independent

Independence means being proactively listening, researching, understanding, and advising leadership and departments while proposing innovative improvements.

Independent means taking ownership of work and accountability for tasks. Everyone should exercise self-discipline, dare to think, dare to challenge, persevere until completion, and remain unswayed by external influences to achieve personal and organizational goals.

Proactively proposing and seeking additional responsibilities to enhance one's value for customers, the organization, and the community.

★ Mental

Mental means knowledge transformed through practice and refined into experience, turning learned concepts into personal insight. Constantly learning, cultivating knowledge, professional processes, understanding the knowledge, expertise, and processes of departments directly and indirectly related to their expertise and tasks in order to proactively control risks affecting their work outcomes.

With their own wisdom, individuals not only proactively improve existing processes and tasks to bring higher value to the organization but also actively innovate new fields, new jobs, and new values for organizations and society.

Wisdom equips people with the ability to "Adapt to RAPID changes in the surrounding environment," taking the lead in confidently integrating into the digital era.

★ Equal

Balance is understanding changes in one's surroundings, moving forward proactively, daring to think and act, taking responsibility, overcoming challenges to establish balance, and contributing new values to progress and development.

There are no permanent competitors, no perfect customers or partners, no comfortable positions, only efforts, constantly trying to bring satisfaction to customers, to organizations, to partners, to each individual and to society.

★ Reliable

Always building trust and credibility with the people around. The company remains honest with itself, customers, partners, and organizations. We operate based on the integrity established and upheld since our establishment, selling through reliability rooted in transparency in terms of products, services, and policies with concrete and consistent commitments.

Transparency & value commitment are the keys to earning trust in relationships with partners, shareholders, employees, and the community; respecting differences, creating mutual value, helping each other progress, and collectively striving toward the common goal of providing comprehensive transportation solutions for individuals and freight transport organizations in Vietnam.

★ Share

Share means giving, committing to sharing benefits and values with shareholders, partners, employees, and the community to jointly deliver comprehensive transportation solutions for the freight transport community in Vietnam and the region.

The company encourages all staff to uphold and practice giving through:

1. When you lack money, give away diligence, career and wealth will follow.
2. When you have wealth (opportunity), give away wealth, then people will come.
3. Once you have someone, give love, your career will come.
4. Once your career succeeds, give away wisdom, then joy will come
5. Do not wait to have something before giving; always be ready to give anytime, anywhere, with all the good you possess.

We commit to sharing benefits and values with shareholders, partners, employees, and the community to jointly provide comprehensive transportation solutions for the freight transport community in Vietnam and the region.

05 RISKS IN 2024



2024 continues to be a year of complex fluctuations in the global economy, with economic recession and inflation persisting in many countries. Energy security, food security, and climate change are significantly impacting commodity prices. Additionally, prolonged geopolitical tensions and monetary tightening policies in various countries have also brought considerable repercussions to the global economy and Vietnam's economy.

In 2024, the Company also faced serious risks from economic, policy, and market factors. Exchange rate fluctuations, rising import costs, and fierce competition among rivals have exerted significant pressure on the Company's business operations. Furthermore, changes in import policies, emission standards, and import taxes have posed difficulties, substantially affecting the Company's business performance in 2024. In term of operation, risks related to product quality and constraints in the component supply chain have presented considerable challenges. In addition, the shift toward electric trucks and sustainability trends are pressuring the Company to adapt quickly.

To manage and mitigate the risks posed by the broader landscape, the Company has developed and implemented a series of risk management activities as follows:

- Search, identify, describe and assess risks in order to clearly identify possible factors or situations that may affect the achievement of the objectives set by the Leadership, from which effective response plans/options can be devised to optimize business activities across all branches of the Company;
- Continue to support business through the implementation of consistent processes, regulations, tools and risk management techniques throughout the system;
- Clearly define risk management responsibilities, establish monitoring mechanisms, and ensure regular and continuous risk management reporting throughout the Company.

"Opportunity within risk" is the leadership philosophy of VIMID. Risk management is not only about minimizing risks but also about optimizing the balance between risks and opportunities, accepting risks within permissible limits. Accordingly, VIMID takes a cautious and controlled approach to risk acceptance.

The Risk Management Council operates continuously, from the Board of Directors to the Company's functional departments and each Branch, to promptly detect risks affecting business operations. Specifically:

PART	RISK MANAGEMENT ROLE
Board of Directors	<ul style="list-style-type: none"> - Organize communication and spread risk management culture; - Build a transparent governance structure to clearly define the responsibilities of each individual and department in the organizational structure; - Organize control and supervision of risk management; - Develop, revise and update risk management regulations, policies and methods to identify, assess, measure, control and minimize key risk factors; - Decide on the organizational structure, functions and tasks of the risk management department.
Board of Management	<ul style="list-style-type: none"> - Monitor risk management activities carried out in line with risk management strategy and policies.
Risk Management Supervision	<ul style="list-style-type: none"> - Coordinate with functional divisions/ departments in the Company to implement risk management by using risk management tools and procedures; - Review the risk management system, point out the limitations to propose to the Board of Directors to improve the risk management system.
Functional divisions/ departments	<ul style="list-style-type: none"> - Implement risk management according to issued regulations, rules and procedures; - Propose adjustments to the Risk Management Supervision if limitations are detected.

Risk management is not only carried out by the Risk Management Department but also implemented by specialized departments and affiliated branches, with oversight and supervision from internal control departments and the Audit Committee.

In 2024, VIMID faced the following risks:

5.1. MACROECONOMIC RISKS

a) Global economic situation in 2024

- Escalating geopolitical instability: Tensions in the Middle East intensified in 2024 as the Israel-Hamas war drew in more participants, and Syria's long-standing government collapsed. Meanwhile, the Russia-Ukraine conflict entered its third year with no signs of resolution.

- Uneven global economic growth: According to the IMF, Global GDP grew by 3.2% in 2024, 0.1% lower than 2023 but slightly above early-year forecasts (3.1%). The U.S. economy remained resilient, growing at 2.8% compared to 2.9% (2023). China's growth slowdown was milder than expected (+4.8% vs. +4.6%) due to aggressive stimulus measures. Meanwhile, the Eurozone continued to stagnate as its leading economy, Germany, recorded negative growth for the second consecutive year. Japan posted positive growth (0.1%), but the rate was lower than in 2023 and fell short of expectations.

- Inflation cooled down as global price trends clearly fell towards central banks' targets, thereby creating conditions for interest rate cuts to support economic growth. In 2024, ECB decreased interest rates 4 times (-1.35%), and FED decreased interest rates 3 times (-1%).

b) Vietnam's economic situation in 2024

- Vietnam's economy rebounds strongly despite the impact of Typhoon Yagi, economic growth surged in the last six months, helping full-year GDP expand by 7.09%, the highest since 2020, with industry and construction growing by 8.24%. Realized FDI capital reached approximately USD 25.35 billion, increasing by 9.36% year-on-year. Prices remained stable, with the average CPI increasing by 3.63% compared to 2023, still meeting the National Assembly's target of below 4%. Goods exports hit a new record, with domestic enterprises' export turnover growing 19.8%, outpacing FDI firms' growth of 12.3%.

- Slow disbursement of public investment capital, volatile gold prices, and rising exchange rates. By the end of 2024, the disbursement rate was estimated at 72.9% of the annual plan, lower than the rate of 73.74% in 2023. Amid global gold price fluctuations, domestic gold prices rose by 13.8% in 2024, with SJC gold bars at times surpassing VND 90 million per tael. The widening gap prompted the State Bank of Vietnam (SBV) to auction gold, stabilize sales through four state-owned commercial banks, and inspect gold trading activities. The exchange rate also moved unfavorably, with the VND depreciating by 5% against the USD, hitting a record high of VND 25,485 despite the SBV's efforts to withdraw liquidity and sell USD for intervention.

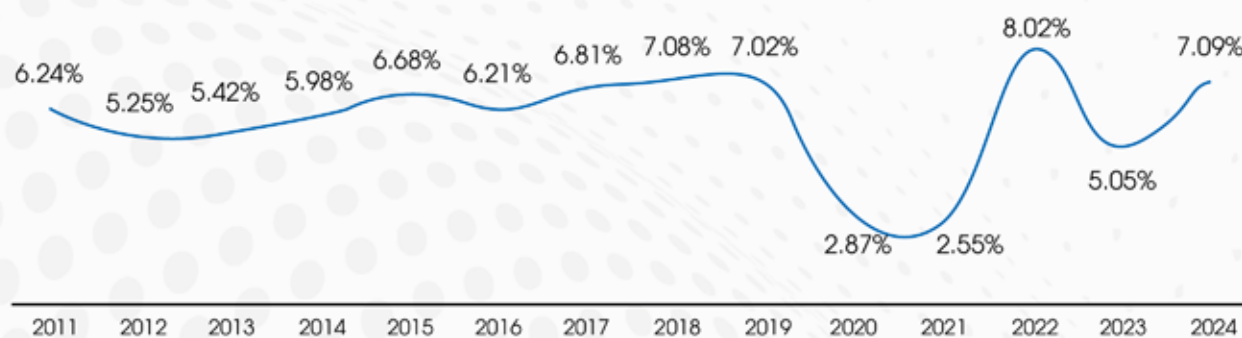
- Vietnam's stock market accumulated in 2024. After a sharp correction and recovery at the end of 2023, the market rose in the first quarter before fluctuating within a wide range of 1,166 to 1,306 points. By the end of 2024, the VN-Index increased by 12.1% compared to the figure at the end of 2023, closing at 1,266.78 points. The HNX-Index closed at 227.43 points, decreasing by 1.6%, while the Upcom-Index closed at 95.06 points, increasing by 9.2%. The VN-30 group outperformed the VN-Index at 18.9% with many stocks increasing strongly such as GVR (+43.2%), FPT (+82.5%), TCB (+55%), MWG (+42.5%).

- Stock market liquidity in 2024 averaged VND 20,985 billion per session, increasing by 19% from 2023. Early-year expectations for the KRX system to launch in 2024 were unmet, and Vietnam missed the chance to upgrade to FTSE's Secondary Emerging Market status. Despite the Ministry of Finance issuing Circular No. 68 taking effect as of November 2, 2024 to ease the prefunding requirements for foreign institutional investors, due to Vietnam's market continued to experience negative foreign capital flows due to global capital shifts and unfavorable exchange rate movements, net foreign selling hit a record high of VND 92,565 billion, four times the total for 2023.

Regarding economic growth:

According to the General Statistics Office's report on the socio-economic situation in the fourth quarter and 2024, GDP grew by 7.09% in 2024, the highest rate since 2018, 2019, and 2022 in the 2011-2024 period. In the overall increase of the gross value added of the entire economy, the agriculture, forestry, and fisheries sector grew by 3.27%, contributing 5.37%; the industry and construction sector grew by 8.24%, contributing 45.17%; and the services sector grew by 7.38%, contributing 49.46%.

Figure 1: Vietnam's GDP Growth in the 2011-2024 period



Source: General Statistics Office

According to Resolution No. 158/2024/QH15 on the Socio-Economic Development Plan in 2025 dated November 12, 2024, issued by the National Assembly, the overarching objective is to prioritize growth while reinforcing macroeconomic stability, controlling inflation, ensuring major balances of the economy, specifically setting a GDP target of 6.5-7.0% for 2025. With this indicator, the economy is expected to achieve stable and sustainable growth.

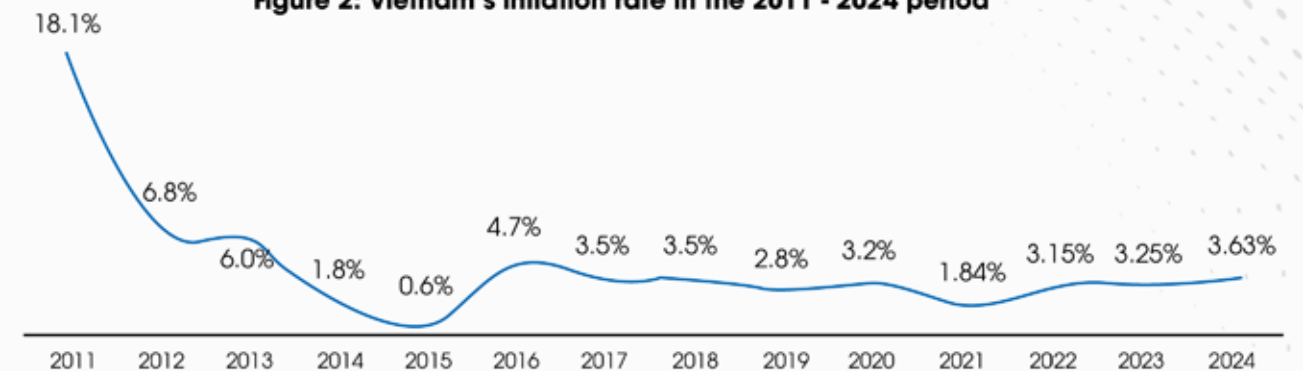
However, projections about Vietnam's future economic development remain uncertain. A potential economic downturn could adversely affect business operations, financial conditions, operational performance, and the prospects of the Company.

Regarding the inflation rate:

According to data from the General Statistics Office, the Consumer Price Index (CPI) in 2024 increased by 3.63% compared to the previous year, meeting the target set by the National Assembly. Although inflation rates in recent years have remained relatively stable, there is no guarantee that Vietnam's economy will not experience periods of high inflation again in the future, especially as the economy is projected to return to rapid growth. For businesses operating in the motor vehicle brokerage and wholesale industry, as well as motor vehicle parts and accessories like the Company, high inflation would directly impact operations due to rising input costs. At the same time, product prices are difficult to adjust upward due to competitive pressures, making profit margins less attractive. For businesses in the real estate sector like the Company, high inflation would affect operations through increased input costs, particularly in raw materials, construction, and labor expenses.

Under Resolution No. 158/2024/QH15 dated November 12, 2024 on Socio-Economic Development Plan in 2024, the National Assembly set a target for the average Consumer Price Index (CPI) growth rate at approx. 4.5%.

Figure 2: Vietnam's inflation rate in the 2011 - 2024 period



Source: General Statistics Office

Although the inflation rate has been maintained stable in recent years, there is no guarantee that Vietnam's economy will not experience periods of high inflation again in the future.

Regarding interest rate:

Under the general influence of global interest rate trends, the State Bank of Vietnam (SBV) officially raised the operating interest rates by 0.5 - 1 percentage point from September 23, 2022, the first increase in two years, 2020-2022. A month later, the SBV further adjusted rates upward, taking effect as of October 25, 2022. On the interbank market, the overnight interest rate also surged to over 5% per year.

However, following the rate hikes, the SBV has reduced the operating interest rate four times (from 0.5-1.5%) to reduce deposit and lending rates, thereby improving access to capital and supporting economic growth. According to the SBV's report, by the end of 2023, deposit and lending rates for new transactions at commercial banks had fallen by more than 2.5% per year compared to the end of 2022.

According to the results of the Business Trend Survey Report in the third quarter of 2024 of the Statistical Forecasting Department of the State Bank of Vietnam, credit institutions forecast that the deposit - lending interest rate in the fourth quarter of 2024 and 2024 will remain low with minimal fluctuations compared to the previous period, credit institutions forecast a slight increase in deposit interest rate (0.1 percentage point) and a slight decrease in lending interest rate (0.09 percentage point) compared to the end of 2023.

The SBV adjusts its operating policies and uses monetary instruments flexibly, closely coordinating with fiscal policies and other macroeconomic policies to control inflation and stabilize the macroeconomics.

Regarding exchange rate:

2024 was a year of significant fluctuations in the USD/VND exchange rate due to persistent pressure from international markets combined with domestic political-economic factors. As of December 31, 2024, the central exchange rate reached 24,335 VND/USD, while the selling rate at commercial banks hit a record high of 25,551 VND/USD. The interbank rate also surged to a historic level of 24,485 VND/USD, and the free-market rate traded around 25,850 VND/USD.

Given these developments, the VND ended 2024 with its sharpest depreciation since 2012 (in terms of absolute figures).

During this period, expectations of interest rate cuts by the U.S. Federal Reserve (Fed) widened the policy divergence, pushing the VND-USD interest rate differential higher; the consistently strong U.S. economic data and geopolitical risks bolstered the greenback throughout that period.

To stabilize the market, the State Bank of Vietnam (SBV) had to intervene by selling USD from its foreign exchange reserves and issuing short-term bills to curb the exchange rate's upward momentum. Specifically, starting from April 19, amid persistently sharp exchange rate increases, the SBV announced foreign currency sales to stabilize the market.

Figure 3: USD/VND Exchange rate movement in the period of 2011-2024



Source: tradingview

c) Impact of economic conditions on the Company's operations

Vietnam Machine Investment Development Joint Stock Company primarily operates as an agent, broker, and wholesaler of motor vehicles and spare parts in Vietnam; therefore, its business performance is closely tied to the development of the transportation sector, import-export activities, and public investment, as well as the broader growth of Vietnam's economy.




Although Vietnam's economy is projected to continue expanding in the coming years, the overall economic landscape remains unstable, with numerous underlying risks. A slowdown in economic growth could lead investors to delay project implementation, slow down disbursements, and reduce demand for logistics trucks and specialized project vehicles, result in extended customer payment periods, thereby creating risks related to revenue, cash flow, and inventory, ultimately affecting the company's profitability and operations. To mitigate these impacts, VVS focuses on proactive preparation, forecasting potential economic and market shifts, strengthening financial resilience, and fostering sustainable relationships with domestic and international clients, financial institutions, and credit organizations.

Regarding the impact of inflation, although the inflation rate has been maintained stable in recent years, there is no guarantee that Vietnam's economy will not experience periods of high inflation again in the future. If inflation rises significantly, the Company's costs, including personnel expenses, transportation costs, new branch construction costs, maintenance costs, financial expenses, and other administrative costs, are expected to increase, significantly impacting the Company's financial condition and business performance.

Additionally, rising interest rates also affect the Company's financial situation by increasing its borrowing costs, thereby making it more difficult to raise capital to meet its operational demands. To mitigate interest rate risks, the Company shall always balance its equity and borrowed capital to minimize the impact of interest rate fluctuations on its business operations.


Furthermore, regarding exchange rate impacts, VIMID's core business involves importing and distributing medium and heavy-duty trucks. Therefore, exchange rate fluctuations significantly affect the Company's cost of goods sold and financial expenses. To promptly respond to USD/VND exchange rate movements, the Company proactively employs exchange rate management tools such as forward contracts to ensure import activities and stabilize the financial situation of the enterprise.

5.2. OPERATIONAL RISKS



Risk name	Description	Risk management measures
 Inventory risk	Inventory turnover must be increasingly shortened to ensure the ability to meet due payment obligations. This risk stems directly from competitive pressures. The Company faces challenges in determining the appropriate inventory levels.	Closely monitor and update inventory status weekly based on input from functional departments and the Sales Division, then provide recommendations, directives, and support to branches in handling goods; Improve ordering, procurement, and warehouse management processes to enhance overall inventory management efficiency;
 Cost control risk	In the field of commercial business, with a nationwide branch network, VIMID must constantly address the challenge of optimizing cost efficiency	Monitor and optimize fixed and recurring cost benchmarks while keeping other expenses within approved limits; Maintain cost-saving practices; evaluate and select suppliers to optimize external procurement costs; Establish and strictly follow sales and purchasing procedures to optimize operational costs.
 Debt recovery risk	With its extensive distribution network serving both corporate and individual customers, VIMID manages a customer base numbering in the thousands and still growing, which introduces risks related to debt collection.	Develop, maintain, and strictly enforce debt management policies; Regularly inspect and supervise receivables management for each branch, salesperson, and customer; Assess the financial capacity of each customer to minimize credit risks.

5.3. FINANCIAL RISKS

Risk name	Description	Risk management measures
 Cash flow and liquidity risks	<p>The risk of cash flow imbalance may hinder the Company's ability to meet due payment obligations, leading to a shortage of working capital for business operations, thereby affecting its reputation and financial performance.</p>	<p>VIMID places strong emphasis on detailed weekly and monthly capital planning, tracking daily, weekly, and monthly payment obligations, as well as balancing cash inflows from operations to ensure timely and early settlement of due liabilities; this enables proactive funding arrangements to support the Company's business activities.</p>
 Interest rate risk	<p>As a business specializing in the trade and distribution of 100% fully imported vehicles, VIMID must maintain a substantial amount of borrowed capital relative to its total assets, primarily consisting of short-term loans to meet working capital demands.</p> <p>Rising interest rates negatively impact the Company by increasing its borrowing costs, thereby making it more difficult to raise capital to meet its operational demands.</p>	<p>To mitigate interest rate risks, the Company shall always balance its equity and borrowed capital to minimize the impact of interest rate fluctuations on its business operations.</p> <p>Additionally, the Company actively manages interest rate volatility by flexibly utilizing international payment instruments such as LC UPAS for funding. It also maintains strong relationships with domestic state-owned commercial banks (which offer lower interest rates compared to private joint-stock commercial banks) and secures low-interest credit sources, including foreign capital; the Company collaborates not only with commercial credit institutions but also with development banks, while expanding its range of credit products to reduce capital costs.</p>
 Exchange rate risk	<p>VIMID's business operations involve numerous transactions with foreign partners. Therefore, the impact of exchange rate fluctuations is always a top concern for the Company.</p>	<p>VIMID consistently develops plans, schedules, and payment terms for foreign currency contracts to balance appropriate foreign currency purchases; this is combined with exchange rate hedging tools such as forward contracts. The Company employs flexible and responsive measures to monitor exchange rate fluctuations, minimizing their impact on VIMID's business performance.</p>


 Inflation risk	<p>If inflation rises significantly, the Company's costs, including personnel expenses, transportation costs, new branch construction costs, maintenance costs, financial expenses, and other administrative costs, are expected to increase, significantly impacting the Company's financial condition and business performance.</p>	<p>To mitigate inflation risks, the Company has established a risk management system and proactively developed business plans with traditional suppliers of raw materials and fuels, additionally, it implements pricing adjustments for customers based on inflation forecasts.</p>
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5.4. COMPLIANCE RISK




Risk name	Description	Risk management measures
 Compliance risk	<p>Non-compliance by departments with operational management procedures and regulations leads to incidents and errors during operations, affecting product quality, customer service, and the Company's business efficiency.</p>	<p>VIMID has an Audit Committee, an internal audit department, and a compliance control department to inspect and monitor adherence to laws and internal policies and regulations.</p> <p>The Audit Committee conducts annual inspections and monitoring across all departments and branches within the system to ensure compliance.</p> <p>VIMID also continuously updates financial, tax, and industry-related legal policies to align with the Company's operations, enhancing business efficiency while fulfilling obligations to the State Budget.</p>
 Compliance risks related to fire prevention and fighting & Environmental protection	<p>Non-compliance with regulations on hazardous waste, violating environmental safety.</p> <p>Violation of fire prevention and firefighting regulations: Fire/explosion incidents occurring in repair workshops/spare parts warehouses/vehicle warehouses/offices, resulting in casualties and property damage.</p>	<p>The company issues Waste Management Regulations, particularly for hazardous waste management, clearly specifying the methods for collection, management, and disposal of hazardous waste; this ensures that waste and hazardous waste are controlled throughout all stages, from classification, storage, and retention to transfer for treatment/disposal, in compliance with regulations and environmental protection laws.</p> <p>The company issues fire prevention and firefighting regulations, e.</p>

		<p>clearly defining; safety conditions for fire prevention and fighting; activities to maintain fire safety; establishment, management and assurance of operating conditions of the grassroots fire prevention and fighting teams at branches; Regulations on fire prevention and fighting equipment at facilities; fire safety signage, including prohibition signs, warning signs, and directional signs; regulations on firefighting drill procedures; emergency response procedures in case of fire/explosion incidents; establishment of a fire prevention and firefighting command committee and on-site rescue team.</p> <p>The company regularly organizes training, awareness campaigns, and drills on fire prevention and fighting safety and hazardous waste management at branches nationwide</p>
 <p>Occupational health and safety risk</p>	<p>Unsafe working environment, lack of occupational safety guidelines leads to workplace accidents and negative impacts on employees' health</p>	<p>The company issues occupational safety and hygiene regulations specifying the required conditions to ensure occupational safety and hygiene across all branches/company within the system. This ensures a safe working environment for employees and minimizes potential risks/losses to personnel and property.</p> <p>Establish on-site occupational safety and hygiene committee at each branch.</p> <p>Develop OSH policies at the workplace; Make OSH plans, regulations;</p>

5.5. OTHER RISKS

Risk name	Description	Risk management measures
 <p>Other risks</p>	<p>Other risks may arise due to objective factors inside and outside the company such as climate change, environmental pollution, epidemics, droughts, floods, storms, floods, natural disasters in the country, etc.; Natural disasters</p>	<p>Periodically organize training sessions, awareness campaigns, and guidance on risk management to enhance the risk management awareness of each employee;</p> <p>Develop a plan to respond to all levels of disaster risk, epidemics, etc.;</p>

	<p>and epidemics in China affect the progress of production/transportation and delivery of goods (not being able to transport, closing the border gate and not being able to deliver goods), affecting the ability to supply goods to the system as well as increasing transportation and storage costs.</p>	<p>Closely monitor the situation of natural disasters/epidemics in China as well as the locality where factories are operating and routes for goods transport. Provide timely warnings to relevant departments to prepare appropriate response plans.</p>
 <p>Competition risk</p>	<p>The development and increase of competitors in the market reduce market share. Strong price competitors raise the risk of losing orders.</p>	<p>Thorough market and competitor research are conducted to grasp competitors' competitive strategies, market trends, and customer preferences, thereby developing appropriate sales policies, expanding product lines that align with customer tastes, meeting customer expectations, as well as enhancing the value delivered to customers.</p>
 <p>Communication risk</p>	<p>Delayed or inaccurate disclosure of company information affects the Company's image and reputation;</p> <p>During the production of communication materials, misleading messaging or violations of the Competition Law or Law on Advertisement may occur, impacting the effectiveness of advertising campaigns as well as the Company's brand image.</p>	<p>Update and comply with disclosure policies for major public companies; Monitor and track company-related information shared across media channels and social networks, and establish a media crisis response process;</p> <p>Strictly control communication materials before public release and develop a content creation process to prevent widespread negative information crises that harm the Company's brand;</p> <p>Periodically review content across media channels, platforms, and groups to promptly capture customer feedback and competitor actions affecting the Company's brand, enabling timely response measures;</p>
	<p>Human resource quality failing to meet the company's development needs; No competent successors or employees being poached by competitors; Employees engaging in fraudulent behavior for personal gain.</p>	<p>Develop training programs aligned with employees' aspirations and capabilities; Treat human resources as the company's greatest asset. Adopt appropriate and competitive welfare and reward policies to attract and retain talents; Promptly and strictly</p>

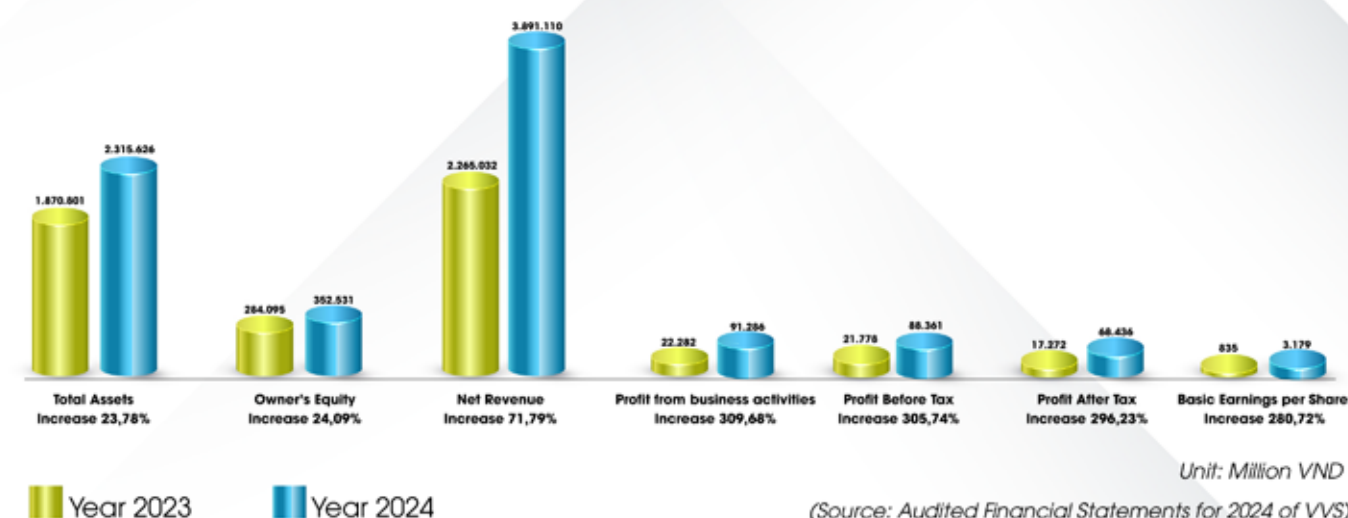
 <p>Human resource risk</p>		<p>handle violations to serve as a warning and example. Regularly review and strengthen cross-departmental checks.</p> <p>Establish a talent pipeline policy, conduct training assessments for key positions to ensure a ready pool of successors for seamless replacement when needed.</p>
 <p>Legal risk</p>	<p>The company failing to promptly update changes in state policies and regulations, affecting its development direction, products, goods, and its system of rules, regulations, and procedures;</p> <p>Citing expired regulations, circulars, or legal documents, or applying outdated legal texts in legal relations;</p> <p>Legal risks in transactions with suppliers, partners, customers (disputes, inconsistencies in the terms of the agreement...).</p>	<p>Timely update the guidelines, policies, and legal documents when changes or adjustments occur, and disseminate relevant legal updates related to the company's business operations to concerned departments;</p> <p>Promptly adjust the company's rules, regulations, procedures, and policies to comply with new legal requirements;</p> <p>Comply with legal procedures and business conditions as prescribed by law; ensure the correct application of current legal provisions in the company's management relations;</p> <p>Develop contract forms for agreements with suppliers, partners, and customers, with legal consultation from the Legal Unit for terms outside the approved forms.</p>
 <p>Risk of government changing vehicle inspection policies</p>	<p>Changes of the State in the import of vehicles and imported goods such as: adjustments to testing and inspection regulations; variations in vehicle registration and inspection procedures across different localities, causing difficulties in sales and import operations;</p> <p>Increased input costs due to engine testing, vehicle testing, and component testing, leading to higher product costs.</p>	<p>Regularly update and monitor government policies regarding: import duties on components, spare parts, and vehicles; vehicle inspection and load control regulations; and requirements related to the import inspection and testing of vehicles and parts in the automotive sector, in order to assess their impact and develop appropriate response measures.</p> <p>Develop flexible and practical plans for the importation and inspection of vehicles and spare parts to meet supply demands and ensure timely fulfillment of sales schedules.</p> <p>Anticipate tax policy changes to develop appropriate and efficient plans for procurement, importation, and vehicle inspection.</p>



BUSINESS PERFORMANCE IN THE YEAR

01. SITUATION OF PRODUCTION AND BUSINESS OPERATIONS

Business Performance Results in 2024



Payout ratio: %

Actual results against the plan:

2024 was a relatively favorable year for the automobile business sector, particularly in the mid- and heavy-duty truck segments, thanks to the positive impact of government policies related to public investment, infrastructure development, and the significant growth of the logistics industry. Seizing these opportunities, the Company recorded net revenue of VND 3,891 billion, surpassing the annual target by 29.7% and increasing by 71.11% compared to 2023. Regarding profit before tax, the Company reported VND 88.361 billion by the end of 2024, exceeding the planned target by 216% and marking a 306% increase year-on-year.

With these outstanding results, VIMID successfully fulfilled its business targets set at the beginning of 2024. In addition to benefiting from government development policies and the robust growth of the mid- and heavy-duty truck market, the Company's Board of Directors implemented timely and effective strategies to capture market opportunities and consistently strive for strong performance throughout the year.

Not only did VIMID achieve impressive growth beyond its business plan, but it was also honored with prestigious awards in 2024. The Company was proudly recognized among the Top 9 private enterprises with the highest contributions to the State budget in the distribution and retail sector and among the Top 200 contributors to the State budget nationwide (including State-owned, private, and foreign enterprises). VIMID continues to uphold its image not merely as a commercial enterprise, but also as a responsible taxpayer contributing to the overall economic development of the country.

02. ORGANIZATION AND HUMAN RESOURCES

2.1. List of the Board of Management

No.	Full Name	Position	Shares Held	Ownership Ratio
1	Nguyen Vu Tru	The Director of the Company	9.636.800	44,77%
2	Nguyen Thi Tam	Chief Accountant	9.200	0,04%



Mr. Nguyen Vu Tru – the Director of the Company

Full Name: Nguyen Vu Tru
 Gender: Male
 Year of birth: 1980
 Nationality: Vietnamese
 Birthplace: Hai Phong
 Educational background: Bachelor of Physics, Electrical Engineer
 Career history:

Period	Organization	Position
2010 – May/2021	VIETNAM MACHINE INVESTMENT DEVELOPMENT JOINT STOCK COMPANY	Founding Shareholder, Chairman cum Director
June 2021 - Now	VIETNAM MACHINE INVESTMENT DEVELOPMENT JOINT STOCK COMPANY	Vice Chairman of the Board cum Director

Number of shares held: 9,636,800 shares, equivalent to 44.77% of the Charter capital of the Company.

Ms. Nguyen Thi Tam – Chief Accountant

Full Name: Nguyen Thi Tam
 Gender: Female
 Year of birth: 1979
 Nationality: Vietnamese
 Birthplace: Hai Duong
 Educational background: Bachelor of Economics, General Accounting
 Career history:



Period	Organization	Position
2017 - 2019	VIET NAM T-TECH TECHNOLOGY CORPORATION	Chief Accountant, Head of Finance & Accounting Dept.
June 2019 - Now	Vietnam Machine Investment Development Joint Stock Company	Chief Accountant, Head of Accounting Dept.

Number of shares held: 9,200 shares, equivalent to 0.04% of the Charter capital of the Company.

2.2. Labor Structure and Human Resources Policy

No.	Criteria	Number of Employees (person)	Percentage (%)
I	By type of employment contract	310	100%
1	Employees without employment contracts	16	5.2%
2	Employees with indefinite-term contracts	96	31.0%
3	Employees with 12 to under 36-month contracts	153	49.4%
4	Employees with contracts under 12 months	45	14.5%
II	By educational level	310	100%
1	Undergraduate & Postgraduate	157	50.6%
2	Engineer, Bachelor's Degree	12	3.9%
3	College	55	17.7%
4	Secondary School and High School graduates	63	20.3%
5	Others	23	7.4%
III	By gender	310	100%
1	Male	208	67%
2	Female	102	33%

(Source: Vietnam Machine Investment Development Joint Stock Company)



a) VIMID's Human Resource Development Strategy

Placing people at the heart of its operations, VIMID consistently prioritizes maintaining a well-structured workforce, developing clear career paths, and implementing a sustainable human resource development and training strategy. At the same time, the Company focuses on attracting talent by offering a positive working environment, a strong corporate culture, and competitive compensation packages.

VIMID has outlined its human resource strategy and established the following key objectives:

• Planning workforce headcount and organizational structure in alignment with each development phase.

Based on the Company’s business strategy, industry characteristics, resource requirements, and operational efficiency, VIMID has developed an appropriate organizational structure and headcount plan to ensure the quantity and quality of personnel meet operational demands. The Company also implements well-structured recruitment processes and attractive income and benefit policies to maintain and supplement its workforce effectively

• Enhancing Labor Productivity through Workforce Quality Improvement

As sustainable development is a core focus, improving productivity by enhancing employee capabilities is considered essential for long-term growth. VIMID adopts fair and competitive compensation, welfare, and reward policies to create an attractive and supportive environment that encourages long-term employee engagement. The Company also fosters a dynamic, positive, safe, and friendly workplace that promotes a healthy work-life balance.

In addition, VIMID focuses on building and refining internal regulations, policies, and procedures; improving organizational structure to better adapt to a younger workforce trend; and motivating employees with a modern, professional, and engaging work environment. In 2024, VIMID was honored to be ranked among the “Top 10 Best Workplaces in Vietnam in Key Economic Sectors”, as announced by Investment Newspaper.

• Developing Career Paths for All Positions at VIMID

A well-designed and practical career path system is a key factor for VIMID to attract and retain employees, fostering long-term commitment to the Company.

• Implementing Human Resource Training and Development Strategy

The quality of human resources is reflected through intelligence, knowledge, capabilities, skills, attitudes, health, and aesthetics. VIMID improves its workforce quality by offering training programs that address all these aspects. These training initiatives are systematically designed and customized to each individual, with regular evaluations and adjustments to ensure relevance. This approach helps employees effectively progress along their career paths and significantly enhances both the applicability of their skills and overall labor productivity.

• Attracting Talent through Competitive Policies

In addition to internal staff development, VIMID implements strategies to attract and recruit new talent to enrich its human resources. Performance-based income policies and attractive benefit packages have become highlights that help the Company draw in external candidates. Talented recruits contribute to raising the overall quality of the workforce, while also encouraging existing staff to grow and improve themselves, thereby creating healthy internal competition and a dynamic working environment.

• Fostering the VIMID Corporate Culture

The Company’s leadership recognizes corporate culture as a top priority in attracting and retaining talent. VIMID’s culture embodies a shared set of values, attitudes, norms, and beliefs that are embraced by both the Company and its members.

This culture is demonstrated through the Company’s operations, strategic objectives, brand identity, and interactions with various stakeholders including employees, customers, competitors, and the wider community. Employee morale and productivity serve as key indicators for evaluating the effectiveness of corporate culture, which in turn acts as a powerful driver of workforce performance.

b) Reward and Compensation Policy

At VIMID, the reward and compensation policy not only aim to honor the value of labor and the dedication of employees, encourage and motivate staff to contribute intellectually to the Company’s success, but also serves as an expression of recognition and gratitude from the Board of Leadership.

Accordingly, VIMID consistently focuses on developing a competitive and performance-based reward system that aligns with the capabilities and contributions of employees, while remaining attractive in the labor market. The policy is built upon comprehensive surveys, in-depth analyses of labor market trends, industry characteristics, and regional dynamics. Thanks to its strong investment in and prioritization of employee compensation, VIMID proudly maintains a highly committed workforce compared to peers in the same industry.

c) Trade Union Organization

VIMID’s Trade Union is a grassroots level union operating under the Labor Federation of Ha Dong District.

d) Average Salary:

Year	2022	2023	2024
Average Number of Employees (person)	419	319	310
Average Income (VND/Employee/Month)	13.484.538	12.388.210	17.232.884

(Source: Vietnam Machine Investment Development Joint Stock Company)

Between 2023 and 2024, the average monthly income of VIMID employees increased from VND 12,388,210 to VND 17,232,884 — an increase of approximately 39%.

The Company's income growth: This remarkable growth in income reflects the Company’s active efforts to improve employee compensation. The 39% increase significantly exceeds the national average income growth rate of 8.6% (source: baocaovien.vn), highlighting VIMID’s strong commitment to enhancing employee welfare.

Reasons for the income growth: This growth stems from the Company’s strong business performance, including revenue and profit growth, as well as adjustments to salary and bonus policies aimed at attracting and retaining talent, improving productivity and efficiency, and ensuring fair compensation based on employees’ capabilities and contributions.

03. INVESTMENT ACTIVITIES AND PROJECT IMPLEMENTATION

None

04. FINANCIAL PERFORMANCE OF THE COMPANY



Unit: VND

Indicator	2023	2024	% Increase/ Decrease
Total Assets	1.870.801.077.377	2.315.625.696.887	23,78
Net Revenue	2.265.032.292.937	3.891.109.720.791	71,79
Profit from business activities	22.281.459.501	91.285.456.876	309,69
Other Profit	-503.857.211	-2.924.342.697	-480,39
Profit Before Tax	21.777.602.290	88.361.114.179	305,74
Profit After Tax	17.271.947.190	68.436.163.674	296,23

(According to the audited financial statements as of December 31, 2024)

Indicator	2023	2024
1. Liquidity Ratios		
+ Current Ratio:	1,16	1.17
+ Quick Ratio:	0,84	0.78
2. Capital Structure Ratios		
+ Debt/Total assets ratio	0,85	0.85
+ Debt/Owner's Equity ratio	5,59	5.57
3. Operation capability Ratio		
+ Inventory turnover	4,15	5.74
+ Receivables Turnover	1,16	2.91
4. Profitability Ratios		
+ Profit after tax/ Net revenue ratio	0,76%	1.76%
+ Profit after tax/ total capital ratio	6,08%	19.41%
+ Profit after tax/ Total assets ratio	0,92%	2.96%
+ Profit from business activities/ Net revenue ratio	0,98%	2.35%

a) Solvency ratio

In 2024, VIMID recorded an improvement in its current ratio compared to 2023, while the quick ratio declined year-over-year.

- The current ratio increased by 0.01 compared to 2023, mainly due to a rise in inventory levels. The Company proactively stocked up on inventory toward the end of the year to prepare for upcoming sales in the following quarter, resulting in short-term assets growing faster than short-term liabilities.

- The quick ratio declined by 0.06 compared to 2023. This was primarily due to a substantial 48% increase in inventory, while both total short-term asset and short-term debts only grew by about 25% over the same period. The inventory build-up was a strategic move to secure sufficient supply for 2024 and to proactively respond to anticipated market trends in 2025.

b) Capital structure ratio

- VIMID's capital structure remained stable in terms of the debt-to-total assets ratio. However, the debt-to-equity ratio saw a slight decline compared to 2023.

- The debt-to-equity ratio decreased by 0.02 points, driven by a marginally higher growth rate in equity (23.94%) compared to liabilities (23.77%).

- This decline in financial leverage reflects VIMID's prudent debt management strategy, aimed at minimizing the risk of insolvency and maintaining flexibility in response to fluctuations in the mid- and heavy-duty truck market in 2024.

c) Operation capability ratio

- In 2024, the Company recorded notable improvements in its operating efficiency ratios. This trend aligns with the overall growth of the mid and heavy-duty truck market, which experienced strong sales momentum throughout the year.

- Specifically, inventory turnover increased from 4.15 times to 5.74 times, indicating a significant improvement in the Company's sales capabilities and reflecting a positive shift in the broader market environment.

- Receivables turnover also improved significantly, rising from 1.16 times to 2.91 times in 2024. This improvement can be attributed to a more favorable business environment that enabled more timely payments from the Company's customers.

d) Profitability

- In 2024, all of VIMID's profitability indicators showed significant growth compared to 2023.
- Specifically, the Net Profit Margin increased by 1 percentage point (from 0.76% to 1.76%). The Return on Equity (ROE) increased from 6.08% to 13.33%, while the Return on Assets (ROA) rose from 0.92% to 2.96%. The Operating Profit Margin improved by 1.37 percentage points (from 0.98% to 2.35%).
- The notable increases in Net Profit Margin, ROE, and ROA are primarily driven by a substantial rise in net profit after tax, which grew by 2.96 times compared to 2023. This growth also reflects effective cost control and management efficiency, underscoring the strong leadership and governance capabilities of the Company's Leadership over the past year.
- The 1.37 percentage-point increase in Operating Profit Margin mainly stems from improved business performance and the Company's ability to capitalize on the robust growth of the mid- and heavy-duty truck market in 2024. It also highlights VIMID's effective cost management in core business activities, particularly in cost of goods sold and related expenses.

05. SHAREHOLDING STRUCTURE AND CHANGES IN OWNER'S EQUITY

a) Shares:

- Total shares: **21,525,000 shares**
- Outstanding shares: **21,525,000 shares**
- Freely transferable shares: **21,525,000 shares**
- Restricted shares: **0 shares**

b) Shareholding Structure

No.	Shareholder	No. of Shareholders	No. of shares	Ownership Ratio (%)
I	Domestic and Foreign Shareholders			
1	Domestic Shareholders			
1.1	State	-	-	-
1.2	Organizations	01	1.800.000	8,36
1.3	Individuals	161	19.725.000	91,64
2	Foreign Shareholders		-	-
2.1	Foreign organizations or enterprises with over 50% foreign ownership	-	-	-
2.2	Individuals	-	-	-
3	Treasury Shares	-	-	-
Total		162	21.525.000	100
II	Major Shareholders and Others			
1	Major Shareholders	03	13.661.800	63,47
2	Other Shareholders	159	7.863.200	36,53
3	Treasury Shares	-	-	-
Total		162	21.525.000	100

(Source: Shareholder Register of Vietnam Machinery Investment and Development JSC as of December 31, 2024, provided by VSDC)

List of Shareholders Holding 5% or More of Charter Capital as of December 31, 2024

No.	Shareholder Name	ID/Business Registration Certificate No.	Address	Number of Shares	Ownership (%)
1	Nguyen Vu Tru	030179005781	BT1-07 An Hung New Urban Area, To Huu Street, Duong Noi Ward, Ha Dong District, Hanoi	9.636.800	44,77%
2	Nguyen Thi Thu Huyen	008181000039	BT1-07 An Hung New Urban Area, To Huu Street, Duong Noi Ward, Ha Dong District, Hanoi	2.225.000	10,34%
3	M&A Holding Vietnam Joint Stock Company	0107107796	Lot 1-19, An Hung Urban Area, To Huu Street, Duong Noi Ward, Ha Dong District, Hanoi	1.800.000	8,36%
Total				13.661.800	63,47%

(Source: Shareholder Register of Vietnam Machinery Investment and Development JSC as of December 31, 2024, provided by VSDC)

c) Changes in Owner's Equity

Round 1: Increase in registered capital from VND 1.8 billion to VND 10 billion

Form of capital increase: Increase in Charter capital through offering shares to existing shareholders.

Results of capital increase:

- Type of shares issued: Common shares
- Par value: VND 10,000 per share
- Number of shares issued: 820,000 shares
- Issuance price: VND 10,000 per share
- Total par value of shares issued: VND 8,200,000,000
- Total issuance value: VND 8,200,000,000
- Number of investors purchasing offered shares: 5 investors
- Registered charter capital before issuance: VND 1,800,000,000
- Total Charter capital after issuance: VND 10,000,000,000
- Purpose of capital use: To supplement the Company's working capital
- Capital utilization: The entire proceeds were used to supplement the Company's working capital, including placing orders, paying suppliers, and fulfilling other financial obligations.

Round 2: Increase in Registered Capital from VND 10 Billion to VND 20 Billion

Form of capital increase: Increase in Charter capital through offering shares to existing shareholders.

Results of capital increase:

- Type of shares issued: Common shares
- Par value: VND 10,000 per share

- Number of shares issued: 1,000,000 shares
- Issuance price: VND 10,000 per share
- Total par value of shares issued: VND 10,000,000,000
- Total issuance value: VND 10,000,000,000
- Number of investors purchasing offered shares: 5 investors
- Registered charter capital before issuance: VND 10,000,000,000
- Total Charter capital after issuance: VND 20,000,000,000
- Purpose of capital use: To supplement the Company's working capital
- Capital utilization: The entire proceeds were used to supplement the Company's working capital, including placing orders, paying suppliers, and fulfilling other financial obligations.

Round 3: Increase in registered capital from VND 20 billion to VND 100 billion

Form of capital increase: Increase in Charter capital through offering shares to existing shareholders.

Results of capital increase:

- Type of shares issued: Common shares
- Par value: VND 10,000 per share
- Number of shares issued: 8,000,000 shares
- Issuance price: VND 10,000 per share
- Total par value of shares issued: VND 80,000,000,000
- Total issuance value: VND 80,000,000,000
- Number of investors purchasing offered shares: 5 investors
- Registered charter capital before issuance: VND 20,000,000,000
- Total Charter capital after issuance: VND 100,000,000,000
- Purpose of capital use: To supplement the Company's working capital
- Capital utilization: The entire proceeds were used to supplement the Company's working capital, including placing orders, paying suppliers, and fulfilling other financial obligations.

Round 4: Increase in registered capital from VND 100 billion to VND 200 billion

Form of capital increase: Increase in Charter capital through offering shares to existing shareholders.

Results of capital increase:

- Type of shares issued: Common shares
- Par value: VND 10,000 per share
- Number of shares issued: 10,000,000 shares
- Issuance price: VND 10,000 per share
- Total par value of shares issued: VND 100,000,000,000
- Total issuance value: VND 100,000,000,000
- Number of investors purchasing offered shares: 5 investors
- Registered charter capital before issuance: VND 100,000,000,000
- Total Charter capital after issuance: VND 200,000,000,000
- Purpose of capital use: To supplement the Company's working capital
- Capital utilization: The entire proceeds were used to supplement the Company's working capital, including placing orders, paying suppliers, and fulfilling other financial obligations.

Round 5: Increase in registered capital from VND 200 billion to VND 205 billion

Form of capital increase: Increase in Charter capital through share issuance to under 100 employees of the Company

Results of capital increase:

- Type of shares issued: Common shares
- Par value: VND 10,000 per share
- Number of shares issued: 500,000 shares
- Issuance price: VND 10,500 per share
- Total par value of shares issued: VND 5,000,000,000
- Total issuance value: VND 5,250,000,000 (including: Share premium: VND 250,000,000)
- Registered charter capital before issuance: VND 200,000,000,000
- Total Charter capital after issuance: VND 205,000,000,000
- Purpose of the issuance: To foster stronger bonds between employees and the Company, and to encourage long-term commitment and dedication from staff.
- Use of proceeds: All proceeds (including share premium, if any) were used to supplement the Company's working capital for placing orders, paying suppliers, and fulfilling other financial obligations.
- Capital utilization: The entire proceeds were used to supplement the Company's working capital, including placing orders, paying suppliers, and fulfilling other financial obligations.

Round 6: Increase in registered capital from VND 205 billion to more than VND 215 billion

Form of capital increase: Increase in Charter capital through share issuance under the Employee Stock Ownership Plan (ESOP)

Results of capital increase:

- Type of shares issued: Common shares
- Par value: VND 10,000 per share
- Number of shares issued: 1,025,000 shares
- Issuance price: VND 14,000 per share
- Total par value of shares issued: VND 10,250,000,000
- Total issuance value: VND 14,350,000,000
- Registered charter capital before issuance: VND 205,000,000,000
- Total Charter capital after issuance: VND 215,250,000,000
- Purpose of the issuance: To foster stronger bonds between employees and the Company, and to encourage long-term commitment and dedication from staff.
- Use of proceeds: All proceeds from the ESOP share offering were used to supplement the Company's working capital for business activities.
- Capital utilization: The full amount of VND 14,350,000,000 raised from the 2024 ESOP issuance was used to supplement business capital, specifically for repayment of bank loans in accordance with the Company's financial plan.

d) Treasury Share Transactions: None

e) Other Securities: None

06. ENVIRONMENTAL AND SOCIAL IMPACT REPORT

6.1. Environmental Impact

The Company is committed to implementing sustainable environmental management practices across all production and business operations. Resource usage and waste treatment are closely monitored to minimize negative environmental impact while raising awareness and responsibility among all employees for environmental protection.



6.2. Raw Material Management

The Company focuses on optimizing raw material usage to improve production efficiency, minimize waste, and ensure sustainability throughout the supply chain. Key initiatives include:

Prioritizing the use of environmentally friendly raw materials.

Applying technological solutions to improve material utilization efficiency and reduce waste.

Implementing reuse and recycling programs to optimize resource consumption.

6.3. Energy Consumption

With a focus on sustainable development, the Company continually enhances energy-saving measures to minimize environmental impact and improve energy efficiency:

Proactively using energy-saving equipment such as LED lighting and high-efficiency certified appliances.

Setting air conditioning systems to reasonable temperatures, not lower than 25 C, to optimize power consumption.

Encouraging employees to raise awareness of energy conservation by turning off unused electrical devices.

Supporting both national and international energy-saving campaigns, including participation in Earth Hour.

In 2024, the Company recorded a total electricity consumption of approximately 509,300 kWh, equivalent to an electricity expense of about VND 1.8 billion.

6.4. Water Consumption

The Company has implemented various measures to optimize water usage in both production and daily operations:

- Installing and using water-saving devices, and monitoring water consumption levels.
- Developing a water recycling system for specific production processes to reduce water waste.
- Organizing internal awareness campaigns to promote water conservation among employees.

In 2024, the Company recorded a total water consumption of 763,455 m³, with an associated cost of approximately VND 160 million.

6.5. Compliance with Environmental Protection Laws

The Company strictly complies with all legal regulations on environmental protection as stipulated under the Law on Environmental Protection. VIMID is committed to maintaining sustainable production and business activities, ensuring full adherence to all environmental standards and regulations.

- a) Number of violations due to non-compliance with environmental laws and regulations: None
- b) Total amount of penalties for violations of environmental laws and regulations: VND 0
- c) Product disposal, waste treatment, and defective product recall:

In 2024, the Company initiated the implementation of a policy for collecting and treating discarded products to minimize negative environmental impacts. This initiative complies with Circular No. 34/2017/TT-BTNMT dated October 4, 2017, issued by the Ministry of Natural Resources and Environment on the collection and treatment of discarded products. Items subject to recall include expired or discarded products such as:

- Automotive batteries;
- DVD, VCD, CD players, and other types of disc drives installed in vehicles;
- Automotive lubricants;
- Car air conditioners;
- Car tires and inner tubes;
- Whole automobiles.

This responsibility is a mandatory legal obligation for enterprises under Vietnamese law. The Product Disposal and Recall Procedures play a crucial role in protecting the environment, ensuring consumer safety, and fulfilling VIMID’s commitments to its customers.

6.6. Labor-Related Policies

a) Number of employees and average salary:

As of 2024, VIMID employed 310 staff members, with an average monthly income of VND 17.23 million per employee. This figure is considered impressive compared to the average income levels of workers in both Hanoi City and Vietnam overall.

According to data from the Department of Labor, Invalids and Social Affairs of Hanoi, the average salary of employees in 2024 across all types of enterprises in the city showed a consistent upward trend:

No.	Region	Average Salary
1	Hanoi & Ho Chi Minh City (major labor markets)	Average salary: VND 12–15 million/employee/month. Highest salaries in certain service and technology sectors: over VND 100 million/employee/month
	Other provinces/cities	Average salary: VND 8–12 million/employee/month (depending on the industry)

No.	Type of Enterprise	Average Salary
1	FDI Enterprises	Average salary: VND 7.9 million/month
2	State-Owned Enterprises	Average salary: VND 7.3 million/month
3	State-Owned Enterprises	Average salary: VND 7.5 million/month

Comparison of VIMID’s Average Income with the Salary Benchmark in Hanoi and Nationwide

No.	Benchmark Category	VIMID’s Salary Comparison
1	Average salary level in Hanoi	VIMID’s average salary of VND 17.23 million/employee/month is significantly higher than the average across various enterprise types in Hanoi: Approximately 2.17 times higher than FDI enterprises. Approximately 2.36 times higher than private enterprises Approximately 2.29 times higher than state-owned enterprises
2	National average	VIMID’s average salary of VND 17.23 million/month is significantly higher than the national average of VND 8–12 million/month Compared to the average salary in major cities like Hanoi & Ho Chi Minh City (VND 12–15 million/month), VIMID still offers a higher compensation level

Factors Influencing VIMID’s Average Salary:

- Regional workforce distribution: Salaries at branch offices may be lower than those at the Company’s headquarters in Hanoi.
- Industry and job nature: Operating in manufacturing, trade, and services, VIMID’s current average salary ranks high compared to similar enterprises in the same sector.
- Compensation & benefit policy: VIMID implements attractive talent acquisition policies, with competitive bonuses and allowances that exceed market averages.

Overall, VIMID’s average income level exceeds the national benchmark, positioning the Company as a competitive employer capable of attracting and retaining high-quality personnel. VIMID also maintains internal equity by adjusting salaries across regions while considering enhanced benefits for branch staff to sustain motivation. Compared to industry peers, VIMID holds a strong advantage in salary competitiveness. To further attract talent, the Company may expand its policies on training and career development opportunities.

b) Labor Policies to Ensure Employee Health, Safety, and Welfare

To develop labor policies that ensure employee health, safety, and welfare in compliance with Vietnamese laws; while also attracting high-quality personnel, the Company has focused on the following key areas:

Safe and hygienic working environment

- Provide full personal protective equipment based on job type.
- Establish and implement occupational safety procedures; conduct regular training.
- Maintain well-ventilated workspaces with adequate lighting and noise control.
- Conduct routine inspections and maintenance of machinery and equipment.

Periodic health checkups and mental well-being

- Organize at least one general health examination per year.
- Provide occupational health checkups for specific job positions.
- Organize cultural and recreational activities to promote mental well-being among employees.

Occupational insurance and work accident policies:

- Register labor accident and occupational disease insurance in accordance with regulations.

Provide financial support for medical expenses and compensation in the event of work-related accidents.

Salary, bonus, and benefits policies

- Maintain competitive salary levels, ensuring compliance with regional minimum wage laws.
- Apply periodic salary increases based on performance and seniority.
- Offer performance bonuses, quarterly/annual rewards, and innovation incentives.

Insurance and financial support:

- In addition to mandatory social and health insurance, the Company may extend health insurance benefits to additional employee groups.
- Implement financial support policies such as stock incentives for long-term employees.

Leave and special days off:

- Provide a minimum of 12 paid leave days per year in accordance with the law.
- Offer paid time off for public holidays, and additional special leave (e.g. birthday, weddings, bereavement).

Employee well-being and lifestyle care:

- Support meals, housing, and transportation if feasible.
- Organize internal events such as team-building, company trips, and family days.
- Establish an employee support fund for hardship cases (accidents, illness, natural disasters).

01

Developing policies to ensure occupational health and safety

03

Implementing human resource training and development policies

04

Promoting internal communication and policy compliance

Professional and language skill training:

- Support employees in attending upskilling and reskilling courses.
- Provide financial assistance for training fees and professional certification exams.

Clear career progression pathways:

- Apply transparent performance evaluation and promotion policies.
- Implement job rotation schemes to enhance diverse skill development.

Internal communication and employee conduct guidelines:

- Issue an Employee Handbook clearly outlining all internal policies.
- Organize training sessions to educate employees on their rights and obligations.

Feedback and grievance mechanism

- Provide anonymous feedback channels for employees to share suggestions or concerns.
- Assign a dedicated HR department to handle complaints and protect employee rights.

The Company is committed to developing a comprehensive labor policy framework that ensures legal compliance, protects employee rights, improves work quality, and fosters motivation for personal and professional growth.

Beyond legal compliance, the Company consistently enhances employee welfare, work environment, and career advancement opportunities to attract and retain talent. VIMID's human resource system and its continually evolving policies have been recognized by various organizations, associations, and governmental bodies in 2024. Notable awards include:

02

Implementing welfare and compensation policies to attract talent



Top 500 Leading Employers in Vietnam 2024, selected by Investment Newspaper



Top 10 Best Workplaces in Vietnam 2024 in Key Economic Sectors, selected by Investment Newspaper



No. 1 Employer in Vietnam 2024 in the Mechanical – Automotive – Automation Industry (SME segment), voted by employees via CareerViet

Top 20 Most Favorite Employers 2024 (SME segment), voted by employees via CareerViet

6.7. Awards and Honors in 2024



Top 500 Largest Enterprises in Vietnam & Top 500 Largest Private Enterprises in Vietnam

ORGANIZING ENTITY

Vietnam Report JSC in collaboration with VietnamNet Newspaper

SCOPE / SCALE

Nationwide scope, applicable to all enterprises operating in Vietnam across various industries and sectors, comprising the 500 companies that met the highest evaluation criteria.

EVALUATION CRITERIA

Revenue, Profit, Growth Rate, Total Assets, Number of Employees, Corporate Reputation in the Media



Top 100 Vietnam Gold Star Award

ORGANIZING ENTITY

Central Committee of the Vietnam Youth Federation in collaboration with the Vietnam Young Entrepreneurs Association.

SCOPE / SCALE

Nationwide scope, recognizing Vietnamese enterprises across various industries and sectors. The award honors 200 outstanding brands that have made significant contributions to national economic development, including Top 10, Top 100, and Top 200 ranked companies.

EVALUATION CRITERIA

Total assets, Owner's equity, Total revenue, Tax contributions, Net profit after tax, Return on equity (ROE), Number of employees, etc.



Top 10 Best Workplaces in Vietnam & Top 500 Best Employers in Vietnam

ORGANIZING ENTITY:

Conducted and published by Viet Research and Investment Newspaper.

SCOPE / SCALE

Nationwide scope, applicable to Vietnamese enterprises across all industries, recognizing companies with outstanding efforts in building professional, positive, and innovative working environments.

EVALUATION CRITERIA

Financial metrics (total assets, equity, revenue, profit, etc.); Labor indicators; HR policies; Workplace environment; Corporate leadership and governance; Awards, honors, and outstanding achievements in business operations and performance in CSR (corporate social responsibility) and employee engagement.



No. 1 Most Favorite Employer in the Mechanical – Automotive – Automation Industry (SME Segment)

Top 20 Most Favorite Employers in the SME Segment

ORGANIZING ENTITY

CareerViet in collaboration with Amco Vietnam Market Research.

SCOPE / SCALE

Nationwide scope, applicable to Vietnamese enterprises across a wide range of industries. The program surveys and analyzes labor market trends and highlights the most favored employer brands in Vietnam.

EVALUATION CRITERIA

Factors influencing job seekers and employees, including workplace benefits and employee expectations, based on nationwide surveys across diverse ages and professions. The goal is to honor enterprises that consistently maintain strong employer branding and appeal within their respective industries.



Top 9 Largest Private Enterprises by State Budget Contribution in the Distribution – Retail Sector

ORGANIZING ENTITY

CafeF – Financial News Portal

SCOPE / SCALE

CafeF compiled a ranking list honoring the largest private enterprises in Vietnam by state budget contributions – the "PRIVATE 100". This list includes all private enterprises that contributed at least VND 100 billion to the state budget. From this master list, sector-specific rankings were developed, including the Top 9 private enterprises with the highest budget contributions in the distribution – retail sector.

EVALUATION CRITERIA

The "PRIVATE 100 – Top Private Enterprises by State Budget Contribution in Vietnam" is based on data collected by CafeF from publicly available or verifiable sources. The ranking reflects the total actual amount contributed to the state budget by each enterprise, including taxes, fees, and other mandatory payments. Any private enterprise with contributions of VND 100 billion or more in the most recent fiscal year is eligible to be included in the list.



Top 200 Enterprises with the Highest State Budget Contributions in Vietnam (including State-owned, Private, and Foreign Enterprises)

ORGANIZING ENTITY

The financial news portal CafeF compiled the rankings based on actual state budget contributions over a 12-month fiscal period.

SCOPE / SCALE

The VNTAX 200 is a consolidated list that includes state-owned enterprises, private companies, and foreign-invested enterprises. The total state budget contribution of the 200 companies in the VNTAX 200 list reached VND 684.6 trillion.

EVALUATION CRITERIA

With the objective of recognizing not only the contributions from the private sector, CafeF established the VNTAX 200 – a list of enterprises with the highest state budget contributions in Vietnam. Compared to the PRIVATE 100, this list covers all types of enterprises, including state-owned enterprises, private companies, foreign enterprises, and joint ventures.



"Strategic Partners of Shandong Heavy Industry".

"Dealer of the Year"

ORGANIZING ENTITY

Shandong Heavy Industry Group – the parent company of Sinotruk and a strategic partner of VIMID.

SCOPE / SCALE

VIMID was honored with these awards at the Global Partners Conference held by Shandong Heavy Industry Group in Jakarta, Indonesia, on January 23, 2024. The event brought together over 1,000 dealers, major customers, financial partners, and media representatives from more than 20 countries and territories, including Southeast Asia, East Asia, Australia, and New Zealand.

EVALUATION CRITERIA

VIMID has significantly contributed to helping Sinotruk's truck models capture 65% of the market share in Vietnam's mid- and heavy-duty truck segment. Currently, VIMID is a strategic partner of Sinotruk, jointly delivering a wide range of products and services, and acting as the official after-sales representative of Sinotruk across Vietnam, serving transport and logistics enterprises nationwide.



VIMID Awarded Certificate of Commendation by Ha Dong District Federation of Labor

ORGANIZING ENTITY

Ha Dong District Federation of Labor

SCOPE / SCALE

This award is at the district level, under the commendation system of the Hanoi Federation of Labor and the Vietnam General Confederation of Labor.

EVALUATION CRITERIA

The VIMID Trade Union was recognized for its active participation in emulation movements, caring for employee welfare, proposing practical initiatives, organizing social security activities, and for its role in building a strong and exemplary grassroots union organization in 2024.



Director Nguyen Vu Tru Named in the Top 10 Thang Long Outstanding Young Entrepreneurs

ORGANIZING ENTITY

Hanoi Young Entrepreneurs Association under the direction of the Hanoi Youth Federation

SCOPE / SCALE

The Thang Long Outstanding Young Entrepreneurs Award honors exceptional young business leaders who have made significant contributions to the economic and social development of Hanoi, as well as to the young entrepreneurs' movement in the capital. The award has recognized and celebrated many prominent and reputable young entrepreneurs who are considered exemplary figures in Hanoi's business community.

EVALUATION CRITERIA

Nominees were evaluated through multiple rounds, including Preliminary Selection – Evaluation – Final Selection, with careful assessment of each candidate's position, achievements, and leadership in enterprise management, along with their contributions to the community.

6.8. Report on Corporate Social Responsibility to the Local Community

VIMID's volunteer activities, scholarship grants, and community support programs



CATEGORY	DESCRIPTION	PURPOSE / SIGNIFICANCE	ACTIVITY DETAILS
Scholarship Grant	VIMID awarded a scholarship to the Nguyen Hoang Phuong Scholarship Fund – University of Science, VNU	Affirming VIMID's commitment to supporting education and nurturing talent, contributing to training quality improvement and promoting scientific research. This also reflects VIMID's social responsibility and dedication to building a strong young generation for the nation's future.	On August 27, 2024, Ms. Le Thi Thanh Dung – VIMID's representative – awarded VND 50 million to the Nguyễn Hoàng Phương Scholarship Fund for students at the University of Science. The Nguyen Hoang Phuong Scholarship Fund annually presents the Nguyen Hoang Phuong Award to outstanding students of the Faculty of Physics. The award honors the outstanding academic and research achievements of students while also fostering a spirit of scientific inquiry.

Charity	VIMID donated VND 300 million to support provinces affected by storms and floods	VIMID's support for storm-affected communities reflects its spirit of social responsibility, promotes humanitarian values, and demonstrates its commitment to standing with the community in times of hardship. VIMID hopes to help residents recover from natural disasters and restore their lives. This act represents not only immediate compassion but also VIMID's long-term commitment to philanthropic programs, supporting disadvantaged individuals, and making meaningful contributions to the community.	On September 11, 2024, in response to a call from the Vietnam Fatherland Front, VIMID donated VND 300 million to localities affected by storms and floods, showing solidarity and contributing to disaster recovery efforts.
	VIMID visited and supported the families of drivers who died in Storm No. 3	VIMID organized meaningful visits to Yen Bai and Phu Tho provinces to meet with and support the families of drivers who lost their lives in Storm No. 3, helping them overcome hardship and stabilize their lives. This effort reflects the collective compassion of the entire VIMID team toward disaster-affected communities, while also helping to promote patriotic values, humanitarian spirit, and national solidarity.	From October 11 to 12, 2024, the VIMID delegation visited and extended support to the families of drivers affected by Storm No. 3. In Yen Bai, VIMID representatives offered words of encouragement and donated VND 50 million to help a driver's family overcome a difficult period. In Phu Tho, VIMID provided VND 10 million to each family impacted by the unexpected collapse of Phong Chau Bridge, aiming to support them through hardship and help restore their lives. VIMID hopes this assistance will help ease their burden and bring some comfort to the families of the victims.
	VIMID joined HANOIBA in spreading love through the program "Spring of Compassion, Warm Tet of Love"	As a business aligning social responsibility with sustainable development, VIMID believes even small actions can bring about significant change. Especially during Tet, when values of reunion and sharing are emphasized, helping the disadvantaged is not only a duty but also a source of joy for VIMID.	VIMID, in collaboration with the Hanoi Young Entrepreneurs Association (HANOIBA), donated VND 50 million and 250 meaningful gifts to 50 individuals in difficult circumstances, primarily those affected by Agent Orange. Gifts were given directly to war veterans, Agent Orange victims, and underprivileged families.

ASSESSMENT OF THE BOARD OF MANAGEMENT



01

Business Performance Evaluation

Total revenue in 2024 reached
3.891.124.661.120 VND

Profit before tax reached
88.361.114.179 VND

Profit after tax reached
68.436.163.674 VND

Assessment:

- The year 2024 marked a period of strong growth for the mid- and heavy-duty truck market, driven by favorable government policies promoting public investment projects and infrastructure development across Vietnam, as well as the robust post-COVID-19 recovery of the logistics industry. The demand for mid- and heavy-duty trucks surged significantly, from which VIMID directly benefited. The Company recorded total revenue exceeding VND 3,891 billion, representing a 29.7% increase over the 2024 business plan and a 71.11% increase compared to 2023. Profit before tax reached VND 88,361 billion, 216% above the planned target and up 306% compared to 2023. Profit after tax reached over VND 68 billion by the end of 2024, representing a 296% year-over-year increase.

- As an importer and distributor of mid- and heavy-duty trucks, VIMID's business performance was somewhat affected by foreign exchange fluctuations in 2024, with the USD/VND exchange rate increasing by 5.03% during the year. Nevertheless, the Company's Leadership promptly made sound and strategic decisions, implementing effective business strategies and policies to adapt to overall economic changes and currency volatility in particular.

02

Financial Position

a) Assets:

As of 2024, the Company's total assets reached VND 2,315,625,696,887, representing an increase of VND 444,824,619,510 compared to 2023. VIMID maintained a Debt-to-Total Assets ratio of 0.85, indicating that the Company still ensured a portion of equity capital was allocated to meet debt obligations, and that the Company's use of financial leverage remained effective.

- Return on Assets (ROA) ratio in 2024 increased by 2.04% (from 0.92% to 2.96%) year-over-year. This growth reflects the Company's management capability and the effective safeguarding of its assets by the Leadership.

b) Liabilities:

The Company's total liabilities in 2024 amounted to VND 1,963,094,263,279, an increase of VND 376,388,455,836 compared to 2023. This increase was mainly attributed to the rise in off-balance sheet commitments (L/C obligations) and credit obligations with financial institutions to support import activities during the year. Notably, short-term trade payables increased by VND 1,105,805,299,902, while long-term trade payables decreased by VND 3,166,370,196 compared to 2023. The increase in short-term liabilities reflects the Company's efforts to expand import activities in response to growing market demand. Nevertheless, VIMID maintains strict and efficient debt management, with no overdue payments to partners, thereby preserving the Company's reputation and market standing.

03

Improvements in Organizational Structure, Policies, and Management

In 2024, VIMID has implemented and continues to implement a range of upgrades and enhancements to its policies, as follows:

No.	Policy Improvements	Key Contents
1	Improvements to Salary and Bonus Policy	<ul style="list-style-type: none"> Enhancement of salary competitiveness <ul style="list-style-type: none"> Attractive starting salary aligned with market levels Periodic salary adjustments based on inflation and performance (at least once per year). Improvement of bonus policy <ul style="list-style-type: none"> Performance-based bonuses tied to clear KPIs. Loyalty bonus: Employees with over 3 years of service may receive ESOP incentives. Innovation bonus: Employees contributing ideas that improve work efficiency may receive direct rewards. Financial support scheme <ul style="list-style-type: none"> Low-interest loan policies or internal financial support from the Company's internal fund.
2	Enhancements to Welfare and Social Security Policies	<ul style="list-style-type: none"> Expanded insurance and healthcare coverage <ul style="list-style-type: none"> Provision of premium health insurance (in addition to statutory health insurance) for more employee groups. Broader entitlement to annual health check-ups (once per year). Flexible leave policy <ul style="list-style-type: none"> Additional paid leave days beyond the statutory 12 days/year. Adjustments to special leave policies (e.g., birthdays, weddings), with flexible work arrangements for suitable positions.
3	Improvements in Training and Development Policies	<ul style="list-style-type: none"> Launch of skill enhancement training programs. Upgraded competency framework and performance evaluation systems Clear career advancement pathways, including personalized development plans, opportunities for job rotation between departments to develop diverse skills and leadership/management/talent development programs for potential employees.

No.	Policy Improvements	Key Contents
4	Corporate Culture and Workplace Environment Enhancements	<p>Development of a modern and open working environment</p> <ul style="list-style-type: none"> • Promotion of an open culture that encourages creativity • Organization of regular team-building activities, company trips, and charitable programs • Support for employee personal branding and creation of internal forums for open dialogue <p>Transparent communication and employee feedback policy</p> <ul style="list-style-type: none"> • Implementation of regular employee opinion surveys and timely policy adjustments • Enhancement of feedback and grievance mechanisms with clear and transparent procedures • Establishment of a Human Resources Council to directly resolve employee matters

These improvements and adjustments to labor policies not only help VIMID attract talent, but also enhance employee engagement, improve workplace efficiency, and strengthen the retention of high-quality personnel.

04 Future Development Plan

In 2024, Vietnam's freight transport sector recorded remarkable growth, with the total volume transported estimated at 2,450 million tons, representing a 14.5% increase compared to 2023. The recovery and development of import-export activities have contributed significantly to the rising demand for freight transportation.

However, VIMID also faced considerable challenges due to changes in government policies, regulations, and broader negative economic factors. The Company responded with timely governance and business strategies, effectively adapting to difficulties and successfully achieving its strategic objectives for 2024. In 2025, Vietnam's economy is projected to achieve robust growth, with a targeted GDP growth rate of at least 8%, exceeding the 6.5%–7.0% growth recorded the previous year. The Government also aims to maintain inflation control within the range of 4.5% to 5.0%, thereby fostering a stable and favorable business environment for enterprises.

In particular, the Government's approval of major infrastructure projects—a US\$67 billion high-speed railway connecting Hanoi and Ho Chi Minh City, and an US\$8.3 billion railway linking Lao Cai, Hanoi, Hai Phong, and China—will serve as strong catalysts for the transport and logistics industries. In addition, the Ministry of Transport plans to disburse approximately VND 87 trillion in 2025 to upgrade the transportation infrastructure, helping to reduce logistics costs, enhance business competitiveness, and create favorable conditions for VIMID to expand its market presence. The freight transport sector is expected to continue its strong growth trajectory thanks to infrastructure development and increasing transportation demand.

With more favorable macroeconomic signals and the Company's market analysis for 2025, VIMID will focus on leveraging its existing product strengths, particularly in its best-selling segments such as tractor trucks, dump trucks, and medium- to heavy-duty trucks, with a sales target of 4,000 vehicles, aiming to capture 22% market share in 2025. Through this, the Company seeks to reaffirm its leading position in the heavy-duty truck market and further widen its market share gap with competitors in the coming years. VIMID will continue to invest in Research and Development (R&D) to diversify its product lines and expand its market presence in order to better meet customer demands.

- Product diversification and consolidation of core product strengths in the medium- and heavy-duty truck segment, catering to the needs of high-volume cargo transportation, raw material extraction, and infrastructure and construction projects.
- Strengthened cooperation with suppliers of complementary products, ensuring full-package solutions for customers through offerings such as semi-trailers, value-added services (e.g., banking, financial services, insurance, GPS tracking and monitoring devices, etc.).
- Feasibility studies and research into domestic vehicle manufacturing and assembly with a view to future implementation, aimed at reducing production costs and enhancing competitiveness. VIMID also plans to be a pioneer in researching emerging trends such as electric trucks and new technologies that are suited to the specific characteristics of the Vietnamese market. Ongoing development of its service center network, with the goal of ensuring that each service station is within 100 km of customer locations, enabling fast, timely, and convenient after-sales service.
- Aggressive implementation of digital platforms and e-commerce applications to improve sales effectiveness, better capture market demand, and build a loyal customer community around VIMID vehicles. This will lay the foundation for the development of an integrated ecosystem, with the ultimate goal of providing customers with the most comprehensive transport solutions.

05 Board of Management's Explanation Regarding Auditor's Opinion

None

BOARD OF DIRECTORS' EVALUATION OF THE COMPANY'S OPERATIONS

01

Evaluation of the Company's Performance by the Board of Directors

In 2024, the Board of Directors highly appreciates the efforts and achievements made in the Company's business operations and internal governance. The Company recorded impressive revenue growth as a result of market expansion, intensified research and development of core vehicle lines, diversification of its new product and service portfolio, and strengthened cooperation with strategic partners. In particular, the Company's investments in technology, product and service quality, and customer experience contributed significantly to operational efficiency and improved responsiveness to customer needs.

The Board also acknowledges the proactive and responsive approach of the Management in addressing market fluctuations and external challenges. The Company successfully optimized costs and managed risks, particularly in the context of exchange rate volatility and rising input material costs. As a result, profit after tax saw strong growth, exceeding the business targets approved at the 2024 Annual General Meeting of Shareholders.

However, the Board of Directors also recognizes the need for continued improvement in certain areas, such as strengthening training and human resource development to meet operational and business demands; integrating technology into production and business activities, particularly the adoption of technological solutions including machine learning and artificial intelligence in corporate governance and management. The Company should also focus on expanding its market share in the light truck segment to enhance competitiveness, and diversifying its product offerings to better meet market demand and reinforce its market position.

Overall, the Board of Directors considers 2024 a successful year in both business performance and corporate governance. These achievements have laid a solid foundation for the sustainable development of the Company. The Company's ability to adapt quickly to market changes not only affirms its operational resilience but also demonstrates strong growth potential and opportunities for future partnerships.

02

Evaluation by the Board of Directors on the Performance of the Board of Management

In 2024, the Board of Directors continued to strengthen supervision to ensure that the Board of Management operated in line with the principles of management, and production and business operations were organized in accordance with the plan. The Board of Directors has directed and supervised the activities of the Board of Management on the following contents:

(i). The Board of Directors has conducted periodic meetings with the Board of Management to evaluate the deployment of business strategies, financial plans, and risk management activities. Monthly and quarterly reports on financial status and corporate performance continue to be closely monitored to ensure transparency, accuracy, and honesty. As a result, the Company's business results have grown strongly, reaching 216% of the plan approved by the Annual General Meeting of Shareholders in 2024.

(ii). Regarding the issue of compliance management for the Board of Management, the Board of Directors has performed the following tasks:

- Supervise and direct the disclosure of information to ensure transparency and timeliness in compliance with law provisions;
- Review and agree on the contents of the report submitted to the Annual General Meeting of Shareholders 2025 held on April 19, 2025;
- Inspect the observance and compliance with the provisions of the Law on Enterprises, the Articles of Association, internal regulations on corporate governance and current regulations of the State;
- Supervise the implementation of resolutions issued by the General Meeting of Shareholders and the Board of Directors;

Plans and Strategic Directions of the Board of Directors

Regarding the Company's strategic development orientation, in 2025, the Board of Directors will continue to provide guidance and place strong emphasis on investment in research and development (R&D) aimed at technological advancement and enhancing product quality. This initiative is expected to not only strengthen the Company's competitiveness but also meet increasing customer demand for fuel-efficient and environmentally friendly trucks.

The year 2025 serves as a transitional period for the 2026–2030 development phase, during which the Company aims to become a leading technology group in Vietnam and the region, applying artificial intelligence and clean energy solutions. Accordingly, the Board is actively mobilizing and directing resources toward technological transformation, with a particular focus on the application of advanced technologies such as automation and artificial intelligence, in order to reduce costs and enhance operational efficiency across the entire system.

In terms of internal operations and the implementation of the resolutions passed by the General Meeting of Shareholders, the Board of Directors will continue to provide oversight and direction to the Board of Management to ensure the effective execution of the 2025 business and financial plan as approved by the 2025 Annual General Meeting of Shareholders. Special attention will be given to the transition of VIMID's shares from the UPCOM market (HNX) to official listing on the Ho Chi Minh City Stock Exchange (HSX).

In addition, the Board of Directors will work more closely with the Board of Management on monthly and quarterly business objectives and action plans to focus maximum resources to achieve the approved business plan. The Board will also continue to instruct and encourage the Board of Management to foster and strengthen corporate culture, professionalize workplace practices throughout the Company, improve labor productivity, refine and enhance employee welfare policies, elevate the quality of internal training programs, and optimize the Company's recruitment system.

CORPORATE GOVERNANCE

Board of Directors

a) Composition of the Board of Directors

The Board of Directors of Vietnam Machine Investment Development Joint Stock Company consists of five (05) members, including one Chairperson, one Vice Chairperson, and three Board members.

No.	Full Name	Position	Notes	No. of Shares	Ownership ratio
1	Nguyen Thi Thu Huyen	BOD Chairperson	Non-executive BOD member	2.225.000	10,34%
2	Nguyen Vu Tru	BOD Vice Chairperson	BOD Member cum Director	9.636.800	44,77%
3	Nguyen Thanh Binh	BOD Member	Non-executive BOD member	0	0%
4	Chu Quang Huy	BOD Member	Independent BOD member	0	0%
5	Hoang Thi Van	BOD Member	Non-executive BOD member	600.000	2,79%

b) Activities of the Board of Directors

No.	Resolution/Decision No.	Date of signature	Description	Approval Rate
1	01/2024/QD-HDQT-VIMID	03/01/2024	Decision on approval of transactions at Vietnam Technological and Commercial Joint Stock Bank (Techcombank)	100%
2	02/2024/QD-HDQT-VIMID	23/02/2024	Decision on holding the Annual General Meeting of Shareholders in 2024	100%
3	03/2024/QD-HDQT-VIMID	27/02/2024	Decision on changes in branch registration contents	100%
4	04/2024/QD-HDQT-VIMID	29/02/2024	Decision on receipt of credit extension at Vietnam Prosperity Joint-Stock Commercial Bank	100%
5	05/2024/QD-HDQT-VIMID	13/03/2024	Decision on election of Head of the Organization Committee and Chairperson of the Annual General Meeting of Shareholders in 2024	100%
6	06/2024/QD-HDQT-VIMID	14/03/2024	Decision on establishment of the Shareholder Eligibility Inspection Committee for the Annual General Meeting of Shareholders in 2024	100%
7	07/2024/QD-HDQT-VIMID	24/04/2024	Decision on line of credit, LC issuance at Military Commercial Joint Stock Bank- Hoai Duc Branch	100%
8	08/2024/QD-HDQT-VIMID	10/05/2024	Decision on line of credit extension at Military Commercial Joint Stock Bank - Hoai Duc Branch	100%

9	09/2024/QD-HDQT-VIMID	29/05/2024	Decision on promulgating Organization Chart of the Company	100%
10	10/2024/QD-HDQT-VIMID	03/06/2024	Decision on line of credit, LC issuance at Joint Stock Commercial Bank for Foreign Trade of Vietnam – Tay Ho Branch	100%
11	11/2024/QD-HDQT-VIMID	09/07/2024	Decision on credit extension at Vietnam Maritime Commercial Joint Stock Bank- Hanoi Branch	100%
12	12/2024/QD-HDQT-VIMID	05/09/2024	Decision on credit extension at Vietnam International Commercial Joint Stock Bank	100%
13	12a/2024/QD-HDQT-VIMID	07/11/2024	Decision on selection of the consultant listing shares of the Company at Ho Chi Minh Stock Exchange.	100%
14	13/2024/QD-HDQT-VIMID	14/11/2024	Decision on credit extension at Saigon Joint Stock Commercial Bank- Hanoi	100%
15	14/2024/QD-HDQT-VIMID	23/12/2024	Decision on receipt of credit extension at TPbank	100%

Audit Committee under the Board of Directors

a) Composition of the Audit Committee

No.	Full Name	Position	Notes	No. of Shares	Ownership ratio
1	Chu Quang Huy	Chairperson of the Committee	Independent BOD member	0	0%
2	Nguyen Thi Thu Huyen	Committee Member	Non-executive Chairperson of the BOD	2.225.000	10,34%

b) Activities of the Audit Committee

During the year, the Audit Committee conducted supervision activities to ensure the accuracy of financial statements, effectiveness of internal control systems, and compliance with applicable laws and regulations, including the following:

Supervision of Financial Statement	Conducted detailed review of financial statements, preparation and presentation of quarterly, semi-annual, and annual financial reports to ensure accuracy, consistency, and compliance with accounting standards. Assessed high-risk items and promptly made recommendations to improve operational and business efficiency.
Supervision and evaluation of internal controls	Conducted periodic assessments of the internal control system at departments and branches regarding compliance with internal processes, regulations, and legal requirements. Identified key issues and provided recommendations for improvement to the Board of Management. Carried out ad-hoc thematic evaluations on irregular matters related to the activities of branches and departments to assess the effectiveness of current control measures.
Risk management	Identified and assessed operational risks, such as foreign exchange volatility impacting import costs, legal risks due to changes in transportation regulations, and supply chain disruptions, and proposed responsive measures including revisions to relevant operational processes and procedures.
Internal audit oversight	Evaluated the results of internal audits conducted across departments and branches, identified systemic risks, and made recommendations for remedial actions to the board of leaderships. Monitored the implementation of corrective actions and ensured that post-audit recommendations were addressed in accordance with timelines and requirements.
Coordination in oversight of independent audit	Coordinated with the independent audit firm to define the scope and objectives of the independent audit. Supported the provision of necessary information to ensure that the auditors have access to objective and sufficient data.
Legal compliance supervision	Monitored and updated applicable legal and regulatory changes in areas such as import-export, accounting, and industry standards, and ensured compliance across departments to meet all legal requirements of the Company's operations.

Transactions, Remuneration, and Benefits of the Board of Directors, Board of Management, and Audit Committee

a) Salaries, Bonuses, Remuneration, and Other Benefits (Salaries, bonuses, remuneration, other benefits, and related expenses for each member of the Board of Directors, the Audit Committee, the Director of the Company, and Management persons in 2024):

Key management personnel and related individuals include members of the Board of Directors, the Director of the Company, the Chief Accountant, and family members of these individuals. Their total income for the year 2024 is as follows (unit: VND):

Salaries, Bonuses, Remuneration, and Other Benefits of the Board of Directors, Board of Management, and Audit Committee

Unit: VND

Full Name	Position	Salary	Remuneration	Total
Nguyen Thi Thu Huyen	BOD Chairperson	565.170.000	120.000.000	685.170.000
Nguyen Vu Tru	BOD Member cum Director	675.270.000	120.000.000	795.270.000
Nguyen Thanh Binh	BOD Member		60.000.000	60.000.000
Hoang Thi Van	BOD Member		60.000.000	60.000.000
Chu Quang Huy	Independent BOD member		60.000.000	60.000.000
Nguyen Thi Tam	Chief Accountant	486.945.000		486.945.000
Total				2.147.385.000

(Source: Audited Financial Statements for 2024 of VVS)

b) Internal Share Transactions: None

c) Transactions or Contracts with Internal Shareholders: None

d) Implementation of Corporate Governance Regulations: All members of the Board of Directors, the Audit Committee, and the Board of Management have complied strictly with the laws and regulations on corporate governance.



FINANCIAL STATEMENTS

1. Auditor's Opinion



No. : 200325.031/BCTC.KT1

INDEPENDENT AUDITORS' REPORT

To: Shareholders, Board of Directors and Board of Management
Vietnam Machine Investment Development Joint Stock Company

We have audited the accompanying General Financial Statements of Vietnam Machine Investment Development Joint Stock Company prepared on 20 March 2025, as set out on pages 6 to 37 including: Statement of financial position as at 31 December 2024, Statement of income, Statement of cash flows and Notes to General Financial Statements for the year ended as at 31 December 2024.

Board of Management' Responsibility

The Board of Management is responsible for the preparation of General Financial Statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of financial statements and for such internal control as Board of Management determines is necessary to enable the preparation of General Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

aasc.com.vn

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AASC AUDITING FIRM

4

Auditor's opinion

In our opinion, the General Financial Statements give a true and fair view, in all material respects, of the financial position of Vietnam Machine Investment Development Joint Stock Company as at 31 December 2024, and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of General Financial Statements.

Other Matter

The General Financial Statements of Vietnam Machine Investment Development Joint Stock Company for the year ended 31 December 2023 were audited by another auditor and Nam Viet Auditing and Accounting Financial Consulting Services Company Limited - The North branch. Auditor expressed an unqualified opinion on those statements on 18 March 2024.

Hanoi, 20 March 2025

AASC Auditing Firm Company Limited
Deputy General Director



Phạm Anh Tuan
Registered Auditor No: 0777-2023-002-1

Auditor



Nguyen Thi Thanh Ha
Registered Auditor No.: 2888-2025-002-1

2. Audited financial statements

Vietnam Machine Investment Development Joint Stock Company
BT1-07 An Hung New Urban Area, To Huu Street,
Duong Noi Ward, Ha Dong District, Hanoi City

General Financial Statements
for the fiscal year ended as at 31 December 2024

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

Code	ASSETS	Note	31 December 2024 VND	01 January 2024 VND
100	A. CURRENT ASSETS		2,278,074,602,365	1,817,615,317,705
110	I. Cash and cash equivalents	3	111,698,069,734	36,974,531,356
111	1. Cash		37,439,069,734	36,974,531,356
112	2. Cash equivalents		74,259,000,000	-
130	III. Short-term receivables		1,405,926,672,286	1,267,347,292,617
131	1. Short-term trade receivables	5	183,009,767,534	153,165,294,206
132	2. Short-term prepayments to suppliers	6	30,499,520,949	28,683,367,045
136	3. Other short-term receivables	7	1,192,417,383,803	1,085,498,631,366
140	IV. Inventories	8	751,423,131,620	506,472,397,421
141	1. Inventories		751,423,131,620	506,472,397,421
150	V. Other short-term assets		9,026,728,725	6,821,096,311
151	1. Short-term prepaid expenses	12	3,147,758,279	1,438,115,210
152	2. Deductible VAT		5,878,970,446	5,315,332,574
153	3. Taxes and other receivables from the State budget	15	-	67,648,527
200	B. NON-CURRENT ASSETS		37,551,094,522	53,185,759,672
210	I. Long-term receivables		1,010,600,000	1,010,600,000
216	1. Other long-term receivables	7	1,010,600,000	1,010,600,000
220	II. Fixed assets		30,718,115,770	33,645,876,501
221	1. Tangible fixed assets	10	14,769,043,282	17,916,051,957
222	- Historical cost		50,382,227,091	50,382,227,091
223	- Accumulated depreciation		(35,613,183,809)	(32,466,175,134)
227	2. Intangible fixed assets	11	15,949,072,488	15,729,824,544
228	- Historical cost		21,760,700,000	20,595,000,000
229	- Accumulated amortization		(5,811,627,512)	(4,865,175,456)
240	IV. Long-term assets in progress	9	504,022,289	1,642,972,727
242	1. Construction in progress		504,022,289	1,642,972,727
250	V. Long-term financial investments	4	3,600,000,000	12,700,000,000
255	1. Held-to-maturity investments		3,600,000,000	12,700,000,000
260	VI. Other long-term assets		1,718,356,463	4,186,310,444
261	1. Long-term prepaid expenses	12	1,718,356,463	4,186,310,444
270	TOTAL ASSETS		2,315,625,696,887	1,870,801,077,377

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024
(Continued)

Code	CAPITAL	Note	31 December 2024 VND	01 January 2024 VND
300	C. LIABILITIES		1,963,094,263,279	1,586,705,807,443
310	I. Current liabilities		1,945,826,795,275	1,566,271,969,243
311	1. Short-term trade payables	14	1,354,463,775,464	248,658,475,562
312	2. Short-term prepayments from customers	16	9,953,063,267	7,308,088,499
313	3. Taxes and other payables to State budget	15	30,615,074,263	1,298,422,664
314	4. Payables to employees		16,085,879,000	7,695,810,129
315	5. Short-term accrued expenses	17	5,791,982,699	18,637,843,743
318	6. Short-term unearned revenue	19	1,194,551,052	-
319	7. Other short-term payables	18	251,377,406,151	942,422,268,522
320	8. Short-term borrowings and finance lease liabilities	13	276,345,063,379	340,251,060,124
330	II. Non-current liabilities		17,267,468,004	20,433,838,200
331	1. Long-term trade payables	14	17,267,468,004	20,433,838,200
400	D. OWNER'S EQUITY		352,531,433,608	284,095,269,934
410	I. Owner's equity	20	352,531,433,608	284,095,269,934
411	1. Contributed capital		215,250,000,000	215,250,000,000
411a	- Ordinary shares with voting rights		215,250,000,000	215,250,000,000
412	2. Share premium		4,325,000,000	4,325,000,000
421	3. Retained earnings		132,956,433,608	64,520,269,934
421a	- Retained earnings accumulated to the previous year		64,520,269,934	47,248,322,744
421b	- Retained earnings of the current year		68,436,163,674	17,271,947,190
440	TOTAL CAPITAL		2,315,625,696,887	1,870,801,077,377

Preparer

Hoang Thi Oanh

Chief Accountant

Nguyen Thi Tam

General Director

Nguyen Vu Tru



STATEMENT OF INCOME

Year 2024

Code	ITEMS	Note	Year 2024 VND	Year 2023 VND
01	1. Revenue from sales of goods and rendering of services	22	3,891,124,661,120	2,274,113,278,376
02	2. Revenue deductions	23	14,940,329	9,080,985,439
10	3. Net revenue from sales of goods and rendering of services		3,891,109,720,791	2,265,032,292,937
11	4. Cost of goods sold and services rendered	24	3,609,796,406,949	2,047,899,028,371
20	5. Gross profit from sales of goods and rendering of services		281,313,313,842	217,133,264,566
21	6. Financial income	25	104,261,564,563	158,207,390,072
22	7. Financial expense	26	125,993,794,707	225,122,380,175
23	- In which: Interest expense		26,573,774,813	33,725,399,236
25	8. Selling expense	27	96,148,645,079	64,386,684,563
26	9. General and administrative expense	28	72,146,981,743	63,550,130,399
30	10. Net profit from operating activities		91,285,456,876	22,281,459,501
31	11. Other income		71,364,064	154,354,000
32	12. Other expense	29	2,995,706,761	658,211,211
40	13. Other profit		(2,924,342,697)	(503,857,211)
50	14. Total net profit before tax		88,361,114,179	21,777,602,290
51	15. Current corporate income tax expense	30	19,924,950,505	1,304,655,100
52	16. Deferred corporate income tax expense		-	3,201,000,000
60	17. Profit after corporate income tax		68,436,163,674	17,271,947,190
70	18. Basic earnings per share	31	3,179	835

Preparer

Hoang Thi Oanh

Chief Accountant

Nguyen Thi Tam

General Director

Nguyen Vu Tru



STATEMENT OF CASH FLOWS

Year 2024
(Indirect method)

Code	ITEMS	Note	Year 2024 VND	Year 2023 VND
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	1. Profits before tax		88,361,114,179	21,777,602,290
	2. Adjustment for:			
02	- Depreciation and amortization of fixed assets and investment properties		4,093,460,731	4,541,186,076
04	- Exchange gains / losses from retranslation of monetary items denominated in foreign currency		(19,642,602,760)	26,604,389,380
05	- Gains / losses from investment activities		(61,865,544,984)	(90,782,115,065)
06	- Interest expense		26,573,774,813	33,725,399,236
08	3. Operating profit before changes in working capital		37,520,201,979	(4,133,538,083)
09	- Increase/decrease in receivables		3,525,746,221	254,515,351,344
10	- Increase/decrease in inventories		(244,950,734,199)	(26,366,966,425)
11	- Increase/decrease in payables (excluding interest payables, corporate income tax payables)		442,707,581,904	(1,485,991,820,282)
12	- Increase/decrease in prepaid expenses		758,310,912	6,222,835,278
14	- Interest paid		(25,856,045,615)	(33,829,068,175)
15	- Corporate income tax paid		(3,099,749,017)	(10,334,185,499)
20	Net cash flow from operating activities		210,605,312,185	(1,299,917,391,842)
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	1. Purchase or construction of fixed assets and other long-term assets		(26,749,562)	(219,184,111)
23	2. Loans and purchase of debt instruments from other entities		(2,272,724,000,000)	(1,541,945,150,000)
24	3. Collection of loans and resale of debt instrument of other entities		2,123,093,380,684	2,624,521,069,863
27	4. Interest and dividend received		77,505,297,349	137,282,599,021
30	Net cash flow from investing activities		(72,152,071,529)	1,219,639,334,773
III. CASH FLOWS FROM FINANCING ACTIVITIES				
31	1. Proceeds from issuance of shares and receipt of contributed capital		-	14,325,000,000
33	2. Proceeds from borrowings		1,993,855,339,205	2,100,675,372,323
34	3. Repayment of principal		(2,057,761,335,950)	(2,120,133,692,520)
40	Net cash flow from financing activities		(63,905,996,745)	(5,133,320,197)

STATEMENT OF CASH FLOWS

Year 2024
(Indirect method)
(Continued)

Code	ITEMS	Note	Year 2024 VND	Year 2023 VND
50	Net cash flows in the year		74,547,243,911	(85,411,377,266)
60	Cash and cash equivalents at the beginning of the year		36,974,531,356	122,408,265,073
61	Effect of exchange rate fluctuations		176,294,467	(22,356,451)
70	Cash and cash equivalents at the end of the year	3	111,698,069,734	36,974,531,356

Preparer

Hoang Thi Oanh

Chief Accountant

Nguyen Thi Tam

General Director

Nguyen Vu Tru



Recipients:

- State Securities Commission of Vietnam;
- Hanoi Stock Exchange (HNX);
- Filings.

LEGAL REPRESENTATIVE VIETNAM MACHINE INVESTMENT DEVELOPMENT JOINT STOCK COMPANY



NGUYEN VU TRU



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