

**SIBA HIGH-TECH MECHANICAL GROUP JOINT STOCK COMPANY**  
**99 A1 Cong Hoa, Ward Tan Son Nhat, Ho Chi Minh City, Viet Nam**



**FINANCIAL STATEMENTS**  
**SECOND QUARTER OF 2025**

*Ho Chi Minh City, July 2025*

## BALANCE SHEET

As at 30 June 2025

Unit: VND

ASSETS	Code	Note	June 30, 2025	December 31, 2024
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>948.545.244.317</b>	<b>732.001.574.119</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>68.683.828.796</b>	<b>37.903.379.153</b>
1. Cash	111		68.683.828.796	37.903.379.153
<b>II. Short-term financial investments</b>	<b>120</b>	<b>V.2</b>	<b>134.457.186.000</b>	<b>-</b>
1. Held-to-maturity investments	123		134.457.186.000	-
<b>III. Short-term accounts receivable</b>	<b>130</b>		<b>528.142.677.586</b>	<b>476.095.473.233</b>
1. Receivable from customers	131	V.3	382.415.703.769	321.361.503.464
2. Short-term prepayments to suppliers	132	V.4	145.785.306.191	59.359.069.652
3. Other receivable	136	V.5a	1.403.581.324	96.836.813.815
4. Provision for short-term bad debts	137	V.6	(1.461.913.698)	(1.461.913.698)
<b>IV. Inventories</b>	<b>140</b>	<b>V.7</b>	<b>190.458.925.424</b>	<b>198.844.189.254</b>
1. Inventories	141		193.333.199.878	201.718.463.708
2. Provision for devaluation of inventories	149		(2.874.274.454)	(2.874.274.454)
<b>V. Other current assets</b>	<b>150</b>		<b>26.802.626.511</b>	<b>19.158.532.479</b>
1. Short-term prepaid expenses	151	V.8a	2.372.796.740	1.147.514.360
2. VAT deductible	152		24.429.829.771	18.011.018.119
<b>B - LONG-TERM ASSETS</b>	<b>200</b>		<b>424.447.656.124</b>	<b>286.769.048.253</b>
<b>I. Long-term accounts receivable</b>	<b>210</b>		<b>1.032.033.470</b>	<b>915.108.470</b>
1. Other long-term receivable	216	V.5b	1.032.033.470	915.108.470
<b>II. Fixed assets</b>	<b>220</b>		<b>165.973.747.138</b>	<b>171.293.931.066</b>
<b>1. Tangible assets</b>	<b>221</b>	<b>V.9</b>	<b>154.938.258.402</b>	<b>160.186.096.032</b>
- Historical costs	222		192.618.375.391	191.990.099.229
- Accumulated depreciation	223		(37.680.116.989)	(31.804.003.197)
<b>2. Financial leasehold assets</b>	<b>224</b>	<b>V.10</b>	<b>1.695.695.136</b>	<b>1.184.304.334</b>
- Historical costs	225		2.273.801.382	1.589.074.408
- Accumulated depreciation	226		(578.106.246)	(404.770.074)
<b>3. Intangible assets</b>	<b>227</b>	<b>V.11</b>	<b>9.339.793.600</b>	<b>9.923.530.700</b>
- Historical costs	228		11.674.742.000	11.674.742.000
- Accumulated depreciation	229		(2.334.948.400)	(1.751.211.300)
<b>III. Long-term assets in progress</b>	<b>240</b>		<b>207.833.881.677</b>	<b>72.301.687.956</b>
1. Construction in progress	242	V.12	207.833.881.677	72.301.687.956
<b>IV. Long-term financial investment</b>	<b>250</b>	<b>V.13</b>	<b>44.698.532.051</b>	<b>38.000.000.000</b>
1. Investment in subsidiaries	251		44.900.000.000	38.000.000.000
2. Provision for investment	254		(201.467.949)	-
<b>V. Other long-term assets</b>	<b>260</b>		<b>4.909.461.788</b>	<b>4.258.320.761</b>
1. Long-term prepaid expenses	261	V.8b	4.909.461.788	4.258.320.761



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Financial Statements second quarter of 2025 (Cont.)

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<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>1.372.992.900.441</b>	<b>1.018.770.622.372</b>
<b>CAPITAL SOURCES</b>				
<b>C – LIABILITIES</b>	<b>300</b>		<b>777.702.333.365</b>	<b>440.031.724.076</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>642.669.834.042</b>	<b>395.209.478.902</b>
1. Short-term payable to suppliers	311	V.14	383.571.808.785	175.234.241.311
2. Short-term advances from customers	312	V.15	96.856.596.907	69.563.457.642
3. Taxes and other obligations to the State Budget	313	V.16	3.967.557.929	7.393.954.650
4. Payables to employees	314		4.375.043.910	6.365.818.990
5. Accrued expenses	315	V.17	14.143.807.491	15.238.796.482
6. Other non-current payables	319	V.18	1.236.815.920	129.519.399
7. Short-term borrowings	320	V.19a	138.518.203.100	121.283.690.428
<b>II. Long-term liabilities</b>	<b>330</b>		<b>135.032.499.323</b>	<b>44.822.245.174</b>
1. Long-term loans and financial lease debts	338	V.19b	127.013.042.204	36.653.318.043
2. Long-term provisions	342	V.20	8.019.457.119	8.168.927.131
<b>D - OWNERS' EQUITY</b>	<b>400</b>		<b>595.290.567.076</b>	<b>578.738.898.296</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>V.21</b>	<b>595.290.567.076</b>	<b>578.738.898.296</b>
1. Owner's contribution capital	411		499.999.630.000	499.999.630.000
- Common shares with voting right	411a		499.999.630.000	499.999.630.000
2. Share premiums	412		(221.900.000)	(221.900.000)
3. Retained profit after tax	421		95.512.837.076	78.961.168.296
- Retained profit after tax accumulated by the end of the previous period	421a		78.961.168.296	33.640.818.395
- Retained profit after tax of the current period	421b		16.551.668.780	45.320.349.901
<b>TOTAL CAPITAL SOURCES (440 = 300 +400)</b>	<b>440</b>		<b>1.372.992.900.441</b>	<b>1.018.770.622.372</b>



Prepared by

Chief Accountant


Prepared on July 23, 2025

General Director

  
Dinh Thi Tuyet Nhung

  
Tran Thi Thu Thao



  
Nguyen Van Duc



## INCOME STATEMENT

Second quarter of 2025

Unit: VND

Indicators	Code	Note	Second quarter of 2025	Second quarter of 2024	Current year	Previous year
1. Revenue from sales of goods and rendering of Services	01	VI.1	431.911.446.591	1.012.432.618.970	1.091.764.612.516	1.873.072.382.536
2. Revenue deductions	02		-	-	-	-
3. Net revenue from sales of goods and rendering of services	10		431.911.446.591	1.012.432.618.970	1.091.764.612.516	1.873.072.382.536
4. Cost of goods sold	11	VI.2	401.959.079.868	985.723.934.522	1.034.154.193.853	1.832.648.408.823
5. Gross profit from sales of goods and rendering of services (20=10 - 11)	20		29.952.366.723	26.708.684.448	57.610.418.663	40.423.973.713
6. Financial income	21	VI.3	287.372.062	137.471.786	540.338.128	379.212.326
7. Financial expenses	22	VI.4	6.997.217.420	5.802.227.739	11.203.310.598	8.844.053.248
- In which: interest expenses	23		4.311.275.283	5.681.645.808	7.397.228.997	8.674.434.554
8. Selling expenses	25	VI.5	6.613.942.254	3.696.535.677	10.442.462.788	6.663.968.267
9. General and administrative expenses	26	VI.6	8.494.859.839	5.853.014.544	16.069.730.184	11.779.619.381
10. Net profit from operating activities	30		8.133.719.272	11.494.378.274	20.435.253.221	13.515.545.143
11. Other income	31	VI.7	415.505.854	24.540.495	1.298.037.728	90.769.208
12. Other expenses	32	VI.8	86.872.589	9.917.910	1.412.708.682	240.556.941
13. Other profit (40 = 31 - 32)	40		328.633.265	14.622.585	(114.670.954)	(149.787.733)
14. Accounting profit before tax	50		8.462.352.537	11.509.000.859	20.320.582.267	13.365.757.410
15. Current corporate income tax expense	51	VI.9	1.749.256.359	1.120.629.131	3.768.913.487	1.276.198.600
16. Net profit after corporate income tax	60		6.713.096.178	10.388.371.728	16.551.668.780	12.089.558.810

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General Director

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## CASH FLOW STATEMENT

(Under indirect method)

Second quarter of 2025

Unit: VND

Indicators	Code	Note	Current year	Previous year
<b>I. Cash flows from operating activities</b>				
1. Profit before tax	01		20.320.582.267	13.365.757.410
2. Adjustments for				
Depreciation of fixed assets and investment properties	02		6.633.187.064	6.513.541.821
Provisions	03		51.997.937	563.608.744
Exchange gains, losses arising from revaluation of monetary items denominated in foreign currency	04		2.436.376.932	-
Profits, losses from investing activities	05		(290.646.693)	(379.212.326)
Interest expenses	06		7.397.228.997	8.674.434.554
3. Operating income before changes in working capital	08		36.548.726.504	28.738.130.203
Increase, decrease in receivables	09		(154.250.777.603)	(208.996.222.900)
Increase, decrease in inventories	10		8.385.263.830	(72.103.280.917)
Increase, decrease in payables	11		188.098.500.480	206.150.294.231
Increase, decrease in prepaid expenses	12		(1.876.423.407)	(287.199.489)
Interest paid	14		(7.601.238.642)	(6.945.105.593)
Corporate income tax paid	15		(7.064.625.608)	(1.899.461.173)
Other cash outflows	17			
Net cash flows from operating activities	20		62.239.425.554	(55.342.845.638)
<b>II. Cash flows from investing activities</b>				
1. Payment for purchases or construction of fixed assets and other long - term assets	21		(112.972.344.439)	(358.458.780)
2. Proceeds from disposal of fixed assets and other long - term assets	22		20.000.000.000	-
3. Cash outflow for lending, buying debt instruments of other entities	23		(88.406.221.000)	-
4. Cash recovered from lending, selling debt instruments of other entities	24		49.106.496.000	-
5. Equity investments in other entities	25		(6.900.000.000)	-
6. Cash recovered from investments in other entities	26		-	50.931.687.106
7. Interests and dividends received	27		870.293.346	379.212.326
Net cash flows from investing activities	30		(138.301.776.093)	50.952.440.652
<b>III. Cash flows from financing activities</b>				
1. Drawdown of borrowings	33		243.078.503.790	176.690.365.261
2. Repayments of borrowings	34		(135.971.643.118)	(153.161.042.891)
3. Repayments of finance lease	35		(265.817.490)	(85.724.802)
Net cash flows from financing activities	40		106.841.043.182	23.443.597.568
Net cash flows during the year (50 = 20 + 30 + 40)	50		30.778.692.643	19.053.192.582



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Cash and cash equivalents at the beginning of year	60		37.903.379.153	35.902.377.227
Effect of exchange rate fluctuations on cash and cash	61		1.757.000	-
Cash and cash equivalents at the beginning of year (70 = 50 + 60 + 61)	70	V.I	68.683.828.796	54.955.569.809


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Tran Thi Thu Thao



Nguyễn Văn Đức



## NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2025

### I. OPERATION FEATURES

1. **Ownership form** : Siba High-Tech Mechanical Engineering Group Joint Stock Company (hereinafter referred to as the "Company") is a jointstock company.
2. **Operating field** : Trade. service. production
3. **Business operation** :  
The business operation of the Company includes:
  - Trading in Agricultural products;
  - Mechanical; metal processing and coating;
4. **Common producing and business cycle**: The Company's normal production and business cycle is within 12 months.
5. **Statement on comparability of information on financial statements**: The financial statements for the second quarter of the fiscal year ended 31 December 2025 are completely consistent and ensure comparability with the financial statements for the second quarter of the fiscal year ended 31 December 2024.
6. **Company structure**:  
Level 1 Subsidiaries:

<i>Name</i>	<i>Address</i>	<i>Main operations</i>	<i>Ownership rate</i>	<i>Voting right rate</i>	<i>Interest rate</i>
VMECO Bac Lieu Clean Energy OneMember Co., Ltd (*)	Lot E9. Tra Kha Industrial Park. Ward 8. Bac Lieu City. Bac Lieu province. Vietnam	Power production	100%	100%	100%

Level 2 Subsidiaries:

<i>Name</i>	<i>Address</i>	<i>Main operations</i>	<i>Ownership rate</i>	<i>Voting right rate</i>	<i>Interest rate</i>
Stemkos Viet Nam Trading JSC (**)	7th Floor. Office for lease. Vista Tower Building. 628C Vo Nguyen Giap Street. An Phu Ward. Thu Duc City. Ho Chi Minh City	Power production	99.99%	99.99%	99.99%
Siba Cu Jut Clean Energy Co., Ltd (***)	Ba Tang Village, Ea Po Commune, Cu Jut District, Dak Nong Province	Power production	51%	51%	51%

(\*)(\*\*)(\*\*\*) The company is currently operating normally in the solar energy sector





## **II. FISCAL YEAR AND STANDARD CURRENCY UNIT USED IN ACCOUNTING**

### **1. Fiscal year**

The fiscal year of the Company is from 01 January to 31 December annually.

### **2. Standard currency unit used in accounting**

The standard currency unit used in accounting is the Vietnamese Dong (VND).

## **III. ACCOUNTING STANDARDS AND SYSTEM APPLIED**

### **1. Accounting system**

The Company has been applying the Vietnamese Accounting System issued by Circular No. 200/2014/TT-BTC dated 22 December 2014 and the Circulars giving guidance on the implementation of accounting standards and system of the Ministry of Finance.

### **2. Statement on the compliance with the accounting standards and system**

The General Directors ensure to follow all the requirements of the Vietnamese Accounting Standards and System issued by Circular No. 200/2014/TT-BTC dated 22 December 2014 and the Circulars giving guidance on the implementation of accounting standards and system of the Ministry of Finance in the preparation of these combined financial statements.

### **3. Applicable accounting form**

The Company has been using the accounting form of general journal recording on the computer.

## **IV. ACCOUNTING POLICIES**

### **1. Basis of preparing financial statements**

Financial statements are prepared based on accrual accounting (excluding information related to cash flows).

### **2. Foreign currency transactions**

Actual exchange rate for transactions in foreign currencies incurred in the year:

- The actual exchange rate when buying and selling in foreign currencies is the rate specified in the foreign currency purchase and sale contract between the Company and a commercial bank;
- The rate of contributing capital or receiving capital contribution is the foreign currency buying rate of the bank where the Company opens an account to receive capital from investors on the date of capital contribution;
- The rate when recognizing receivables is the buying rate of the commercial bank where the Company appoints customers to pay when the transaction arises;
- The rate when recognizing liabilities is the selling rate of the commercial bank where the Company intends to make the transaction at the time the transaction arises;

Actual exchange rate upon revaluation of monetary items denominated in foreign currencies at the time of preparing the financial statements:

- For items classified as assets, the applied rate is the buying rate in foreign currency;
- For foreign currency deposits, the applied rate is the purchase rate of the bank where the Company opens foreign currency accounts;

- For items classified as liabilities, the applied rate is the selling exchange rate of foreign currency of the commercial bank where the Company regularly has transactions.

All real exchange rate differences arising in the period and differences resulting from the revaluation of monetary items denominated in foreign currencies at the end of the period are accounted for in the income statement of the accounting period.

### 3. Cash and cash equivalents

Cash includes cash at the fund, demand deposits in banks, and monetary gold used with value storage functions, excluding gold classified as inventory used for raw materials, materials to manufacture products or goods for sale.

Cash equivalents are short-term investments with a maturity of no more than 3 months from the date of purchase, easily convertible into a specified amount of money without much risk in conversion to money.

### 4. Financial investments

#### *Investments held to maturity*

Investments held to maturity are initially recognized at cost. After initial recognition, these investments are recorded at their recoverable amount. Any impairment in the value of the investment, if any, is recorded as financial expense in the separate statement of income and is deducted directly from the investment value.

#### *Investments in subsidiaries*

##### *Subsidiaries*

The subsidiary is an Company controlled by the Company. Control is achieved when the entity has the power to govern the financial and operating policies of an investee entity to obtain benefits from its activities.

Investments in subsidiaries are initially recognized at cost, including the purchase price or capital contribution plus any directly attributable costs of the investment. In the case of investment with nonmonetary assets, the cost of the investment is recognized at the fair value of the non-monetary asset at the time of arising.

Dividends and profits of the periods prior to the acquisition of the investment are accounted for as a decrease in the value of the investment itself. Dividends and profits of the periods after the investment is purchased are recognized as revenue. Dividends received by shares are only tracked for the number of additional shares, not the value of received shares recorded at par value.

Provision for loss of investments in subsidiaries is made when the subsidiary suffers a loss with an allowance equal to the difference between the actual contributed capital of the parties in the subsidiary and the actual equity multiplied by the ratio of capital contribution of the Company to the total actual contributed capital of the parties in the subsidiary. If the subsidiary is the subject of the Consolidated Financial Statements, the basis for determining the provision for loss is the Consolidated Financial Statements.

Increase or decrease in the amount of provision for loss of investments in subsidiaries that need to be set at the end of the financial year is recognized in financial expenses.



## 5. Receivables

The receivables of debts are recognized as the recorded amount minus the provisions for doubtful debts

Receivables are classified as receivables from customers and other receivables according to the following principles:

- Receivables from customers represent commercial receivables arising from buying-selling transactions between the Company and buyers that are independent of the Company, including receivables on the sales proceeds from the export consignment to another unit.
- Other receivables reflect non-commercial receivables not related to purchase and sale transactions.

Provision for bad debts is made for each bad debt based on the overdue age of the debts or expected loss, specifically as follows:

- For overdue debt collection:
  - 30% of the value for receivables that are overdue from 6 months to less than 1 year.
  - 50% of the value for receivables that are overdue from 1 year to less than 2 years.
  - 70% of the value for receivables that are overdue from 2 years to less than 3 years.
  - 100% of the value for receivables from 3 years or more.

For receivables that are not overdue for payment but are unlikely to be recovered: make provision based on the expected loss level.

## 6. Inventories

Inventories are recorded at the lower of cost between historical cost and net realizable value.

The historical cost of inventories is determined as follows:

- Raw materials and merchandise: purchase costs and other directly related costs incurred to obtain inventory at the current location and condition.
- Finished product: raw material cost, direct labor cost, and related overheads amortized based on normal operating level.
- Cost of production and business in progress: only includes the cost of main raw materials (or other appropriate cost elements).

Net realizable value is the estimated selling price of inventories in the normal production or business year minus the estimated costs to complete and the estimated costs required to consume them.

Inventory value is calculated on a weighted average basis and is accounted for by the regular declaration method.

A provision is made for the devaluation of inventories for each inventory item whose historical cost is greater than its net realizable value. A provision is made for the devaluation of inventories for each inventory item whose historical cost is greater than its net realizable value.



**7. Tangible fixed assets**

Tangible fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of fixed assets include all the expenses of the Company to have these fixed assets as of the dates they are ready to be put into use. Other expenses incurred after the initial recognition are included in historical costs of fixed assets only if they certainly bring more economic benefits in the future thanks to the use of these assets. Those which do not meet the above conditions will be recorded into expenses.

When a tangible fixed asset is sold or disposed of, its historical cost and accumulated depreciation are written off, then any gain/loss arising is posted into the income or the expenses during the year.

Fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years are estimated as follows:

<u>Fixed assets</u>	<u>Number of years</u>
House, building materials	08 – 35
Machinery and equipment	05 – 15
Means of transportation, transmission	08 – 10
Management tools and equipment	04 – 05

**8. Intangible fixed assets**

Intangible fixed assets are stated at cost less accumulated depreciation.

The historical cost of intangible fixed assets includes all costs that the Company must spend to acquire the fixed asset up to the time the asset is put into a ready-to-use state. Costs related to intangible fixed assets that arise after initial recognition are recorded as production and business costs in the period unless these costs are associated with a specific intangible fixed asset and increase economic benefits from these assets.

When intangible fixed assets are sold or liquidated, their original cost and accumulated depreciation are written off and profits and losses arising from disposal are recorded in income or expenses during the year.

The Company's intangible fixed assets include:

***Software program***

Costs related to computer software programs that are not an integral part of the related hardware are capitalized. The original price of computer software is all expenses that the Company has spent up to the time the software is put into use. Computer software is amortized using the straight-line method over 10 years.

**9. Fixed assets under finance lease**

A lease is classified as a finance lease if the significant risks and rewards of ownership of the asset are with the lessee. Fixed assets under finance lease are stated at cost less accumulated depreciation.

The cost of a fixed asset under a finance lease is the lower of the fair value of the leased asset at the inception of the lease contract and the present value of the minimum lease payment. The discount rate to calculate the present value of the minimum rental payment for a property lease is the interest rate implicit in the property lease contract or the interest rate stated in the contract. In

case the interest rate implicit in the lease contract cannot be determined, the loan interest rate at the beginning of the lease will be used.

Fixed assets under finance lease are depreciated on a straight-line basis over their estimated useful time. In case the Company is not sure whether it will have ownership of the asset at the end of the lease term or not, the fixed asset will be depreciated over the shorter of the lease term and the estimated useful life. Depreciation years of fixed assets under finance lease are as follows:

<u>Type of fixed asset under finance lease</u>	<u>Number of years</u>
Machinery and equipment	04-15
Means of transport, transmission	04-15

#### 10. Construction in progress costs

Construction in progress represents directly related costs (including interest expenses related in accordance with the Company's accounting policy) to assets in construction progress, machinery and equipment being installed for production, rental, and management purposes as well as expenses related to the repair of fixed assets in progress. These assets are recorded at cost and not depreciated.

#### 11. Prepaid expenses

Prepaid expenses include expenses actually incurred but related to the results of production and business activities of many accounting periods. Prepaid expenses of the Company include the following expenses:

##### *Industrial land rent*

Industrial land rent is amortized to expenses on a straight-line basis over a period of 50 years.

##### *Tools and equipments*

Equipment and tools that have been put into use are amortized to expenses on a straight-line basis with an amortization period not exceeding 3 years.

##### *Other prepaid expenses*

Other prepaid expenses are amortized to expenses on a straight-line basis with an amortization period not exceeding 3 years

#### 12. Payable and Accrued Expenses

Payables and accrued expenses are recognized for future amounts payable in respect of goods and services already received. Accrued expenses are recognized based on reasonable estimates of the payable amount.

Payables are classified as commercial payables, accrued expenses, internal payables, and other payables according to the following principles:

- Trade payables represent commercial payables arising from purchases of goods, services, or assets and the seller is independent of the Company, including payables when imported through authorized receivers.
- Accrued expenses reflect payables for goods or services received from seller or provided to a buyer but not paid due to a lack of invoices or insufficient accounting documents and payables to employees on vacation pay, accrued production, and business expenses.



- Other payables reflect non-commercial payables not related to the transactions of buying, selling or supplying goods or services.

### 13. Loans and financial lease liabilities

The Company must keep track of the payable terms of loans and finance lease liabilities. For loans with a repayment period of more than 12 months from the date of the financial statements, the Company must present them as long-term borrowings and financial leases. For loans due within the next 12 months from the date of the financial statements, the accountant must present them as short-term borrowings and financial lease liabilities for a payment plan.

For finance lease liabilities, the total liability reflected to the Credit side of account 341 is the total payable amount calculated by the current value of the minimum lease payments or fair value of the rented assets.

Loans and debts in foreign currencies must be converted into the accounting currency at the actual exchange rate at the time of arising;

- When repaying debts or borrowing in foreign currencies, the Debit side of account 341 is converted at the actual bookkeeping rate for each item;
- When preparing financial statements, loan balances and financial lease liabilities in foreign currencies must be re-evaluated according to actual exchange rates at the time of preparing financial statements.
- Exchange rate differences arising from the settlement and revaluation of loans and financial lease liabilities in foreign currencies at the end of the loan term are recorded as financial income or expenses.

### 14. Recognition of owner's equity

#### *Owner's investment capital*

The owner's investment capital is recognized according to the amount actually invested by the shareholders.

#### *Share premium*

Share premium is recorded according to the difference between the issue price and the par value of shares when initially issued, additional issues, the difference between the reissue price and the book value of treasury shares, and the structure of shares capital portion of the convertible bond upon maturity. Direct costs related to the issuance of additional shares and re-issuance of treasury shares are recorded as a decrease in share premium.

#### *Undistributed profits*

Recording business results (profit, loss) after corporate income tax and the distribution of profits or handling of losses of the Company.

#### *Other funds*

Other funds are set up and used in accordance with the Company's Charter and the Annual General Meeting of Shareholders' Resolutions.

### 15. Profit distribution

Profit after corporate income tax is distributed to shareholders after appropriation of funds by the resolution of the General Meeting of Shareholders of the Company and current laws.



The distribution of profits to shareholders takes into account non-monetary items including undistributed after-tax profits that may affect cash flow and the ability to pay dividends/profit such as capital gains due to valuation, return of assets contributed as capital, profits due to revaluation of monetary items, financial instruments, and other non-monetary items.

Dividends are recognized as liabilities upon approval of the Shareholders' Meeting.

#### 16. Recognition of Revenue

##### *Revenue from sales of goods*

Revenue of goods sold is recognized when all the following conditions are met:

- Most of the risks and rewards associated with ownership of the product or its goods have been transferred to the buyer.
- The Company no longer holds control over the goods such as the ownership of the goods have been transferred to buyers.
- The revenue can be measured reliably. When the contract provides that the buyer is entitled to return products or goods purchased under specific conditions, the revenue is recognized only when those specific conditions cease to be available and the buyer is not entitled to return products or goods (unless customers have the right to return goods in exchange for other goods or services).
- The Company has received or will receive economic benefits from the sale
- The costs related to the sale transaction are determined.

##### *Revenue from service providers*

Revenue from a service transaction is recognized when the outcome of the transaction can be measured reliably. Where services are performed over several periods, the revenue recognized in the period is based on the results of the work completed at the balance sheet date. The outcome of a service provision transaction is determined when all of the following conditions are satisfied:

- The revenue can be measured reliably. Where the contract stipulates that the buyer is entitled to return the purchased service under specific conditions, revenue is recognized only when those specific conditions no longer exist and the buyer is not entitled to return the service rendered.
- It is probable that economic benefits will flow from the transaction providing such services.
- Identify the work completed at the end of the financial year.
- Determine the costs incurred for the transaction and the cost to complete the transaction providing that service.

##### *Interest*

Interest is recognized on an accrual basis, determined by the balance of deposit accounts and the actual interest rate for each period.

#### 17. Recognition of Cost of goods sold

The cost of goods sold in the year was recorded in accordance with the revenue generated in the period and ensured compliance with the prudent principle.

For the cost of direct materials consumed over the normal rate, labor costs, and fixed production overheads that are not allocated to the value of warehoused products, the accountant must

immediately calculate them into the cost of goods sold ( after deducting compensation, if any) even if the product or goods have not been identified as being sold.

Provision for devaluation of inventories is charged to the cost of goods sold on the basis of inventories and the difference between the net realizable value and the cost of inventories. When determining the volume of inventory that is subject to a decline in value for which a provision is made, the accountant must exclude the volume of inventory that has been signed for sale (with a net realizable value not lower than the value of the book) but has not yet been delivered to the customer if there is solid evidence that the customer will not abandon the performance of the contract.

**18. Recognition of financial cost**

Financial costs include loan interest and other costs directly related to loans.

Borrowing costs are recognized as expenses when incurred. Where borrowing costs are directly related to the investment in the construction or production of unfinished assets that require a sufficiently long period (more than 12 months) before they can be put into use for the intended purpose or sold, this borrowing cost is capitalized. For separate loans for the construction of fixed assets and investment real estate, interest is capitalized even if the construction period is less than 12 months. Gains arising from the temporary investment of loans are written off at the cost of the related assets.

For general loans that are used for investment in the construction or production of unfinished assets, the capitalized borrowing cost is determined according to the capitalization rate of the weighted average accumulated cost rights arising from the investment in the capital construction or production of such assets. The capitalization rate is calculated using the weighted average interest rate of outstanding loans for the year, excluding separate loans for the purpose of forming a specific asset.

**19. Recognition of sales expense and management expenses**

Sale expenses reflect the actual costs incurred in the process of selling products or goods or providing services, including the costs of offering goods, introducing products, advertising products, sales commissions, expenses for product and goods warranty (except for construction activities), expenses for preservation, packing, and transportation...

Management expenses reflect general management expenses of the Company, including expenses for salaries of employees of the Company management sections (salaries, wages, allowances ..); social insurance, health insurance, trade union funds, unemployment insurance of Company managers; expenses for office materials, labor tools, depreciation of fixed assets used for Company management; land rent, license tax; provision for bad debts; Outbound services (electricity, water, telephone, fax, property insurance, fire, and explosion); Other monetary expenses (guest reception, customer conference ..).

**20. Recognition of current corporate income tax**

The current corporate income tax expense is determined on the basis of taxable income. Taxable income is different from accounting profit due to adjustments of temporary differences between tax and accounting, non-deductible expenses as well as adjustments of non-taxable income and transferred losses.

The Company is obliged to pay corporate income tax at the rate of 20%

The investment project of the Company's VMECO High-tech Supporting Industrial Engineering Factory is subject to a tax rate of 17% for a period of 10 years (from 2022 to 2031), and tax



exemption for 2 years (from 2022 to 2023) and a 50% reduction of tax payable for the next 4 years, applicable to investment projects in areas with difficult socio-economic conditions under the guidance of Circular 78/2014/TT-BTC dated 18 June 2014 and Circular 96/2015/TT-BTC dated June 22, 2015, of the Ministry of Finance.

## **21. Financial instruments**

### **i. Financial assets**

#### Types of financial assets

The Company classifies financial assets into the following groups: financial assets recognized at fair values on income statement, held-to-maturity investments, loans and receivables, financial assets available for sale. The classification of these financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are recognized at fair value through the statement of income.

Financial assets that are classified as being recognized at fair value on the income statement if held for trading or classified at fair value on the income statement at the time of initial recognition.

Financial assets are classified into securities held for trading if:

- Purchased or created primarily for the purpose of short-term resale;
- The Company intends to hold for short-term profit;
- Derivative financial instruments (except for derivative financial instruments that are identified as a contract of financial guarantee or an effective hedging instrument).

#### Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and a fixed maturity that the Company has the intention and ability to hold until the maturity date.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments and

not listed on the market.

#### Financial assets available for sale

Available-for-sale financial assets are non-derivative financial assets identified as available for sale

or that are not classified as fair value financial assets on the income statement, held-to-maturity investments or loans and receivables.

#### Initial book value of a financial asset

Financial assets are recognized at the acquisition date and derecognized at the selling date. At the time of initial recognition, a financial asset is determined at the cost of purchase/issue cost plus other costs directly attributable to the acquisition and issue of such financial asset.

### **ii. Financial liabilities**

The Company classifies financial liabilities into the following groups: financial liabilities that are



recognized at fair value on the income statement. financial liabilities determined by allocated value.

The classification of financial liabilities depends on the nature and purpose of the financial liabilities and is determined at the date of initial recognition.

Financial liabilities that are recognized at fair value on the income statement

Financial liabilities are classified as being recognized at fair value on the income statement if held for trading or classified at fair value on the statement at the time of initial recognition.

Financial liabilities are classified as securities held for trading if:

- Purchased or created primarily for the purpose of reselling for a short period of time;
- The Company intends to hold for short-term profit purposes;
- A derivative (except derivative that is a financial guarantee contract or effective hedging instrument).

Financial liabilities are determined at allocated value

Financial liabilities are determined at an allocated value at the original recognition value of financial liabilities minus principal repayments, plus or minus accumulated allocation under the method the real interest rate of the difference between the initial recognition value and the maturity value, minus any deductions (either directly or through the use of a contingency account) due to impairment or failed recovery.

The net interest method is the method of calculating the allocated value of one or a group of financial liabilities and distributing the interest income or interest expense in the relevant year. Net rate is the rate at which cash flows are estimated to be paid or received in the future over the intended life of the financial instrument or, if necessary, to return to the present bookkeeping amount of financial liabilities.

Initial bookkeeping amount of financial liabilities

At the time of initial recognition, financial liabilities are determined at the issue price plus the expenses directly attributable to the issue of those financial liabilities.

### **iii. Equity Instruments**

An equity instrument is a contract that demonstrates a residual interest in the Company's assets after deducting all obligations.

## **22. Related parties**

Parties are considered a related party of the Company if one party has the ability to control the other party or otherwise significantly influence the other party in making financial decisions and operate, or when the Company and the other party jointly or severally control.

In considering related parties relationship, the nature of relationship is focused more than the legal form.

Transactions with related parties during the year are presented in Note VII.

**V. SUPPLEMENTARY INFORMATION FOR ITEMS PRESENTED IN BALANCE SHEET**

**1. Cash and cash equivalents**

	<u>Ending balance</u>	<u>Beginning balance</u>
Cash	3.820.283.150	28.672.288
Demand deposit	35.107.506.840	37.874.706.865
Cash in transit	29.756.038.806	-
<b>Total</b>	<b>68.683.828.796</b>	<b>37.903.379.153</b>

**2. Short-term investments**

	<u>Ending Balance</u>		<u>Beginning Balance</u>	
	<u>Cost</u>	<u>Book Value</u>	<u>Cost</u>	<u>Book Value</u>
Bank deposit (*)	134.457.186.000	134.457.186.000	-	-
<b>Cộng</b>	<b>134.457.186.000</b>	<b>134.457.186.000</b>	<b>-</b>	<b>-</b>

(\*) Mortgages and deposits in bank deposits to ensure the performance of construction contracts for customers as follows:

- + Savings deposit books at E.SUN Commercial Bank Ltd have a balance of: VND 40.620.000.000.
- + Savings deposit books at Joint Stock Commercial Bank for Investment and Development of Vietnam have a balance of: VND 74.935.000.000.
- + Savings deposit book at Vietnam Technological and Commercial Joint Stock Bank have a balance of: VND 3.446.186.000.
- + Savings deposit books at Shinhan Vietnam Bank Limited have a balance of: VND 15.456.000.000.

**3. Short-term receivables from customers**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Receivables from related parties</i>	<i>93.591.932.561</i>	<i>175.251.129.762</i>
Green Farm Investment 1 Co., Ltd	-	8.343.992.629
VMECO Bac Lieu Clean Energy Co., Ltd	197.054.887	100.000.000
Bao Ngoc Livestock Co., Ltd	33.426.000	33.426.000
Green Farm Investment 2 Co., Ltd	5.487.089.492	6.412.668.892
Anh Vu Phu Yen Co., Ltd	1.021.788.644	4.758.801.849
Dong An Khanh Production. Trade and Service Co., Ltd	449.777.062	2.237.250.742
Nam An Khanh Livestock Co., Ltd	-	1.211.398.568
Bac An Khanh Production. Trade and Service Co., Ltd	-	1.296.036.768
Minh Thanh Livestock Production. Trade and Service Co., Ltd	-	1.297.210.069
Tan Chau Agricultural Investment Co., Ltd	3.115.312.649	14.167.903.206
Tam Hung Production. Trade and Services Co.,Ltd	-	16.508.983.400



	Ending balance	Beginning balance
Hai Dang Tay Ninh High-Tech Livestock JSC	83.287.483.827	118.883.457.639
<b>Receivables from other customers</b>	<b>288.823.771.208</b>	<b>146.110.373.702</b>
Huy Phong Phat Construction Co., Ltd	13.424.730.322	-
Viet Nam International Leasing Co.,Ltd	11.025.716.802	-
Greentech Livestock JSC	-	41.890.288.126
Duy Phat Agriculture JSC	255.750.000.700	67.244.000.000
No.1 Viet Nguyen Construction JSC	5.256.843.232	12.756.843.232
Other customers	3.366.480.152	24.219.242.344
<b>Total</b>	<b>382.415.703.769</b>	<b>321.361.503.464</b>

4. Short-term prepayments to suppliers

	Ending balance	Beginning balance
<b>Prepayment to related parties</b>	-	<b>7.863.747.150</b>
Tan Long Group JSC	-	7.863.747.150
<b>Prepayment to other sellers</b>	<b>145.785.306.191</b>	<b>51.495.322.502</b>
Savagnini Italia S.P.A	36.253.348.011	37.561.571.500
First Green Engineering JSC	-	2.262.422.018
Trieu Kim Steel Co., Ltd	1.298.364.834	1.298.364.834
Song Lam Agriculture Product JSC	89.120.766.380	-
Minh Lan Co., Ltd	5.857.997.706	-
Other suppliers	13.254.829.260	10.372.964.150
<b>Total</b>	<b>145.785.306.191</b>	<b>59.359.069.652</b>

5. Other receivables

a) Short-term

	Ending balance		Beginning balance	
	Cost	Contingency cost	Cost	Contingency cost
<b>Receivables from other organizations and individuals</b>	<b>1.403.581.324</b>	-	<b>96.836.813.815</b>	-
Collateral. deposits(*)	86.000.000	-	95.249.000.000	-
Advance payment	258.196.699	-	299.938.902	-
Chailease International Leasing Co., Ltd	31.749.922	-	38.099.908	-
Vietnam International Leasing Co., Ltd	92.468.246	-	39.265.781	-
Interest on deposit	443.568.977	-	1.023.215.630	-
Other receivables	491.597.480	-	187.293.594	-
<b>Total</b>	<b>1.403.581.324</b>	-	<b>96.836.813.815</b>	-

(\*) Mortgage, deposit by bank deposit reclassified.

b) Long-term

	Ending balance		Beginning balance	
	Cost	Contingency cost	Cost	Contingency cost
Receivables from other organizations and individuals	1.032.033.470	-	915.108.470	-
Pledge. deposit	1.032.033.470	-	915.108.470	-
<b>Total</b>	<b>1.032.033.470</b>	<b>-</b>	<b>915.108.470</b>	<b>-</b>

6. Provision for short-term bad receivables

Changes in provisions during the period:

	Short-term receivables and loans	Long-term receivables and loans	Total
Beginning balance	(1.461.913.698)	-	(1.461.913.698)
Additional provision	-	-	-
Provision reversal	-	-	-
<b>Total</b>	<b>(1.461.913.698)</b>	<b>-</b>	<b>(1.461.913.698)</b>

7. Inventories

	Ending balance		Beginning balance	
	Cost	Contingency cost	Cost	Contingency cost
Raw materials, materials	76.287.249.462	-	121.846.494.028	-
Tools and equipments	8.249.478.190	-	8.986.939.872	-
Cost of manufacture and trade in progress	91.124.493.595	-	63.329.706.620	-
Finished product	3.263.048.501	-	1.130.611.321	-
Goods	14.283.097.969	(2.874.274.454)	6.274.335.964	(2.874.274.454)
Goods consigned for sale	125.832.161	-	150.375.903	-
<b>Total</b>	<b>193.333.199.878</b>	<b>(2.874.274.454)</b>	<b>201.718.463.708</b>	<b>(2.874.274.454)</b>



**8. Prepaid expenses**

**a) Short-term**

	<u>Ending balance</u>	<u>Beginning balance</u>
Tools and equipments	656.201.810	204.203.204
Insurance fees	130.236.211	93.407.154
Repair expenses	167.394.999	556.700.909
Software, server rental costs	1.369.215.209	222.494.150
Office rental costs	11.067.000	22.943.667
Other expenses	38.681.511	47.765.276
<b>Total</b>	<b><u>2.372.796.740</u></b>	<b><u>1.147.514.360</u></b>

**b) Long-term**

	<u>Ending balance</u>	<u>Beginning balance</u>
Cost of land rent	2.098.430.374	2.122.783.531
Tools and equipments	381.018.319	557.912.964
Office construction costs	789.311.867	1.105.036.614
Repair expenses	1.268.325.367	-
Long-term prepaid expenses for Bac Lieu factory	-	448.258.409
Insurance fees	-	614.923
Other long-term prepaid expenses	372.375.861	23.714.320
<b>Total</b>	<b><u>4.909.461.788</u></b>	<b><u>4.258.320.761</u></b>

9. Tangible fixed assets

	House. building materials	Machinery and equipment	Means of transportation	Equipment. management tools	Total
<b>Original price</b>					
Beginning amount	55.716.664.542	129.865.977.443	6.086.770.880	320.686.364	191.990.099.229
New purchase in the year	-	138.888.889	-	489.387.273	293.716.162
<b>Second quarter-end amount</b>	<b>55.716.664.542</b>	<b>130.004.866.332</b>	<b>6.086.770.880</b>	<b>810.073.637</b>	<b>192.283.815.391</b>
Including:					
Fully depreciated but still in use	-	88.635.000	-	128.366.364	217.001.364
<b>Depreciation value</b>					
Beginning amount	5.928.334.444	23.353.302.505	2.366.787.217	155.579.031	31.804.003.197
Annual depreciation	1.114.308.549	4.373.754.878	353.444.333	34.606.032	5.876.113.792
<b>Second quarter-end amount</b>	<b>7.042.642.993</b>	<b>27.727.057.383</b>	<b>2.720.231.550</b>	<b>190.185.063</b>	<b>37.680.116.989</b>
<b>Remaining value</b>					
Beginning amount	49.788.330.098	106.512.674.938	3.719.983.663	165.107.333	160.186.096.032
<b>Second quarter-end amount</b>	<b>48.674.021.549</b>	<b>102.277.808.949</b>	<b>3.366.539.330</b>	<b>619.888.574</b>	<b>154.938.258.402</b>

Tangible fixed assets with an original cost of VND 184.831.244.101 and a residual value of VND 150.259.894.358 are mortgaged to secure a loan from Saigon - Hanoi Commercial Joint Stock Bank - Han Thuyen Branch.



10. Fixed assets under finance lease

	Machinery and equipment	Means of transportation	Total
<b>Original price</b>			
Beginning amount	432.000.000	1.157.074.408	1.589.074.408
New finance lease in year	684.726.974	-	684.726.974
<b>Second quarter-end amount</b>	<b>1.116.726.974</b>	<b>1.157.074.408</b>	<b>2.273.801.382</b>
Including:			
Fully depreciated but still in use	-	-	-
<b>Depreciation value</b>			
Beginning amount	172.800.000	231.970.074	404.770.074
Annual depreciation	43.200.000	130.136.172	173.336.172
<b>Second quarter-end amount</b>	<b>216.000.000</b>	<b>362.106.246</b>	<b>578.106.246</b>
<b>Remaining value</b>			
Beginning amount	259.200.000	925.104.334	1.184.304.334
<b>Second quarter-end amount</b>	<b>900.726.974</b>	<b>794.968.162</b>	<b>1.695.695.136</b>

11. Intangible fixed assets

Software program:

	Original price	Depreciation value	Remaining value
Beginning amount	11.674.742.000	(1.751.211.300)	9.923.530.700
Increase during the period	-	(583.737.100)	(583.737.100)
<b>Ending balance</b>	<b>11.674.742.000</b>	<b>(2.334.948.400)</b>	<b>9.339.793.600</b>

12. Construction in progress cost

	Beginning balance	Expenses incurred in the year	Transferred to fixed assets in the year	Liquidation of assets	Ending balance
Construction in progress cost	72.301.687.956	135.532.193.721	-	-	207.833.881.677
Project: "SIBA Ba Ria Vung Tau High-tech Mechanical Factory" <sup>(1)</sup>	72.301.687.956	135.532.193.721	-	-	207.833.881.677
<b>Total</b>	<b>72.301.687.956</b>	<b>135.532.193.721</b>	<b>-</b>	<b>-</b>	<b>207.833.881.677</b>

<sup>(1)</sup> Is the construction cost of the project " SIBA Ba Ria - Vung Tau High-tech Mechanical Factory" according to the Investment Registration Certificate No. 8353128311 dated March 1. 2022 of the Management Board of Ba Ria-Vung Tau Technology Zones. According to the second adjustment certificate dated May 28. 2025. The project's operation and production time is November 2025. The project is currently under construction.

13. Long-term financial investment

	Ending balance		Beginning balance	
	Cost	Provision	Cost	Fair value
Invest in subsidiaries	44.900.000.000	(201.467.949)	38.000.000.000	-
VMECO Bac Lieu Clean Energy Co., Ltd <sup>(1)</sup>	44.900.000.000	(201.467.949)	38.000.000.000	-
<b>Total</b>	<b>44.900.000.000</b>	<b>(201.467.949)</b>	<b>38.000.000.000</b>	<b>-</b>

<sup>(1)</sup> Capital contribution to VMECO Bac Lieu Clean Energy Company Limited according to the Business Registration Certificate of One-Member Limited Liability Company No. 1900665908 dated August 24. 2020. accordingly. Siba High-tech Mechanical Group Joint Stock Company is the owner of 100% of the charter capital. The Company is currently operating normally in the solar energy field.



**14. Short-term payable to suppliers**

	<u>Ending balance</u>	<u>Beginning balance</u>
<b>Payable to related parties</b>	-	<b>60.074.670</b>
VMECO Bac Lieu Clean Energy Co., Ltd	-	60.074.670
<b>Payable to other suppliers</b>	<b>383.571.808.785</b>	<b>175.174.166.641</b>
Bd Agriculture (Malaysia)	19.710.914.544	16.642.899.361
BIVC International Agricultural Products JSC	235.249.849.550	-
Kunlong International	-	7.968.254.118
Jiangsu Huali	23.288.738.541	38.266.752.052
DaeWon I&D	6.117.757.600	13.146.500.520
Big Herdsman Machinery	21.033.889.869	14.334.111.000
Le Gia Phuc Construction and Trading Co., Ltd	30.284.400.515	5.703.462.882
Other suppliers	47.886.258.166	79.112.186.708
<b>Total</b>	<b>383.571.808.785</b>	<b>175.234.241.311</b>

**15. Buyer short-term advance payments**

	<u>Ending balance</u>	<u>Beginning balance</u>
<b>Prepaid by related parties</b>	<b>92.001.336.705</b>	<b>19.218.947.522</b>
Green Farm Investment 1 Co., Ltd	182.703.697	-
Nam An Khanh Livestock Co., Ltd	844.333.200	-
BAF Vietnam Agriculture JSC	71.685.483.811	6.672.053.139
Tam Hung Production. Trade and Services Co.,Ltd	701.164.530	-
Song Hinh High-Tech Livestock Co., Ltd	13.649.938.393	9.588.221.650
Minh Thanh Livestock Production. Trade and Service Co., Ltd	505.648.241	-
BAF Tay Ninh Animal Feed JSC	2.958.672.733	2.958.672.733
TMC Livestock JSC	1.473.392.100	-
<b>Prepaid by other customers</b>	<b>4.855.260.202</b>	<b>50.344.510.120</b>
Greentech Livestock JSC	1.028.826.287	-
Hung Phu Livestock Investment Co., Ltd	-	15.029.888.330
Vietnam International Leasing Co., Ltd	-	15.902.476.160
Huy Phong Phat Construction Co., Ltd	-	13.823.612.910
Minh Phu Livestock Co.,Ltd	-	5.428.942.400
Loc Phu Livestock Co.,Ltd	3.246.386.640	-
Other customers	580.047.275	159.590.320
<b>Total</b>	<b>96.856.596.907</b>	<b>69.563.457.642</b>

16. Taxes and other payables to the State

	Beginning balance		Number arising during the year		Ending balance	
	Payable	Receivable	Payable	Paid	Payable	Receivable
VAT on imported goods	-	-	533.850.648	(533.850.648)	-	-
Import and export tax	-	-	3.819.060	(3.819.060)	-	-
Corporate income tax	7.064.625.608	-	3.768.913.487	(7.064.625.608)	3.768.913.487	-
Individual income tax	329.329.042	-	344.767.350	(475.451.950)	198.644.442	-
Other taxes	-	-	495.371.422	(495.371.422)	-	-
<b>Total</b>	<b>7.393.954.650</b>	<b>-</b>	<b>5.146.721.967</b>	<b>(8.573.118.688)</b>	<b>3.967.557.929</b>	<b>-</b>

The Company's tax finalization will be subject to inspection by tax authorities. Because the application of tax laws and regulations to different types of transactions can be interpreted in different ways, the tax amounts presented in the Financial Statements are subject to change at the discretion of the agency tax office.

*The Value added tax*

The Company pays value added tax by credit method with tax rates of each type as follows:

Agricultural products, pig cage frame, livestock machinery, and equipment	Not taxable
Other services and goods	8%;10%

*Corporate income tax*

Corporate income tax is calculated based on taxable income for the year at the applicable tax rate of 20%.

The investment project of the Company's VMECO High-tech Supporting Industrial Engineering factory is subject to a tax rate of 17% for a period of 10 years (from 2022 to 2031), and tax exemption for 2 years (from 2022 to 2023) and a 50% reduction of tax payable for the next 4 years, applicable to investment projects in areas with difficult socio-economic conditions under the guidance of Circular 78/2014/TT-BTC dated 18 June 2014 and Circular 96/2015/TT-BTC dated June 22, 2015, of the Ministry of Finance.

*Other kinds of tax*

The Company declared and paid according to the regulations.

17. Short-term payable expenses

	Ending balance	Beginning balance
Payable to other organizations and individuals	14.143.807.491	15.238.796.482
Interest payable	799.721.333	1.003.730.978
Construction costs	13.344.086.158	14.235.065.504
<b>Total</b>	<b>14.143.807.491</b>	<b>15.238.796.482</b>



18. Other short-term payables

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payable to related parties</i>	<i>118.921.608</i>	<i>49.734.544</i>
Hai Dang Tay Ninh High-Tech Livestock JSC – collection on behalf	-	6.774.412
Song Hinh High-Tech Livestock Co.,Ltd - collection on behalf	118.921.608	42.960.132
<i>Payable to other organizations and individuals</i>	<i>1.117.894.312</i>	<i>79.784.855</i>
Social insurance	481.256.400	-
Medical insurance	85.811.265	-
Unemployment insurance	37.745.600	-
Union expenses	93.805.470	52.020.870
Surplus of assets awaiting resolution	372.863.442	-
Others	46.412.135	27.763.985
<b>Total</b>	<b><u>1.236.815.920</u></b>	<b><u>129.519.399</u></b>

19. Loans and financial lease debt

a) Short-term

	Ending balance		Beginning balance	
	Value	Available value to repay	Value	Available value to repay
<i>Loans and short-term financial lease liabilities payable to other organizations and individuals</i>	<i>138.518.203.100</i>	<i>138.518.203.100</i>	<i>121.283.690.428</i>	<i>121.283.690.428</i>
<b>Short-term bank loans</b>	<b>118.262.899.100</b>	<b>118.262.899.100</b>	<b>101.028.386.428</b>	<b>101.028.386.428</b>
Vietnam Joint Stock Commercial Bank for Industry and Trade	-	-	3.165.994.988	3.165.994.988
Shinhan Vietnam Bank Limited - Ho Chi Minh City Branch (1)	30.632.714.411	30.632.714.411	-	-
Joint Stock Commercial Bank for Investment and Development of Vietnam (2)	61.318.330.729	61.318.330.729	48.686.577.346	48.686.577.346
Saigon - Hanoi Commercial Joint Stock Bank - Han Thuyen Branch (3)	519.800.000	519.800.000	18.580.000.000	18.580.000.000
Vietnam Technological And Commercial Joint Stock Bank	-	-	5.612.509.988	5.612.509.988
E.SUN Commercial Bank Ltd (4)	25.792.053.960	25.792.053.960	24.983.304.106	24.983.304.106
<b>Long-term loan due to pay</b>	<b>20.255.304.000</b>	<b>20.255.304.000</b>	<b>20.255.304.000</b>	<b>20.255.304.000</b>
Saigon - Hanoi Commercial Joint Stock Bank - Han Thuyen Branch	20.255.304.000	20.255.304.000	20.255.304.000	20.255.304.000
<b>Total</b>	<b>138.518.203.100</b>	<b>138.518.203.100</b>	<b>121.283.690.428</b>	<b>121.283.690.428</b>

(1) Loan from Shinhan Vietnam Bank Limited - Ho Chi Minh City Branch according to the Notice of Credit Approval dated February 13, 2025. The purpose of use is to supplement working capital but does not include serving investment in fixed assets demand. The loan limit is VND 50.000.000.000. Interest rate is specified on each debt receipt. Loan is secured by deposit contracts with a total value of at least 50% of the total outstanding loan balance at all times. The value of the deposit contracts at June 30, 2025 is VND 15.456.000.000.

(2) Loan from Vietnam Joint Stock Commercial Bank for Investment and Development under Credit Agreement No. 2041/2025/6965706/HDTD dated June 09, 2025. The maximum loan limit is VND 200.000.000.000, including the outstanding short-term loan of Credit Agreement No. 2271/6965706/HDTD dated November 03, 2023. The term of the credit limit is until May 31, 2026. The purpose of use is to supplement working capital, the interest rate is specifically specified on the debt receipt. Collateral is Inventory, Goods in circulation during the production and business



process according to the Mortgage Contract dated November 03, 2023 and the value of deposit contracts as of June 30, 2025 with a value of VND 74.935.000.000.

- (3) Loan from Saigon - Hanoi Commercial Joint Stock Bank - Han Thuyen Branch under Credit Limit Agreement No. 003/2024/HDHM-PN/SHB.11150 dated January 10, 2024. The purpose of use is to supplement working capital. The loan limit is VND 80.000.000.000 and the term is 12 months. Interest rate is specified on each debt receipt. The collateral assets are:
- + Construction works on the land of VMECO High-Tech Supporting Industrial Mechanical Factory in Bac Lieu. The value of the assets is VND 45.858.000.000 according to the valuation record dated January 10, 2024.
  - + The entire system of machinery and equipment, production lines, and spare parts of the High-Tech Supporting Industrial Mechanical Factory project. The value of the assets is 85.443.000.000 VND according to the valuation record dated January 10, 2024.
- (4) Loan from E.SUN Commercial Bank Ltd under Credit Limit Agreement No.10001084LD001202491 dated November 15, 2024. The purpose of use is to supplement working capital. The loan limit is VND 50.000.000.000 . The credit limit is valid for a period of 12 months to November 15, 2025. Interest rate is specified on each debt receipt. The loan is secured by deposit contracts with a total value equivalent to 30% of the total outstanding loan balance. The value of the deposit contracts as of June 30, 2025 is VND 15.170.000.000.

**SIBA HIGH-TECH MECHANICAL GROUP JOINT STOCK COMPANY**  
Notes to the financial Statements second quarter of 2025 (Cont.)

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Details of short-term loans are as follows:

	Beginning balance	Loan amount incurred during the year	Forward from long-term loan and debt	Loan amount paid during the year	Ending balance
<b>Short-term bank loans</b>					
<i>Vietnam Joint Stock Commercial Bank for Industry and Trade</i>	3.165.994.988	808.976.074	-	(3.974.971.062)	-
<i>Shinhan Vietnam Bank Limited - Ho Chi Minh City Branch</i>	48.686.577.346	81.574.959.345		(68.943.205.962)	61.318.330.729
<i>Joint Stock Commercial Bank for Investment and Development of Vietnam</i>	18.580.000.000	4.269.800.000	-	(22.330.000.000)	519.800.000
<i>Saigon - Hanoi Commercial Joint Stock Bank - Han Thuyen Branch</i>	5.612.509.988	-	-	(5.612.509.988)	-
<i>Vietnam Technological And Commercial Joint Stock Bank</i>	24.983.304.106	25.792.053.960	-	(24.983.304.106)	25.792.053.960
<i>E.SUN Commercial Bank Ltd</i>	-	30.632.714.411	-	-	30.632.714.411
<b>Long-term loan due to pay</b>					
<i>Saigon - Hanoi Commercial Joint Stock Bank - Han Thuyen Branch</i>	20.255.304.000	-	10.127.652.000	(10.127.652.000)	20.255.304.000
<b>Total</b>	<b>121.283.690.428</b>	<b>143.078.503.790</b>	<b>10.127.652.000</b>	<b>(135.971.643.118)</b>	<b>138.518.203.100</b>



b) Long-term

	Ending balance		Beginning balance	
	Value	Available to repay	Value	Available to repay
<b>Loans and long-term financial lease liabilities payable to other organizations and individuals</b>				
<i>Bank long-term loan</i>				
Saigon - Hanoi Commercial Joint Stock Bank – Han Thuyen Brand <sup>(1)</sup>	25.481.975.755	25.481.975.755	35.609.627.755	35.609.627.755
E.SUN Commercial Bank Ltd <sup>(2)</sup>	100.000.000.000	100.000.000.000	-	-
<i>Financial lease debt</i>	<i>1.531.066.449</i>	<i>1.531.066.449</i>	<i>1.043.690.288</i>	<i>1.043.690.288</i>
Chailease Chailease International Leasing Co., Ltd	428.623.990	428.623.990	514.348.792	514.348.792
Vietnam International Leasing Co., Ltd	1.102.442.459	1.102.442.459	529.341.496	529.341.496
<b>Total</b>	<b>127.013.042.204</b>	<b>127.013.042.204</b>	<b>36.653.318.043</b>	<b>36.653.318.043</b>

<sup>(1)</sup> Loan under contract No. 0006/2020/HDTDTDH-PN/SHB.111500 dated February 12, 2020 at Saigon - Hanoi Commercial Joint Stock Bank - Han Thuyen Branch. Loan amount: VND 147,000,000,000 (In words: One hundred and forty-seven billion VND). Purpose of loan: Lending, opening L/C to import Machinery and Equipment (MMTB). guarantee for investment in the project: "High-tech supporting industrial mechanical factory" at Tra Kha Industrial Park, Ward 8, Bac Lieu City, Bac Lieu Province. Loan term is 84 months from the first disbursement date, interest rate is specified in each debt acknowledgment contract. Collateral includes:

+ Collateral 1: The mortgagor voluntarily mortgages the assets owned by him/her: All construction works are assets attached to the land formed in the future of the VMECO high-tech industrial mechanical support factory project built on land lot No. 177; map sheet No. 23 at Tra Kha Industrial Park, Ward 8, Bac Lieu city, Bac Lieu province. Land area in use: 14,100.91 m<sup>2</sup> (In words: Fourteen thousand one hundred and ninety-one square meters) according to the Certificate of land use rights, house ownership rights and other assets attached to land No. CS 002425; issued by the People's Committee of Bac Lieu province on June 26, 2019. Appraisal value: VND 60,893,000,000 according to the real estate valuation record dated February 12, 2020.

+ Collateral 2: The mortgagor voluntarily mortgages its own assets, which are the entire system of MMTB of the future production line of the high-tech supporting industrial mechanical factory project, according to the mortgage contract of future assets No. 0006/2020/HDTCTLN/SHB.111500 dated February 14, 2020. The value of the mortgaged assets is VND 161,285,484,582.

<sup>(2)</sup> Loan jointly by 4 banks including E.SUN Commercial Bank Ltd - Dong Nai Branch, Hua Nan Commercial Bank Ltd - Ho Chi Minh City Branch, Mega International Commercial Bank Ltd - Ho Chi Minh City Branch and ShangHai Commercial and Savings Bank Ltd - Dong Nai Branch

signed on February 21, 2025. Loan amount: VND 400.000.000.000 (In words: Four hundred billion VND). Purpose of loan: Providing capital for construction costs of assets attached to the land, costs of purchasing machinery and equipment, issuing L/C to import machinery and equipment of the project: "Ba Ria Vung Tau High-Tech Mechanical Factory" at Lot 28, Chau Duc Industrial Park, Trung Nghia village, Nghia Thanh commune, Chau Duc district, Ba Ria - Vung Tau province, Vietnam. Loan term and interest rate are specifically stipulated in each debt acknowledgment contract. Loans are secured by term deposit contracts of 10% of the value of each disbursement, 11% if disbursed in foreign currency, the total value of deposit contracts as of June 30, 2025 is VND 25.450.000.000.

Details of long-term loans are as follows:

	Beginning balance	Loan amount incurred during the year	Loan amount paid during the year	Forward to short-term loan and debt	Ending balance
<b>Loans and long-term financial lease liabilities payable to other organizations and individuals</b>					
<i>Bank long-term loan</i>					
Saigon - Hanoi Commercial Joint Stock Bank - Han Thuyen Branch	35.609.627.755	-	-	(10.127.652.000)	25.481.975.755
E.SUN Commercial Bank Ltd	-	100.000.000.000	-	-	100.000.000.000
<i>Financial lease debt</i>					
Chailease International Leasing Co., Ltd	514.348.792	-	(85.724.802)	-	428.623.990
Vietnam International Leasing Co.,Ltd	529.341.496	753.193.651	(180.092.688)	-	1.102.442.459
<b>Total</b>	<b>36.653.318.043</b>	<b>100.753.193.651</b>	<b>(265.817.490)</b>	<b>(10.127.652.000)</b>	<b>127.013.042.204</b>



**20. Long-term provisions**

	Beginning balance	Provision in year	Use in year	Ending balance
Provision for construction warranty	8.168.927.131	1.705.801.863	(1.855.271.875)	8.019.457.119
<b>Total</b>	<b>8.168.927.131</b>	<b>1.705.801.863</b>	<b>(1.855.271.875)</b>	<b>8.019.457.119</b>

**21. Owner's equity**

	Owner's contributed capital	Share capital surplus	Undistributed after-tax profit	Total
Balance at the beginning of last year	250.000.000.000	79.824.500.000	88.815.948.395	418.640.448.395
Stock Dividend	54.999.830.000	-	(54.999.830.000)	-
Issuance of shares with cash receipts	115.000.000.000	(221.900.000)	-	114.778.100.000
Issuance bonus shares to shareholders	79.999.800.000	(79.824.500.000)	(175.300.000)	-
Profit in the previous year	-	-	45.320.349.901	45.320.349.901
<b>Year-end balance in the previous year</b>	<b>499.999.630.000</b>	<b>(221.900.000)</b>	<b>78.961.168.296</b>	<b>578.738.898.296</b>
Balance at the beginning of this year	499.999.630.000	(221.900.000)	78.961.168.296	578.738.898.296
Profit in this period	-	-	16.551.668.780	16.551.668.780
<b>Period-end balance</b>	<b>499.999.630.000</b>	<b>(221.900.000)</b>	<b>95.512.837.076</b>	<b>595.290.567.076</b>

**Details of owner's capital contribution as of 30 June 2025:**

	Period-end balance	Percent	Year-begin balance	Percent
Siba Holdings JSC	278.000.000.000	55,60%	278.000.000.000	55.60%
Mr Nguyen Van Duc	23.332.060.000	4,67%	23.332.060.000	4.67%
Other shareholders	198.667.570.000	39,73%	198.667.570.000	39.73%
<b>Total</b>	<b>499.999.630.000</b>	<b>100%</b>	<b>499.999.630.000</b>	<b>100%</b>

**VI. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE STATEMENT OF BUSINESS RESULTS**

**1. Sales and service provision**

	<b>From 01.01.2025 to 30.06.2025</b>	<b>From 01.01.2024 to 30.06.2024</b>
Sales revenue	814.706.964.100	1.488.534.984.850
Finished goods revenue	277.057.648.416	384.537.397.686
<b>Total</b>	<b>1.091.764.612.516</b>	<b>1.873.072.382.536</b>

**2. Cost of goods sold**

	<b>From 01.01.2025 to 30.06.2025</b>	<b>From 01.01.2024 to 30.06.2024</b>
Cost of goods sold	808.346.808.385	1.485.878.003.350
Cost of finished products. services provided	225.807.385.468	346.770.405.473
<b>Total</b>	<b>1.034.154.193.853</b>	<b>1.832.648.408.823</b>

**3. Revenue from financial activities**

	<b>From 01.01.2025 to 30.06.2025</b>	<b>From 01.01.2024 to 30.06.2024</b>
Interest on deposit, margin	290.646.693	379.212.326
Interest on exchange rate difference	249.691.435	-
<b>Total</b>	<b>540.338.128</b>	<b>379.212.326</b>

**4. Financial expenses**

	<b>From 01.01.2025 to 30.06.2025</b>	<b>From 01.01.2024 to 30.06.2024</b>
Loan interest expenses	7.397.228.997	8.674.434.554
Provision for investment in subsidiaries	201.467.949	-
Exchange rate difference loss	1.168.236.720	169.618.694
Loss on exchange rate differences due to revaluation of monetary items denominated in foreign currencies	2.436.376.932	-
<b>Total</b>	<b>11.203.310.598</b>	<b>8.844.053.248</b>

**5. Selling expenses**

	<b>From 01.01.2025 to 30.06.2025</b>	<b>From 01.01.2024 to 30.06.2024</b>
Employee expenses	6.250.873.732	5.333.376.850
Cost of tools and supplies	576.791.357	65.048.629
Cost of warranty	2.400.331.720	-
Cost of hired services	1.071.367.478	1.053.991.133
Other costs	143.098.501	211.551.655
<b>Total</b>	<b>10.442.462.788</b>	<b>6.663.968.267</b>

**6. General administration expenses**

	<b>From 01.01.2025 to 30.06.2025</b>	<b>From 01.01.2024 to 30.06.2024</b>
Employee expenses	6.880.842.776	5.421.214.981
Cost of office supplies	333.803.333	304.815.840
Fixed asset depreciation expenses	797.161.262	795.227.897
Taxes, charges and fees	5.000.000	867.440.089
Provision for doubtful debts	-	563.608.744
Cost of hired services	6.502.307.389	3.067.734.749
Other costs	1.550.615.424	759.577.081
<b>Total</b>	<b>16.069.730.184</b>	<b>11.779.619.381</b>

**7. Other income**

	<b>From 01.01.2025 to 30.06.2025</b>	<b>From 01.01.2024 to 30.06.2024</b>
Fines for violation of contract	1.253.620.938	-
Discount	9.801.770	-
Debt settlement	3.686.570	24.690.037
Other income	30.928.450	66.079.171
<b>Total</b>	<b>1.298.037.728</b>	<b>90.769.208</b>

**8. Other expense**

	<b>From 01.01.2025 to 30.06.2025</b>	<b>From 01.01.2024 to 30.06.2024</b>
Support expense	-	226.230.000
Other costs	92.742.354	9.081.872
Late payment fine	-	5.245.069
Fines for violation of contract	1.319.966.328	-
<b>Total</b>	<b>1.412.708.682</b>	<b>240.556.941</b>



**9. Current corporate income tax expense**

Corporate income tax payable during the year is estimated as follows:

	<b>From 01.01.2025 to 30.06.2025</b>
Total accounting profit before tax	20.320.582.267
Taxed income	20.895.762.708
Taxed income of activities subSject to tax rate of 17%	3.567.296.130
Taxed income of activities subject to tax rate of 20%	17.328.466.578
Corporate income tax 17%	606.440.342
Corporate income tax 20%	3.465.693.316
<b>Corporate income tax incurred</b>	<b>4.072.133.658</b>
<b>Corporate income tax is exempted and reduced</b>	<b>(303.220.171)</b>
<b>Corporate income tax payable</b>	<b>3.768.913.487</b>

**VII. TRANSACTIONS WITH RELATED PARTIES**

Related parties with the Company include:

<b>Related parties</b>	<b>Relationship</b>
Siba Holdings JSC	Holding Company
VMECO Bac Lieu Clean Energy Co., Ltd	Subsidiary
Tan Long Group JSC	Mr. Truong Sy Ba is the Chairman of the Board of Directors of Siba Holdings Joint Stock Company and the Chairman of the Board of Directors of Tan Long Group Joint Stock Company.
BAF Vietnam Agriculture JSC	Company in the same group
Green Farm Investment 1 Co., Ltd	Company in the same group
Green Farm Investment 2 Co., Ltd	Company in the same group
Anh Vu Phu Yen Co., Ltd	Company in the same group
Bac An Khanh Production. Trade and Service Co., Ltd	Company in the same group
Bao Ngoc Livestock Co., Ltd	Company in the same group
Hai Dang Tay Ninh High-Tech Livestock JSC	Company in the same group
Dong An Khanh Production. Trade and Service Co., Ltd	Company in the same group
Nam An Khanh Livestock Co., Ltd	Company in the same group
BAF Tay Ninh Animal Feed JSC	Company in the same group
Minh Thanh Livestock Production. Trade and Service Co., Ltd	Company in the same group
Tan Chau Agricultural Investment Co., Ltd	Company in the same group
Tam Hung Production. Trade and Services Co.,Ltd	Company in the same group
Song Hinh High-Tech Livestock Co., Ltd	Company in the same group
Baf Organic Microbial Fertilizer Co., Ltd	Company in the same group

Related parties	Relationship
TMC Livestock JSC	Company in the same group

Transactions between the Company and other related parties during the year were as follows:

	From 01.01.2025 to 30.06.2025
<b>Green Farm Investment 1 Co., Ltd</b>	
Receivables from sales of goods and services	1.344.234.285
Received from sales of goods and services	9.870.930.611
<b>VMECO Bac Lieu Clean Energy Co., Ltd</b>	
Receivables from sales of goods and services	165.000.000
Payable on purchase of goods and services	329.138.443
Paid on purchase of goods and services	321.268.000
Debt offset	67.945.113
<b>Green Farm Investment 2 Co., Ltd</b>	
Receivables from sales of goods and services	812.826.412
Received from sales of goods and services	1.738.405.812
<b>Bac An Khanh Production. Trade and Service Co., Ltd</b>	
Receivables from sales of goods and services	269.929.368
Received from sales of goods and services	1.565.966.136
<b>Hai Dang Tay Ninh High-Tech Livestock JSC</b>	
Receivables from sales of goods and services	23.304.209.068
Received from sales of goods and services	58.893.408.468
Debt offset	6.774.412
<b>BAF Vietnam Agriculture JSC</b>	
Receivables from sales of goods and services	15.908.627.805
Received from sales of goods and services	80.922.058.477
<b>Tam Hung Production Trading Service Co., Ltd</b>	
Receivables from sales of goods and services	4.988.402.008
Received from sales of goods and services	22.198.549.938
<b>Anh Vu Phu Yen Co., Ltd</b>	
Received from sales of goods and services	961.017.912
Received from sales of goods and services	4.698.031.117

	From 01.01.2025 to 30.06.2025
<b>Song Dinh High-Tech Livestock Co., Ltd</b>	
Receivables from sales of goods and services	43.253.695.249
Received from sales of goods and services	47.187.078.184
Offset for payment on behalf	128.333.808
Payables for payment on behalf	204.295.284
<b>Minh Thanh Livestock Production. Trade and Service Co., Ltd</b>	
Receivables from sales of goods and services	613.796.406
Received from sales of goods and services	2.416.654.716
<b>BAF Tay Ninh Animal Feed JSC</b>	
Receivables from sales of goods and services	20.521.600
Received from sales of goods and services	20.521.600
<b>Tan Chau Agricultural Investment Co., Ltd</b>	
Receivables from sales of goods and services	3.540.407.292
Received from sales of goods and services	14.592.997.849
<b>Tan Long Group JSC</b>	
Payables for Purchase of Goods and services	263.688.755.200
Paid for Purchase of Goods and services	255.825.008.050
<b>Dong An Khanh Production. Trade and Service Co., Ltd</b>	
Receivables from sales of goods and services	1.253.749.654
Received from sales of goods and services	3.041.223.334
<b>Nam An Khanh Livestock Co., Ltd</b>	
Receivables from sales of goods and services	161.204.402
Received from sales of goods and services	2.216.936.170
<b>TMC Livestock JSC</b>	
Received from sales of goods and services	1.473.392.100

Prepared on July 23, 2025

Prepared by

Chief Accountant

General Director



Dinh Thi Tuyet Nhung



Tran Thi Thu Thao



Nguyen Van Duc