

SON LA SUGAR JOINT STOCK COMPANY

Financial Statements
For the financial period from October 1,
2024, to December 31, 2024

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SON LA SUGAR JOINT STOCK COMPANYAddress: Km 34, National Highway 6, Son La - Hanoi,
Hat Lot Town, Mai Son District, Son La Province.**FINANCIAL STATEMENTS**For the financial period from October 1, 2024
to December 31, 2024**BALANCE SHEET**

At 31 December 2024

Unit: VND

| ASSETS | Code | Note | 31/12/2024 | 1/7/2024 |
|--|------------|------------|--------------------------|--------------------------|
| A - CURRENT ASSETS | 100 | | 1,154,087,627,925 | 1,127,012,212,540 |
| I. Cash and cash equivalents | 110 | V.1 | 105,430,743,921 | 18,532,255,431 |
| 1. Cash | 111 | | 45,430,743,921 | 18,532,255,431 |
| 2. Cash equivalents | 112 | | 60,000,000,000 | - |
| II. Short-term financial investments | 120 | | - | - |
| 1. Trading securities | 121 | V.2.0 | - | - |
| 2. Provision for diminution in value of trading securi | 122 | V.2.0 | - | - |
| 3. investments held to maturity | 123 | V.2.1 | - | - |
| III. Short-term receivable | 130 | | 736,016,823,384 | 677,894,770,383 |
| 1. Short- term trade accounts receivable | 131 | V.3 | 533,563,405,000 | 539,612,093,000 |
| 2. Short- term prepayments to suppliers | 132 | V.4 | 44,174,485,590 | 15,519,434,667 |
| 3. Short- term intercompany receivables | 133 | V. | - | - |
| 4. Construction contracts- in- progress receivables | 134 | V.6 | - | - |
| 5. Short-term lending | 135 | V.5 | 9,400,000,000 | 9,400,000,000 |
| 6. Other short-term receivables | 136 | V.6 | 160,423,508,311 | 124,918,876,233 |
| 7. Provision for doubtful debts – short term | 137 | V.7 | (11,544,575,517) | (11,555,633,517) |
| IV. Inventories | 140 | V.8 | 297,851,545,011 | 430,580,595,516 |
| 1. Inventories | 141 | | 300,217,920,749 | 433,729,472,017 |
| 2. Provision for decline in value of inventories | 149 | | (2,366,375,738) | (3,148,876,501) |
| V. Other current assets | 150 | | 14,788,515,610 | 4,591,210 |
| 1. Short-term prepaid expenses | 151 | V.9 | 14,788,515,610 | - |
| 2. Value Added Tax to be reclaimed | 152 | | - | 4,591,210 |
| 3. Tax and other receivables from the State Budget | 153 | V.15 | - | - |
| 4. Government bonds under repurchase agreement | 154 | V. | - | - |
| 5. Other current assets | 155 | V.10.0 | - | - |
| B - LONG-TERM ASSETS | 200 | | 545,323,546,073 | 568,668,815,802 |
| II. Fixed assets | 220 | | 521,311,783,526 | 549,594,966,495 |
| 1. Tangible fixed assets | 221 | V.10 | 520,131,124,442 | 548,407,185,315 |
| Cost | 222 | | 1,007,574,116,091 | 1,014,232,779,435 |
| Accumulated depreciation | 223 | | (487,442,991,649) | (465,825,594,120) |
| 2. Intangible fixed assets | 227 | V.11 | 1,180,659,084 | 1,187,781,180 |
| Cost | 228 | | 2,018,991,660 | 2,018,991,660 |
| Accumulated amortisation | 229 | | (838,332,576) | (831,210,480) |
| III. Long-term work in progress | 240 | | 9,459,457,248 | 7,473,849,307 |
| 1. Long-term investments | 242 | V.12 | 9,459,457,248 | 7,473,849,307 |
| IV. Long-term investments | 250 | | 11,600,000,000 | 11,600,000,000 |
| 1. Investments in associates, joint ventures | 252 | V.2 | 9,600,000,000 | 9,600,000,000 |
| 2. Investments in other entities | 253 | V.2.2 | - | - |
| 3. Investments held to maturity | 255 | V.2.1 | 2,000,000,000 | 2,000,000,000 |
| V. Other long-term assets | 260 | | 2,952,305,299 | - |
| 1. Long-term prepaid expenses | 261 | V.9 | 2,952,305,299 | - |
| TOTAL ASSETS | 270 | | 1,699,411,173,998 | 1,695,681,028,342 |

SON LA SUGAR JOINT STOCK COMPANYAddress: Km 34, National Highway 6, Son La - Hanoi,
Hat Lot Town, Mai Son District, Son La Province.**FINANCIAL STATEMENTS**For the financial period from October 1, 2024
to December 31, 2024**BALANCE SHEET (continued)**

At 31 December 2024

| LIABILITIES AND EQUITY | | Code | Note | 31/12/2024 | 1/7/2024 |
|---|--|------------|------|--------------------------|--------------------------|
| C - LIABILITIES | | 300 | | 156,904,475,013 | 140,926,756,200 |
| I. Current liabilities | | 310 | | 156,904,475,013 | 140,926,756,200 |
| 1. Short-term trade payable | | 311 | V.13 | 100,745,119,900 | 43,128,581,053 |
| 2. Short-term advances from customers | | 312 | V.14 | 16,489,766,301 | 461,666,050 |
| 3. Tax and other payables to the State | | 313 | V.15 | 5,441,705,946 | 22,384,202,502 |
| 4. Payable to employees | | 314 | | 5,372,248,871 | 4,605,140,571 |
| 5. Short-term accrued expenses | | 315 | V.16 | 21,231,508,304 | 1,035,926,285 |
| 6. Other short-term payables | | 319 | V.17 | 2,799,711,018 | 915,664,596 |
| 7. Short-term borrowings | | 320 | V.18 | - | 61,709,043,280 |
| 8. Provision for short-term liabilities | | 321 | V.18 | - | 4,000,000,000 |
| 9. Bonus and welfare funds | | 322 | | 4,824,414,673 | 2,686,531,863 |
| II. Long-term liabilities | | 330 | | - | - |
| 1. Long-term borrowings and finance lease liabilities | | 338 | V.18 | - | - |
| 2. Long-term Provisions | | 342 | V.18 | - | - |
| D - OWNERS' EQUITY | | 400 | | 1,542,506,698,985 | 1,554,754,272,142 |
| I. Capital | | 410 | V.19 | 1,542,506,698,985 | 1,554,754,272,142 |
| 1. Owners' capital | | 411 | | 97,919,450,000 | 97,919,450,000 |
| - Ordinary shares with voting rights | | 411a | | 97,919,450,000 | 97,919,450,000 |
| 2. Share premium | | 412 | | 3,998,638,028 | 3,998,638,028 |
| 3. Investment and development funds | | 418 | | 95,607,779,802 | 45,607,779,802 |
| 4. Other funds | | 420 | | 8,439,036,000 | 8,801,036,000 |
| 5. Undistributed earnings | | 421 | | 1,336,541,795,155 | 1,398,427,368,312 |
| - Undistributed profit after tax brought forward | | 421a | | 1,148,088,468,312 | 872,068,384,836 |
| - Undistributed profit after tax for the current period | | 421b | | 188,453,326,843 | 526,358,983,476 |
| II. Budget sources and other funds | | 430 | | - | - |
| TOTAL LIABILITIES AND EQUITY | | 440 | | 1,699,411,173,998 | 1,695,681,028,342 |

Prepared by

Chief Accountant

Son La, January 20, 2025

General Director



Duong Hai Linh



Nguyen Thi Khuong



Tran Ngoc Hieu

INCOME STATEMENT

For the financial period from October 1, 2024, to December 31, 2024

Unit: VND

| ITEMS | Co de | Note | From 01/10/2024 to 31/12/2024 | From 01/10/2023 to 31/12/2023 | Accumulated from the beginning of the year to the end of Quarter 02/2024-2025 | Accumulated from the beginning of the year to the end of Quarter 02/2023- |
|--|-----------|--------------|----------------------------------|----------------------------------|--|--|
| 1. Revenue from sales of goods and rendering of serv | 01 | VI.1 | 321,459,659,879 | 187,919,449,904 | 499,981,447,978 | 618,436,931,678 |
| 2. Revenue Deductions. | 02 | VI.2 | - | - | - | - |
| 3. Net revenue from sales of goods and rendering | 10 | | 321,459,659,879 | 187,919,449,904 | 499,981,447,978 | 618,436,931,678 |
| 4. Cost of goods sold | 11 | | 213,258,186,362 | 127,441,158,347 | 311,561,150,555 | 422,967,212,594 |
| 5. Gross profit from sales of goods and rendering | 20 | | 108,201,473,517 | 60,478,291,557 | 188,420,297,423 | 195,469,719,084 |
| 6. Financial income | 21 | | 6,950,039,076 | 11,992,901,402 | 13,156,943,536 | 13,111,205,597 |
| 7. Financial expenses | 22 | | 250,069,237 | 744,415,617 | 525,024,541 | 2,901,918,645 |
| Including: Interest expenses | 23 | | 250,069,237 | 744,415,617 | 525,024,541 | 1,901,918,645 |
| 8. Share of loss in associate | 24 | | - | - | - | - |
| 8. Selling expenses | 25 | | 545,298,557 | 161,338,091 | 960,732,647 | 1,716,859,615 |
| 9. General and administration expenses | 26 | | 10,066,585,712 | 1,663,065,409 | 12,109,452,764 | 14,743,760,489 |
| 10. Net operating profit | 30 | | 104,289,559,087 | 69,902,373,842 | 187,982,031,007 | 189,218,385,932 |
| 11. Other income | 31 | | 609,004,058 | 1,000 | 609,004,058 | 20,371,370 |
| 12. Other expenses | 32 | | 125,676,385 | 70,283,933 | 126,209,182 | 107,428,933 |
| 13. Other profit | 40 | | 483,327,673 | (70,282,933) | 482,794,876 | (87,057,563) |
| 14. Accounting profit before tax | 50 | | 104,772,886,759 | 69,832,090,909 | 188,464,825,882 | 189,131,328,369 |
| 15. Current corporate income tax | 51 | | - | - | - | - |
| 16. Deferred Corporate Income Tax Expense. | 52 | | - | - | - | - |
| 17. Net profit after tax | 60 | | 104,772,886,759 | 69,832,090,909 | 188,464,825,882 | 189,131,328,369 |
| 18. Basic Earnings Per Share | 70 | VI.11 | 10,700 | 7,132 | 19,247 | 19,315 |

Prepared by



Duong Hai Linh

Chief Accountant



Nguyen Thi Khuong

Son La, January 20, 2025
General Director



Tran Ngoc Hieu

CASH FLOW STATEMENT

For the financial period from October 1, 2024, to December 31, 2024

Unit: VND

| ITEMS | Cod e | Note | From 01/07/2024 to 31/12/2024 | From 01/07/2023 to 31/12/2023 |
|--|-----------|------------|----------------------------------|----------------------------------|
| I. CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| 1. Income from sales of merchandises, services rendered | 1 | | 533,248,283,286 | 500,425,185,890 |
| 2. Payments to suppliers of merchandises and services | 2 | | (82,978,782,600) | (194,411,361,063) |
| 3. Payments to employees | 3 | | (11,574,235,272) | (20,088,449,176) |
| 4. Interest paid | 4 | | (1,547,738,132) | (1,901,918,645) |
| 5. Corporate income tax paid | 5 | | (5,906,554,483) | - |
| 6. Other income from operating activity | 6 | | 23,740,155,378 | 2,569,021,895 |
| 7. Other payments for operating activity | 7 | | (80,601,369,311) | (61,915,706,023) |
| Net cash flows from operating activities | 20 | | 374,379,758,866 | 224,676,772,878 |
| II. Cash flows from investing activities | | | | |
| 1. Payments for additions to fixed assets and other long-term assets. | 21 | | - | (975,853,909) |
| 2. Proceeds from disposals of fixed assets other long-term assets. | 22 | | | |
| 3. Cash payments for lending and purchasing debt instruments of oth | 23 | | (255,000,000,000) | (530,531,411,209) |
| 4. Cash receipts from loan recovery and resale of debt instruments of | 24 | | 255,000,000,000 | 504,000,000,000 |
| 5. Cash payments for capital contributions to other entities. | 25 | | | |
| 6. Cash receipts from the recovery of capital contributions to other er. | 26 | | | |
| 7. Receipts of interests and dividends | 27 | | - | 11,819,387,452 |
| Net cash flows from investing activities | 30 | | - | (15,687,877,666) |
| III. Cash flows from financing activities | | | | |
| 1. Cash received from owner's paid in capital | 31 | | 31,058,000 | - |
| 2. Cash payments for capital refunds to owners and share repurchases. | 32 | | - | - |
| 3. Proceeds from borrowings | 33 | | 8,000,000,000 | 20,000,000 |
| 4. Payments to settle loan principals | 34 | | (107,900,873,376) | (27,420,000,000) |
| 5. Cash payments for finance lease liabilities. | 35 | | - | - |
| 6. Payments of dividends | 36 | | (187,611,455,000) | (146,872,206,750) |
| Net cash flows from financing activities | 40 | | (287,481,270,376) | (174,272,206,750) |
| Net cash flows during the period (50=20+30+40) | 50 | | 86,898,488,490 | 34,716,688,462 |
| Cash and cash equivalents at beginning of period | 60 | V.1 | 18,532,255,431 | 134,227,167,920 |
| Impact of exchange rate fluctuation | 61 | | - | - |
| Cash and cash equivalents at end of year (70=50+60+61) | 70 | V.1 | 105,430,743,921 | 168,943,856,382 |

Prepared by



Duong Hai Linh

Chief Accountant



Nguyen Thi Khuong

Son La, January 20, 2025

General Director



Tran Ngoc Hieu

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from October 1, 2024, to December 31, 2024

I. OPERATIONAL CHARACTERISTICS OF THE COMPANY

1. Structure of ownership

Son La Sugar Joint Stock Company, formerly a state-owned enterprise, was converted into a joint stock company under Decision No. 2761/QĐ-UBND dated November 26, 2007, issued by the People's Committee of Son La Province. The Company operates in accordance with Enterprise Registration Certificate No. 5500155321 issued on February 20, 2008, by the Department of Planning and Investment in Son La Province. During its operation, changes to the Company's business sectors and charter capital have been approved by the Department of Planning and Investment in Son La Province, as reflected in the amendments to the Enterprise Registration Certificate from the first to the eighth revision dated May 28, 2018.

2. Business lines

- Production and processing;
- Commercial trading.

3. Business activities

Main Business Activities:

- Production, processing and trading of cane sugar, molasses and post-sugar products;
- Petroleum trading
- Trading in fertilizers, nitrogen fertilizers, pesticides, sugarcane seeds.

4. Normal operating cycle

The Company's operating cycle is the period from the purchase of raw materials involved in the production process to the conversion into money or assets easily converted into money, usually no more than 12 months

5. Employee

The total number of employees of the Company as at December 31, 2024 is 441 persons.

6. Declaration on comparability of figures on the financial statements

Comparable information is presented based on data from the Financial Statements for the financial period from October 1, 2024, to December 31, 2024, and for the financial period from October 1, 2023, to December 31, 2023.

II. ACCOUNTING PERIOD AND ACCOUNTING CURRENCY

1. Accounting period: starts from July 1 of the previous year to June 30 of the following year.

2. Accounting currency

The accounting currency is Vietnam Dong (VND).

III. APPLICABLE ACCOUNTING SYSTEM AND ACCOUNTING STANDARDS

1. Applicable accounting system

The Company applies the Vietnamese Corporate Accounting System issued under Circular 200/2014/TT-BTC dated December 22, 2014, and Circular 53/2016/TT-BTC dated March 21, 2016, which amends and supplements certain provisions of Circular 200.

The financial statements are prepared under the historical cost principle and in accordance with Vietnamese Accounting Standards. The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Declaration on compliance with Accounting Standards and Accounting System

Management has prepared and presented the Company's financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other prevailing legal regulations guiding the preparation and presentation of financial statements.

IV. APPLICABLE ACCOUNTING POLICIES

1. Recognition of cash and cash equivalents

Cash and cash equivalents include cash on hand, demand and term deposits at banks, cash in transit, and short-term investments with a recovery term of no more than 3 months from the date of investment. These items must be easily convertible to a known amount of cash and carry an insignificant risk of changes in value at the reporting date. The determination of cash equivalents complies with the regulations of Vietnamese Accounting Standard No. 24, "Cash Flow Statements."

2. Recognition of financial investments

Investments in Joint Ventures and Associates

Principles for determining subsidiaries, joint ventures and associates: Based on the proportion of voting rights /shareholding or the percentage of interest.

Investments in associates are recognized using the cost method, under which the cost of the investment is determined as the purchase price plus any transaction costs directly related to the acquisition. In subsequent accounting periods, investments are carried at their initial cost less any provision for impairment losses.

Provisions are made when the carrying value of investments recorded in the accounting books exceeds their market value or when there is an impairment in the value of the investments as of the end of the accounting period. Any increase or decrease in the provision balance is recognized in financial expenses in the statement of profit or loss.

3. Recognition of receivables

The amounts of receivables shall be classified into trade receivables, other receivables following principles below:

- **Trade receivables:** include commercial receivables generating from purchase - sale related transactions.

- **Other receivables:** include non-commercial receivables that are not related to transactions of buying or selling (e.g., receivables from loan interest, deposits; amounts paid on behalf of third parties that are recoverable; receivables related to asset lending, etc.).

Monitoring Receivables.

Receivables shall be recorded specifically to original terms and remaining recovery terms as at the reporting date, original currencies and each object. At the financial statements' preparation date, receivables which have remaining recovery terms of less than 12 months or a business cycle are classified as current receivables, receivables which have remaining recovery terms of over 12 months or a business cycle are classified as non - current receivables.

Recognized receivables shall not exceed the recoverable amounts.

Allowance for doubtful debts

- Allowance for doubtful debts represents the amounts of outstanding receivables at the balance sheet date that the Company expected to be non-recoverable. Increases and decreases to the provision balances are recorded as general and administrative expenses on the income statement.

- Provision for doubtful debts which has been overdue for over 6 months (overdue period is determined based on the principal contract, exclusive of the debt rescheduling between contracting parties) is made following principles below:

NOTES TO THE FINANCIAL STATEMENTS (continued)

| <i>Overdue</i> | <i>Rate of allowance made</i> |
|--------------------------------|-------------------------------|
| Over 6 months and under 1 year | 30% |
| From 1 year to under 2 years | 50% |
| From 2 years to under 3 years | 70% |
| 3 years and above | 100% |

- Accounts receivable are not yet due but the debtors have fallen into bankruptcy or are carrying out procedures for dissolution, disappearance or fleeing: Make an allowance on the basis of estimated irrecoverable losses.

4. Recognition of inventories

Inventories are determined based on the lower of cost and net realizable value. The determination complies with the provisions of Accounting Standard No. 02 - "Inventories", namely: the price of inventories comprises all costs of purchases, costs of conversion and other costs directly related to bringing the inventories to the location and current status. The net realizable value is determined as the estimated selling price minus (-) the estimated costs to complete the product and the estimated costs necessary for consumption.

Method of inventory value calculation: Weighted average/ First in first out/ Specific Identification/ Retail price.

Method of inventory accounting: Perpetual inventory count/ Periodic inventory count.

Method of setting up provision for obsolete inventories: Provision for obsolete inventories is made for the value of expected losses due to devaluation (due to discounts, obsolete, poor quality, inferior and etc.) of raw materials and finished goods owned by the Company based on the reasonable evidence of devaluation at the end of the fiscal year. Increases and decreases in the provision balance are recorded in cost of goods sold in the period.

5. Recognition of Fixed assets, Finance lease, Investment properties and Depreciation

a) Recognition of tangible, intangible fixed assets

Tangible fixed assets

Tangible fixed assets are measured at historical cost less accumulated depreciation.

The historical cost of tangible fixed asset comprises of its purchase price and any directly attributable costs to bring the tangible fixed assets into work condition for its intended use. The identification of the historical cost of each category of tangible fixed assets is in accordance with Vietnamese Accounting Standard No. 03 on tangible fixed assets.

Expenditures incurred after the initial recognition (costs of upgrading, renovation, maintenance and etc.) are recognized as operating expenses in the period. Where it can be clearly demonstrated that these expenses increase the expected future economic benefits of the use of fixed assets that exceed the standard operating level initially assessed, these expenses are capitalized as additional costs of the fixed asset.

When a tangible fixed asset is sold or disposed of, its historical cost and accumulated depreciation are removed from the balance sheet, and any gain or loss resulted from the disposal of the asset is included in the income statement.

Depreciation of tangible fixed assets is calculated on a straight-line method over their estimated useful lives as follows:

| Assets | Useful life |
|------------------------------------|--------------------|
| Building and structure | 06-50 years |
| Machinery and equipment | 06-15 years |
| Means of transportation | 06-15 years |
| Instruments & tools for management | 03-08 years |

NOTES TO THE FINANCIAL STATEMENTS (continued)

Intangible Fixed Assets (IFA).

Intangible fixed assets are stated at cost less accumulated amortization

Land Use Rights.

Land use rights are recognized as Intangible Fixed Assets (IFA) when the Company is granted a Land Use Rights Certificate. The initial cost of land use rights includes all direct expenses related to bringing the land to a ready-for-use condition. Indefinite-term land use rights are not depreciated.

Software Programs.

The original cost of software program intangible fixed assets is determined as the total actual expenses incurred by the Company to acquire the software programs, provided the software programs are separable components from the associated hardware, and the design layout of semiconductor integrated circuits complies with intellectual property laws. Software programs are depreciated using the straight-line method over their estimated useful lives.

Other Regulations on the Management, Utilization, and Depreciation of Fixed Assets.

assets are implemented by the Company in accordance with Circular No. 45/2013/TT-BTC dated April 25, 2013, Circular No. 147/2016/TT-BTC dated October 13, 2016, and Circular No. 28/2017/TT-BTC dated April 12, 2017, issued by the Ministry of Finance.

6. Accounting Principles for Taxes.

a) Current corporate income tax

Current income tax expenses are determined based on taxable income and the applicable corporate income tax rate for the current year.

The Company is exempt from Corporate Income Tax on agricultural processing activities in accordance with Circular No. 96/2015/TT-BTC dated June 22, 2015, issued by the Ministry of Finance.

b) Other taxes

Other taxes are applied according to current tax regulations in Vietnam.

Tax reports of the Company will be subject to inspection of tax authorities. Since the application of laws and regulations on taxation for different transactions can be interpreted in many different ways, the amounts presented in the financial statements could be changed according to the final decision of the tax authorities.

7. Recognition of prepaid expenses

Prepaid expenses are expenses which have actually incurred yet are related to operational outputs of many accounting periods and the transfer of these expenses to operating expenses of subsequent accounting periods.

Each prepaid expense incurred shall be recorded in details of maturity. As at the reporting date, prepaid expenses that have maturity of less than 12 months or a business cycle since the date of prepayment are classified as current prepaid expenses, expenses that have maturity of over 12 months or a business cycle since the date of prepayment are classified as non-current prepaid expenses.

Short-term prepaid expenses at the end of the financial period include repair and maintenance costs allocated to production and business results within 12 months. Long-term prepaid expenses at the end of the financial period include fixed asset repair costs and high-value tools and supplies allocated to business results over a period of 24 months.

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Recognition of payables

The amount of payable shall be classified into trade payable, intercompany payables and other payables following

- Trade payables: include commercial payables arisen from purchases of goods, services or assets.
- Other payables: include non-commercial payable amounts, or payable amounts that are not related to trading in goods or services (such as interests payable, dividend and profit payable, financial investment expenses payable, payables by a third party, payables arising from borrowing assets, fines and compensation payable, assets awaiting resolution, payables on social insurance, health insurance, unemployment insurance, union funds and etc.)

Monitoring payables

Payables shall be specially recorded to original terms and remaining terms as at the reporting date, original currencies and each object. At Financial Statement's preparation date, payables that have remaining repayment terms of less than 12 months or a business cycle are classified as current payables, payables that have remaining repayment terms of over 12 months or a business cycle are classified as non-current payables.

Recognized payables shall be not lower than payable obligations.

9. Recognition of capitalization of borrowing expenses

Recognition of borrowing expenses

Borrowing expenses include interest expenses and expenses directly relating to the borrowings (such as appraisal costs, audit costs, loan application cost and etc.).

Borrowing expenses are recognized as financial expenses during the period as incurred (except capitalization cases according to regulations in Vietnam Accounting Standards No. 16 "Borrowing expenses").

Capitalized borrowing expenses

Borrowing costs incurred on a separate borrowing directly related to the construction or production of an unfinished asset are included in the cost of that asset (capitalized) after deduction income derived from the temporary investment of these loans. Borrowing expenses are capitalized when an enterprise is likely to gain future benefits from the use of the asset and the interest expense can be measured reliably.

The capitalization of borrowing expenses will cease when the principal activities necessary for preparing the uncompleted assets for use or sale have been completed. Subsequent borrowing costs are charged to the finance costs in

10. Recognition of accrued expenses

Accrued expenses include the value of costs that have been recognized in the business operation expenses during the period but have not been paid as of the end of the financial year, ensuring the matching principle between revenue and expenses. These expenses are recognized based on reasonable estimates of amounts payable for goods and services consumed, including items such as electricity and water costs. At the end of the financial year, accrued expenses include provisions for cane procurement management costs.

11. Recognition of owners' equity

a) Recognition of issued share capital, share premium

Share capital: Reflect the actual amount of investment by shareholders

Share premium: Refers to the difference between the issue price and the par value of shares, the difference between the repurchase price of treasury shares and the reissue price of treasury shares.

b) Principles for recognition of investment and development fund

Development Investment Fund: Used for expanding future business activities, such as investing in other enterprises, purchasing fixed assets, constructing infrastructure, conducting research and development, training, and improving the working environment.

NOTES TO THE FINANCIAL STATEMENTS (continued)

c) Recognition of retained earnings

Retained earnings reflect the business results (profit, loss) after corporate income tax and profit sharing situation or dealing with loss of the Company. Retained earnings shall be specifically recorded to the operational results of each financial year (previous year, current year) and to each profit sharing content (appropriated funds, additional investment capital of the owner, dividends, profits for shareholders and investors).

12. Recognition of revenue

Revenue from sales of products, finished goods

Revenue from sales of products, finished goods is recognized when the outcomes of such transactions can be reliably measured and the Company is able to obtain economic benefits from these transactions. Revenue is recognized when the majority of risks and benefits of ownership of the goods have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding the recovery of the funds or the possible return of funds.

Financial income

Financial income includes interest on deposits, loan interests

Interest on deposits and loan interest is recognized on the basis of the actual time and interest rate in each period, unless the possibility of recovering interest is uncertain.

13. Recognition of cost of goods sold

Cost of goods sold is recognized according to matching revenue principle.

To ensure the precautionary principle, the costs exceeding the normal level of inventories are immediately recognized as expenses in the period (after deducting the compensation, if any), which includes the costs of raw materials for direct consumption exceeding normal levels, labor costs, overall fixed manufacturing costs not allocated to the production costs, lost and missing inventories and etc. The Company did not incur deductions in cost of goods sold during the year.

14. Recognition of financial expenses

Financial expenses include: expenses or losses related to financial investment activities, borrowing and lending expenses, expenses for capital contribution to joint ventures, associates, loss on trading securities transfer, transaction costs of selling securities; allowance for diminution in value of trading securities, provision for losses on investments in other entities, losses incurred when selling foreign currencies, exchange rate losses.

15. Selling and General & administrative expenses

Selling expenses: Are actual expenses incurred during the sale of goods and provision of services including selling staff expenses (salaries, wages, allowances, salary deductions), costs of the offer, product introduction, product advertisement, sales commission, preservation costs, packaging, shipping.

General and administrative expenses: Are general management expenses, including salaries for administrative employees (salaries, wages, allowances and etc.); social insurance, health insurance, trade union funds, unemployment insurance for business managers; expenses for office supplies, labor tools, depreciation of fixed assets used for enterprise management; rental; excise; provision for doubtful debts; outsourced services (electricity, water, telephone, fax, asset insurance, fire and explosion insurance and etc.); other monetary expenses (reception, conference and etc.)

16. Related Parties

A party is considered as related if it can control the other parties or has significant influence on the other party in making financial and operating decisions. Parties are also considered to be related if they are jointly controlled or have significant influence.

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

Transactions and balances with related parties during the year are disclosed in Note VIII.2.

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. Other Accounting Principles and Methods

Construction in progress

Expenditures on construction in progress include expenses for investment in capital construction, procurement and overhaul of fixed assets (tangible and intangible fixed assets); expenses for renovation and upgrading of fixed assets

V. ADDITIONAL INFORMATION ON ITEMS PRESENTED IN THE BALANCE SHEET

1. Cash and cash equivalents

| | Closing balance | Opening balance |
|--|------------------------|-----------------------|
| Cash on hand | 110,895,593 | 267,101,050 |
| Cash at bank | 45,319,848,328 | 18,265,154,381 |
| Cash in transit | | |
| Total | 45,430,743,921 | 18,532,255,431 |
| Cash equivalents | 60,000,000,000 | - |
| Total cash and cash equivalents | 105,430,743,921 | 18,532,255,431 |

2. Financial investments

2.1 Held-to-maturity investments

| | Closing balance | | | Opening balance | | |
|--|----------------------|-----------|----------------------|----------------------|-----------|----------------------|
| | Cost | Allowance | Fair value | Cost | Allowance | Fair value |
| Long-term investments | | | | | | |
| Vietnam Joint Stock Commercial Bank for Industry and Trade | 2,000,000,000 | | 2,000,000,000 | 2,000,000,000 | | 2,000,000,000 |
| Bonds (20,000 bonds) | | | | | | |
| Total | 2,000,000,000 | | 2,000,000,000 | 2,000,000,000 | | 2,000,000,000 |

2.2 Investments in joint ventures and associates

| | Closing balance | | | Opening balance | | |
|---|----------------------|-----------|----------------------|----------------------|-----------|----------------------|
| | Cost | Allowance | Fair value | Cost | Allowance | Fair value |
| To Hieu - Son La Agriculture Company | 9,600,000,000 | 0 | 9,600,000,000 | 9,600,000,000 | 0 | 9,600,000,000 |
| Total | 9,600,000,000 | 0 | 9,600,000,000 | 9,600,000,000 | 0 | 9,600,000,000 |

A summary of the joint venture's and associate's operations during the year is as follows:

The main activity of To Hieu - Son La Agriculture Co., Ltd. during the year is growing sugarcane, corn and consuming related agricultural products.

3. Trade receivable

3.1 Current trade receivable

| | Closing balance | Opening balance |
|---|------------------------|------------------------|
| Trade Receivables from Third Parties | 120,119,035,000 | 222,780,093,000 |
| AN PHU SAI GON ONE MEMBER COMPANY LIMITED | 60,200,000,000 | 60,200,000,000 |
| AN HA COMPANY LIMITED | - | 59,800,000,000 |
| Le Nam Ha Tien Co., Ltd | 58,350,000,000 | 101,200,000,000 |
| Other Customers | 1,569,035,000 | 1,580,093,000 |
| Trade Receivables from Related Parties | 413,444,370,000 | 316,832,000,000 |
| (Detailed trade receivables from related parties are disclosed in Note VIII.2.) | | |
| Total | 533,563,405,000 | 539,612,093,000 |

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Advances to suppliers

4.1 Current advances to suppliers

| | Closing balance | Opening balance |
|---|-----------------------|-----------------------|
| Trade Receivables from Third Parties | 31,789,145,230 | 15,519,434,667 |
| VU LE TECHNOLOGY COMPANY LIMITED | 2,593,217,777 | 2,655,371,195 |
| VINH TRI LIMITED LIABILITY COMPANY | 6,963,752,001 | 6,963,752,001 |
| Other suppliers | 22,232,175,452 | 5,900,311,471 |
| Trade Receivables from Related Parties | 12,385,340,360 | - |
| (Detailed trade receivables from related parties are disclosed in Note VIII.2.) | | |
| Total | 44,174,485,590 | 15,519,434,667 |

5. Lending

| | Closing balance | | | Opening balance | | |
|--|----------------------|----------------------|------------|----------------------|----------------------|------------|
| | Cost | Allowance | Fair value | Cost | Allowance | Fair value |
| <i>Short-term lending</i> | | | | | | |
| Bac Kan Cement Company | 3,000,000,000 | 3,000,000,000 | - | 3,000,000,000 | 3,000,000,000 | - |
| Truong Thinh Plastic Joint Stock Company | 5,000,000,000 | 5,000,000,000 | - | 5,000,000,000 | 5,000,000,000 | - |
| Bridge and Road Construction Joint Stock | 1,400,000,000 | 1,400,000,000 | - | 1,400,000,000 | 1,400,000,000 | - |
| Total | 9,400,000,000 | 9,400,000,000 | - | 9,400,000,000 | 9,400,000,000 | - |

6. Other receivables

6.1 Other current receivables

| | Closing balance | | Opening balance | |
|---|------------------------|--------------------|------------------------|--------------------|
| | Value | Allowance | Value | Allowance |
| Parties | | | | |
| Receivables from investment in raw material areas | 160,423,508,311 | 162,990,516 | 124,918,876,233 | 162,990,516 |
| Advance Payments deposit | 153,007,943,092 | 162,990,516 | 121,176,392,378 | 162,990,516 |
| Other Accounts Receivable | 6,286,208,027 | - | 3,321,527,591 | - |
| | 1,100,000,000 | - | 407,160,000 | - |
| | 29,357,193 | - | 13,796,265 | - |
| Total | 160,423,508,311 | 162,990,516 | 124,918,876,233 | 162,990,516 |

7. Doubtful debts

7.1 Accounts receivable, overdue loans, or not overdue but unlikely to be recovered

| | Closing balance | | | Opening balance | | |
|--|-----------------------|-----------------------|--------------------|-----------------------|-----------------------|--------------------|
| | Value | Allowance | Recoverable amount | Value | Allowance | Recoverable amount |
| <i>Short-term receivables, lending</i> | | | | | | |
| Bac Kan Cement Company | 3,000,000,000 | 3,000,000,000 | - | 3,000,000,000 | 3,000,000,000 | - |
| Construction Joint Stock Company 19 | 1,400,000,000 | 1,400,000,000 | - | 1,400,000,000 | 1,400,000,000 | - |
| Truong Thinh Plastic Joint Stock Company | 5,000,000,000 | 5,000,000,000 | - | 5,000,000,000 | 5,000,000,000 | - |
| BINH ANH TRADING | 1,792,550,000 | 1,792,550,000 | - | 1,792,550,000 | 1,792,550,000 | - |
| Other | 352,025,517 | 352,025,517 | - | 363,083,517 | 363,083,517 | - |
| Total | 11,544,575,517 | 11,544,575,517 | - | 11,555,633,517 | 11,555,633,517 | 0 |

NOTES TO THE FINANCIAL STATEMENTS (continued)

Details of the Increase and Decrease in Provisions for Doubtful Debts

| | <u>Closing balance</u> | <u>Opening balance</u> |
|---|------------------------|------------------------|
| Opening balance | 11,555,633,517 | 11,554,206,984 |
| Additional Provision Made During the Year | | 26,917,972 |
| Reversal of provisions during the year | (11,058,000) | (25,491,439) |
| Debt cancellation with provisions in the year | | |
| Total | 11,544,575,517 | 11,555,633,517 |

8. Inventories

| | <u>Closing balance</u> | | <u>Opening balance</u> | |
|--|------------------------|----------------------|------------------------|----------------------|
| | <u>Value</u> | <u>Allowance</u> | <u>Value</u> | <u>Allowance</u> |
| Raw materials | 138,322,350,547 | 2,366,375,738 | 130,546,047,896 | 3,148,876,501 |
| Tools and instruments | 96,808,668 | - | 33,783,492 | - |
| Work-in-Progress Production and Business Costs | 30,701,786,884 | - | - | - |
| Finished goods | 130,707,049,502 | - | 292,284,401,670 | - |
| Final goods | 389,925,148 | - | 10,865,238,959 | - |
| Total | 300,217,920,749 | 2,366,375,738 | 433,729,472,017 | 3,148,876,501 |

Details of the increase, decrease in allowance for obsolete inventories:

| | <u>Current year</u> | <u>Previous year</u> |
|--|----------------------|----------------------|
| Allowance for obsolete inventories at the beginning of year | 3,148,876,501 | 4,408,255,551 |
| Add: Allowance is made for the year | 94,819,066 | |
| Less: Use and reversal of allowance during the year | (877,319,829) | (1,259,379,050) |
| Allowance for obsolete inventories at the end of year | 2,366,375,738 | 3,148,876,501 |

9. Prepaid expenses

| | <u>Closing balance</u> | <u>Opening balance</u> |
|--|------------------------|------------------------|
| 9.1 Current prepaid expenses | Closing balance | Opening balance |
| - Maintenance and repair costs 2024-2025 | 4,439,530,138 | |
| - Cost of supporting raw material areas | 10,348,985,472 | |
| Total | 14,788,515,610 | |
| 9.2 Non-current prepaid expenses | Closing balance | Opening balance |
| - Enterprise establishment expenses | 2,952,305,299 | |
| Total | 2,952,305,299 | |

SON LA SUGAR JOINT STOCK COMPANY

Address: Km 34, National Highway 6, Son La - Hanoi, Hat Lot Town, Mai Son District, Son La Province.

FINANCIAL STATEMENTS

For the financial period from October 1, 2024, to December 31, 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. Increase or decrease in tangible fixed assets

| Original cost | Houses and architecture | Machinery and equipment | Transmission means of transport | Management equipment and tools | other tangible fixed assets | Total |
|---|----------------------------|----------------------------|---------------------------------------|--------------------------------------|--------------------------------|--------------------------|
| Opening balance | 186,825,565,972 | 814,472,211,763 | 9,246,497,122 | 3,235,777,305 | 452,727,273 | 1,014,232,779,435 |
| Purchase in year | - | 535,000,000 | 4,262,218,519 | - | - | 4,797,218,519 |
| Basic construction investment completed | | | | | | |
| Another increase | | | | | | - |
| Liquidation and sale | (1,564,566,535) | (9,672,015,328) | (219,300,000) | - | - | - |
| Another reduction | | | | - | - | (11,455,881,863) |
| Closing balance | 185,260,999,437 | 805,335,196,435 | 13,289,415,641 | 3,235,777,305 | 452,727,273 | 1,007,574,116,091 |
| ACCUMULATED DEPRECIATION VALUE | | | | | | |
| Opening balance | 89,921,131,267 | 369,335,486,191 | 4,633,668,170 | 1,482,581,219 | 452,727,273 | 465,825,594,120 |
| Depreciation during the period | 3,139,485,967 | 25,198,873,910 | 326,800,232 | 104,431,182 | - | 28,769,591,291 |
| Another increase | | | | | | - |
| Liquidation and sale | (1,564,566,535) | (5,368,327,227) | (219,300,000) | - | - | (7,152,193,762) |
| Another reduction | | | | | | - |
| Closing balance | 91,496,050,699 | 389,166,032,874 | 4,741,168,402 | 1,587,012,401 | 452,727,273 | 487,442,991,649 |
| REMAINING VALUE | | | | | | |
| Opening balance | 96,904,434,705 | 445,136,725,572 | 4,612,828,952 | 1,753,196,086 | - | 548,407,185,315 |
| Closing balance | 93,764,948,738 | 416,169,163,561 | 8,548,247,239 | 1,648,764,904 | - | 520,131,124,442 |

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. Increase and decrease in intangible fixed assets

| | <i>Land use right</i> | <i>Software</i> | <i>Total</i> |
|---------------------------------|-----------------------|--------------------|----------------------|
| Original cost | | | |
| Opening balance | 1,080,949,765 | 938,041,895 | 2,018,991,660 |
| Purchase in year | - | - | - |
| Closing balance | 1,080,949,765 | 938,041,895 | 2,018,991,660 |
| Accumulated Depreciation | | | |
| Opening balance | - | 831,210,480 | 831,210,480 |
| Depreciation | - | 7,122,096 | 7,122,096 |
| Closing balance | - | 838,332,576 | 838,332,576 |
| Carrying value | | | |
| Opening balance | 1,080,949,765 | 106,831,415 | 1,187,781,180 |
| Closing balance | 1,080,949,765 | 99,709,319 | 1,180,659,084 |

12. Long-term work in progress

12.1 Construction in progress

| | Closing balance | Opening balance |
|--|------------------------|------------------------|
| Investment Project for Upgrading Equipment and Producing Sugar | 3,578,711,650 | 3,578,711,650 |
| Other Investments | 5,880,745,598 | 3,895,137,657 |
| Total | 9,459,457,248 | 7,473,849,307 |

13. Payable to supplier

12.1 Current payable to supplier

| | Closing balance | | Opening balance | |
|---|------------------------|-------------------------------|------------------------|-------------------------------|
| | <i>Value</i> | <i>Amount able to pay off</i> | <i>Value</i> | <i>Amount able to pay off</i> |
| Payable from Third Parties | 100,703,192,380 | 100,703,192,380 | 37,923,830,873 | 37,923,830,873 |
| ANH DUONG CONSULTING, AND EQUIPMENT | 1,135,500,000 | 1,135,500,000 | 1,135,500,000 | 1,135,500,000 |
| Hiep Thanh Industrial Joint Stock Company | 4,551,150,035 | 4,551,150,035 | 4,551,150,035 | 4,551,150,035 |
| Individuals Transporting Sugar | 7,890,108,672 | 7,890,108,672 | 23,224,150,392 | 23,224,150,392 |
| Other Suppliers | 87,126,433,673 | 87,126,433,673 | 9,013,030,446 | 9,013,030,446 |
| Payables to Related-Party Suppliers | 41,927,520 | 41,927,520 | 5,204,750,180 | 5,204,750,180 |
| (Detailed trade receivables from related parties are disclosed in Note VIII.2.) | | | | |
| Total | 100,745,119,900 | 100,745,119,900 | 43,128,581,053 | 43,128,581,053 |

14. Advances from customers

13.1 Current advances from customers

| | Closing balance | Opening balance |
|---|------------------------|------------------------|
| Trade Receivables from Third Parties | 581,560,501 | 461,666,050 |
| MOCCHAU DAIRY CATTLE BREEDING JOINT SONLA BIO-ENERGY JOINT STOCK COMPANY | - | 162,260,000 |
| Pham Huu Quang | 241,760,200 | 61,254,000 |
| Other customers | 140,021,500 | 140,021,500 |
| Payables to Related-Party Customers | 199,778,801 | 98,130,550 |
| 15,908,205,800 | | - |
| (Detailed trade receivables from related parties are disclosed in Note VIII.2.) | | |
| Total | 16,489,766,301 | 461,666,050 |

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. Taxes and other payables to the State

14.1 *Tax payable*

| | Opening balance | Payable in year | Paid in year | Closing balance |
|--------------------------------|-----------------------|-----------------------|-----------------------|----------------------|
| VAT on goods sold domestically | 16,431,762,229 | 215,687,215 | 326,999,277 | 5,300,556,013 |
| VAT on imported goods | - | 330,238,677 | 330,238,677 | - |
| Import and export tax | - | 59,710,390 | 59,710,390 | - |
| Corporate income tax | 5,906,554,483 | - | 5,906,554,483 | - |
| Personal income tax | 45,885,790 | 8,525,775,482 | 8,520,250,131 | 51,411,141 |
| Royalties | - | 1,478,850 | - | 1,478,850 |
| House and land tax | - | 261,360,540 | 261,360,540 | - |
| Các loại thuế khác | - | - | - | - |
| Other taxes | - | - | - | - |
| | - | 302,614,790 | 214,354,848 | 88,259,942 |
| Total | 22,384,202,502 | 31,049,900,247 | 47,992,396,803 | 5,441,705,946 |

14.2 *Tax receivable*

| | Opening balance | Paid in year | Payable in year | Closing balance |
|-----------------------|-----------------|--------------|-----------------|-----------------|
| Import and export tax | - | - | - | - |
| Other taxes | - | - | - | - |
| Total | - | - | - | - |

14.3 *Payables to employees*

| | Closing balance | Opening balance |
|-----------------------|----------------------|----------------------|
| Payables to employees | 5,372,248,871 | 4,605,140,571 |
| Total | 5,372,248,871 | 4,605,140,571 |

17. Accrued expenses

15.1 *Current accrued expenses*

| | Closing balance | Opening balance |
|---|-----------------------|----------------------|
| Accrued Expenses for Sugarcane Procurement Management and Transportation Fees | 150,366,210 | 1,007,544,371 |
| Accrued Expenses for Supporting the Development of Raw Material Areas for the 2024-2025 Crop Year | 20,968,897,680 | |
| Other Accrued Expenses | 112,244,414 | 28,381,914 |
| Total | 21,231,508,304 | 1,035,926,285 |

18. Other payables

18.1 *Other current payables*

| | Closing balance | Opening balance |
|------------------------------------|----------------------|--------------------|
| Union fund | 355,386,045 | 293,156,515 |
| Receive margin, short-term staking | 947,918,210 | 97,918,210 |
| Others | 1,496,406,763 | 524,589,871 |
| Total | 2,799,711,018 | 915,664,596 |

19. Provision for liabilities

17.1 *Provision for current liabilities*

| | Closing balance | Opening balance |
|----------------------|-----------------|----------------------|
| Provision for salary | - | 4,000,000,000 |
| Total | - | 4,000,000,000 |

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. Loans and financial lease debt

| | Số đầu kỳ | | Trong kỳ | | Số cuối kỳ | |
|--|------------------------|----------------|----------------|-----------------|------------|------------------------|
| | Amount able to pay off | | Increase | | Decrease | |
| | Value | | | Value | | Amount able to pay off |
| Short-term loan | 57,209,043,280 | 57,209,043,280 | 46,191,830,096 | 103,400,873,376 | - | - |
| Vietnam Joint Stock Commercial Bank for Industry and Trade - Son La Military Commercial Joint Stock Bank - Son La Branch | 57,209,043,280 | 57,209,043,280 | 46,191,830,096 | 103,400,873,376 | - | - |
| Long-term debt is due | 4,500,000,000 | 4,500,000,000 | - | 4,500,000,000 | - | - |
| Vietnam Joint Stock Commercial Bank for Industry and Trade - Son La | 4,500,000,000 | 4,500,000,000 | - | 4,500,000,000 | - | - |
| Vay dài hạn | - | - | - | - | - | - |
| Vietnam Joint Stock Commercial Bank for Industry and Trade - Son La | - | - | - | - | - | - |
| Total | 61,709,043,280 | 61,709,043,280 | 46,191,830,096 | 107,900,873,376 | - | - |

18.1 Details of short-term bank loans

- (i) Limit loan contract No. 20.02/2024-HDCVHM/NHCT190-SLS dated February 27, 2024 used to serve production and business activities (excluding petroleum business) in which the award number Maximum capital advance for raw material areas is 150 billion VND. The limit of the contract from September to the end of October every year is 400 billion VND, from November to the end of August every year is 500 billion VND, the interest rate is adjusted and specified on each debt note. Collateral is guarantee commitments, specifically security contracts are contracts to mortgage movable and real estate and property rights signed between the two parties.
- (ii) Credit contract No. 03.28/2016-HDTHDA/NHCT190-CTCPMIADUONGSL is used to pay legal investment costs of the investment in increasing the capacity of a stable sugar processing line with a capacity of 4000TMN (period 2016-2018).)-Phase 1 (2016-2017) reaches capacity of 3000TMN with limited 120 billion VND has a term of 96 months from the initial disbursement date, floating interest rate. This loan is guaranteed by all assets formed in the project, machinery, equipment, and production lines.

NOTES TO THE FINANCIAL STATEMENTS (continued)**19. Equity****19.1 Reconciliation table of equity fluctuations**

| | Owner's investment capital | Share capital surplus | Investment fund develop | Other funds belong to equity | Undistributed profits | Total |
|--|-------------------------------|--------------------------|----------------------------|---------------------------------|--------------------------|-------------------|
| Balance at the beginning of the previous year | 97,919,450,000 | 3,998,638,028 | 45,607,779,802 | 8,174,806,000 | 1,024,947,559,836 | 1,180,648,233,666 |
| Capital increase in the previous year | - | - | - | - | - | - |
| Profit in the previous year | - | - | - | - | 526,358,983,476 | 526,358,983,476 |
| Another increase | - | - | - | - | - | - |
| Sử dụng vốn trong năm trước | - | - | - | (1,373,770,000) | - | - |
| Payment of dividends to shareholders | - | - | - | - | (146,879,175,000) | (146,879,175,000) |
| Distribution of funds | - | - | - | 2,000,000,000 | (6,000,000,000) | (4,000,000,000) |
| Another reduction | - | - | - | - | - | - |
| Balance at the end of last year/beginning of this year | 97,919,450,000 | 3,998,638,028 | 45,607,779,802 | 8,801,036,000 | 1,398,427,368,312 | 1,554,754,272,142 |
| Capital increase during the period (*) | - | - | - | - | - | - |
| Profit during the period | - | - | - | - | 188,453,326,843 | 188,453,326,843 |
| Increase from Undistributed profits | - | - | 50,000,000,000 | - | - | 50,000,000,000 |
| Use of capital during the period | - | - | - | (362,000,000) | - | (362,000,000) |
| Loss during the period | - | - | - | - | - | - |
| Payment of dividends to shareholders (*) | - | - | - | - | - | - |
| Distribution of funds (*) | - | - | - | - | (195,838,900,000) | (195,838,900,000) |
| Another reduction | - | - | - | - | (54,500,000,000) | (54,500,000,000) |
| Balance at the end of this year | 97,919,450,000 | 3,998,638,028 | 95,607,779,802 | 8,439,036,000 | 1,336,541,795,155 | 1,542,506,698,985 |

During the year, the Company distributed funds and paid dividends to shareholders according to Resolution 01/NQ-DHDCDTN2024 of the 2024 Annual General Meeting of Shareholders dated September 5, 2024. Accordingly, the Company divided shares, in cash at the rate of 200% of charter capital.

NOTES TO THE FINANCIAL STATEMENTS (continued)

19.2 Details of Equity

| | Closing balance | Opening balance |
|----------------------------------|-----------------------|-----------------------|
| Ms. Tran Thi Thai | 26,860,600,000 | 26,860,600,000 |
| Thai Lien Company | 14,688,000,000 | 14,688,000,000 |
| Mr. Dang Viet Anh | 9,638,780,000 | 9,638,780,000 |
| Employees and Other Shareholders | 46,732,070,000 | 46,732,070,000 |
| Total | 97,919,450,000 | 97,919,450,000 |

Capital Transactions with Owners and Distribution of Dividends and Profits

| | Current year | Previous year |
|-------------------------------|----------------|----------------|
| Equity | | |
| + Equity at beginning of year | 97,919,450,000 | 97,919,450,000 |
| + Equity increase in year | - | - |
| + Equity decrease in year | - | - |
| + Equity at end of year | 97,919,450,000 | 97,919,450,000 |
| Dividends, profit distributed | | |

Shares

| | Closing balance | Opening balance |
|---|-----------------|-----------------|
| Number of shares registered for issuance | 9,791,945 | 9,791,945 |
| Number of shares issued /sold to the public | 9,791,945 | 9,791,945 |
| - Common shares | 9,791,945 | 9,791,945 |
| Number of outstanding shares | 9,791,945 | 9,791,945 |
| - Common shares | 9,791,945 | 9,791,945 |
| Face value of outstanding shares | 10.000 VND | |

20 Off-Balance Sheet Items

Doubtful debts settled

Details of doubtful debts settled in 10 years are as follows:

| Detail | Amount (VND) | In year debt written off | Cause of debt written off |
|---|--------------|--------------------------|---------------------------|
| Handling of Receivables from Investment in Raw Material Areas Outstanding from 2013 to 2023 | 507,321,711 | 2018+2023 | Unrecoverable Debt |

XXV ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INCOME STATEMENT.

| | | |
|---|----------------------|-----------------------|
| 1. Revenue from sales of goods and rendering of services | Current year | Previous year |
| Revenue from sales of goods and rendering of services | 321,459,659,879 | 187,919,449,904 |
| 2. Revenue deduction | Current year | Previous year |
| Returned goods | | |
| 3. Cost of goods sold | Current year | Previous year |
| Cost of Goods Sold | 213,258,186,362 | 127,441,158,347 |
| 4. Financial income | Current year | Previous year |
| Total | 6,950,039,076 | 11,992,901,402 |

NOTES TO THE FINANCIAL STATEMENTS (continued)

| | | |
|--|-----------------------|----------------------|
| 5. Financial expenses | Current year | Previous year |
| Loan Interest Expenses | <u>250,069,237</u> | <u>744,415,617</u> |
| 6. Selling expenses | Current year | Previous year |
| Selling expenses | <u>545,298,557</u> | <u>161,338,091</u> |
| 7. General and administration expenses | Current year | Previous year |
| General and administration expenses | <u>10,066,585,712</u> | <u>1,663,065,409</u> |
| 8. General and administration expenses | Current year | Previous year |
| General and administration expenses | <u>609,004,058</u> | <u>1,000</u> |
| 9. Other income | Current year | Previous year |
| Other income | <u>125,676,385</u> | <u>70,283,933</u> |
| 10. Current corporate income tax expenses | Current year | Previous year |
| <i>Total current corporate income tax expenses</i> | <u>-</u> | <u>-</u> |

11. Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period.

The Company used the following information to calculate earnings per share:

| | | |
|--|---------------------|----------------------|
| | Current year | Previous year |
| Accounting profits after corporate income tax | 104,772,886,759 | 69,832,090,909 |
| Adjustment to increase, decrease accounting profits to identify profit distributed to common shareholders: | - | - |
| Distributed profits to the Company's common shareholders | 104,772,886,759 | 69,832,090,909 |
| Allocation to Bonus and Welfare funds for the year | | |
| Average outstanding common shares during the year (*) | 9,791,945 | 9,791,945 |
| Basic earnings per share | <u>10,700</u> | <u>7,132</u> |

Average outstanding common shares during the year are identified as follows:

| | | |
|--|---------------------|----------------------|
| | Current year | Previous year |
| Number of outstanding common shares at the beginning of the year | 9,791,945 | 9,791,945 |
| Number of outstanding common shares during the year | 9,791,945 | 9,791,945 |

VII. ADDITIONAL INFORMATION ON ITEMS PRESENTED IN THE CASH FLOW STATEMENT

1. Non-monetary transactions

| | |
|--|-----------------------|
| | Current year |
| Bank loans paid directly to suppliers, loans used to pay salaries for employees. | 15,663,454,416 |
| Total | <u>15,663,454,416</u> |

NOTES TO THE FINANCIAL STATEMENTS (continued)

VIII. OTHER INFORMATION

1. Events after the balance sheet date

There was no event after the balance sheet date that had material or could have material effects on the Company's operational and business results in subsequent periods after the balance sheet date.

2. Transactions with related parties

A party is considered as related if it can control the other parties or has significant influence on the other party in making financial and operating decisions. Related parties comprise enterprises including parent company, subsidiaries, individual directly or indirectly through one or more intermediaries, control or are controlled by, or under the same control as the Company. Associates, individuals owning, directly or indirectly, an interest in the voting right of the Company and its subsidiaries that give them significant influence on the enterprise, key management personnel, including directors and officers, close members of the family of these individuals or associates and companies associated with these individuals also constitute related parties.

2.1 Transactions with key management personnel and related individuals

Key management members and related individuals include: members of the Board of Directors, Management, Director, Chief Financial Officer, Chief Accountant and close members in the family of these individuals.

Transactions with key management members and related individuals are as follows:

| | Current year | Previous year |
|--|--------------|---------------|
| Key Management Personnel Income | | |
| Mr. Dang Viet Anh | 107,700,000 | 107,700,000 |
| Mr. Tran Ngoc Hieu | 319,482,000 | 311,340,000 |
| Ms. Tran Thi Nhi | 47,100,000 | 47,100,000 |
| Mr. Thai Van Hung | 196,500,000 | 195,000,000 |
| Mr. Nguyen Truong Chinh | 47,100,000 | 47,100,000 |
| Ms. Nguyen Thi Thuy | 47,100,000 | 47,100,000 |
| Mr. Nguyen Van Tai | 91,230,000 | 91,230,000 |
| Mr. Nguyen Van Dai | 64,230,000 | 63,030,000 |
| Ms. Nguyen Thi Khuong | 76,500,000 | 76,500,000 |

2.2 Other related parties

List of other related parties of the Company includes:

| Related parties | Relationship |
|--|---|
| Kim Ha Viet Company | The Company Shares Key Management Members |
| Kon Tum Sugar Joint Stock Company | The Company Shares Key Management Members |
| Viet Kingdom Investment Corporation | Ms. Ta Ngoc Huong, General Director of Vuong Quoc Viet Investment Joint Stock Company, is the wife of Mr. Tran Ngoc Hieu, Vice Chairman of the Board of Directors of Son La Sugarcane Joint Stock Company. |
| Nam Phuong Ha Tien Company Limited | Ms. Dang Thi Thu Hang, Chairwoman of the Members' Council of Nam Phuong Ha Tien One Member Co., Ltd., is the sister of Mr. Dang Viet Anh, Chairman of the Board of Directors of Son La Sugarcane Joint Stock Company. |
| To Hieu - Son La Agriculture Company | Joint Ventures and Associates |
| Tra Vinh Sugar Joint Stock Company | The Company Shares Key Management Members |
| Thai Lien Company | Shareholders contribute capital |
| Grain Import Export Joint Stock | The Company Shares Key Management Members |
| Cantho Mechanical Electrical Machinery Joint Stock Company | Ms. Dang Thi Thu Hang, Chairwoman of Can Tho Mechanical and Electrical Joint Stock Company, is the older sister of Mr. Dang Viet Anh, Chairman of the Board of Directors of Son La Sugarcane Joint Stock Company. |

NOTES TO THE FINANCIAL STATEMENTS (continued)

Thien Thien Phuc Trading Company Ltd
Ms. Dang Thi Thu Hang, a capital-contributing member of Thien Thien Phuc Trading Co., Ltd., is the sister of Mr. Dang Viet Anh, Chairman of the Board of Directors of Son La Sugarcane Joint Stock Company.

Thai Minh Anh Vietnam Company Ltd
Mrs. Le Thi Sang - the legal representative of Thai Minh Anh Vietnam Co., Ltd., is the wife of Mr. Dang Viet Anh - Chairman of the Board of Directors of Son La Sugar Joint Stock Company.

Transactions with these related parties in year are as follows:

| | Current year | Previous year |
|--|-----------------|-----------------|
| Kim Ha Viet Company | | |
| Sales | 18,476,190,476 | 7,838,095,238 |
| Interest on Late Payment for Goods | 834,206,849 | 241,661,317 |
| Purchases | 7850128400 | 7,318,940,931 |
| Kon Tum Sugar Joint Stock Company | | |
| Sales | | 258,193,737 |
| Interest on Late Payment for Goods | | 271,103,424 |
| Purchases | | 215,299,641 |
| Thai Lien Company | | |
| Interest on Late Payment for Goods | 444,062,466 | 244,115,068 |
| Viet Kingdom Investment Corporation | | |
| Sales | 37,280,180,952 | 10,025,373,714 |
| Interest on Late Payment for Goods | 891,498,887 | 241,657,534 |
| Nam Phuong Ha Tien Company Limited | | |
| Sales | | 4,642,857,143 |
| Interest on Late Payment for Goods | 280,628,081 | 302,753,083 |
| To Hieu - Son La Agriculture Company Limited | | |
| Sales | 170,756,381 | |
| <i>Sugar procurement management fees</i> | | 338,482,606 |
| <i>Dividends</i> | 335,298,004 | |
| Tra Vinh Sugar Joint Stock Company | | |
| Sales | | 42,714,285,714 |
| Interest on Late Payment for Goods | | 324,716,849 |
| Grain Import Export Joint Stock Company | | |
| Sales | 188,380,952,381 | 116,503,209,393 |
| Interest on Late Payment for Goods | 1,104,362,328 | 201,749,316 |
| Cantho Mechanical Electrical Machinery Joint Stock | | |
| Sales | | 308,302,674 |
| Interest on Late Payment for Goods | | 485,576,712 |
| Thien Thien Phuc Trading Company Ltd | | |
| Sales | | |
| Interest on Late Payment for Goods | 552,426,028 | 287,531,507 |
| Thai Minh Anh Vietnam Co., Ltd. | | |
| Service fee | 1,145,296,388 | |
| Trade Receivables (Detailed explanation provided in Note V.3) | | |

| | Closing balance | Opening balance |
|---|------------------------|------------------------|
| Kim Ha Viet Company | 71,600,000,000 | 59,800,000,000 |
| Thai Lien Company | - | 7,782,000,000 |
| Viet Kingdom Investment Corporation | 72,094,370,000 | 63,150,000,000 |
| Nam Phuong Ha Tien Company Limited | 11,850,000,000 | 55,850,000,000 |
| Grain Import Export Joint Stock Company | 197,800,000,000 | 70,150,000,000 |
| Thien Thien Phuc Trading Company Ltd | 60,100,000,000 | 60,100,000,000 |
| Total | 413,444,370,000 | 316,832,000,000 |

NOTES TO THE FINANCIAL STATEMENTS (continued)

Payables to supplier (Detailed explanation provided in Note V.12)

| | <u>Closing balance</u> | <u>Opening balance</u> |
|---------------------------------|------------------------|------------------------|
| Kim Ha Viet Company | - | 5,204,750,180 |
| Thai Minh Anh Vietnam Co., Ltd. | 41,927,520 | - |
| Total | 41,927,520 | 5,204,750,180 |

Advances from Customers (Detailed explanation provided in Note V.13)

| | <u>Closing balance</u> | <u>Opening balance</u> |
|--|------------------------|------------------------|
| Thai Lien Company | 15,800,000,000 | - |
| To Hieu - Son La Agriculture Company Limited | 108,205,800 | - |
| Total | 15,908,205,800 | |

Advances to Suppliers (Detailed explanation provided in Note V.4)

| | <u>Closing balance</u> | <u>Opening balance</u> |
|---------------------|------------------------|------------------------|
| Kim Ha Viet Company | 12,385,340,360 | - |
| Total | 12,385,340,360 | |

Pricing Policy for Transactions Between the Company and Other Related Parties

Purchases of goods and services from related parties are conducted at agreed-upon prices.

Receivables from related parties are unsecured and will be settled in cash. No provisions for doubtful debts have been established for receivables from related parties.

4. Comparative Information

On December 22, 2014, the Ministry of Finance issued Circular No. 200/2014/TT-BTC, guiding the corporate accounting regime. This Circular replaces the corporate accounting regime issued under Decision No. 15/2006/QĐ-BTC dated March 20, 2006, of the Minister of Finance, and Circular No. 244/2009/TT-BTC dated December 31, 2009, of the Ministry of Finance. Circular 200 applies to financial years beginning on or after January 1, 2015. The Company has applied the guidance of Circular 200 since January 1, 2015. The data presented in the financial statements is consistent and allows for comparability with prior-period data.

Son La, January 20, 2025

Prepared by



Duong Hai Linh

Chief Accountant



Nguyen Thi Khuong

General Director



Tran Ngoc Hieu