

THE FISCAL YEAR 2024 - 2025

ANNUAL REPORT

SLS



Message from the Chairman of the Board of Directors

To Esteemed Government Authorities, Valued Partners, and All Shareholders,

On behalf of the Board of Directors of Son La Sugar JSC, I would like to extend my respectful greetings to you, along with my deepest gratitude for your valuable companionship, support, and trust over the past period. It is your cooperation and commitment that have significantly contributed to the successes achieved by the Company in the fiscal year 2024–2025.

In the past year, the domestic and global sugar industry faced numerous challenges: international sugar prices sharply declined, there was an oversupply, smuggling and trade fraud were not thoroughly controlled, while climate change, with droughts and floods, continued to severely impact raw material areas. In this context, the Company demonstrated courage and decisiveness by flexibly adjusting raw material policies, implementing lean management, optimizing costs, and proactively managing sales strategies. As a result, we successfully completed our business plan, recording a profit after tax of VND 374 billion, completing the target assigned by the 2024 General Meeting of Shareholders by 249.47%, continuing to affirm our leading position in the industry.

This result is a testament to the solidarity and tireless efforts of all Company employees, along with the valuable companionship of shareholders, partners, and the local community. The Board of Directors acknowledges and expresses gratitude for all these significant contributions.

Entering the fiscal year 2025–2026, the Company will continue to pursue a sustainable development strategy based on three pillars: stabilizing raw material areas – optimizing processing technology – enhancing management efficiency and expanding the market. Concurrently, SLS is steadfast in fulfilling its social responsibilities, accompanying sugarcane farmers, ensuring harmonious benefits among the Company, employees, shareholders, and the community. We will also continue to invest strongly in environmental protection programs, developing a circular economy, and improving the lives of employees, contributing to the realization of the Company's sustainable development objectives in terms of environment, society, and community sustainability.

The Board of Directors commits to working with the Board of Management to maximize all resources, turn challenges into opportunities, and lead the Company to stable, sustainable development, continuously increasing value for shareholders.

We sincerely thank you and wish you health, happiness, and success.

Sincerely,

Chairman of the Board of Directors - Dang Viet Anh.



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AGM	Annual General Meeting of Shareholders
BOD	Board of Directors
BOM	Board of Management
BOS	Board of Supervisors
EBT	Earnings Before Tax
EAT	Earnings After Tax
GMS	General Meeting of Shareholders
Ltd.Co	Limited Company
JSC	JSC
SLS	Son La Sugar JSC
SSC	State Securities Commission of Vietnam
ROA	Return on Assests
ROE	Return on Equity
ROS	Return on Sales
VND	Vietnam Dong
HR & ADMIN DEPT	Human Resources & Administration Department
BUSINESS PLANNING DEPT	Business Planning Department
F&A DEPT	Finance & Accounting Department
TECH, LAB & ENV DEPT	Technology, Laboratory & Environment Department
RAW MATERIAL FTY	Raw Material Factory
FERTILIZER PROD. PLANT	Fertilizer Production Plant
AGRI. PRODUCTS & TRADING	Agricultural Products & Trading Department



GENERAL INFORMATION

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GENERAL INFORMATION

1. OVERVIEW



Trading name	SON LA SUGAR JSC
Business Registration	Certificate No. 2403000172: First issued on February 20, 2008; 10th amendment on May 16, 2025, issued by the Department of Finance of Son La Province
Charter capital	VND 97,919,450,000
Owner’s capital	VND 97,919,450,000
Address	Km 34, National Highway 6 (Son La – Hanoi), Mai Son Commune, Son La Province
Telephone	02123 843274
Fax number	02123 843406
Website	https://miaduongsonla.vn
Securities code	SLS
Stock Exchange	HNX

Location of business

The Company’s main products are currently strongly consumed in key provinces and cities such as Son La, Hanoi, Hai Phong, Hai Duong (formerly) and Vinh Phuc (formerly). In particular, the Company also owns a widespread distribution network across most northern provinces and cities, ensuring market access and meeting consumer demand in this region.

ESTABLISHMENT AND DEVELOPMENT PROCESS

Year	Key events
1995	On September 16, 1995, the construction of Son La Sugar Factory, the predecessor of Son La Sugar JSC, directly managed by To Hieu Son La State Farm, commenced.
1996	In April 1996, Son La Sugar Company was established based on the Son La Provincial People's Committee transferring the task of constructing the Son La Sugar Factory from To Hieu State Farm; simultaneously, the Factory was renamed Son La Sugar Company.
1997	In August 1997, the Son La Provincial People's Committee made the Decision to establish the State-owned Enterprise – Son La Sugar Company, directly under the Son La Provincial People's Committee.
2007	In April 2007, the Prime Minister issued Official Letter No. 419/TTg-NN regarding the restructuring and renovation of Son La Sugar Company. In November 2007, the Son La Provincial People’s Committee approved the financial restructuring plan and the conversion of the Company’s ownership from a State-owned enterprise to a JSC.
2008	On February 1, 2008, the Son La Provincial People’s Committee authorized the Debt and Asset Trading Corporation (DATC) to successfully organize the General Meeting of Shareholders (GMS) for the establishment of Son La Sugar JSC, and the company officially commenced operations under the JSC model.
2012	In September 2012, the Company's shares were listed on The Stock Exchange of Hanoi (HNX) with stock symbol SLS, ushering in a new phase of development with greater transparency and expanded capital mobilization.
2015	On Date 31/10/2015, the Debt and Asset Trading Corporation of Vietnam (DATC), as the Capital Representative of the State's contribution, officially divested all of the State's capital contribution in Son La Sugar JSC; from then on, Son La Sugar JSC no longer had State capital and operated entirely under market mechanisms.
2016	Increased the capacity of the RS sugar factory from 2,200 to 3,000 tons of sugarcane per day, enhancing processing capacity to meet the growing demand of consumers.
2017	Increased charter capital to VND 81.59 billion, strengthening the financial foundation for production expansion plans.
2018	Continued Charter capital increase to VND 97.91 billion; simultaneously increasing the capacity of the RS sugar factory to 5,000 tons of sugarcane per day. This was also a period of changing and upgrading most of the factory equipment, implementing automation systems, advanced technology according to G7 standards, with many modern machines imported from India and Japan.
2021	Increased the capacity of the RS sugar factory to 5,200 tons of sugarcane per day, affirming its position in Vietnam's sugar industry.
2024	Benefiting significantly from a strong global sugar price upcycle, SLS achieved a record profit after tax of over VND 526 billion; and approved a record cash dividend of 200%, making SLS one of the listed companies with the most attractive dividend policies on the market.
2025	The Company continued its strategy of stabilizing raw material areas, optimizing technology, and enhancing processing efficiency, aiming for sustainable development, focusing on stabilizing raw material areas, optimizing technology, enhancing processing efficiency, and increasing shareholder value.

GENERAL INFORMATION

1. OVERVIEW

OTHER EVENTS

- The President awarded the Third-class Labor Order, recognizing the Company’s significant contributions to socio-economic development
- The General Director of Vietnam Social Insurance awarded a Certificate of Merit to the Company for having well implemented social insurance and health insurance policies for employees.
- The Trade Union of Agriculture and Rural Development of Son La Province awarded the leading flag for the “Green – Clean – Beautiful, ensuring occupational safety and hygiene” movement.
- The Prime Minister awarded the Excellent Emulation Flag, recognizing the achievement of comprehensively completing work tasks and leading the patriotic emulation movement of Son La province.
- The People’s Committee of Son La province has repeatedly awarded excellent emulation flags and Certificates of Merit to the Company for outstanding achievements in patriotic emulation movements.
- The Executive Committee of the Vietnam General Confederation of Labor awarded a Certificate of Merit to the Company’s grassroots Trade Union for excellent achievements in the skilled labor emulation movement and building a strong trade union organization.



2. BUSINESS LINES AND BUSINESS LOCATIONS

BUSINESS LINES AND BUSINESS LOCATIONS

Son La Sugar JSC (SLS) currently is no longer limited to the role of a traditional sugar producer, but has gradually expanded and diversified into multiple industries under a closed value chain model in the sugar sector. The operational structure includes:



- » **Sugar production and trading:** This is the core business, generating the main revenue for the Company. SLS produces various types of RS and RE sugar with diverse packaging specifications (0.5 kg bags, 1 kg bags, 50 kg sacks), serving the varied needs of domestic consumers and for export, especially to the Chinese market. Production operations are supported by modern technology, with a capacity of over 5,000 tons of sugarcane per day, ensuring stable quality and high economic efficiency.
- » **By-products and agricultural services:** SLS utilizes by-products from sugar production such as bagasse and filter mud to produce bio-fertilizers and organic fertilizers. Concurrently, the Company also supplies new, high-yield, high-quality sugarcane varieties to farmers, thereby developing a sustainable raw material area and increasing dual benefits: improving farmers’ income and stabilizing the sugarcane supply for the factory.
- » **Petroleum trading business:** The Company has expanded its operations into the trading sector by engaging in petroleum business, providing timely supply to meet the needs of internal Company vehicles transporting goods. This serves as both a supplementary business segment and helps the Company proactively supply fuel for local production and distribution.
- » **Logistics, transportation, and warehousing services:** To optimize the supply chain, SLS provides road freight transportation services, supporting the transport of sugarcane from raw material areas to the factory and delivering sugar products to customers. Additionally, the Company operates warehousing services, storing goods, contributing to increased business efficiency.
- » **Infrastructure development for production and raw material zones:** SLS focuses on investing in the development of raw material area infrastructure such as internal field irrigation systems, rural roads, and production-serving facilities. These activities not only facilitate sugarcane transportation but also create conditions to improve the local socio-economic life, affirming SLS’s role in sustainable development.

GENERAL INFORMATION

2. BUSINESS LINES AND BUSINESS LOCATIONS

BUSINESS LINES

Business lines code	Business line name
0114	Sugarcane cultivation
0130	Propagation and care of agricultural seedlings
0161	Crop cultivation services
0163	Post-harvest services
1072 (main)	Sugar production Details: Sugar production, processing and trading of sugar by-products
1080	Production of animal feed, poultry feed, and aquaculture feed
1104	Production of non-alcoholic beverages, mineral water
2012	Production of fertilizers and nitrogen compounds
2512	Production of metal drums, tanks, and containers
3311	Repair of fabricated metal products
3312	Repair of machinery and equipment
3314	Repair of electrical equipment
3320	Installation of industrial machinery and equipment
3510	Production, transmission and distribution of electricity
4100	Construction of all types of houses
4290	Construction of other civil engineering works Details: Constructing internal field canals and transportation infrastructure in sugarcane raw material areas.
4311	Demolition
4312	Site preparation Excludes mine detection and similar activities at construction sites
4321	Installation of electrical systems



Business lines code	Business line name
4322	Installation of water supply, drainage, heating and air conditioning systems
4329	Details: Installation of equipment systems in the construction and civil engineering industries such as: Elevators, escalators; automatic doors; lighting systems; dust extraction systems;
4330	Finishing of construction works
4620	Wholesale of agricultural and forestry raw materials (excluding wood, bamboo, and rattan) and live animals
4632	Wholesale of food products Wholesale of sugar, milk and dairy products, confectionery and products processed from cereals, flour, starch
4653	Wholesale of agricultural machinery, equipment and spare parts
4659	Wholesale of other machinery, equipment and spare parts
4661	Wholesale of solid, liquid, gaseous fuels and related products Details: Wholesale of petroleum and related products;
4663	Wholesale of other construction materials and installation equipment
4669	Other specialized wholesale not elsewhere classified Details: Wholesale of fertilizers and other chemicals used in agriculture; - Wholesale of alcohol, molasses - Trading in sugarcane varieties, raw sugarcane
4722	Retail sale of food products in specialized stores
4773	Retail sale of other new goods in specialized stores Details: Retail of petroleum and related products
4933	Road freight transport
5210	Warehousing and storage of goods

GENERAL INFORMATION

3. INFORMATION ON GOVERNANCE MODEL, BUSINESS ORGANIZATION, AND MANAGEMENT STRUCTURE

GOVERNANCE MODEL

Son La Sugar JSC operates under the governance model of: General Meeting of Shareholders (GMS), Board of Directors, Board of Supervisors, and General Director.

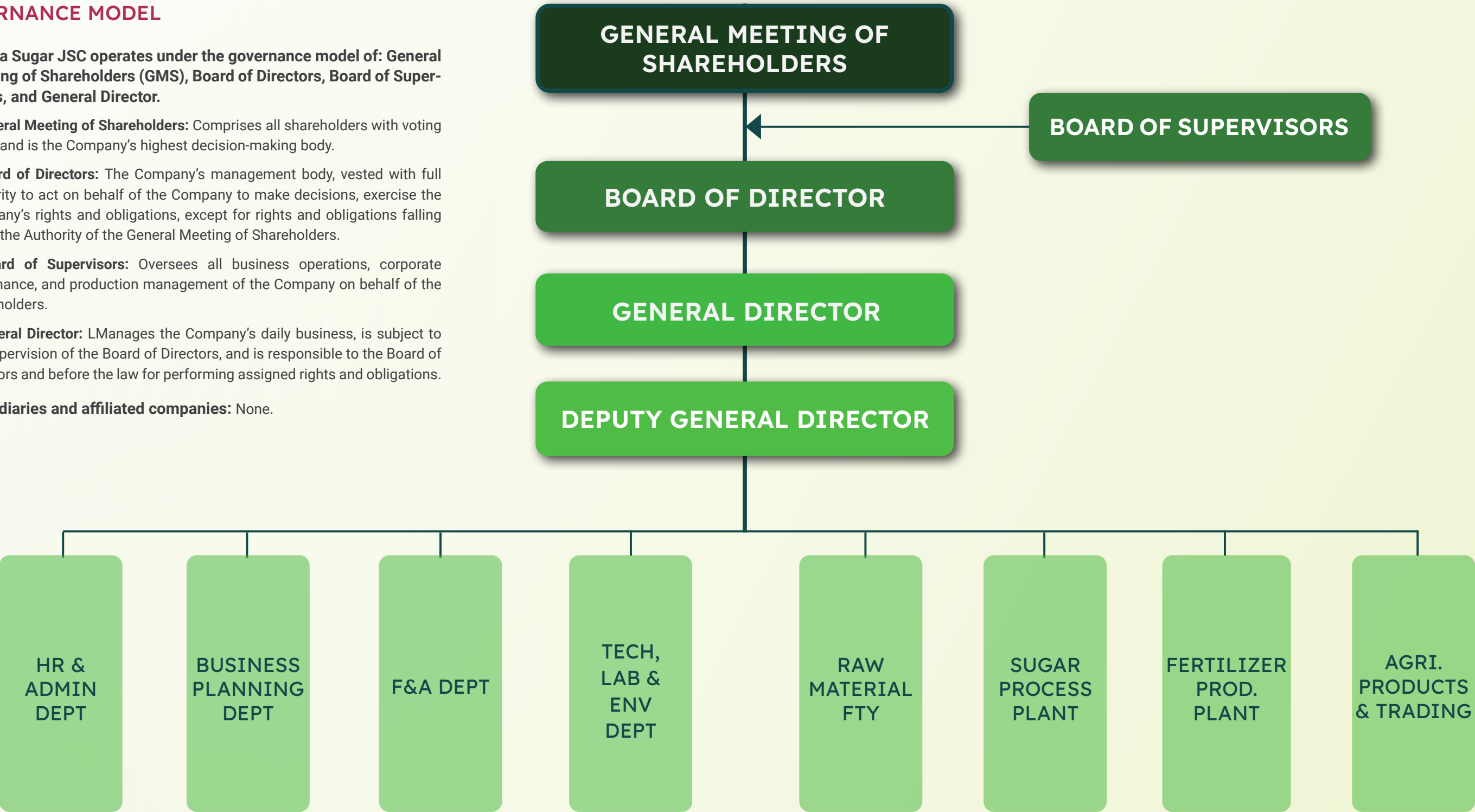
» **General Meeting of Shareholders:** Comprises all shareholders with voting rights and is the Company’s highest decision-making body.

» **Board of Directors:** The Company’s management body, vested with full authority to act on behalf of the Company to make decisions, exercise the Company’s rights and obligations, except for rights and obligations falling under the Authority of the General Meeting of Shareholders.

» **Board of Supervisors:** Oversees all business operations, corporate governance, and production management of the Company on behalf of the Shareholders.

» **General Director:** LManages the Company’s daily business, is subject to the supervision of the Board of Directors, and is responsible to the Board of Directors and before the law for performing assigned rights and obligations.

Subsidiaries and affiliated companies: None.



GENERAL INFORMATION

4. DEVELOPMENT ORIENTATIONS

MAIN OBJECTIVES OF THE COMPANY

- » **Stabilizing and expanding sugarcane raw material areas:** maintaining cultivated area, supporting farmers with new varieties, fertilizers, and techniques to ensure sugarcane quality and yield. This has been a consistent objective since the Company's equitization.
- » **Enhancing production and processing capacity:** continuing to invest in technology improvement, automation of production lines, and stable capacity.
- » **Financial efficiency and maximizing shareholder value:** maintaining high profit margins, attractive dividends, and ensuring a fair distribution of benefits among the Company, shareholders, and employee.
- » **Quality and brand:** enhancing the reputation of RS and RE sugar products, expanding domestic distribution channels, and promoting exports.
- » **Corporate objectives with regard to corporate environment, society and community sustainability:** linking growth with environmental protection, community development, and social responsibility.

MEDIUM AND LONG-TERM DEVELOPMENT STRATEGIES

In the medium and long term, Son La Sugar JSC's Development orientations are based on three pillars: stabilizing raw material areas – enhancing processing capacity – expanding the market, while aligning with sustainable development goals. Specifically:

- » **Developing and stabilizing raw material areas:**

 - Maintaining a stable sugarcane cultivation area, reviewing suitable land funds, and gradually expanding raw material areas in potential regions.
 - Researching, testing, and replicating new sugarcane varieties with high yield and sugar content, adapted to climate change.
 - Applying synchronized mechanization in cultivation, harvesting, and transportation to reduce costs and improve efficiency.
 - Continuing to implement investment policies and provide support for farmers (varieties, fertilizers, techniques, infrastructure) to foster long-term commitment and harmonious sharing of benefits between the Company and sugarcane growers.
- » **Expanding the market and developing the brand:**

 - Develop flexible sales policies, strengthen relationships with traditional customers, while expanding domestic market share.
 - Develop multiple distribution channels to increase consumption speed, reduce inventory, and improve capital turnover.
 - Maintain export operations, exploit the Chinese market, and seek other potential markets in the region.
 - Promote communication activities, build and develop the 'Son La Sugar' brand associated with quality and reputation.
- » **Enhancing processing capacity and technology:**

 - Review, maintain, and upgrade existing production lines to ensure a stable capacity of over 5,000 tonnes of sugarcane per day.
 - Intensify the application of refined processing techniques and automation in processing stages to reduce losses, improve recovery efficiency, and stabilize product quality.
 - Intensify the application of refined processing techniques and automation in processing stages to reduce losses, improve recovery efficiency, and stabilize product quality.
 - Maximize value from by-products: produce organic fertilizers and microbial fertilizers, supplying them to farmers and the market; utilize bagasse and molasses for production and commercial purposes.
- » **Management – Finance – Human Resources:**

 - Enhance financial management capacity, efficiently utilize capital, and tightly control cost to maintain stable profit margins.
 - Consolidate a lean and professional organizational structure, train a technical workforce, especially the human resources for plant operations.
 - Ensure stable employment, adequate income, and full welfare benefits for employees, building a safety and sustainable working environment.

SUSTAINABLE DEVELOPMENT OBJECTIVES

Son La Sugar JSC identifies corporate objectives with regard to corporate environment, society and community sustainability as a consistent orientation in all production and business operations. Specific objectives include:

- 1 ECONOMIC

 - Maintain a stable growth rate of revenue and profit, and improve capital utilization efficiency.
 - Preserve and develop owner's equity, ensuring a healthy financial structure.
 - Maximize shareholder value through reasonable, stable, and transparent dividend policies.
- 2 SOCIAL

 - Continue to consider sugarcane as a 'sustainable poverty alleviation crop', accompanying farmers to develop raw material areas, and improve their income and living standards.
 - Actively contribute to the new rural development program in the raw material areas.
 - Fully fulfill obligations to the State, actively participate in social security programs, education promotion, and charitable activities.
- 3 EMPLOYEES

 - Ensure stable employment for employees with increasingly improved income levels.
 - Fully implement regulations on wages, bonuses, welfare, and insurance according to legal regulations and collective labor agreements.
 - Build a safe and professional working environment, encourage initiatives, and enhance skills.
- 4 ENVIRONMENT

 - Increase investment, improve wastewater and waste treatment systems, ensuring compliance with environmental regulations.
 - Utilize production by-products (bagasse, filter mud, molasses) to produce microbial fertilizers and organic fertilizers, contributing to pollution reduction and agricultural land improvement.
 - Maintain and expand quality and environmental management certifications according to international standards (ISO 9001, ISO 14001).
- 5 GORVENANCE CORPORATE

 - Implement governance based on principles of transparency, efficiency, clarifying the responsibilities of the Board of Directors, Board of Management, and Board of Supervisors in supervision and operations.
 - Disclose information timely and accurately, fully complying with legal regulations and advanced governance practices.
 - Build long-term relationships, harmonizing interests with shareholders, partners, customers, and the community.



GENERAL INFORMATION

5. RISKS

ECONOMIC RISKS

In the 2024-2025 fiscal year, the global economy is expected to maintain positive growth momentum, despite potential political challenges and inflation volatility. Signs indicate that inflationary pressures are gradually easing, creating conditions for major central banks worldwide to loosen monetary policies, thereby stimulating economic growth and supporting production and business activities.

In Vietnam, the macroeconomic context has become even more positive. The national economy continues to record impressive achievements, mostly exceeding forecasts from leading global economic organizations. The key factor leading to this recovery is the flexible monetary Policies of the State Bank. Maintaining low policy interest rates has created favorable conditions for businesses to access capital at reasonable costs, strongly promoting production and investment activities.

However, the bright macroeconomic picture is not entirely consistent with the sugar industry. Global sugar prices are experiencing a clear downward trend, reaching their lowest level in the past 4 years. The main Reasons stem from a strong increase in supply from major exporters such as Brazil, India, and Thailand. As a result, the market is facing a widespread influx of smuggled and tax-evading sugar, severely impacting legitimate sugar producers.

Vietnamese sugar businesses are also not outside this negative impact zone. The problem of smuggled sugar,



especially from Thailand via Cambodia and Laos, continues to distort the market, creating downward price pressure and pushing domestic inventory levels to a record high. This situation has forced many factories to close, and simultaneously caused farmers to switch to other crops, explaining the downward trend in sugarcane prices in Vietnam since the beginning of the year.

Faced with existing risks, the company has proactively engaged in forecasting and response efforts, implementing practical measures to maintain and strengthen strategic relationships with sugarcane farmers, ensuring a stable supply of raw materials. In parallel, SLS has also strengthened engagement with customers, consolidating its market position.

In the upcoming fiscal year, SLS aims to continue maximizing its competitive advantages, proactively accessing and applying the most advanced sugarcane production technologies. Concurrently, environmental hygiene assurance efforts will be emphasized, aiming towards a sustainable development model, bringing benefits not only to the company but also to society and the community at large.



LEGAL RISKS

As a JSC with shares listed on the Hanoi Stock Exchange (HNX), the Company operates within a strict legal framework. Therefore, the company is subject to extensive governance and influence from many important laws such as the Law on Enterprises, Securities Law, Tax Law, Commercial Law, along with a series of other related Decrees, Circulars, and legal documents. Strict compliance with these regulations forms a solid foundation for the Company's operations.

In recent years, to keep pace with general trends and create a favorable business environment, Vietnam's legal system has been continuously updated and improved. Some laws, such as the 2024 Land Law, have officially come into effect, impacting businesses. Regulations and sanctions are becoming increasingly specific and stringent, aiming to ensure transparency and fairness for all market participants.

Recognizing the importance of compliance, SLS consistently demonstrates high proactivity in updating and researching legal information related to the economy in general and the specifics of the sugar industry in particular. This enables the company to proactively adjust its operating mechanisms and internal procedures to best comply with current state laws, thereby avoiding unfortunate legal risks that could negatively impact business operations and ensuring stable and sustainable development for the enterprise.



GENERAL INFORMATION

5. RISKS

RISKS RELATED TO RAW MATERIAL AREAS

To ensure a stable and sustainable raw material source and to address risks of shortages, unstable raw material areas, and the impact of extreme weather, during the 2024-2025 fiscal year, the Company continued to strengthen strategic relationships with over 10,000 farming households in Mai Son, Yen Chau, and Bac Yen districts of Son La province through strict sugarcane cultivation linkage contracts.

The Company has been synchronously implementing numerous policies for investing in and developing raw material areas, focusing on improving intensive farming productivity. Specifically, SLS regularly organizes workshops to disseminate scientific and technical knowledge on sugarcane care and pest/disease prevention, helping farmers enhance their production skills. To address risks related to labor costs, the company also supports the mechanization of land preparation and transportation, and establishes labor exchange groups to reduce hiring costs, contributing to reducing production costs and increasing farmers' incomes.

Specifically, to address risks related to sugarcane quality and yield, SLS continuously tests and widely cultivates new, early-maturing sugarcane varieties suitable for local climate and soil conditions. The Company also supplies

specialized fertilizers to improve soil, ensuring enhanced productivity, sugar content, and reduced raw sugarcane costs.

SLS steadfastly adheres to the motto of "ensuring harmonious benefits between the enterprise and sugarcane growers," building a sustainable linkage. The factory has instructed area management staff to coordinate closely with the management boards of sugarcane growing villages, listening to farmers' opinions to establish fair and reasonable harvesting and transportation schedules. The Company pays special attention to timely detecting and addressing irregularities in raw material management, helping farmers feel secure in their production.

Finally, to ensure the factory's capacity consistently reaches 5,200 tonnes of sugarcane per day, the company organizes hundreds of truck trips to transport sugarcane to the factory daily. In addition to signing commitments with vehicle owners regarding traffic safety and load limit compliance, SLS also facilitates the participation of family members of sugarcane farmers in transportation services, contributing to job creation and increased income, thereby strengthening strong community relations.



ENVIRONMENTAL RISKS

SLS consistently adheres to a sustainable development orientation, balancing economic goals with environmental responsibilities. Recognizing that emissions are an inherent part of the production process, the Company has been striving to minimize environmental risks while strictly complying with environmental protection regulations.

To effectively control wastewater, SLS has invested in two modern treatment systems with a total capacity of 2,900 m³ per day. As a result, all hazardous chemicals are thoroughly treated before being discharged into the environment, ensuring strict compliance with regulations.

Regarding emissions control, the Company proactively equipped an automatic monitoring system at the high-pressure boiler chimneys. This system is directly connected to the Department of Natural Resources and Environment, allowing the authorities to continuously monitor and ensure that emissions always remain within permissible limits.

For hazardous waste, SLS collects and safely stores it in a specialized warehouse (100 m²) with complete labeling as required by regulations. Periodic environmental monitoring is also carried out rigorously, with all parameters meeting current regulatory standards. Furthermore, the company has implemented innovations in optimizing solid waste treatment from the production process. Specifically, bagasse is effectively utilized as fuel for boilers, both reducing energy costs and contributing to waste reduction. The remaining ash and sludge after incineration are collected for fertilizer production, completing a closed-loop process that transforms waste into valuable resources, contributing to the Company's sustainable development objectives in terms of environment, society, and community.



OTHER RISKS

In addition to the Risks already mentioned, the company also faces force majeure risks, which, though rare, pose a threat of immense damage. These can include natural disasters such as earthquakes, floods, or unexpected events like epidemics and large-scale economic crises. When these risks occur, they have the potential to cause severe asset losses, disruption of business operations, and even threats to human safety, and completely alter the company's development trajectory.

Recognizing their severity, the company always prioritizes monitoring and timely information gathering. In this way, SLS can implement proactive risk mitigation measures to minimize damage and ensure smooth production and business activities even in the most unexpected situations.





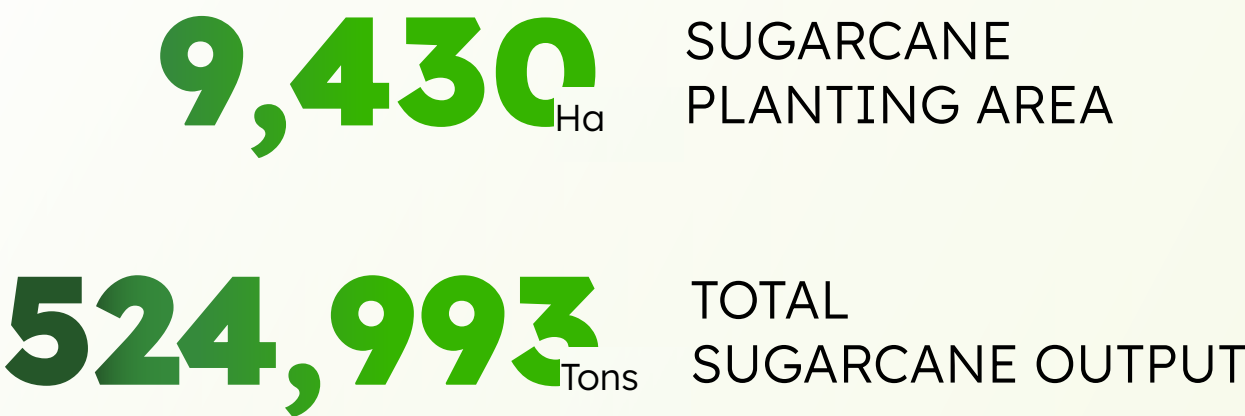
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OPERATIONS IN THE YEAR

1. PRODUCTION AND BUSINESS OPERATIONS SITUATION

PRODUCTION RESULTS FOR THE YEAR



In the 2024–2025 crop year, the Company’s production operations continued to face numerous challenges due to extreme and prolonged extreme and prolonged weather conditions caused by climate change. Drought and flooding severely impacted the sugarcane raw material areas, leading to a decrease in yield and output compared to the previous crop. Specifically, the projected sugarcane harvest area reached 9,430 ha, an increase of 284 ha compared to the previous crop; however, most of the expanded area is located in hilly, sloping regions far from the factory, while traditional areas with favorable conditions faced competitive pressure from other crops. The total sugarcane purchased only reached 90.58% of the plan, clearly reflecting the adverse effects of severe weather.

To proactively respond, the Company focused on investing in and nurturing the raw material areas, timely providing farmers with seeds, fertilizers, and capital, contributing to maintaining stable acreage and ensuring raw material supply for production. Concurrently, the Company implemented a trial program for 05 new sugarcane varieties with drought resistance, cold tolerance, high sugar content, and good yield, initially expanding them over an

area of 3.5 ha to assess their adaptability before mass production.

In processing operations, the Company strengthened control and improved management operations, promoted equipment repair and maintenance before the production season, and invested in upgrading equipment to save fuel, increase recovery efficiency, and improve product quality. As a result, the cane-to-sugar ratio and the consumption of several key chemicals were lower than planned, fire prevention and occupational safety were ensured, with no serious accidents occurring during the production season. Despite the achievements, production operations still had some limitations, such as equipment safety performance not meeting the target, high mud Pol value, high color of finished sugar, and prolonged sugar boiling time.

Specifically, the Company collaborated with Minh Soc Guangxi Engineering Technical Services Co., Ltd. (China) to implement a refined sugar production management process. Consulting experts provided direct guidance at several critical stages, including milling, refining, sugar boiling, boilers, power-generating turbines, and chemical analysis. The initial application of new regulations on inspection, maintenance, equipment Safety, occupational Safety, and technological parameter control has proven effective, contributing to improving the quality of production Management and plant operations towards a more modern, economical, and safer approach.

PERFORMANCE AGAINST THE PLAN

No.	Indicators	Unit	Plan	Actual	%Actual/Plan
1	Sugarcane planting area	Ha	9,500	9,430	99.26%
2	Sugarcane yield	Tons/ha	61	55.6	91.15%
3	Total sugarcane output	Tons	579,500	524,993	90.58%

Despite numerous difficulties, the Company’s production operations in the 2024–2025 crop year achieved some positive Indicators but did not fully complete the set plan:

Raw material area: reached 9,430 ha, an increase compared to the previous season but still not meeting the objective of stabilizing the raw material area near the factory.	RAW MATERIAL AREA
Sugarcane purchased volume: only reached 90.58% of the plan due to the severe impact of prolonged drought and localized flooding.	SUGARCANE PURCHASED VOLUME
Technical Indicators: the cane-to-sugar percentage and the consumption of key chemicals were lower than planned, reflecting efforts in cost saving and improving production efficiency; however, equipment Safety performance and finished product quality did not meet the set Indicators.	TECHNICAL INDICATORS
Turmeric extract production Management: initially yielded positive results, but is still in the completion phase and requires continued synchronized implementation in subsequent crop years.	TURMERIC EXTRACT PRODUCTION MANAGEMENT

Overall, although the year’s production operations did not fully achieve all planned targets, the Company demonstrated significant efforts in maintaining raw material area stability, technological innovation, and Management improvement. This is an important foundation for enhancing production efficiency, improving product quality, and striving to better achieve objectives in the 2025–2026 season.

OPERATIONS IN THE YEAR

2. ORGANIZATION AND HUMAN RESOURCES

INTRODUCTION OF THE COMPANY’S BOARD OF MANAGEMENT

No.	Member	Position	Number of shares owned	Ownership percentage
1	Tran Ngoc Hieu	Vice Chairman of the Board of Directors & General Director	131,731	1.35%
2	Thai Van Hung	Member of the Board of Directors & Deputy General Director	0	0%
3	Nguyen Thi Khuong	Chief Accountant	924	0.0094%



BOARD OF MANAGEMENT INFORMATION

Mr. **TRAN NGOC HIEU**
Vice Chairman of the BOD
cum General Director

Date of birth: 12/10/1956
Qualification:
Economic Management

Work experience:

- 1976 – 1981 : Performed military service, participated in the Cambodian battlefield.
- 1982 – 1997 : Worked in the food trading sector.
- 2015 : Viet Quoc Securities JSC
- 2015 – present : Vice Chairman of the Board of Directors cum General Director of Son La Sugar JSC.

Current Position in other organizations:

- Board of Directors’ member, Kon Tum Sugar JSC
- Chairman of the Board of Directors, Can Tho Sugar JSC

Number of shares currently held: 131,731 shares, accounting for 1.35% of charter capital.

Number of shares currently held by affiliated persons:

- Ta Ngoc Huong (Wife): 283,392 shares, accounting for 2.89% of Charter capital.
- Tran Thi Thai (Elder Sister): 2,686,060 shares, accounting for 27.43% of Charter capital.



Mr. **THAI VAN HUNG**
Member of the BOD &
Deputy General Director

Date of birth: 26/02/1972
Qualification:
Bachelor of Science

Work experience:

- 1995 – 1996 : Technical staff of the technical department of Tuy Hoa Sugarcane JSC
- 1996 – 2000 : Deputy Head of Sugar Production Workshop of Tuy Hoa Sugarcane JSC
- 2001 – 2011 : Head of Technical – Quality Control Department of Tuy Hoa Sugarcane JSC
- 2011 - 07/2016 : Head of Materials, Investment and Capital Construction Department, Tuy Hoa Sugar JSC
- 07/2016 – now : Member of the Board of Directors, Son La Sugar JSC
- 09/2018 – now : Member of the Board of Directors, Kon Tum Sugar JSC
- 09/2020 – now : Deputy General Directors, Son La Sugar JSC
- 09/2021 – 09/2024 : Deputy General Directors, Kon Tum Sugar JSC
- 03/2023 – now : Independent Member of the Board of Directors, Tipharco Pharmaceutical JSC

Current Position at other organizations:

- Board of Directors’ member of Kon Tum Sugar JSC
- Independent Board of Directors’ member of Tipharco Pharmaceutical JSC
- Vice Chairman of the Board of Directors of Tuy Hoa Sugar JSC

Number of Shares held at present: 0 shares, accounting for 0% of Charter capital

Number of Shares held at present by affiliated persons: 0 shares, accounting for 0% of Charter capital

Mrs. **NGUYEN THI KHUONG**
Chief Accountant

Date of birth: 16/12/1969
Qualification:
Bachelor of Accounting

Work experience:

- 07/1998 - 03/1993 : Worker, To Hieu State Farm
- 04/1993 - 04/1997 : Production Team Accountant, To Hieu Farm
- 05/1997 - 08/2009 : Accountant, Son La Sugar JSC
- 09/2009 - 01/2017 : Deputy Head of F&A Department, Son La Sugar JSC
- 02/2017 - now : Chief Accountant, Son La Sugar JSC

Current Position at other organizations: None

Number of Shares held at present: 924 shares, accounting for 0.0094% of Charter capital

Number of Shares held at present by affiliated persons:

Nguyen Thi Luong (Elder Sister): 115 shares, accounting for 0.001% of Charter capital

CHANGES IN THE BOARD OF MANAGEMENT

None

OPERATIONS IN THE YEAR

2. ORGANIZATION AND HUMAN RESOURCES

NUMBER OF OFFICERS AND EMPLOYEES

No.	Classification Type	Quantity (people)	Percentage (%)
I	By Qualification Level	330	100.00%
1	University degree and postgraduate	47	14.24%
2	College Degree & Vocational Secondary Degree	96	29.09%
3	Elementary and Technical Workers	127	38.49%
4	Unskilled Labor	60	18.18%
II	By Type of Labor Contract	330	100.00%
1	Fixed-term contracts	220	67.00%
2	Indefinite-term contracts	110	33.00%
III	By Gender	330	100.00%
1	Male	240	73.00%
2	Female	90	27.00%



AVERAGE INCOME

Chỉ tiêu	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Average Income (VND/person/month)	7,500,000	7,800,000	8,200,000	8,950,000	8,720,000



HUMAN RESOURCE POLICIES

In the 2024–2025 fiscal year, Son La Sugar JSC always considers human resources as a key factor determining sustainable development. Given the labor-intensive nature of the sugar production industry, the Company places special emphasis on recruitment, training, compensation, and building a safe, professional working environment.

Regarding labor affairs

The Company’s personnel team remains stable with a total of 330 employees, all of whom have signed formal contracts as required by law. Labor quality is continuously improved, and the sense of responsibility and discipline are significantly enhanced, contributing substantially to reducing production costs and lowering product prices. The Company also focuses on recruiting candidates with technical competence, practical experience, and a professional work attitude, who are willing to commit and accompany the Company’s development long-term.

Regarding salaries and income

The Company always identifies stable income as a key factor to retain and encourage employees to contribute. Salaries are paid fully and on time according to the signed labor contracts. Additionally, the Company pays a 13th-month salary at the end of the year to promptly motivate the entire workforce who have strived to fulfill production and business targets. Working hours are maintained reasonably, not exceeding 48 hours/week, ensuring employees receive holidays, New Year, and paid leave days as stipulated by law; in cases of overtime, it is calculated and paid in full as legally prescribed.

Regarding the working environment

The Company fosters a professional, safe, and friendly environment. The Board of Management focuses on fully equipping employees with personal protective equipment based on the principle that “safety is the top priority”, while maintaining modern facilities and amenities, creating conditions for employees to work with peace of mind, develop their capabilities, and commit long-term. The corporate culture is nurtured based on a spirit of solidarity, cooperation, and creativity, becoming a significant driving force for all employees to accompany and develop with the Company.

Regarding training

The Company implements professional, vocational, and industrial conduct training programs for officers and workers. The training courses are designed to be closely linked to production reality, combining theory and practical experience, to optimize work performance and prepare high-quality human resources for future sustainable development strategies.

Regarding Welfare and employee well-being

The Company fully implements bonus schemes, meal allowances, social Insurance, health Insurance, unemployment Insurance, and other Welfare Policies as regulated. The total budget for the spiritual well-being of employees during the year reached approximately 3 billion VND, through operations such as sightseeing trips, giving gifts on holidays, New Year, and the start of the season. Additionally, the Company’s Trade Union also allocated over 508 million VND to visit and encourage employees in cases of illness, funerals, weddings, academic awards, and organize union activities.



OPERATIONS IN THE YEAR

3. INVESTMENT ACTIVITIES, IMPLEMENTATION OF PROJECTS

MAJOR INVESTMENTS

During the 2024–2025 fiscal year, despite significant difficulties in product consumption due to strong fluctuations in the global and domestic sugar market, the Company proactively allocated resources for key investments to enhance production efficiency, ensure operational safety, and prepare for subsequent processing seasons.

Investment in upgrading processing equipment:

- The Company has carried out numerous repairs, maintenance works, and new investments items for important equipment in the production line to save steam, save fuel, increase recovery efficiency, and improve product quality.
- Specifically, the Company replaced the sulfur burner system, SO₂ gas fumigation tower, and automatic pH adjustment system, contributing to improving the color of finished sugar and enhancing stability in the production process.

Investment in restoring and improving mud filter equipment:

- The Board of Management hired a mud filter drum manufacturer from China to survey, repair, and fully restore the functionality of two filter drums with areas of 55 m² and 45 m², to reduce Pol value in mud, increase sugar recovery efficiency, thereby enhancing product value.

Consulting cooperation for applying refined sugar production management process:

- The Company signed a Contract with Minh Soc Guangxi Engineering Technical Services Co., Ltd. (China) to implement a turmeric extract production Management system.
- Consulting experts directly guided technical and production Management work at many key stages such as: crushing, refining, sugar boiling, boilers, power-generating turbines, and chemical analysis.
- This is a long-term significant investment, helping to standardize production management processes, enhance employee skills, reduce losses, save cost, and increase productivity.

Investment in raw material area development and variety trials:

- The Company is implementing a program to trial and rapidly propagate 05 new sugarcane varieties that are drought-resistant, cold-resistant, and have high sugar content, gradually replacing degenerated varieties.
- Investment in establishing two trial areas with a total scale of 2.65 ha (tissue-cultured varieties, single-bud setts imported from China), while rapidly propagating 05 varieties in the raw material area with a scale of 3.5 ha.
- This is an important basis for diversifying varieties, improving the productivity and quality of the raw material area, and reducing risks from climate change

Investment in the production and consumption of by-products:

- The Company continues to maintain and invest in the production of microbial fertilizers and organic fertilizers from sugarcane processing by-products. In the 2024–2025 crop year, 2,482 tonnes of microbial fertilizer and 27,057 tonnes of filter cake fertilizer were produced and supplied, all of which were consumed by farmers in the raw material area, bringing both economic efficiency and contributing to environmental protection.

SUBSIDIARIES, ASSOCIATED COMPANIES

None.

4. FINANCIAL PERFORMANCE

FINANCIAL SITUATION

In the fiscal year 2024–2025, the Company’s production and business operations were affected by numerous unfavorable factors: prolonged extreme weather (drought, flooding) damaged hundreds of hectares of sugarcane raw material; competitive pressure from alternative crops caused the raw material area to move further from the factory, leading to increased transportation costs; meanwhile, the consumer market continued to face difficulties due to smuggled sugar, trade fraud, and the rise of substitute products such as high-fructose corn syrup (HFCS). Escalating prices of raw materials and input chemicals also created significant pressure on production costs.

In that context, the Company’s financial strength and flexible operational capability were maximized. The Board of Directors and the Board of Management implemented synchronized solutions: adjusting sugarcane procurement policies, optimizing costs, proactively managing product consumption timing, and strengthening financial management. As a result, the Company not only overcame difficulties but also achieved impressive financial results, significantly exceeding the targets assigned by the Annual General Meeting of Shareholders (AGM) in 2024.

Unit: VND Millions

FISCAL YEAR 2024-2025

374,21 Billions

PROFIT AFTER TAX

100%

CASH DIVIDEND PAYOUT RATIO

No.	Indicators	Fiscal year 2023-2024	Fiscal year 2024-2025	Achievement 2024– 2025 vs. 2023–2024
1	Total Assets	1,695,681	2,083,459	22.87%
2	Net revenue	1,411,694	1,160,883	(17.77%)
3	Operating Profit	532,353	380,519	(28.52%)
4	Other Income/Expense	(87)	634	826.06%
5	Profit before tax	532,265	381,153	(28.39%)
6	Profit after tax	526,359	374,209	(28.91%)
7	Dividend Payout Ratio	268.77%	261.17%	97.17%
8	Dividend Rate	200%	100%	50.00%



REGARDING CASH DIVIDEND PAYMENT FOR FISCAL YEAR 2023-2024

According to the profit distribution plan approved by the Annual General Meeting of Shareholders (AGMS) in 2024, the Company paid cash dividends at a rate of 200% of charter capital. The dividend payment for the fiscal year 2023-2024 was completed by the Company in accordance with the provisions of current law and the Resolution of the Annual General Meeting of Shareholders (AGMS) in 2024.



OPERATIONS IN THE YEAR

4. FINANCIAL PERFORMANCE

MAJOR FINANCIAL INDICATORS

Indicators	Unit	Fiscal Year 2023-2024	Fiscal Year 2024-2025
Solvency Ratio Indicators			
Current ratio	Times	8.00	4.35
Quick ratio	Times	4.94	2.91
Capital Structure Ratio Indicators			
Debt/Total assets ratio	%	8.31%	17.08%
Debt/Owner's Equity ratio	%	9.06%	20.60%
Operation Capability Ratio Indicators			
Inventory turnover	Times	2.34	1.66
Total asset turnover	Times	0.93	0.61
Profitability Indicators			
Profit after tax/Net revenue ratio (ROS)	%	37.29%	32.23%
Return on Average Equity (ROE)	%	38.48%	22.80%
Return on Average Assets (ROA)	%	34.66%	19.80%
Operating Profit Margin	%	37.71%	32.78%



LIQUIDITY RATIOS

In the fiscal year 2024–2025, the Company’s solvency remained at a safe level but showed an adjustment compared to the previous period. The current ratio decreased from 8.00 times to 4.35 times; the quick ratio also decreased from 4.94 times to 2.91 times. The main reason was a sharp increase in short-term debt (up 152.58%), while current assets, despite good growth, did not fully offset this. This is a consequence of the Company proactively utilizing short-term loans to finance working capital, support customers, and maintain market share amidst fierce competition and consumption difficulties. Despite the decrease, the solvency ratios remained significantly higher than the safety standard, indicating that the Company was not affected by liquidity risk.



CAPITAL STRUCTURE RATIO INDICATORS

Over the past year, SLS proactively changed its financial structure towards increasing leverage to serve growth objectives. Specifically, the debt-to-total assets ratio more than doubled, from 8.31% to 17.08%; the debt-to-equity ratio also increased correspondingly from 9.06% to 20.60%. This increase is fully consistent with the stated direction: utilizing short-term loans as a flexible tool to finance sales activities and strengthen market position. More importantly, despite the change, the Company’s capital structure is maintained at a very safe level and remains within control, fully consistent with the characteristics and risk appetite of a manufacturing enterprise.



OPERATING EFFICIENCY RATIOS

Operational indicators recorded a decrease, accurately reflecting the reality of the challenging sugar consumer market. Total asset turnover decreased from 0.93 times to 0.61 times due to a decline in revenue, while total assets grew by 22.87%. Inventory turnover decreased from 2.34 turns to 1.66 turns, indicating a slower inventory turnover rate. This is the result of the policy to stockpile finished sugar, awaiting market recovery and improved selling prices. Although operational indicators decreased, this was a deliberate adjustment by the Board of Management to ensure proactive supply management and stabilize production.



PROFITABILITY RATIOS

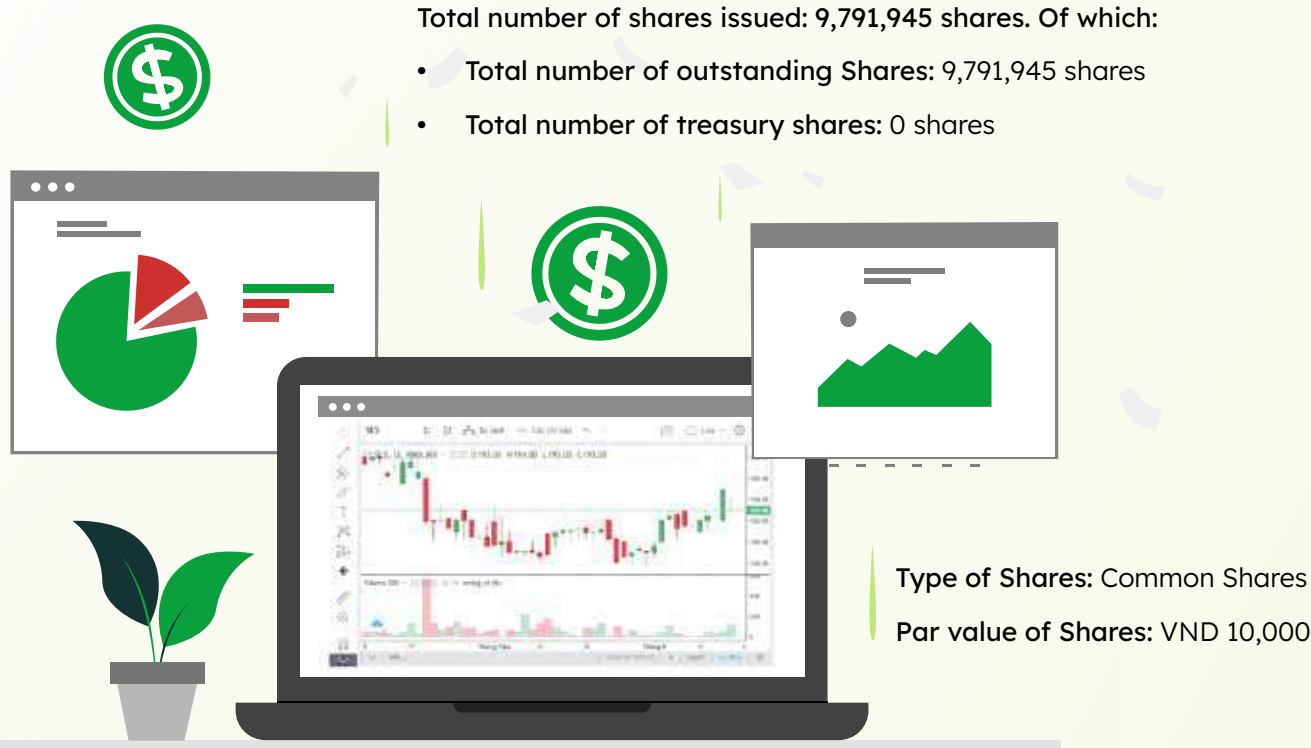
The Company’s profitability in fiscal year 2024–2025 declined compared to the previous year but remained high relative to the industry average. The net profit margin reached 32.23%, lower than the 37.29% in 2023–2024 but still reflecting effective cost management amidst declining Revenue and increasing input costs. Return on Equity (ROE) reached 22.80% and Return on Assets (ROA) reached 19.80%, decreasing respectively from 38.48% and 34.66% in the previous fiscal year. This is a direct consequence of the Company increasing its Assets scale to strengthen its financial foundation and support production operations. Additionally, the profit margin from production-business Operations/Net revenue reached 32.78%, lower than the previous 37.71%, indicating pressure on profit margins amidst declining selling prices.



OPERATIONS IN THE YEAR

5. SHAREHOLDING STRUCTURE AND CHANGES IN OWNERS' EQUITY

SHARES



SHAREHOLDERS STRUCTURE

No.	Shareholder type	Number of shareholders	Number of shareholders	Ownership percentage
I	Domestic shareholders	835	9,719,455	99.26%
1	Individuals	829	8,244,675	84.20%
2	Organizations	6	1,474,780	15.06%
II	Foreign shareholders	58	72,490	0.74%
1	Individuals	44	27,879	0.28%
2	Organizations	14	44,611	0.46%
TOTAL		893	9,791,945	100.00%

MAJOR SHAREHOLDERS

No.	Shareholder name	Number of Shares	Ownership percentage
1	Tran Thi Thai	2,686,060	27.43%
2	Thai Lien Co., Ltd.	1,468,800	15.00%
3	Dang Viet Anh	963,878	9.84%



MAXIMUM FOREIGN OWNERSHIP RATIO: 49%.

MAXIMUM FOREIGN OWNERSHIP RATIO

During the 2024-2025 fiscal year, the Company did not make any change in the owner's equity.

TREASURY SHARE TRANSACTIONS

During the 2024-2025 fiscal year, the Company had no treasury share purchase/sale Transactions. The number of treasury shares currently held by the Company is 0 shares.

OTHER SECURITIES

None.



OPERATIONS IN THE YEAR

6. ENVIRONMENT-SOCIAL-GOVERNANCE (ESG) REPORT OF THE COMPANY

Over the past decade, climate change has become the greatest global challenge, with increasingly severe impacts on the economy, society, and human life. As many regions worldwide suffer record heatwaves, wildfires, and severe storms and floods, Vietnam is not exempt from this challenge: the North and Central regions are frequently affected by storms and floods, while the Mekong Delta faces droughts and saltwater intrusion. These extreme weather phenomena not only directly threaten food security, but also have long-term impacts on economic development and social stability. In this context, the role of enterprises is no longer limited to generating profit but is increasingly associated with environmental protection, emissions reduction, and community engagement in sustainable development. As a public company operating in an area with particularly difficult socio-economic conditions, the Board of Directors of SLS is committed to taking the lead in addressing environmental issues and promoting social responsibility.

IMPACT ON THE ENVIRONMENT

Production operations in the sugar industry inherently pose certain impacts on the environment, including air emissions, wastewater, and solid waste. Deeply aware of this Responsibility, as well as the importance of complying with current legal regulations such as the Environmental Protection Law 2020 and its guiding documents, especially Decree No. 08/2022/ND-CP detailing a number of articles of the Law, Son La Sugar JSC (SLS) has consistently identified sustainable development in connection with environmental protection as a core and long-term objective. All Production and business operations are built on a foundation of strict adherence to environmental standards. To achieve this goal, the Company has invested in and simultaneously implemented many effective solutions and initiatives to control and minimize negative impacts:

- **Regarding air emissions:** Emissions generated from boilers are thoroughly treated through a combined cyclone and electrostatic precipitation system, achieving a dust removal efficiency of up to 95%. Concurrently, the Company has installed and operated an automatic, continuous emission monitoring system, transmitting data directly to the Department of Natural Resources and Environment to ensure transparent and timely oversight.
- **Regarding solid waste:** SLS has pioneered the application of a circular economy model to fully utilize by-products. Bagasse is used as biomass fuel for boilers, while ash and mud cake are recycled into high-quality organic fertilizer. Other by-products such as cassava peels are also processed into microbial fertilizer or animal feed. This model not only helps reduce almost all solid waste requiring landfilling but also creates value-added Products, optimizing the production chain.
- **Regarding wastewater:** With a modern wastewater treatment system with a capacity of up to 2,900 m³/day, all generated wastewater is thoroughly treated, removing polluting impurities. The quality of treated water meets permissible standards, allowing the Company to reuse it for other production activities, thereby conserving valuable water resources.

Through regular monitoring (twice per crop season for the sugar factory and four times per crop season for the fertilizer factory), all measured parameters were within permissible limits. In the past fiscal year, the Company strictly adhered to monitoring procedures, preventing any incidents harmful to the environment. These results clearly demonstrate the strong commitment and continuous efforts of Son La Sugar JSC in harmonizing economic growth with social responsibility, aiming for a sustainable future.

Initiatives and measures to reduce greenhouse gas emissions:

- Using bagasse as fuel for boilers, replacing fossil fuels.
- Applying science and technology in air Emissions treatment.

MANAGEMENT OF RAW MATERIALS

To ensure a stable and quality supply, the SLS Board of Directors has issued policies for the investment in and development of raw material areas. Key initiatives include focusing on researching, selecting, and providing farmers with new sugarcane varieties that have superior yields and high sugar content, thereby enhancing cultivation efficiency and crop quality. Concurrently, extensive communication and guidance on technical procedures for planting and caring for sugarcane are also implemented, helping to build sustainable partnerships between sugarcane farmers and the Company, encouraging their confidence and long-term commitment to sugarcane farming.

SLS always ensures the timely transportation of sugarcane from the raw material areas to the factory. This not only promptly meets the requirements of the processing line but also optimizes transportation costs and preserves sugarcane quality.

With the orientation of self-sufficiency in supply and enhancing production efficiency, Son La Sugar JSC aims to expand its raw material area from the current over 9,000 hectares to a scale of 10,000 - 11,000 hectares. However, this is a challenging task that requires thoroughly addressing inherent issues. Currently, the stability of the sugarcane growing area is not yet assured due to fierce competition from other crops, making income from sugarcane not truly attractive to farmers. Furthermore, the area of flat land in localities near the factory is shrinking, driving up the cost of sugarcane materials. The limited and imbalanced variety structure also poses many risks regarding diseases and yield. Therefore, the success of the expansion plan depends not only on natural conditions but also on the Company's ability to establish a sufficiently strong policy mechanism to build trust and ensure harmonious benefits for farmers.



OPERATIONS IN THE YEAR

6. ENVIRONMENT-SOCIAL-GOVERNANCE (ESG) REPORT OF THE COMPANY

ENERGY CONSUMPTION

The Company’s management has been promoting a broad-based energy-saving culture throughout the organization, with the goal of optimizing usage processes, helping to minimize energy waste and loss. This is demonstrated through strong promotional activities and encouragement of improvement initiatives from the staff and employees. As a result, the Company consistently maintains a proactive stance in controlling consumption, transforming energy efficiency into a sustainable competitive advantage.



WATER CONSUMPTION

Water consumption at the plants has consistently been maintained at a stable level thanks to an advanced wastewater treatment system that SLS invested in 10 years ago. With this system, SLS has established a closed-loop circular model, capable of recycling and reusing up to 99% of treated water for cooling purposes in the production process. This not only conserves natural water resources but also ensures stability for production operations, mitigating risks from supply fluctuations and operating costs.

COMPLIANCE WITH THE LAW ON ENVIRONMENTAL PROTECTION

In the past fiscal year, SLS consistently complied strictly with regulations on environmental protection, waste treatment, and emissions, and therefore did not record any violations in this regard. The Company’s Management consistently promoted activities to educate and mobilize staff and employees to engage in environmental protection, waste collection, and waste treatment. This contributed to raising awareness and gradually changing the actions of staff and employees in environmental sanitation.

REPORT ON RESPONSIBILITIES TO THE LOCAL COMMUNITY

Son La Sugar JSC has built close relationships with the local community based on a spirit of cooperation and social responsibility. In the past fiscal year, SLS Management proactively implemented support policies to create shared value and sustainable development for the region. These activities include providing stable employment for local workers, contributing to improving the local economy and livelihoods, and actively participating in community activities such as supporting education, assisting disadvantaged individuals, and providing aid to people affected by natural disasters. These actions not only demonstrate a spirit of sharing but also strengthen the Company’s reputation and the community’s trust. Through these efforts, SLS always seeks to cooperate with the local community to develop the regional economy in a sustainable and long-term manner.



REPORT ON GREEN CAPITAL MARKET ACTIVITIES IN ACCORDANCE WITH THE GUIDANCE OF THE STATE SECURITIES COMMISSION OF VIETNAM (SSC)

Although SLS currently does not participate in capital mobilization activities from the green capital market, the company always pays special attention and closely monitors developments in this field. SLS wishes to gain access and learn more through workshops and events organized by The State Securities Commission and relevant agencies. In the future, SLS aims to continue exploring the issuance of green bonds as part of its sustainable development strategy. SLS is committed to continuously striving to align with the legal framework and improve its infrastructure, creating favorable conditions for green investment activities and contributing to overall sustainable development.





REPORT AND ASSESSMENT OF THE BOARD OF GENERAL DIRECTORS

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REPORT AND ASSESSMENT OF THE BOARD OF GENERAL DIRECTORS

1. ASSESSMENT OF BUSINESS AND PRODUCTION RESULTS



The 2024-2025 fiscal year recorded a volatile global business environment, characterized by escalating geopolitical instability, fierce strategic competition, and unpredictable macroeconomic fluctuations (fuel prices, interest rates, exchange rates). In this context, the global and domestic sugar industries faced significant challenges. In the international market, global sugar prices in the first 6 months of 2025 fell to their lowest level since early 2023 due to increased supply from key producing countries such as Brazil, India, and Thailand. In the domestic market, pressure intensified due to excess supply, weakened demand, and the continued prevalence of sophisticated and complex commercial fraud and sugar smuggling.

The above factors directly impacted the Company's operations, exerting dual pressure

on both costs and revenues. Production costs increased due to escalating raw material prices, while selling prices faced downward pressure, leading to an increase in inventories.

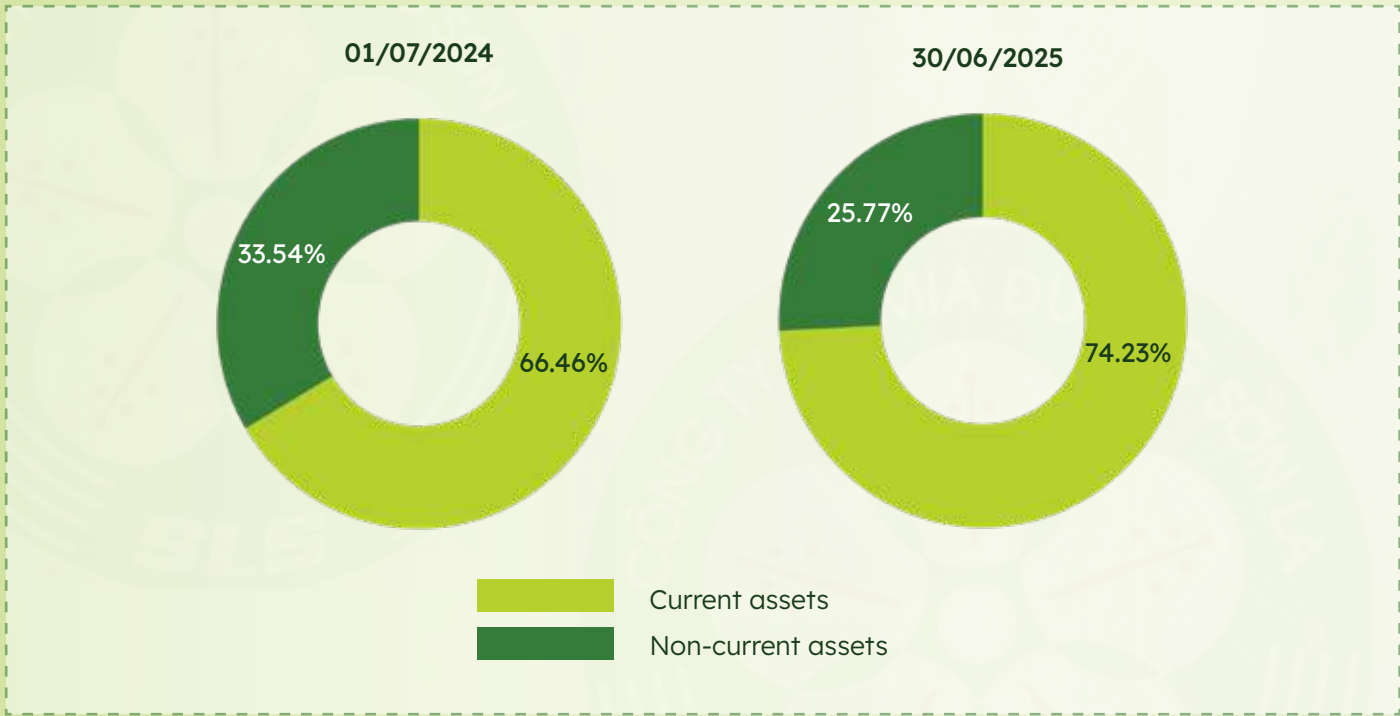
In this context, the Board of Directors and Board of Management proactively implemented decisive and flexible management solutions. The Company optimized its raw material procurement strategy, actively adjusted prices and sales timing to adapt to market developments, and strictly enforced cost discipline throughout the system to optimize product costs. Thanks to effective management efforts and timely decisions, the Company successfully overcame challenges. At the end of the fiscal year, profit after tax achieved 249.47% of the plan set by the 2024 Annual General Meeting of Shareholders (GMS), recording an impressive business result in a volatile year.



REPORT AND ASSESSMENT OF THE BOARD OF GENERAL DIRECTORS

2. FINANCIAL SITUATION

ASSET SITUATION



According to the audited financial statements for the fiscal year 2024-2025, the Company’s total assets recorded an impressive growth of 22.87%, reaching 2,083,459 million VND. The structure of total assets showed changes as current assets accounted for the majority, while non-current assets decreased compared to the same period last year, leading to a reduction in their proportion.

As of the end of the fiscal year, the Company’s current assets reached 1,546,612 million VND, an increase of 37.23% compared to the same period. Contributing to this outstanding growth was the Short-term receivables item, which surged by 68.38%, from 677,895 million VND to 1,031,898 million VND, equivalent to a net increase of over 354,033 million VND. This is a direct result of flexible credit policies aimed at maximizing support for distributors and capturing market share. Additionally, the growth in Current Assets also stemmed from the Inventories item, as the Company proactively increased inventories by 18.79%, from 430,581 million VND to

511,506 million VND. Regarding the structure of total assets, the proportion of current assets increased from 66.46% to 74.23%, with Short-term receivables accounting for the largest share at 49.53%.

Conversely, the Company optimized the use of non-current assets. The value of this item was recorded at 536,847 million VND at the end of the fiscal year, a decrease of 5.60%. Specifically, during the year, the fixed assets item recorded a decrease in value of 68,283 million VND, comprising 56,828 million VND from depreciation and 11,455 million VND from the liquidation of inefficient machinery and equipment. Meanwhile, the total increase in value was 25,046 million VND, including continued investment in the production platform with 23,380 million VND for new fixed asset purchases and 1,666 million VND for construction in progress. Thus, the decrease in value was greater than the increase in value, leading to a net reduction in non-current assets. As a result, the proportion of non-current assets in the overall structure decreased to 25.77%.

DEBT PAYABLE SITUATION

Unit: VND Millions

Indicators	01/07/2024		30/06/2025		Percentage % increase/ decrease
	Value	Proportion	Value	Proportion	
Short-term debt	140,927	100%	355,947	100%	152.58%
Long-term debt	0	0%	0	0%	0%
Total debt payable	140,927	100%	355,947	100%	152.58%

In the past fiscal year, the Company’s financing strategy continued to focus on short-term flexibility and efficiency. Structurally, debt payable remained unchanged, with 100% being short-term debt, reflecting the policy of not using complex long-term loans to finance cyclical operations.

In terms of scale, total debt payable as of 30/06/2025 recorded a value of 355,947 million VND, an increase of 152.58% compared to 140,927 million VND in the same period. This net increase of 215,020 million VND represents the largest rise in the past three years, demonstrating a strong and deliberate strategic shift. This sharp increase was mainly driven by the rise in short-term borrowings and finance lease liabilities. Specifically, this item surged by 345.45%, from 61,709 million VND to 274,884 million VND, equivalent to a net increase of 213,175 million VND. This figure accounts for 99.14% of the total increase in the company’s debt payable.

Strategically, this decision is entirely consistent with and directly serves the objective of expanding business scale. The additional loan capital of VND 213,175 million has been utilized as a crucial financial leverage to fund the expansion of short-term assets. The use of short-term debt to finance short-term assets is an appropriate strategy, helping to optimize the Company’s cost of capital.



330

STAFF AND WORKERS

2,3 billion VND

EMPLOYEE WELFARE

508 million VND

ON VISITS, CONDOLENCES, AND
EDUCATIONAL INCENTIVES

3. IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT

LABOR, WAGES, AND EMPLOYEE WELFARE



The Company maintains a stable workforce of 330 staff and workers, all of whom have signed labor contracts in accordance with regulations. The workforce generally meets production requirements, with an enhanced sense of responsibility, significantly contributing to reducing production costs.

Employee income is consistently stable, with wages paid fully and on time. At year-end, the Company pays a 13th-month salary to promptly motivate the workforce to complete their plans.

Welfare

benefits such as performance bonuses, meal allowances, social insurance, health insurance, and unemployment insurance are all strictly implemented in accordance with regulations. The Company also allocates VND 2.3 billion for employee welfare (gifts during holidays, Tet, and the beginning of the crushing season, etc.), and the Trade Union spends VND 508 million on visits, condolences, and educational incentives. These policies affirm the commitment to building a stable, safe, and humane working environment.



REPORT AND ASSESSMENT OF THE BOARD OF GENERAL DIRECTORS

SOCIAL, CHARITABLE, AND WELFARE ACTIVITIES

The Company continues its mission of accompanying local communities. Through cooperation with commune authorities in the province, the Company supports farmers in converting crops to sugarcane, provides intensive farming techniques, and signs long-term off-take contracts. This policy not only ensures stable output, enabling farmers to invest in production with confidence, but also contributes to increasing sugarcane yield and quality, and building sustainable livelihoods for the people of Son La.

Improvements in organizational structure, policies, and management over the past year have helped the Company strengthen its internal capabilities, enhance operational efficiency, and extend its social responsibility. This is a crucial foundation for SLS to continue its sustainable development, affirming its position as a pioneering enterprise in the sugar industry, both creating value for shareholders and making practical contributions to the community.



SALES OPERATIONS

During the 2024–2025 fiscal year, sales operations faced numerous challenges due to world sugar prices falling to a three-year low, domestic oversupply, and uncontrolled smuggling and trade fraud. Under the close supervision of the Board of Directors, the Board of Management flexibly implemented sales policies in line with strategic directions, gradually selling products, ensuring a balance of interests, and maintaining cash flow for production operations.

FINANCIAL OPERATIONS

The Company maintains transparent, safe, and effective financial policies. Capital is preserved, and costs are tightly controlled and economized, resulting in positive profit growth despite market volatility. Information and reporting are carried out promptly; settlements are made in accordance with regulations; and all financial operations are fully supervised by the Board of Supervisors. This financial management discipline is the foundation for the Company to exceed its profit after tax targets for the 2024 - 2025 fiscal year.



REPORT AND ASSESSMENT OF THE BOARD OF GENERAL DIRECTORS

4. DEVELOPMENT PLANS IN THE FUTURE

Entering the 2025–2026 fiscal year, Son La Sugar JSC may still face numerous challenges: slow global and domestic economic recovery, declining purchasing power, and the persistent issue of sugar smuggling and trade fraud that has not been thoroughly controlled. Specifically, climate change is causing drought, intense heat, and floods in the Son La area, directly impacting the area, yield, and output of raw sugarcane. Furthermore, fierce competition from other crops continues to push sugarcane cultivation areas further away from the factory, increasing transportation costs and putting pressure on production efficiency.

However, leveraging the advantages and management experience gained over the past years, the Board of Directors and the Board of Management have clearly defined the objectives and directions for 2025–2026, focusing on three key areas: stabilizing the raw material area – enhancing processing efficiency – consolidating management and expanding the consumption market.



KEY PLANNING TARGETS

892,756 million VND TOTAL NET REVENUE	109,590 million VND PROFIT BEFORE CORPORATE INCOME TAX	109,590 million VND PROFIT AFTER CORPORATE INCOME TAX
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» Regarding Raw Material Operations:

- Advise the Board of Directors to issue appropriate investment and procurement policies, encouraging farmers to commit long-term to sugarcane cultivation.
- Widely disseminate investment and procurement policies through local meetings and conferences.
- Review land funds and expand sugarcane cultivation areas, focusing on regions with favorable conditions.
- Organize training on new cultivation models, promote synchronized mechanization to increase productivity and reduce costs.
- Intensify trials and replicate new sugarcane varieties with high sugar content and yield, suitable for Son La's climate and soil conditions.
- Coordinate with local authorities to urge farmers to strictly follow technical procedures for care, pest and disease control, and timely and appropriate fertilization.
- Actively participate in social welfare programs, affirming sugarcane's role as a poverty alleviation crop, linked to local new rural development programs.

» Regarding Sugar Production and Processing:

- Enhance management and operational efficiency according to the refined sugar production process, focusing on reducing losses, saving raw materials, and improving recovery efficiency.
- Gradually implement automation in the processing line to increase labor productivity and ensure product quality.
- Review the entire production line, organize synchronized inspection and repair, and invest in necessary additional equipment to increase crushing capacity, improve efficiency, and ensure timely commencement of the production season.

» Other Operational Tasks:

- Streamline the management and operational apparatus for efficiency; allocate personnel according to expertise and job position.
- Strengthen recruitment, training, and retraining efforts, focusing on improving the skills of workers in key positions.
- Develop flexible sales policies, expand consumption markets, maintain relationships with traditional customers, and simultaneously seek new partners to fully consume products.
- Tighten labor discipline, review, amend, and issue new management regulations and rules; implement process training and specific guidance for each employee.
- Strictly comply with environmental protection laws, continue to invest in wastewater treatment systems, increase tree planting, maintain industrial hygiene, ensuring safety and sustainable development.

5. MANAGEMENT'S EXPLANATION REGARDING AUDITOR'S OPINIONS

According to the audited Financial statements for the fiscal year 2024 - 2025, the Auditing firm BDO Auditing Co., Ltd. issued an unqualified audit opinion on the Company's report, therefore the Board of General Directors has no further explanation.

REPORT AND ASSESSMENT OF THE BOARD OF GENERAL DIRECTORS

6. ASSESSMENT REPORT RELATED TO ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES OF THE COMPAN

ASSESSMENT RELATED TO ENVIRONMENTAL INDICATORS

In the past fiscal year, SLS Management continued to maintain and strengthen environmental protection Policies, while actively minimizing negative impacts from production operations. The Company proactively organized awareness campaigns to enhance the understanding of its staff and employees regarding the rational use of water and electricity, preventing waste. Waste control and management were effectively carried out during the past year. The Company proactively developed plans to respond to environmental Risks, ensuring a Safety working environment and protecting the health of its staff and employees.

REGARDING WATER CONSUMPTION

SLS has effectively utilized Water recycled from its modern wastewater treatment system with a total capacity of 2,900 m³/day. Treated wastewater meets Grade A standards and is Reused up to 99% for cooling purposes, creating a closed-loop cycle. This not only helps the Company reduce cost but also protects local water resources.

REGARDING ENERGY CONSUMPTION

SLS's Energy consumption is optimized through the utilization of by-products. Bagasse is used as fuel for boilers, thanks to its high cellulose and lignin content, generating significant heat beneficial for Energy conversion. Additionally, SLS also Reused ash and sludge in its fertilizer production operations. These operations not only help the Company optimize production cost but also contribute to guiding SLS's production operations towards a green value chain.

REGARDING EMISSIONS MANAGEMENT

The Management always considers this a critical issue, therefore, the Company proactively controls and Manages to ensure waste is properly treated, strictly complying with legal regulations. The development of plans to address environmental Risks has also been proactively Implemented, aiming for a Safety working environment and ensuring the health of employees.



ASSESSMENT RELATED TO LABOR ISSUES

The Company always identifies people as the key factor determining success. Therefore, the Company's Management always focuses on training, enhancing the Qualification and skills of employees. In the past fiscal year, on-site training programs were regularly organized, focusing on production line and plant operations techniques, to ensure maximum efficiency and Safety.

In addition to professional development, SLS also pays special attention to building a professional, friendly, and cohesive work culture. This is demonstrated through internal activities and annual trips, creating space for members to interact and relax. The Company's Trade Union also consistently plays an active role in caring for the spiritual well-being of employees, through visits, encouragement during times of illness, bereavement, and gifting on holidays and festivals.

To ensure employees can dedicate themselves with peace of mind, the the Company is committed to transparency in its wage policies and timely payments. All staff and employees who sign official labor Contracts are fully enrolled in mandatory Insurance schemes such as social Insurance, health Insurance, etc. Additionally, the Company collaborates with relevant authorities to organize training sessions to enhance employees' knowledge regarding social Insurance types, actively and strictly complying with State regulations.



ASSESSMENTS RELATED TO THE ENTERPRISE'S RESPONSIBILITIES TOWARDS THE LOCAL COMMUNITY

SLS is proud to be one of the pioneering enterprises in fulfilling social responsibilities, demonstrated through creating stable employment for local laborers, and concurrently actively participating in social activities such as supporting education promotion, assisting disadvantaged circumstances, and compatriots affected by natural disasters.

In addition, SLS places special emphasis on accompanying over 10,000 farming households in the region, most of whom are ethnic minorities. The Company not only purchases raw materials but also implements a comprehensive support program. The team of agricultural engineers regularly works directly with the farmers to transfer advanced cultivation techniques, helping to increase sugarcane yield and quality. Concurrently, the Company also provides capital and production means, ensuring farmers have sufficient conditions to maintain and develop the sugarcane growing area. This partnership has strengthened a reliable relationship, making sugarcane not only an economic crop but also a solid driver of local development and prosperity.



ASSESSMENTS OF THE BOARD OF DIRECTORS ON THE COMPANY'S OPERATION

- 56 Assessments of the Board of Directors on the Company's operation
- 57 Assessment of Board of Directors on Board of Management's performance
- 58 Plans and orientations of the Board of Directors

ASSESSMENTS OF THE BOARD OF DIRECTORS ON THE COMPANY’S OPERATION

1. ASSESSMENTS OF THE BOARD OF DIRECTORS ON THE COMPANY’S OPERATION



The fiscal year 2024–2025 continues amidst a volatile international and domestic environment. Globally, prolonged geopolitical conflicts increase the risk of supply chain disruptions; tight monetary policies in many countries and the weakening of global trade and investment exert significant pressure on manufacturing sectors. Particularly, extreme weather phenomena due to climate change have severely impacted food security and agricultural operations in general. In Vietnam, climate change, with unusual heatwaves, droughts, and floods, has directly affected the sugarcane raw material areas, reducing yield and quality.

The domestic sugar industry also faces many difficulties: increasing inventory, weakening demand, fierce competition from legal

imported sugar, smuggled sugar, and the rise of substitute products such as corn syrup (HFCS). These factors have created dual pressure on production and consumption operations, directly impacting the Company’s business results.

Facing such challenging circumstances, the Board of Directors demonstrated decisiveness in direction, while the Board of Management flexibly implemented management solutions: issuing appropriate raw material policies to stabilize the sugarcane growing area, adjusting sales pricing policies and consumption timing to adapt to the market, and strengthening cost control to ensure business production efficiency. As a result, the Company excellently completed the profit after corporate income tax plan assigned by the General Meeting of Shareholders (GMS) 2024, achieving 249.47% of the target, an impressive result amidst a volatile industry and market.

In addition to business results, other content according to the Resolution of the Annual General Meeting of Shareholders (GMS) 2024 has been fully, timely, and compliantly implemented by the Board of Directors. The Company also focuses on caring for employees, developing raw material areas, improving the efficiency of processing production, diligently fulfilling financial obligations to the State, and social responsibilities in the locality.

Overall, the Board of Directors highly appreciates the efforts and solidarity of the Board of Management and all employees. The Company has demonstrated its management capabilities and resilience to fluctuations, while affirming its position and reputation in the sugar industry. This is an important foundation for the Company to continue sustainable development in the fiscal year 2025–2026 and subsequent years.

Unit: million VND

No.	Indicators	Plan 2024-2025	Actual 2024-2025	Actual/Plan Percentage (%)
1	Net revenue	1,097,000	1,160,883	105.82%
2	Profit before tax	150,000	381,153	254.10%
3	Profit after tax	150,000	374,209	249.47%

2.ASSESSMENT OF BOARD OF DIRECTORSON BOARD OF MANAGEMENT S PERFORMANCE

The Board of Directors consistently monitors the Company’s actual situation to issue timely policies and decisions, creating favorable conditions for the General Director’s Management to implement production and business operations. In the 2024–2025 fiscal year, despite numerous difficulties in the economic context and the sugar industry, the Board of General Directors demonstrated proactivity and a high sense of responsibility in management, contributing to business results far exceeding the plan. Specifically, profit after tax reached 249.47% of the indicators assigned by the General Meeting of Shareholders (GMS) in 2024 – an impressive result, affirming the effectiveness of governance and management.

The Board of Directors highly appreciates the efforts of the General Director’s Management in comprehensively overseeing all aspects of operations: from raw material area management, processing production, finance – accounting, to human resources and product consumption.

The policies and directives of the Board of Directors have been fully, timely, and effectively implemented by the General Director’s Management, in line with the Company’s sustainable development orientations.

Based on legal provisions, the Charter of organization and operations, as well as the Internal Regulations on Corporate Governance, the Board of Directors affirms that the General Director’s Management and the executive team have excellently completed their assigned tasks in the 2024–2025 fiscal year. This success not only helps the Company maintain stability and sustainable development but also strengthens its reputation and enhances its image among customers, partners, and especially shareholders.

Overall, the General Director’s Management has demonstrated flexible management capabilities, a high sense of responsibility, and unity with all employees, thereby affirming its crucial role in enabling the Company to overcome challenges and achieve outstanding results in the 2024–2025 fiscal year.

ASSESSMENTS OF THE BOARD OF DIRECTORS ON THE COMPANY’S OPERATION

3. PLANS AND ORIENTATIONS OF THE BOARD OF DIRECTORS



In the 2025–2026 fiscal year, the Board of Directors of Son La Sugar JSC identifies sustainable development as its core objective, based on consolidating raw material areas, innovating processing technology, prudent financial management, and building a high-quality human resources team. The Board of Directors proposes the following solutions for production and business operations in the 2025–2026 fiscal year:

Raw material area development

- Build close relationships with local authorities, review and expand land areas to develop stable and sustainable sugarcane areas in the 2025–2026 crop year and subsequent years.
- Research, amend, and supplement investment and farmer support policies in a practical and effective manner, ensuring a harmonious balance of interests between the Company and sugarcane growers.

- Apply scientific and technical achievements to sugarcane cultivation, care, and intensive farming; innovate raw material area management, harvesting, and transportation methods to enhance efficiency for both farmers and the Company.
- Intensify trials and rapidly propagate new sugarcane varieties with high yield and sugar content, gradually replacing old, degenerated varieties, thereby contributing to increasing farmer income and the supply volume for the Factory.

Processing operations

- Increase the application of refined sugar production processes and promote automation in each stage, aiming to enhance labor productivity, save raw materials, and reduce losses.
- Review and comprehensively evaluate the existing production line to plan additional investment in modern machinery and equipment, ensuring synchronized operations, stable crushing capacity, and improved recovery efficiency.
- Focus on periodic maintenance and repair of the production line to maintain capacity, meet seasonal schedules, and improve the quality of finished sugar products.
- Continue to consider investing in technological innovation towards Energy saving, increasing production efficiency, reducing cost, and enhancing Product competitiveness.

Financial operations

- Maintain transparent financial discipline, strict cost Management, and savings.
- Enhance financial Management capacity, closely monitor investment operations, and ensure efficient use of capital.
- Focus on value-added operations, ensuring stable, continuous, and sustainable development, while maintaining a reasonable and stable dividend policies for shareholders.

Management and human resource operations

- Consolidate the Organization and Human Resources apparatus towards lean and efficient operations, building a team of highly qualified Managers to meet Management requirements in the new phase.
- Improve Management mechanisms and absorb advanced business knowledge to enhance corporate Management capacity.
- Ensure stable employment and income for employees, build a friendly and safe working environment; pay income commensurate with competence and promptly attend to Welfare benefits.
- Strengthen legal compliance awareness, focus on environmental protection, maintain harmonious relationships with partners and the community, and ensure the legitimate rights of Shareholders.



CORPORATE GOVERNANCE

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CORPORATE GOVERNANCE

1. BOARD OF DIRECTORS

MEMBERS AND STRUCTURE OF THE BOARD OF DIRECTORS

As of date 30/06/2025

No.	Member	Position	Number of owned Shares (Shares)	Ownership percentage (%)
1	Mr. Dang Viet Anh	Chairman of the Board of Directors	963,878	9.84%
2	Mr. Tran Ngoc Hieu	Vice Chairman of the Board of Directors	131,731	1.35%
3	Ms. Tran Thi Bich Nhi	Independent Member of the Board of Directors	-	-
4	Mr. Thai Van Hung	Board of Directors' member	-	-
5	Mr. Nguyen Truong Chinh	Independent Member of the Board of Directors	-	-



Curriculum Vitae of Board of Directors

MR. DANG VIET ANH
Chairman of the BOD

Date of birth: 14/09/1978
Qualification:
Master of Business Administration

Work experience:

2006 – 2007	:	Worked at Mekong Delta Housing Development Bank Securities JSC
2007 – 2008	:	Worked at Viet Quoc Securities JSC
2009 – 2010	:	Worked at State Capital Investment and Business Corporation – Southern Branch
2006 – 2010	:	Member of the Board of Directors of Dak Nong Sugar JSC
2010 – 2011	:	Member of the Board of Directors of Ben Tre Forest and Aquatic Products Import-Export JSC
2013 – 2015	:	Member of the Board of Directors of Kon Tum Sugar JSC
07/2015 – present	:	Chairman of the Board of Directors of Kon Tum Sugar JSC
10/2015 – present	:	Chairman of the Board of Directors of Son La Sugar JSC
03/2023 – present	:	Chairman of the Board of Directors of Tipharco Pharmaceutical JSC

Current Position in other organizations:

- Chairman of the Board of Directors of Tipharco Pharmaceutical JSC
- Chairman of the Board of Directors of Kon Tum Sugar JSC

Number of shares currently held: 963,878 Shares, accounting for 9.84% of Charter capital.

Number of shares currently held by affiliated persons:

- Tran Thi Thai (Mother): 2,686,060 Shares, accounting for 27.43% of Charter capital.



CORPORATE GOVERNANCE

1. BOARD OF DIRECTORS



Curriculum Vitae of Board of Directors

MS. TRAN THI BICH NHI
Member of the BOD

Date of birth: 25/10/1964
Qualification:
University Degree in
Accounting

Work experience:

12/1984 - 06/1989	:	Head of Accounting at Binh Tri Thien Vocational School of Domestic Trade
1989 - 03/2010	:	Deputy Head of Accounting Department, Chief Accountant, and Deputy General Director of Quang Tri One Member Limited Liability Trading Company
04/2010 - 09/2013	:	Deputy Director of Quang Tri Trading - Services JSC
10/2013	:	Member of the Board of Supervisors of Son La Sugar Company
04/2014 - 10/2015	:	Member of the Board of Supervisors of Son La Sugar JSC
10/2015 - 05/2016	:	Head of the Board of Supervisors of Son La Sugar JSC
07/2015 - present	:	Head of the Board of Supervisors of Kon Tum Sugar JSC
05/2016 - present	:	Independent Member of the Board of Directors of Son La Sugar JSC
03/2022 - present	:	Member of the Board of Supervisors of Tipharco Pharmaceutical JSC

Current Position in other organizations:

- Member of the Board of Supervisors of Tipharco Pharmaceutical JSC
- Head of the Board of Supervisors of Kon Tum Sugar JSC
- Number of shares currently held: 0 share, accounting for 0% of Charter capital.
- Number of shares currently held by affiliated persons: 0 share, accounting for 0% of Charter capital.

MR. TRAN NGOC HIEU
Member of the BOD cum
General Director

- See information in Chapter 2 – Section 2 – Organization and human resource

MR. THAI VAN HUNG
Member of the BOD

- See information in Chapter 2 – Section 2 – Organization and human resource

MR. NGUYEN TRUONG CHINH
Member of the BOD

Date of birth: 09/04/1972
Qualification:
Engineer in Industrial
Engineering

Work experience:

1996 – 2001	:	Technical Staff of Technical Department - Tuy Hoa Sugar JSC.
2001 – 2008	:	Sugar Workshop Manager - Tuy Hoa Sugar JSC.
2009 – 2016	:	Director of Sugar Factory - Tuy Hoa Sugar JSC.
2017 – 2018	:	Director of Sugar Processing Enterprise of Son La Sugar JSC.
2018 – present	:	Member of the Board of Directors of Son La Sugar JSC.

Current Position in other organizations:

- Deputy General Director of Soc Trang Sugar JSC
- Deputy General Director of Tra Vinh Sugar JSC

Number of shares currently held: 0 share, accounting for 0% of Charter capital.

Number of shares currently held by affiliated persons: 0 share, accounting for 0% of Charter capital.



CHANGES IN THE BOARD OF DIRECTORS DURING THE YEAR: None

SUB-COMMITTEES OF THE BOARD OF DIRECTORS: None



CORPORATE GOVERNANCE

ACTIVITIES OF THE BOARD OF DIRECTORS

“ BOD always upheld the principle of **COLLECTIVE AND DEMOCRATIC** decision-making principle, ensuring all Decisions were collectively discussed, objective, and highly unified among members. ”

During the 2024–2025 fiscal year, the Board of Directors of Son La Sugar JSC always upheld the principle of collective and democratic decision-making principle, ensuring all Decisions were collectively discussed, objective, and highly unified among members. All regular and extraordinary meetings of the Board of Directors were chaired by the Chairman of the Board of Directors; all Resolutions and Decisions issued strictly complied with the functions and powers as stipulated by law, the Company’s Charter, and the Board of Directors’ Operating Regulations.

The Board of Directors has seriously implemented the Resolutions of the General Meeting of Shareholders (GMS), and invited the Board of Supervisors and key members of the Board of Management to fully attend the meetings, or promptly provided documents for cases requiring written opinions. This not only ensured transparency in corporate governance but also helped the Board of Directors make sound decisions, consistent with the Company’s actual operations.

In addition, the Board of Directors regularly inspected and supervised the production and business activities and promptly directed the Board of Management to resolve difficulties and obstacles. The close attention and decisive direction of the Board of Directors helped the Company maintain stability, overcome many challenges, and complete and exceed the basic production and business targets for the 2024–2025 fiscal year.

The Members of the Board of Directors have duly carried out their assigned functions and duties; fully participated in operations, actively contributed opinions to complete the Company’s overall plan. The Chairman of the Board of



Directors managed the Board of Directors’ operations in accordance with regulations, and always accompanied and promptly supported the Board of Management in the process of implementing tasks.

Based on legal regulations, the Charter of Organization and Operation, and the Internal Regulations on Corporate Governance, the Board of Directors collectively and each Board of Directors’ member individually assessed that they had excellently completed the tasks entrusted by the General Meeting of Shareholders (GMS) during the 2024–2025 fiscal year.



MEETINGS OF THE BOARD OF DIRECTORS DURING THE 2024-2025 FISCAL YEAR

42

Resolutions & Decisions

The Board of Directors issued 42 Resolutions and 42 Decisions, focusing on directing key issues such as:



The Company’s development strategy



Sales Policies and Product consumption Management



Investment, procurement, and raw material area development Policies



Procurement of materials – equipment



Capital mobilization efforts



Solutions to enhance business production efficiency

All meetings of the Board of Directors were organized in accordance with regulations, ensuring transparency, democracy, and promoting a collective spirit. The Chairman of the Board of Directors managed operations within the correct authority; resolutions were passed with high consensus from members. In addition, the Board of Directors always expanded the participation of the Board of Management and the Board of Supervisors, thereby strengthening supervision, coordination, and promptly resolving arising difficulties in operations.

In its governance role, the Board of Directors demonstrated decisive, continuous leadership, working closely with the Board of Management, promptly issuing appropriate policies to ensure

development orientations aligned with the motto ‘Sustainable Growth – Reasonable Efficiency’. All Member of the Board of Directors effectively performed their assigned duties and responsibilities with proactiveness, integrity, and a high sense of responsibility, contributing positively to achieving the Company’s overall objectives in the 2024–2025 fiscal year.



CORPORATE GOVERNANCE

Board of Directors Meetings

No.	Member of the BOD	Position	Number of BOD meetings attended	Meeting attendance percentage
1	Mr. Dang Viet Anh	Chairman of the Board of Directors	07/07	100%
2	Mr. Tran Ngoc Hieu	Vice Chairman of the Board of Directors	07/07	100%
3	Ms. Tran Thi Bich Nhi	Independent Member of the Board of Directors	07/07	100%
4	Mr. Thai Van Hung	Member of the BOD	07/07	100%
5	Mr. Nguyen Truong Chinh	Independent Member of the Board of Directors	07/07	100%



Contents and results of Meetings

No.	Resolution No.	Date	Content
I. Period from 01/07/2024 to 31/12/2024			
1	24/NQ-HĐQT	16/07/2024	Approval of convening the 2024 Annual General Meeting of Shareholders
2	24a/NQ-HĐQT	16/07/2024	Approve transactions with TMA
3	25/NQ-HĐQT	16/07/2024	Approval of the Company excursion and travel policy
4	26/NQ-HĐQT	30/07/2024	Approval of the sales plan for the 2023-2024 season
5	27/NQ-HĐQT	30/07/2024	Approval of the sales plan for the 2023-2024 season
6	28/NQ-HĐQT	14/08/2024	Approval of the Date of organization; Content, agenda, and documents for the 2024 Annual General Meeting of Shareholders.
7	29/NQ-HĐQT	09/09/2024	Approval of the dividend payment plan
8	30/NQ-HĐQT	12/09/2024	Approval of the dividend payment plan for non-custodian Shareholders with a request form.
9	31/NQ-HĐQT	13/09/2024	Approval of the sales plan for the 2022-2023 season
10	31a/NQ-HĐQT	30/07/2024	Approval of the policy for reappointment of executive management personnel
11	32/NQ-HĐQT	24/09/2024	Approval of the dividend payment
12	33/NQ-HĐQT	02/10/2024	Approval of the sales plan for the 2023-2024 season
13	34/NQ-HĐQT	22/10/2024	Approval of the sales plan for the 2023-2024 season
14	35/NQ-HĐQT	26/10/2024	Approval of the sales plan for the 2023-2024 season
15	36/NQ-HĐQT	13/11/2024	Approval of the sales plan for the 2023-2024 season
16	37/NQ-HĐQT	20/11/2024	Approval of procurement policy and investment for raw material area development
17	38/NQ-HĐQT	26/11/2024	Approval of the sales plan for the 2023-2024 season
18	39/NQ-HĐQT	19/12/2024	Approval of the sales plan for the 2023-2024 and 2024-2025 seasons
19	40/NQ-HĐQT	26/12/2024	Approval of the sales plan for the 2023-2024 season
20	41/NQ-HĐQT	27/12/2024	Approval of the sales plan for the 2023-2024 season
21	42/NQ-HĐQT	28/12/2024	Approval of the sales plan for the 2024-2025 season

CORPORATE GOVERNANCE

Contents and results of Meetings

No.	Resolution No.	Date	Content
22	43/NQ-HĐQT	31/12/2024	Approval of the sales plan for the 2024-2025 season
II. Period from 01/01/2025to 30/06/2025			
23	01/NQ-HĐQT	04/01/2025	Approval of the sales plan
24	02/NQ-HĐQT	04/01/2025	Approval of the sales plan
25	03/NQ-HĐQT	07/01/2025	Approval of the sales plan
26	04/NQ-HĐQT	11/01/2025	Approval of the sales plan
27	05/NQ-HĐQT	16/01/2025	Approval of the appointment of Executive Personnel
28	06/NQ-HĐQT	17/01/2025	Approval of the sales plan
29	07/NQ-HĐQT	08/02/2025	Approval of the sales plan
30	08/NQ-HĐQT	13/02/2025	Approval of the sales plan
31	09/NQ-HĐQT	11/03/2025	Approve the Bank Loan Plan
32	10/NQ-HĐQT	13/03/2025	Approve the Sales Plan
33	11/NQ-HĐQT	21/03/2025	Approve the Sales Plan
34	12/NQ-HĐQT	28/03/2025	Approve the Sales Plan
35	13/NQ-HĐQT	03/04/2025	Approve the Sales Plan
36	14/NQ-HĐQT	11/04/2025	Approve the Bank Loan Plan
37	15/NQ-HĐQT	19/04/2025	Approve the Sales Plan
38	16/NQ-HĐQT	08/05/2025	Approve the Sales Plan
39	17/NQ-HĐQT	27/05/2025	Approve the Sales Plan
40	18/NQ-HĐQT	10/06/2025	Approve the Sales Plan
41	19/NQ-HĐQT	19/06/2025	Approve the Sales Plan
42	20/NQ-HĐQT	24/06/2025	Approve the Sales Plan

No.	Decision No.	Date	Content
I. Period from 01/07/2024 to 31/12/2024			
1	39/QĐ-HĐQT	01/07/2024	Approval of adjustment to the project implementation schedule
2	42/QĐ-HĐQT	20/07/2024	Approval of the selection of the tour organizer
3	47/QĐ-HĐQT	30/07/2024	Approve the Procurement of Materials and Equipment
4	50/QĐ-HĐQT	19/08/2024	Approval of procurement of additional materials and equipment for the Project
5	51/QĐ-HĐQT	19/08/2024	Approval of additional construction items under the Project
6	52/QĐ-HĐQT	21/08/2024	Approve the Production Management Consulting Plan
7	53/QĐ-HĐQT	27/08/2024	Approve the Procurement of Materials and Chemicals
8	59/QĐ-HĐQT	18/09/2024	Approval of the selection of the tour organizer
9	59A/QĐ-HĐQT	18/09/2024	Reappoint Managers
10	59B/QĐ-HĐQT	18/09/2024	Reappoint Managers
11	63/QĐ-HĐQT	25/09/2024	Approve the Procurement of Materials
12	64/QĐ-HĐQT	27/09/2024	Approve the Procurement of Materials and Chemicals
13	65/QĐ-HĐQT	04/10/2024	Approve the Procurement of Materials and Equipment
14	68/QĐ-HĐQT	15/10/2024	Approve Capital Construction Investment for Project implementation
15	69/QĐ-HĐQT	22/10/2024	Approval of Equipment Investment for Project implementation
16	72/QĐ-HĐQT	13/11/2024	Approval of procurement of supplies and equipment
17	72a/QĐ-HĐQT	13/11/2024	Approval of: Liquidation of unused Assets and supplies
18	72/QĐ-HĐQT	13/12/2024	Approval of procurement of supplies and equipment
19	73/QĐ-HĐQT	03/12/2024	Approval of procurement of supplies and equipment
20	74/QĐ-HĐQT	12/12/2024	Approval of procurement of supplies for VS Fertilizer production
21	75/QĐ-HĐQT	13/12/2024	Approval of selection of Auditing firm
22	76/QĐ-HĐQT	24/12/2024	Approval of procurement of supplies and chemicals

CORPORATE GOVERNANCE

Contents and results of Meetings

No.	Decision No.	Date	Content
23	77/QĐ-HĐQT	31/12/2024	Approval of: Funding for support and bonuses according to CSPT VNL
24	80/QĐ-HĐQT	31/12/2024	Approval of: Funding for VNL road repair 2024-2025
II. Period from 01/01/2025 to 30/06/2025			
25	01/QĐ-HĐQT	04/01/2025	Approval of the salary fund plan for fiscal year 2024-2025.
26	02/QĐ-HĐQT	07/01/2025	Approval of: Plan for procurement of investment supplies for VNL sugarcane
27	03/QĐ-HĐQT	07/01/2025	Approval of the 13th-month salary payment
28	03A/QĐ-HĐQT	07/01/2025	Approval of procurement of supplies and equipment
29	04/QĐ-HĐQT	23/01/2025	Approval of: Rewards for teams and individuals with achievements in production-business during the 2023-2024 crop season.
30	05/QĐ-HĐQT	23/01/2025	Approval of bonuses for the Board of Directors, Board of Supervisors, and Board of Management for the 2024-2025 fiscal year
31	09/QĐ-HĐQT	08/02/2025	Approval of Capital construction investment
32	10/QĐ-HĐQT	08/02/2025	Approval of procurement of supplies and equipment
33	11/QĐ-HĐQT	19/02/2025	Approval of Raw material supply plan
34	12/QĐ-HĐQT	26/02/2025	Approval of procurement of supplies and equipment
35	13/QĐ-HĐQT	04/04/2025	Approval of: Support for sugarcane farming households affected by drought during the 2024-2025 crop season
36	14/QĐ-HĐQT	15/04/2025	Approval of procurement of supplies and equipment.
37	15/QĐ-HĐQT	19/04/2025	Approval of procurement of supplies and equipment.
38	16/QĐ-HĐQT	06/05/2025	Approval of the maintenance and repair plan for 2025-2026
39	17/QĐ-HĐQT	09/05/2025	Approval of: Plan for procurement of investment supplies for VNL sugarcane
40	18/QĐ-HĐQT	30/06/2025	Approval of: Final settlement of major maintenance and repair for 2024-2025.
41	19/QĐ-HĐQT	30/06/2025	Approve: Settlement of the salary fund for 2024-2025 and appropriation for salary fund provision for 2025-2026
42	20/QĐ-HĐQT	30/06/2025	Approval of provisions for bad debts and slow-moving inventories.

ACTIVITIES OF INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS

Independent Members of the Board of Directors made effective contributions in formulating policies appropriate to the actual situation.

ACTIVITIES OF THE BOARD OF DIRECTORS’ SUBCOMMITTEES

None

LIST OF MEMBER OF THE BOARD OF DIRECTORS WITH CERTIFICATES ON CORPORATE GOVERNANCE

Board members regularly participate in corporate governance seminars to enhance their capacity and contributions to the Company’s operations. The Board of Directors recognizes the decisive role of the leadership team, and the Company always focuses on training programs and certificates on governance.

2. BOARD OF SUPERVISORS

MEMBERS AND STRUCTURE OF THE BOARD OF SUPERVISORS

No.	Member	Position	Number of shares owned	Ownership percentage
1	Ms. Nguyen Thi Thuy	Head of the BOS	0	0,00%
2	Mr. Nguyen Van Tai	Member of the BOS	0	0,00%
3	Mr. Nguyen Van Dai	Member of the BOS	0	0,00%



CORPORATE GOVERNANCE

MEMBERS AND STRUCTURE OF THE BOARD OF SUPERVISORS



Curriculum Vitae of Board of Supervisors

MS. NGUYEN THI THUY
Head of the BOS

Date of birth: 13/03/1960
Qualification:
University of Finance -
Accounting

Work experience:

1985 – 1987	: Worked at Binh Duong Tax Department
1987 – 2014	: Worked at Binh Duong Sugar JSC
07/2015 – present	: Member of the Board of Supervisors of Kon Tum Sugar JSC
05/2016 – present	: Head of the Board of Supervisors of Son La Sugar JSC

Current Position in other organizations:

- Member of the Board of Supervisors of Kon Tum Sugar JSC

Number of shares currently held: 0 share, accounting for 0% of Charter capital.

Number of shares currently held by affiliated persons: 0 share, accounting for 0% of Charter capital.

MR. NGUYEN VAN TAI
Member of the BOS

Date of birth: 15/12/1968
Qualification:
Intermediate diploma

Work experience:

1997 – present	: Worked at Son La Sugar JSC
2018 – present	: Member of the Board of Supervisors of Son La Sugar JSC
2018 – 06/2023	: Chairman of the Trade Union of Son La Sugar JSC
2018 – present	: Secretary of the Party Committee of Son La Sugar JSC

Current Position in other organizations: None

Number of shares currently held: 0 share, accounting for 0% of Charter capital.

Number of shares currently held by affiliated persons: 0 share, accounting for 0% of Charter capital.

MR. NGUYEN VAN DAI
Member of the BOS

Date of birth: 14/04/1975
Qualification:
College diploma

Work experience:

1997 – 2006	: Sugar boiling worker - Son La Sugar JSC
2007 – 2010	: Sugar boiling operator cum team leader - Son La Sugar JSC
2010 – 2015	: Technical - Chemical Analysis Department staff - Son La Sugar JSC
12/2015 - 01/2017 & 12/2017 – 04/2018	: Deputy Director of Sugar Processing Enterprise - Son La Sugar JSC
12/2015 – present	: Secretary of the Party Cell of the Sugar Processing Enterprise - Son La Sugar JSC
07/2017 – 08/2017	: Deputy Head of Organization and Administration Department - Son La Sugar JSC
08/2017 – 12/2017	: Head of Internal Control Department
09/2021 – present	: Member of the Board of Supervisors of Son La Sugar JSC

Current Position in other organizations: None

Number of shares currently held: 0 share, accounting for 0% of Charter capital.

Number of shares currently held by affiliated persons: 0 share, accounting for 0% of Charter capital.



CORPORATE GOVERNANCE

OPERATIONS OF THE BOARD OF SUPERVISORS

OPERATIONS OF THE BOARD OF SUPERVISORS IN THE 2024-2025 FISCAL YEAR

In the 2024–2025 fiscal year, the Board of Supervisors of Son La Sugar Joint Stock Company fully performed its functions and duties in accordance with legal provisions, the Company Charter, and internal governance regulations, making an important contribution to enhancing corporate governance effectiveness.

The main tasks implemented by the Board of Supervisors during the year include:

Supervision of governance and executive operations

Closely monitoring the management activities of the Board of Directors (BOD), the executive activities of the Board of General Directors (BGD), and all production and business operations of the Company, ensuring reasonableness, legality, honesty, and prudence.

Financial – accounting supervision

Checking the accounting record-keeping; appraising quarterly, semi-annual, and annual financial statements; reviewing independent auditing reports during and after the auditing process; supervising the use, management, and preservation of capital.

Monitoring compliance with information disclosure obligations

Supervising the Company’s information disclosure in accordance with regulations for The State Securities Commission, the Hanoi Stock Exchange, the Vietnam Securities Depository, and on the Company’s website.

Performing other duties

The Board of Supervisors has seriously implemented the assigned functions and duties, ensuring objectivity, transparency, and effectiveness.

Monitoring and evaluating production-business plans

Supervising the implementation of Resolutions of the General Meeting of Shareholders (GMS), the Resolutions and Decisions of the Board of Directors; regularly evaluating the implementation of production and business plans, operational efficiency, and debt repayment capacity.

Reviewing policies and procedures

Examining and evaluating the Company’s key procedures and policies to promptly detect potential risks, issue warnings, and recommend timely corrective solutions to the Board of Directors and the Board of General Directors.

Participation and contribution of opinions

Fully attending extended meetings of the Board of Directors and regular briefing sessions of the Board of Management, promptly providing opinions, evaluations, and recommendations to improve governance quality and operational efficiency.

During the past term, the Board of Supervisors did not receive any requests from shareholders or shareholder groups for an inspection of the Company’s production-business operations, the management activities of the Board of Directors, or the executive activities of the Board of General Directors. Overall, the Board of Supervisors highly appreciates the close, transparent, and timely coordination among the Board of Directors, the Board of General Directors, and functional departments. The operations of the Board of Supervisors have contributed to ensuring that the Company operates in the right direction, complies with the law, and achieves sustainable development in the 2024–2025 fiscal year.

RESULTS OF SUPERVISION OF THE OPERATIONS OF THE BOARD OF DIRECTORS, GENERAL DIRECTOR, AND OTHER EXECUTIVES OF THE ENTERPRISE

In the 2024–2025 fiscal year, the Board of Directors has effectively performed its role of directing, managing, and comprehensively supervising the Company’s production and business operations. The Resolutions of the General Meeting of Shareholders were seriously implemented; the Board of Directors’ policies and decisions always closely followed the actual situation, promptly resolving difficulties and creating favorable conditions for the Board of General Directors in executive activities. The member of the Board of Directors proactively carried out their assigned duties with a high sense of responsibilities, regularly attended regular briefing sessions of the Board of Management to grasp the situation, and propose appropriate solutions to enhance the Company’s operational efficiency.

During the year, the Board of Directors held all regular and extraordinary meetings, both in-person and online; issued many important Resolutions, Decisions, and guiding documents, focusing on key content such as: implementing energy-saving measures in production, investing in developing stable raw material areas to ensure sufficient capacity for the factory, managing the sales of sugar and by-products, as well as solutions to improve business efficiency.

The Board of General Directors and other executives have managed the Company’s operations in

accordance with their functions, duties, and powers as stipulated in the Charter of organization and operations, as well as internal management regulations. The Company has fully complied with legal regulations in its production and business operations, management activities, information disclosure, and transactions.

Overall, in the fiscal year 2024–2025, the management and direction of the Board of Directors and the executive operations of the General Director and Other executives were in compliance with legal regulations, the Charter, and the Resolution of the General Meeting of Shareholders (GMS). The Board of Directors, the General Director and the executive team successfully achieved and exceeded the year’s key business and production targets, contributing to strengthening the Company’s reputation and position, and ensuring the interests of shareholders, employees, and relevant stakeholders.



CORPORATE GOVERNANCE

OPERATIONS OF THE BOARD OF SUPERVISORS

Number of Board of Supervisors' meetings

No.	Member	Position	Number of meetings	Meeting attendance percentage
1	Ms. Nguyen Thi Thuy	Head of the BOS	04/04	100%
2	Mr. Nguyen Van Tai	Member of the BOS	04/04	100%
3	Mr. Nguyen Van Dai	Member of the BOS	04/04	100%

Contents and results of the meetings

In the fiscal year 2024–2025, the Board of Supervisors (BOS) diligently performed its functions, duties, and powers in accordance with legal regulations, the Company’s Charter, Internal Governance Regulations, and the Operating Regulations of the BOS. All supervisory activities were conducted independently and objectively to ensure transparency and efficiency in corporate governance.

During the year, the Board of Supervisors participated in 04 regular meetings with the Board of Directors and the Board of Management, and also conducted 03 on-site inspections at the Company. These meetings and inspections focused on implementing the work program, monitoring the progress of implementation of the Resolution of the General Meeting of Shareholders (GMS),

and evaluating the effectiveness of management and executive operations. Additionally, the Board of Supervisors regularly held internal discussions to update information and promptly address issues arising during operations.

Through its supervisory work, the Board of Supervisors provided important evaluations and recommendations to the Board of Directors and the Board of Management. These recommendations focused on strengthening the internal control system, minimizing risks in financial management and production operations, and ensuring the Company’s full compliance with legal regulations, the Charter, and internal regulations. These recommendations contributed to improving the quality of governance work and supported the Executive Board in making appropriate and timely decisions.



3. TRANSACTIONS, REMUNERATIONS AND BENEFITS OF THE BOD, GENERAL DIRECTOR AND BOM, AND BOS

SALARY, REWARDS, REMUNERATION AND BENEFITS

No.	Name	Position	Salary	Bonus	Remuneration	Total income
1	Mr. Dang Viet Anh	Chairman		510,300,000	420,000,000	930,300,000
2	Mr. Tran Ngoc Hieu	Vice Chairman - GD	976,928,000	510,000,000	300,000,000	1,786,928,000
3	Ms. Tran Thi Bich Nhi	Independent Member		157,900,000	180,000,000	337,900,000
4	Mr. Thai Van Hung	Member BOD -Deputy GD	705,000,000	328,000,000	180,000,000	1,113,000,000
5	Mr. Nguyen Truong Chinh	Independent Member		147,900,000	180,000,000	327,900,000
6	Ms. Nguyen Thi Thuy	Head of BOS		92,900,000	180,000,000	272,900,000
7	Mr. Nguyen Van Tai	Member of BOS	304,420,000	111,520,000	60,000,000	475,940,000
8	Mr. Nguyen Van Dai	Member of BOS	196,420,000	82,520,000	60,000,000	338,940,000
9	Ms Nguyen Thi Khuong	Chief Accountant	305,500,000	86,940,000		392,440,000

SHARE TRANSACTIONS OF INSIDERS: None

CONTRACTS OR TRANSACTIONS WITH RELATED PARTIES

Transactions between the Company and its affiliated persons or between the Company and its major shareholders, internal persons and affiliated persons: Transactions between the Company and its affiliated persons are conducted in strict compliance with current legal regulations. These transactions are carried out openly and transparently, with the purchase and sale of goods and services with related parties conducted under market mechanisms.

Transactions between the Company’s insiders, their related persons, and the Company’s subsidiaries or entities under its control: None

ASSESSMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE REGULATIONS

During its operations, corporate governance has always been a top priority for the Company to ensure sustainable development. Good corporate governance ensures that the Company operates efficiently and transparently, thereby enhancing its competitiveness in the market.



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**SON LA SUGAR JOINT STOCK
COMPANY**

Audited Financial Statements
for the fiscal year ended
June 30, 2025

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SON LA SUGAR JOINT STOCK COMPANY
CORPORATE INFORMATION

CORPORATE INFORMATION

Son La Sugar Joint Stock Company (hereinafter referred to as “the Company”) operates under Business Registration Certificate No. 5500155321 dated February 20, 2008 issued by the Department of Planning and Investment of Son La province. The Company has adjusted its business registration certificate many times, the most recent amendment being the tenth times issued on May 16, 2025.

Son La Sugar Joint Stock Company (stock code: SLS) has been listed and traded on the Hanoi Stock Exchange (HNX) since October 16, 2012.

The Company's headquarters is located at Km 34 Highway 6 Son La - Hanoi, Mai Son Commue, Son La Province.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and to the date of this report include:

- | | |
|---------------------------|---------------|
| - Mr. Dang Viet Anh | Chairman |
| - Mr. Tran Ngoc Hieu | Vice Chairman |
| - Ms. Tran Thi Bich Nhi | Member |
| - Mr. Thai Van Hung | Member |
| - Mr. Nguyen Truong Chinh | Member |

BOARD OF MANAGEMENT

Members of the Board of Management managing the Company during the year and to the date of this report include:

- | | |
|----------------------|-------------------------|
| - Mr. Tran Ngoc Hieu | General Director |
| - Mr. Thai Van Hung | Deputy General Director |

BOARD OF SUPERVISORS

Members of the Board of Supervisors during the year and up to the date of this report include:

- | | |
|-----------------------|-------------------------------|
| - Ms. Nguyen Thi Thuy | Chief of Board of Supervisors |
| - Mr. Nguyen Van Tai | Member |
| - Mr. Nguyen Van Dai | Member |

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and to the date of this report is Mr. Dang Viet Anh - Chairman.

AUDITORS

BDO Audit Services Company Limited has audited the Company's financial statements for the fiscal year ended June 30, 2025.

SON LA SUGAR JOINT STOCK COMPANY
REPORT OF THE BOARD OF MANAGEMENT

On the Company's financial statements for the fiscal year ended June 30, 2025

The Board of Management of the Company presents this report together with the audited financial statements of the Company for the fiscal year ended June 30, 2025.

BOARD OF MANAGEMENT'S RESPONSIBILITIES

The Board of Management of the Company is responsible for preparation and presentation of Financial statements, which give a true and fair view of the Company's financial position as at June 30, 2025 as well as its operations results and its cash flow for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and relevant legal regulations on preparation and presentation of Financial Statements.

In preparing these financial statements , the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State applicable accounting principles that have been followed, subject to any material departures disclosed and explained in financial statements;
- Prepare financial statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management is responsible for ensuring that accounting records are kept adequately to give a fair and true view of the financial position of the Company at any time and to ensure that the accompanying financial statements of the Company were prepared in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and relevant legal regulations. The Board of Management is also responsible for safeguarding the Company's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management of the Company confirms that the Company has complied with the above requirements in preparing and presenting the accompanying financial statements.

APPROVAL OF FINANCIAL STATEMENTS

The Board of Management approves the accompanying financial statements for the fiscal year ended June 30, 2025, which are set out from page 05 to page 32. According to the Board of Management's opinion, in all material respectst, the accompanying financial statements give a true and fair view of the financial position of the Company as at June 30, 2025, its operation results and its cash flows for the fiscal year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other prevailing legal regulations relevant to the preparation and presentation of the financial statements.

Son La, August 25, 2025

For and on behalf of Board of Management,



General Director
Tran Ngoc Hieu

According to Authorization Letter No.71/GUQ-2024 dated November 1, 2024 of the Chairman of the Board of Directors



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243A De La Thanh Street
Dong Da District, Hanoi,
Vietnam

No: BC/BDO/2025. 6.1.1

Ha Noi, August 25, 2025

INDEPENDENT AUDITORS' REPORT

On Financial Statements of Son La Sugar Joint Stock Company

for the fiscal year ended June 30, 2025

**To: SHAREHOLDERS, BOARD OF DIRECTORS AND BOARD OF MANAGEMENT
SON LA SUGAR JOINT STOCK COMPANY**

We have audited the accompanying Financial Statements of Son La Sugar Joint Stock Company (hereinafter is "the Company") issued on August 25, 2025 as set out from page 05 to page 32, including Balance sheet as at June 30, 2025, Income statement, Cash flow statement for the fiscal year then ended, and Notes to the financial statements.

Responsibilities of Board of Management

Board of Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other prevailing legal regulations relevant to the preparation and presentation of the financial statements and for such internal control as the Board of Management determines is necessary to enable the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of auditors

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

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

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

Opinion of auditors

In our opinion, in all material respects, the accompanying financial statements give a true and fair view of the financial position of Son La Sugar Joint Stock Company as at June 30, 2025, and of its operation results and its cash flows for the fiscal year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other prevailing legal regulations relevant to the preparation and presentation of the financial statements.

BDO AUDIT SERVICES COMPANY LIMITED



Nguyen Tuan Anh - Vice Director
Certificate of Audit Practicing Registration
No. 1906-2023-038-1

Pham Thi Tu - Auditor
Certificate of Audit Practicing Registration
No. 2581-2023-038-1

SON LA SUGAR JOINT STOCK COMPANY

BALANCE SHEET

As at June 30, 2025

B01-DN

Unit: VND

ASSETS	Code	Notes	Closing balance	Opening balance
A - CURRENT ASSETS	100		1,546,611,881,697	1,127,012,212,540
I. Cash and cash equivalents	110	V.1	3,208,072,612	18,532,255,431
1. Cash	111		3,208,072,612	18,532,255,431
2. Cash equivalents	112		-	-
II. Short-term financial investments	120		-	-
III. Current receivables	130		1,031,898,020,449	677,894,770,383
1. Current trade receivables	131	V.3	908,615,070,180	539,612,093,000
2. Short-term advance to suppliers	132	V.4	22,509,848,458	15,519,434,667
3. Receivables from short-term loans	135	V.5	9,400,000,000	9,400,000,000
4. Other current receivables	136	V.6	102,906,453,015	124,918,876,233
5. Provision for short-term bad debts	137	V.7	(11,533,351,204)	(11,555,633,517)
IV. Inventories	140	V.8	511,505,788,636	430,580,595,516
1. Inventories	141		537,381,181,036	433,729,472,017
2. Provision for devaluation of inventories	149		(25,875,392,400)	(3,148,876,501)
V. Other current assets	150		-	4,591,210
1. Value-added tax deductibles	152		-	4,591,210
B - NON-CURRENT ASSETS	200		536,846,656,672	568,668,815,802
I. Non-current receivables	210		-	-
II. Fixed assets	220		516,106,497,492	549,594,966,495
1. Tangible fixed assets	221	V.11	514,932,960,504	548,407,185,315
Historical cost	222		1,030,502,450,078	1,014,232,779,435
Accumulated depreciation	223		(515,569,489,574)	(465,825,594,120)
2. Intangible fixed assets	227	V.10	1,173,536,988	1,187,781,180
Historical cost	228		2,018,991,660	2,018,991,660
Accumulated amortization	229		(845,454,672)	(831,210,480)
III. Non-current asset-in-progress	240		9,140,159,180	7,473,849,307
1. Construction in progress	242	V.9	9,140,159,180	7,473,849,307
IV. Long-term financial investments	250		11,600,000,000	11,600,000,000
1. Investment in joint ventures, associates	252	V.2.2	9,600,000,000	9,600,000,000
2. Held-to-maturity investments	255	V.2.1	2,000,000,000	2,000,000,000
V. Other non-current assets	260		-	-
TOTAL ASSETS	270		2,083,458,538,369	1,695,681,028,342

SON LA SUGAR JOINT STOCK COMPANY

BALANCE SHEET (continued)

B01-DN

As at June 30, 2025

RESOURCES	Code	Notes	Closing balance	Opening balance
C - LIABILITIES	300		355,946,782,308	140,926,756,200
I. Current liabilities	310		355,946,782,308	140,926,756,200
1. Current trade payables	311	V.12	45,554,718,891	43,128,581,053
2. Current advance from customers	312	V.13	1,014,496,300	461,666,050
3. Statutory obligations	313	V.14	24,696,076,179	22,384,202,502
4. Payables to employees	314		1,668,915,722	4,605,140,571
5. Current accrued expenses	315	V.15	19,444,414	1,035,926,285
6. Other current payables	319	V.16	1,777,975,138	915,664,596
7. Short-term loans and finance lease liabilities	320	V.18	274,883,587,181	61,709,043,280
8. Provision for current payables	321	V.17	5,700,000,000	4,000,000,000
9. Bonus and welfare funds	322		631,568,483	2,686,531,863
II. Non-current liabilities	330		-	-
D - OWNERS' EQUITY	400		1,727,511,756,061	1,554,754,272,142
I. Owners' equity	410	V.19	1,727,511,756,061	1,554,754,272,142
1. Contributions of owners	411		97,919,450,000	97,919,450,000
- Common 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 fund	418		95,607,779,802	45,607,779,802
4. Other funds under owners' equity	420		7,677,296,000	8,801,036,000
5. Retained earnings	421		1,522,308,592,231	1,398,427,368,312
- Accumulated retained earnings to the end of previous year	421a		1,148,088,468,312	872,068,384,836
- Retained earnings this year	421b		374,220,123,919	526,358,983,476
II. Funding and other funds	430		-	-
TOTAL RESOURCES	440		2,083,458,538,369	1,695,681,028,342

Son La, August 25, 2025

Preparer

Chief Accountant

General Director

Duong Hai Linh

Nguyen Thi Khuong

Tran Ngoc Hieu

SON LA SUGAR JOINT STOCK COMPANY

INCOME STATEMENT

B02-DN

For the fiscal year ended June 30, 2025

Unit: VND

ITEMS	Code	Notes	Current year	Previous year
1. Revenue from sales of goods and rendering of services	01	VI.1	1,160,883,201,236	1,411,694,307,969
2. Revenue deductions	02		-	-
3. Net revenue from sales of goods and rendering of services	10		1,160,883,201,236	1,411,694,307,969
4. Cost of sales	11	VI.2	780,144,092,465	883,632,323,544
5. Gross profit from sales of goods and rendering of services	20		380,739,108,771	528,061,984,425
6. Financial income	21	VI.3	38,035,969,027	31,751,916,756
7. Financial expenses	22	VI.4	3,793,542,996	2,774,054,792
In which: Interest expenses	23		3,793,542,996	2,747,846,792
8. Selling expenses	25	VI.5	2,984,124,237	2,839,039,896
9. General and administrative expenses	26	VI.6	31,478,414,920	21,847,952,508
10. Net operating profit	30		380,518,995,645	532,352,853,985
11. Other income	31	VI.7	800,129,387	20,371,370
12. Other expenses	32	VI.8	166,159,573	107,687,396
13. Other profit	40		633,969,814	(87,316,026)
14. Total accounting profit before tax	50		381,152,965,459	532,265,537,959
15. Current corporate income tax expense	51	VI.10	6,943,899,540	5,906,554,483
16. Net profit after corporate income tax	60		374,209,065,919	526,358,983,476
17. Earnings per share	70	VI.11	37,756	53,295

Son La, August 25, 2025

Preparer

Chief Accountant

General Director

Duong Hai Linh

Nguyen Thi Khuong

Tran Ngoc Hieu

SON LA SUGAR JOINT STOCK COMPANY
CASH FLOW STATEMENT

B03-DN

(Indirect method)

For the fiscal year ended June 30, 2025

Unit: VND

ITEMS	Code	Notes	Current year	Previous year
I. Cash flows from operating activities				
1. Accounting profit before tax	01		381,152,965,459	532,265,537,959
2. Adjustments for:				
- Depreciation and amortization of fixed assets and investment properties	02		56,843,081,028	55,712,749,435
- Provisions	03		25,281,553,415	2,742,047,483
- Foreign exchange gains/losses arising from revaluation of monetary accounts denominated in foreign currency	04		-	-
- (Gains)/ losses from investment activities	05		(5,240,975,932)	(17,141,384,809)
- Interest expenses	06		3,793,542,996	2,747,846,792
- Other adjustments	07		-	-
3. Operating profit before changes in working capital	08		461,830,166,966	576,326,796,860
- (Increase)/decrease in receivables	09		(350,405,354,621)	(387,499,980,149)
- (Increase)/decrease in inventories	10		(103,651,709,019)	(104,223,975,806)
- Increase/(decrease) in payables	11		545,842,407	(37,288,571,584)
- (Increase)/decrease in prepaid expenses	12		-	-
- (Increase)/decrease in trading securities	13		-	-
- Interest paid	14		(3,793,542,996)	(2,747,846,792)
- Corporate income tax paid	15		(5,906,554,483)	(206,487,324)
- Other receipts from operating activities	16		50,100,000	31,700,000
- Other payments on operating activities	17		(7,661,551,000)	(5,765,390,000)
Net cash flows from operating activities	20		(8,992,602,746)	38,626,245,205
II. Cash flows from investing activities				
1. Acquisition and construction of fixed assets and other non-current assets	21		(33,221,179,008)	(63,499,379,033)
2. Proceed from disposal of fixed assets and other non-current assets	22		4,988,970,000	-
3. Cash outflow for lending, buying debt instrument of other entities	23		-	(139,000,000,000)
4. Collections from borrowers and proceeds from sales of debt instruments of other entities	24		-	166,300,000,000
5. Payment for investments in other entities	25		-	-
6. Proceeds from sales of investments in other entities	26		-	-
7. Interests, dividends and profit received	27		4,555,694,033	17,141,384,809
Net cash flows used in investing activities	30		(23,676,514,975)	(19,057,994,224)

SON LA SUGAR JOINT STOCK COMPANY
CASH FLOW STATEMENT (continued)

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(Indirect method)

For the fiscal year ended June 30, 2025

ITEMS	Code	Notes	Current year	Previous year
III. Cash flows from financing activities				
1. Proceeds received from issuance of shares and receipt from contributions of the owners	31		-	-
2. Repayment of contributions to owners repurchase of stock issued	32		-	-
3. Drawdown of borrowings	33		354,075,417,277	112,229,043,280
4. Repayment of borrowings principal	34		(140,900,873,376)	(100,620,000,000)
5. Repayment of finance lease principal	35		-	-
6. Dividend, profit distributed to shareholders	36		(195,829,609,000)	(146,872,206,750)
Net cash flows from financing activities	40		17,344,934,901	(135,263,163,470)
Net cash flows during the year	50		(15,324,182,819)	(115,694,912,489)
Cash and cash equivalents at the beginning of the year	60	V.1	18,532,255,431	134,227,167,920
Cash and cash equivalents at the end of the year	70	V.1	3,208,072,612	18,532,255,431

Preparer

Chief Accountant

Son La, August 25, 2025

General Director



Duong Hai Linh



Nguyen Thi Khuong



Tran Ngoc Hieu

SON LA SUGAR JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended June 30, 2025

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I. CORPORATE INFORMATION

1. Structure of ownership

Son La Sugar Joint Stock Company, formerly a State-owned enterprise, was converted into a joint stock company according to Decision No. 2761/QĐ-UBND dated November 26, 2007 of the People's Committee of Son La province. The Company operates under Business Registration Certificate No. 5500155321 dated February 20, 2008 issued by the Department of Planning and Investment of Son La Province. During its operation, changes in business sector and the Company's capital charter have also been approved by Department of Planning and Investment of Son La Province in the Business Registration Certificate changed from the first time to the tenth times issued on May 16, 2025.

The Company's shares have been officially listed on the Hanoi Stock Exchange (HNX) since October 16, 2012 with the stock code SLS.

The Company's headquarters is located at Km 34 Highway 6 Son La - Hanoi, Mai Son Commune, Son La Province.

2. Business sector

- Production and processing;
- Commercial business.

3. Business activities

Main business activities:

- Producing, processing and trading cane sugar, molasses and post-sugar products;
- Trading in fertilizers, nitrogenous fertilizer, pesticides, sugarcane seeds, slag and ash.

4. Normal course of business cycle

The Company's operating cycle is the period of time when raw materials are purchased for the production process to when they are converted into cash or easily convertible assets, usually not more than 12 month.

5. The characteristics of the business in the year that affect the financial statements

During the year, there were no events about the legal environment, market developments, business operations, management, finance, mergers, divisions, separations, changes in scale, etc. affect the financial statements of the Company.

6. Employees

The total number of Company's employees as at June 30, 2025 was 330 people (as at June 30, 2024 was 333 people).

II. ACCOUNTING PERIOD AND ACCOUNTING CURRENCY

1. Accounting period

The Company's fiscal year 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 promulgated together with Circular 200/2014/TT-BTC dated December 22, 2014 ("Circular 200"), Circular 53/2016/TT-BTC dated March 21, 2016 amending and supplementing a number of articles of Circular 200 of the Ministry of Finance guiding the corporate accounting regime.

SON LA SUGAR JOINT STOCK COMPANY

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the fiscal year ended June 30, 2025

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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 its operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

2. Declaration on compliance with Accounting Standards and Accounting System

The Board of Management ensures that the financial statements have been prepared and presented in accordance with the requirements of Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing legal regulations guiding the preparation and presentation of financial statements.

IV. SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been adopted by the Company in the preparation of these financial statements. The accounting policies are consistent with the accounting policies applied in preparing the financial statements for the most recent financial year.

1. Recognition of cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposit and term deposit (not exceeding three months), cash in transit and short-term investments with maturity of not exceeding three months that can be easily transferred to cash without any risks in transferring at the date of the report. The identification of cash and cash equivalents is in accordance with Vietnamese Accounting Standard No. 24 "Cash Flow Statement".

2. Recognition of financial investments

a) Held-to-maturity investments

Held-to-maturity investments are those that the Management has the intention and ability to hold to maturity.

Held-to-maturity investments are initially recognized at cost. After initial recognition, if held-to-maturity investments have not been provided with provisions for doubtful debts in accordance with other regulations, these investments are recognized at their recoverable amounts. Any impairment in the value of an investment, if incurred, is charged to financial expenses in the income statement and is deducted directly from the value of the investment..

b) Investments in joint ventures, associates

Principle for determining joint ventures and associates: Based on the percentage of votings rights held by the Company.

Associates are all entities over which the Company has significant influence but not control, typically expressed through holding between 20% and 50% of the voting rights in those entities.

Investments in associates are initially recognized at cost. Profit distributions received by the Company from the accumulated profits of associates after the date on which control is acquired by the Company is recognized in the Company's income statement. Other distributions are treated as a return of the investments and are deducted from the investment value.

After initial recognition, these investments are measured at cost less allowance for diminution in investment value. Provisions for diminution in investment value are made when it is probable that there will be diminution in value of these investments at the balance sheet date. Provision for diminution in investment value is recognized in the income statement for the year.

3. Recognition of receivables

Receivables are amounts that can be collected from customers or other entities. Receivables are stated at carrying amount less provisions for doubtful debts.

The classification of receivables as trade receivables and other receivables is according to following principles:

- **Trade receivables:** Including trade receivables arising from transactions of purchase and sale between the Company and the buyer who is independent of the Company.

- **Other receivables:** Including receivables of non-commercial nature, unrelated to purchase and sale transactions (such as receivables from loan interests, deposit interests; payments on behalf of third parties entitled to receive back; receivables on property lending, etc.).

Receivables monitoring

Receivables shall be recorded in detail 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.

Receivables are recognized not exceeding the recoverable amount.

Provision for doubtful debts

Provision for doubtful debts represents the value of receivables that the Company expects to be unable to recover at the balance sheet date. Increases or decreases in the provision balance are recorded into general and administration expenses during the year. Provision for bad debts is made for specific receivable, based on the overdue time to pay the principal according to the initial commitment (not taking into account the debt extension between the parties), or the expected loss.

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 current location and 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.

Method of inventory accounting: Perpetual inventory system.

Provision for devaluation in inventories: Provision for inventories is made for the expected losses due to devaluation (due to discounts, obsolete, poor quality, inferior and etc.) of raw materials and finished products 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 year.

5. Recognition of fixed assets and depreciation

Tangible fixed assets

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

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

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

Assets	Useful lives
Building and structures	06 - 50 years
Machinery and equipment	06 - 15 years
Means of transportation	06 - 15 years
Office equipment	03 - 08 years
Others tangible fixed assets	07 years

Intangible fixed assets

Intangible fixed assets are stated at historical cost less accumulated amortization.

Land use rights

Land use rights are recorded as intangible fixed assets when the Company is granted a certificate of land use right. The historical cost of land use rights includes all costs directly attributable to the acquisition of the land use right. Indefinite-term land use rights are not amortized.

Software program

Cost of software programs is determined to be the total actual expenses to acquire such software programs in case the software program separates from related hardware, semiconductor integrated circuit layout design in accordance with the law on intellectual property. Software programs are amortized on a straight-line basis over their estimated useful lives.

Other regulations on management, use, depreciation of fixed assets

Other regulations on management, use and depreciation of fixed assets are implemented by the Company in accordance with Circular 45/2013/TT-BTC dated April 25, 2013 of the Minister of Finance and Circular 147/2016/TT-BTC dated October 13, 2016 amending and supplementing a number of articles of Circular No. 45/2013/TT-BTC and Circular No. 28/2017/TT-BTC dated April 12, 2017 of Minister of Finance amending and supplementing some articles of Circular 147/2016/TT-BTC.

6. Recognition of taxation

a) Value Added Tax (VAT)

The Company declares Value Added Tax ("VAT") under the credit method. VAT rates of 5% or 10% are applied depending on the type of product and goods, specifically:

Sugar; by-products from sugar production, including molasses, bagasse, and filter mud: 5%

Sugar bags and provision of services (such as petrol station leasing and sale of raw materials): 10%

For the sugar bag products, the Company is entitled to apply a reduction of VAT rate from 10% to 8% in accordance with Resolution No. 142/2024/QH15 of the National Assembly.

From July 01, 2025, the VAT rate applicable to sugarcane products and related products will be subject to the 10% VAT rate category.

b) Current corporate income tax

Current corporate income tax is calculated based on taxable income and tax rate in the current year.

The Company is exempt from corporate income tax for agricultural product processing activities according to the provisions of Circular 96/2015/TT-BTC dated June 22, 2015 of the Ministry of Finance.

c) Other taxes

Other taxes are applied in accordance with current tax laws in Vietnam.

The Company's tax report will be subject to inspection by the local tax authorities. Because the application of laws and regulations on taxes on different types of transactions can be interpreted in different ways, the tax amounts are presented on the financial statements can be changed at the last decision of the tax authorities.

7. Recognition of payables

Payables are stated at cost. The classification of payables as trade payables and other payables is according to the following principles:

- **Trade payables:** Including commercial payables arisen from purchases of goods, services or assets.

- **Other payables:** Including payables of non-commercial nature, unrelated to transactions of purchase, sale, provision of goods and services (such as: Interest payable, dividends and profit payable, payment of social insurance and health insurance premiums, unemployment insurance, union funds, etc.).

Payables monitoring

Payables shall be specially recorded to original terms and remaining repayment terms as at the reporting date, original currencies and each object. At financial statements' 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.

Liabilities are recognized no less than the amount payable.

8. Recognition of borrowings and finance lease liabilities

Borrowings and finance lease liabilities shall be specially recorded to each object, terms, original currencies. As at the financial statement's preparation date, borrowings and finance lease liabilities that have remaining repayment terms of less than 12 months or a business cycle are classified as short-term borrowings and finance lease liabilities, ones that have remaining repayment terms of over 12 months or a business cycle are classified as long-term borrowings and finance lease liabilities.

9. Recognition and capitalization borrowing costs

Recognition of borrowing costs

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

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

Capitalized borrowing costs

Borrowing costs directly related to the construction or production of work-in-progress assets shall be accounted into the value of such assets (capitalized) after deducted gains from temporary investment activities of such borrowings. These borrowing costs are capitalized as part of the cost of assets when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably.

Capitalization of borrowing costs should be ceased when the necessarily activities to bring the qualifying asset to its intended use or sale are complete. Borrowing costs then incurred are recognized as financial expenses.

During the year, the Company did not incur capitalized borrowing costs.

10. Recognition of accrued expenses

Accrued expenses include amounts payable for goods and services received from suppliers during the year but not yet paid due to the absence of invoices or incomplete accounting documents. These expenses are recognized in the reporting period based on the terms specified in the respective contracts. As at year-end, accrued expenses include the payable for construction audit fees.

Basis of determining accrued expenses

Accrual of construction audit fee: based on the contract signed by both parties.

11. Recognition principles and methods for provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The recognition of provisions complies with the requirements of Vietnamese Accounting Standard (VAS) No. 18 – "Provisions, Contingent Assets and Contingent Liabilities". As at the end of the financial year, the Company recognized a provision for accrued salaries in respect of obligations incurred but not yet paid to employees.

Provision recognition method

Provisions are additionally recognized (or reversed) based on the difference between the required provision amount for the current year and the unused provision amount previously recognized in the accounting records.

12. Recognition of owners' equity

a) Recognition of owner's equity and share premium

Share capital is recognized according to the actual amount of capital contributed by shareholders. The contributed capital of the shareholders is recorded at the actual price of the issued shares, but is represented in detail of two criteria: the owner's contributed capital and the share premium.

Common shares are stated at par value. The excess of proceeds contributed over the par value of shares issued is recorded as share premium. Incremental costs directly attributable to the issue of ordinary shares, excluding tax effects, are recognized as a deduction from share premium.

b) Recognition of development and investment funds and other funds under owners' equity

According to the provisions of the Company's Charter, the allocation and use of the Investment and Development Fund and other funds under owners' equity shall be as follows:

- Purpose of use: Investment to expand production scale, business or intensive investment of the Company.
- Authority to make decisions on allocation and use of funds: General meeting of shareholders.

c) Recognition of retained earnings

Retained earnings reflects operation results (profit, loss) after Corporate Income Tax and profit distribution or loss settlement of the Company. Retained earnings are monitored in detail according to the operation results of each fiscal year (previous year, this year), and monitored by each content of profit distribution (appropriation of funds, supplementing the owner's investment capital).

13. Recognition of revenue

Revenue from sale of goods and finished products

Revenue from the sale of sugar, molasses, fertilizer, etc. is recognized when the transaction results are determined reliably 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 and loans, interest on late payment of goods, interest on bond investments, dividends received, interest from loans for investment in raw material areas, and other financial income.

Interest on deposits, loans, late payment interest, bond interest, and loans interest for investment in raw material areas: Recorded on the basis of time and actual interest rate of each period, unless the ability to collect interest is uncertain.

Dividends and profits received: are recognized when the Company has the right to receive dividends or profit distributions from its equity investments. Dividends received in the form of shares are not recognized as income but are tracked as an increase in the number of shares held.

14. Recognition of cost of sales

Cost of goods sold is recognized on the principle of matching with revenue.

In order to ensure the principle of prudence, expenses that exceed the normal level of inventories are immediately recognized in expenses during the period (after deducting compensation, if any), including: cost of direct materials consumed in excess of normal, labor costs, overhead costs not allocated to the value of products in stock, inventory loss, etc.

Deductions from cost of goods sold include the reversal of provision for inventory devaluation at the end of the financial year (the difference when the required provision for the current year is lower than the provision made in the previous year).

SON LA SUGAR JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the fiscal year ended June 30, 2025

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15. Recognition of financial expenses

Financial expenses include: borrowings interest expenses. Borrowings interest expenses (including accruals) of the reporting period are fully recorded in the year.

16. Selling and General & administrative expenses

Selling expenses: are actual expenses incurred in the process of selling products, goods, and providing services, including costs of offering, introducing products, advertising products, costs of preservation, packaging and transportation.

The Company did not incur deductions in selling expenses.

General & administrative expenses: General & administrative expenses include expenses for salaries of employees of the business management department (salaries, wages, allowances, etc.); social insurance, health insurance, trade union funding, unemployment insurance of enterprise management staff; cost of office materials, labor tools, depreciation of fixed assets used for enterprise management; land rent, license tax; provision for bad debts; outsourced services (electricity, water, telephone, fax, etc); other monetary expenses.

Deductions from general and administrative expenses include: Reversal of provision for doubtful debt.

17. Related parties

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties can be companies or individuals, including close members of the family of the individual considered to be related.

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

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

18. 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 FOR ITEMS IN THE BALANCE SHEET

1. Cash and cash equivalents

	Closing balance	Opening balance
Cash on hand	169,424,591	267,101,050
Cash at bank	3,038,648,021	18,265,154,381
Total	3,208,072,612	18,532,255,431

2. Financial investments

2.1 Held-to-maturity investments

	Closing balance			Opening balance		
	Cost	Provision	Fair Value	Cost	Provision	Fair Value
Long term						
Bonds of Vietnam Joint Stock Commercial Bank for Industry and Trade (20,000 bonds)	2,000,000,000	-	2,000,000,000	2,000,000,000	-	2,000,000,000
Total	2,000,000,000	-	2,000,000,000	2,000,000,000	-	2,000,000,000

SON LA SUGAR JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the fiscal year ended June 30, 2025

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2.2 Investment in associate

	Closing balance			Opening balance		
	Cost	Provision	Fair Value	Cost	Provision	Fair Value
To Hieu - Son La Agriculture Co., Ltd	9,600,000,000	-	9,600,000,000	9,600,000,000	-	9,600,000,000
Total	9,600,000,000	-	9,600,000,000	9,600,000,000	-	9,600,000,000

Details of the share capital and voting rights of each Company are as follows:

	Closing balance			Opening balance		
	Owners' capital contribution	Shareholding proportion	Proportion of voting right	Owners' capital contribution	Shareholding proportion	Proportion of voting right
To Hieu - Son La Agriculture Co., Ltd	31,875,600,000	30%	30%	31,875,600,000	30%	30%

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

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

3. Current trade receivables

	Closing balance	Opening balance
Trade receivables from third parties	207,081,171,957	222,780,093,000
Phu An Sai Gon One Member Company Limited	18,583,630,137	60,200,000,000
An Ha Company Limited	96,994,655,793	59,800,000,000
Le Nam Ha Tien Company Limited	90,000,726,027	101,200,000,000
Others	1,502,160,000	1,580,093,000
Trade receivables from related parties	701,533,898,223	316,832,000,000
(Details of trade receivables from related parties are disclosed in Note VIII.2)		
Total	908,615,070,180	539,612,093,000

4. Short-term advance to suppliers

	Closing balance	Opening balance
Advance to suppliers are third parties	22,509,848,458	15,519,434,667
Vu Le Technology Company Limited	3,214,322,886	2,655,371,195
Vinh Tri Company Limited	6,963,752,001	6,963,752,001
Minh Danh Company Limited	3,366,507,694	653,246,752
Nguyen Nghia Company Limited	2,222,222,222	-
Others	6,743,043,655	5,247,064,719
Advance to suppliers are related parties	-	-
Total	22,509,848,458	15,519,434,667

5. Receivables from short-term loans

	Closing balance			Opening balance		
	Cost	Provision	Recoverable amount	Cost	Provision	Recoverable amount
Bac Kan Cement Joint Stock Company	3,000,000,000	3,000,000,000	-	3,000,000,000	3,000,000,000	-
Truong Thinh Plastics Joint Stock Company	5,000,000,000	5,000,000,000	-	5,000,000,000	5,000,000,000	-
Road and Bridge Construction Joint Stock Company 19	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	-

SON LA SUGAR JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the fiscal year ended June 30, 2025

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6. Other current receivables

	Closing balance		Opening balance	
	Value	Provision	Value	Provision
Other receivables from third parties	102,406,453,015	218,641,204	124,318,876,233	162,990,516
Receivables from investment in raw material areas	99,340,885,825	218,641,204	121,176,392,378	162,990,516
Advances	3,060,933,347	-	2,721,527,591	-
Short term deposits, collaterals	-	-	407,160,000	-
Other receivables	4,633,844	-	13,796,265	-
Other receivables from related parties	500,000,000	-	600,000,000	-
(Details of other receivables from related parties are disclosed in Note VIII.2)				
Total	102,906,453,015	218,641,204	124,918,876,233	162,990,516

7. Bad debts

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

	Closing balance			Opening balance		
	Cost	Provision	Recoverable amount	Cost	Provision	Recoverable amount
Bac Kan Cement Joint Stock Company	3,000,000,000	3,000,000,000	-	3,000,000,000	3,000,000,000	-
Road and Bridge Construction Joint Stock Company 19	1,400,000,000	1,400,000,000	-	1,400,000,000	1,400,000,000	-
Truong Thinh Plastics Joint Stock Company	5,000,000,000	5,000,000,000	-	5,000,000,000	5,000,000,000	-
Binh Anh Trading Company Limited	1,792,550,000	1,792,550,000	-	1,792,550,000	1,792,550,000	-
Others	365,527,160	340,801,204	24,725,956	363,083,517	363,083,517	-
Total	11,558,077,160	11,533,351,204	24,725,956	11,555,633,517	11,555,633,517	-

Company's assessment of the ability to recover overdue debts

The Company has assessed and made a provision for overdue debts and irrecoverable debts with appropriate caution.
The Company will continue to implement measures to ensure that overdue debt is recovered.

Details of increase and decrease in provision for bad debts

	Current year	Previous year
Opening balance	11,555,633,517	11,554,206,984
Additional provision in the year	55,650,687	26,917,972
Provision reversal during the year	(77,933,000)	(25,491,439)
Writing off debt with provisions during the year	-	-
Closing balance	11,533,351,204	11,555,633,517

8. Inventories

	Closing balance		Opening balance	
	Value	Provision	Value	Provision
Raw materials	127,139,759,795	(24,492,392,400)	130,546,047,896	(3,148,876,501)
Tools, supplies	73,199,579	-	33,783,492	-
Finished goods	409,381,607,533	(1,383,000,000)	292,284,401,670	-
Goods	786,614,129	-	10,865,238,959	-
Total	537,381,181,036	(25,875,392,400)	433,729,472,017	(3,148,876,501)

SON LA SUGAR JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS (continued)
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Book value of inventories used as mortgages, pledge and guarantee for payable debts:

	VND
Raw materials	127,139,759,795
Tools, supplies	73,199,579
Finished goods	409,381,607,533
Goods	786,614,129
Total	537,381,181,036

The value of the above inventory is used as mortgage, pledge for the loan at Vietnam Joint Stock Commercial Bank for Industry and Trade - Son La branch. (Details to Note V.18).

Details of the increase, decrease in provision for devaluation of inventories:

	Current year	Previous year
Provision for devaluation of inventories at the beginning of year	3,148,876,501	4,408,255,551
Add: Provision is made for the year	24,180,714,851	-
Less: Use and reversal of provision during the year	(1,454,198,952)	(1,259,379,050)
Provision for devaluation of inventories at the end of year	25,875,392,400	3,148,876,501

9. Construction in progress

	Closing balance	Opening balance
Investment project to upgrade equipment and produce refined sugar in 2015	3,578,711,650	3,578,711,650
Steel structure construction project for bagasse storage facility	3,080,652,853	-
Others projects	2,480,794,677	3,895,137,657
Total	9,140,159,180	7,473,849,307

10. Increase and decrease of intangible fixed assets

	Land use right	Computer software	Total
HISTORIAL COST			
Opening balance	1,080,949,765	938,041,895	2,018,991,660
Purchase during the year	-	-	-
Disposal, sale	-	-	-
Closing balance	1,080,949,765	938,041,895	2,018,991,660
ACCUMULATED AMORTIZATION			
Opening balance	-	831,210,480	831,210,480
Amortization during the year	-	14,244,192	14,244,192
Closing balance	-	845,454,672	845,454,672
CARRYING VALUE			
Opening balance	1,080,949,765	106,831,415	1,187,781,180
Closing balance	1,080,949,765	92,587,223	1,173,536,988

In which:

The cost of intangible fixed assets as at June 30, 2025, fully depreciated but still in use, is VND 795,600,000 (as at June 30, 2024, it is VND 795,600,000).

The carrying value of intangible fixed assets as at June 30, 2025, used as collateral for loan is VND 92,587,223 (as at June 30, 2024 is VND 106,831,415).

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11. Increase or decrease in tangible fixed assets

	Buildings and structures	Machinery and equipment	Means of transportation and transmission	Office equipment	Other tangible fixed assets	Total
HISTORICAL COST						
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 during the year	7,500,050,405	10,810,465,725	5,069,625,925	-	-	23,380,142,055
Completed capital construction investment	4,345,410,451	-	-	-	-	4,345,410,451
Disposal	(1,564,566,535)	(9,672,015,328)	(219,300,000)	-	-	(11,455,881,863)
Closing balance	197,106,460,293	815,610,662,160	14,096,823,047	3,235,777,305	452,727,273	1,030,502,450,078
ACCUMULATED DEPRECIATION						
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 year	6,281,934,058	49,490,234,473	847,805,942	208,862,364	-	56,828,836,836
Wear and tear during the year	67,252,380	-	-	-	-	67,252,380
Disposal	(1,564,566,535)	(5,368,327,227)	(219,300,000)	-	-	(7,152,193,762)
Closing balance	94,705,751,170	413,457,393,437	5,262,174,112	1,691,443,583	452,727,273	515,569,489,574
CARRYING 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	102,400,709,123	402,153,268,723	8,834,648,936	1,544,333,722	-	514,932,960,504

In which:

The historical cost of tangible fixed assets as at June 30, 2025, fully depreciated but still in use, is VND 136,778,152,745 (as at June 30, 2024 is VND 103,188,237,064).

The carrying value of tangible fixed assets as at June 30, 2025 used as mortgage, pledge, or loan guarantee is VND 453,872,699,449 (as at June 30, 2024 is VND 387,859,903,274).

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SON LA SUGAR JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the fiscal year ended June 30, 2025

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12. Current trade payables

	Closing balance		Opening balance	
	Value	Able-to-pay amount	Value	Able-to-pay amount
Trade payables to third parties	41,354,431,137	41,354,431,137	37,923,830,873	37,923,830,873
Anh Duong Consulting, and equipment technology Joint Stock Company	1,135,500,000	1,135,500,000	1,135,500,000	1,135,500,000
Song Gianh Joint Stock Corporation	6,071,994,500	6,071,994,500	548,586,500	548,586,500
Hiep Thanh Industry Joint Stock Company	4,551,150,035	4,551,150,035	4,551,150,035	4,551,150,035
Surgarcane transport individuals	24,220,158,640	24,220,158,640	23,224,150,392	23,224,150,392
Remaining suppliers	5,375,627,962	5,375,627,962	8,464,443,946	8,464,443,946
Trade payables to related parties	4,200,287,754	4,200,287,754	5,204,750,180	5,204,750,180
(Details of payables to related parties are disclosed in Note VIII.2)				
Total	45,554,718,891	45,554,718,891	43,128,581,053	43,128,581,053

13. Current advance from customers

	Closing balance	Opening balance
Current advance from third parties	1,014,496,300	461,666,050
Moc Chau Dairy Cattle Breeding Joint Stock Company	794,428,000	162,260,000
Son La Bio-Energy Joint Stock Company	-	61,254,000
Mr. Pham Huu Quang	140,021,500	140,021,500
Others	80,046,800	98,130,550
Current advance from related parties	-	-
Total	1,014,496,300	461,666,050

14. Statutory obligations

	Opening balance	Payable in the year	Paid amount in the year	Closing balance
Value Added Tax on domestic sales	16,431,762,229	45,351,780,118	44,068,261,289	17,715,281,058
Value added tax on imported goods	-	1,384,295,830	1,384,295,830	-
Import and export tax	-	87,653,058	87,653,058	-
Corporate income tax	5,906,554,483	6,943,899,540	5,906,554,483	6,943,899,540
Personal income tax	45,885,790	9,032,198,134	9,041,188,343	36,895,581
Natural resource consumption tax	-	46,648,400	46,648,400	-
Land rent, land tax	-	261,360,540	261,360,540	-
Other tax	-	3,000,000	3,000,000	-
Fees, charges, and other payables	-	941,053,680	941,053,680	-
Total	22,384,202,502	64,051,889,300	61,740,015,623	24,696,076,179

15. Current accrued expenses

	Closing balance	Opening balance
Accrual for sugarcane procurement management costs	-	1,007,544,371
Other accrued expenses	19,444,414	28,381,914
Total	19,444,414	1,035,926,285

16. Other current payables

	Closing balance
Trade Union fee	359,207,206
Short-term deposits received	717,918,210
Others	700,849,722
Total	1,777,975,138

17. Provision for short-term payables

	Closing balance
Salary provision	5,700,000,000
Total	5,700,000,000

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	Opening balance
	293,156,515
	97,918,210
	524,589,871
Total	915,664,596

	Opening balance
	4,000,000,000
Total	4,000,000,000

SON LA SUGAR JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the fiscal year ended June 30, 2025

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18. Loans and finance lease liabilities

	Opening balance		During the year		Closing balance	
	Value	Able-to-pay amount	Increase	Decrease	Value	Able-to-pay amount
Short-term loans						
Vietnam Joint Stock Commercial Bank for Industry and Trade - Son La branch	57,209,043,280	57,209,043,280	354,075,417,277	136,400,873,376	274,883,587,181	274,883,587,181
(i)	57,209,043,280	57,209,043,280	301,828,031,556	133,400,873,376	225,636,201,460	225,636,201,460
Joint Stock Commercial Bank for Investment and Development of Vietnam (ii)	-	-	52,247,385,721	3,000,000,000	49,247,385,721	49,247,385,721
Current portion of long-term loans	4,500,000,000	4,500,000,000	-	4,500,000,000	-	-
Vietnam Joint Stock Commercial Bank for Industry and Trade - Son La branch	4,500,000,000	4,500,000,000	-	4,500,000,000	-	-
Total	61,709,043,280	61,709,043,280	354,075,417,277	140,900,873,376	274,883,587,181	274,883,587,181

(i) Short-term borrowings from Vietnam Joint Stock Commercial Bank for Industry and Trade – Son La Branch, under Credit Limit Loan Agreement No. 20.02/2024-HĐCVHM/NHCT190-SLS dated February 27, 2024, together with the addendum dated January 24, 2024 regarding the extension of credit limit duration, and Credit Limit Loan Agreement No. 06.03/2025-HĐCVHM/NHCT190-SLS dated March 18, 2025. The borrowings are intended to supplement working capital for production and business activities in accordance with the Company’s registered business lines (excluding petroleum trading activities). The credit limit is VND 400 billion from September to the end of October each year and VND 500 billion from November to the end of August of the following year. The credit limit is maintained until March 31, 2025 and February 28, 2026, respectively. The loan term is determined according to each debt acknowledgment note but shall not exceed 6 months for activities related to sugarcane production and its by-products, and shall not exceed 12 months for capital investment in raw material areas. Interest rates are subject to adjustment and are specified in each debt acknowledgment note. As at June 30, 2025, the outstanding loan balances were VND 129,727,499,743 and VND 95,908,701,717, respectively.

These borrowings are secured by the following collateral agreements:

- Movable Asset Mortgage Agreement No. 05.38/2024/HĐBĐ/NHCT190 dated February 23, 2024;
- Asset Mortgage Agreement No. 06.38/2024/HĐBĐ/NHCT190 dated February 23, 2024;
- Inventory Mortgage Agreement No. 07.38/2024/HĐBĐ/NHCT190 dated February 23, 2024;
- Receivables Mortgage Agreement No. 08.38/2024/HĐBĐ/NHCT190 dated February 23, 2024.

(ii) Short-term borrowings from the Joint Stock Commercial Bank for Investment and Development of Vietnam – Son La Branch, under Credit Facility Agreement No. 01/2025/951311/HĐTD dated April 24, 2025. The maximum credit limit is VND 250 billion, of which up to VND 200 billion is available from December 2024 to the end of May 2025, and up to VND 150 billion from June 2025 to the end of November 2025. The purpose of the borrowings is to supplement working capital for business and production activities. The credit facility is valid from the contract signing date until November 30, 2025. The loan terms and interest rates are specified in individual credit contracts. This borrowings is secured by the following collateral agreements: Master Receivables Mortgage Agreement No. 01/2025/951311/HĐBĐ dated April 24, 2025; Asset Mortgage Agreement No. 02/2025/951311/HĐBĐ dated April 24, 2025; and Asset Mortgage Agreement No. 03/2025/951311/HĐBĐ dated April 24, 2025.

19. Owners' equity
19.1 Changes in owners' equity

	Share capital	Share premium	Development investment fund	Other funds under owners' equity	Retained earnings	Total
Opening balance of 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
Profit in the previous year	-	-	-	-	526,358,983,476	526,358,983,476
Dividends paid to shareholders	-	-	-	-	(146,879,175,000)	(146,879,175,000)
Appropriation of funds	-	-	-	2,000,000,000	(6,000,000,000)	(4,000,000,000)
Use of funds	-	-	-	(1,373,770,000)	-	(1,373,770,000)
Closing balance of previous year/Opening balance of current 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
Profit in current year	-	-	-	-	374,209,065,919	374,209,065,919
Dividends paid to shareholders	-	-	-	-	(195,838,900,000)	(195,838,900,000)
Appropriation of funds	-	-	50,000,000,000	-	(54,500,000,000)	(4,500,000,000)
Use of funds	-	-	-	(1,123,740,000)	-	(1,123,740,000)
Other increase	-	-	-	-	11,058,000	11,058,000
Closing balance of current year	97,919,450,000	3,998,638,028	95,607,779,802	7,677,296,000	1,522,308,592,231	1,727,511,756,061

During the year, the Company distributed funds and paid dividends to shareholders according to the Resolution of the 2024 Annual General Meeting of Shareholders No. 01/NQ-ĐHĐCĐTN2024 dated September 05, 2024. Accordingly, the Company divided cash dividends at the rate of 200% of charter capital.

Other funds under owners' equity are used during the year to serve investment and development of raw material areas.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
For the fiscal year ended June 30, 2025

19.2 Details of owners' equity

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

Capital transactions with owners and dividend, profit distribution

	Current year	Previous year
Contributed capital		
+ At the beginning of the year	97,919,450,000	97,919,450,000
+ Increase during the year	-	-
+ Decrease during the year	-	-
+ At the end of year	97,919,450,000	97,919,450,000
Dividends and profits distributed	195,838,900,000	146,879,175,000

	Closing balance	Opening balance
Shares		
Authorized shares	9,791,945	9,791,945
Issued shares	9,791,945	9,791,945
- Common shares	9,791,945	9,791,945
Repurchased shares	-	-
Shares in circulation	9,791,945	9,791,945
- Common shares	9,791,945	9,791,945

Par value of outstanding shares: 10,000 VND

20. Off-balance sheet items

a) Assets held on behalf of third parties

Goods sold but not yet dispatched	Unit	Quantity	Quality
Premium refined white sugar Grade I (NU-50), 2024-2025 production season	Kg	1,125,000	Good
Premium refined white sugar Grade I (NU-70), 2024-2025 production season	Kg	1,380,350	Good
Premium refined white sugar Grade I (NU-A1), 2024-2025 production season	Kg	541,000	Good
Molasses, 2024-2025 production season	Kg	2,501,980	Good
Total		5,548,330	

b) Bad debts written off

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

Content	Debt amount (VND)	Year of debt written off	Reason for debt written off
Receivables from investments in raw material areas existed from 2007 to 2013	359,716,531	2018	Irrecoverable debts
Receivables from investments in raw material areas existed from 2014 to 2020	147,605,180	2023	Irrecoverable debts

VI. ADDITIONAL INFORMATION FOR ITEMS IN THE INCOME STATEMENT

1. Revenue from sales of goods and rendering of services

	Current year	Previous year
Revenue from sugar, molasses, and mud residue	1,071,946,901,607	1,322,199,822,932
Revenue from microbiological products and fermented sludge-based fertilizers	4,577,400,000	8,073,210,000
Revenue from fertilizers, pesticides, and sugarcane seeds	83,851,523,159	80,974,718,393
Other revenue	507,376,470	446,556,644
Total	1,160,883,201,236	1,411,694,307,969

In which:

	Current year	Previous year
Revenue from third parties	306,596,143,147	508,332,962,448
Revenue from related parties	854,287,058,089	903,361,345,521
Total	1,160,883,201,236	1,411,694,307,969

2. Cost of sales

	Current year	Previous year
Cost of sugar, molasses, and mud residue	671,418,881,070	798,597,665,534
Cost of microbiological products and fermented sludge-based fertilizers	4,038,153,197	6,509,437,401
Cost of fertilizers, pesticides, and sugarcane seeds	80,777,291,684	79,627,170,595
Cost of other activities	305,930,786	157,429,064
Provision for / Reversal of provision for inventory	23,603,835,728	(1,259,379,050)
Total	780,144,092,465	883,632,323,544

3. Financial income

	Current year	Previous year
Interest on deposits and loans	1,121,426,781	7,072,550,141
Interest on bond investments	133,000,000	132,000,000
Dividend, profit received	335,298,004	364,304,498
Interest on loan from investment for raw material areas	2,965,969,248	9,572,530,170
Interest on deferred payment sales	33,349,724,994	14,338,479,947
Other financial income	130,550,000	272,052,000
Total	38,035,969,027	31,751,916,756

4. Financial expenses

	Current year	Previous year
Interest expenses	3,793,542,996	2,747,846,792
Other financial expenses	-	26,208,000
Total	3,793,542,996	2,774,054,792

5. Selling expenses

	Current year	Previous year
Labour cost	-	9,480,040
Materials and packaging expenses	195,109,322	-
Depreciation and amortisation of fixed assets	113,517,360	113,517,360
Outsourced services expenses	2,591,416,596	2,596,004,620
Other monetary expenses	84,080,959	120,037,876
Total	2,984,124,237	2,839,039,896

6. General and administrative expenses

	Current year	Previous year
Labour costs	13,401,831,736	5,098,927,622
Materials expenses	699,301,112	133,649,786
Office supplies	294,125,472	637,870,252
Depreciation and amortisation of fixed assets	909,886,860	393,141,501
Taxes, charges and fees	596,792,751	979,374,552
Provision expenses	1,677,717,687	4,001,426,533
Outsourced services expenses	8,844,700,044	5,102,728,293
Other monetary expenses	5,054,059,259	5,500,833,969
Total	31,478,414,920	21,847,952,508

7. Other income

	Current year	Previous year
Income from liquidation of fixed assets and materials	685,281,899	-
Leasing of kiosks and associated utility charges (electricity and water)	68,988,943	11,111,111
Others	45,858,545	9,260,259
Total	800,129,387	20,371,370

8. Other expenses

	Current year	Previous year
Penalties	125,387,043	107,687,396
Others	40,772,530	-
Total	166,159,573	107,687,396

9. Cost by nature

	Current year	Previous year
Raw material costs	656,511,095,440	671,951,951,251
Labor costs	50,739,465,113	40,943,993,117
Tools and supplies expenses	122,759,865	166,223,719
Depreciation and amortisation of fixed assets	56,843,081,028	55,712,749,435
Provision expenses	25,281,553,415	2,742,047,483
Outsourced services expenses	53,438,771,290	51,333,501,073
Other monetary expenses	7,683,888,865	7,757,675,970
Total	850,620,615,015	830,608,142,047

10. Current Corporate Income Tax Expense

	Current year	Previous year
Current corporate income tax expense is calculated based on taxable income of the current year	6,943,899,540	5,906,554,483
Total	6,943,899,540	5,906,554,483

Current corporate income tax payables are determined based on the taxable income for the current year. The Company's taxable income is different from the accounting profit reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years, and it also excludes items that are non-taxable or non-deductible for tax purposes. The current corporate income tax payable of the Company is calculated based on the tax rates that have been enacted as of the end of the financial year.

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Details of current corporate income tax expenses incurred by the Company during the year are as follows:

	Current year	Previous year
Net profit before tax	381,152,965,459	532,265,537,959
Activities exempt from Corporate Income Tax	346,823,778,115	503,077,000,644
Activities not exempt from Corporate Income Tax	34,329,187,344	29,188,537,315
Adjustments to increase/(decrease) accounting profit	3,582,495,011	3,837,723,891
Adjustments of increase	3,582,495,011	3,837,723,891
Non-deductible expenses	3,582,495,011	3,837,723,891
Activities exempt from Corporate Income Tax	3,192,184,655	3,493,488,792
Activities not exempt from Corporate Income Tax	390,310,356	344,235,099
Adjustments of decrease	-	-
Income from non-taxable activities	-	-
Adjusted profit before tax excluding losses of the previous year	384,735,460,470	536,103,261,850
Previous year's loss carried forward	-	-
Income from activities exempt from corporate income tax	350,015,962,770	506,570,489,436
Taxable income from other activities	34,719,497,700	29,532,772,414
Tax rate	20%	20%
Estimated current corporate income tax payable	6,943,899,540	5,906,554,483

11. Basic earnings per share

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

The company uses the following information to calculate basic earnings per share:

	Current year	Previous year
Accounting profit after corporate income tax	374,209,065,919	526,358,983,476
Adjustments to increase or decrease accounting profits to determine allocated profits to common shareholders:	-	-
Profits distributed to common shareholders of the Company	374,209,065,919	526,358,983,476
Bonus and welfare fund in the year (*)	4,500,000,000	4,500,000,000
Average outstanding common shares during the year (**)	9,791,945	9,791,945
Basic earnings per share	37,756	53,295

(*) According to Resolution of the 2024 Annual General Meeting of Shareholders No. 01/NQ-ĐHĐCĐTN2024 dated September 05, 2024, the Company appropriated VND 4,500,000,000 from the profit of the fiscal year 2023–2024 to the bonus and welfare fund, and the bonus funds for the Board of Directors, the Board of Supervisors, and the Board of Management.

In the fiscal year 2024–2025, the Company provisionally estimates the appropriation to the bonus and welfare fund from the profit of the fiscal year 2024–2025 to be the same amount as the appropriation made in the previous year.

(**) Average outstanding common shares during the year are determined as follows:

	Current year	Previous year
Average outstanding common shares at the beginning of the year	9,791,945	9,791,945
Average number of additional shares issued during the year	-	-
Less: average number of treasury shares repurchased during the year	-	-
Average common shares circulation in the year	9,791,945	9,791,945

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VII. ADDITIONAL INFORMATION FOR ITEMS IN THE CASH FLOW STATEMENT

1. Non cash transactions

	Current year	Previous year
Bank borrowings paid directly to suppliers, borrowings to pay employee salaries	195,330,417,277	82,529,043,280
Total	195,330,417,277	82,529,043,280

VIII OTHER INFORMATION

1. Subsequent events after balance sheet date

The Board of Management of the Company affirms that, in all material respects, there are no subsequent events after the balance sheet date that affect the financial position and operations of the Company that require adjustments or disclosures in the financial statements for the fiscal year ended June 30, 2025.

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 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

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

Transactions with members of the Board of Directors, Board of Supervisors, Board of Management, Chief Accountant of the Company arising during the year, details are as follows:

	Current year	Previous year
Income of key management members		
Mr. Dang Viet Anh	930,300,000	760,500,000
Mr. Tran Ngoc Hieu	1,786,928,000	1,791,060,000
Ms. Tran Thi Bich Nhi	337,900,000	310,500,000
Mr. Thai Van Hung	1,113,000,000	1,138,500,000
Mr. Nguyen Truong Chinh	327,900,000	300,500,000
Ms. Nguyen Thi Thuy	272,900,000	280,500,000
Mr. Nguyen Van Tai	475,940,000	529,140,000
Mr. Nguyen Van Dai	338,940,000	372,323,333
Ms. Nguyen Thi Khuong	392,440,000	428,440,000
Advances received from the Company		
Mr. Tran Ngoc Hieu	-	300,000,000
Mr. Dang Viet Anh	-	300,000,000
Advances repayment		
Mr. Tran Ngoc Hieu	100,000,000	-
Dividends received from the Company		
Mr. Dang Viet Anh	19,277,560,000	14,458,170,000
Mr. Tran Ngoc Hieu	2,634,620,000	1,975,965,000
Ms. Nguyen Thi Khuong	18,480,000	13,860,000

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At the end of the fiscal year, the receivable and payable balances with key management members are as follows:

Other current receivables (Detailed note for item V.6)

Advances

	Closing balance	Opening balance
Mr. Tran Ngoc Hieu	200,000,000	300,000,000
Mr. Dang Viet Anh	300,000,000	300,000,000
Total	500,000,000	500,000,000

2.2 Other related parties

The list of other related parties to the Company includes:

Related parties	Relationship
Kim Ha Viet Company Limited	The company has the same key management members
Kon Tum Sugar Joint Stock Company	The company has the same key management members
Tuy Hoa Sugar Cane and Sugar Joint Stock Company	The company has the same key management members
Viet Kingdom Investment Corporation	Ms. Ta Ngoc Huong, wife of Mr. Tran Ngoc Hieu, is the Director of Viet Kingdom Investment Corporation
Nam Phuong Ha Tien Company Limited Member	Ms. Dang Thi Thu Hang - Owner of Nam Phuong Ha Tien Company Limited Member is the sister of Mr. Dang Viet Anh - Chairman of the Board of Directors of Son La Sugar Joint Stock Company.
Thai Lien Company Limited	Shareholder
To Hieu - Son La Agriculture Company Limited	Joint venture and associate
Tra Vinh Sugar Joint Stock Company	The company has the same key management members
Grain Import Export Joint Stock Company	The company has the same key management members
Can Tho Mechanical Electrical Machinery Joint Stock Company	Ms. Dang Thi Thu Hang - Owner of CanTho Mechanical Electrical Machinery Joint Stock Company is the sister of Mr. Dang Viet Anh - Chairman of the Board of Directors of Son La Sugar Joint Stock Company
Thien Thien Phuc Trading Company Limited	Ms. Dang Thi Thu Hang - Shareholder of Thien Thien Phuc Trading Company Limited is the sister of Mr. Dang Viet Anh - Chairman of the Board of Directors of Son La Sugar Joint Stock Company
Thai Minh Anh Vietnam Company Limited	Ms. Le Thi Sang - Shareholder of Thai Minh Anh Vietnam Company Limited 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 during the year are as follows:

	Current year	Previous year
Kim Ha Viet Company Limited		
Sale of goods	200,858,438,094	120,157,857,143
Interest on late payment of goods	5,442,479,646	982,549,318
Purchases of supplies	22,988,459,720	20,014,613,542
Kon Tum Sugar Joint Stock Company		
Interest on late payment of goods	-	490,684,931
Purchases of supplies	-	195,726,947
Tuy Hoa Sugar Cane and Sugar Joint Stock Company		
Interest on deferred purchase payments	-	306,724,316

SON LA SUGAR JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS (continued)
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	Current year	Previous year
Thai Lien Company Limited		
Sale of goods	81,523,809,525	128,619,047,620
Interest on late payment of goods	1,834,538,111	486,807,917
Dividends paid	29,376,000,000	22,032,000,000
Viet Kingdom Investment Corporation		
Sale of goods	116,760,266,666	87,453,945,140
Interest on late payment of goods	4,235,730,393	871,019,965
Nam Phuong Ha Tien Company Limited Member		
Sale of goods	49,714,285,713	75,571,428,572
Interest on late payment of goods	1,743,801,367	1,404,096,919
To Hieu - Son La Agriculture Company Limited		
Sale of goods	1,096,924,761	113,352,761
Purchase of raw sugar cane	7,379,331,471	7,519,849,560
Repayment of sugarcane purchase advances	96,837,755	-
Distributed dividends	335,298,004	364,304,498
Interest on sugarcane investment loans	14,217,428	-
Collection of sugarcane investment loans	380,689,277	-
Tra Vinh Sugar Joint Stock Company		
Sale of goods	137,904,761,903	88,619,047,619
Interest on late payment of goods	154,421,919	642,593,560
Grain Import Export Joint Stock Company		
Sale of goods	216,952,380,951	272,350,476,190
Interest on late payment of goods	7,023,228,766	2,309,415,563
CanTho Mechanical Electrical Machinery JSC		
Interest on late payment of goods	-	836,032,876
Thien Thien Phuc Trading Company Limited		
Sale of goods	49,476,190,476	130,476,190,476
Interest on late payment of goods	3,706,856,852	1,502,614,659
Thai Minh Anh Vietnam Company Limited		
Purchases of supplies, services	3,502,172,621	(*)

(*) From July 01, 2023 to June 30, 2024, Thai Minh Anh Vietnam Co., Ltd. was not a related party.

At the end of the fiscal year, the balance of receivables and payables with other related parties are as follows:

Trade receivables(Detailed note for item V.3)	Closing balance	Opening balance
Kim Ha Viet Company Limited	194,498,928,321	59,800,000,000
Viet Kingdom Investment Corporation	105,016,787,024	63,150,000,000
Nam Phuong Ha Tien Company Limited Member	46,408,849,315	55,850,000,000
Thai Lien Company Limited	11,779,013,699	7,782,000,000
Tra Vinh Sugar Joint Stock Company	84,854,421,919	-
Grain Import Export Joint Stock Company	167,088,986,301	70,150,000,000
Thien Thien Phuc Trading Company Limited	91,886,911,644	60,100,000,000
Total	701,533,898,223	316,832,000,000

Trade payables (Detailed note for item V.12)

	Closing balance	Opening balance
To Hieu - Son La Agriculture Company Limited	155,815,748	-
Kim Ha Viet Company Limited	3,993,682,366	5,204,750,180
Thai Minh Anh Vietnam Company Limited	50,789,640	(*)
Total	4,200,287,754	5,204,750,180

(*) As at June 30, 2024, Thai Minh Anh Vietnam Co., Ltd. was not a related party.

Pricing policy for transactions between the Company and other related parties

Goods and services from related parties are purchased at agreed prices.
Receivables are unsecured and will be paid in cash. No allowance for doubtful debts has been made for receivables from related parties.

3. Comparative figures

Comparative information presented is based on figures from the Financial Statements for the fiscal year ended June 30, 2024, which have been audited by BDO Audit Services Company Limited.

Son La, August 25, 2025

Preparer

Chief Accountant

General Director


Duong Hai Linh


Nguyen Thi Khuong


Tran Ngoc Hieu



SON LA SUGAR JOINT STOCK COMPANY

Son La, September 22, 2025

CONFIRMATION OF THE LEGAL REPRESENTATIVE OF THE COMPANY
GENERAL DIRECTOR



Trần Ngọc Hiếu



ANNUAL REPORT

**THE FISCAL
YEAR 2024 – 2025**

SON LA SUGAR JOINT STOCK COMPANY