

Number: 2004/BCTN-SJF 2025

Hanoi, April 19, 2025

ANNUAL REPORT
Sao Thai Duong Investment Joint Stock Company
Reporting Year 2024

Dear: **Hanoi Stock Exchange**
 State Securities Commission

I. General Information.

1. General information

- Transaction name: Sao Thai Duong Investment Joint Stock Company
- Business Registration Certificate No.: 0105806767 issued by the Department of Planning and Investment of Hanoi City for the first time on 01/03/2012
- Charter capital: 792,000,000,000 VND
- Owner's investment capital: 792,000,000,000 VND
- Address: 8th Floor, SIMCO Song Da Building, Van Phuc Urban Area, Van Phuc Ward, Ha Dong District, Hanoi
- Phone Number: 02433982626
- Fax Number: 02433982626
- Website: stdgroup.vn
- Stock Code: **SJF**

Formation and development process:

❖ **Establish**

Sao Thai Duong Investment Joint Stock Company was established in 2012 with the initial purpose of bringing beauty care products (cosmetics) derived from nature (herbal or organic such as Sakura, ecoparadise...) from developed markets (Japan, Korea, etc.) to Vietnamese consumers.

Given the growing concern about food hygiene and safety as well as environmental pollution in Vietnam in recent years and on the basis of relationships with leading European and Japanese technology companies, In 2014, SJF increased its capital to VND 250 billion to expand investment in agriculture and industrial pressed bamboo to create clean food and contribute to protecting the ecological environment while solving social security issues for the Northwest mountainous region.

At the beginning of 2015, the Company and Japanese partners experimented with applying a number of advanced microbiological technologies in the field of cultivation and animal husbandry in order to find the most appropriate and effective technology for Vietnam's clean agricultural production.

In 2015, SJF increased its capital to VND 660 billion to continue investing in two industrial bamboo factories (in Hoa Binh and Dien Bien provinces) and investing in a clean agricultural production chain based on biotechnology of 03 companies SunStar Lacto Japan, SkyLife Company (Japan) and Ecoparadise Company (Japan) to create clean foods. high quality for domestic and export markets..

At the beginning of 2016, the Company officially received the exclusive transfer of Japanese technologies applied in the fields of organic agricultural production, organic food production and environmental pollution treatment (wastewater in daily life and food processing industry). These technologies have initially given good results and are highly appreciated by businesses as well as people for their efficiency, productivity and especially simplicity of application, helping users to easily create high-quality and clean agricultural products at a reasonable cost.

In April 2017, Sao Thai Duong (SJF) began to implement comprehensive cooperation with Lam Son Sugar Joint Stock Company (LASUCO) to produce high-tech agriculture applying Japanese technology and establish and build an industrial bamboo factory with a capacity of 100,000 m³/year in Thanh Hoa where the largest source of bamboo raw materials in the country is concentrated. In order to meet the great demand of ecological bamboo products that currently BWG Factory cannot meet the needs of the domestic and world markets.

07/2017: The company was officially listed on the Ho Chi Minh City Stock Exchange, stock code SJF.

09/2018: The listed company added 13,200,000 shares of SJF to complete the capital increase to VND 792 billion.

04/2020: The company cooperates with BARD AG Group from Switzerland to build a factory for OSB and bamboo chipboard.

06/2022: The company signed a cooperation agreement with Bamboo Ecologic Corporation (hereinafter referred to as Rizome) – headquartered in Nevada, USA to cooperate in planting 500,000 hectares of bamboo (equivalent to 2 billion bamboo trees) in Vietnam within the next 10 years in mountainous provinces from the North to Quang Ngai province.

01/2024: staBOO Holdings AG and Sao Thai Duong Joint Stock Company signed a memorandum of understanding on investment cooperation in building OSB bamboo board manufacturer with a total investment of VND 3,000 billion, with a capacity of 225,000 m of products/year in Thanh Hoa province.

2. Industries and business areas.

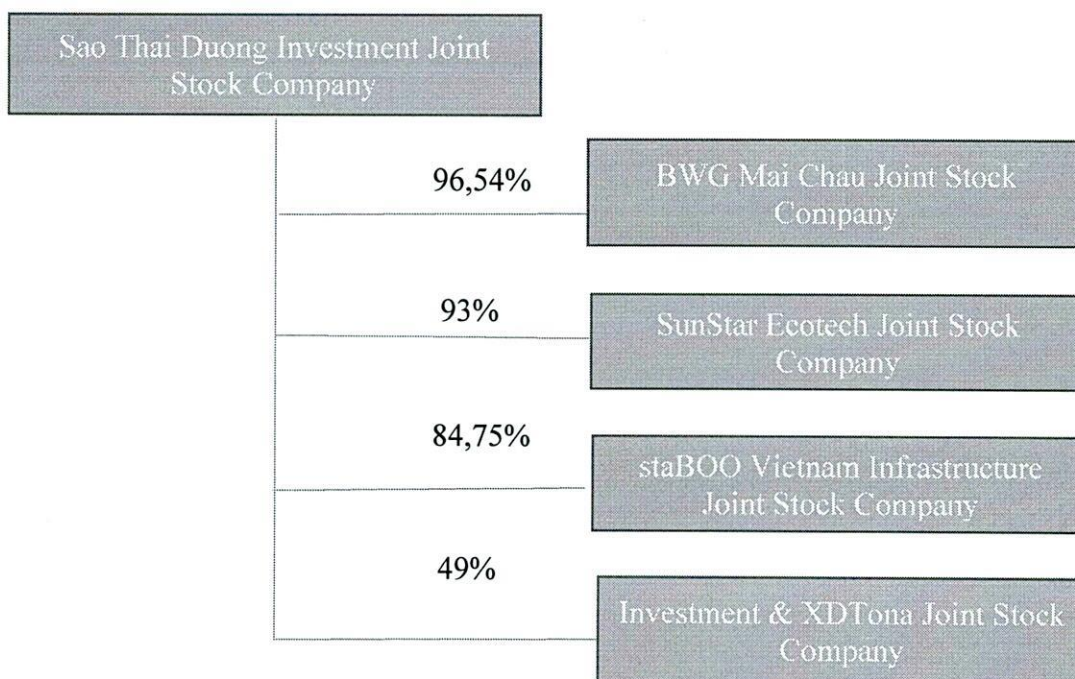
2.1 Business lines and areas

- Production of industrial pressed bamboo (household appliances, furniture, flooring, paving and other industrial pressed bamboo products).
- Japanese biotechnology agricultural production; Technology transfer of product consumption;
- Trade in agricultural products and agricultural supplies.
- Trading in technology products and MMTB products related to the Company's field of operation.

2.2 Business area:

- The company's business area is in Hanoi and mainly concentrated in the Northwest region: Hoa Binh, Thanh Hoa, Dien Bien provinces...

3. Information on the governance model, business organization and management apparatus of subsidiaries and associated companies:



3.1 Subsidiaries

BWG Mai Chau Joint Stock Company

- + Business Registration Certificate No. 5400454416 issued by the Department of Planning and Investment of Hoa Binh province on 26/09/2014
- + Address: Chieng Chau Commune Industrial Cluster, Mai Chau District, Hoa Binh
- + Telephone: 0916 169307
- + Charter capital: 280,000,000,000 (Two hundred and eighty billion VND)
- + Solar Star's holding ratio: 96,54%

Main business scope: Production and trading of industrial pressed bamboo

Sunstar Ecotech Vietnam Joint Stock Company

- + Business Registration Certificate No. 0109026415 issued by Hanoi Department of Planning and Investment on 13/12/2019
- + Address: 8th Floor, Simco Song Da Building, Van Phuc Urban Area, Van Phuc Ward, Ha Dong District, Hanoi
- + Charter capital: 160,000,000,000 (One hundred and sixty billion VND)
- + Solar Star's holding ratio: 93%

Main business scope: Mixed farming, animal husbandry.

staBOO Vietnam Infrastructure Joint Stock Company (renamed staBOO INVEST Joint Stock Company)

- + Business Registration Certificate No. 0110099513 issued by the Hanoi Department of Planning and Investment on 24/8/2022
- + Address: 8th Floor, Simco Song Da Building, Van Phuc Urban Area, Van Phuc Ward, Ha Dong District, Hanoi
- + Charter capital: 236,000,000,000 (Two hundred and thirty-six billion VND)
- + Solar Star's holding ratio: 84,75%
- + Main business lines: Investment in forestry and agricultural production, construction, real estate business

3.2 Affiliates

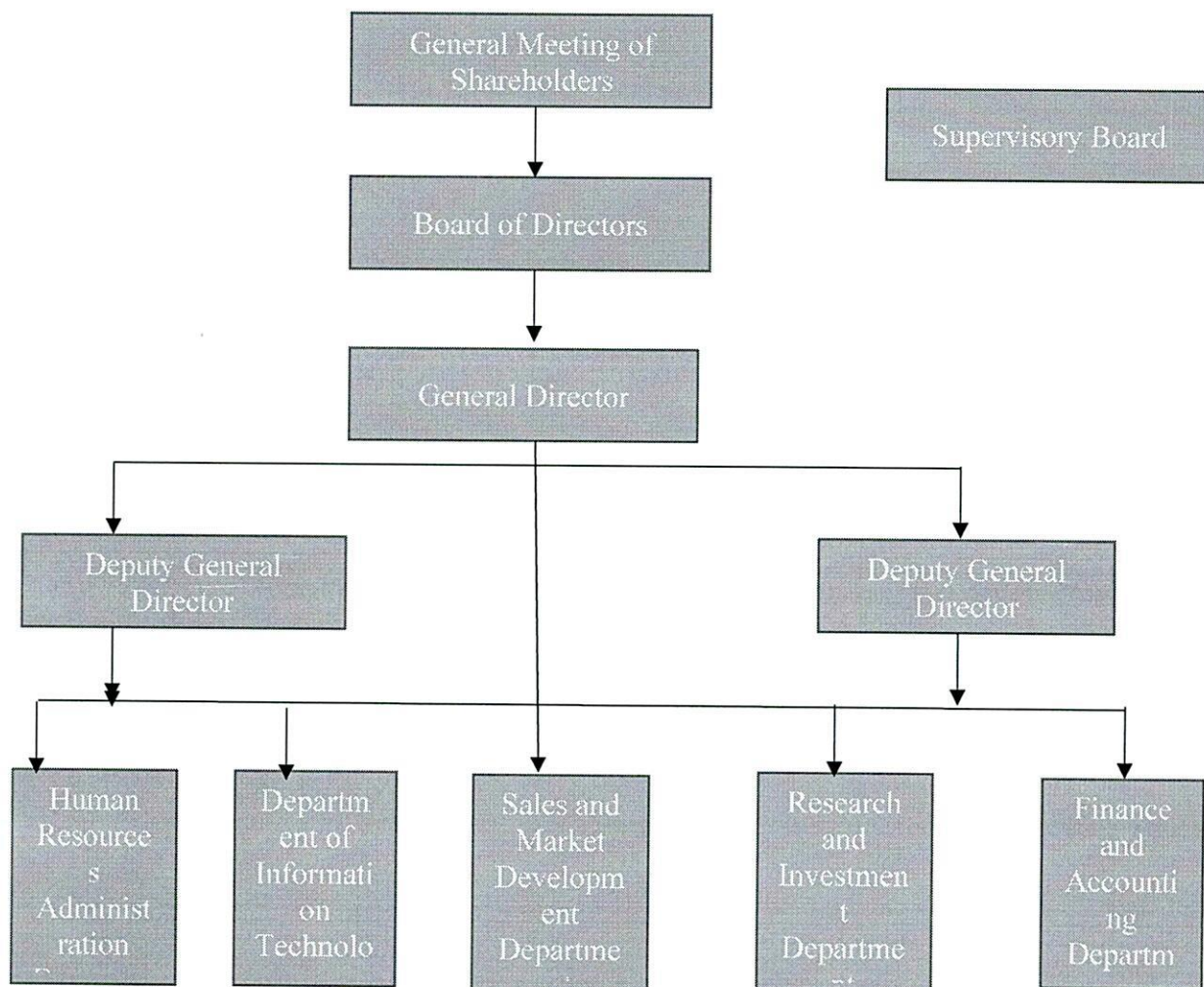
TONA Investment and Construction Joint Stock Company

- + Business Registration Certificate No. 0104770701 issued by Hanoi Department of Planning and Investment on 01/07/2010
- + Address: No. 1, Group 8, Mo Lao Ward, Ha Dong District, Hanoi City
- + Telephone: 0912102246
- + Charter capital: 300,000,000,000 (Three hundred billion VND)
- + Solar Star's holding ratio: 49%
- + Main business scope: House construction and technical infrastructure

4. Governance model: General Meeting of Shareholders, Board of Directors, Supervisory Board and General Director.

4.1 Structure of the management apparatus:

- ❖ **The organizational structure of the Company is as follows:**



❖ **General Meeting of Shareholders**

The General Meeting of Shareholders is the highest competent authority of the Company. The Annual General Meeting of Shareholders shall be held at least once a year. The General Meeting of Shareholders shall meet annually within 4 months from the end of the fiscal year.

The General Meeting of Shareholders shall decide on matters prescribed by the Law and the Company's Charter. The shareholders will approve the Company's annual financial statements and financial budget for the next year, elect, dismiss and dismiss members of the Board of Directors and members of the Supervisory Board of the Company

❖ **Board of Directors**

The Board of Directors is the Company's management agency, which has the right to decide on all matters related to the Company's operation on behalf of the Company, except for matters under the jurisdiction of the General Meeting of Shareholders. Currently, the Board of Directors of Sao Thai Duong Investment Joint Stock Company has 05 members. The Board of Directors is responsible for appointing, assigning tasks, supervising the Board of Directors and other managers. The rights and obligations of the Board of Directors are stipulated by law and the Company's Charter, the Company's internal regulations and the Resolution of the General Meeting of Shareholders. The Board of Directors is elected by the General Meeting of Shareholders.

❖ **Supervisory Board**

It is an agency under the General Meeting of Shareholders elected by the General Meeting of Shareholders. The Supervisory Board operates independently of the Board of Directors and the Board of General Directors. The Supervisory Board is responsible for examining the reasonableness and legality of the management activities of the Board of Directors, the business administration activities of the General Director, in the accounting books and financial statements of the Company. Currently, the Supervisory Board of the Company consists of 03 members elected by the General Meeting of Shareholders and dismissed.

❖ **Board of Directors**

The Board of Directors of the Company consists of 01 General Director and 02 Deputy General Directors, appointed by the Board of Directors. The General Director is the person who runs the day-to-day operations of the Company and is responsible to the Board of Directors for the implementation of the assigned rights and tasks.

The Deputy General Director is an assistant to the General Director and is responsible to the General Director for the assigned tasks, proactively handling the tasks authorized and assigned by the General Director in accordance with the Charter and the Company's Governance Regulations.

❖ **Functional departments**

Functional departments have the function of performing assigned professional tasks and are responsible to the Board of Directors for the assigned tasks.

• **Administration and Human Resources Department**

- Carry out the recruitment of personnel to ensure the quality requirements of the company.
- Organize and coordinate with other units in personnel management, training and retraining.
- Develop regulations on salaries and bonuses, measures to encourage employees to work, implement regimes for employees.
- Comply with and organize the implementation of guidelines, regulations and directives of the Board of Directors.
- Study, draft and submit for approval the regulations applicable to the Company, build the organizational structure of the company, departments and implementing organizations.
- Serving administrative tasks in a timely manner for the Board of Directors to conveniently direct and administer.
- Manage the use and protection of the Company's assets, ensure security, order and occupational safety.
- Advising the Company's Board of Directors on the organizational structure and operating apparatus.
- Management of reception, reception, clerical work, archives, seals.
- Orient the organization, manage the workflow and divide the plan for the organization.

- **Department of Information Technology**

- Manage the network and computer systems of the entire Company, ensuring continuous operation, transparent and safe information.
- Building an information system and network security for the entire Company.
- Managing data, organizing the decentralization of access, use and backup to ensure the safety and security of data and data on the system.
- Proposal to upgrade, buy, liquidate computer equipment, serve work in departments of the company.
- Deploying and supervising the exploitation and use of information on the Internet.
- Advise and propose the Board of Directors on policies to develop information technology applications to serve the Company's business management and development requirements.

- **Sales and Market Development Department**

- Research and plan business development strategies..
- Assess the situation and business plan, advise on building short-term, medium-term, and long-term goals, propose market expansion plans, proactively develop customers in accordance with each stage of the Company's development.
- Research and propose solutions to improve business efficiency, complete the customer system development process.
- Receive and process feedback from customers to ensure accuracy and in accordance with the Company's procedures.
- Statistics to store records and customer information.

- **Research and Investment Department**

- Advise the Board of Directors on the Company's development plan and strategy
- Develop long-term, medium-term, and short-term investment plans.
- Supervise production and business activities and the progress of the implementation of the plan.
- Implementation of approved investment plans.
- Research, evaluate, seek investment opportunities, propose new investments, divest in other companies.
- Portfolio management, implementation of investment analysis reports, project analysis reports, management reports of subsidiaries/joint ventures
- Coordinate with other departments to solve issues related to financial investment activities, management of investment capital of the Company.
- Monitor and inspect the implementation of investment regulations and management of the company's capital at member companies.
- Propose and take measures to settle adequate and timely plans for dividends and profits to be distributed from the Company's investment capital sources.

- **Finance and Accounting Department**

- Ensure the bookkeeping according to current accounting standards, coordinate in finalizing and liquidating economic contracts and construction contracts of the Company with customers.
- Advising the Company's leaders in the field of management of financial and accounting activities, in evaluating the use of assets and capital sources in accordance with the State's financial management regime.
- Organize the formulation of financial plans based on the Company's production and business plans and monitor and urge the implementation of the developed financial plans.

- Propose the organization of the accounting apparatus and guide the application of accounting. Organize the inspection and accounting of accounting..
- Advise and propose the exploitation, mobilization and use of capital sources in service of production and business in a timely manner in accordance with law.
- Coordinate with functional departments in the Company to serve the Company's production and business well.
- Calculating, accounting, accounting and reflecting in a timely, honestly and fully manner the cost factors constituting the price of finished products, semi-finished products, revenue, inputs, and determining production and business results.
- Prepare and send financial statements, management reports, and periodic statistical reports on time in accordance with current regulations and the Company's.
- Coordinate with service units to manage the transfer of shares and shares of the Company.

4.2 Development orientation:

- Maintain the number one position in the industrial bamboo industry in Vietnam.
- Focus on the production of billet sheets and develop the industry link chain to develop manufacturers from raw materials to final products from pressed bamboo materials.
- International cooperation to develop raw material areas combined with ecotourism and cultural preservation in the Northern mountainous provinces..

4.3 Risks:

- Economic risks:

At the end of 2024, the world economy will continue to face many difficulties, challenges, unpredictable developments and many hidden uncertainties. The Russia-Ukraine conflict continues, while new conflicts broke out in the Middle East and the Red Sea in the last months of the year. Extreme weather conditions take place in many places, prolonged droughts on a wide scale, storms, floods, and natural disasters in countries make food production and consumption unbalanced. The world commodity market is volatile.

On April 3, 2025, the United States announced a reciprocal tariff policy for most trading partners, whereby US tariffs increased to the highest level in more than 100 years, completely reversing the trade liberalization policy that the United States itself has promoted since World War II. Accordingly, all U.S. trading partners will be subject to a basic tariff of 10% and an additional tariff based on the U.S. trade deficit with those countries. This tax rate is very high for countries with large deficits with the US such as China (34%) and Vietnam (46%). On the same day, April 9, President Trump suddenly announced the postponement of the high tariffs, only imposing a 10% base tariff on the counterpart tax for 90 days to facilitate trade negotiations. However, this is only a postponement, and no one is sure what will happen after 90 days. The trade war escalated when on April 4 China announced the imposition of a similar tariff of 34% on imports from the US. The two countries then successively increased import tariffs in response, and by April 11, the U.S. tariffs imposed on China were 145% and China's tariffs imposed on the U.S. were 125%. In addition, China has banned the export of rare earths to the United States, an important raw material in the production of weapons and high-tech products that are currently only supplied by China. The United States' abolition of global trade liberalization and the trade war with China bring great instability to the global economy and are likely to lead to recession and even economic crises in many countries around the world.

For Vietnam, the economy has experienced many difficulties, but the economy in 2024 has achieved many positive and remarkable results and is highly appreciated by international organizations. By 2025, Vietnam will set a growth target of 8% through a comprehensive institutional reform (streamlining the administrative apparatus, merging agencies, departments and provinces, cutting off districts and intermediaries), promoting the development of the private economy, bringing the private economy and the development of science and technology as an important driver of growth... This is the premise to open a new period of sustainable growth for Vietnam in the medium and long

term. However, the challenge from the international context is becoming a barrier to Vietnam's socio-economic development goals in 2025 when Vietnam is considered by the US as a "back door" for Chinese goods.

It is forecasted that 2025 will be a difficult year for the world economy and Vietnam, the demand for furniture and construction products may decline, combined with the new US reciprocal tax policy will cause difficulties for export manufacturers, including Sao Thai Duong Investment Joint Stock Company

*** Solution: The company regularly monitors economic developments to have specific, flexible, and timely strategies and plans to respond to risks.**

- Legal risks

As an enterprise operating under the model of a joint stock company, becoming a public company, listed on the Hanoi Stock Exchange, Sao Thai Duong Investment Joint Stock Company is governed by the Law on Enterprises, the Law on Securities and relevant guiding documents. Laws and legal documents in these fields are in the process of being finalized, so changes in policies can always occur and more or less affect the Company's governance and business activities.

*** Solution: To limit this risk, the Company built a legal department to study and grasp the new provisions of the Law, closely follow the guidelines and policies of the Party and the State... thereby building a production and business plan strategy in accordance with the law and in accordance with each period.**

- Industry risk

❖ Market

The pressed bamboo product market is quite dependent on macro factors, especially inflation. In 2024, inflation in countries around the world will increase and is currently trending downwards, but still at a high level. The new US reciprocal tax policy could cause a wave of price increases and consequently high inflation in the US and around the world. World political factors are unpredictable, the war between Russia and Ukraine has not ended, the risk of war in the Middle East is present when the US launches an attack on the Houthi forces in Yemen on May 13, 2025. The U.S. is also recently renegotiating with Iran on the nuclear issue, and President Trump has vowed to resort to war if it doesn't work out. Therefore, the world economy in 2025 will be extremely unpredictable and full of uncertainty, and the output market will therefore also be very precarious.

❖ Input Factors

In the production and business activities of enterprises, especially enterprises in the industrial pressed bamboo industry, raw materials always account for a large proportion of product costs. The main input materials for industrial bamboo production include bamboo, glue, electricity, fuel and labor. Glue raw materials are greatly affected by oil prices, so the risk increases in the event of a war in the Middle East.

*** Solution:** In order to limit market risks and input factor risks, the Company will regularly update the situation of political and macroeconomic fluctuations to be more proactive and have solutions to reduce losses.

- Risks of investments in subsidiaries and associated companies

Due to investing in many subsidiaries and associated companies, Sao Thai Duong Investment Joint Stock Company bears the risk of effectively managing these investments. Specifically, when the business activities of subsidiaries face difficulties, it will affect the overall business results of the whole system. For financial investments, the risk for SJF is stock price fluctuations and the liquidity of the investments. With ownership in many member companies with different sizes and holding ratios, Sao Thai Duong Investment Joint Stock Company will face many challenges in managing its investments, for example, directing and supervising the production and business activities of member companies, the ability to bring cash flows from member companies to the parent company, face conflicts of interest with other shareholders at subsidiaries and associated companies.

*** Solution:** In order to limit the risk of investing in affiliated joint venture companies, the Company will actively follow up on investments to take early action.

- Other risks

In addition, some risks are force majeure, unlikely to occur but if they occur, they will cause damage to assets and people and affect the Company's business activities such as risks due to natural disasters, the impact of political fluctuations, etc society in the world, war... These risks, more or less, have direct or indirect impacts on the company's business results. The Company regularly participates in the purchase of insurance for the Company's assets and goods and those of customers to reduce these risks.

*** Solution:** In order to limit damages when force majeure occurs, the Company has actively participated in insurance policies for ongoing projects and works.

II. Operation situation in the year

1. Production and business activities

- The results of production and business activities in 2024 have strong fluctuations, the plan is not achieved because the world economy and Vietnam have deteriorated a lot due to inflation and rising interest rates, causing a sharp decrease in product consumption demand
- In addition, some of the Company's investments must be set aside for provisions, which the Audit Firm assesses as risks, leading to large losses in the Company's 2024 results. Specifically, the Company's revenue and profit in 2024 are as follows:

Unit: billion VND

Order Number	Quota	Plan	In 2024	% of year plan completion
1	Consolidated Net Revenue	350	114	32 %
2	Consolidated profit after tax	10	(13)	(230) %

2. Human Resources Organization:

❖ Board of Directors

Order Number	Full name	Title
1	Mr. Nguyen Trong Nghia	General Director (dismissed on April 16, 2024)
2	Ông Nguyễn Anh Tuấn	General Director (appointed 16/4/2024)
3	Mr. Masayuki Takeuchi	Deputy General Director
4	Mr. Nguyen Xuan Nam	Deputy General Director

5	Mr. Bui Trung Hanh	Deputy General Director (dismissed on April 16, 2024)
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➤ **Mr. Nguyen Trong Nghia - Member of the Board of Directors General Director**

- Mr. Nguyen Trong Nghia is one of the founders of Sao Thai Duong Investment Joint Stock Company. Mr. Nghia has participated in the construction and development of BWG Mai Chau Factory, developing new technologies and products, and is one of the most experienced experts in Vietnam in industrial bamboo production technology.

Mr. Nghia graduated with a bachelor's degree in banking and finance from Hanoi National Economics University; Holds MBA and PhD degrees from the University of Wales, Bangor, UK; Postdoctoral research and teaching at Manchester Business School, UK, specializing in banking and investment finance

➤ **Mr. Nguyen Xuan Nam – Member of the Board of Directors Deputy General Director**

- Mr. Nguyen Xuan Nam is an expert in the field of mechanical engineering and automation. He has participated in the management and operation of many domestic and international manufacturing enterprises in different fields. He joined Sao Thai Duong Investment Joint Stock Company since 2013 in charge of the machinery, equipment and technology system of bamboo factories and microbial products factories of Japan.
- Ông Nguyễn Xuân Nam có bằng Kỹ sư Công nghệ và Cơ khí chế tạo máy từ Tiệp Khắc. Ông từng làm việc tại nhiều công ty lớn trong nước và quốc tế: KOVOSVIT MAS, Công ty Máy nông nghiệp Hà tây, Công ty liên doanh SUNWAY Hà tây, CTCP CP XDXD & VLXD THK, CTCP TC-ĐT & DV FISC.

➤ **Mr. Masayuki Takeuchi – Deputy General Director in charge of Biotechnology and Agriculture**

- Mr. Masayuke Takeuchi is an experienced expert in the field of biotechnology and organic agricultural production in Japan and internationally. He is the creator of the hydroponic technology system that has been widely applied in Japan and many countries around the world. His desire is to help Sao Thai Duong and Vietnam build sustainable agriculture with Japanese quality products for Vietnamese people and export to Japan.
- Mr. Masayuke Takeuchi is the co-founder of Hokuyo Engineering and Sunstar Lacto Japan, specializing in providing high-tech and biological products in agriculture.
- He is the key to Sao Thai Duong's success in the field of agricultural and food production.

➤ **Mr. Bui Trung Hanh – Deputy General Director and Chief Financial Officer.**

- Mr. Bui Trung Hanh is an experienced financial expert in the Vietnamese financial market. Mr. Hanh has many years of experience working in financial institutions, banks, fund management companies.
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➤ **Mr. Nguyen Anh Tuan - Member of the Board of Directors General Director**

- Submission: Architect.
- From 2009 - 2011: Specialist of Hanoi Urban and Rural Planning Center.
- From 2011 - 2013: Specialist of Vinaconex 21 Joint Stock Company
- From 2013 - 2020: Deputy Director of HAWINCO Phuc Minh Joint Stock Company
- From 2020 - 2022: Member of the Board of Directors - General Director of Sao Thai Duong Investment Joint Stock Company
- From 2022 – 2023: Project Management Specialist of Dai Nam Son Group Company.

❖ **Number of officials, employees and policies for employees::**

- As of December 31, 2024, the total number of employees of the Company is 157 people. In which:
 - + Workers with a university degree or higher: 21

- + Workers with college degrees: 3
- + Workers with intermediate qualifications: 5
- + Technical Workers: 13
- + Unskilled workers: 115
- Average income of employees in 2024: 6.5 million VND/person/month
- The company fully implements regimes and policies for employees in accordance with the State's regulations.

Training policy: The company sends employees to attend professional training classes in each professional field with the goal of building and developing a team of highly professional staff.

- + Reward employees for successfully completing assigned tasks

- + Reward employees during holidays and Tet

Other regimes: The government organization regularly coordinates with the Trade Union to implement other welfare regimes such as hardship allowances, regimes for female employees, creating conditions for the Youth Union to operate, considering and awarding bonuses to the children of employees with high academic achievements, etc.

3. Investment situation, implementation of projects

In 2024, the Company will not make any new investments. The projects implemented by the Company are in the stage of legal completion. The project to build an OSB board and bamboo chipboard factory is almost completed to apply for investment policy approval, but it has stopped to switch to applying for policy approval for an independent enterprise not related to Sao Thai Duong Joint Stock Company because Sao Thai Duong is a listed company that cannot separate capital for sale to foreign countries according to the law and according to the consultant of the Department of Planning and Investment of Thanh Hoa province. Moreover, currently Sao Thai Duong has bad debts from the subsidiary, so it is not feasible to invest directly in the new project because the new project needs a bank loan. Therefore, the OSB project will be invested indirectly by Sao Thai Duong through other individuals/organizations, after completing the project and being allowed to transfer, Sao Thai Duong will participate directly through capital acquisition. However, in return, Sao Thai Duong will have the right to supply bamboo materials and fuel exclusively for the new factory, which is a large and stable source of revenue for Sao Thai Duong after the project comes into operation.

The bamboo material forest development project is in the stage of transferring land from individuals to the Company, but this conversion is facing difficulties when many land areas have lost original records in the district that cannot be verified, in addition to the change of abandonment of the district level and the merger of the ongoing communes is also expected to make the implementation process prolonged land transfer. The eco-tourism project in Tan Lac District is adjusting the implementation time because the situation of Vietnam's tourism market is not positive and the implementation of the project immediately will not be effective.

Financial situation:

a) Financial situation::

Unit: billion VND

Quota	31/12/2024	01/01/2024	Increase or decrease
Total Asset Value	812	743	9 %
Net sales	114	110	4 %
Lợi nhuận từ hoạt động kinh doanh	4.6	(316)	101 %
Profit from business activities	(279)	(72)	(287) %
Profit before tax	4.4	(316)	101 %
Profit after tax	(13)	(326)	96 %
Dividend payout ratio			

b) Main financial indicators:

Targets	Year 2023	Year 2024	Notes
+ <i>Solvency criteria</i>			
Short-term payment ratio:			
+ Fixed Income/Short-term Debt	2,35	4	
Quick Payout Factor:	2	2	
<u>Fixed Income – Inventory</u>			
Short-term debt			
1. <i>Indicators of capital structure</i>			
+ Debt/Total Assets Ratio	0,33	0,36	
+ Debt/Equity Ratio	0,5	0,57	
2. <i>Operational capacity indicators</i>			
+ Inventory Turnover:	4,93	4,93	
<u>Cost of goods sold</u>			
Average inventory			
+ Net Revenue/Total Assets	0,14	0,14	
3. <i>Profitability indicators</i>			
+ Profit after tax/Net revenue ratio	(0,29)	(0,11)	
+ Profit after tax / Equity ratio			
+ Profit after tax/Total assets ratio	(0,66)	(0,02)	
+ Return on business/Net revenue	(0,43)	(0,01)	

4. Shareholder structure, change of owner's investment capital. (Shareholder structure of the Company as of 03/4/2024)

a) *Shares: The total number of outstanding shares is 79,200,000 ordinary shares, not subject to transfer restrictions./.*

b) *Shareholder structure:*

Capital structure	Number of Shareholders	Number of shares	Value (copper)	Proportion
1. Domestic shareholders	7.116	78.979.705	789.797.050.000	99,72%
a. <i>Legal entity</i>	17	125.148	1.251.480.000	0,16%
b. <i>Individual</i>	7.099	78.854.557	788.545.570.000	99,56%
2. Foreign shareholders	38	220.295	2.202.950.000	0,28%
a. <i>Legal entity</i>	6	59.640	596.400.000	0,08%
b. <i>Individual</i>	32	160.655	1.606.550.000	0,20%
Total	7.154	79.200.000	792.000.000.000	100%

c) Changes in the owner's investment capital: No

d) Trading treasury shares: No

e) Other securities: No.

5. The Company's environmental and social impact report

5.1. Environmental impact: No

5.2. Material Source Management: No

- a) Total amount of raw materials used for the production and packaging of the organization's main products and services during the year: 15,900,000 kg
- b) Report on the percentage of recycled materials used to produce the organization's main products and services: 600,503 kg

5.3. Energy Consumption:

- a) Direct and indirect energy consumption: 1,890,856 kwh
- b) Energy savings through energy efficiency initiatives: Yes
- c) Energy Efficiency Initiative Reports: No.

5.4. Water consumption: the water consumption of business activities during the year

- a) Water supply and water use.
 - Clean water source of water use: 1,550 m3/year.
 - Water source of borewells of water used 940m3/year
- b) Percentage and total amount of recycled and reused water: 0

5.5. Compliance with the law on environmental protection:

- a) Number of times sanctioned for non-compliance with laws and environmental regulations: No
- b) Total amount of money due to penalties for non-compliance with laws and environmental regulations: 0 VND.

5.6. Policies related to employees:

- a) Number of employees, average salary for employees::
 - Average number of employees per year: 150 people
 - Per capita income/month: 6.5 million VND
- b) Labor policies to ensure the health, safety and welfare of employees:
 - Improve material and spiritual life, ensure stable income for employees, regularly organize collective activities, celebrate holidays, organize quarterly birthdays for employees
 - Commending, encouraging and promptly encouraging individuals and collectives with excellent achievements in production and business activities;
 - Maintain well the organization of shift meals at the Company for employees;
 - Regularly maintain occupational safety, fire and explosion prevention.
- c) Employee training activities:
 - Average number of training hours per year, by employee and by employee classification: Occupational safety training, fire prevention 48 hours/year.
 - Continuing learning and skills development programs to support workers in securing employment and career development: No

5.7. Report related to responsibility to the local community: The company implements activities to support community development in Mai Chau district; distribute gifts at the beginning of the year to disadvantaged families.

5.8. Reports related to green capital market activities under the guidance of the SSC: No.

III. Reports and evaluations of the Board of Directors (The Board of Directors reports and evaluates the situation in all aspects of the Company)

1.Evaluation of production and business results:

In 2024, the world economy will continue to face many difficulties, challenges, unpredictable developments and hidden many uncertainties. The Russia-Ukraine conflict continues, while new conflicts broke out in the Middle East and the Red Sea in the last months of the year. Extreme weather conditions take place in many places, prolonged droughts on a wide scale, storms,

floods, and natural disasters in countries make food production and consumption unbalanced. The world commodity market is volatile.

Inflation continues to escalate at a high level, trade growth is weak and consumer confidence is slow to recover. In this context, many countries maintain tight monetary policies to prioritize curbing inflation. Aggregate demand is weakening, economic growth is slow in many countries, including large economies while the financial, monetary and real estate markets in some countries have many potential risks. In addition to increasing regulations on sustainable development affecting imports, many countries have also increased trade protectionism.

Facing those great difficulties and challenges, the Company's production and business revenue and profit in 2024 have not completed the target compared to the specific plan as follows:

Unit: billion VND

Order Number	Quota	Year 2023		Year 2024	
		Consolidation	Parent Company	Consolidation	Parent Company
1	Gross: Net revenue from sales and service provision	110	91	114	38
2	Profit before tax	(316)	(304)	4.4	4.4

Order Number	Quota	Plan	Year 2024	% of year plan completion
1	Gross: Net revenue from sales and provision of services, Revenue from financial activities, Other income.	350	114	32%
2	Consolidated profit after tax	10	(13)	(230)%

2. Financial situation

2.1 Asset situation

Unit: Billion VND

Criteria	Year 2023	Year 2024	Increase/decrease (%)
Short-term assets	549	638	16%
Long-term assets	194	174	-10%
Total Asset Value	743	812	9%

As of December 31, 2024, total assets were recorded at VND 812 billion, an increase of 9% compared to 2023, due to the need to set aside provisions for short-term bad debts.

2.2 Liabilities:

Đơn vị: Tỷ đồng

Criteria	Year 2023	Year 2024	Increase/decrease (%)
Short-term debt	232	165	-29%
Long-term debt	16	129	706%
Total liabilities	249	295	19%

As of December 31, 2024, the Company's total liabilities were VND 295 billion, an increase of 19% compared to 2023, due to the fact that the economy is in a difficult period, the company's revenue has decreased, leading to an increased demand for loans to maintain business activities.

3. Improvements in organizational structure, policies and management.

- Continue to rearrange appropriate departments in the direction of compactness, one person is in charge of many things;
- Successfully increased production contracting to enhance initiative and efficiency in production and business management;
- Continue to strengthen the quality control apparatus, promote compliance inspection at the agency and quality assessment at the factory;

4. Development plan in the period of 2025-2026:

- The Company's goal in the period of 2025 – 2026 is to complete the legal procedures, assets and investments of the Company, creating a premise for the following years. Specific objectives are as follows:
 - Promote the completion of the legal transfer of afforestation and ecotourism projects;
 - Implement projects and complete investment assets when there is full project legality;
 - Taking advantage of the US-China trade war to cooperate with US customers who are forced to transfer to other countries because import tariffs on the US from China are too high (more than Vietnam);
 - Started marketing and sales for container flooring products that have completed trial production according to the new method;
 - Promote joint venture activities to develop bamboo raw material areas, increase the area of bamboo areas with FSC certificates to 5000-8000 hectares to be supplied to the new OSB project in 2026.
 - Pilot planting of high-yield bamboo forests, new varieties are more effective in Mai Chau and Thanh Hoa.

5. Explanation of the Board of Directors for the audit opinion:

The Board of Directors is committed to maintaining operations in 2025 and has planned for the next 12 months including cash flow from the restructuring of ineffective assets, principal recovery and interest on loans. Accordingly, the Company can repay the debts due and continue to operate for the next 12 months.

6. Assessment report related to the company's environmental and social responsibility:

- Assessment related to environmental indicators: Continue to incorporate innovation initiatives into production activities to save energy consumption, and regularly communicate to save clean water at offices and factories.
- Assessment related to employee issues:
 - The company always improves material and spiritual life, ensures stable income for employees, regularly organizes collective activities, celebrates holidays, and organizes quarterly birthdays for employees;
 - Commending, encouraging and promptly encouraging individuals and collectives with excellent achievements in production and business activities; Maintain well the organization of shift meals at the Company for employees; Regularly maintain occupational safety, fire and explosion prevention.
- Assessment related to the responsibility of the enterprise to the local community: In 2024, the Company will continue to organize a number of social activities such as: Supporting the preservation of Ban Van culture through sponsorship to complete the Ban Van Cultural House and Thai Museum; Relief for people in flooded areas; Visiting and giving gifts and donating to support disadvantaged families in Mai Chau and Ba Thuoc.

IV. Evaluation of the Board of Directors of the Company's activities

1. Evaluation of the Board of Directors on the activities of the Board of Directors of the Company.

The Board of Directors supervises the Board of Directors through the following main contents:- The formulation and implementation of the plan targets approved by the Board of Directors and the General Meeting of Shareholders;

- Financial management, costs and human resources;
- Implementing the Resolutions of the Board of Directors;

The Board of Directors has supervised the completeness of the above contents through the work program at the Board of Directors meetings. Regarding effectiveness, efficiency and appropriateness, the Board of Directors has exchanged, discussed, and questioned the General Director and the Board of Directors at quarterly meetings of the Board of Directors; monthly reports; via email, phone and meetings. Difficult problems and problems are identified, solved thoroughly and promptly. The Board of Directors closely coordinates with the Supervisory Board to supervise and support the Board of Directors to improve the efficiency of the control system, the appropriateness and reliability of financial statements as well as corporate governance. The comments of the Supervisory Board are carefully considered and considered in the decisions of the Board of Directors. The Board of Directors has discussed and approved decisions by resolutions/minutes after each meeting on the plans of the next quarter and related issues for the General Director to implement.

2.Evaluation of the Board of Directors on the Company's activities.

In 2024, the Board of Directors will supervise the management and administration of the General Director to ensure compliance with the company's Charter, the Resolution of the Annual General Meeting of Shareholders, the Resolution of the Extraordinary General Meeting of Shareholders and the Resolutions of the Board of Directors.

The Board of Directors of the Company has directed and supervised all aspects of production and business activities and especially directed the promotion of legal completion of the Company's projects.

On the basis of the Resolution approved by the General Meeting of Shareholders in 2024, the Board of Directors assesses: The General Director of the Company and the management apparatus have basically implemented the resolutions of the General Meeting of Shareholders and the Board of Directors. 2024 is a very difficult year and there are many objective factors that have led to the Board of Directors of the Company not completing the set business plan. However, some aspects the Company has achieved as follows:

- Fully implement the Charter and regulations and resolutions of the Board of Directors of the Company
- Ensure jobs and income for employees.
- The company was able to maintain production and business activities during the period when the economy faced many difficulties

3. Plans and orientations of the Board of Directors

On the basis of forecasting the macroeconomic situation, industry development trends, strategic orientations and the actual situation of the Company, the Board of Directors proposes a plan for production and business activities in 2025, specifically as follows:

- Promote important projects as a foundation for breakthroughs in production and business.
- Completing investments and related assets, divesting outstanding projects that are no longer effective in the new period... in order to step by step bring the Audit Report of SJF to be approved by the audit.
- Implementing trade promotion for new products that have been researched and completed.
- Take advantage of the escalating US-China trade war to get a good set of American customers to move to Vietnam.
- Promote international cooperation to connect green finance sources for the development of raw material areas nationwide.

V. Corporate Governance

1. Member of the Board of Directors

a) Members and structure of the Board of Directors

Order Number	Full name	Title
1	Mr. Nguyen Tri Thien	Chairman of the Board of Directors
2	Mr. Nguyen Anh Tuan	Member of the Board of Directors General Director
3	Mr. Nguyen Xuan Nam	Member of the Board of Directors Deputy General Director
4	Mr. Nguyen Cong Khai	Member of the Board of Directors
5	Mr. Dang Van Hoa	Member of the Board of Directors

b) Subcommittees of the Board of Directors: No subcommittees are established

c) Activities of the Board of Directors:

Order Number	Number of Resolutions/Decisions	Day	Content	Adoption Rate
1	13/2024/NQHĐQT-SJF	13/03/2024	V/v: Approved the convening of the 2024 Annual General Meeting of Shareholders	100%
2	1604/2024/NQHĐQT-SJF	16/04/2024	V/v: Through the dismissal and appointment of the General Director	100%
3	2304/2024/NQHĐQT-SJF	23/04/2024	V/v: Extension of the time to hold the 2024 Annual General Meeting of Shareholders no later than 30/06/2024	100%
4	1608/2024/NQHĐQT-SJF	16/08/2024	V/v: Approved the plan to contribute capital to staBOO Vietnam Infrastructure Joint Stock Company	100%
5	2709/2024/NQHĐQT-SJF	27/09/2024	V/v: Divestment of all investment capital in TONA Investment and Construction Joint Stock Company	100%

d) Activities of independent members of the Board of Directors: In 2024, independent members of the Board of Directors will exercise their rights and obligations in accordance with the Company's Charter and the provisions of law.

e) List of members of the Board of Directors with training certificates in corporate governance: No

2. Supervisory Board:

a. Members and structure of the Supervisory Board: There are 03 members including the Head of the Supervisory Board and 02 members

Order Number	Members of the Supervisory Board	Duty	Start/no longer a member of the Supervisory Board	Qualifications

1	Ms. Nguyen Thi Minh	Head of the Supervisory Board	26/04/2016	Bachelor of Economics
2	Ms. Nguyen Thi Mai Huong	Members of the Supervisory Board	15/06/2020	Bachelor of Accounting
3	Ms. Do Nhu Ngoc	Members of the Supervisory Board	15/06/2020	Bachelor of Accounting

b. Activities of the Supervisory Board:

The Supervisory Board has held three (3) official meetings in 2024 as follows:

Order Number	Time	Main content
1	15/02/2024	Summarize the activities of the Supervisory Board in 2023; Discuss the procedures for submitting to the General Meeting of Shareholders for approval of the Independent Audit for the fiscal year 2024.
2	10/03/2024	Phân công nhiệm vụ công việc trong năm 2024
3	12/08/2024	Summary of audit and audit activities in the first 6 months of 2024

In 2024, the Supervisory Board has supervised the Company's production and business activities within the scope of its statutory rights and obligations and the Company's Charter, specifically as follows:

- Attend the Company's meetings, promptly grasp the production and business situation and check the compliance with the provisions of the Law and the Company's Charter;
- Supervise the implementation of the Resolution of the General Meeting of Shareholders in 2024; Evaluate the management and implementation of production and business activities of the Board of Directors based on the Resolution and orientation of the Board of Directors;
- Verify the Company's periodic financial statements, discuss with the Audit Company the audit results of the 2024 financial statements;
- Perform other tasks as prescribed in the Company's Charter. The Board of Directors and the Board of Directors always create favorable conditions for the Supervisory Board in the process of performing their functions, tasks and powers. The Supervisory Board has had good coordination with the Board of Directors and the Board of Directors in order to promptly grasp the situation of production and business activities to participate in contributing opinions on principle for the benefit of shareholders.

3. Transactions, remuneration and benefits of the Board of Directors, Board of Directors and Supervisory Board

a) Salary, bonus, remuneration, benefits:

Board of Directors:

1. Mr. Nguyen Tri Thien: 189,024,000 VND.
2. Mr. Nguyen Trong Nghia: 30,000,000 VND
3. Mr. Nguyen Xuan Nam: 176,400,000 VND.
4. Mr. Yoshiro Komiyama: 30,000,000 VND
5. Mr. Dang Van Hoa: 60,000,000 VND.

Board of Directors:

1. Mr. Nguyen Anh Tuan: 107,600,000 VND

2. Mr. Nguyen Cong Khai: 30,000,000 VND

Supervisory Board:

1. Ms. Nguyen Thi Minh: 24,000,000 VND

2. Ms. Nguyen Thi Mai Huong: 46,855,800 VND

3. Ms. Do Nhu Ngoc: 24,000,000 VND

b) Insider stock trading:

c) Contracts or transactions with insiders:

d) Evaluation of the implementation of regulations on corporate governance: Regulations on corporate governance are strictly implemented, newly issued regulations on corporate governance are seriously implemented and applied to the Company's internal governance. In addition, the Company always encourages and creates conditions for members of the Board of Directors, members of the Board of Directors, members of the Supervisory Board, and managers to participate in training courses on corporate governance.

VI. Financial Statements

1. Opinion of the Auditor:

At the time of the audit, the auditing unit has not collected all the appropriate documents and evidence to serve as a basis for concluding the reasonableness of the data according to the report. Therefore, the auditor refused to give an opinion on the Company's 2024 Financial Statements.

2. Remedial plan:

- Sao Thai Duong Investment Joint Stock Company has been making efforts and trying to take measures to overcome the remaining problems to gradually stabilize the Company's production and business situation, soon bringing SJF shares back to trading.

- For long-term investments such as the investment in Tona Investment and Construction Joint Stock Company, the Company will monitor more closely and has a plan to divest all investment capital, soon recover capital in case the investment is not effective.

- For investments in projects to develop raw material areas and eco-tourism areas, the Company will supervise and promote the completion of legal procedures for these projects so that they can soon come into operation and realize assets for the Company. In case the completion time is too long, it will consider recovering the investment and investing in other projects more effectively.

- For receivables in subsidiaries, the Company will review and carry out reimbursement procedures to recover debts.

- For other long-term investments: Currently, the staBOO factory construction project is undergoing legal procedures and is expected to be built in 2025 and completed in 2026. Therefore, these investment items will be concretized and recognized.

- Non-inventory revenue and cost of goods: In 2025 we will not conduct business activities that may result in an audit that fails to be assessed.

3. Details of Audited Financial Statements:

(The Parent Company's financial statements, consolidated for the year 2024 are posted on the Company's website)

Respect!

Recipient:

- Stock Exchange, Securities

Commission;

- Save: VT,

**LEGAL REPRESENTATION OF THE
COMPANY**




NGUYEN TRI THIEN