

**SON LA SUGAR JOINT STOCK  
COMPANY**

Reviewed financial statements  
for the fiscal period from July 1, 2024  
to December 31, 2024

## **CONTENTS**

	<b>Pages</b>
<b>CORPORATE INFORMATION</b>	<b>2</b>
<b>REPORT OF THE BOARD OF MANAGEMENT</b>	<b>3</b>
<b>REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS</b>	<b>4</b>
<b>INTERIM BALANCE SHEET</b>	<b>5 - 6</b>
<b>INTERIM INCOME STATEMENT</b>	<b>7</b>
<b>INTERIM CASH FLOW STATEMENT</b>	<b>8 - 9</b>
<b>NOTES TO THE INTERIM FINANCIAL STATEMENTS</b>	<b>10 - 30</b>

# 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 ninth time issued on January 20, 2025.

The Company's headquarters is located at Km 34 Highway 6 Son La - Hanoi, Hat Lot Town, Mai Son District, 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  | Vice General Director |

### LEGAL REPRESENTATIVE

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

### 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                        |

### AUDITORS

BDO Auditing Company Limited has reviewed the Company's interim financial statements for the fiscal period from July 1, 2024 to December 31, 2024.

# SON LA SUGAR JOINT STOCK COMPANY

## REPORT OF THE BOARD OF MANAGEMENT

*About the the interim financial statements for the fiscal period from July 1, 2024 to December 31, 2024*

---

The Board of Management of the Company presents this report together with the reviewed financial statements for the fiscal period from July 1, 2024 to December 31, 2024.

### BOARD OF MANAGEMENT'S RESPONSIBILITIES

The Board of Management of the Company is responsible for preparation and presentation of interim financial statements, which give a true and fair view of the Company's financial position as at December 31, 2024 as well as its operations results and its cash flow for for the fiscal period from July 1, 2024 to December 31, 2024 in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and relevant legal regulations on preparation and presentation of interim Financial Statements.

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

- Select suitable accounting policies and then apply them consistently;
- Make judgments 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 fiscal period ended December 31, 2024, which are prepared from page 05 to page 30. According to the Board of Management, in all material respectst, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2024, its operation results and its cash flows for the fiscal period from July 1, 2024 to December 31, 2024 in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other prevailing legal regulations relevant to the preparation and presentation of interim financial statements.

*Son La, February 14, 2025*

For and on behalf of Board of Management, *WV*



**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*



**SON LA SUGAR JOINT STOCK COMPANY**  
**INTERIM BALANCE SHEET**

**B01a-DN**

*As at December 31, 2024*

Unit: VND

ASSETS	Code	Notes	Closing balance	Opening balance
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>1.154.087.627.925</b>	<b>1.127.012.212.540</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>105.430.743.921</b>	<b>18.532.255.431</b>
1. Cash	111		45.430.743.921	18.532.255.431
2. Cash equivalents	112		60.000.000.000	-
<b>II. Short-term financial investments</b>	<b>120</b>		-	-
<b>III. Current receivables</b>	<b>130</b>		<b>736.016.823.383</b>	<b>677.894.770.383</b>
1. Current trade receivables	131	V.3	533.563.405.000	539.612.093.000
2. Short-term advance to suppliers	132	V.4	44.174.485.590	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	160.423.508.310	124.918.876.233
5. Provision for short-term bad debts	137	V.7	(11.544.575.517)	(11.555.633.517)
<b>IV. Inventories</b>	<b>140</b>	<b>V.8</b>	<b>297.851.545.011</b>	<b>430.580.595.516</b>
1. Inventories	141		300.217.920.749	433.729.472.017
2. Provision for devaluation of inventories	149		(2.366.375.738)	(3.148.876.501)
<b>V. Other current assets</b>	<b>150</b>		<b>14.788.515.610</b>	<b>4.591.210</b>
1. Current prepaid expenses	151	V.9.1	14.788.515.610	-
2. Value-added tax deductibles	152		-	4.591.210
<b>B - NON-CURRENT ASSETS</b>	<b>200</b>		<b>545.323.546.073</b>	<b>568.668.815.802</b>
<b>I. Fixed assets</b>	<b>220</b>		<b>521.311.783.526</b>	<b>549.594.966.495</b>
1. Tangible fixed assets	221	V.11	520.131.124.442	548.407.185.315
<i>Historical cost</i>	222		1.007.574.116.091	1.014.232.779.435
<i>Accumulated depreciation</i>	223		(487.442.991.649)	(465.825.594.120)
2. Intangible fixed assets	227	V.12	1.180.659.084	1.187.781.180
<i>Historical cost</i>	228		2.018.991.660	2.018.991.660
<i>Accumulated amortization</i>	229		(838.332.576)	(831.210.480)
<b>II. Non-current asset-in-progress</b>	<b>240</b>		<b>9.459.457.248</b>	<b>7.473.849.307</b>
1. Construction in progress	242	V.10	9.459.457.248	7.473.849.307
<b>III. Long-term financial investments</b>	<b>250</b>		<b>11.600.000.000</b>	<b>11.600.000.000</b>
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
<b>IV. Other non-current assets</b>	<b>260</b>		<b>2.952.305.299</b>	<b>-</b>
1. Non-current prepaid expenses	261	V.9.2	2.952.305.299	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>1.699.411.173.998</b>	<b>1.695.681.028.342</b>

## SON LA SUGAR JOINT STOCK COMPANY

## BALANCE SHEET (continued)

B01-DN

As at December 31, 2024

RESOURCES	Code	Notes	Closing balance	Opening balance
<b>C - LIABILITIES</b>	<b>300</b>		<b>156.904.475.013</b>	<b>140.926.756.200</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>156.904.475.013</b>	<b>140.926.756.200</b>
1. Current trade payables	311	V.13	100.745.119.900	43.128.581.053
2. Current advance from customers	312	V.14	16.489.766.301	461.666.050
3. Statutory obligations	313	V.15	5.441.705.946	22.384.202.502
4. Payables to employees	314		5.372.248.871	4.605.140.571
5. Current accrued expenses	315	V.16	21.231.508.304	1.035.926.285
6. Other current payables	319	V.17	2.799.711.018	915.664.596
7. Short-term loans and finance lease liabilities	320	V.19	-	61.709.043.280
8. Provision for current payables	321	V.18	-	4.000.000.000
9. Bonus and welfare funds	322		4.824.414.673	2.686.531.863
<b>II. Non-current liabilities</b>	<b>330</b>		<b>-</b>	<b>-</b>
<b>D - OWNERS' EQUITY</b>	<b>400</b>		<b>1.542.506.698.985</b>	<b>1.554.754.272.142</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>V.20</b>	<b>1.542.506.698.985</b>	<b>1.554.754.272.142</b>
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
- Preferred shares	411b		-	-
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		8.439.036.000	8.801.036.000
5. Retained earnings	421		1.336.541.795.155	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		188.453.326.843	526.358.983.476
<b>II. Funding and other funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>1.699.411.173.998</b>	<b>1.695.681.028.342</b>

Son La, February 14, 2025

Prepare



Duong Hai Linh

Chief Accountant



Nguyen Thi Khuong

General Director



Tran Ngoc Hieu

**SON LA SUGAR JOINT STOCK COMPANY**  
**INTERIM INCOME STATEMENT**

**B02a-DN**

*For the fiscal period from July 1, 2024 to December 31, 2024*

Unit: VND

ITEMS	Code	Notes	Current period	Previous period
1. Revenue from sales of goods and rendering of services	01	VI.1	499.981.447.978	618.436.931.678
2. Revenue deductions	02		-	-
<b>3. Net revenue from sales of goods and rendering of services</b>	<b>10</b>		<b>499.981.447.978</b>	<b>618.436.931.678</b>
4. Cost of sales	11	VI.2	311.561.150.555	422.967.212.594
<b>5. Gross profit from sales of goods and rendering of services</b>	<b>20</b>		<b>188.420.297.423</b>	<b>195.469.719.084</b>
6. Financial income	21	VI.3	13.156.943.536	13.111.205.597
7. Financial expenses	22	VI.4	525.024.541	2.901.918.645
<i>In which: Interest expenses</i>	23		<i>525.024.541</i>	<i>1.901.918.645</i>
8. Selling expenses	25	VI.5	960.732.647	1.716.859.615
9. General and administrative expenses	26	VI.6	12.109.452.764	14.743.760.489
<b>10. Net operating profit</b>	<b>30</b>		<b>187.982.031.007</b>	<b>189.218.385.932</b>
11. Other income	31	VI.7	609.004.058	20.371.370
12. Other expenses	32	VI.8	126.209.183	107.428.933
<b>13. Other profit</b>	<b>40</b>		<b>482.794.875</b>	<b>(87.057.563)</b>
<b>14. Total accounting profit before tax</b>	<b>50</b>		<b>188.464.825.882</b>	<b>189.131.328.369</b>
15. Current corporate income tax expense	51	VI.10	-	-
16. Deferred corporate income tax expense	52		-	-
<b>17. Net profit after corporate income tax</b>	<b>60</b>		<b>188.464.825.882</b>	<b>189.131.328.369</b>
<b>18. Earnings per share</b>	<b>70</b>	<b>VI.11</b>	<b>19.247</b>	<b>19.315</b>

Son La, February 14, 2025

Prepare

Chief Accountant

General Director



Duong Hai Linh



Nguyen Thi Khuong



Tran Ngoc Hieu

**SON LA SUGAR JOINT STOCK COMPANY**  
**INTERIM CASH FLOW STATEMENT**

**B03a-DN**

(Indirect method)

For the fiscal period from July 1, 2024 to December 31, 2024

Unit: VND

ITEMS	Code	Notes	Current period	Previous period
<b>I. Cash flows from operating activities</b>				
1. <i>Accounting profit before tax</i>	01		188.464.825.882	189.131.328.369
2. <i>Adjustments for:</i>				
- Depreciation and amortization of fixed assets and investment properties	02		28.743.087.197	27.485.090.022
- Provisions	03		(4.011.058.000)	(11.001.000)
- Foreign exchange gains/losses arising from revaluation of monetary accounts denominated in foreign currency	04		-	-
- Gains/losses from investment activities	05		(1.925.796.656)	(6.815.446.061)
- Interest expenses	06		525.024.541	1.901.918.645
- Other adjustments	07		-	-
3. <i>Operating profit before changes in working capital</i>	08		211.796.082.964	211.691.889.975
- (Increase)/decrease in receivables	09		(52.981.660.489)	(159.364.782.009)
- (Increase)/ decrease in inventories	10		133.511.551.268	150.866.855.639
- Increase/(decrease) in payables	11		85.121.967.191	30.013.327.643
- (Increase)/ decrease in prepaid expenses	12		(17.740.820.909)	(10.119.779.730)
- (Increase)/ decrease in trading securities	13		-	-
- Interest paid	14		(525.024.541)	(1.901.918.645)
- Corporate income tax paid	15		(5.906.554.483)	(206.487.324)
- Other receipts from operating activities	16		43.080.000	16.800.000
- Other payments for operating activities	17		(2.733.571.000)	(1.017.100.000)
<i>Net cash flows from operating activities</i>	20		<u>350.585.050.001</u>	<u>219.978.805.549</u>
<b>II. Cash flows from investing activities</b>				
1. Acquisition and construction of fixed assets and other non-current assets	21		(12.377.393.988)	(45.934.890.645)
2. Proceed from disposal of fixed assets and other non-current assets	22		4.866.270.000	-
3. Loans to other entities and payment for purchase of debt instruments of other entities	23		-	(139.000.000.000)
4. Collections from borrowers and proceeds from sales of debt instruments of other entities	24		-	112.300.000.000
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		1.363.214.757	6.644.980.308
<i>Net cash flows used in investing activities</i>	30		<u>(6.147.909.231)</u>	<u>(65.989.910.337)</u>

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

**B03-DN**

(Indirect method)

For the fiscal period from July 1, 2024 to December 31, 2024

ITEMS	Code	Notes	Current period	Previous period
<b>III. Cash flows from financing activities</b>				
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	VII.1	46.191.830.096	55.020.000.000
4. Repayment of borrowings principal	34		(107.900.873.376)	(27.420.000.000)
5. Repayment of finance lease principal	35		-	-
6. Dividend, profit distributed to shareholders	36		(195.829.609.000)	(146.872.206.750)
<i>Net cash flows from financing activities</i>	<b>40</b>		<u>(257.538.652.280)</u>	<u>(119.272.206.750)</u>
<b>Net cash flows during the period</b>	<b>50</b>		<b>86.898.488.490</b>	<b>34.716.688.462</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>V.1</b>	<b>18.532.255.431</b>	<b>134.227.167.920</b>
Impact of exchange rate fluctuation	61		-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>70</b>	<b>V.1</b>	<u><b>105.430.743.921</b></u>	<u><b>168.943.856.382</b></u>

Son La, February 14, 2025

Prepare

Chief Accountant

General Director





Duong Hai Linh

Nguyen Thi Khuong

Tran Ngoc Hieu



**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 ninth time issued on January 20, 2025.

The Company's shares have been officially traded 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, Hat Lot Town, Mai Son District, Son La Province.

**2. Business sector**

- Production and processing;
- Commercial business.

**3. Line of business**

*Main business activities:*

- Producing, processing and trading cane sugar, molasses and post-sugar products;
- Petroleum business;
- 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. Operational characteristics of the Company during 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... affect the financial statements of the enterprise.

**6. Employees**

The total number of Company's employees as at December 31, 2024 was 441 people (333 employees as at June 30, 2024).

**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 Accounting System for enterprises issued 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.

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, result of 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 the relevant statutory requirements applicable to the preparation and presentation of financial statements.

### IV. APPLICABLE 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, 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 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

*Principles for determining joint venture and associate companies:* Based on the ratio of voting rights.

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 separate 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 period. 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:

<u>Assets</u>	<u>Useful lives</u>
Building and structures	06 - 50 years
Machinery, equipment	06 - 15 years
Means of transportation	06 - 15 years
Office equipment	03 - 08 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 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) 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.

### ***b) 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:** include 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,; payable for social insurance and health insurance, 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 loans and finance lease liabilities**

Loans and finance lease liabilities shall be specially recorded to each object, terms, original currencies. As at the financial statement's preparation date, loans and finance lease liabilities that have remaining repayment terms of less than 12 months or a business cycle are classified as short-term loans and finance lease liabilities, ones that have remaining repayment terms of over 12 months or a business cycle are classified as long-term loans 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 loans (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 including payables for goods and services received from the seller during the year but have not actually been paid due to lack of invoices or insufficient accounting records and documents are recorded in the reporting period based on the terms of the respective contracts. Accrued expenses at the end of the period include: Accrual for sugarcane procurement management costs, and Accrual for sightseeing and vacation expenses for employees.

**Basis of determining accrued expenses**

- **Accrual for sugarcane procurement management costs:** Based on the weight of clean raw sugarcane delivered for processing and the approved operating cost unit price.
- **Advance deduction of costs to support the development of new planting areas in the 2024-2025 crop season:** Based on the new planting area and support level approved by the Board of Directors.

**11. 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).

**12. Recognition of revenue****Revenue from sale of goods and finished products**

Revenue from the sale of sugar, molasses, gasoline, fertilizer... 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**

Revenue from financial activities includes: Interest on deposits, bond interest, interest on late payment of goods.

*Interest on deposits, bond interest, interest on late payment of goods:* Recognized on the basis of maturity and actual interest rate of each period, unless the recoverability of interest is uncertain.

**13. 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.

The Company did not incur deductions in cost of goods sold during the year.

**14. Recognition of financial expenses**

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

**15. 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,...); 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.

**16. 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.

**17. Other accounting principles and methods****Construction in progress**

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

**V. ADDITIONAL INFORMATION FOR ITEMS IN THE INTERIM BALANCE SHEET****1. Cash and cash equivalents**

	<u>Closing balance</u>	<u>Opening balance</u>
Cash on hand	110.895.593	267.101.050
Cash at bank	45.319.848.328	18.265.154.381
Cash equivalents (*)	60.000.000.000	-
<b>Total cash and cash equivalents</b>	<b><u>105.430.743.921</u></b>	<b><u>18.532.255.431</u></b>

(\*) Cash equivalents are deposit contracts at Vietnam Joint Stock Commercial Bank for Industry and Trade - Son La branch and Joint Stock Commercial Bank for Investment and Development of Vietnam, term of 1 month, interest rate from 4% - 4.2%/year.

**2. Financial investments****2.1 Held-to-maturity investments**

	<u>Closing balance</u>			<u>Opening balance</u>		
	<u>Cost</u>	<u>Provision</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Provision</u>	<u>Fair Value</u>
<b>Long term</b>						
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
<b>Total</b>	<b><u>2.000.000.000</u></b>	<b><u>-</u></b>	<b><u>2.000.000.000</u></b>	<b><u>2.000.000.000</u></b>	<b><u>-</u></b>	<b><u>2.000.000.000</u></b>

## 2.2 Investment in associate

	Closing balance			Opening balance		
	Cost	Provision	Fair value	Cost	Provision	Fair value
To Hieu - Son La Agriculture Company Limited	9.600.000.000	-	9.600.000.000	9.600.000.000	-	9.600.000.000
<b>Total</b>	<b>9.600.000.000</b>	<b>-</b>	<b>9.600.000.000</b>	<b>9.600.000.000</b>	<b>-</b>	<b>9.600.000.000</b>

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

	Closing balance			Opening balance		
	Owners' capital	Shareholding	Proportion of voting	Owners' capital	Shareholding	Proportion of voting
To Hieu - Son La Agriculture Company Limited	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
<b>Trade receivables from third parties</b>	<b>120.119.035.000</b>	<b>222.780.093.000</b>
Phu An Sai Gon One Member Company Limited	60.200.000.000	60.200.000.000
An Ha Company Limited	-	59.800.000.000
Le Nam Ha Tien Company Limited	58.350.000.000	101.200.000.000
Others	1.569.035.000	1.580.093.000
<b>Trade receivables from related parties</b>	<b>413.444.370.000</b>	<b>316.832.000.000</b>
<i>(Details of trade receivables from related parties are disclosed in Note VIII.2)</i>		
<b>Total</b>	<b>533.563.405.000</b>	<b>539.612.093.000</b>

## 4. Short-term advance to suppliers

	Closing balance	Opening balance
<b>Advance to suppliers who are third parties</b>	<b>31.789.145.230</b>	<b>15.519.434.667</b>
Vu Le Technology Company Limited	2.593.217.777	2.655.371.195
Minh Danh Limited Liability Company	6.746.001.648	653.246.752
Vinh Tri Limited Liability Company	6.963.752.001	6.963.752.001
Nanning Raintide Imp&exp Trading Company	5.332.272.000	-
Others	10.153.901.804	5.247.064.719
<b>Advance to suppliers who are related parties</b>	<b>12.385.340.360</b>	<b>-</b>
<i>(Details of advance to suppliers who are related parties are disclosed in Note VIII.2)</i>		
<b>Total</b>	<b>44.174.485.590</b>	<b>15.519.434.667</b>

SON LA SUGAR JOINT STOCK COMPANY

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

B09a-DN

For the fiscal period from July 1, 2024 to December 31, 2024

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	1.400.000.000	1.400.000.000	-	1.400.000.000	1.400.000.000	-
<b>Total</b>	<b>9.400.000.000</b>	<b>9.400.000.000</b>	<b>-</b>	<b>9.400.000.000</b>	<b>9.400.000.000</b>	<b>-</b>

6. Other current receivables

	Closing balance		Opening balance	
	Value	Provision	Value	Provision
<b>Other receivables from third parties</b>	<b>159.923.508.310</b>	<b>162.990.516</b>	<b>124.318.876.233</b>	<b>162.990.516</b>
Receivables from investment in raw material areas	153.007.943.092	162.990.516	121.176.392.378	162.990.516
Advances	5.786.208.027	-	2.721.527.591	-
Short term deposits, collaterals	1.100.000.000	-	407.160.000	-
Other receivables	29.357.191	-	13.796.265	-
<b>Other receivables from related parties</b>	<b>500.000.000</b>	<b>-</b>	<b>600.000.000</b>	<b>-</b>
<i>(Details of other receivables from related parties are disclosed in Note VIII.2)</i>				
<b>Total</b>	<b>160.423.508.310</b>	<b>162.990.516</b>	<b>124.918.876.233</b>	<b>162.990.516</b>

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	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	352.025.517	352.025.517	-	363.083.517	363.083.517	-
<b>Total</b>	<b>11.544.575.517</b>	<b>11.544.575.517</b>	<b>-</b>	<b>11.555.633.517</b>	<b>11.555.633.517</b>	<b>-</b>

**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 period	Previous period
Opening balance	11.555.633.517	11.554.206.984
Additional provision in the year	-	26.917.972
Provision reversal during the year	(11.058.000)	(25.491.439)
Writing off debt with provisions during the year	-	-
<b>Closing balance</b>	<b>11.544.575.517</b>	<b>11.555.633.517</b>

**SON LA SUGAR JOINT STOCK COMPANY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)**

**B09a-DN**

For the fiscal period from July 1, 2024 to December 31, 2024

**8. Inventories**

	Closing balance		Opening balance	
	Value	Provision	Value	Provision
Raw materials	138.322.350.547	(2.366.375.738)	130.546.047.896	(3.148.876.501)
Tools, supplies	96.808.668	-	33.783.492	-
Work in progress	30.701.786.884	-	-	-
Finished goods	130.707.049.502	-	292.284.401.670	-
Merchandise inventories	389.925.148	-	10.865.238.959	-
<b>Total</b>	<b>300.217.920.749</b>	<b>(2.366.375.738)</b>	<b>433.729.472.017</b>	<b>(3.148.876.501)</b>

**Book value of inventories used as mortgages, pledge and guarantee for payable debts:**

	VND
Raw materials	138.322.350.547
Tools, supplies	96.808.668
Work in progress	30.701.786.884,0
Finished goods	130.707.049.502
Merchandise inventories	389.925.148
<b>Total</b>	<b>300.217.920.749</b>

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 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	-	-
Less: Use and reversal of provision during the year	(782.500.763)	(1.259.379.050)
Provision for devaluation of inventories at the end of year	<b>2.366.375.738</b>	<b>3.148.876.501</b>

**9. Prepaid expenses**

**9.1 Current prepaid expenses**

	Closing balance	Opening balance
Costs to support investment development in raw material areas in the 2024-2025 crop	10.348.985.472	-
Regular repair and maintenance costs	4.439.530.138	-
<b>Total</b>	<b>14.788.515.610</b>	<b>-</b>

**9.2 Non-current prepaid expenses**

	Closing balance	Opening balance
Major repair and maintenance costs	2.952.305.299	-
<b>Total</b>	<b>2.952.305.299</b>	<b>-</b>

**10. Construction in progress**

	Closing balance	Opening balance
Investment project to upgrade equipment and produce refined sugar	3.578.711.650	3.578.711.650
Other projects	5.880.745.598	3.895.137.657
<b>Total</b>	<b>9.459.457.248</b>	<b>7.473.849.307</b>

**SON LA SUGAR JOINT STOCK COMPANY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)**

B09a-DN

*For the fiscal period from July 1, 2024 to December 31, 2024*

11. Increase or decrease in tangible fixed assets	Buildings and structures	Machinery and equipment	Means of transportation and transmission	Management equipment	Other tangible fixed assets	Total
<b>COST</b>						
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	-	535.000.000	4.262.218.519	-	-	4.797.218.519
Completed capital construction investment	-	-	-	-	-	-
Disposal	(1.564.566.535)	(9.672.015.328)	(219.300.000)	-	-	(11.455.881.863)
Other decrease	-	-	-	-	-	-
<b>Closing balance</b>	<b>185.260.999.437</b>	<b>805.335.196.435</b>	<b>13.289.415.641</b>	<b>3.235.777.305</b>	<b>452.727.273</b>	<b>1.007.574.116.091</b>
<b>ACCUMULATED DEPRECIATION</b>						
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	3.105.859.777	25.198.873.910	326.800.232	104.431.182	-	28.735.965.101
Wear and tear during the year	33.626.190	-	-	-	-	33.626.190
Disposal	(1.564.566.535)	(5.368.327.227)	-	(219.300.000)	-	(7.152.193.762)
<b>Closing balance</b>	<b>91.496.050.699</b>	<b>389.166.032.874</b>	<b>4.960.468.402</b>	<b>1.367.712.401</b>	<b>452.727.273</b>	<b>487.442.991.649</b>
<b>CARRYING VALUE</b>						
Opening balance	96.904.434.705	445.136.725.572	4.612.828.952	1.753.196.086	-	548.407.185.315
<b>Closing balance</b>	<b>93.764.948.738</b>	<b>416.169.163.561</b>	<b>8.328.947.239</b>	<b>1.868.064.904</b>	<b>-</b>	<b>520.131.124.442</b>

*In which:*

*The historical cost of tangible fixed assets as at June 30, 2024, fully depreciated but still in use, is VND 113,534,436,949 (as at June 30, 2023 is VND 103,188,237,064).*

*The carrying value of tangible fixed assets as at June 30, 2024 used as mortgage, pledge, or loan guarantee is VND 362,076,709,335 (as at June 30, 2023, is VND 387,859,903,274).*

**SON LA SUGAR JOINT STOCK COMPANY**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS** (continued)

**B09a-DN**

For the fiscal period from July 1, 2024 to December 31, 2024

**12. Increase and decrease of intangible fixed assets**

	Land use right	Computer software	Total
<b>COST</b>			
Opening balance	1.080.949.765	938.041.895	2.018.991.660
Purchase during the year	-	-	-
Disposal, sale	-	-	-
<b>Closing balance</b>	<b>1.080.949.765</b>	<b>938.041.895</b>	<b>2.018.991.660</b>
<b>ACCUMULATED AMORTIZATION</b>			
Opening balance	-	831.210.480	831.210.480
Amortization during the year	-	7.122.096	7.122.096
<b>Closing balance</b>	<b>-</b>	<b>838.332.576</b>	<b>838.332.576</b>
<b>CARRYING VALUE</b>			
Opening balance	1.080.949.765	106.831.415	1.187.781.180
<b>Closing balance</b>	<b>1.080.949.765</b>	<b>99.709.319</b>	<b>1.180.659.084</b>

*In which:*

The cost of intangible fixed assets as at December 31, 2024, 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 December 31, 2024 used as collateral for loan is VND 99,709,319 (as at June 30, 2024 is VND 106,831,415).

**13. Current trade payables**

	Closing balance		Opening balance	
	Value	Able-to-pay amount	Value	Able-to-pay amount
<b>Trade payables to third parties</b>	<b>98.625.088.070</b>	<b>98.625.088.070</b>	<b>37.923.830.873</b>	<b>37.923.830.873</b>
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
Hiep Thanh Industry Joint Stock Company	4.551.150.035	4.551.150.035	4.551.150.035	4.551.150.035
Behn Meyer Specialty Chemicals Sdn.BHn	1.471.910.400	1.471.910.400	-	-
Surgarcane transport individuals	7.890.108.672	7.890.108.672	23.224.150.392	23.224.150.392
Sugarcane growing households	73.934.215.630	73.934.215.630	-	-
Remaining suppliers	9.642.203.333	9.642.203.333	9.013.030.446	9.013.030.446
<b>Trade payables to related parties</b>	<b>2.120.031.830</b>	<b>2.120.031.830</b>	<b>5.204.750.180</b>	<b>5.204.750.180</b>
<i>(Details of payables to related parties are disclosed in Note VIII.2)</i>				
<b>Total</b>	<b>100.745.119.900</b>	<b>100.745.119.900</b>	<b>43.128.581.053</b>	<b>43.128.581.053</b>

**14. Current advance from customers**

	Closing balance	Opening balance
<b>Current advance from third parties</b>	<b>581.560.501</b>	<b>461.666.050</b>
Son La Bio-Energy Joint Stock Company	241.760.200	61.254.000
Mr. Pham Huu Quang	140.021.500	140.021.500
Moc Chau Dairy Cattle Breeding Joint Stock Company	-	162.260.000
Others	199.778.801	98.130.550
<b>Current advance from related parties</b>	<b>15.908.205.800</b>	<b>-</b>
<i>(Details of current advance from related parties are disclosed in Note VIII.2)</i>		
<b>Total</b>	<b>16.489.766.301</b>	<b>461.666.050</b>

For the fiscal period from July 1, 2024 to December 31, 2024

**15. 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	21.568.721.518	32.699.927.734	5.300.556.013
Value added tax on imported goods	-	330.238.677	330.238.677	-
Import and export tax	-	59.710.390	59.710.390	-
Corporate income tax	5.906.554.483	-	5.906.554.483	-
Personal income tax	45.885.790	8.525.775.482	8.520.250.131	51.411.141
Natural resource consumption tax	-	1.478.850	-	1.478.850
Land rent, land tax	-	261.360.540	261.360.540	-
Fees, charges, and other payables	-	302.614.790	214.354.848	88.259.942
<b>Total</b>	<b>22.384.202.502</b>	<b>31.049.900.247</b>	<b>47.992.396.803</b>	<b>5.441.705.946</b>

**16. Current accrued expenses**

	Closing balance	Opening balance
Costs to support the development of new planting areas for the 2024-2025 crop	20.968.897.680	-
Accrual for sugarcane procurement management costs	150.366.210	1.007.544.371
Other accrued expenses	112.244.414	28.381.914
<b>Total</b>	<b>21.231.508.304</b>	<b>1.035.926.285</b>

**17. Other current payables**

	Closing balance	Opening balance
Trade Union fee	355.386.045	293.156.515
Short-term deposits received	947.918.210	97.918.210
Others	1.496.406.763	524.589.871
<b>Total</b>	<b>2.799.711.018</b>	<b>915.664.596</b>

**18. Provision for short-term payables**

	Closing balance	Opening balance
Salary provision	-	4.000.000.000
<b>Total</b>	<b>-</b>	<b>4.000.000.000</b>

**SON LA SUGAR JOINT STOCK COMPANY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)**

B09a-DN

*For the fiscal period from July 1, 2024 to December 31, 2024*

19. Loans and finance lease liabilities <i>Short-term loans and finance lease liabilities</i>	Opening balance		During the year		Closing balance	
	<i>Value</i>	<i>Able-to-pay amount</i>	<i>Increase</i>	<i>Decrease</i>	<i>Value</i>	<i>Able-to-pay amount</i>
<b>Short-term loans</b>	<b>57.209.043.280</b>	<b>57.209.043.280</b>	<b>46.191.830.096</b>	<b>103.400.873.376</b>	-	-
Vietnam Joint Stock Commercial Bank for Industry and Trade - Son La branch	57.209.043.280	57.209.043.280	46.191.830.096	103.400.873.376	-	-
<b>Current portion of long-term loans</b>	<b>4.500.000.000</b>	<b>4.500.000.000</b>	-	<b>4.500.000.000</b>	-	-
Vietnam Joint Stock Commercial Bank for Industry and Trade - Son La branch	4.500.000.000	4.500.000.000	-	4.500.000.000	-	-
<b>Total</b>	<b>61.709.043.280</b>	<b>61.709.043.280</b>	<b>46.191.830.096</b>	<b>107.900.873.376</b>	-	-

20. Owners' equity 20.1 <i>Changes in owners' equity</i>	Share capital	Share premium	Development investment fund	Other funds under owners' equity	Retained earnings	Total
<b>Opening balance of previous year</b>	<b>97.919.450.000</b>	<b>3.998.638.028</b>	<b>45.607.779.802</b>	<b>8.174.806.000</b>	<b>1.024.947.559.836</b>	<b>1.180.648.233.666</b>
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)
<b>Closing balance of previous year/Opening balance of current year</b>	<b>97.919.450.000</b>	<b>3.998.638.028</b>	<b>45.607.779.802</b>	<b>8.801.036.000</b>	<b>1.398.427.368.312</b>	<b>1.554.754.272.142</b>
Profit in current year	-	-	-	-	188.464.825.882	188.464.825.882
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	-	-	-	(362.000.000)	-	(362.000.000)
Other decrease	-	-	-	-	(11.499.039)	(11.499.039)
<b>Closing balance of current year</b>	<b>97.919.450.000</b>	<b>3.998.638.028</b>	<b>95.607.779.802</b>	<b>8.439.036.000</b>	<b>1.336.541.795.155</b>	<b>1.542.506.698.985</b>

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.

**SON LA SUGAR JOINT STOCK COMPANY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)**

**B09a-DN**

For the fiscal period from July 1, 2024 to December 31, 2024

**20.2 Details of owners' equity**

	<u>Closing balance</u>	<u>Opening balance</u>
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
<b>Total</b>	<b><u>97.919.450.000</u></b>	<b><u>97.919.450.000</u></b>

**20.3 Capital transactions with owners and dividend, profit distribution**

	<u>Current year</u>	<u>Previous year</u>
Contributed capital		
+ At the beginning of the year	97.919.450.000	97.919.450.000
+ Increase during the year	-	-
+ At the end of year	<b><u>97.919.450.000</u></b>	<b><u>97.919.450.000</u></b>
Dividends and profits distributed	195.838.900.000	146.879.175.000

**20.4 Shares**

	<u>Closing balance</u>	<u>Opening balance</u>
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: VND 10.000		

**21. Off-balance sheet items**

**Bad debts written off**

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

<u>Content</u>	<u>Debt amount</u>	<u>Year of debt</u>	<u>Reason for debt</u>
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 INTERIM INCOME STATEMENT**

**1. Revenue from sales of goods and rendering of services**

	<u>Current period</u>	<u>Previous period</u>
Revenue from sugar, molasses, and mud residue	485.627.718.768	614.027.992.585
Revenue from fertilizers, pesticides, and sugarcane seeds	14.018.852.740	4.108.395.893
Other revenue	334.876.470	300.543.200
<b>Total</b>	<b><u>499.981.447.978</u></b>	<b><u>618.436.931.678</u></b>
<b><u>In which</u></b>	<b><u>Current period</u></b>	<b><u>Previous period</u></b>
Revenue from third parties	80.816.053.503	101.427.034.156
Revenue from related parties	419.165.394.475	517.009.897.522
<b>Total</b>	<b><u>499.981.447.978</u></b>	<b><u>618.436.931.678</u></b>

**SON LA SUGAR JOINT STOCK COMPANY**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)**

**B09a-DN**

*For the fiscal period from July 1, 2024 to December 31, 2024*

**2. Cost of sales**

	<u>Current period</u>	<u>Previous period</u>
Cost of sugar, molasses, and mud residue	299.123.628.381	419.082.688.757
Cost of fertilizers, pesticides, and sugarcane seeds	12.407.085.821	3.874.433.095
Cost of other activities	30.436.353	10.090.742
<b>Total</b>	<b><u>311.561.150.555</u></b>	<b><u>422.967.212.594</u></b>

**3. Financial income**

	<u>Current period</u>	<u>Previous period</u>
Interest on deposits and loans	1.025.667.320	6.076.501.426
Dividend, profit received	335.298.004	364.304.498
Interest on loan from investment for raw material areas	2.249.433	374.640.137
Interest on deferred payment sales	11.793.728.779	6.245.467.536
Other financial income	-	50.292.000
<b>Total</b>	<b><u>13.156.943.536</u></b>	<b><u>13.111.205.597</u></b>

**4. Financial expenses**

	<u>Current period</u>	<u>Previous period</u>
Interest expenses	525.024.541	1.901.918.645
Other financial expenses	-	1.000.000.000
<b>Total</b>	<b><u>525.024.541</u></b>	<b><u>2.901.918.645</u></b>

**5. Selling expenses**

	<u>Current period</u>	<u>Previous period</u>
Labour cost	-	9.480.040
Depreciation and amortisation of fixed assets	87.862.847	56.758.680
Outsourced services expenses	872.869.800	1.643.992.970
Other monetary expenses	-	6.627.925
<b>Total</b>	<b><u>960.732.647</u></b>	<b><u>1.716.859.615</u></b>

**6. General and administrative expenses**

	<u>Current period</u>	<u>Previous period</u>
Labour costs	9.708.719.671	7.387.018.255
Materials expenses	95.092.602	27.162.543
Office supplies	156.579.894	327.403.715
Depreciation and amortisation of fixed assets	410.008.855	245.714.233
Taxes, charges and fees	364.227.172	759.706.707
Provision expenses	(4.011.058.000)	(11.001.000)
Outsourced services expenses	3.022.508.884	3.318.407.416
Other monetary expenses	2.363.373.686	2.689.348.620
<b>Total</b>	<b><u>12.109.452.764</u></b>	<b><u>14.743.760.489</u></b>

**7. Other income**

	<u>Current period</u>	<u>Previous period</u>
Income from disposals of fixed assets and supplies	562.581.899	-
Others	46.422.159	20.371.370
<b>Total</b>	<b><u>609.004.058</u></b>	<b><u>20.371.370</u></b>

For the fiscal period from July 1, 2024 to December 31, 2024

**8. Other expenses**

	<u>Current period</u>	<u>Previous period</u>
Penalties	90.733.652	107.428.933
Others	35.475.531	
<b>Total</b>	<b><u>126.209.183</u></b>	<b><u>107.428.933</u></b>

**9. Production and business costs by element**

	<u>Current period</u>	<u>Previous period</u>
Raw material costs	104.275.214.512	120.401.232.837
Labor costs	24.194.958.491	20.492.108.589
Depreciation and amortisation of fixed assets	28.743.087.197	27.485.090.022
Provision	(4.011.058.000)	(11.001.000)
Outsourced services expenses	5.620.105.363	5.473.544.080
Other monetary expenses	22.280.704.571	12.080.131.935
<b>Total</b>	<b><u>181.103.012.134</u></b>	<b><u>185.921.106.463</u></b>

**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:

	<u>Current period</u>	<u>Previous period</u>
Accounting profit after corporate income tax	188.464.825.882	189.131.328.369
Adjustments to increase or decrease accounting profits to determine allocated profits to common shareholders:	-	-
Profits distributed to common shareholders of the Company	188.464.825.882	189.131.328.369
Bonus and welfare fund in the year	-	-
Average outstanding common shares during the year	9.791.945	9.791.945
<b>Basic earnings per share</b>	<b><u>19.247</u></b>	<b><u>19.315</u></b>

The company has not determined the amount of the bonus and welfare fund from this year's profit after tax; Bonus and welfare funds from profits of the previous year were adjusted according to actual data.

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

	<u>Current period</u>	<u>Previous period</u>
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

**VII ADDITIONAL INFORMATION FOR ITEMS IN THE INTERIM CASH FLOW STATEMENT****1. Non cash transactions**

	<u>Current period</u>	<u>Previous period</u>
Bank loans paid directly to suppliers, loans to pay employee salaries	38.191.830.096	55.000.000.000
<b>Total</b>	<b><u>38.191.830.096</u></b>	<b><u>55.000.000.000</u></b>

## 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 interim financial statements for the fiscal period from July 1, 2024 to December 31, 2024.

## 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:

	<u>Current period</u>	<u>Previous period</u>
<b>Income of key management members</b>	<b>2.699.104.000</b>	<b>2.368.253.333</b>
Mr. Dang Viet Anh	367.100.000	263.900.000
Mr. Tran Ngoc Hieu	810.164.000	731.180.000
Ms. Tran Thi Bich Nhi	165.300.000	122.700.000
Mr. Thai Van Hung	512.600.000	466.400.000
Mr. Nguyen Truong Chinh	165.300.000	122.700.000
Ms. Nguyen Thi Thuy	123.700.000	117.700.000
Mr. Nguyen Van Tai	218.720.000	215.720.000
Mr. Nguyen Van Dai	158.720.000	154.453.333
Ms. Nguyen Thi Khuong	177.500.000	173.500.000
<b>Advances received from the Company</b>	<b>-</b>	<b>600.000.000</b>
Mr. Tran Ngoc Hieu	-	300.000.000
Mr. Dang Viet Anh	-	300.000.000
<b>Dividends received from the Company</b>	<b>21.930.660.000</b>	<b>16.447.995.000</b>
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

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

	<u>Closing balance</u>	<u>Opening balance</u>
<b><u>Other trade receivables</u> (Detailed note for item V.6)</b>		
<b>Mr. Tran Ngoc Hieu</b>		
Advances from the Company	200.000.000	300.000.000
<b>Mr. Dang Viet Anh</b>		
Advances from the Company	300.000.000	300.000.000

For the fiscal period from July 1, 2024 to December 31, 2024

**2.2 Other related parties**

The list of other related parties to the Company includes:

<b>Related parties</b>	<b>Relationship</b>
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	The company has the same key management members
Soc Trang Sugar Corporation	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 JSC.
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:

	<b>Current period</b>	<b>Previous period</b>
<b><i>Kim Ha Viet Company Limited</i></b>		
Sale of goods	56.380.952.380	63.205.476.190
Interest on late payment of goods	1.597.863.013	458.166.946
Purchases of supplies	7.850.128.400	6.751.583.422
<b><i>Kon Tum Sugar Joint Stock Company</i></b>		
Interest on late payment of goods	-	391.457.534
Purchases of supplies	-	195.726.947
<b><i>Tuy Hoa Sugar Cane and Sugar Joint Stock Company</i></b>		
Interest on late payment of goods	-	249.469.110
<b><i>Thai Lien Company Limited</i></b>		
Sale of goods	38.285.714.286	78.619.047.619
Interest on late payment of goods	515.140.849	332.644.109
Dividends paid	29.376.000.000	22.032.000.000
<b><i>Viet Kingdom Investment Corporation</i></b>		
Sale of goods	50.137.495.238	27.311.087.998
Interest on late payment of goods	1.477.987.245	503.270.889

**SON LA SUGAR JOINT STOCK COMPANY**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)**

**B09a-DN**

For the fiscal period from July 1, 2024 to December 31, 2024

	<u>Current period</u>	<u>Previous period</u>
<b><i>Nam Phuong Ha Tien Company Limited Member</i></b>		
Sale of goods	-	18.571.428.572
Interest on late payment of goods	1.024.137.670	458.094.179
<b><i>To Hieu - Son La Agriculture Company Limited</i></b>		
Purchase of raw sugar cane	2.078.104.310	1.260.567.560
Sale of goods	170.756.382	-
Distributed dividends	335.298.004	364.304.498
Receive deposit	100.000.000	-
<b><i>Tra Vinh Sugar Joint Stock Company</i></b>		
Sale of goods	57.238.095.238	88.619.047.619
Interest on late payment of goods	-	324.716.849
<b><i>Grain Import Export Joint Stock Company</i></b>		
Sale of goods	216.952.380.951	205.540.952.381
Interest on late payment of goods	1.857.658.905	344.535.617
<b><i>CanTho Mechanical Electrical Machinery Joint Stock</i></b>		
Interest on late payment of goods	-	684.787.671
<b><i>Thien Thien Phuc Trading Company Limited</i></b>		
Sale of goods	-	35.142.857.143
Interest on late payment of goods	1.385.593.152	529.346.165
<b><i>Thai Minh Anh Vietnam Company Limited (*)</i></b>		
Purchases of supplies, services	3.081.625.054	-

(\*): This unit becomes a related party of the Company in this period, in the previous period it 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:

	<u>Closing balance</u>	<u>Opening balance</u>
<b><u>Trade receivables (Detailed note for item V.3)</u></b>		
Kim Ha Viet Company Limited	71.600.000.000	59.800.000.000
Viet Kingdom Investment Corporation	72.094.370.000	63.150.000.000
Nam Phuong Ha Tien Company Limited Member	11.850.000.000	55.850.000.000
Thai Lien Company Limited	-	7.782.000.000
Grain Import Export Joint Stock Company	197.800.000.000	70.150.000.000
Thien Thien Phuc Trading Company Limited	60.100.000.000	60.100.000.000
<b>Total</b>	<b><u>413.444.370.000</u></b>	<b><u>316.832.000.000</u></b>
<b><u>Advances to suppliers (Detailed note for item V.4)</u></b>		
Kim Ha Viet Company Limited	12.385.340.360	-
<b>Total</b>	<b><u>12.385.340.360</u></b>	<b><u>-</u></b>
<b><u>Trade payables (Detailed note for item V.13)</u></b>		
Kim Ha Viet Company Limited	-	5.204.750.180
To Hieu - Son La Agriculture Company Limited	2.078.104.310	-
Kim Ha Viet Company Limited	41.927.520	-
<b>Total</b>	<b><u>2.120.031.830</u></b>	<b><u>5.204.750.180</u></b>

For the fiscal period from July 1, 2024 to December 31, 2024

**Advances from customers** (Detailed note for item V.14)

Thai Lien Company Limited	15.800.000.000	-
To Hieu - Son La Agriculture Company Limited	108.205.800	-
<b>Total</b>	<b>15.908.205.800</b>	<b>-</b>

**Receive deposits, deposits, and escrow** (Detailed note for item V.17)

Kim Ha Viet Company Limited	100.000.000	-
<b>Total</b>	<b>100.000.000</b>	<b>-</b>

**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 period from July 1, 2023 to December 31, 2023, which have been reviewed and the Financial Statements for the fiscal year from July 1, 2023 to June 30, 2024, which have been audited by BDO Audit Services Company Limited.

Son La, February 14, 2025

Prepare



Duong Hai Linh

Chief Accountant



Nguyen Thi Khuong

General Director



Tran Ngoc Hieu