



ANNUAL REPORT 2024

SHARING PROSPERITY

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VISION - MISSION



VISION

Elevate PVFCCo to a world-class enterprise, setting new benchmarks of excellence by harnessing its strengths in fertilizers and chemicals to build a sustainable value chain for the future.



MISSION

Creating high quality products and services to improve benefits and profits for consumers, partners, shareholders and employees.

CHAIRMAN'S MESSAGE



“ THE CORPORATION REMAINS STEADFAST IN EXECUTING ITS APPROVED BUSINESS STRATEGIES AND SUSTAINABILITY INITIATIVES, UPHOLDING THE TRUST AND SUPPORT OF SHAREHOLDERS, INVESTORS AND THE COMMUNITY

Dear Shareholders and Partners,

For and on behalf of PetroVietnam Fertilizer and Chemicals Corporation (PVFCCo), I am delighted to present the 2024 Annual Report themed **“Sharing Prosperity”**. This reflects our core values and new brand identity slogan, underscoring our commitment to fostering growth in collaboration with investors, partners, and customers while continuously creating and sharing value with the community.

This is more than just a change in name and image; it marks a milestone in the Corporation's journey, signifying a new phase of sustainable development while strengthening its position and reputation with the public, shareholders, customers, and partners.

The year 2024 has seen significant changes in Vietnam and worldwide. Despite some positive signs, the global economy continues to face major challenges as escalating geopolitical conflicts heighten uncertainty in global trade and increase volatility in financial and monetary systems. Additionally, climate change and the growing frequency of natural disasters pose a serious threat to food and energy security, driving social issues and impacting nations across multiple dimensions.

Amid these challenges, Vietnam has demonstrated resilience, overcoming numerous difficulties. In 2024, the socio-economic landscape showed a positive trajectory, achieving significant milestones and setting the

stage for sustainable development. Economic growth exceeded 7%, surpassing the target of 6-6.5%. These accomplishments underscore the substantial contributions of the oil and gas industry in general and the Corporation in particular.

In 2023, PVFCCo successfully navigated significant challenges, entering 2024 with a proactive mindset - clearly identifying both difficulties and opportunities while remaining prepared to advance confidently into the next phase of development. With this approach, the management and staff have strengthened solidarity and implemented strategic management and operational solutions, delivering strong results. Key production and business targets were met and exceeded. Specifically, total revenue reached 109% of the annual plan, and the profit before tax target was completed at 101% of the annual plan, contributing VND 258 billion to the state budget. Sales volumes of key products, Phu My Urea and NPK reached nearly 1.1 million tons, exceeding the target by 3%.

Beyond production and business, PVFCCo remains committed to social responsibility, reinforcing its sustainable development strategy by balancing stakeholder interests. These efforts enrich the Corporation's journey, fostering valuable intangible assets that are deeply appreciated by its employees.

CHAIRMAN'S MESSAGE
(CONTINUED)



Sales volume
899 thousand tons of urea
147 thousand tons of NPK
65 thousand tons of NH₃
(for trading)
Over **240** thousand tons
of other fertilizers



Total revenue
13,878
Billion VND



Profit before tax
669.3
Billion VND

PVFCCo upholds openness and transparency in business, finance, and accounting, adhering to leading corporate governance standards. In 2024, the Board of Directors (BOD) strengthened governance, internal controls, and risk management. To enhance oversight, the BOD established committees for Business Planning, Risk Management and Employee Policy, Investment and R&D. The organizational structure was refined with new departments for Legal Compliance & Risk Management and Digital Transformation & Information Technology, along with dedicated ESG functions. Advisory and support committees were also reinforced. The Management prioritized cost efficiency, optimizing coordination between production and sales amid rising expenses and market uncertainties. The Corporation has effectively completed its internal corporate governance documentation, ensuring robust management and long-term operational alignment.

With its 2024 achievements, PVFCCo remains among Vietnam's most successful listed companies, a leading enterprise in Asia, and one of the most valuable corporations in the

Vietnamese agricultural sector. Phu My Urea and Phu My NPK continue to be recognized as Vietnam National Brands, while DPM shares remain attractive to both domestic and foreign investors.

The positive results achieved in 2024 drive PVFCCo to enhance operational efficiency and maximize investment returns for shareholders. These achievements also serve as a foundation for improving employee welfare policies, fostering dedication, and encouraging innovation for long-term sustainability.

Entering 2025, PVFCCo has set clear strategic priorities: effectively implementing the Phu My Fertilizer Plant's maintenance plan, ensuring safe and efficient plant operations, adapting sales policies with agility, and advancing new investment projects to drive growth. Simultaneously, the Corporation remains committed to enhancing employee welfare, developing high-quality human resources, and reinforcing the reputation of Phu My Fertilizer and Chemicals, further strengthening DPM shares on the Vietnam stock exchange.

On behalf of PVFCCo, I extend my sincere gratitude to our employees, shareholders, and partners. The Corporation remains steadfast in executing its approved business strategies and sustainability initiatives, upholding the trust and support of shareholders, investors, and the community for DPM shares and the Phu My Fertilizer - Chemicals brand.

Wishing continued success and prosperity to all!

With sincere appreciation.
Chairman of the Board of Directors

Nguyen Xuan Hoa





FROM FERTILE STREAMS THE EARTH WE CHERISH

INTRODUCTION OF PVFCCo

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GENERAL INFORMATION

OVERVIEW

Transaction Name:	PetroVietnam Fertilizer and Chemicals Corporation
Business Registration Certificate:	0303165480
Charter capital:	VND 3,914,000,000,000 (The corporation plans to increase its charter capital to VND 6,800,000,000,000 in 2025)
Owner’s Equity:	VND 3,914,000,000,000
Address:	43 Mac Dinh Chi, Da Kao Ward, District 1, Ho Chi Minh City
Tel:	(+84.28) 3825 6258
Fax:	(+84.28) 3825 6269
Website:	www.dpm.vn
Mã cổ phiếu:	DPM



Charter capital

3,914,000,000,000 VND

(The corporation plans to increase its charter capital to VND 6,800,000,000,000 in 2025)

HISTORY AND GROWTH

28/03/2003

PetroVietnam Fertilizer and Chemicals Company, now called PetroVietnam Fertilizer and Chemicals Corporation JSC, was established under Decision No. 02/2003/QD-VPCP dated 28 March 2003 by the Minister and Chairman of the Government Office.

21/04/2007

On 21 April 2007, PVFCCo successfully issued 40% of its shares in an initial public offering on the Ho Chi Minh Stock Exchange (HoSE). The Ho Chi Minh City Department of Planning and Investment issued Business Registration Certificate No. 4103007696 on 31 August 2007, legally incorporating PetroVietnam Fertilizer and Chemicals Joint Stock Company.

05/11/2007

PVFCCo completed the documents and officially listed 380 million shares on the Ho Chi Minh City Stock Exchange (HoSE) on 05 November 2007. PVFCCo listed 11.4 million additional shares according to its Employee Stock Ownership Plan (ESOP) on 26 February 2016.

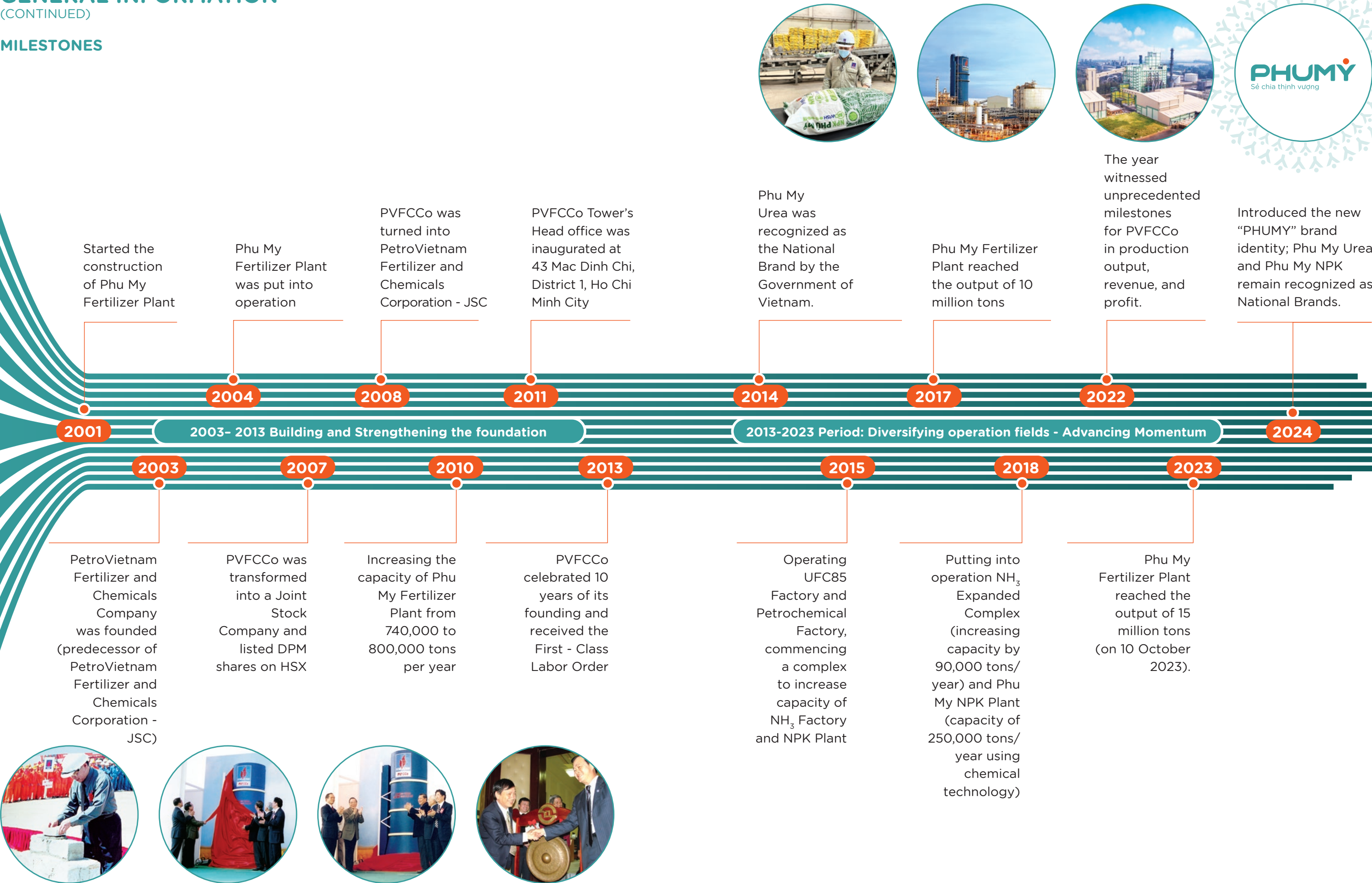
15/05/2008

On 15 May 2008, the Ho Chi Minh City Department of Planning and Investment granted the Amended Business Registration Certificate No. 4103007696 to PetroVietnam Fertilizer and Chemicals Corporation - The corporation operates under the parent-subsiary model. The Corporation most recently amended its business registration for the 16th time on 16 February 2024, under Business Registration Certificate No. 0303165480.

GENERAL INFORMATION

(CONTINUED)

MILESTONES



IN 2024, PVFCCo OFFICIALLY LAUNCHED ITS NEW CORPORATE BRAND IDENTITY, “PHUMY”, ALONG WITH A NEW CORE VALUE AND SLOGAN: “SHARING PROSPERITY”. PVFCCo POSITIONS THE “PHUMY” BRAND AS A DIVERSIFIED ENTERPRISE WITH A GLOBAL VISION, SPECIALIZING IN FERTILIZERS AND CHEMICALS, WHILE MAINTAINING ITS INDUSTRY LEADERSHIP IN VIETNAM AND THE REGION. IN THE FERTILIZER SECTOR, PHU MY FERTILIZER DELIVERS COMPREHENSIVE, HIGH-QUALITY NUTRITIONAL SOLUTIONS FOR THE SUSTAINABLE GROWTH AND BENEFITS OF FARMERS AND AGRICULTURE. IN THE CHEMICAL SECTOR, PHU MY CHEMICALS OFFERS HIGH-QUALITY, INTERNATIONALLY CERTIFIED PRODUCTS, FOSTERING COMMUNITY DEVELOPMENT AND ENVIRONMENTAL SUSTAINABILITY.



BUSINESS LINES AND LOCATIONS

AS AN INDUSTRY LEADER, PVFCCo ANNUALLY MANUFACTURES AND TRADES AROUND 1.3 MILLION TONS OF FERTILIZERS AND CHEMICALS, MEETING THE NEEDS BOTH DOMESTICALLY AND IN INTERNATIONAL MARKETS SUCH AS INDIA, SOUTH KOREA, AND ASEAN, ETC.

BUSINESS LINES

PVFCCo's core business is the production and trading of fertilizer and chemicals. Currently, the key products are prilled urea, Phu My NPK, Phu My Potassium, Phu My Ammonium Sulfate, Phu My DAP, organic fertilizers targeted at the agriculture sector, liquid Ammonia and UFC85/Formaldehyde, CO₂, chemicals used in oil and gas production.

MAIN LOCATIONS

PVFCCo's main production is at its affiliated unit, Phu My Fertilizer Plant, located in Phu My 1 Industrial Park, Phu My City, Ba Ria - Vung Tau Province.

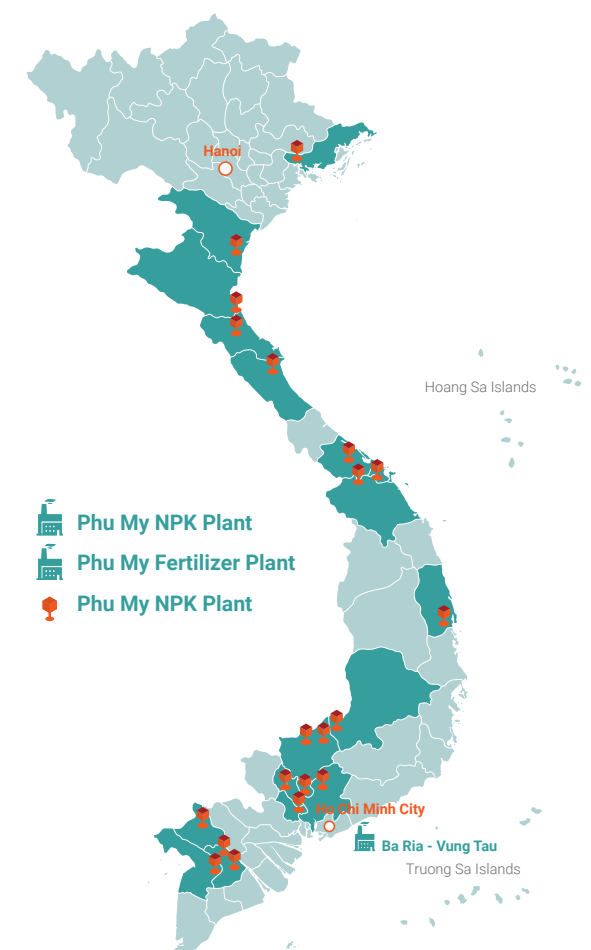
The distributors are situated in the agricultural heartland and industrial plants in Vietnam. They form a closely-knitted distribution network of subsidiaries and their regional headquarters are located in the North, Central and Highlands, Southeast and Southwest. In addition to the domestic market, the Corporation also exports fertilizer products to many countries, predominantly in Asia.

The key customers and markets for chemicals are in the South, mainly in the oil & gas industry and industrial production sectors.



PVFCCo annually manufactures and trades around

1.3 million tons of fertilizers and chemicals



BUSINESS LINES AND LOCATIONS

(CONTINUED)

PRODUCTION AND SALES CAPACITY

Production capacity

PHU MY FERTILIZER PLANT



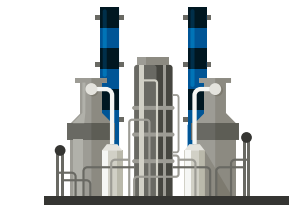
Year of operation	: 2004
Capacity	: 800,000 tons of urea/year : 540,000 tons of NH ₃ /year
Technology	: Haldor Topsoe (Denmark) - NH ₃ production; : Snamprogetti (Italy) - Urea production

PHU MY NPK PLANT



Year of operation	: 2018
Capacity	: 250,000 tons/year
Technology	: Chemical technology of INCRO SA (Spain)

UFC85 FACTORY



Year of operation	: 2015
Capacity	: 15,000 tons/year

PETROCHEMICAL FACTORY



Year of operation	: 2015
Capacity	: 4,000 tons/year
Technology	: Technology and quality standards: Baker Hughes global

Business capacity

Fertilizers

The core business segment, accounting for a significant portion of PVFCCo's revenue and profit structure.

PVFCCo currently possesses a diverse portfolio of fertilizer products, consisting of over 40 product lines. In addition to our flagship product, Phu My Urea, we also provide a range of other fertilizers including Phu My NPK, Phu My Potassium, Phu My DAP, and Phu My Ammonium Sulfate, etc.

Additionally, PVFCCo is expanding its fertilizer portfolio to include premium organic products imported from Norway, Japan, and Malaysia, in anticipation of upcoming organic fertilizer production projects.

Chemicals

PVFCCo's main chemicals are specialized products, including NH₃ (Ammonia), UFC85, CO₂ and many specialized petroleum chemicals.

Distribution and sales system

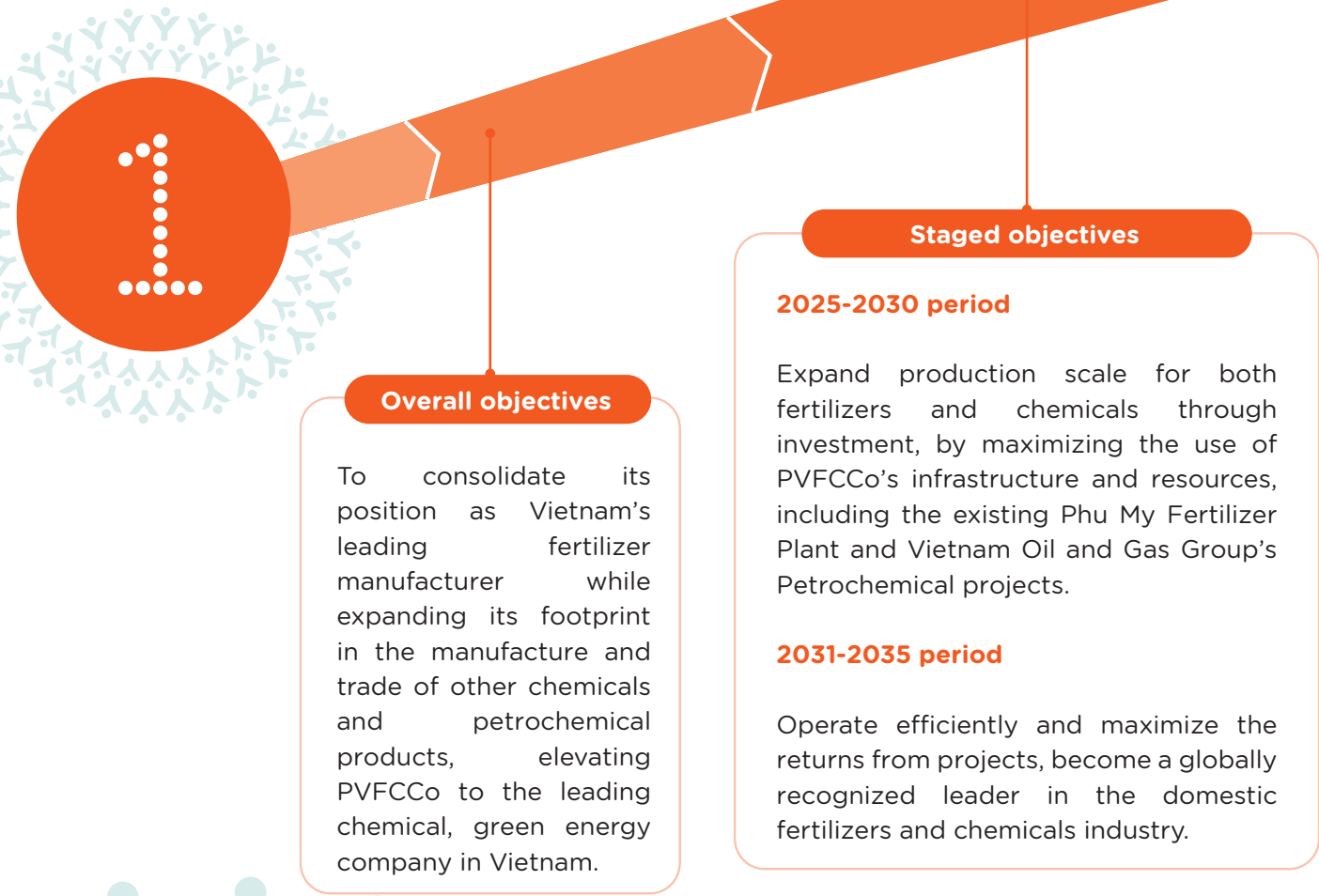
PVFCCo distributes chemical fertilizers through regional distributors, supported by a 250,000-ton warehousing system. The Corporation is also planning investments in a 5,000-ton multi-purpose port near Phu My Fertilizer Plant and a Southern Chemical Warehouse to enhance export capacity and storage for future chemical operations.



“INITIALLY OFFERING ONLY UREA, PVFCCo HAS SUCCESSFULLY EXPANDED ITS PHU MY FERTILIZER PRODUCT RANGE TO INCLUDE PHU MY UREA, PHU MY NPK, PHU MY POTASSIUM, PHU MY DAP, AND PHU MY AMMONIUM SULFATE, AND MORE. IN RECENT YEARS, PVFCCo HAS INTRODUCED INNOVATIVE PRODUCTS SUCH AS PHU MY UREA + KEBO (2020), PHU MY NPK + PROBIOTICS (2022), AND THE PHU MY GARDEN PRODUCT LINE FOR URBAN AGRICULTURE (2023).

ORIENTATION, MEDIUM AND LONG-TERM STRATEGIC OBJECTIVES

DEVELOPMENT GOALS BY 2035



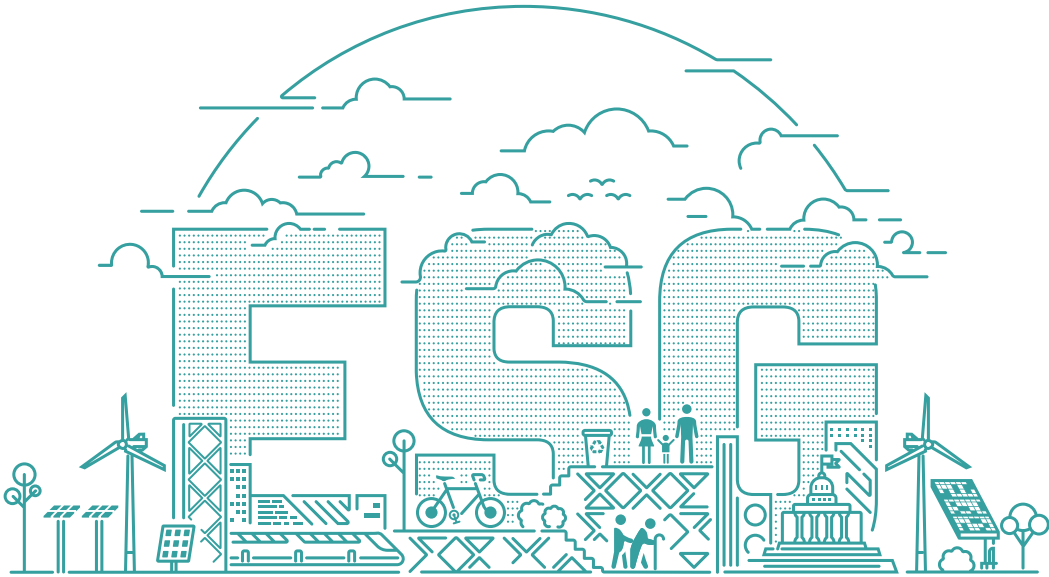
VISION TOWARDS 2050

PVFCCo will have become a leading fertilizer and chemical manufacturer, not just in Vietnam but also in the region.

PVFCCo will have caught up with international standards and good practices concerning the application of modern production technology, will meet high standards for both product quality and environmental protection; is a proven adopter of global standards in corporate governance and customer service and will have successfully implemented its digital transformation for more effective management and enhanced customer experience.

PVFCCo will have firmly established in the international market itself as a reputable brand, who is deeply involved in the product chain for green and clean agriculture, meets the criteria for sustainable development, actively participates in environmental protection and efforts to adapt to climate change; contributes to the development of modern agricultural production.

PVFCCo committed to employee well-being, community benefits, and strict adherence to ESG principles.



ORIENTATION, MEDIUM AND LONG-TERM STRATEGIC OBJECTIVES (CONTINUED)

SPECIFIC OBJECTIVES

Fertilizer industry

2025-2030 period

- Develop new urea-based products that standing out in the market and increase the competitiveness of the brand.
- PVFCCo aims to expand its NPK market share through new investments, joint ventures, mergers and acquisitions (M&A), while enhancing the production capacity of high-quality NPK.
- Formally enter the organic fertilizers market and claim the position of ground breakers in developing organic fertilizers.
- Continue to distribute Phu My Potassium, Phu My DAP and Phu My Ammonium Sulfate products with the aim of providing comprehensive solutions for our customers.



Chemical industry

2031-2035 period

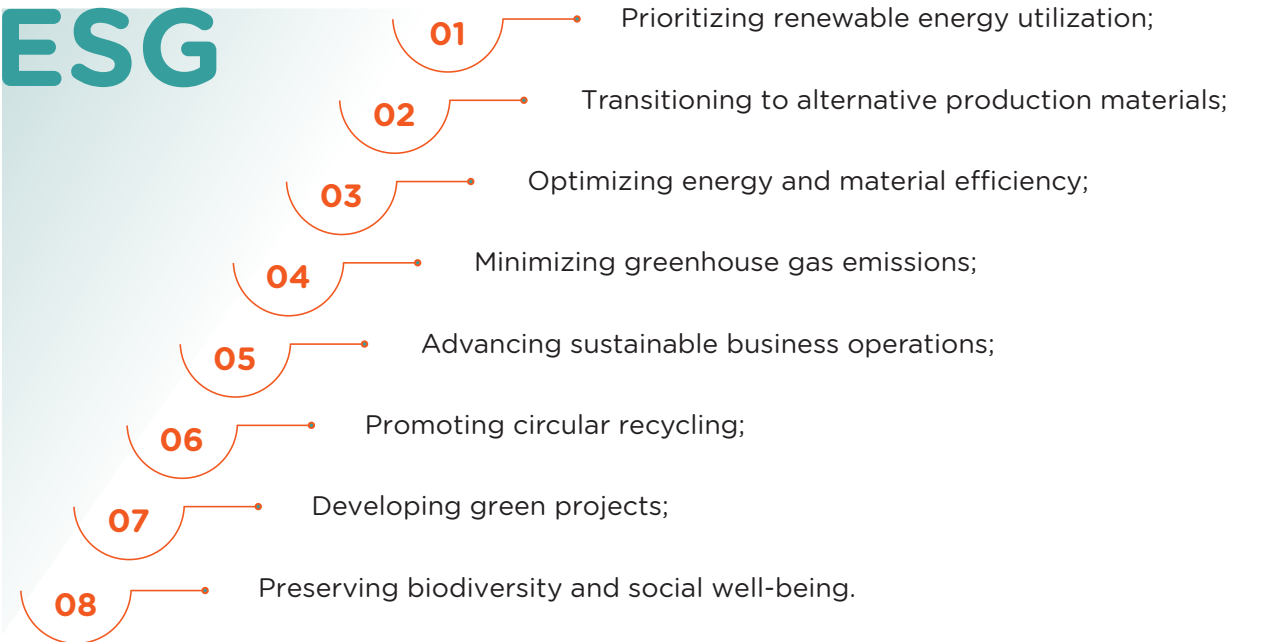
- Improve the efficiency of production and sales of existing chemical products. Develop storage, sales, and manufacturing capacities for chemicals, and invest in potential chemical production like H₂O₂, Melamine, DEF and off gas recovery projects.
- Maintain/increase market share in fertilizer products, with a particular focus on the market for NPK and organic fertilizers.
- Keep pace with global fertilizer technological developments, lead the market in the development and delivery of smart fertilizers.
- Mark our entry into the petrochemical business with a broad range of products (leverage collaboration with the petrochemical complex to provide NG/LNG & Condensate/Naphtha; collaborate with oil refineries for the production of large olefins from Ethane crackers & Naphtha crackers).
- Become a large-scale chemical and petrochemical producer, with chemical sales contributing the largest portion to PVFCCo's revenue and profit.

SUSTAINABLE DEVELOPMENT GOALS

PVFCCo identifies green growth as a cornerstone of its future strategy, aiming to achieve economic growth alongside environmental protection, stakeholder interest balance, and sustainable business practices. PVFCCo aims to align with the Vietnam Oil and Gas Group (PVN) in implementing the national economic restructuring strategy for economic prosperity, environmental sustainability, and social equity.

PVFCCo's strategy centers on reducing greenhouse gas emissions through enhanced management and technology process improvements, while pursuing new investments to reduce energy consumption, prioritize renewable energy/materials, and optimize energy efficiency to mitigate environmental impact.

PVFCCo is refining its sustainability framework across Environmental, Social, and Governance (ESG) areas, aligned with its greenhouse gas reduction strategy, and supported by eight key solutions, including:



In 2024, the Board of Directors restructured to advance sustainable development, appointing an independent member as Head of the Investment and Science & Technology Committee to oversee ESG matters.

PVFCCo has presented a detailed report on the implementation and outcomes of its sustainable development solutions in the Sustainable development report (Chapter 4 – page 88).

GOVERNANCE MODEL AND MANAGEMENT APPARATUS

GOVERNANCE MODEL

PVFCCo followed the corporate governance model consisting of the General Meeting of Shareholders, Board of Directors, Supervisory Board and President and CEO as prescribed at Point a, Clause 1, Article 137 of the Law on Enterprises 2020.

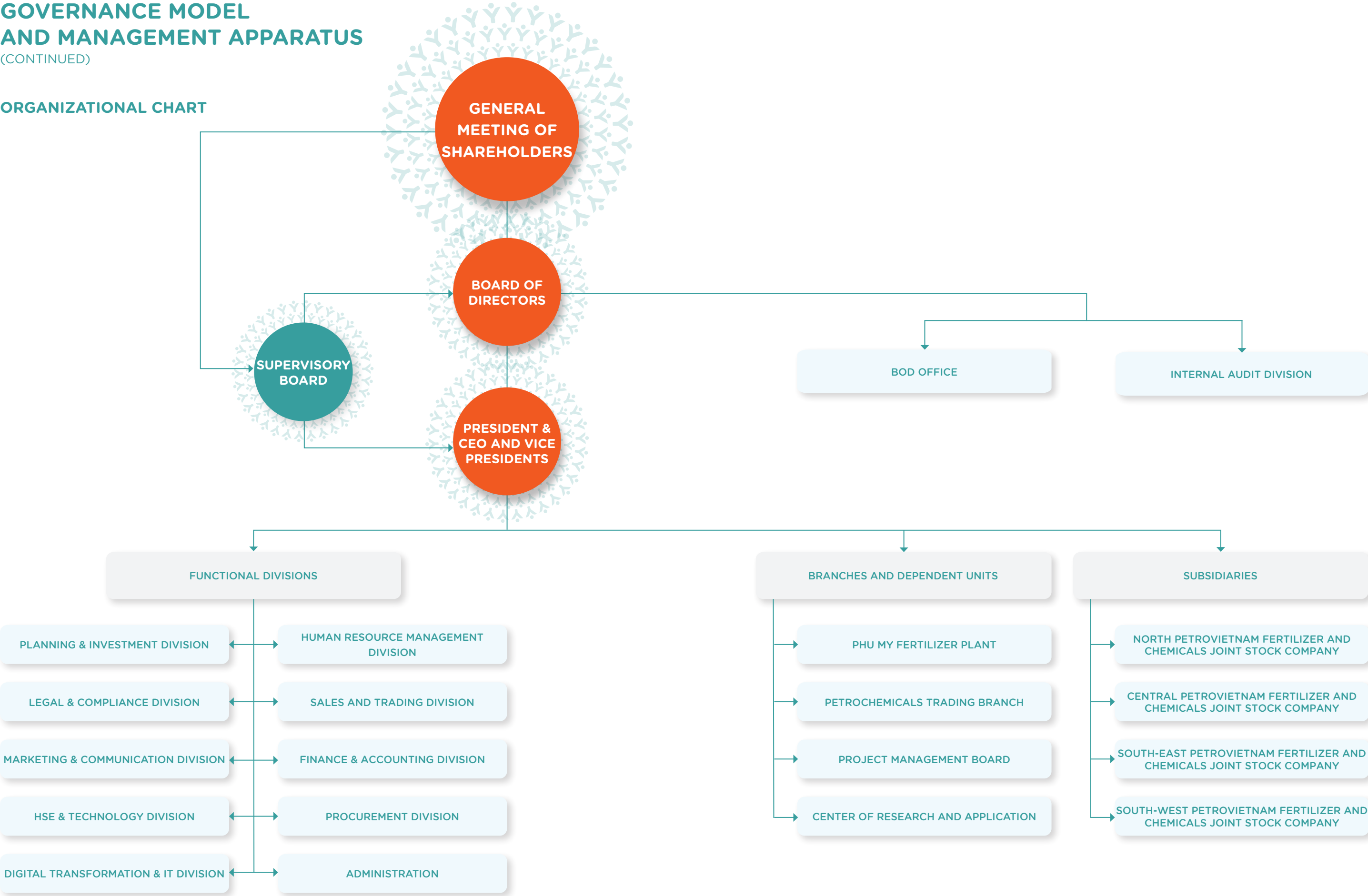
ORGANIZATION AND MANAGEMENT STRUCTURE



GOVERNANCE MODEL
AND MANAGEMENT APPARATUS

(CONTINUED)

ORGANIZATIONAL CHART



2024 AWARDS, RECOGNITIONS AND MAJOR EVENTS



- 

Asia Pacific Enterprise Awards (APEA Awards 2024)
Organized by Enterprise Asia.
- 

Top 50 Vietnam's Best Performing Companies 2024
Organized by Nhip cau Dau tu Magazine.
- 

Top 10 Vietnam's Best Places to Work 2024
High-tech agriculture.
- 

Top 500 Vietnam's Leading Employers 2024
Organized by Dau tu Newspaper and Vietnam Business Research JSC.
- 

Top 10 Leading Value-Creating Enterprises in Vietnam 2024
(Value 10 - Agriculture Sector).
- 

Top 500 Leading Value-Creating Enterprises in Vietnam 2024 (Value 500)
Annual assessment program by Viet Research (Vietnam Business Research Joint Stock Company)
- 

Top 10 Strong Brands 2024 - Green growth in Vietnam 2024
Organized by Vietnam Economic Times.
- 

Phu My Urea and Phu My NPK brands
continued to be recognized as National Brands.
- 

PVFCCo was voted as "Enterprise for the community" in 2024
by Saigon Times, as part of the Saigon Times CSR awards.



GOLDEN FIELDS GROW **TRUST ALWAYS GLOWS**

2024 Performance report and BOM assessment

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MARKET OVERVIEW

INTERNATIONAL MARKETS

In 2024, global economic and political instability persisted, with escalating conflicts in Europe and the Middle East prolonging uncertainty in energy and commodity markets. Rising oil and gas prices have fueled inflation across multiple countries. The USD's significant strengthening has heightened import pressures, especially in developing economies like Vietnam. Despite challenges, global trade reforms have strengthened international commerce, fostering production recovery and a modest growth in commodity trade volume. However, escalating geopolitical risks will remain a barrier to stable and sustainable economic growth.

Most global conflicts, disruptions, and risks significantly affect fertilizer production and business operations: Intense competition, fragmentation in major economies, supply chain restructuring, high costs, and currency risks in emerging markets. Additionally, political shifts in key markets have adversely affected

the market. Conversely, improved fertilizer affordability and higher agricultural product prices have significantly strengthened farmers' investment capacity.

According to the International Fertilizer Association (IFA), global fertilizer demand in 2024 is projected to reach 203.6 million tons, a 3% increase (5.8 million tons) from 2023. This includes a 2.2% rise in (N) demand to 115.6 million tons, a 3% increase in (P₂O₅) to 48 million tons, and a 6% growth in (K₂O) to 40 million tons. The recovery in fertilizer demand is driven by improved affordability following a decline in prices from their record high in May 2022. In 2024, global urea prices exhibited less volatility than in 2023, averaging 1-12% (USD 4-47/ton) lower than the previous year, depending on the region. Prices stood at USD 349/ton FOB in Southeast Asia, USD 320/ton FOB in the United States, USD 327/ton FOB in the Middle East, and USD 357/ton FOB in Egypt.

DOMESTIC MARKETS

In addition to challenges such as exchange rate volatility and high non-performing loans, climate change has adversely affected business operations. However, positive signals have emerged from agriculture, investment, and consumption, which are increasingly contributing to economic growth.

In 2024, despite challenging weather conditions, agricultural production sustained positive growth, meeting domestic and export demand. In 2024, rice cultivation expanded to 7.13 million hectares, an increase of 12,000 hectares from 2023. Grain output totaled 47.87 million tons.

In 2024, Vietnam's total fertilizer demand grew by approximately 16% year-over-year, reaching 10.54 - 10.86 million tons. Potassium saw the highest growth rate, driven by its relatively lower cost among major fertilizers and a downward price trend. To partially meet rising



Rice cultivation in 2024 reached **7,130,000** hectares, an increase of 12,000 hectares from 2023

demand, domestic fertilizer production (Urea, DAP, and NPK) increased by about 9% from 2023, reaching 5.75 million tons.

In 2024, fertilizer prices in Vietnam and globally were more stable than in 2023, generally trending downward except for DAP. Rising demand provided price support, but supply recovery exerted pressure on transaction prices. Potassium saw the most significant decline, followed by other fertilizers, while DAP prices increased slightly.

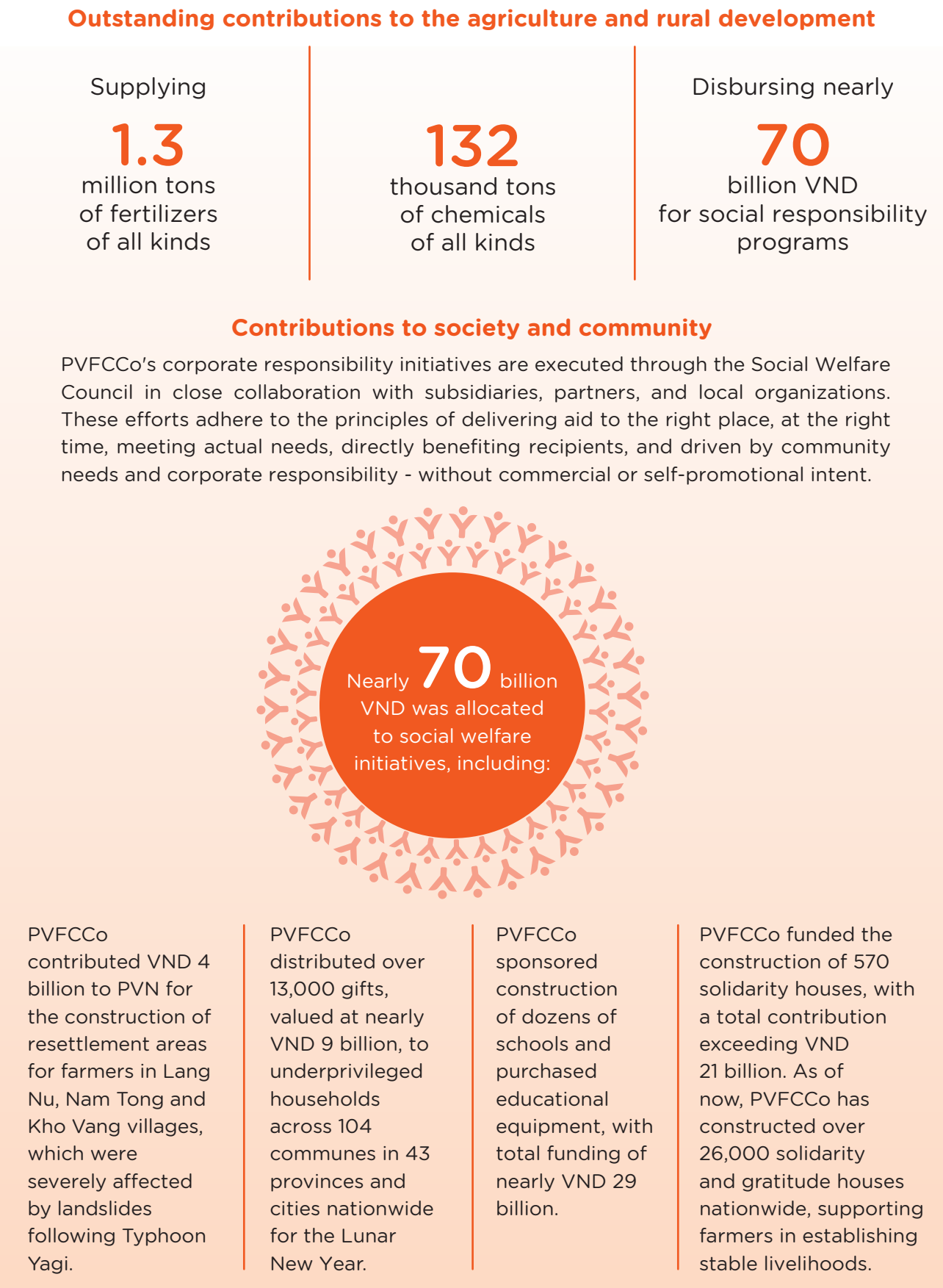
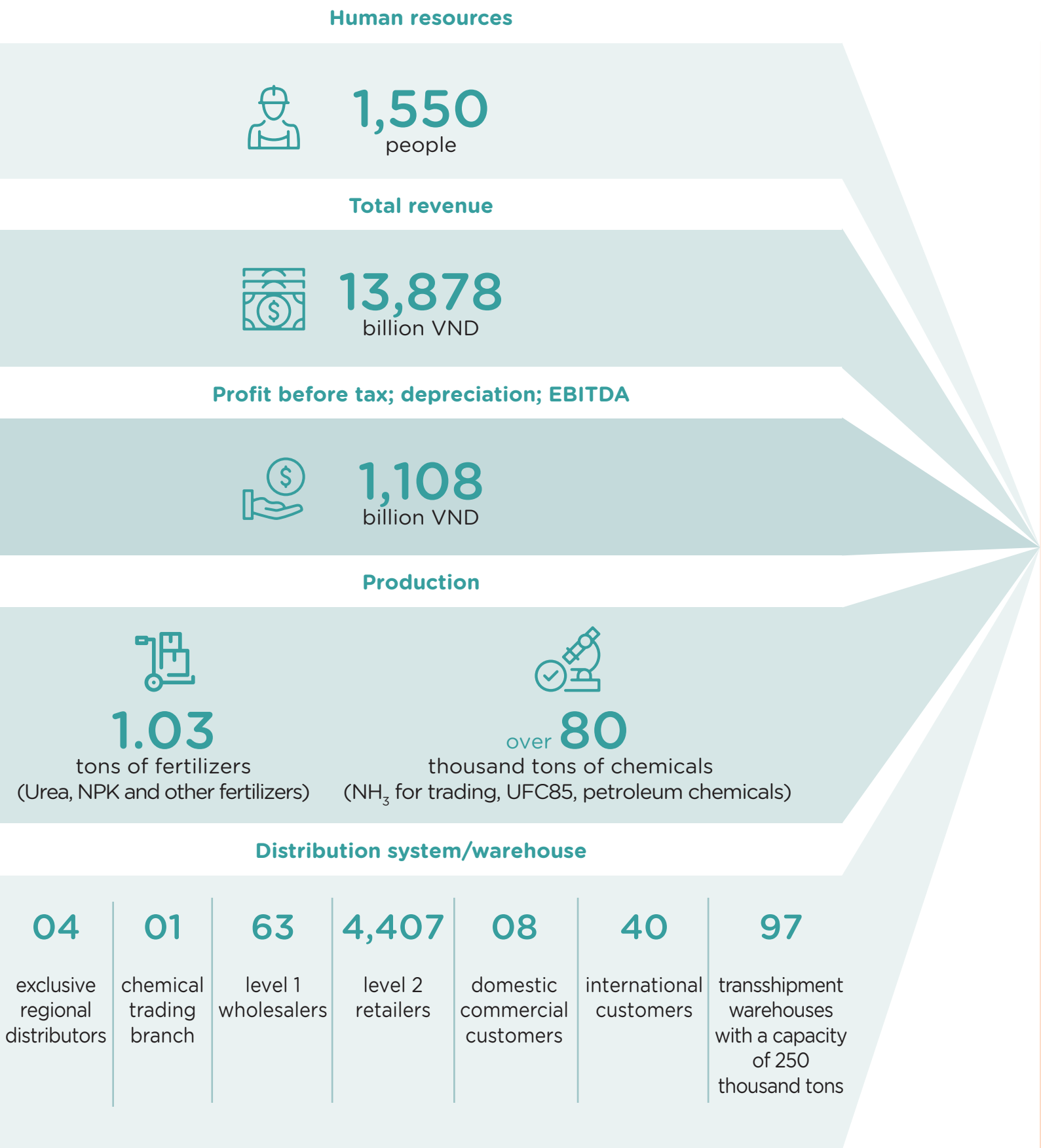
On average, in Ho Chi Minh City and the Southwest, Ca Mau/Phu My Urea prices declined by VND 23-225/kg (-1%) compared to 2023. Imported Urea prices fell by VND 407-1,040/kg (down 4-9%), while Ninh Binh/Ha Bac Urea prices increased by VND 11-190/kg (up 1-2%).

2025 MARKET OUTLOOK

In 2025, fertilizer consumption in Vietnam is expected to grow at a slower pace than in 2024. According to AgroMonitor, demand is projected to rise by 4-8% year-over-year, reaching approximately 11-12 million tons. Meanwhile, domestic fertilizer production is anticipated to remain relatively stable, estimated at around 5.6-5.7 million tons.

In this context, the Corporation's manufacturers and distributors successfully achieved their business targets for 2024. The details are as follows.

PVFCCo VALUE CHAIN - 2024 PERFORMANCE



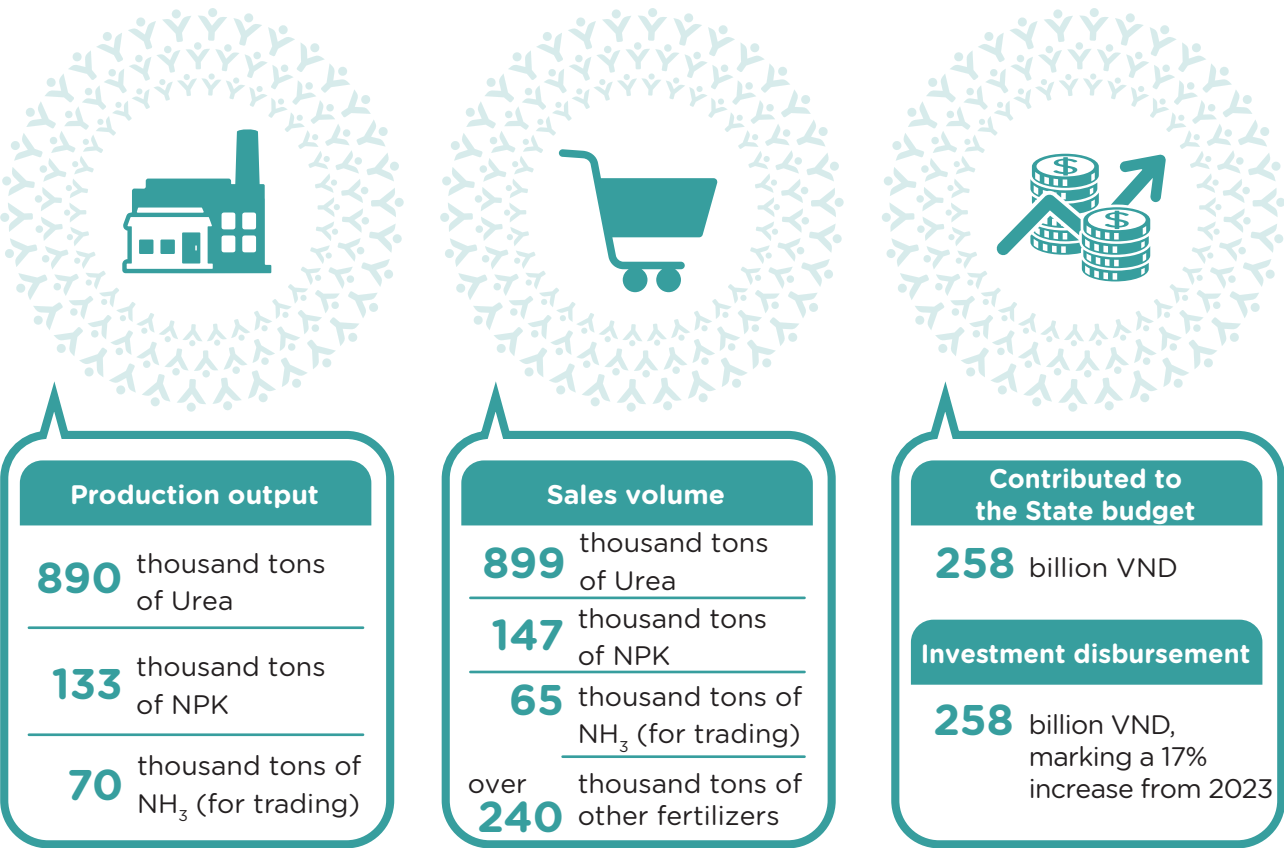
2024 BUSINESS PERFORMANCE REPORT

TO ENHANCE GOVERNANCE, BUSINESS OPERATIONS, AND ENTERPRISE OPTIMIZATION, PVFCCo IS IMPLEMENTING ITS UPGRADED ERP SYSTEM - ENCOMPASSING PRODUCTION AND COST MANAGEMENT (OPM & GMF), FINANCIAL ACCOUNTING MANAGEMENT (FIN), AND SUPPLY CHAIN MANAGEMENT (SCM) - FOR FULL INTEGRATION ACROSS THE CORPORATION, EFFECTIVE 1 JANUARY 2025.

OUTSTANDING FACTORS AND TARGETS IN PRODUCTION AND BUSINESS OPERATIONS IN 2024

Against the backdrop of 2024, PVFCCo persisted in capitalizing on various advantageous factors. These included the esteemed reputation of the Phu My fertilizer brand and the expansive geographical reach of its distribution network. Operations at the Phu My Fertilizer Plant remained steadfastly stable, operating at high-capacity levels with ample gas supply. Financial health remained robust, bolstering both production and business endeavors; High domestic agricultural prices, expanded export markets, and export restrictions on fertilizers in certain countries have fostered favorable conditions for PVFCCo's fertilizer business.

Despite favorable conditions, PVFCCo's 2024 operations face challenges from rising input gas prices and exchange rates, escalating production costs. Additionally, misaligned VAT and Urea export tax policies further increase financial pressures, while adverse weather and natural disasters continue to disrupt agricultural production. The prolonged operation of machinery and equipment presents inherent risks to the production process. Amid a complex landscape of opportunities and challenges, PVFCCo has achieved notable performance benchmarks:

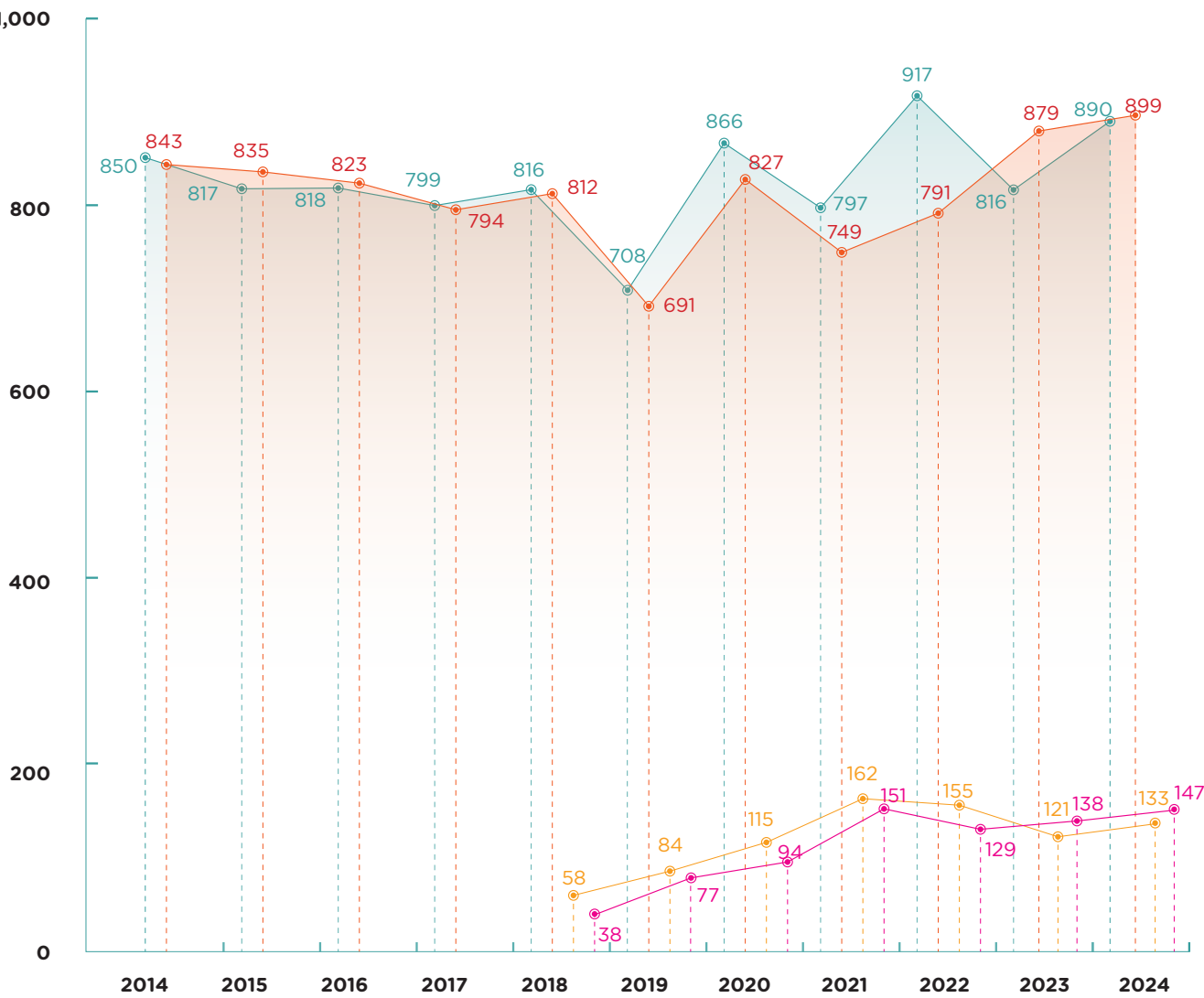


SUMMARY ON BUSINESS PERFORMANCE IN 2024

No.	Item	Unit	Actual 2023	Plan 2024	Actual 2024	Ratio compared with 2023 (%)	Plan completion rate (%)
A	B	C	1	2	3	4=3/1	5=3/2
1	Production output						
1.1	Phu My Urea	Thousand tons	815.55	850.00	889.50	109%	105%
1.2	UFC 85	Thousand tons	12.22	12.50	11.61	95%	93%
1.3	NPK	Thousand tons	121.14	143.10	133.39	110%	93%
1.4	Other fertilizers (produced by the factory)	Thousand tons	6.98	4.00	8.54	122%	214%
1.5	NH ₃ (for trading)	Thousand tons	54.68	65.50	70.12	128%	107%
2	Sales volume						
2.1	Phu My Urea	Thousand tons	878.73	870.00	898.67	102%	103%
2.2	NPK	Thousand tons	137.76	143.10	147.15	107%	103%
2.3	Other fertilizers (produced by the factory)	Thousand tons	7.91	5.00	10.47	132%	209%
2.4	Other fertilizers	Thousand tons	265.51	260.00	229.81	87%	88%
2.5	UFC 85	Thousand tons	9.06	8.50	9.14	101%	108%
2.6	NH ₃ (for trading)	Thousand tons	63.54	65.00	65.37	103%	101%
2.7	CO ₂	Thousand tons	44.04	45.00	56.40	128%	125%
2.8	Chemicals	Thousand tons	1.54	0.79	1.57	102%	200%
3	Consolidated financial indicators						
3.1	Total revenue	Billion VND	14,037.79	12,755.00	13,878.08	99%	109%
3.2	Profit before tax	Billion VND	690.97	660.00	669.33	97%	101%
3.3	Profit after tax	Billion VND	529.82	542.00	554.27	105%	102%
3.4	Budget payable (paid)	Billion VND	565.36	263.00	257.68	46%	98%
4	Parent company's financial indicators						
4.1	Owner's equity	Billion VND	11,374.47	10,316.00	10,996.45	97%	107%
4.2	In which: Charter capital	Billion VND	3,914	5,479.00	3,914.00	100%	71%
4.3	Total revenue	Billion VND	12,092.66	11,534.00	12,472.02	103%	108%
4.4	Profit before tax	Billion VND	708.78	611.00	615.03	87%	101%
4.5	Profit after tax	Billion VND	568.74	509.00	517.61	91%	102%
5.6	Ratio of Profit after tax/ Charter capital	%	15%	9%	13%	91%	142%
4.7	Budget payable	Billion VND	502.93	240.00	236.36	47%	98%
4.8	Investment						
4.8.1	Investment disbursement	Billion VND	219.74	666.15	257.92	117%	39%
	Capex	Billion VND	102.45	223.13	17.65	17%	8%
	Equipment procurement	Billion VND	117.29	443.02	240.27	205%	54%
	Capital investment	Billion VND					
4.8.2	Capital investment source	Billion VND	219.74	666.15	257.92	117%	39%
	Owner's equity	Billion VND	219.74	666.15	257.92	117%	39%
	Loans and others	Billion VND					

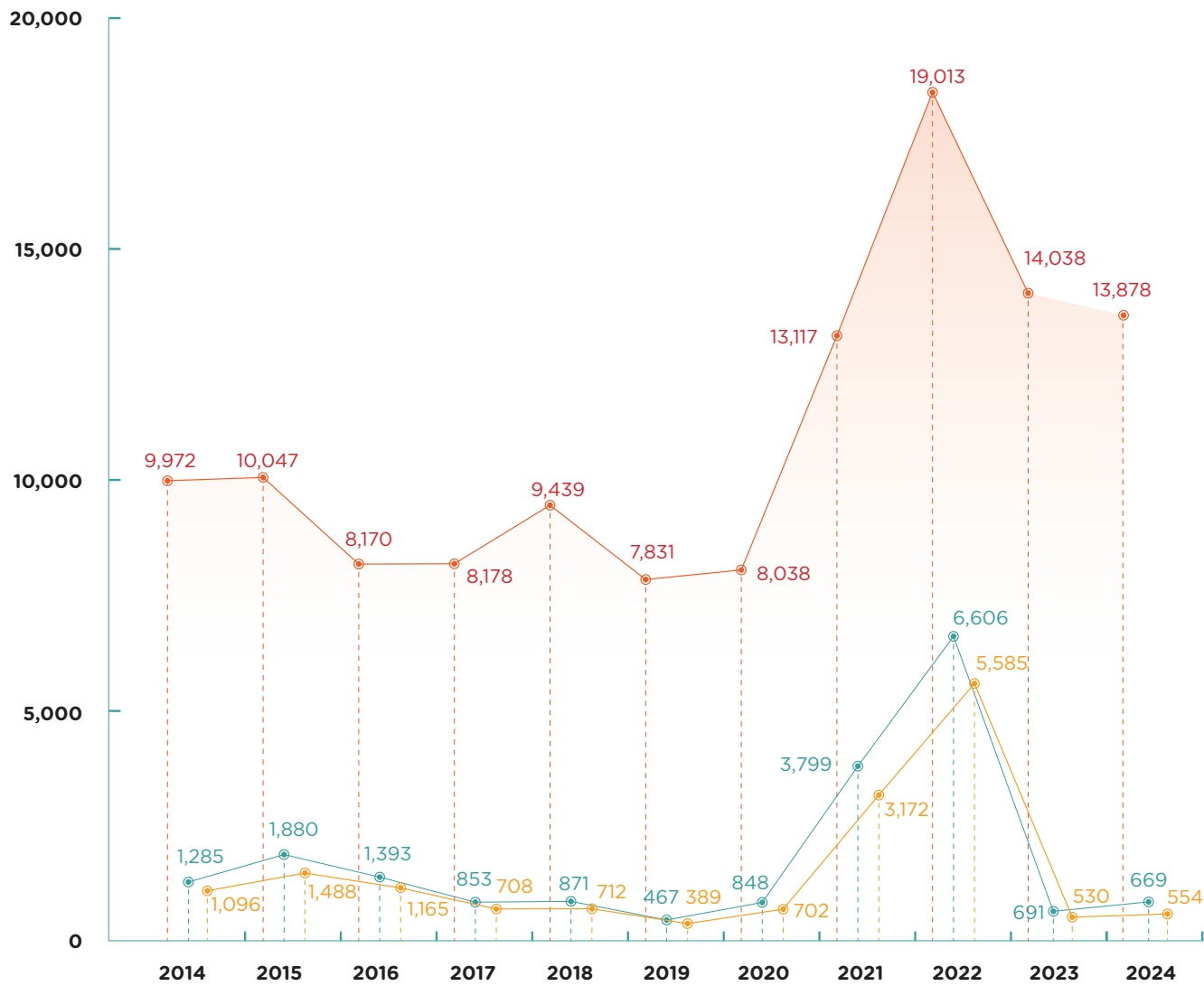
PRODUCTION AND BUSINESS STATISTICS FOR THE CORPORATION'S LEADING PRODUCTS OVER 2014-2024 PERIOD

PRODUCTION AND SALES TARGETS (THOUSAND TONS)



●	Urea Production
●	Urea Consumption
●	NPK Production
●	NPK Consumption

CONSOLIDATED FINANCIAL INDICATORS (VND BILLION)



●	Revenue
●	Profit before tax
●	Profit after tax

INVESTMENT OVERVIEW, PROJECT IMPLEMENTATION, AND STRATEGIC DEVELOPMENT OUTCOMES

INVESTMENT PROJECTS PLANNED IN 2024

- 01 **The NH₃ Revamp - Phu My NPK Complex:** The Corporation has approved the Project financial Settlement under Decision No. 24-393/QĐ-PBHC, dated 14 October 2024.
- 02 **Melamine project:** Already completed feasibility study report. Given the significant total investment, the Corporation remains committed to thoroughly assessing the project's feasibility.
- 03 **Hydrogen Peroxide (H₂O₂) Production Plant Project:** The Feasibility Study Report has been updated for appraisal and approval by the competent authorities. The Corporation has also completed and submitted the Environmental Impact Assessment Report, 1/500 Planning Dossier, and Investment License to the relevant state agencies.
- 04 **Project for Recovering Ar, H₂ and N₂ from Off-Gas at the NH₃ Revamp - Phu My NPK Complex (Plant):** The Feasibility Study is currently in preparation.
- 05 **DEF/AdBlue Project:** The Feasibility Study is currently in progress.
- 06 **Investment in H₃PO₄ Storage Tank for the NPK Plant:** The Feasibility Study is being finalized for submission to the State management agency for basic design appraisal.
- 07 **Effluent Handling Unit (EHU) for the NPK Plant:** Currently under construction, with completion and handover expected by May 2025.
- 08 **Construction of new office and canteen at Phu My Fertilizer Plant:** Construction survey completed; master plan preparation underway for submission to the competent authority for approval.
- 09 **Construction of NPK bagged NPK product Conveyor System:** Feasibility study examination completed; feedback obtained from the Fire Prevention and Fighting Police Department of Ba Ria - Vung Tau Province on the fire prevention and fighting plan; Feasibility study appraisal in progress.
- 10 Other investment and procurement projects are being implemented as planned.



INVESTMENT AND PROCUREMENT DISBURSEMENT SITUATION IN 2024

According to the 2024 plan, total capital for investment in construction and procurement was VND 666 billion. PVFCCo disbursed over VND 258 billion, achieving 39% of the plan according to the actual progress, an increase of 17% compared to 2023.

PERFORMANCE OF SUBSIDIARIES AND AFFILIATED COMPANIES

No.	Transaction	Equity to total charter capital ratio	Total invested capital (billion VND)	Charter capital (billion VND)	Profit after tax (billion VND)	PAT to charter capital ratio	2023 dividend (billion VND)
I	Investment in subsidiaries		386.25	515.00	66.01		31.58
1	PVFCCo North	75.00%	90.00	120.00	9.90	8.25%	7.20
2	PVFCCo Central	75.00%	75.00	100.00	27.72	27.72%	10.50
3	PVFCCo SE	75.00%	93.75	125.00	18.94	15.15%	7.50
4	PVFCCo SW	75.00%	127.50	170.00	9.45	5.56%	6.38
II	Investment in associated companies		680.90	2,487.80	(898.94)		1.82
1	PVFCCo Packaging	43.34%	18.20	42.00	7.40	17.62%	1.82
2	VNPOLY	25.99%	562.70	2,165.11	(704.07)	-32.52%	-
3	PVC Mekong	35.63%	100.00	280.69	(0.27)	-0.10%	
III	Other long-term investments		20.50	396.35	(33.50)		0.32
1	PAIC	8.50%	3.60	42.35	4.10	9.69%	0.32
2	Ut Xi Aquatic Products Processing Corporation	6.78%	16.90	354.00	(37.60)	-10.62%	
TOTAL			1,087.66	3,399.15	(664.43)	-	33.72

Note: PVC Mekong has only prepared the financial statements for the first quarter of 2024. The Corporation has made provisions for 100% of capital contributions to the following companies: VNPOLY, PVC Mekong and Ut Xi.

2024 FINANCIAL INDICATORS

CONSOLIDATED FINANCIAL PERFORMANCE

Unit: billion VND

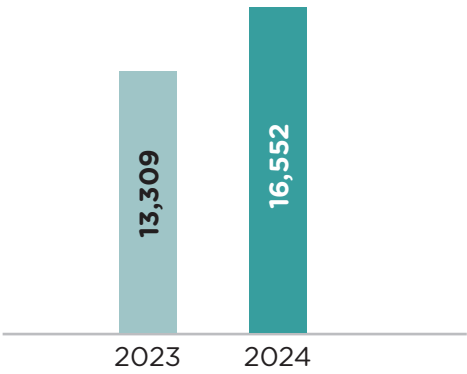
Item	31/12/2023	31/12/2024	% Increase (Decrease)
TOTAL ASSETS	13,309	16,552	24%
Current assets	9,565	13,220	38%
Non-current asset	3,744	3,333	-11%
TOTAL RESOURCES	13,309	16,552	24%
LIABILITIES	1,764	5,372	205%
OWNER'S EQUITY	11,545	11,180	-3%
• Charter capital	3,914	3,914	0%
TOTAL REVENUE	14,038	13,878	-1%
TOTAL COST	13,349	13,211	-1%
INTEREST	51	48	-6%
EBIT	739	715	-3%
PROFIT BEFORE TAX	691	669	-3%
PROFIT AFTER TAX	530	554	5%
• Profit after tax of minority shareholders	10	17	59%
• Profit after tax of parent company	519	538	4%

FINANCIAL INDICATORS

Item	2023	2024
Liquidity ratios		
Current ratio	6.44	2.54
Quick ratio	5.16	2.21
Solvency ratios		
Total debt/total assets	13%	32%
Total debt/total equity	15%	48%
Operational capacity ratios		
Inventory turnover	4.12	6.37
Net revenue/total assets	0.88	0.90
Profitability ratios		
Net profit after tax/Net revenue	3.9%	4.1%
ROE	4.1%	4.9%
ROA	3.4%	3.7%
EPS	1,030	1,078

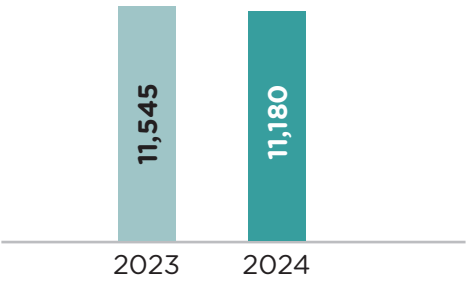
TOTAL ASSETS

Unit: billion VND



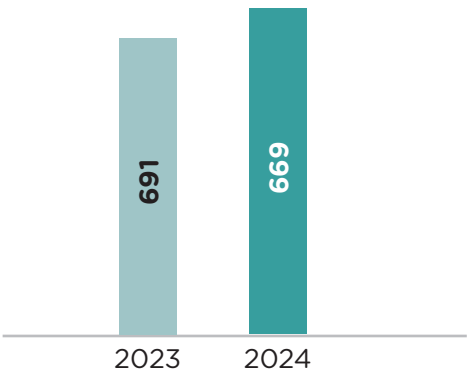
OWNER'S EQUITY

Unit: billion VND



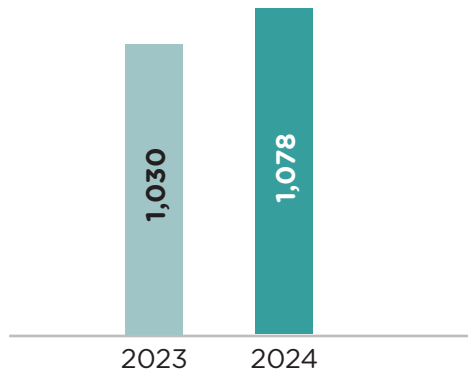
PROFIT BEFORE TAX

Unit: billion VND



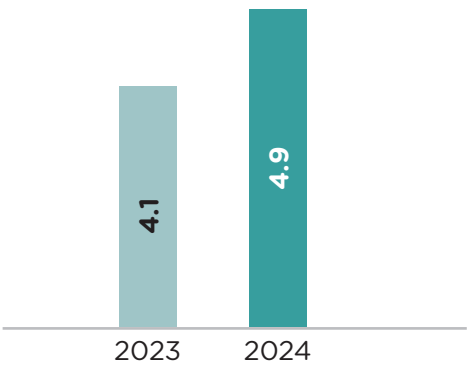
EPS

Unit: billion VND



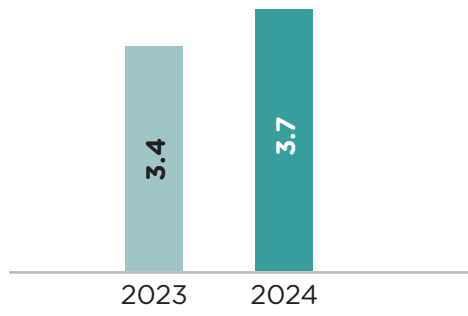
ROE

Unit: %



ROA

Unit: %



HUMAN RESOURCES MANAGEMENT

BOARD OF MANAGEMENT



Mr. PHAN CONG THANH

Position: President and CEO

DOB: 1974

Qualifications: Engineer, Master of Chemical Engineering Technology



Ms. TRAN THI PHUONG THAO

Position: Vice President

DOB: 1970

Qualifications: Bachelor of Economics in International Trade



Mr. DAO VAN NGOC

Position: Vice President

DOB: 1977

Qualifications: Master of Business Administration, Refinery and Petrochemical Engineer



Mr. TA QUANG HUY

Position: Vice President

DOB: 1978

Qualifications: Chemical Engineer



Mr. VO NGOC PHUONG

Position: Vice President

DOB: 1978

Qualifications: Bachelor of Finance (Money and Credit)



Mr. VU AN

Position: Vice President

DOB: 1977

Qualifications: Doctor of Chemical Engineering



Mr. LE HONG QUAN

Position: Chief Accountant

DOB: 1971

Qualifications: Master of Economics

HUMAN RESOURCES MANAGEMENT (CONTINUED)

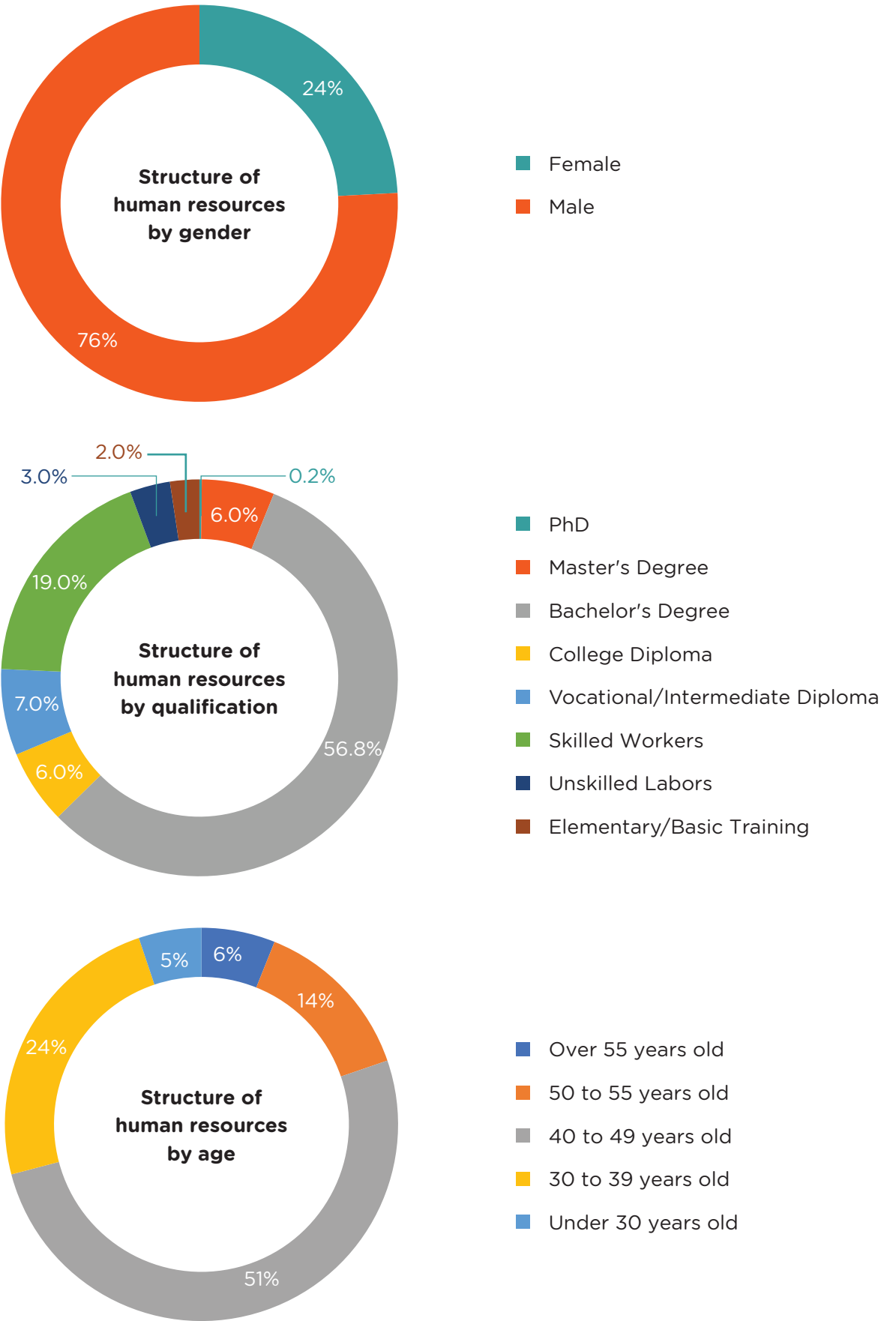
HUMAN RESOURCE REPORT IN 2024



The Corporation’s entire workforce, as of 31 December 2024 (including the parent firm and its subsidiaries)

1,550 people

No.	Item	2023		2024	
		Parent company	Entire Corporation	Parent company	Entire Corporation
1	Beginning balance	1,287	1,520	1,303	1,544
2	Ending balance	1,303	1,544	1,309	1,550
3	Human resources structure by gender				
	Female	286	374	289	377
	Male	1,017	1,170	1,020	1,173
4	Human resources structure by qualifications	1,303	1,544	1,309	1,550
	PhD	3	3	3	3
	Master's Degree	62	88	63	91
	Bachelor's Degree	684	868	696	880
	College Diploma	90	94	88	92
	Vocational/Intermediate Diploma	103	112	101	109
	Skilled Workers	278	291	275	288
	Unskilled Labors	48	53	46	50
	Elementary/Basic Training	35	35	37	37
5	Human resources structure by age	1,303	1,544	1,309	1,550
	Over 55 years old	68	76	86	94
	50 to 55 years old	178	203	188	212
	40 to 49 years old	686	776	691	793
	30 to 39 years old	299	398	282	371
	Under 30 years old	72	91	62	80
	Oldest Age	61	61	61	61
	Youngest Age	23	23	23	23
	Average Age	43	43	43	43
6	Human resources structure by employment contract type	1,303	1,544	1,309	1,550
	Indefinite-term Contract	1,213	1,431	1,217	1,425
	Fixed-term Contract (12 - 36 months)	87	110	90	122
	Fixed-term Contract (under 12 months)	3	3	2	3
	Project-based Contract	0	0	0	0
	Probationary/Training Contract	3	3	2	3



HUMAN RESOURCES MANAGEMENT (CONTINUED)

LABOR POLICY

Amid Vietnam’s economic challenges in 2024, the Corporation remained committed to sustaining employee policies in line with the previous year.



EMPLOYEE POLICY

In 2024, following the implementation of the Salary policy improvement project, the Corporation officially adopted the 3P salary structure. This policy ensures market-aligned compensation, mitigating the risk of losing highly skilled employees and supporting the Corporation’s sustainable growth. The 3P salary framework enhances competitiveness in attracting top talent while fostering employee motivation, commitment, and long-term engagement.

The Corporation’s Employee policy, effective 1 January 2009, is reviewed and revised annually to align with operational needs. It provides comprehensive welfare benefits for all employees and incentives for highly qualified professionals. Beyond complying with social, health, and accident insurance regulations, the Corporation offers additional retirement insurance and PVI Care health insurance, underscoring its commitment to employee well-being and a sustainable work environment.

maintenance, and troubleshooting. The Corporation has introduced an E-Learning platform to enhance flexibility and efficiency in training, with content and curriculum development currently in progress.

Safety training and legal updates are conducted as scheduled in the training plan.

Training has enhanced knowledge and skills in both expertise and management, broadened strategic awareness in planning and goal setting, improved workforce quality, and contributed to increased productivity.



TRAINING POLICY

Recognizing human resources as essential to stable and sustainable development, the Corporation prioritizes policy development and training initiatives to enhance employees’ professional qualifications and skills.

Facing significant challenges in production and business, the Corporation is restructuring and optimizing its operations, requiring continuous workforce development. Human resource training and development remain a key priority for PVFCCo’s Management.

In accordance with the policy to enhance training for manager positions, PVFCCo, alongside delegating staff to Group-organized programs, has conducted courses to strengthen leadership capabilities, update knowledge, and disseminate new technological trends. These

initiatives target the Corporation’s managers, PVN capital representatives, and personnel in Group-managed positions.

PVFCCo implements training programs on AI applications and technology-driven sales to accelerate digital transformation. Professional training courses are conducted as planned to ensure employees receive continuous skill development and stay updated on emerging technological trends. Additionally, PVFCCo’s experts, technical staff, and production managers participate in advanced training programs, international API certification exams, and global fertilizer technology seminars.

Internal training plays a key role in developing technical staff and skilled workers while facilitating knowledge sharing on operations,



PVFCCo CORPORATE CULTURE

In 2024, PVFCCo made significant efforts to enhance its corporate culture. To strengthen its framework of directives, regulations, and policies, the Corporation collaborated with partners to develop a revised corporate culture handbook and film, incorporating relevant updates. Completion is expected in 2025.

Alongside issuing directive documents, the Corporation has refined corporate culture communication through visually engaging displays, including standees, wooden boards, and digital screens, fostering a modern work environment. It also leverages digital platforms such as the website, Facebook, YouTube, and Zalo OA for broader engagement. Additionally, the Corporation has developed software to evaluate corporate culture implementation and collect employee feedback.

The Corporation continues to integrate corporate culture training with extracurricular activities, reinforcing its core values **“Pioneering - Creativity - Professionalism - Efficiency - Sharing”**. Team-building initiatives further strengthen PVFCCo’s cultural development, earning strong employee support. In collaboration with the Trade Union, Youth Union, and Veterans Association, the Corporation promotes holistic self-improvement across physical, intellectual, emotional, and spiritual aspects. Additionally, it actively encourages employee participation in Oil and Gas Culture Week and related contests, including: **“I Love PetroVietnam”**, **“PetroVietnam in Me”** photo contest, and **“PetroVietnam Pride”** video competition, with many individuals and teams receiving recognition.

SHAREHOLDER STRUCTURE, CHANGES IN OWNER’S EQUITY

SHARES



Total number of shares of the Corporation:

391,400,000 shares

all of which are common shares.



Outstanding shares: As end of 2024, the total number of outstanding shares of the Corporation is

391,334,260 shares

(excluding 65,740 treasury shares).

CHANGES IN OWNER’S EQUITY

In 2024, the Corporation had no change in owner’s equity.

TREASURY SHARES



As start of 2024, the total number of treasury shares is

65,740 shares

In 2024, there were no transaction during the year



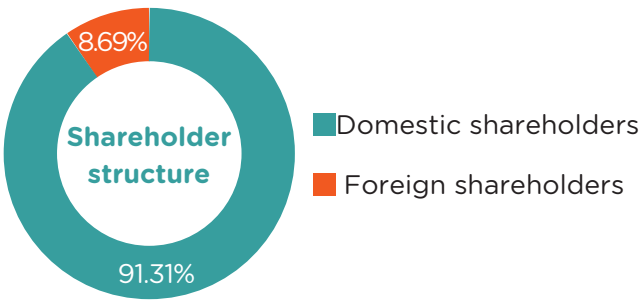
Total treasury shares as of 31 December 2024

65,740 shares

NUMBER OF SHARES AND SHAREHOLDERS

As of 17 March 2025, based on the shareholder list issued by the Vietnam Securities Depository & Clearing Corporation, the **total outstanding shares amount to 391,334,260**, held by **17,750 shareholders**.

SHAREHOLDERS’ STRUCTURE



Domestic shareholders:

Detailed information on domestic shareholder structure:

Shareholders	Quantity	Number of shares	Proportion of outstanding shares
Legal entities	77	261,708,038	66.86%
Individuals	17,198	94,386,838	24.12%
Total	17,275	356,094,876	90.98%

Detailed information on major domestic shareholders:

No.	Shareholders’ name and address	Main business lines	Number of shares held	Proportion of outstanding shares
1.	Vietnam Oil and Gas Group Address: 18 Lang Ha Street, Ba Dinh District, Hanoi. State-Owned Corporation Website: www.pvn.vn	- Discover, develop, process, store and transport oil, gas and other related services locally in Vietnam as well as internationally. Supply material and equipment for oil and gas industry. Distribute and trade oil, gas and petrochemical products; - Invest in production and trading of electricity, biofuel and renewable energy; - Ancillary businesses pertaining to oil, gas and energy industries.	233,204,253	59.59%

Foreign shareholders:

Detailed information on foreign shareholder structure:

Shareholders	Quantity	Number of shares	Proportion of outstanding shares
Legal entities	60	34,106,382	8.71%
Individuals	415	1,133,002	0.29%
Total	475	35,239,384	9.00%

Detailed information on major foreign shareholders: None

BOM’S ASSESSMENT REPORT

ASSESSMENT ON PERFORMANCE

Considering the assessed business and production performance in 2024, as presented in the preceding sections, and in accordance with the assignments and targets approved by the General Meeting of Shareholders, the Board of Management of PVFCCo affirms that the Corporation's timely, coordinated, and adaptive implementation of strategic measures has been instrumental in achieving its production and business objectives for 2024, as outlined below:

Production

Thanks to the practice of periodic maintenance, the Corporation maintained stable and safe production operations in 2024. The review, adjustment, and application of the requirements were clearly effective, as total energy consumption of production progress in 2024 was lower than targets, and overall fuel, energy savings in the production sector reached VND 284 billion. In particular, there were numerous measures to increase the quality and output of NPK.

Phu My Fertilizer Plant achieved a production output of 850,000 tons of Urea 19 days in advance, the whole year's output reached 889,501 tons, 5% higher than the plan. Project settlement for NH₃ Revamp - Phu My NPK Complex has been approved. The project has been completed and put into stable operation. In 2024, the project complex continued to contribute nearly VND 2,400 billion in revenue, equivalent to 17% of the total revenue of the Corporation.



Phu My Fertilizer Plant achieved a production output of 850,000 tons of Urea 19 days in advance, the whole year's output reached

889,501 tons

↑ 5% compared to the plan



Sales, marketing and product research



PVFCCo has successfully traded nearly

1.3 million tons of fertilizers

and over 132 thousand tons of chemicals.

The business model and sales policy have been gradually refined to align with the fertilizer market in 2024. In particular, the Corporation has announced its new brand name and image for the purposes of repositioning and enhancing brand identity, demonstrating innovation, building trust and increasing market reach. Flexible and appropriate changes have enabled brand and market share of Phu My Urea to maintain a stable position in the fierce competitive domestic fertilizer market and gradually realize the goal of dominating foreign markets. The Corporation exported 164 thousand tons of Phu My Urea in 2024. Furthermore, it has established a market presence with the quality of Phu My NPK, Potassium, and DAP, and continues to expand chemical production and business activities. The Corporation has strategically enhanced transportation, distribution, sales, and inventory policies to optimize business performance and expand its customer markets.

As a result, the Corporation has successfully traded nearly 1.3 million tons of fertilizers, including 899 thousand tons of Phu My Urea, 147 thousand tons of Phu My NPK, and 240 thousand tons of other fertilizers, along with over 132 thousand tons of chemicals.

Capital construction investment and procurement projects



Total disbursement for investment and procurement projects is over

258 billion VND

BOM’S ASSESSMENT REPORT (CONTINUED)

ASSESSMENT ON PERFORMANCE

Organization, human resources, human resource development and restructuring

To drive innovation and development, the Corporation has established new functional divisions, including the Legal Compliance Division and the Digital Transformation and Information Technology Division, increasing the total number of divisions under the office division to 10 as of December 2024. The Corporation has restructured the job function matrix, redefining departmental and unit responsibilities and issuing corresponding regulations on accountability, aligned with the organizational and personnel framework.

Additionally, the Corporation has reviewed and refined regulations and processes on decentralization and coordination to enhance its internal document system, thereby improving administrative efficiency.

As part of the Salary Improvement Project, PVFCCo has restructured its job title system and salary scale accordingly. The Corporation has also reviewed and adjusted performance assessments, compensation, and benefits to better align with employee capabilities and performance outcomes. These changes have fostered employee innovation and enhanced talent retention within the Corporation.

Additionally, PVFCCo has revised the Competency Framework and Dictionary Manual to enhance performance assessment, serving as a foundation for employee training and capability development programs.



To drive innovation and development, the Corporation has established new functional divisions, including the Legal Compliance Division and the Digital Transformation and Information Technology Division

Safety-Health & Environment Policies

Security, safety, fire prevention, and rescue were always appreciated and strengthened by the business units, especially during holidays, Tet, etc. As a result, in 2024 the Corporation did not have any accidents happen affecting labor safety, production and business activities

Limitations and solutions, details as follows:



Business

The fertilizer industry faces increasing challenges, including price volatility, slowing economic growth, and the impacts of climate change. Therefore, enhancing market analysis and forecasting is essential to capitalize on opportunities and optimize business efficiency.



Restructuring

Restructuring has reached certain conclusion; however, the management structure is still cumbersome and does not satisfy our expectations. The restructuring project for the next stage has been submitted to the proper authorities for approval.



Capital Contribution to Associated Companies

The objective of divestment from affiliated enterprises is outlined as follows: Divestment from VNPOLY, PVC Mekong, Ut Xi Seafood Joint Stock Company, and others has not been executed. These companies continue to report poor performance, leading to a decline in the Corporation’s investment capital.

BOM’S ASSESSMENT REPORT (CONTINUED)

FINANCIAL ANALYSIS

Assets and Capital

Total assets according to PVFCCo’s consolidated financial statements as of 31 December 2024 were VND 16,558 billion, an increase of 24% compared to the beginning of the year (VND 16,558/13,309 billion). PVFCCo’s cash and cash equivalents decreased by 19% compared to the beginning of the year (VND 1,005/1,242 billion), short-term financial investments increased by 76% compared to the beginning of the year (VND 9,464/5,385 billion).

Liabilities

- As of 31 December 2024, PVFCCo’s payables amounted to VND 5,372 billion, reflecting a 205% increase from the beginning of the year (VND 5,372/1,764 billion), primarily comprising a short-term loan of VND 3,422 billion for working capital. The Corporation optimized idle funds through a six-month deposit at an interest rate of approximately 4%/year and secured a short-term loan (under six months) at an interest rate of about 3.6%/year.
- Total liability to total assets ratio and total liability to equity ratio increased compared to those of 2023, but the current ratio and quick ratio in 2023 remained higher than 1. This demonstrates a good capacity to pay debts, and the Corporation is not under any pressure on due debt, ensuring good production and business activities.
- Given the closing balance of Cash and Cash equivalents of VND 1,005 billion, there is sufficient funding for manufacturing, trading and investment projects as planned.

Profitability

PVFCCo’s profitability ratios, including ROE and ROA, increased over the same period, primarily due to higher profit after tax in 2024 compared to 2023.



ORGANIZATIONAL, POLICY, AND MANAGEMENT ENHANCEMENTS

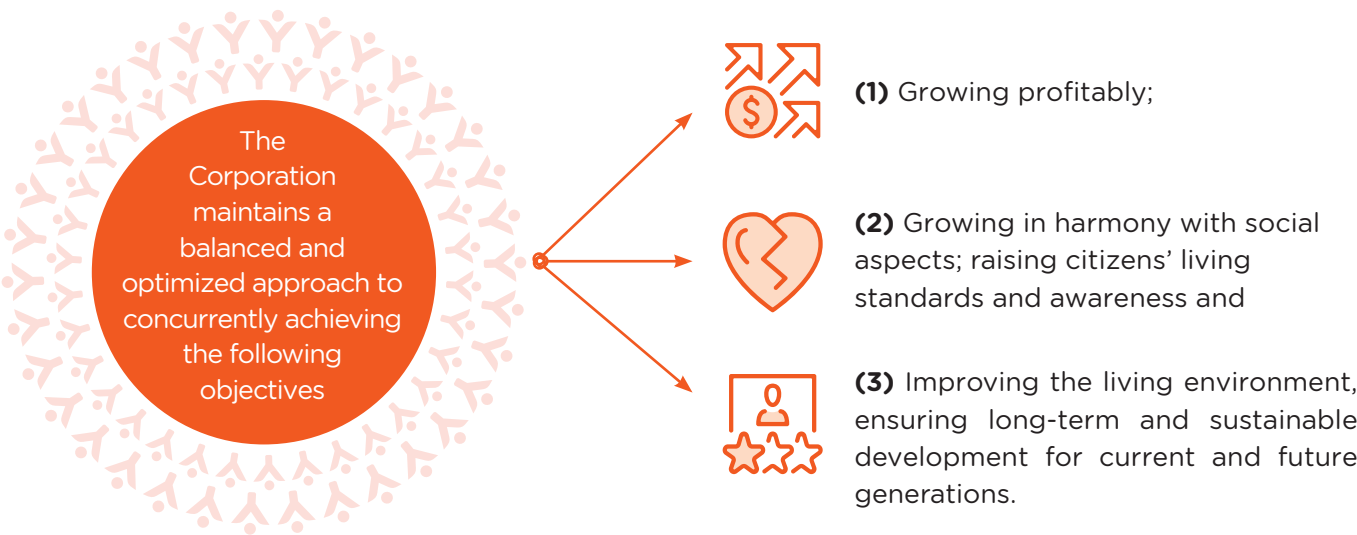
The Corporation has developed and executed a restructuring plan and roadmap for the 2021-2025 period. This includes ongoing review, adjustment, and updating of department/unit functions and tasks. Additionally, efforts are underway to enhance internal regulations, risk management, and salary policies, while accelerating the digital transformation journey.

DEVELOPMENT PLAN FOR THE FUTURE

Board of Management is executing strategic development plans, including mid-term production and business plans approved by General Meeting of Shareholders and Board of Directors.

MAKING ASSESSMENTS ON ENVIRONMENTAL, STAFF AND SOCIAL RESPONSIBILITIES

PVFCCo is a producer and distributor of fertilizer and chemicals. It is inextricably linked to agriculture, farmers, and rural Vietnam (the region accounts for 70 percent of the total population of Vietnam). In the past 20 years of developing, the business orientation “developing the enterprise integrated with environmental protection and social responsibility” has been preserved and developed by generations of employees as an asset and a cultural beauty of the enterprise.



In 2024, PVFCCo implemented strategic initiatives to drive sustainable development, supporting the national sustainability agenda and contributing to societal progress.

For comprehensive information on environmental, labor, and community responsibilities, please refer to Chapter 4 - Sustainability Report, pages 88.



EXPAND THE SIGHT
REACH GREATER HEIGHT

Corporate governance

- 60 Corporate governance report
- 70 Assessments of the Board of Directors on corporate governance
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- 77 Transactions, remuneration and other benefits of the BOD, BOM and BOS
- 80 Investor relations report
- 82 Risk identification and management report

CORPORATE GOVERNANCE REPORT

INFORMATION ON THE BOARD OF DIRECTORS

Board Of Directors

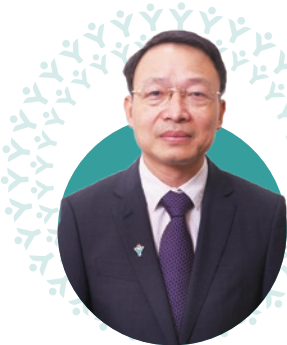


Mr. NGUYEN XUAN HOA

Position: Chairman of the BOD

DOB: 1972

Qualifications: Master of Business Administration, Bachelor of Finance and Accounting



Mr. PHAN CONG THANH

Position: Member of the BOD

DOB: 1974

Qualifications: Engineer, Master of Chemical Engineering Technology



Mr. NGUYEN NGOC ANH

Position: Member of the BOD

DOB: 1982

Qualifications: Master of Construction Management, Civil Engineer



Mr. TRINH VAN KHIEM

Position: Member of the BOD, Head of the Planning and Business Committee

DOB: 1973

Qualifications: Bachelor of Business Administration



Mr. HO QUYET THANG

Position: Thành viên độc lập HĐQT

DOB: 1970

Qualifications: Mechanical Engineer, Bachelor of Economics

CORPORATE GOVERNANCE REPORT

(CONTINUED)

GOVERNANCE MODEL

The Corporation’s governance model consists of the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the President and CEO, in compliance with the Law on Enterprises 2020. Corporate governance complies with and meets the requirements of Decree No.155/2021/ND-CP, dated 31/12/2020, issued by the Government.

Members of BOD, BOS, and BOM are capable and qualified, and their services are free of conflicts of interest. They have performed their roles and duties effectively, contributing to help the Corporation to fulfill its annual production and business plan. The Corporation is constantly working to improve its governance management, heading towards successfully applying upstanding practices such as: improving the BOD’s governance efficiency, improving the supervision of the BOS, implementing supportive solutions in management and administration of production and business: ERP, ISO, KPI management and performance evaluation systems, establishing Committees under the BOD and an ESG monitoring framework.

In 2024, the Board of Directors (BOD) was elected by the General Meeting of Shareholders (GMS) with 5 members, including 01 independent member. Accordingly, the BOD established three (3) Committees in charge of business planning, scientific technology and investment development and risk management and policy administration. The activities of BOD and committees were specifically assigned to full-time members in charge of each field for inspection and verification so that the BOD could make decisions while supervising, directing, and urging the Corporation to implement the provided resolutions and decisions depending on assigned fields.



Activities of the BOD in 2024

“ AS THE HIGHEST MANAGEMENT BODY, THE BOD REPRESENTS THE INTERESTS OF SHAREHOLDERS. IN 2024, THE CURRENT BOD ACTIVELY FULFILLED THEIR ROLES AND RESPONSIBILITIES IN COMPLIANCE WITH GOOD CORPORATE GOVERNANCE STANDARDS.

In 2024, the BOD held 8 periodical meetings, in which they solicited written opinions from their members 86 times. Resulting from these requests, 90 resolutions, executive decisions and many directional documents on critical matters were approved as follows:

Planning and strategies

- Approved and monitored the implementation of the 2024 production and business plan.
- Developed and reviewed the Corporation’s development strategy and production and business plan for the 2026-2030 period.

Organization - human resources

- Submitted to the General Meeting of Shareholders the proposal for Board restructuring, Chairman election, and President and CEO appointment.
- Continued to oversee of the reorganization of the parent company’s and subsidiaries’ management system, as well as the improvement of salary policies.
- Approved the workforce plan; Appointed and re-appointed personnel of the BOM.
- Establish the Legal & Compliance Division and the Digital Transformation & IT Division.

Corporate governance, risk management and internal audit

- Approving and implementing internal audit plans; monitoring activities of branch companies; directing the review and completion of the internal document system and the risk management system.
- In Q2/2024, the BOD established three committees: Risk Management & Employee Policy; Planning & Business; and Investment Development & Science and Technology Committee under the BOD. These Committees enhance governance by overseeing and ensuring the effective implementation of BOD resolutions and executive decisions. Regular meetings were organized in Q3 and Q4 of 2024.
- The BOD and BOM facilitated the BOS’s effective oversight of the Corporation’s management and operations, ensuring the implementation of its recommendations across functional divisions, branches, and member units.

Project investment and implementation

- Directed and completed the funding settlement for the projects of investing and upgrading capacity of NH₃ Factory of Phu My Fertilizer Plant and building NPK Chemical Technology Fertilizer Plant.
- Directed the implementation of the H₂O₂ project and other investment initiatives as planned.

Issuance and amendment of regulations

- Oversaw the completion of the Corporation’s internal document system - Phase 2, with 11 regulations and processes issued and amended across administration, business, investment, procurement, finance, asset management, and quality control.

Restructuring

- Implemented a comprehensive restructuring of the Corporation and its subsidiaries. Directed the development of a new business plan

Investor relations

- Successfully organized the 2024 Annual General Meeting of Shareholders in March 2024. The BOD directed the IR team to actively implement online contact and information exchange activities to ensure continuous and full disclosure of information on performance to shareholders and investors.

Independent auditor selection

- The BOD organized the selection and approved the results of selecting the audit firm for the financial statements audit as authorized by the General Meeting of Shareholders.

Apart from the periodic and extraordinary sessions, the BOD held regular weekly and monthly work briefings to inspect and evaluate its performance and oversee the BOM’s compliance with BOD’s resolutions and executive decisions in the production and business activities of the Corporation.

CORPORATE GOVERNANCE REPORT
(CONTINUED)

INFORMATION ON THE BOARD OF DIRECTORS

Activities of the BOD in 2024

List of resolutions and executive decisions of the Board of Directors approved and promulgated in 2024

No.	Resolution/Executive decision No.	Date	Content	Approval rate
1	24-08/NQ-PBHC	05/01/2024	Resolution on the approval of the plan to organize the 2024 Extraordinary General Meeting of Shareholders	100%
2	24-10/NQ-PBHC	09/01/2024	Resolution on the approval of the BOD's operational plan for 2024	100%
3	24-18/NQ-PBHC	17/01/2024	Resolution on the approval of the Science & Technology plan for 2024	100%
4	24-35/QĐ-PBHC	24/01/2024	Executive Decision on the dismissal of the Vice President in charge of CEO	100%
5	24-36/QĐ-PBHC	24/01/2024	Executive Decision on the appointment of the President and CEO	100%
6	24-37/NQ-PBHC	25/01/2024	Resolution on the approval of the 2024 operational plan of the Internal Audit Division	100%
7	24-38/NQ-PBHC	25/01/2024	Resolution on the approval of the investment opportunity report for the NH ₃ Plant Off-gas recovery project	100%
8	24-45/NQ-PBHC	31/01/2024	Resolution on the approval of the 2024 working capital plan	100%
9	24-46/NQ-PBHC	31/01/2024	Resolution on the approval of the 2024 Annual General Meeting of Shareholders convening plan	100%
10	24-57/QĐ-PBHC	26/02/2024	Executive Decision on the approval of salaries and allowances for the President and CEO and members of the BOD	100%
11	24-83/NQ-PBHC	27/03/2024	Resolution on the BOD's periodic meeting in Q1/2024	100%
12	24-84/NQ-PBHC	27/03/2024	Resolution on the approval of the agenda, documents, and related matters for the 2024 Annual General Meeting of Shareholders	100%
13	24-85/NQ-PBHC	27/03/2024	Resolution on the approval of the establishment of the Digital Transformation & IT Division and the Legal & Compliance Division	100%
14	24-86/NQ-PBHC	27/03/2024	Resolution on the approval of the 2024 program for cost savings and anti-waste measures	100%
15	24-87/NQ-PBHC	28/03/2024	Resolution on the approval of the 2023 payroll fund settlement	100%
16	24-88/QĐ-PBHC	29/03/2024	Executive Decision on discharging Mr. Nguyen Ngoc Anh from his duties as Chairman of the BOD	100%
17	24-89/NQ-PBHC	29/03/2024	Resolution on the election of the Chairman of the BOD	100%

No.	Resolution/Executive decision No.	Date	Content	Approval rate
18	24-96/NQ-PBHC	04/04/2024	Resolution on the approval of the agenda for the 2024 Annual General Meeting of Shareholders of PVFCCo -Central	100%
19	24-98/NQ-PBHC	04/04/2024	Resolution on the approval of the agenda for the 2024 Annual General Meeting of Shareholders of PVFCCo - SE	100%
20	24-99/NQ-PBHC	04/04/2024	Resolution on the approval of the agenda for the 2024 Annual General Meeting of Shareholders of PVFCCo - North	100%
21	24-100/NQ-PBHC	04/04/2024	Resolution on the approval of the agenda for the 2024 Annual General Meeting of Shareholders of PVFCCo - SW	100%
22	24-110/NQ-PBHC	04/11/2024	Resolution on the approval of the amendments for Explanatory notes for Norm No. 4 and Table of contents for Norms No. 4 & No.5 of Urea and NPK production lines	100%
23	24-119/QĐ-PBHC	15/04/2024	Executive Decision on the establishment of the Internal Audit Team for Phase 1 of 2024 at PVFCCo	100%
24	24-129/QĐ-PBHC	24/04/2024	Executive Decision on the approval of remuneration and allowances for BOD's members	100%
25	24-133/NQ-PBHC	24/04/2024	Resolution on personnel matters for newly established divisions	100%
26	24-134/NQ-PBHC	24/04/2024	Resolution on the appointment and nomination of PVFCCo's representative at PVFCCo - Packaging	100%
27	24-135/NQ-PBHC	25/04/2024	Resolution on the restructuring of management positions at the BOD Office and Administration	100%
28	24-138/NQ-PBHC	25/04/2024	Resolution on the approval of the 2023 performance evaluation results for the Corporation's affiliates	100%
29	24-139/NQ-PBHC	25/04/2024	Resolution on the approval of PVFCCo's 2024 Action Plan	100%
30	24-144/QĐ-PBHC	25/04/2024	Executive Decision on appointment of Mr. Truong The Vinh as Manager of Legal & Compliance Division	100%
31	24-146/QĐ-PBHC	25/04/2024	Executive Decision on assigning Mr. Pham Tran Kien as concurrent Secretary of the Corporation	100%
32	24-174/NQ-PBHC	14/05/2024	Resolution on the approval of the functional restructuring of the Administration Division, Human Resources & Training Division, HSE & Technology Division, and Legal & Compliance Division	100%
33	24-180/QĐ-PBHC	15/05/2024	Executive Decision on the restructuring of management positions in the BOD Office	100%
34	24-182/QĐ-PBHC	17/05/2024	Executive Decision on the appointment of Mr. Hoang Tuan Vinh	100%
35	24-189/QĐ-PBHC	23/05/2024	Resolution on the approval of the implementation plan for the 2024 - 2025 social welfare program	100%
36	24-199/QĐ-PBHC	28/05/2024	Executive Decision on appointment of Mr. Vo Ngoc Phuong as Vice President	100%
37	24-200/QĐ-PBHC	28/05/2024	Executive Decision on appointment of Mr. Tran Tuan Kiet as Chief Accountant	100%

CORPORATE GOVERNANCE REPORT

(CONTINUED)

List of resolutions and executive decisions of the Board of Directors approved and promulgated in 2024

No.	Resolution/Executive decision No.	Date	Content	Approval rate
38	24-208/QĐ-PBHC	31/05/2024	Executive Decision on the amendment and supplementation of PVFCCo's Internal Governance and BOD's Operating Regulations	100%
39	24-209/QĐ-PBHC	31/05/2024	Executive Decision on establishing Committees under BOD	100%
40	24-210/QĐ-PBHC	31/05/2024	Executive Decision on issuing the Organizational and Operational Regulations of the BOD	100%
41	24-211/QĐ-PBHC	31/05/2024	Executive Decision on the approval of numbers and members of the Committees under BOD	100%
42	24-212/NQ-PBHC	31/05/2024	Resolution on the assignment of duties within the BOD	100%
43	24-215/NQ-PBHC	05/06/2024	Resolution on the approval of financial institutions for bank deposits in 2024	100%
44	24-216/NQ-PBHC	05/06/2024	Resolution on the approval of adjustments to Norms No. 8.1, No. 8.2, and No. 8.4	100%
45	24-217/NQ-PBHC	07/06/2024	Resolution on the approval of adjustments to the 2024 gas sales contract with PV GAS	100%
46	24-232/NQ-PBHC	25/06/2024	Resolution on the termination of the business cooperation contract for the Hydrogen Peroxide production plant project between PVFCCo and PVChem	100%
47	24-240/NQ-PBHC	05/07/2024	Resolution on the BOD's periodic meeting in Q2/2024	100%
48	24-242/QĐ-PBHC	05/07/2024	Executive Decision on the amendment and supplementation of PVFCCo's Internal Governance Regulations	100%
49	24-243/NQ-PBHC	05/07/2024	Resolution on the approval of the selection and signing contract with audit firm for reviewing and auditing 2024 financial statements	100%
50	24-250/QĐ-PBHC	12/07/2024	Executive Decision on the approval of salary classification for members of the BOD	100%
51	24-279/NQ-PBHC	09/08/2024	Resolution on the approval of the 2023 dividend payment	
52	24-294/NQ-PBHC	21/08/2024	Resolution on the approval of the sale of treasury shares	100%
53	24-295/QĐ-PBHC	27/08/2024	Executive Decision on the approval of salary classification for the Chairman of the BOD	100%
54	24-307/QĐ-PBHC	27/08/2024	Executive Decision on the restructuring of the Digital Transformation Steering Committee at PVFCCo	100%
55	24-322/NQ-PBHC	06/09/2024	Resolution on the approval of personnel matters at the Research & Application Center	100%

No.	Resolution/Executive decision No.	Date	Content	Approval rate
56	24-338/QĐ-PBHC	19/09/2024	Executive Decision on the approval of salary classification for members of BOD	100%
57	24-344/QĐ-PBHC	23/09/2024	Executive Decision on relieving Mr. Cao Trung Kien from his position as Vice President	100%
58	24-348/NQ-PBHC	26/09/2024	Resolution on the approval of personnel allocations for manager positions at PVFCCo's subsidiaries	100%
59	24-350/QĐ-PBHC	27/09/2024	Executive Decision on the reappointment of Mr. Le Trong Dinh Chi as Phu My Fertilizer Plant Director	100%
60	24-351/NQ-PBHC	27/09/2024	Resolution on the approval of renaming, restructuring functions, organizational structure, and planning managers at some divisions	100%
61	24-355/NQ-PBHC	30/09/2024	Resolution on the BOD's periodic meeting in Q3/2024	100%
62	24-356/QĐ-PBHC	30/09/2024	Executive Decision on issuing the Compensation and Benefits Policy of the Corporation	100%
62	24-357/QĐ-PBHC	30/09/2024	Executive Decision on issuing the Corporation's salary structure system	100%
63	24-363A/QĐ-PBHC	30/09/2024	Executive Decision on renaming divisions within the Corporation's Office	100%
64	24-367/QĐ-PBHC	06/10/2024	Executive Decision on the approval of the minimum salary for each position salary coefficient	100%
65	24-386/QĐ-PBHC	10/10/2024	Executive Decision on issuing the regulations on standards and norms for using equipment, assets, credit cards and business trip allowance	100%
66	24-393/QĐ-PBHC	14/10/2024	Executive Decision on the approval of the settlement for investment capital for NH ₃ Revamp - Phu My NPK Complex	100%
67	24-394/QĐ-PBHC	14/10/2024	Executive Decision on issuing the regulations on Science & Technology activities	100%
68	24-401/QĐ-PBHC	18/10/2024	Executive Decision on changing job title of Head of Human Resource Management Division	100%
69	24-402/QĐ-PBHC	18/10/2024	Executive Decision on changing job title of Head of Procurement Division	100%
70	24-407/QĐ-PBHC	18/10/2024	Executive Decision on establishing the Feasibility Study (FS) Appraisal Team for the Hydrogen Peroxide (H ₂ O ₂) Production Plant Project	100%
71	24-410/NQ-PBHC	18/10/2024	Resolution on the approval of the job title list for the BOD Office and Internal Audit Division	100%
72	24-411/NQ-PBHC	18/10/2024	Resolution on the approval of the adjustment of the 2024 asset and equipment procurement plan for 2024 at the PVFCCo North	100%
73	24-501/NQ-PBHC	24/10/2024	Resolution on the approval of salary adjustments and allowances for members of the BOD and the BOS	100%

CORPORATE GOVERNANCE REPORT

(CONTINUED)

List of resolutions and executive decisions of the Board of Directors approved and promulgated in 2024

No.	Resolution/Executive decision No.	Date	Content	Approval rate
74	24-724/NQ-PBHC	06/11/2024	Resolution on the approval of amendments to Article 3 of the BOD's Resolution No.24-212/NQ-PBHC dated 31 May 2024 on assigning tasks to BOD members	100%
75	24-725/QĐ-PBHC	06/11/2024	Executive Decision on restructuring the roles of concurrent secretaries for Committees under BOD	100%
76	24-730/QĐ-PBHC	15/11/2024	Executive Decision on issuing Procurement Regulations for goods and services	100%
77	24-731/QĐ-PBHC	15/11/2024	Executive Decision on issuing the Investment Management Regulations	100%
78	24-745/QĐ-PBHC	21/11/2024	Executive Decision on issuing the Training Management Regulations	100%
79	24-766/QĐ-PBHC	12/12/2024	Executive Decision on appointing Mr. Vu An as Vice President	100%
80	24-766/QĐ-PBHC	12/12/2024	Executive Decision on relieving Mr. Tran Tuan Kiet from his position as Chief Accountant	100%
81	24-768/QĐ-PBHC	12/12/2024	Executive Decision on appointing Mr. Le Hong Quan as Chief Accountant cum Head of the Finance & Accounting Division	100%
82	24-769/QĐ-PBHC	12/12/2024	Executive Decision on assigning Ms. Nguyen Thi Huong Lan as Head of the Internal Audit Division	100%
83	24-771/NQ-PBHC	12/12/2024	Resolution on the approval of personnel matters at the Corporation's subsidiaries	80%
84	24-776/NQ-PBHC	25/12/2024	Resolution on the BOD's periodic meeting in Q4/2024	100%
85	24-777/NQ-PBHC	26/12/2024	Resolution on the appointment of PVFCCo's capital contributions representatives at PVFCCo North	100%
86	24-778/NQ-PBHC	26/12/2024	Resolution on the appointment of PVFCCo's capital contributions representatives at PVFCCo Central	100%
87	24-779/NQ-PBHC	26/12/2024	Resolution on the appointment of PVFCCo's capital contributions representatives at PVFCCo SouthEast	100%
88	24-780/NQ-PBHC	26/12/2024	Resolution on the appointment of PVFCCo's capital contributions representatives at PVFCCo SouthWest	100%
89	24-787/QĐ-PBHC	31/12/2024	Executive Decision on the approval of the procurement plan for the Plant Insurance Package for 2025 - 2026	100%
90	24-788/QĐ-PBHC	31/12/2024	Executive Decision on issuing the Business Management Regulations	100%

Advanced corporate governance training for BOD members

At the time of election or appointment, all BOD members have demonstrated expertise and undergone training in corporate governance.

The Corporation provided training for BOD, BOS members, the President and CEO, Managers, and the Corporate Secretary, all of whom successfully completed the program at the Securities Research and Training Center under the State Securities Commission.

Implementation of corporate governance regulations



ASSESSMENTS OF THE BOARD OF DIRECTORS ON CORPORATE GOVERNANCE

OVERVIEW

The Corporation’s corporate governance has been continuously refined, adhering to best practices for public and listed companies. Committed to BOD’s accountability, oversight, transparency, and stakeholder interests, the Corporation upholds high governance standards. DPM shares have recorded consistent annual improvements in governance scores on the Vietnam Sustainability Index (VNSI).

RESULTS

As the governing body between General Meetings of Shareholders, the Board of Directors affirmed that in 2024, corporate governance remained effective and continuously improved under varying conditions, ensuring the successful achievement of the Corporation’s production and business targets set by the General Meeting of Shareholders.

The Board of Directors has fulfilled its responsibilities, with key highlights of 2024 as follows:

3

2

1



Appointed additional BOD members to enhance capability, accountability, and performance.



Enhanced the BOD’s efficiency and professionalism by establishing three Committees under BOD.



Strengthening environmental oversight by establishing a comprehensive internal documentation system, implementing a risk and compliance management framework, and assigning a Committee under BOD to oversee risk management. Directed the execution of the ESG roadmap.



ASSESSMENT OF THE BOARD OF DIRECTORS ON THE BOARD OF MANAGEMENT’S OPERATIONS

A general assessment of the Board of Management on business operation management:

- The members of the Board of Management are all qualified, capable, and qualified, professionally trained, knowledgeable in their assigned fields, and have extensive experience managing and administering significant projects/enterprises.
- The President & CEO has delegated specific roles to the Vice Presidents and conducted weekly briefings to assess weekly work results and assign the work plan for the following term.
- The Board of Management conducted the unit’s business activities in accordance with the General Meeting of Shareholders’ resolutions, under the direction of the Board of Directors, and in strict compliance with the enterprise’s charter and legal provisions.
- The Board of Management maintained a comprehensive awareness of the Corporation’s advantages and disadvantages, which enabled it to adapt operating production and business activities while also issuing internal documents in accordance with its authority to effectively control the Corporation’s production and business activities; effectively performing the role of risk control beginning with the Board of Management and middle managers.

ASSESSMENT ON ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

The Corporation is committed to upholding the highest standards of environmental and social responsibility in all of its manufacturing, commercial, and investment activities. The Corporation’s primary activities are in the sector of fertilizer and chemical production, both of which are environmentally responsible and have a high potential for negative impact on the environment. Compliance with applicable safety and environmental laws is therefore a major emphasis during production. In product distribution, the Corporation is constantly developing programs and initiatives to educate farmers about the effective and economical use of fertilizers while reducing environmental impact. The Corporation remains focused on its duties and obligations to society. It has consistently and actively contributed to social security work and cared for its employees throughout the years.

The Corporation’s mid- and long-term strategy outlines a clear ESG direction and policy, reaffirming its ongoing commitment to environmental responsibility and sustainability. It continues to support rural communities, a priority increasingly valued in recent years and collaborates with state shareholders to promote the national “green growth” strategy. The Corporation is developing a strategy to reduce greenhouse gas emissions through management solutions, technological advancements, and investments in energy-efficient projects, while prioritizing renewable, alternative, and cost-effective energy sources and emission-reducing materials.

In 2024, the BOM established an ESG apparatus to ensure compliance, research energy-saving solutions, energy transition and efficiency, and implement measures to reduce greenhouse gas emissions and improve energy savings in the annual audit report.

The 2024 CSR results are outlined in Chapter 4 of the Sustainable Development Report.

ASSESSMENTS OF THE BOARD OF DIRECTORS ON CORPORATE GOVERNANCE (CONTINUED)

THE BOARD OF DIRECTORS' PLANS AND ORIENTATIONS FOR 2025

In 2024, the fertilizer market and gas prices remain challenging due to the ongoing difficulties from late 2023, compounded by political factors. Notably, the natural gas supply has entered a challenging phase, with cheaper sources experiencing production declines. Considering these factors, the Board of Directors has approved and assigned the 2025 production and business plan for the Corporation as follows:

Production targets

No.	Item	Unit	Plan 2025
1	Production output		
1.1	Phu My urea	Thousand tons	780.0
1.2	Phu My NPK	Thousand tons	165.0
1.3	Other fertilizers (produced by the factory)	Thousand tons	8.5
1.4	UFC 85	Thousand tons	12.0
1.5	NH ₃ (for trading)	Thousand tons	51.0
2	Sales volume		
2.1	Phu My urea	Thousand tons	800.0
2.2	Phu My NPK	Thousand tons	175.0
2.3	Other fertilizers (produced by the factory)	Thousand tons	9.0
2.4	UFC 85	Thousand tons	9.0
2.5	NH ₃	Thousand tons	50.0
2.6	Other fertilizers	Thousand tons	235.0
2.7	CO ₂	Thousand tons	36.0
2.8	Other chemicals	Thousand tons	6.8

The Corporation's financial plan (consolidated)

No.	Item	Unit	Plan 2025
1	Total revenue	Billion VND	12,876
2	Profit before tax	Billion VND	410
3	Profit after tax	Billion VND	320
4	Budget payable	Billion VND	252
5	Average labor productivity (based on revenue)	Million VND/person/month	676

Parent company's plan

Financial plan

No.	Item	Unit	Plan 2025
1	Owner's equity, in which	Billion VND	10,508
	Charter capital/average charter capital	Billion VND	6,800
2	Total revenue	Billion VND	11,817
3	Profit before tax	Billion VND	369
4	Profit after tax	Billion VND	294
5	Ratio of Profit after Tax/Average Owner's equity	%	2.8
6	Ratio of Dividend/Charter capital	%	12
7	Total debt/total Owner's equity	times	0.52

Capital investment plan

No.	Item	Unit	Plan 2025
I	Total capital investment	Billion VND	1,040.5
1	Capex	Billion VND	400.5
2	Procurement projects	Billion VND	640.0
II	Capital investment source	Billion VND	1,040.5
1	Owner's equity	Billion VND	1,040.5
2	Loans and others	Billion VND	0
III	Capital expenditure	Billion VND	1,040.5
1	Owner's equity	Billion VND	1,040.5
2	Loans and others	Billion VND	0

REPORT ON THE ACTIVITIES OF INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS

Mr. Ho Quyet Thang has served as non-executive independent members of the BOD, have attended or authorized to attend all meetings and given independent opinions and voted on issues decided by BOD; participated in supervising and directing the activities of BOM as assigned by BOD from their appointment until dismissal.

Comments from the independent member of the BOD on the governance/management of PVFCCo in 2024

The Board of Directors and the Board of Management implemented their roles and duties in accordance with the laws on corporate governance, the Corporation charter and the executive decisions of the General Meeting of Shareholders and the BOD. The BOD and BOM's members performed their duties and fully complied with the responsibilities and authorities assigned, as stipulated to protect the interests of all shareholders. The results were reflected in the production and business plans and targets that PVFCCo completed and exceeded in 2024.

To approach and adhere to as closely as possible to the advanced corporate governance standards, the BOD was aware of and promoted the review and improvement of activities in the direction of enhancing the effectiveness of the

management and supervision system while building up a strong and appropriate hierarchy to reduce its participation in executive activities. In 2024, the Corporation successfully restructured to streamline its organizational structure and improve its business model, while finalizing the internal document system. Notably, corporate governance was strengthened with the establishment of Committees to oversee risk management and sustainability.

The independent members of the BOD have actively connected with the Management and functional divisions to continue communication to investors about the values and advantages of the Corporation and the efforts of the BOM, BOD to improve governance and ensure the interests of shareholders, as well as bringing contributions and ideas from investors to the Board of Directors on guidelines, development strategies, or directions on finding strategic investors. Based on the newly updated medium and long-term development strategy, the independent members have been assisting the Board of Directors in finding opportunities and potential partners in the production, distribution, marketing and sales of chemicals and sustainable fertilizer products. Among other companies which have changed from being wholly state-owned enterprises, the Corporation has demonstrated solid governance foundations.

SUPERVISORY BOARD REPORT

SUPERVISORY BOARD MEMBERS AND STRUCTURE

Supervisory board



Mr. HUYNH KIM NHAN

Position: Chief supervisor

DOB: 1976

Qualifications: Master of Business Administration, Bachelor of Corporate Finance



Ms. TRAN THI PHUONG

Position: Full-time member of the SB

DOB: 1979

Qualifications: Master of Business Administration, Certified Accountant (issued by the Ministry of Finance)



Mr. LUONG PHUONG

Position: Part-time member of the SB

DOB: 1973

Qualifications: Bachelor of Finance and Credit

ACTIVITIES OF SUPERVISORY BOARD

Income statement of PVFCCo and report on performance of the BOD and the President and CEO

The Supervisory Board (SB) has reviewed the Board of Directors' Performance Report and the President and CEO's Report and concurs with their content. It affirms that the Corporation has exceeded its 2024 business and production targets. The reports accurately reflect the Corporation's operations and the performance of the Board of Directors and the President and CEO, with key indicators as follows:

The Corporation's business and operational performance

Phu My Urea production output reached 889,500 tons, surpassing the annual target by 5% and increasing 9% year-over-year. Phu My NPK production totaled 133,389 tons, achieving 93% of the annual target and reflecting a 10% increase from 2023.

Phu My Urea sales volume totaled 898,671 tons, exceeding the annual target by 3% and increasing 2% year-over-year. Phu My NPK sales volume reached 147,154 tons, achieving 103% of the annual target and reflecting a 7% increase from 2023.

Consolidated revenue reached VND 13,878 billion, achieving 109% of the annual target and declining 1% from 2023.

Consolidated profit before tax reached VND 669.3 billion, achieving 101.4% of the annual target, decreasing 3% from 2023.

Board of Directors' Performance

The BOD executed resolutions approved by the GMS, ensuring uninterrupted operations. In 2024, the BOD held 08 meetings, obtained written opinions 86 times, and approved 90 key resolutions, executive decision and directives.

The BOD has approved the funding settlement for the NH₃-NPK project; directed The Corporation to coordinate with relevant authority to and stakeholders to obtain approval for the 1/500 master plan, the FS and the environmental impact of the Hydrogen Peroxide (H₂O₂) production plant; approved the proposal on executing the FS of the H₃PO₄ storage tank, a DEF/AdBlue production plant, and the recovery of Ar, H₂, and N₂ from NH₃ Plant Off-gas. The BOD has also approved the investment plan for a 110kV power station. In 2024, the Board of Directors finalized, amended, and issued 11 regulations, proposed a legal capital increase plan to align charter capital with equity, developed a new fertilizer business model for 2025, and accelerated investment and expansion in chemical products and directing other activities of the Corporation.

President and CEO's Performance

The President and CEO has consistently ensured the implementation of BOD and GMS resolutions, decisions, and legal regulations by directing functional divisions, affiliates, and member units. Responsibilities have been clearly assigned to Vice Presidents. In BOD meetings, the President and CEO has reported operational challenges and project issues for deliberation and resolution. Additionally, the President and CEO has overseen investment and construction, accelerated project timelines, and ensured stable, safe, and continuous operations, exceeding targets and maintaining profitability.

In 2024, the BOD and President and CEO guided the Corporation in fulfilling most targets set by the GMS. However, the plan to increase the charter capital and the Parent Company's construction investment disbursement target were not achieved due to external factors subject to State authority approval.

Operational and financial supervisory activities

In 2024, the Corporation maintained stable, continuous, and safe production and business operations. Its financial position was accurately recorded and fairly reflected. Consolidated revenue exceeded the plan by 9%, while consolidated pre-tax profit increased by 1.4% and consolidated post-tax profit rose by 2.2% compared to the plan. Total consolidated assets at year-end grew by 24.4% from the beginning of the year, primarily funded by short-term borrowings. Profitability indicators improved compared to the previous year, while liquidity ratios remained secured. Year-end payables and receivables increased compared to the beginning of the year, with the Parent Company recording a rise in doubtful receivables, for which provisions have been made. With a capital preservation coefficient of 2.81 (>1), the Corporation successfully preserved and expanded owner's equity.

Self-assessment report on the Supervisory Board and its members' performance

The Supervisory Board and its members have fulfilled their mandate from the GMS by conducting regular and periodic inspections. In 2024, inspections were carried out at four capital-contributed

SUPERVISORY BOARD REPORT (CONTINUED)

ACTIVITIES OF SUPERVISORY BOARD

companies and two affiliated branches, with findings and recommendations submitted to the BOD and the President and CEO. Supervisory Board members have actively and independently fulfilled their duties, providing recommendations within their scope of responsibility. They have attended all meetings, completed assigned tasks, and adhered to the Law on Enterprises, the Corporation’s Charter, and the Supervisory Board’s Operational Regulations.

Remuneration, operating expenses and other benefits of the BOS and members

- Salary, bonus and remuneration of members were setup and complied with the Decree No. 53/2016/ND-CP and the Resolution approved by the 2024 Annual General Meeting of Shareholders.
- The operating expenses of the BOS and each of its members include: Stationery costs, equipment, phone charges, Internet charges, business trip expenses and expenses for receiving guests and meetings, were accounted as business expenses in accordance with the laws on corporate income tax and recorded as a separate section in the Corporation’s 2024 financial statements.

Summary of the meetings of the BOS, conclusions and recommendations, results of supervision of the Corporation’s operation and financial:

The Board of Supervisors convened five periodic meetings to approve the 2023 performance review, the 2024 operational plan, and the inspection and supervision plan for GMS submission. The meetings also covered the appraisal of financial statements, periodic supervision reports, salary verification, individual and collective performance assessments, and PVFCCo’s guarantee for PVN regarding VNPOLY’s loan.

Assessment report on transaction between PVFCCo, subsidiaries and other companies with more than 50% charter capital control rights held by PVFCCo, members of the BOD, the President and CEO or its related persons. According to the BOD’s records, the following transactions occurred in 2024:

- Transactions between the Corporation and its subsidiaries: As of 31 December 2024, the Corporation maintained its capital contribution to subsidiaries at VND 386.25 billion, equivalent to 75% of charter capital. These subsidiaries function as distribution agents and service providers for the Corporation. Throughout the year, the Corporation continued contractual engagements with them, with all transactions approved by the Board of Directors, disclosed per regulations, and aligned with shareholder interests.
- Transactions between the Corporation and PVN: (i) Transfer of VND 30,961,069,384 to PVN for the counter-guarantee of VNPOLY’s loan and (ii) Agreement on PVN trademark usage rights transfer. Both transactions were approved by the BOD.
- Transaction with PetroVietnam Ca Mau Fertilizer Joint Stock Company (PVCFC), a PVN-affiliated entity: On 06 January 2023, both parties executed UFC85 Sales Contract No. 09/2023/HDMB-TM/PVCFC-PVFCCoCNHCM, valid for 24 months. The Board of Directors approved the transaction through Resolution No. 23-024/NQ-PBHC dated 17 January 2023.
- Chemical sales transactions with PVN-affiliated entities included Vietsovpetro Joint Venture, PV Gas Ca Mau, Southeast Gas, PV Gas Vung Tau. Additionally, ammonia (NH₃) and phosphoric acid (H₃PO₄) purchase contracts were executed with PVChem.
- Transaction between the Corporation and Phu My Fertilizer Packaging JSC (43.34% owned by the Corporation): A contract was signed for the procurement of packaging products.

Transactions between the Corporation and companies in which the BOD member is/was a founding member or business manager (subsidiary) within the 3 years preceding the transaction. According to the BOS’s records, the following transactions occurred in 2024:

- Transactions involving purchase and sale contracts with PetroVietnam Chemical and Services Corporation – JSC (PVChem), including its Petroleum Chemical Services Branch (PVChem-CS) and PVChem-Tech Co., Ltd., both of which were managed by PVFCCo’s President and CEO at PVChem in the past three years:
 - Sales contract No. 44/2024/CNHC/KD-PVChem dated 24 April 2024 with value of VND 55,938,177,051 (included VAT) to purchase H₃PO₄ for Phu My Fertilizer Plant.
 - Sales contract No. 46/2024/CNHC/KD-PVChem-CS/B_AMMONIA dated 24 May 2024 with value of VND 949 million (excluded VAT) to sell NH₃ for PVChem-CS.
 - NH₃ Sales contract No. 47/2024/CNHC/KD-PVChem-Tech/B_Ammonia dated 05 June 2024.

Monitoring results of the BOD, President and CEO and other managers:

The BOD has effectively executed the mandates of the GMS, ensuring the Corporation’s sustained growth and operational continuity. Responsibilities were assigned based on members’ expertise, and three committees were established to enhance oversight and implementation of BOD resolutions. The BOD convened regular and ad-hoc meetings, demonstrating a high level of accountability.

The President and CEO delegated the implementation of the BOD’s resolutions and executive decisions to the Vice Presidents and regularly reported on the outcomes to the BOD.

The BOD, the President and CEO, and senior executives effectively implemented the GMS resolutions, exceeding the 2024 production and business plan.

Assessment on cooperation between BOS and BOD, President & CEO and shareholders:

The BOD and the President & CEO have facilitated the BOS’s regulatory supervision and inspections. They have acknowledged the BOS’s recommendations and directed relevant Divisions, Branches, and Units for implementation. The BOS has consistently submitted timely and comprehensive reports to major shareholders as required.

TRANSACTIONS, REMUNERATION AND OTHER BENEFITS OF THE BOD, BOM AND BOS

SALARIES, BONUSES, REMUNERATION AND BENEFITS OF THE BOD, BOM AND BOS

- PVFCCo implemented an executive remuneration scheme for members of the BOD, BOS and BOM in accordance with the law and PVFCCo’s Compensation and Benefits Policy. This is aligned with its annual salary review and budget and the provision of fair reward for the competence and performance of each member.
- Part-time members of BOD or BOS are entitled to remuneration according to job role and responsibility.

TRANSACTIONS, REMUNERATION AND OTHER BENEFITS
OF THE BOD, BOM AND BOS (CONTINUED)

• Details of salaries, remuneration and bonuses in 2024

No.	Full name	Position	Salary	Bonus	Total income	Note
I Board of Directors			6,620	767	7,387	
1	Nguyen Xuan Hoa	Chairman of the BOD	1,226	132	1,358	Concurrently from 29/3/2024 to 15/8/2024, Full-time from 16/8/2024
2	Phan Cong Thanh	Member of the BOD cum President and CEO	1,818	227	2,045	Held the position of President and CEO on 25/01/2024
3	Nguyen Ngoc Anh	Member of the BOD	627	58	685	Concurrently from 01/01/2024 to 31/08/2024 Full-time from 01/09/2024
4	Trinh Van Khiem	Member of the BOD	1,396	175	1,571	
5	Ho Quyet Thang	Independent member of the BOD	1,396	175	1,571	
6	Hoang Trong Dung	Former part-time Chairman	65	-	65	Concurrently from 01/01/2024 to 29/3/2024
7	Duong Tri Hoi	Former part-time members of the BOD	92	-	92	Concurrently from 01/01/2024 to 29/3/2024
II Vice president, Chief accountant			6,989	876	7,865	
1	Vo Ngoc Phuong	Vice president	1,269	159	1,428	Held the position of Vice president on 28/5/2024
2	Dao Van Ngoc	Vice president	1,396	175	1,571	
3	Tran Thi Phuong Thao	Vice president	1,396	175	1,571	
4	Cao Trung Kien	Vice president	1,396	175	1,571	
5	Ta Quang Huy	Vice president	1,333	167	1,500	
6	Vu An	Vice president	106	13	119	Held the position of Vice president on 12/12/2024
7	Le Hong Quan	Chief accountant	93	12	105	Giữ chức KTT từ 12/12/2024
III Supervisory Board			2,765	320	3,085	
1	Huynh Kim Nhan	Chief supervisor	1,396	175	1,571	
2	Tran Thi Phuong	Member of the BOS	1,163	145	1,308	
3	Luong Phuong	Part-time member of the BOS	206	-	206	
Total			16,374	1,963	18,337	

TRADING OF INTERNAL SHAREHOLDERS' AND RELATED PERSONS' SHARES

No transactions in 2024

CONTRACT OR TRANSACTION WITH INTERNAL SHAREHOLDERS

In 2024, there were no transactions between the Corporation and the members of Board of Directors, Board of Supervisors, Board of Management and managers.

CONTRACTS OR TRANSACTIONS WITH RELATED ORGANIZATIONS AND INDIVIDUALS

No.	Name of organizations/ individuals	Relationship with the Corporation	Transaction values	
			Transactions	Value (VND)
1	Vietnam Oil and Gas Group (PVN)	Major shareholders with ownership rate of more than 10%	PVN trademark transfer contract	6,576,980,000
2	North PetroVietnam Fertilizer and Chemicals Joint Stock Company	Subsidiaries	Fertilizer sales and service contracts	1,891,315,841,250
3	Central PetroVietnam Fertilizer and Chemicals Joint Stock Company	Subsidiaries	Fertilizer sales and service contracts	2,922,906,234,008
4	South-East PetroVietnam Fertilizer and Chemicals Joint Stock Company	Subsidiaries	Fertilizer sales and service contracts	3,045,261,933,610
5	South-West PetroVietnam Fertilizer and Chemicals Joint Stock Company	Subsidiaries	Fertilizer sales and service contracts	1,877,064,855,880
6	Branch of PetroVietnam Gas Joint Stock Corporation - JSC - Southeastern Gas Transport Company	Related companies of major shareholders with ownership rate of more than 10%	Gas sales contract in 2024	6,407,866,375,455.6 (VAT included)
7	PetroVietnam Gas Joint Stock Corporation - JSC	Related companies of major shareholders with ownership rate of more than 10%	Urea formaldehyde concentrate (UFC-85) sales contract	132,966,743,012

INVESTOR RELATIONS REPORT

OBJECTIVES

“ENSURING TRANSPARENT, ACCURATE, AND TIMELY INFORMATION DISCLOSURE WHILE UPHOLDING SHAREHOLDERS’ EQUITY IN ACCORDANCE WITH LEGAL AND CORPORATE GOVERNANCE STANDARDS, THEREBY ENHANCING GOVERNANCE QUALITY AND ADHERENCE TO SUSTAINABLE DEVELOPMENT PRINCIPLES.

- Committing to consistently implementing principles in shareholder relation activities, ensuring compliance with regulations on information disclosure for listed companies, based on transparency and access to information in a fair manner.
- Having a focal point of implementing investor relation activities to ensure that the information disclosed to the outside was consistent, approved, directed and supervised from the highest level of leadership in the Corporation.
- Ensuring that all shareholders had fair and favorable access to information through various forms of communication (direct, indirect, intermediary organizations etc.).
- Ensuring a transparent Annual General Meeting of Shareholders process by providing shareholders with full access to information before, during, and after the event, while enabling voting and participation through various channels (online, fax, letter, or proxy). Annual General Meeting of Shareholders documents and guidelines are available in both Vietnamese and English to ensure accurate and comprehensive updates for all shareholders.
- Recommending that the BOD execute dividend payments promptly and in accordance with the shareholder-approved annual plan, while ensuring timely and accurate responses to shareholder inquiries on procedures, schedules, and payment amounts.
- The IR team and the division managing the Corporation’s website (via email and hotline) serve as the primary focal points for receiving shareholder inquiries and complaints. They coordinate with the Compliance Manager and relevant divisions to address concerns and ensure timely reporting to the highest level of leadership in the Corporation.

IN 2024, THE IR TEAM IMPLEMENTED THE FOLLOWING MAIN ACTIVITIES

- **Meetings with shareholders:** Hosted and participated in more than 30 meeting events, interacting with nearly 400 investors and shareholders periodically and on request. Quarterly, the IR department held online and in-person meetings with representatives of domestic and foreign investment funds and analysts from major brokerage organizations in the stock market to update information on periodic business results and respond to investors about issues of their interest. The IR team conducts meetings in English and Vietnamese based on attendees’ preferences.



Hosted and participated
in more than
30
meeting events



interacting with nearly
400
investors and shareholders



- **Safeguarding shareholder rights and ensuring equitable treatment for all shareholders:** The IR department supports the Management in conscientiously safeguarding shareholder rights in accordance with the principles and regulations outlined in the Corporation’s Charter and Vietnamese law.
- **Executed regular and ad-hoc information disclosures, along with specialized communication materials tailored for shareholders and investors:** The IR team is responsible for preparing the semi-annual Investor Newsletter and Annual Report. It holds quarterly meetings, both online and offline, to provide performance updates and address inquiries from domestic and foreign investors and brokers. Publications and meetings are conducted in both English and Vietnamese to ensure clear and comprehensive access to information for all shareholders. Furthermore, the Investor Relations section on the Corporation’s website, available in English and Vietnamese, is structured for clarity and efficiency, enabling investors to access updates and request feedback in a timely manner.

In addition to publishing specialized materials for shareholders and investors, the Corporation ensures full compliance with all periodic and ad hoc disclosure regulations. No disclosure violations were recorded in 2024.
- **Organized the 2024 Annual General Meeting of Shareholders according to regulations:** The IR department actively implemented coordination and connection to ensure timely provision of information to shareholders before, during and after meetings in accordance with regulations and support procedures related to the full implementation of shareholders’ rights at meetings.
- Prepared and submitted periodic and on-demand reports to the senior management of the Corporation regarding shareholder/investor feedback on the Corporation’s operations, the valuation of DPM stock, trading trends, as well as related proposals and recommendations.

IR ORIENTATION IN 2025

In 2025, under the strategic direction and support of the Corporation’s Management, Investor Relations will be further strengthened, leveraging digital transformation to enhance disclosure efficiency and align with corporate objectives. Efforts will focus on reinforcing governance, ensuring transparency, maintaining regulatory compliance, and upholding shareholder equality. These initiatives aim to drive sustainable growth and create long-term value for shareholders, partners, employees, and society.

RISK IDENTIFICATION AND MANAGEMENT REPORT

“ TO EFFECTIVELY OVERSEE AND MINIMIZE RISKS, ENSURING THE SECURE OPERATION OF BUSINESS ACTIVITIES AND INVESTMENTS. IN 2024, PVFCCo PINPOINTED CRITICAL RISK CATEGORIES AND EXECUTED EFFICIENT RISK MANAGEMENT MEASURES TO MEET ITS GOALS:



PVFCCo has maintained uninterrupted plant operations, optimizing product efficiency despite volatile commodity prices and intensifying market competition.



PVFCCo continued its diversification into new products while still developing its traditional products to affirm the leading position in fertilizer production and trading in the domestic market.



Operated new investment projects with new products, deployed and traded fertilizer and chemical products manufactured by PVFCCo, in order to fulfill its long-term strategic objectives.

To realize the above-mentioned goals for sustainable development and best protection of shareholders’ interests while fulfilling social responsibilities in 2024, PVFCCo identified the following key risk groups:

 MARKET RISKS



Oversupply risk

The expanding landscape of Vietnam’s economy, while yielding positive outcomes, exerts profound influence on PVFCCo’s business endeavors. This influence is particularly felt amidst the escalating competition within the global and domestic fertilizer markets. Facing this challenge, PVFCCo has focused on consolidating and adjusting the domestic distribution system, enhancing customer care in order to develop genuinely in order to create a sustainable relationship between the parent company and the member companies and an agent system covering all regions of Vietnam, dispatching goods to key consumption areas to dominate the agriculture market, while maintaining a competitive advantage over competitors in the same industry, and maintaining the brand name. This is a strategic and long-term plan to help the Corporation develop a stable, solid and long-term sales system.



Risks of input material prices

Price of the main source of raw materials - gas - has increased sharply in 2022 so far. This volatility has affected PVFCCo’s production costs. The global oil price has fluctuated considerably over recent years. In addition, supply and demand in Vietnam is unstable; gas supply has been gradually depleted; and gas prices from other additional sources have been increasing. PVFCCo’s profitability is highly dependent on variations in the cost of raw materials used in the manufacture of its fertilizer.

The Corporation has managed the price risk of oil and gas through short-term arbitrage and actions. Based on pricing scenarios, the Corporation proactively implemented flexible planning and budgeting. This provided the Corporation with control over unforeseen changes as business conditions varied. At the same time, PVFCCo negotiated with suppliers to achieve a suitable price path for production.



Price risk

Since entering into a series of Free Trade Agreements, changes in global fertilizer prices have also immediately impacted on domestic prices as the local products are direct competing with imported fertilizers and unregistered parallel imports from neighboring countries.

PVFCCo, as a manufacturer and trader of fertilizer, has balanced the risks and opportunities to decide to sell its products at a competitive price compared to the market price to maintain market share and competitive advantages.



Liquidity risk

PVFCCo has developed sales and credit guidelines that conform to the needs of the local market. These guidelines are systematically implemented, controlled and administered from top down starting with the Corporation and extending to its subsidiaries. Credit terms are specific to each customer for every product group. The terms of credit are given after a financial assessment of the buyer, based on credit ratings and customer repayment ability. The general liquidity plan and specific inventory levels, along with accounts receivable, serve as meticulously monitored tools throughout the implementation of business operations.



Risks of research and development

PVFCCo has continued to promote its research and development activities to innovate and improve products, creating more high-quality products to meet product requirements for farmers as well as leading the market into the high-quality product segment. Newly introduced products undergoing trial phases pose inherent risks upon entering the market.

RISK IDENTIFICATION AND MANAGEMENT REPORT

(CONTINUED)

PRODUCTION RISKS

PVFCCo has continuously operated Phu My Fertilizer Plant safely and achieved impressive records. However, since the Plant has operated continuously for more than 20 years, there are a lot of potential risks. Therefore, the risk management activities in the coming years will focus on controlling risks in production principles, product quality, safety and environment.



FINANCIAL RISKS

Risks of exchange rate

Rising foreign exchange rates, driven by higher interest rates for inflation control, have impacted PVFCCo's business performance and the investment efficiency of projects utilizing foreign currencies. PVFCCo frequently updated the macro-economic situation, domestic and global financial status, seriously monitored exchange rate fluctuations to build up and execute appropriate and flexible import and business plans and enhance the efficiency of capital use. In addition to this, PVFCCo also seriously considered its financial management, analyzing and assessing the effect of exchange rate differences on executed projects.

Financial risks and the goal of reforming investment activities contributing capital to Associates

In 2024, PVFCCo has continued to gradually find solutions to divest investments in joint ventures and associates. Although PVFCCo's objective was to divest capital in these enterprises, it proved extremely difficult to reform long-term capital investment activity when the associate is not operating effectively. To support such members to gradually improve their performance, PVFCCo reinforced supervising associates managing activities through capital representatives while executing activities to support members in managing and directing enterprises.



RISKS OF ENVIRONMENT AND LAW

Climate change has impacted most majority of regions and crops in the country. In the future, climate change is expected to become even more unpredictable, indirectly affecting the production and business activities of fertilizer companies in general, and PVFCCo in particular.

The tax policies of Vietnam are frequent changes and supplements directly related to the fertilizer industry. Therefore, risks regarding tax policy application, and changes to taxes on fertilizers will have great effects on PVFCCo's operation.

The Vietnamese Government's commitment to green and sustainable development will be formalized into legal regulations applicable to all enterprises. In the fertilizer and chemical industry, the Corporation is committed to full compliance with sustainability regulations and standards.

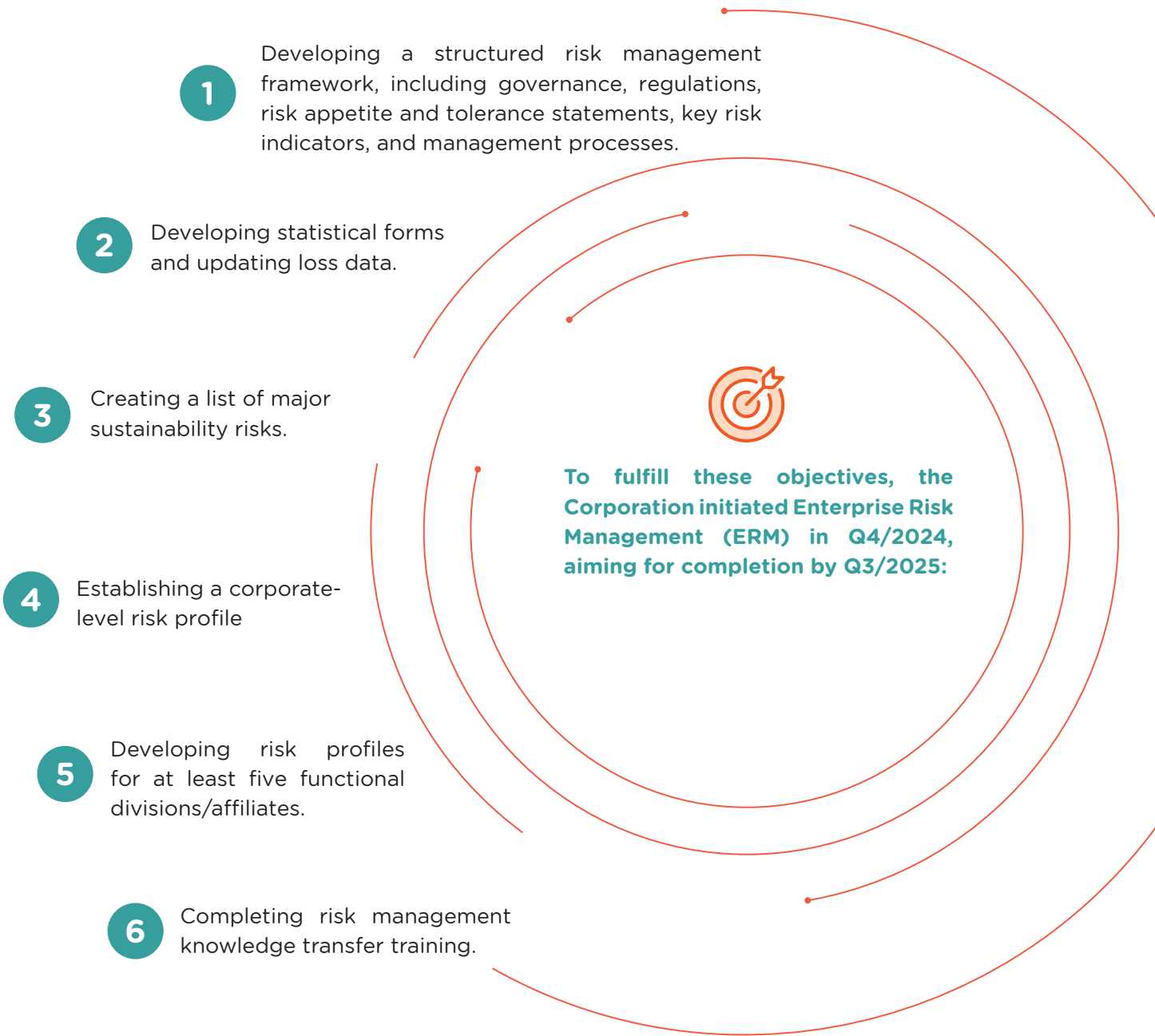
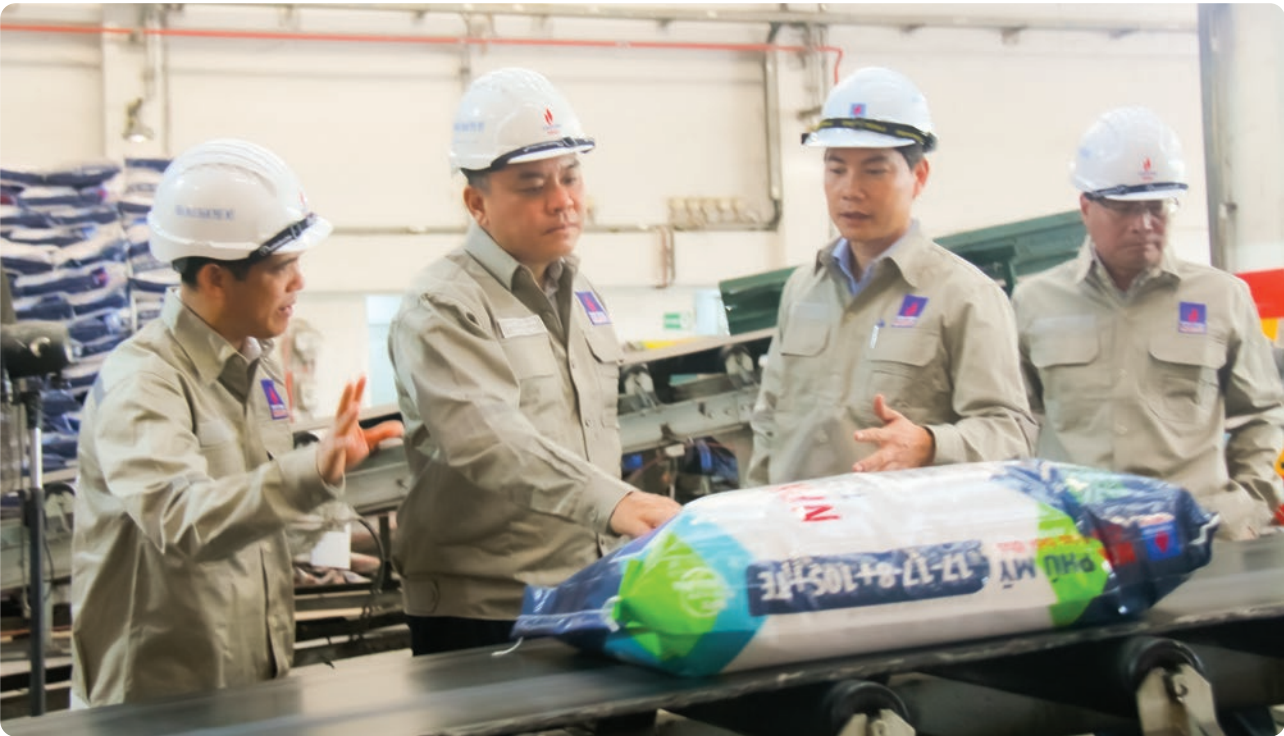
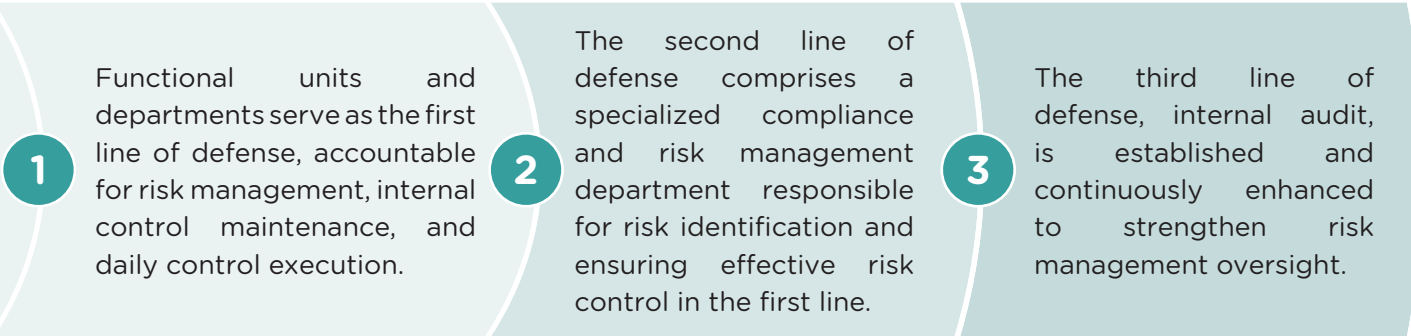
RISK IDENTIFICATION AND MANAGEMENT REPORT

(CONTINUED)

 ENHANCEMENTS IN RISK MANAGEMENT

In 2024, PVFCCo enhanced its risk management framework by establishing a structured, professional system with comprehensive regulations across governance, execution, and supervision.

Adopting the Three Lines of Defense model, the Corporation reinforced risk management and internal control, clearly defining responsibilities to eliminate redundancies, mitigate unforeseen risks, and address weaknesses in control mechanisms. Additionally, it strengthened risk awareness to minimize issues arising from unclear responsibilities or conflicts of interest. The system ensures timely, effective reporting to the Board of Directors and Board of Management through appropriate access channels.





To fulfill these objectives, the Corporation initiated Enterprise Risk Management (ERM) in Q4/2024, aiming for completion by Q3/2025:



“ IN LINE WITH THE PRINCIPLES OF “SUSTAINABLE, EFFECTIVE, AND HUMANE DEVELOPMENT” AND A COMMITMENT TO ADVANCED GOVERNANCE PRACTICES, PVFCCo’S MANAGEMENT IS FOCUSED ON IMPLEMENTING AND OPTIMIZING THE ENTERPRISE RISK MANAGEMENT SYSTEM (ERMS). THIS INITIATIVE IS STRATEGICALLY ALIGNED TO STRENGTHEN CORPORATE GOVERNANCE AND UPHOLD THE PVFCCo’S LEADERSHIP AND BRAND IN THE FERTILIZER AND CHEMICALS INDUSTRY.



ROOTS TAKE HOLD DREAMS UNFOLD

Sustainable development report

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PRESIDENT AND CEO’S MESSAGE
ON SUSTAINABLE DEVELOPMENT



“2024 WAS A SIGNIFICANT YEAR FOR PVFCCo, MARKED BY NOTABLE DEVELOPMENTS. NONETHELESS, OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT, SOCIAL RESPONSIBILITY, AND STAKEHOLDER PROSPERITY REMAINS UNWAVERING.

Dear Valued Shareholders, Partners and Colleagues,

In 2024, PVFCCo’s Management and employees reached consensus on a strategic direction for the next phase, positioning the Corporation as a global leader in the fertilizer and chemical sectors, while reinforcing our dominance in Vietnam and the region.

Aligned with this direction, we are committed to achieving growth objectives that support social sustainability, minimize environmental impacts, and contribute to the national “green growth” strategy. This commitment is grounded in the governance, environmental, and social (ESG) framework that PVFCCo has diligently developed over the past 20 years.

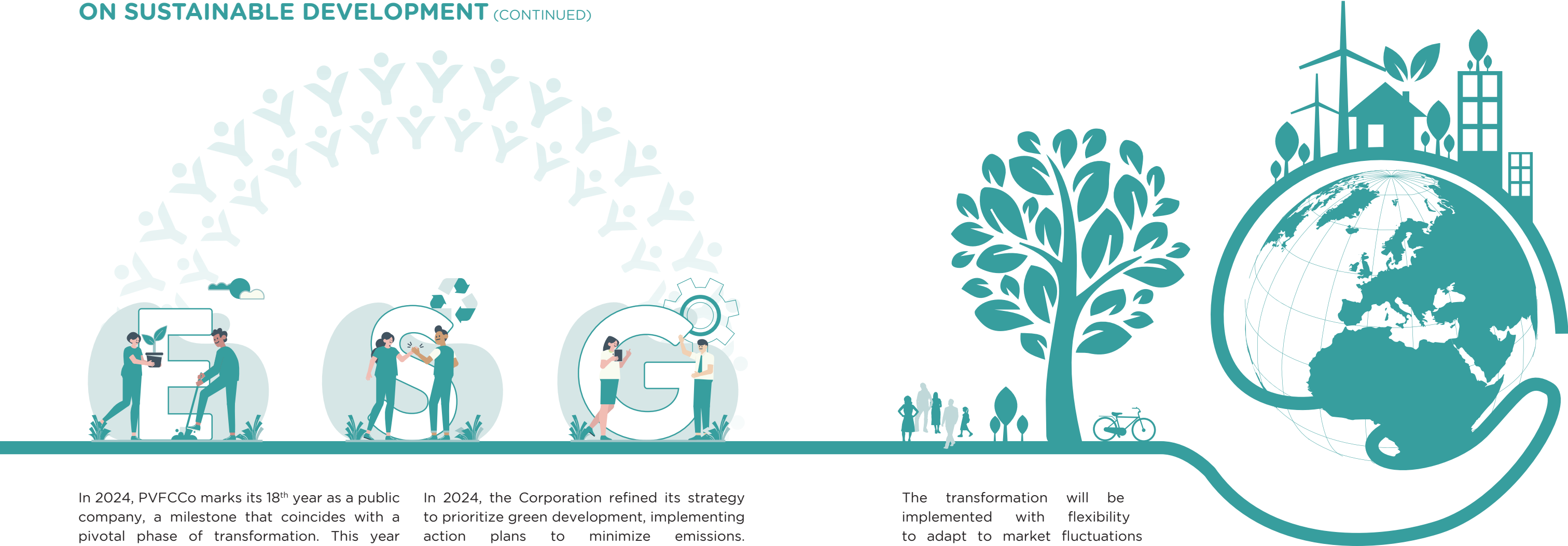
In late 2024, Typhoon Yagi, the most powerful to hit Vietnam in decades, severely impacted the agricultural sector and communities in Northern Vietnam. The typhoon resulted in hundreds of fatalities, thousands of injuries, and extensive damage to agricultural production. PVFCCo promptly launched support and reconstruction efforts, coordinating donation campaigns to assist affected communities in their recovery and return to normalcy. Driven by a tradition of mutual support and responsibility, PVFCCo is committed to partnering with the local community in the implementation of social security initiatives and programs.

The year 2024 was marked by significant global and domestic events, compelling countries, organizations, and enterprises to swiftly adapt and restructure their operations for greater efficiency. At the same time, they must respond promptly to emerging risks and fluctuations in the business and investment environment, alongside the accelerating global energy transition. Additionally, climate change and the increasing frequency of natural disasters threaten food and energy security, as well as the sustainable development and prosperity of nations and communities.



PVFCCo’s President and CEO undertakes the highest responsibility for the Corporation’s environmental policies/issues.

PRESIDENT AND CEO’S MESSAGE
ON SUSTAINABLE DEVELOPMENT (CONTINUED)



In 2024, PVFCCo marks its 18th year as a public company, a milestone that coincides with a pivotal phase of transformation. This year focuses on restructuring and consolidating resources in preparation for the Corporation’s expansion into the chemical sector, with the objective of establishing PVFCCo as a leader in basic chemicals and green energy in Vietnam. The Corporation has initiated key actions to progressively achieve its goals. This sustainable development report outlines our commitments, policies, and results in aligning with Governance, Environment, and Society (ESG) criteria, while identifying areas for further development in the next phase.

In 2024, PVFCCo prioritized strengthening ESG practices, rebranding, updating business policies, and enhancing risk management to reinforce corporate governance.

In 2024, the Corporation refined its strategy to prioritize green development, implementing action plans to minimize emissions. Simultaneously, it advanced organizational restructuring and emphasized the development of high-quality human resources to drive transformation and global expansion.

As part of its restructuring, the Corporation has refined performance assessment reporting, adjusted salary scales, and updated compensation, benefits, and labor policies to align with the new business environment, resulting in positive outcomes. Moving forward, the Corporation will continue to assess and enhance its policies to address emerging needs.

2024 was a significant year for PVFCCo, marked by notable developments. Nonetheless, our commitment to sustainable development, social responsibility, and stakeholder prosperity remains unwavering.

The transformation will be implemented with flexibility to adapt to market fluctuations while remaining aligned with the Corporation’s sustainable and green development goals. Its success hinges on the shared support, understanding, and trust of shareholders, partners, employees, and the community.

On behalf of PVFCCo’s Management and employees, I sincerely thank all stakeholders. As we move forward, we remain committed to strengthening our partnership and value your insights, which drive our pursuit of shared prosperity and sustainable growth.

President and CEO

Phan Cong Thanh

OVERVIEW ON SUSTAINABLE DEVELOPMENT REPORT



TERM OF REPORT

PVFCCo synthesizes information and data from its actual operations for the period of 01 January 2024 to 31 December 2024, into its sustainable development report, accompanying the 2024 Annual Report.

SCOPE OF REPORT

The report highlights PVFCCo’s production and sales of fertilizer and chemical products in Vietnam and its overseas markets. Activities of subsidiaries/affiliates as per PVFCCo’s ownership rates are presented in 2024 Annual Reports of those subsidiaries/affiliates. The disclosure is structured in compliance with Circular 96/2020/TT-BTC, incorporating VNSI sustainability criteria from the Ho Chi Minh City Stock Exchange and prevailing governance practices among leading listed companies.

UNITS/MEMBERS IN CHARGE OF PREPARING REPORT

	The Investor Relations (IR) team and the Legal & Compliance Division/Corporate Governance Officer: Serve as the focal points for report preparation, compliance monitoring of governance (G) regulations, and consolidating the content of the Sustainable Development Report.
	The Technical & Safety Division: Leads the Environmental (E) Report and oversees the planning, governance, and standardization of ESG reports and criteria for seamless integration into the Sustainable Development Report.
	Human Resource Management Division and Administration: Focal point for preparing Labor and Social Report (S).
	Reviewing and approving the report: Chairman and President and CEO.

CONTACT

We sincerely welcome your valuable input to ensure transparency and comprehensiveness in the report. Please feel free to send any contributions related to sustainable development issues to the following address:

IR Team - PetroVietnam Fertilizer and Chemicals Corporation

📍 Address: 43 Mac Dinh Chi, Da Kao Ward, District 1, Ho Chi Minh City

☎ Tel: 028. 3825 6258

✉ Email: lienhe@pvfccco.com.vn

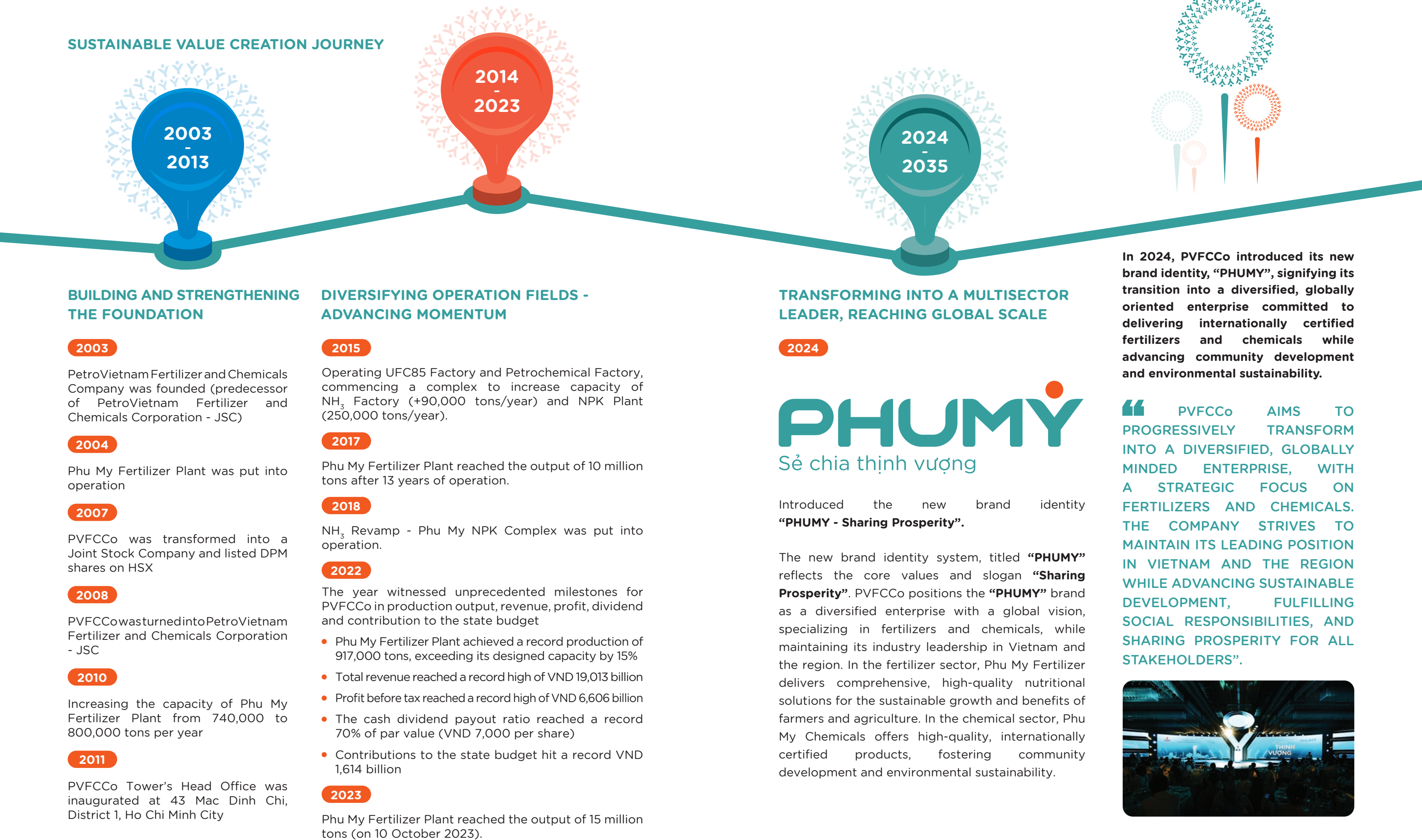
THIRD-PARTY ASSURANCE REPORTING

Information and content of PVFCCo’s Sustainable Development Report are confirmed by third parties, to be specific:

- Financial indicators according to PVFCCo’s 2024 Financial Statements are audited by Deloitte Vietnam.
- Environmental monitoring reports at Phu My Fertilizer Plant are carried out by Environmental Monitoring Center of Ba Ria - Vung Tau Province. Environmental monitoring reports at PVFCCo’s warehouses and office buildings are carried out by functional departments of provinces and cities.
- The HSE & Technology Division conducts the Energy Audit Report in strict compliance with state regulations, subject to review by the Ba Ria – Vung Tau Department of Industry and Trade. PVFCCo publishes these reports periodically on its official website.
- PVFCCo’s adherence to sustainability criteria is independently assessed and recognized by esteemed institutions, including the Ho Chi Minh City Stock Exchange (HoSE) through the VNSI Sustainability Index, the Asia Business Association, Vietnam Economic Times, Saigon Economic Times, and Investment Review.

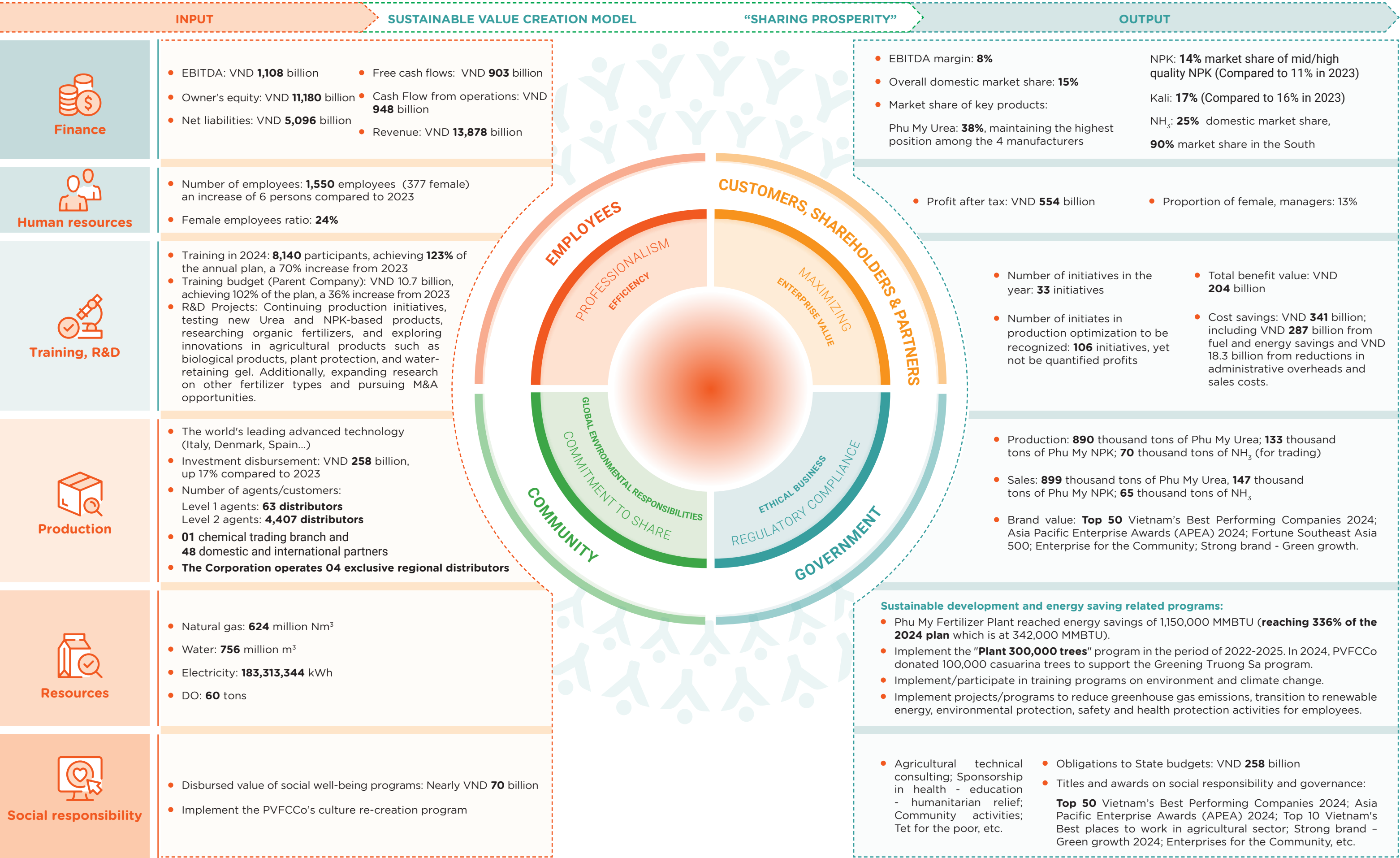
PVFCCo’S SUSTAINABLE VALUE CREATION MODEL

SUSTAINABLE VALUE CREATION JOURNEY



PVFCCo'S SUSTAINABLE VALUE CREATION MODEL

(CONTINUED)



OUTSTANDING AWARDS ON SUSTAINABILITY IN 2024



APEA Awards 2024: This marks PVFCCo's first recognition with this prestigious award, organized by Enterprise Asia, to recognize leading enterprises that advance equal business opportunities, foster a sustainable and diverse economy, and integrate economic, social, and environmental objectives.

Fortune Southeast Asia 500 - for the first time.

Top 10 Vietnam's Best Places to Work 2024 - High-tech agricultural sector; Top 500 Vietnam's Leading Employers 2024: Organized by Dau Tu Newspaper and Vietnam Business Research JSC

Top 10 Strong Brands - Green Growth in Vietnam 2024: Voted by Vietnam Economic Times



In 2024, PVFCCo was recognized as an **"Enterprise for the Community"** by Saigon Times, as part of the Saigon Times CSR awards. This marks the fourth consecutive year PVFCCo has received this honor for its impactful social contributions.



Top 50 Vietnam's Best Performing Companies 2024: Organized by Nhip Cau Dau Tu Magazine and the expert council, acknowledges outstanding achievements in corporate governance and operations. This recognition underscores the companies' contributions to sustainable development, long-term value creation, and their ability to sustain growth and profitability



SUSTAINABLE DEVELOPMENT ORIENTATION

VISION - FUNDAMENTAL MISSION

PVFCCo aims to establish itself as a multi-industry enterprise, retaining its leadership as Vietnam’s foremost fertilizer manufacturer and distributor, while gradually expanding into the basic chemicals and petrochemical sectors, and meeting international standards in both industries.



PVFCCo’S PRINCIPLES OF SUSTAINABLE DEVELOPMENT

The Corporation specializes in fertilizers and chemicals, serving Vietnam’s agricultural sector, including farmers and rural areas comprising nearly 70% of the population. It is progressively transitioning into a multi-industry enterprise, with a focus on fertilizer and chemical production, while expanding into global markets.

In its development strategy, the Corporation considers sustainable development as its orientation, principle and core value. In the past 20 years of developing, the business orientation “developing the enterprise integrated with environmental protection and social responsibility” has been preserved and developed by generations of employees as an asset and a cultural beauty of the enterprise. The Corporation maintains a balanced and optimized approach to concurrently achieving the following objectives:



SUSTAINABLE DEVELOPMENT ORIENTATION (CONTINUED)

STAKEHOLDER ENGAGEMENT



“ PVFCCo IS ACTIVELY BUILDING AND NURTURING COOPERATIVE RELATIONSHIPS WITH STAKEHOLDERS, EMPHASIZING TRUST, TRANSPARENCY, AND MUTUAL SUPPORT. THIS STRONG CONNECTIVITY SERVES AS A ROBUST FOUNDATION FOR OUR PURSUIT OF SUSTAINABLE DEVELOPMENT AND OUR CONTRIBUTION TO VIETNAM’S AND THE WORLD’S STRATEGIC SUSTAINABILITY AGENDAS.

The specific principles and actions associated with the stakeholders of the Corporation during the past time are as follows:

 Employees	PVFCCo has built a culture of “Creativity - Professionalism - Efficiency - Sharing - Sustainability”, through a positive and professional work environment, fair employee policy and a friendly workplace. It is also a place where employees earn social respect through training, innovation, and are given opportunities to fully develop their professional competencies.
 Customers	The Corporation provided customers with high-quality products, safe and effective solutions and best services.
 Shareholders	The Corporation consistently develops its business operations to maximize enterprise value, continuously increasing value for shareholders.
 Government	PVFCCo has ensured that its business activities complied with the laws. In particular, the achievements of PVFCCo in 2024 are as follows: Contributed to the State budget VND 258 billion.
 Business partners	In working with strategic business partners, the principles and values applied were: Healthy competition, collaboration and advancing customer best interests. The Corporation is committed to carrying out its responsibilities to the community and society.
 Community and society	• In addition to business efficiency, focusing on compliance with the regulations on environment, health and safety, the Corporation always pay high attention to and fully fulfills its responsibilities to employees and the community through many social well-being activities. • In 2024, the Corporation deployed a lot of work items/social programs with the total value of about VND 70 billion. Since its establishment, the total amount spent on social security activities has reached nearly VND 1,300 billion.
 Environmental and global issues	The Corporation has continued to keep its commitment to environmental protection, by actively participating in the action programs promoted by the Government within the “National environmental protection strategy to 2030, vision to 2050” and “National strategy on climate change to 2050” to implement Vietnam’s commitments at the 26 th Session of the Conference of Parties joining in the UN Framework Convention on Climate Change (COP26).

GREEN DEVELOPMENT STRATEGY AND ACTION PLAN

THE CORPORATION'S DEVELOPMENT ORIENTATION FOR THE NEXT 10 YEARS IS TO MAINTAIN ITS POSITION AS THE NO.1 FERTILIZER MANUFACTURER IN VIETNAM AND EXPAND TO PRODUCING AND SELLING BASIC CHEMICALS AND PETROCHEMICAL PRODUCTS WITH THE GOAL OF POSITIONING PVFCCo AS A PIONEERING CHEMICAL AND GREEN ENERGY PRODUCER IN VIETNAM.

OVER THE NEXT FIVE YEARS, PVFCCO WILL FOCUS ON EXPANDING FERTILIZER AND CHEMICAL PRODUCTION BY OPTIMIZING EXISTING FACILITIES AND PROJECTS, WHILE INTEGRATING NEWLY INVESTED VENTURES IN BOTH SECTORS.

PVFCCo is committed to supporting the Vietnam Oil and Gas Group (PVN) in implementing the national "green growth" strategy, aligning with PVFCCo's sustainable development objectives based on Environment, Social, and Governance (ESG) principles.

PVFCCo has developed an action plan featuring eight green solution groups, aligned with its commitment to sustainable development. This plan focuses on reducing greenhouse gas emissions through strategic management solutions and technological advancements, with an emphasis on energy efficiency, reduced energy consumption, and the adoption of alternative or renewable energies and materials.

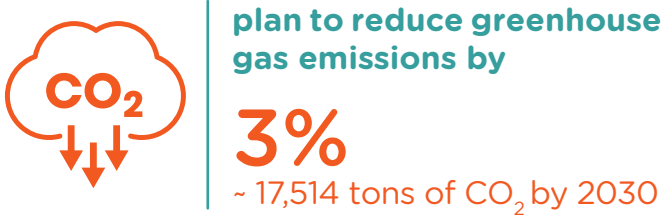


SOLUTIONS AND IMPLEMENTATION ROADMAP

The Prime Minister issued Decision No. 1658/QĐ-TTg on 01 October 2021, approving the National Green Growth Strategy for the period 2021-2030, with a vision extending to 2050. The strategy aims to promote economic restructuring, innovation in growth models, economic prosperity, environmental sustainability, and social equity, ultimately transitioning towards a green and carbon-neutral economy (Net Zero) while supporting global efforts to limit temperature rise.

In alignment with this, PVFCCo has adopted green growth as a key development strategy, emphasizing that economic progress must integrate environmental protection and sustainable production. This strategy is underpinned by key principles and solutions, including:

- Transitioning to clean energy and optimizing resource use.
- Recycling waste and reducing carbon emissions towards achieving Net Zero by 2050.
- Responding to climate change and fostering green projects, biodiversity conservation, and social security.



To achieve these objectives, PVFCCo has developed a strategy focused on greening its production and business activities. This includes adopting a circular economy model, leveraging science and technology, utilizing digital transformation, and developing sustainable infrastructure to reduce greenhouse gas emissions and mitigate environmental impact.

Aligned with national objectives, PVFCCo's major shareholder PVN's targets, and the Corporation's operational capacity, PVFCCo has established a plan to reduce greenhouse gas emissions by 3% (equivalent to 17,514 tons of CO₂) by 2030, relative to the Business as Usual (BAU) scenario. This target is a crucial step toward achieving PVFCCo's green growth and sustainable development objectives.

ACTION PLAN



- 1 Prioritizing renewable energy utilization;
- 2 Transitioning to alternative production materials;
- 3 Optimizing energy and material efficiency;
- 4 Minimizing greenhouse gas emissions;
- 5 Advancing sustainable business operations;
- 6 Promoting circular recycling;
- 7 Developing green projects;
- 8 Preserving biodiversity and social well-being.

GREEN DEVELOPMENT STRATEGY AND ACTION PLAN

(CONTINUED)

The following outlines the key content, solutions, and outcomes achieved to date:

Green growth solution	Implementation plan	Implementation results in 2024
 Prioritizing renewable energy utilization Decreasing dependence on fossil fuel, replacing with clean energy sources such as solar, wind, and water.	- Coordinating with solar power producers to install self-produced and self-consumed rooftop solar systems on Corporation buildings and warehouses. - Substituting part of the high-emission power grid with a low-emission alternative through a direct power purchase/sale mechanism. - Replacing a portion of high-emission natural gas boilers with biomass boilers. - Generating steam using biomass materials.	- Partnering with warehouse roof leasing units for solar power installations. - Assessing the need to replace grid power with gas turbine-generated power at the Phu My Fertilizer Plant, alongside investing in a 110KV power station. - Finalizing the Investment Opportunity Report on the high pressure steam production project at Phu My Fertilizer Plant under the self-investment plan.
 Transitioning to alternative production materials	PVFCCo is collaborating with PVN and the Vietnam Petroleum Institute (VPI) to explore solutions for producing green H₂ and green NH₃: - Utilizing renewable energy, specifically existing rooftop solar power, to produce green hydrogen. - Replacing natural gas (NG) with green hydrogen in the production of green NH₃. - Conducting scientific research at the Group level to replace or integrate hydrogen with gas materials at two fertilizer plants under PVN.	Partnering with organizations such as GIZ, SK E&S, DNV, and HTAS to develop green hydrogen production technology and evaluate its application at existing plants. PVFCCo has submitted an official request to temporarily suspend scientific research, awaiting results from related studies to better prepare input conditions, which are critical for hydrogen source replacement and integration, thus minimizing costs and expediting implementation.

Green growth solution	Implementation plan	Implementation results in 2024
 Optimizing energy and material efficiency PVFCCo implements a range of solutions to improve management practices, enhance technological processes, and optimize production to reduce energy consumption, raw material usage, and greenhouse gas emissions.	Conducting energy audits every two years and implementing energy-saving measures beyond the post-audit plan: - Replacing low-efficiency high-pressure sodium lamps with LED lights. - Renovating HVAC (air conditioning) systems in building. - Replacing the remaining Urea synthesis tower trays with new, high-efficiency models. - Applying ISO 50001:2018 standards in energy management. - Implementing an integrated Power Management System (PMS) with greenhouse gas (GHG) emission management. - Installing inverters for electric motors. - Upgrading the NH₃ recovery system at the Ammonia Plant (ARU). - Reducing wasted energy in MP vent gas (air conditioning pipeline) and recovering heat from condensate water. - Recovering heat from condensate water. - Installing a CESS energy-saving system for the NH₃ compressor motor (Model 70-MPK-20023/K1-1).	The following initiatives have been researched and implemented: - Replacing existing lighting with LED lights. - Upgrading the chiller to a new-generation, higher-efficiency model. - Replacing the Urea synthesis tower tray with a next-generation version. - Recovering MP vent gas, recovering heat from condensate water, and installing a condensate separator for 10E5053.
 Minimizing greenhouse gas emissions	- Operating the CO₂ Recovery Unit (CRU) to produce and sell commercial CO₂. - Measuring greenhouse gas emissions and developing a plan to reduce emissions by 2030. - Formulating a strategy to mitigate greenhouse gas emissions for PVFCCo. - Launching a campaign to plant 300,000 trees from 2022 to 2025, including guidelines for evaluating and calculating CO₂ absorption.	Planning to restart the CO₂ recovery system at the Phu My Fertilizer Plant to increase commercial CO₂ production and sales. Following the capacity upgrade of the NH₃ Revamp - Phu My NPK Complex Plant (without upgrading Urea capacity), the CO₂ produced is sufficient for high-load Urea production; therefore, the CRU is currently in preservation.

GREEN DEVELOPMENT STRATEGY AND ACTION PLAN

(CONTINUED)

Green growth solution	Implementation plan	Implementation results in 2024
 Advancing sustainable business operations Optimizing production to minimize waste, reduce resource usage, and create eco-friendly products	- Ensuring compliance with environmental regulations and continuously improving management systems under ISO 9001, ISO 14001, and ISO 45001. - Adhering to state regulations on product quality control. - Recycling commercial fertilizer packaging. - Implementing ESG programs in a comprehensive and effective manner, integrating ESG criteria into the Corporation's operations. - Reducing cooling water consumption at the Phu My Fertilizer Plant.	- Local authority inspections confirm full compliance with environmental regulations, with no environmental incidents or violations in 2024. - Maintaining and enhancing management systems per ISO 9001, ISO 14001, and ISO 45001, with reassessment and certification in 2024. In December 2024, PVFCCo conducted awareness training and internal audits to expand the team of assessors. - In 2024, PVFCCo reported its commercial fertilizer packaging recycling activities on the National EPR Portal in compliance with legal requirements.
 Promoting circular recycling Reusing and recycling resources to minimize waste and maximize value	- Storing and reusing technological water (residual dust washing water) from NPK production in subsequent production stages at Phu My NPK Plant. - Researching solutions to recycle treated wastewater from fertilizer production for irrigation and repurpose pallets into mulch for plants on the Phu My production site's campus.	- Reusing technological water (residual dust washing water) from NPK production in subsequent production stages at Phu My NPK Plant. - Executing the procurement of equipment and materials and constructing a new "Dust Washing Water Recovery System (EHU)" at Phu My NPK Plant, with completion and operational launch expected by May 2025.

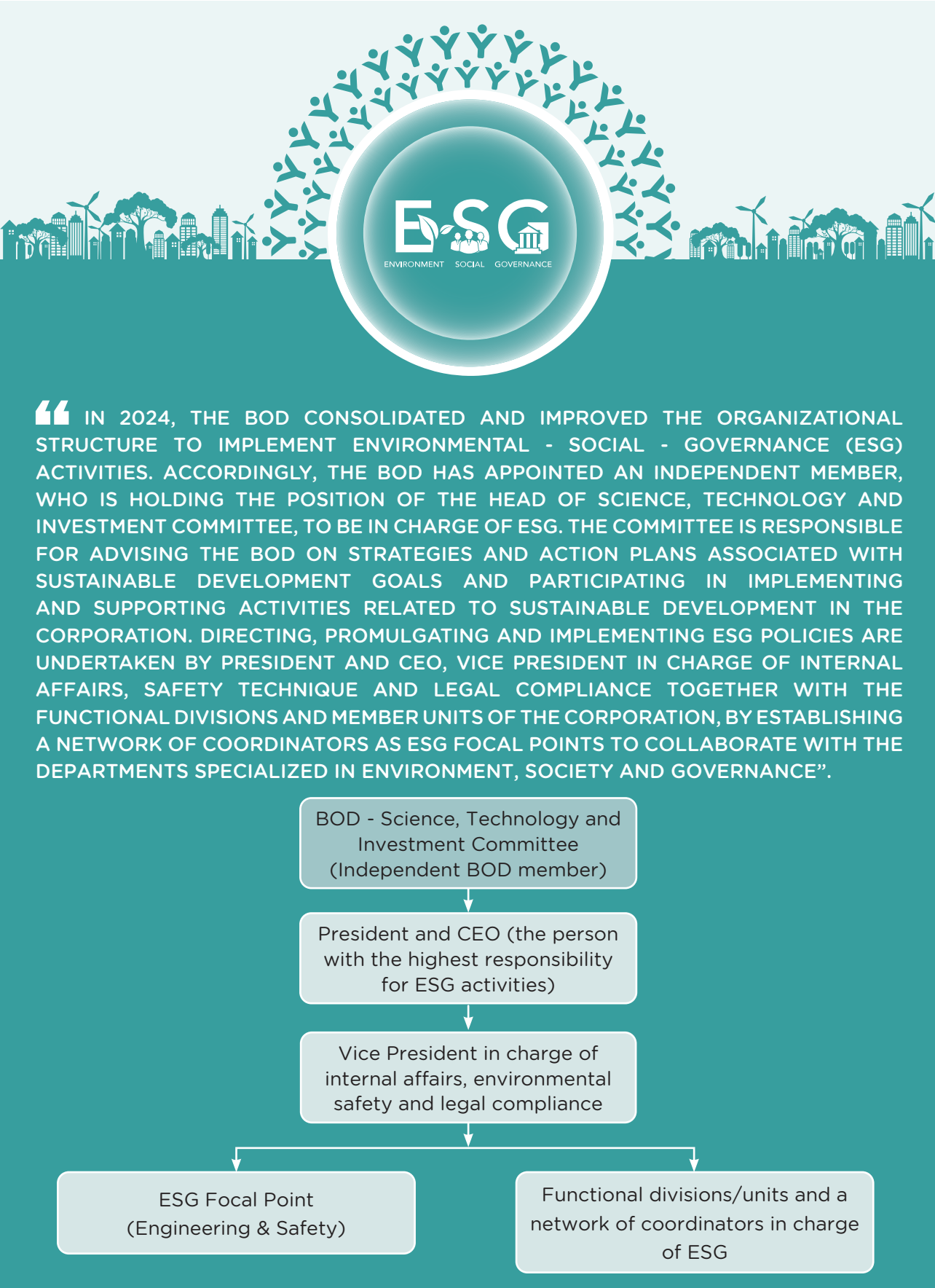
Green growth solution	Implementation plan	Implementation results in 2024
 Developing green projects	- Researching and developing the DEF/AdBlue project, an eco-friendly exhaust gas treatment fluid. - Implementing biomass initiatives, including biomass-based steam generation, Phase II of the Commercial CO₂ project (exploiting the CRU cluster), and off-gas recovery. - Investigating the production or co-production of fertilizers from organic sources.	Contributing to PVN's strategic projects and programs, including the Green NH₃ Project and value chain expansion from the Long Son Petrochemical Complex, by preparing FS reports for component projects. - Researching alternatives to partially replace gas raw materials/fuel sources at the Phu My Fertilizer Plant. - Implementing energy-saving solutions, such as recovering heat from condensate water to heat fuel gas for Urea production and utilizing residual heat from boilers to reduce energy consumption, lower production costs, and cut CO₂ emissions.
 Preserving biodiversity and social well-being	- Implementing "Plant 300,000 trees" program in the period of 2022-2025. - Organizing activities to raise employee awareness in support of campaigns such as "Clean Up the World", Earth Hour, and World Environment Day. - Expanding social well-being initiatives.	- By the end of 2024, PVFCCo, in collaboration with the 4th Regional Command, had planted 205,650 trees, contributing to the greening of Vietnam's seas and islands. Tree planting will continue as planned for 2023-2025 (*). - Hosting seminars and disseminating information on environmental protection through websites, SharePoint, and public areas.



☺: PVFCCo has actively participated in the "Greening Truong Sa" program launched by the Zone 4 Navy Command in 2023. In the first year, PVFCCo donated 100,000 casuarina trees and accompanying supplies. In December 2024, another 100,000 trees and supplies were donated for delivery to the Truong Sa islands. This effort reflects the Corporation's commitment to environmental stewardship and its support for the development of Truong Sa, enhancing its landscape, environment, and living conditions.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

ESG MODEL AND ORGANIZATION



Professional governance, transparent information

PVFCCo was transformed from a 100% state-owned company into a joint stock company in 2007, operating in the model of parent company - subsidiaries.

Parent company and its subsidiaries are organized in the form of public joint stock companies, complying with the governance standards of a listed company. The current Board of Directors (BOD) of the Corporation has 5 members, including President and CEO and 01 independent member.

The BOD has 03 committees in charge of key areas, i.e. Planning and Business Committee, Risk Management and Policy Committee, and Investment Development and Science & Technology Committee. The committees are headed by BOD members with extensive experience in related fields. Committee Secretaries are managers with extensive experience and in-depth expertise in planning, investment, business, management and compliance along with a clear understanding of the Corporation’s operating strategy.

In 2024, the BOD consolidated and improved the organizational structure to implement Environmental - Social - Governance (ESG) activities. Accordingly, the BOD has appointed an independent member, who is holding the position of the Head of Science, Technology and Investment Committee, to be in charge of ESG. The Committee is responsible for advising the BOD on strategies and action plans associated with sustainable development goals and participating in implementing and supporting activities related to sustainable development in the Corporation. Directing, promulgating and implementing ESG policies are undertaken by President and CEO, Vice President in charge of internal affairs, safety technique and legal compliance together with the functional departments and member units of the Corporation, by establishing a network of coordinators as ESG focal points to collaborate with the departments specialized in environment, society and governance.

The Supervisory Board consists of 1 Head, 1 full-time member, and 1 part-time member.

A BOD member is holding the position of President and CEO. Assisting President and CEO includes Vice Presidents in charge of different areas such as production - technology and product quality, finance and marketing, international cooperation, legal compliance, internal affairs and R&D, investment and accounting & auditing.

At the Parent company, acting as advisors to the management is functional divisions according to each field. Dependent accounting units include branches and subsidiaries in the production and business localities of the Corporation.

Since its transformation into a public company, PVFCCo has operated for 18 years, achieving significant milestones. The extensive management experience acquired has established a strong foundation for the Corporation’s growth into a reputable, high-capitalization listed entity. DPM shares have garnered shareholder trust and recognition, consistently ranking among the top listed companies for information disclosure and corporate governance.

The fertilizer market (which is a core business operation of the Corporation) has undergone significant changes with new challenges and opportunities. Although the chemical sector has great potential for development, up to now, it has contributed a small proportion to revenue and profit. This requires a breakthrough in the Corporation’s corporate governance. A difficult duty of the BOD in this term is to thoroughly handle outstanding issues, improve exploitation efficiency of existing assets, enhance performance of previously implemented projects and promote the deployment of new investment projects in both fertilizer and chemical sectors with great potential as previously studied. At the same time, the Corporation needs to continue researching and establishing M&A process, finding new business cooperation opportunities to set out strategic goals in the direction of medium- and long-term sustainable development.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT (CONTINUED)

For business management

The Corporation's system of regulation, policy, process and business model is required to be updated and completed to meet the market needs in the new context, enhancing efficiency of business management and minimizing risks. Business operation need to be planned in the alignment of medium and long-term product development strategy and regularly updated to suit the domestic and international market/developments.

For production

Phu My Fertilizer Plant has operated in more than 20 years; therefore, it is necessary to operate and maintain the plant in a focused and methodical manner through overall plans to improve maintenance and operation capacity, maintaining the Plant's performance and preventing arising risks. In addition, it is required to promote the coordination between production and business to maintain and improve capacity of NPK Complex Plant and chemical plants.

In addition to improving management efficiency in production and business, the BOD in this term continues to focus on restructuring Parent Company and its subsidiaries, improving and completing salary regime, employee policy, talent development and human resource enhancement to ensure high-quality manpower for the development in new stage.

Leveraging 20 years of achievements and the corporate governance expertise of the previous BOD, the new Board of Directors (2024-2029) is committed to steering PVFCCo and the Phu My Urea and chemical brand

towards overcoming challenges and achieving new heights. Our focus remains on delivering sustained value to shareholders, customers, employees, and the community, in alignment with our mission and business philosophy.

Under the leadership of the Board of Directors in 2024, PVFCCo successfully accomplished its established objectives, delivering notable results in the economic, environmental, and social sectors. The details are as follows.



ECONOMIC - ENVIRONMENTAL - SOCIAL PERFORMANCE

ECONOMIC PERFORMANCE

In 2024, amid the general economic backdrop and challenges within the fertilizer market, PVFCCo diligently strived to accomplish its production and business targets for the year with some key targets as follows:

- Total production output of Phu My Urea, NPK and other fertilizers: 1.03 million tons
- Total sales volume of Phu My Urea, NPK and other fertilizers: 1.3 million tons
- Total revenue reached VND 13,878 billion, a decrease of 1% compared to 2023.
- Profit before taxes reached VND 669 billion, a decrease of 3% compared to 2023.
- Dividend payment in cash: VND 1,500/share.

To ensure optimal use and control of its resources, PVFCCo has invested in IT such as business support software, document management software and other innovative approaches. The Corporation also invested and

built its own resources planning application software such as ERP, STOP, 5S, APC, System 1, RBI, KPI, etc.

Implementation results of digital transformation, risk management and sustainable development:

In 2024, the Corporation developed roadmap and plan for digital transformation in the period of 2023 - 2025, with a vision to 2030, and at the same time, making a plan to apply digital initiatives in conformity with PVFCCo's goals and resources, including the digital initiatives to support procurement, management, use, and optimal storage of raw materials, both meeting the needs of continuous and safe production of fertilizers and chemicals and improving production and business efficiency. In 2024, the Corporation also established Digital Transformation and Information Technology Division to be in charge of carrying out digital transformation and operating the information technology system in the Corporation.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

(CONTINUED)

Initiatives to improve and rationalize production and business, research and develop products and save energy:

The Corporation's Management is constantly concerned with and actively manages activities aimed at improving and rationalizing production and business. In 2024, the Corporation issued Regulations on science and technology management and Regulations on innovation and invention implementation. Accordingly, the regulations on management and bonus for research and innovation have been completed, encouraging employees to actively participate.

In 2024, a total of 33 initiatives were recognized for improving and rationalizing production and business operations (32 initiatives from Phu My Fertilizer Plant and 1 from the Corporation's Office). These improvements generated a value of VND 204 billion, with 106 production rationalization initiatives remaining unquantifiable. Additionally, the Corporation received 209 ideas (108 from the Plant and 29 from the Corporation's Office). Relevant ideas will be developed into initiatives to enhance production and business efficiency.

Scientific research activities in 2024 were conducted in accordance with the approved Science and Technology Plan. The Corporation undertook 12 research projects, including 5 assigned to the Safety Technical Division and Plant, and 7 to the Research & Application Center. Some of these projects align with the Vietnam Oil and Gas Group's program, such as the "Research and Investment Opportunity Report for the Long Son H₂SO₄ Production Project" at the Long Son Petrochemical Complex (LSP) under PVN.



In 2024

33 initiatives were recognized generated a value of VND 204 billion

In 2024, the Corporation continued to focus on product research and development, new investment projects, and energy-saving initiatives as follows:

- The Corporation advanced the development of new fertilizers to meet market demand, with an emphasis on diversifying products derived from Urea and NPK. It also prioritized the research and pilot testing of imported organic fertilizers, aiming to distribute approximately 15,000 tons in collaboration with large corporations by 2025. Additionally, the Corporation partnered with subsidiaries nationwide to explore other agricultural products, including biological products, pesticides, and water-retaining gels, while conducting research, application testing, and trials for potential fertilizers to expand the domestic market.
- Chemical projects: The Corporation collaborated with PVN on strategic projects to enhance the downstream value chain, such as preparing an investment opportunity report for the Long Son Petroleum Industrial Park, which includes six component projects: H₂O₂, H₂SO₄, MeOH, NaOH/PVC, ABS, and Green NH₃ (GNH₃). It also explored alternative raw materials and gas fuel for the Phu My Fertilizer Plant due to the decreasing availability of natural gas, rising gas prices, and the Government's prioritization of gas for power generation.
- The Corporation sought investment opportunities in new product development to optimize capital and expand operational capacity, including the H₂O₂ project, off-gas recovery, Melamine and AdBlue.
- Energy-saving initiatives focused on researching, evaluating, and applying solutions to reduce energy consumption, lower production costs, and minimize CO₂ emissions, thereby improving plant efficiency.

ENVIRONMENTAL PERFORMANCE



TO ENSURE PRODUCTION EFFICIENCY AND SUSTAINABLE DEVELOPMENT WITHIN THE CHEMICAL FERTILIZER SECTOR, HEALTH, SAFETY, AND ENVIRONMENT(HSE)REMAINSACORE PRIORITY FOR THE CORPORATION.

Since its inception, the Corporation has been recognized as a leading entity within the Vietnam Oil and Gas Group for its commitment to HSE. Acknowledging the critical importance of HSE, PVFCCo has developed a comprehensive and cohesive management system, ensuring alignment from the Corporation level to plants and member units, and from top leadership to full-time and part-time specialists.

In response to global challenges such as climate change, environmental protection, and social equity, the Corporation has not only maintained the effectiveness of its HSE activities but has also integrated ESG solutions into its production and business strategies. This initiative aims to enhance social responsibility and support national sustainable development goals. By aligning with ESG standards tailored to the industry's unique characteristics, the Corporation positions itself to access resources more efficiently, particularly in the context of the global energy transition, especially within the oil and gas sector.

HSE system according to international standards and implementation mechanism

PVFCCo has issued HSE and Energy Policy with a strong commitment to ensuring safety for human and assets, environmental protection and climate change limit; ensuring product quality as registered; using energy efficiently in production and business; increasingly improving to enhance product quality and productivity.

At present, the Corporation still maintains and improves HSE system and quality control in accordance with the international standards ISO 9001:2015, ISO 45001:2018 and ISO 14001:2015. PVFCCo's HSE system is annually audited and

re-certified every 3 years by Det Norske Veritas (DNV). This is a message of the Corporation on its concern and compliance with regulations on occupational health and safety, community responsibility, and environmental protection towards the goals of increasingly enhancing product quality of the Corporation.

Since its beginning, the Corporation has built HSE system from the Corporation level to its member units. Accordingly, PVFCCo has issued a lot of regulations in written on rights and obligations related to HSE to full-time and part-time staff and set up a safety and hygiene network to ensure that all HSE activities comply with the law, the Group's policies and the Corporation's regulations.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

(CONTINUED)

Report on Safety - Fire Prevention & Fighting - Emergency Response in 2024

Occupational accidents/technology and equipment failures

- In 2024, all production and business activities of the Corporation took place in safety without any occupational accidents at any work.
- There were 13 technology/equipment incidents at Phu My Fertilizer Plant in 2024. However, all incidents have been investigated for direct causes and root causes according to Accident investigation and reporting guidelines of the Corporation. Preventive and corrective actions for each incident have been also implemented, monitored, completed, reported and recorded sufficiently.
- All units submit their grassroots occupational accident reports to the local Departments of Labor, War Invalids and Social Affairs in accordance with regulations.

Fire Prevention & Fighting - Emergency Response

- In 2024, the Corporation has consolidated the Steering Committee for Emergency Response and Assistant Team for the Steering Committee for Emergency Response of the Corporation.
- In September 2024, the Corporation held a conference to summarize 5 years of implementing the regulations on coordinating to ensure Security and Order, Safety - Fire Prevention & Fighting between the Police of Ba Ria - Vung Tau and PVFCCo and to reward collectives and individuals with achievements in implementing the Coordination Regulations.
- The Corporation continued to repair Fire Prevention & Fighting system of the buildings at 43 Mac Dinh Chi and 27 Dinh Bo Linh. Phu My Fertilizer Plant repaired underground fire

water pipeline of 10,000-ton finished goods warehouse. The work has been reported to the Police of Ba Ria – Vung Tau as regulated.

- All units in the Corporation have maintained and checked fire prevention and rescue equipment in accordance with regulations, instructions and standards and always ensured that they are ready for operation. All equipment is monthly checked, recorded into minutes and filed in fire prevention & fighting dossiers.
- All projects of the Corporation are subject to mandatory fire and explosion insurance according to the applicable regulations.
- In 2024, the Corporation conducted 16 fire drills and chemical incident response at the buildings, the technological zones of the Plants and all the warehouses and ports of the Corporation in accordance with the law. The chemical incident response plan for the works arising during the production process of Phu My Fertilizer Plant has been appraised by the Ministry of Industry and Trade. The oil spill response plan for the An Giang inland waterway port have been approved by the competent authority.
- The units have developed 2024 OHS plan, implemented 2024 OHS action month, and summarized 2023 group-level OHS & fire prevention awards.
- Deploying and reporting the results of activities in response to National Week for Natural Disaster Prevention and Control; issuing directives to strengthen security, safety and fire prevention during holidays; and strengthening response during 2024 stormy season.
- In 2024, the Corporation fully reported on fire prevention & fighting and emergency response to PVN and the competent authorities in accordance with regulations.



Technology safety and equipment inspection

- In 2024, the Corporation completed the registration and inspection for 1,853 devices with strict safety requirements in accordance with legal regulations.
- Maintaining technology safety assurance such as applying technology safety system at the plant, for examples, RBI, SYSTEM 1, PSM, etc. to prevent technology and equipment incidents.
- STOP (Safety Training Observation Program) continues to be effective at Phu My Fertilizer Plant. In 2024, the number of unsafe STOP cards accounted for a high proportion (69.8%) while the number of safe STOP cards accounted for a small proportion (30.2%). All STOP cards were investigated for causes to propose corrective actions and make statistics for monitoring and prevention.

Expenses for Safety - Fire Prevention & Fighting - Emergency Response:

Total expenses for Safety - Fire Prevention & Fighting - Emergency Response in 2024 was VND 46.17 billion.



ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

(CONTINUED)

Health care and occupational hygiene

Periodic health check-ups and occupational diseases

- In 2024, all units conducted periodic health check-ups for all employees according to regulations, in which 1,507/1,550 employees participated in health examination (accounting for 97%). The health examination results of employees were classified and the employees were provided with disease consultation by the doctors of the units.
- Occupational diseases: As of 31 December 2024, the number of cases affected with occupational deafness was 27 people (one person less than in 2023 because he was re-examined and concluded not to have occupational deafness).
- In 2024, Phu My Fertilizer Plant has 20 cases submitted to Medical Assessment Council for occupational deafness examination. At present, the Plant is coordinating with the Medical Assessment Center of Ba Ria-Vung Tau Province for examination, expected to be completed by March 2025. All cases of occupational deafness at the Plant have been recorded and shifted to the working areas with noise level below 85 dBA, less time exposed to noise and regular examination to ensure no recurrence or severe progression.

First aid and health insurance

- The Corporate’s Head Office is equipped with Medical Room. Phu My Fertilizer Plant is also equipped with a medical station with many hospital beds, ambulances and other medical equipment. Ports and warehouses are also provided with first aid cabinets.
- The Corporate’s Head Office and Phu My Fertilizer Plant have specialized doctors and medical staff to provide first aid and medical advice to employees as necessary.
- 100% of the Corporation’s employees have health management records. Every 6 months, the units send occupational health report to the local authorities.

- The Corporation continues medical and personal accident insurance (PVI Care) for all employees and supports PVI care for their family members.

Labor Hygiene - Personal Protective Equipment (PPE)

- In 2024, all units developed and approved their OHS Plan to implement and report. Particularly at Phu My Fertilizer Plant, OHS report is quarterly reported to OHS Council.
- In 2024, all units completed labor environment monitoring report and submitted to the local Departments of Health in accordance with legal regulations.
- Personal Protective Equipment (PPE): 100% of plant workers, the staff who regularly work at the plant and employees at the units are fully equipped with PPE according to regulations.
- In 2024, the number of workers working in hazardous environment at Phu My Fertilizer Plant were 724 people. 100% of employees enjoyed monthly allowances for hazardous work in accordance with the law (including fresh milk, condensed milk and fruit juice).
- At the offices of the Corporation and Phu My Fertilizer Plant, 5S Program is applied to keep a clean and safe working environment.
- In 2024, the Plant collaborated with the Ho Chi Minh City Nutrition Research Institute (NRI) and the Southern Branch of the National Institute of Occupational Safety and Health (SNIOSH) to host a “Seminar on health consultation and the prevention and control of occupational deafness”.

Total expenses for Health Care - Labor Hygiene in 2024 was: VND 29.172 billion



Environmental activities

In 2024, environmental management was performed well, complying with legal requirements. There was no violating the law and environmental pollution incident.

There were 4 environmental inspections in 2024. The inspection results show that the environmental acts at the Plant have been effectively implemented in compliance with legal regulations. To be specific:

Application for Environmental License and Environmental Registration

- Already submitted application for Environmental License for Long An and Tien Giang warehouses.
- Coordinating with the Corporation’s Head Office to complete application for Environmental License for Building 27 Dinh Bo Linh.
- Phu My Fertilizer Plant is conducting procedures to hire consulting services to apply for Environmental License for housing area in Phu My Fertilizer Plant.
- Already completed environmental registration for Phu My Fertilizer Apartment, acid tank project and Binh Phuoc warehouse.

Greenhouse gas inventory

- Completing 2022, 2023 greenhouse gas inventory and developing greenhouse gas emission reduction plan for the 2026 – 2030 and 2030-2050 period. Greenhouse gas inventory report is posted on the Corporation’s website: www.dpm.vn
- Providing 2023 greenhouse gas inventory to PVN.
- The Plant is preparing the 2024 Greenhouse

Gas (GHG) Inventory Report for submission to the People’s Committee of Ba Ria-Vung Tau Province by 31 March 2025. Upon review, the finalized report will be submitted to the Ministry of Industry and Trade and the Ministry of Natural Resources and Environment by 31 March 2025, in compliance with regulations.

Sustainable development

As the focal point for ESG implementation across the Corporation, the HSE Division implemented the following activities in 2024:

- Entering survey data and collecting data to implement PVN’s scientific researches such as “Researching and proposing management policy and techniques to enable PVN and units to be ready for participating in domestic and international carbon market”, and surveying information on tree planting program.
- Preparing for carbon management according to the regulations.
- Making reports to PVN on greenhouse gas such as: Synthesizing the implementation of climate change and greenhouse gas emission reduction; Requesting reports on the implementation and the plan for Carbon capture and storage (CCS) to reduce emission.
- Attending training courses and workshops on: ESG overview and issues for PVN and its member units; the 2nd Workshop “Practice carbon market simulation tool”; Workshop “Low-carbon energy and technology development – opportunities and challenges”; “Carbon footprint calculation method for PVN and its member units”; Adaptation to climate change, greenhouse gas reduction of Vietnam Oil and Gas Group and its member units; MRV guidelines for greenhouse gas reduction and greenhouse gas inventory in industry and trade sector.
- Attending Training/Workshop: carbon footprint calculation methodology, carbon market
- Reporting to PVN on the implementation of Circular 42/2020/TT-BCT on importing data into Environmental Database of industry and trade sector.
- Organizing activities in response to: World Wetlands Day 2024, World Water Day, World Meteorological Day, and Earth Hour Day 2024.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

(CONTINUED)



Giving opinions on environmental legal documents

- Giving guidance on investigation, assessment and compensation for damages caused by environmental incidents arising from oil and gas activities; making summary report on the implementation of the Law on Marine and Island Resources and Environment 2015, Decree of amending and supplementing Decree No. 06/2022/ND-CP, Decree of amending and supplementing Decree No. 08/2022/ND-CP, and Draft regulations on industrial emissions and wastewater.

Recycling packages and managing solid waste, gas emissions and wastewater

- Already recycled packaging of fertilizer products and declared on the National EPR (Extended Producer Responsibility) Portal.
- Handling waste including solid waste, gas emission and wastewater in accordance with legal regulations: Solid waste is classified at source and collected into hazardous bins (orange), industrial bins (black) and household bins (green). The bins are placed at production sites, offices and workshops where waste is generated and are periodically gathered to the hazardous waste storage area.

- Emissions at Phu My Fertilizer Plant are periodically monitored according to the approved environmental impact assessment report. At Phu My Fertilizer Plant, an automatic continuous emission monitoring system has been installed, according to Decree No. 08/2022/ND-CP, for 02 chimneys i.e. 20-SK-2201 of UFC85 production process and 70-SK-2001 of NPK Plant, and officially transmitted data to the Department of Natural Resources and Environment of Ba Ria - Vung Tau Province.
- Domestic wastewater and industrial wastewater are monitored according to the approved environmental impact assessment report. Phu My Fertilizer Plant has 01 automatic continuous cooling river water monitoring system and has transmitted data to the Department of Natural Resources and Environment of Ba Ria-Vung Tau Province since February 2021.

2024 environment-related figures:

- Fuel consumption:

No.	Raw materials, fuel, power and water consumption	Unit	Quantity 2024	Compared to 2023
1	Gas	Tr.m ³	623.8	524.6
2	DO	Ton	59.925	223.2
3	Petroleum	Ton	48.09	7.3
4	Water (surface water and tap water)	m ³	33,160,813	30,316,452
5	Electricity	kWh	183,313,344.17	160,678,296.1

- Waste figures

No.	Type of waste	Unit	Waste quantity 2024	Amount of treatment	Level of treatment (meet national technical regulation)	Compared to 2023
1	Wastewater	m ³	177,886	177,886	Good	203,677
2	Cooling wastewater	m ³	30,782,436.85	30,782,436.85	Good	27,837,071.1
3	Emissions	m ³ /year	12,047,468,160	12,047,468,160	Good	11,981,273,280
4	Domestic solid	Ton	126.135	126.135	Good	115.4
5	General industrial solid waste	Ton	359.963	359.963	Good	1,331.7
6	Hazardous waste	Ton	302.68	302.68	Good	403.2475

- Costs for environmental activities in 2024 (including investment in environmental protection equipment, operation and maintenance of environmental protection equipment, environmental monitoring, waste treatment, environmental taxes/fees and other costs): About VND 12.049 billion.
- Waste indicators (industrial wastewater, exhaust gas, and industrial solid waste) in 2024 showed a decrease compared to 2023, as Phu My Fertilizer Plant conducted total productive maintenance (TPM) in 2023, which had led to an increase in waste. Specifically, cooling and domestic wastewater volumes rose in 2024 due to the absence of a one-month operational shutdown for TPM.
- All environmental indicators (wastewater and exhaust gas) at the plants and facilities of the Corporation are monitored and are within the limits of Vietnamese standards. At plants and warehouses, hazardous waste storage area is arranged according to Decree No. 08/2022/ND-CP and Circular No. 02/2022/TT-BTNMT.

Costs for environmental activities in 2024 about VND 12.049 billion



ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT
(CONTINUED)

Energy management and climate change mitigation

- Auditing every 3 years according to Circular No. 25/2020/TT-BCT dated 29 September 2020, PVFCCo has hired a functional unit to conduct energy audit for Phu My Fertilizer Plant - the major energy-using facility. The latest energy audit was conducted at the end of 2022.
- Issuing the Corporation's energy management goal and plan for 2024.
- Reported to PVN on the updated list of energy-using facilities for 2024, as well as the implementation results for 2024 and the planned tasks for 2025 under the national energy efficiency program for the 2019 - 2030 period.
- Funding to organize seminars for Vietnam Energy Association.
- Giving opinion on the proposal to amend and supplement the Law on Economical and Efficient Use of Energy.
- Building energy saving items according to the proposal of Research and Application Center (installing condensate separator for 10E5053 and returning MP gas flow to 10H2001).
- Promoting power saving according to Directive No. 20/CT-TTg dated 8 June 2023 of the Prime Minister.
- Total energy saved at Phu My Fertilizer Plant in 2024 was 1,150,000 MMBTU (reaching 336% of the 2024 plan of 342,000 MMBTU).



HSE inspection and training

In 2024, HSE inspection was planned and fully implemented in accordance with the Corporation's procedures. In particular, PVFCCo conducted 35 Level-IV (the Corporation level) safety inspections. Recommendations from the inspections were recorded and resolved on schedule.

At the production facilities, Phu My Fertilizer Plant has also inspected fire protection equipment, portable fire extinguishers, fire water system, automatic fire alarm, and fire trucks.

In addition, the Corporation's Head Office and Phu My Fertilizer Plant has 01 HSE internal audit and 01 HSE external audit conducted by DNV.

HSE training including the training on labor hygiene, chemical safety, radiant safety and advanced professional training is carried out as regulated and planned.



HSE assessment in 2024

- In 2024, there were no labor accidents or incidents related to fire exposure or environment at all the Corporation's facilities.
- 100% of HSE plan in 2024 was completed on schedule.
- There were no violations against the law on fire fighting and environment. All inspections by the authorities shows that the Corporation fully complies with the law.
- Implementing the duties of PVN and the authorities relating to climate change and emission reduction. Building a strategy to reduce emissions at the Corporation and completing gas emission inventory report at Phu My Fertilizer Plant.
- Managing waste according to the legal regulations. All environment indicators meet Vietnamese standards.
- Continuing to complete HSE report software to put into use to enhance HSE performance.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

(CONTINUED)

Main tasks of the safety, health and environment work in 2025



Safety, fire control, emergency response

- Ensuring compliance all legal regulations on HSE - Fire Prevention & Fighting - Emergency Response in production and business.
- Completing in a safe and prompt manner the TPM plan at Phu My Fertilizer Plant.
- Preventing any incidents causing harm to people or property, and avoiding serious workplace accidents at all the Corporation's sites.
- Effectively applying equipment maintenance program, PSM technology safety management system, and HSE system at Phu My Fertilizer Plant to reduce the number of incidents and downtime due to incidents.
- Coordinating to develop requirements on HSE - Fire Prevention & Fighting - Emergency Response in new projects of the Corporation to ensure compliance with legal requirements.





Environmental acts

- Ensuring compliance with the legal regulations on environment in production and business.
- Ensuring no environmental incidents or violations, especially in TPM at Phu My Fertilizer Plant in 2025.
- Implementing directions of the Management in developing and applying ESG criteria throughout the Corporation.
- Completing "Greenhouse gas response and reduction strategy to 2030, 2023 and vision to 2050".
- Implementing greenhouse gas emissions mitigation plan at Phu My Fertilizer Plant.
- Handling waste at all Corporation's projects in accordance with legal regulations.
- Periodically inspecting HSE performance in accordance with the legal regulations, the Corporation and its member units.
- Continuing to coordinate with the units to collect data to prepare for recycling plastic fertilizer packaging.
- Ensuring to comply with the legal regulations on environment at investment projects.



Health Labor Hygiene

- Organizing annual health check for employees in accordance with regulations and taking care of health at work.
- Annually monitoring working environments and having occupational disease examination as a basis for improving working conditions, preventing occupational accidents and diseases for employees in the entire Corporation.
- Fully implementing regulations on allowances for employees working in hazardous and toxic conditions.
- Ensuring food safety and hygiene in canteens.



Maintenance and improvement of the HSE management system

- Setting up 2025 HSE targets at the Corporation and its member units. Monitoring and making periodic reports according to the process.
- Implementing HSE requirements. Monitoring, inspecting and evaluating internally to ensure compliance.
- Monitoring corrective and preventive actions and improving the System to ensure compliance with legal regulations and new developments.

Other activities

- Purchasing mandatory fire and explosion insurance and environmental liability insurance for Phu My Fertilizer Plant and all the Corporation's projects in accordance with the provisions of law.
- Organizing training courses on group safety and radiation safety in accordance with legal regulations. Organizing advanced HSE training and seminars for specialists at units.
- Maintaining STOP and 5S programs at Phu My Fertilizer Plant and 5S at the Corporation's offices.
- Coordinating with Youth Union and Trade Union in OSH network to organize activities to raise awareness and compliance with rules and regulations on HSE for all employees such as OSH Week, Fire Prevention Day, Earth Hour, World Environment Day.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

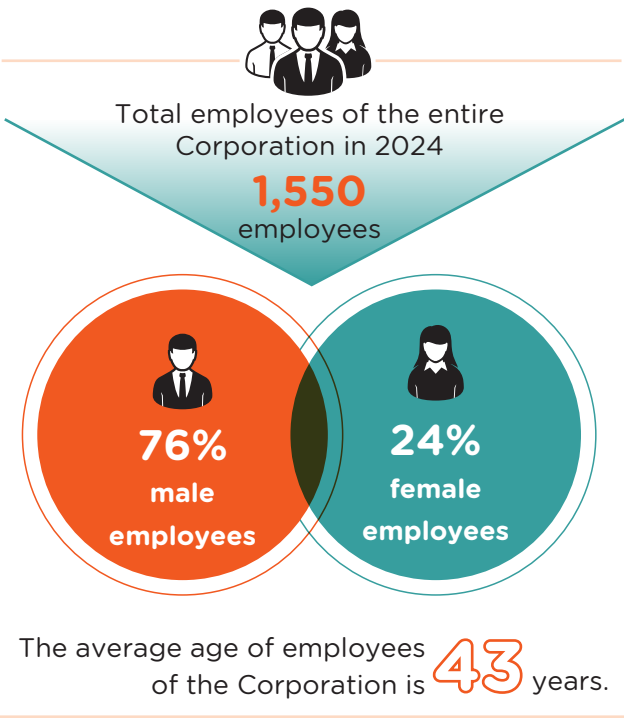
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SOCIAL PERFORMANCE

PVFCCo RECOGNIZES PEOPLE AS THE KEY DRIVERS OF SUSTAINABLE DEVELOPMENT. SINCE ITS ESTABLISHMENT, THE COMPANY HAS PRIORITIZED PROVIDING EMPLOYEES WITH OPTIMAL WORKING CONDITIONS, AMPLE OPPORTUNITIES FOR PERSONAL AND PROFESSIONAL GROWTH, AND A FULFILLING LIFE. PVFCCo’S MANAGEMENT TEAM AND ALL EMPLOYEES HAVE JOINTLY FOSTERED A SPIRIT OF RESPONSIBILITY AND SHARING, MAKING EVERY EFFORT TO FULFILL CORPORATE SOCIAL RESPONSIBILITY, BECOMING A TYPICAL ENTERPRISE CONTRIBUTING TO LOCAL DEVELOPMENT.

Human resources information

Total employees of the entire Corporation in 2024 (including Parent Company and its subsidiaries) were 1,550 people, consisting of 1,173 male employees (76%) and 377 female employees (24%). The average age of employees of the Corporation is 43 years.



In particular, the achievements of PVFCCo are as follows:

Working environment and corporate culture

The Corporation has renovated offices at the Corporation’s Head Office and at the divisions to create a fresh working space and facilitate coordination among divisions. At the same time, the Corporation has arranged more trees in the working areas and encouraged employees to

plant at least 10 trees each year in the 2022 - 2025 period at the office, at home and in localities if possible, contributing to creating a green and clean landscape, increasing quality of ecosystem at the projects, plants and offices of PVFCCo.

Corporate culture communication: To innovate form of corporate culture communication, the Corporation has applied visual and vivid propaganda with many different contents



and forms such as standee, wooden board and television to attract viewers and create a modern working space. In addition, the Corporation has promoted communication on digital platforms such as Website, Facebook, YouTube, and Zalo OA. The Corporation has also created software to survey and evaluate the implementation of corporate culture and get feedback from employees.

employees to actively participate in Oil and Gas Cultural Week, engaging in contests such as “I Love PetroVietnam”, “PetroVietnam in Me” photo contest, and “PetroVietnam Pride” video competition. Numerous individuals and teams have received awards.

Corporate Culture Training: The Corporation organized foundational cultural training courses, including 7 Habits, Culture of Building Trust, and Culture of Building Happiness, with over 1,500 employees in attendance. In August 2024, PVFCCo hosted the “Leadership with the Power of Trust” training program, co-organized with Franklin Covey Vietnam Co., Ltd., which was attended by 16 senior and middle managers from the Corporation and its subsidiaries.

The Corporation always ensures stable employment and income for the labor force. Fully implementing employee policies in accordance with national, Corporation, and labor agreements. Salary payments are made in accordance with the Corporation’s regulations.

Insurance policy and other policies for employees and relatives

Annually, PVFCCo conducts health check-ups for employees in hazardous work environments to detect occupational diseases early. Additionally, medical examinations and social insurance are provided for affected employees.

In addition, to support employees with financial assurance in case of medical examination and hospitalization, PVFCCo has applied PVI Care insurance for employees so that they can work with peace of mind.

The Corporation continues monthly contributions to social insurance based on actual positions and salaries of employees, while also maintaining voluntary retirement and accumulated pension insurance, along with PVI Care health insurance. Assistance is provided for employees to purchase PVI Care health insurance for their family members. Sustaining employee contributions to social and voluntary retirement insurance is a key commitment, ensuring their entitlements are honored during claims processing and supplementing retirement benefits beyond statutory provisions upon retirement.

In essence, the Corporation’s policies demonstrate the utmost care for its employees’ welfare within legal parameters and its organizational capacity. They aim to inspire creativity in their work, fostering the Corporation ongoing development and fostering enduring loyalty.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

(CONTINUED)

Health Care - Disease prevention

Healthcare and disease prevention measures at the Corporation remained robust in 2024, with all units conducting regular health check-ups for employees as mandated by law and the collective labor agreement.

- Employees requiring ongoing health monitoring received thorough guidance and support from the Corporation’s medical officers.
- In addition, Phu My Fertilizer Plant has done screening of occupational diseases for employees to detect early and arrange for suitable outcomes. The cumulative number of employees with occupational diseases by 2024 was 35 people, of which the employees newly affected with occupational deafness were 7 people.
- Issuing Instructions on health care for employees such as Instructions for checking food safety and hygiene at canteen of the Corporation’s Office; Instructions on first aid and medicine use at the Corporation’s Office; Guidance on Occupational Hygiene and Employee Health management at the Corporation’s Office.
- Purchasing Health Insurance (PVI Care) for all employees of the Corporation.
- Performing first aid and medicine to employees in case of occupational accidents.

- Regularly updating and implementing pandemic prevention measures (seasonal flu, monkeypox and other diseases) in accordance with the regulations, recommendations and instructions of the Vietnamese Government, the Ministry of Health, and other State agencies.
- The cost for healthcare and pandemic prevention in 2024 is estimated at about VND 10 billion (including periodic health check, occupational disease examination, procurement of medical supplies, propagandizing, training, etc.).
- PVFCCo will continue to promote Health Care - Disease Prevention, to be specific:
 - Updating and notifying the situation of diseases to have appropriate response and prevention plans.
 - Annually monitoring working environments and having occupational disease examination as a basis for improving working conditions, preventing occupational accidents and diseases for employees in the entire Corporation.
 - Organizing annual health check for employees in accordance with regulations and taking care of health at work.



Talent development

In 2024, the Corporation promoted training activities, organizing 143 training courses for 8,140 attendants, reaching 123.4% of the year plan, with a total training budget of VND 10.7 billion (reaching 102% of the year plan).

In addition to professional and safety training according to the law, the Corporation also organizes training courses to update knowledge on energy transition, sustainable development, technology and AI application in business. PVFCCo has organized 10 training courses for 95 managers and focused on in-depth training and expert development. E-learning system has been applied in internal training to increase flexibility and efficiency in human resource development.

PVFCCo has reviewed, updated and revised Training Management Regulations and Training Process to improve human resource policies and manage training closely and effectively.



Fair employee policy

The Corporation has implemented an employee policy effective since 1 January 2009, annually adjusted to reflect current circumstances. It includes welfare provisions for all staff and additional benefits for high-performing employees with managerial and professional expertise, covering aspects such as salary, bonuses, training, education, leave, accommodation, and other welfare benefits.

Additionally, the Corporation has issued democratic regulations and established a Labor Union organization to protect workers’ legitimate rights and interests. Regular dialogues, held every 3 to 6 months at the grassroots level, involve proactive collaboration between labor unions and authorities to ensure effective and compliant discussions through flexible formats. Topics include policies, welfare, income, employment, restructuring efforts, grassroots democracy regulations, and other worker-related concerns.

Gender equality & empowerment of women

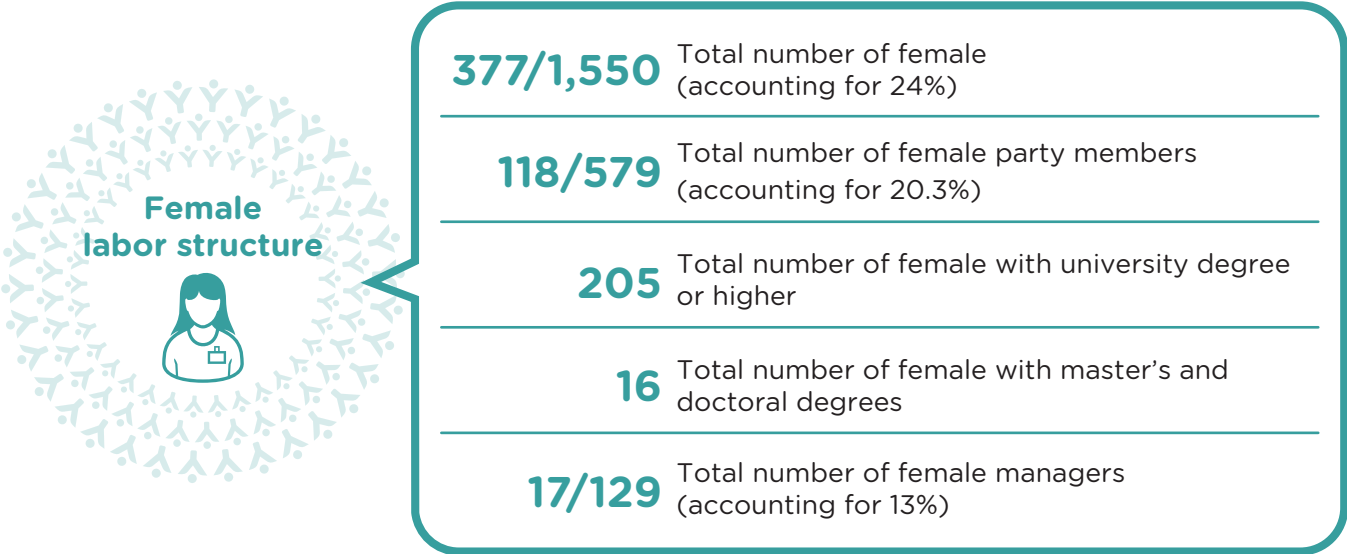


Since the beginning, PVFCCo has always paid attention to gender equality and created equal development opportunities for female staff. At PVFCCo, the activities of Women’s Union for the empowerment of women have always received attention from leaders of the Party, Government and Unions to facilitate women to best promote their roles and abilities in all aspects and successfully complete assigned tasks. PVFCCo’s female staff are conscious to develop in their work and are enthusiastic and energetic in movement activities.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

(CONTINUED)

Situation and results of gender equality & empowerment of women at PVFCCo in 2024



Policy to promote professional capacity of female employees:

- At PVFCCo, 100% of female employees are given the best conditions to participate in professional and skill training courses to improve their qualifications and knowledge. PVFCCo's leaders always pay attention to planning and training for female employees.
- Integrating gender equality in the development and implementation of regulations and policies of the Corporation and its member units, focusing on gender factor in developing policies to promote women's capability effectively and appropriately.
- Strengthening inspection and supervision in the implementation of policies, programs and planning female employees.
- At PVFCCo, no female employees lost their jobs.

Welfare policy for female employees:

- Welfare for female employees are guaranteed and beyond the legal regulations.
- In addition to general labor welfare, female employees are entitled to additional benefits on maternity leave and leave during childcare as well as policies on education, training, and recruitment for their children.
- Enjoying break hours during their menstruation.
- Receiving gifts and participating in cultural activities on special days.
- Annual health check-ups and periodic gynecological examination.
- Caring for female with difficult circumstances, supporting their children to overcome difficulties and study well.
- Participate in gender and gender equality advocacy activities to raise awareness and promote gender equality.

Customer and partner relations

In its production and business endeavors, PVFCCo consistently emphasizes upholding credibility, quality, and continually enhancing the value of its products and services for customers and partners:

- Good product quality is always the top priority of PVFCCo in its production and business. Phu My fertilizers and chemicals and other self-traded products that the Corporation provides to customers always ensure quality according to registered standards. During the past years, Phu My Urea and Phu My NPK products have been trusted by farmers nationwide and voted as National Brands.
- To help farmers optimize the ratio of fertilizer usage and crop yield, PVFCCo partners with local authorities and scientists to organize cultivation technique workshops at experimental gardens and sample fields to train farmers.
- PVFCCo maintains its warehouse and logistics management systems well nationwide, so that their products are delivered to farmers on time at reasonable prices.

- PVFCCo maintains a product quality management system in accordance with the international standard ISO 9001:2015 to ensure that the product's quality remains consistent with its claims.
- The Corporation has established a protocol for receiving and addressing feedback from product users. Additionally, it conducts regular evaluations of customer satisfaction regarding product quality and services to continually enhance quality standards. Safety advisories for product users are also implemented.
- The Corporation has a hotline with contact address on the website to promptly receive and handle customer feedback.

In 2024, along with the new brand identity of Phu My Fertilizer, PVFCCo has changed packaging design. New product packages are designed in a modern style, with full information on ingredients, nutritional formulas and warnings/instructions for use. In addition, with the durable and waterproof packages of “Phu My Fertilizer”, farmers can easily reuse the packages.



ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT
(CONTINUED)

Social responsibilities

SOCIAL WELFARE WORK STANDS AS A CULTURAL HALLMARK OF PVFCCo. DESPITE ENDURING ECONOMIC CHALLENGES DUE TO PROLONGED GLOBAL POLITICAL AND ECONOMIC FLUCTUATIONS, PVFCCo REMAINS STEADFAST IN ITS COMMITMENT TO COMMUNITY RESPONSIBILITY, ACTIVELY ENGAGING IN MEANINGFUL AND PRACTICAL SOCIAL WELFARE WORK INITIATIVES.

Committed to supporting the agricultural and rural sectors, the Corporation established the Social Welfare Council to oversee and implement social programs through the Social Security Group (SSG). Additionally, the Corporation organized various initiatives to promote a culture of mutual support and community service among employees, including the following:

- Typical communication initiative programs on social activities within the Corporation.
- Participating in events to raise community awareness and programs to contribute to environmental protection such as Earth Hour and World Environment Day.
- Encouraging employees to participate in practical activities with the community and contributing to environmental protection.
- Programs to promote energy and resource saving practices such as 5S initiative and waste/battery collection at PVFCCo headquarters.
- Encouraging employees to do physical exercises and sports during working hours to limit occupational diseases; organizing marathon, table tennis, football and other sport competitions attracting a lot of employees.
- Prioritizing online training/meeting to save time and cost for travelling and training costs.

With the spirit of mutual love permeating to all PVFCCo members, Social Security Team (under the Corporation’s Head Office) has actively coordinated with Youth Unions and Women’s Unions at the Corporation’s Head Office and member units to implement many meaningful programs, to be specific.

Corporate Social Responsibility Report in 2024

PVFCCo continues to uphold its cultural traditions while striving to meet production and business goals. In addition to these efforts, the Corporation remains committed to social responsibility through numerous meaningful programs.

In 2024, Vietnam’s economy experienced stable growth, with rising agricultural product prices boosting fertilizer demand and pricing. However, farmers faced significant challenges due to natural disasters, particularly Typhoon Yagi in September, which was the most destructive storm in 70 years. The typhoon caused severe damage to lives and property, disrupted education, and left millions of children unable to attend school, with total economic

losses estimated at VND 81,508 billion. Despite these challenges, PVFCCo not only overcame operational hurdles to meet its business objectives but also directed resources toward supporting farmers, helping them recover and stabilize their livelihoods.

With the motto **“Sharing prosperity”**, despite the challenges in business, PVFCCo has not reduced the budget for social security activities, but keeping the budget at VND 42.75 billion. In addition, the Corporation has promoted transition program from 2023, raising the total disbursement budget in 2024 to about VND 70 billion for health - education, humanitarian - disaster relief, solidarity houses and gratitude activities.



ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

(CONTINUED)

Humanitarian relief - Support to farmers

Implementing the Prime Minister’s direction to request Lao Cai Province and benefactors to urgently deploy a resettlement area for farmers in 3 villages i.e. Lang Nu, Nam Tong and Kho Vang, which suffered from severe landslide after the storm, and the General Secretary’s direction of “no one left behind, no one without a home, no student without a school”, Vietnam Oil and Gas Group has sponsored VND 40 billion, including VND 4 billion from PVFCCo, putting the resettlement area into use ahead of schedule (on 22 December 2024) with the joy of the farmers.

At the same time, to support the people in the Northern areas, who were directly affected by Typhoon Yagi and serious floods and landslides, PVFCCo has launched a donation with a total amount of VND 1 billion (of which, VND 603,950,000 from the employees and VND 396,050,000 from the Corporation’s fund to support people affected by natural disasters).

In addition, on the occasion of Tet holidays, PVFCCo organizes the program “Tet for the poor” for farmers to help them have a happy new year. This year, PVFCCo has presented 13,027 gifts worth nearly VND 9 billion to poor farmers in 104 communes in 43 provinces and cities across the country. PVFCCo’s Trade Union has also launched the program “Thousands of cakes, thousands of loves”, attracting many union members to join hands to wrap 1,000 banh chung (Lunar New Year square cakes) for the people in difficult circumstances and the elderly homeless.

Education

this initiative, allocating a total of VND 28.5 billion, the largest portion of its social security budget. This funding supported the inauguration of numerous schools, providing children with access to spacious, modern classrooms.

Healthcare

With a planned disbursement of VND 3 billion in 2024, PVFCCo will continue to fund projects for building medical stations and treatment facilities in remote areas in the coming years.

Great Unity houses

In 2024, PVFCCo put into use nearly 570 new Great Unity houses, with a value of more than VND 21 billion, to support the poor households to “settle down and thrive”. Up to now, PVFCCo has supported tens of thousands of households across the country who face difficulties in their accommodation.

PVFCCo’s social responsibility activities are implemented through Social Security Council, closely connected with member units, partners and local social organizations, ensuring compliance with the following principles:

- Supporting in the right place at the right time;
- Supporting exactly necessary things;
- Supporting directly to beneficiary units and individuals;
- Supporting is not for advertising or branding purposes, but comes from the needs of the community in a sense of responsibility;
- The activities are implemented with connection, resonance and spread in the community.

PVFCCo’s social responsibility initiatives, driven by a strong commitment to corporate social responsibility, have consistently garnered attention from the community, especially during periods of economic difficulty. In 2024, hundreds of media reports highlighted these efforts, enhancing PVFCCo’s image among the public, government, and society.

Since 2024, the fertilizer market has undergone many changes where the supply of urea fertilizer in domestic market was surplus, leading to increasingly competitive. BOD and all employees of PVFCCo are aware that it is required to be closer to customers and understand the market better to continue to affirm and maintain its leading position in the market. Therefore, besides humanitarian purposes and social responsibility, supporting farmers is also a valuable opportunity for

PVFCCo to meet and listen to its end-users. This is also the most practical way to show gratitude to tens of millions of farmers, contributing to sustainably improving their lives.

Social security budget in 2024 by areas:

- Great Unity houses: VND **10** billion.
- Education: VND **28.5** billion.
- Healthcare: VND **3** billion.
- Disaster and humanitarian relief, and gratitude: VND **13** billion.
- Tet for the poor in the year of the Dragon: VND **8.6** billion.
- Self-implemented by the Corporation: VND **6.25** billion.





TOGETHER WE GROW
STEADY WE GO

Financial statements

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PETROVIETNAM FERTILIZER AND CHEMICALS CORPORATION
(Incorporated in the Socialist Republic of Vietnam)

AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2024

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STATEMENT OF THE EXECUTIVE BOARD

The Executive Board of PetroVietnam Fertilizer and Chemicals Corporation (the “Corporation”) presents this report together with the Corporation’s consolidated financial statements for the year ended 31 December 2024.

THE BOARD OF DIRECTORS, THE EXECUTIVE BOARD AND BOARD OF SUPERVISORS

The members of the Board of Directors, the Executive Board and Board of Supervisors of the Corporation during the year and to the date of this report are as follows:

Board of Directors

Mr. Nguyen Xuan Hoa	Chairman (appointed on 29 March 2024)
Mr. Phan Cong Thanh	Member (appointed on 29 March 2024)
Mr. Trinh Van Khiem	Member
Mr. Nguyen Ngoc Anh	Member
Mr. Hoang Trong Dung	Member (resigned on 29 March 2024)
Mr. Duong Tri Hoi	Member (resigned on 29 March 2024)
Mr. Ho Quyet Thang	Independent Member

Executive Board

Mr. Phan Cong Thanh	Chief Executive Officer (appointed on 25 January 2024)
Mr. Dao Van Ngoc	Executive Officer
Ms. Tran Thi Phuong Thao	Executive Officer
Mr. Ta Quang Huy	Executive Officer
Mr. Vo Ngoc Phuong	Executive Officer (appointed on 28 May 2024)
Mr. Cao Trung Kien	Executive Officer (resigned on 29 March 2024)
Mr. Vu An	Executive Officer (appointed on 12 December 2024)

Board of Supervisors

Mr. Huynh Kim Nhan	Head of Board of Supervisors
Mr. Luong Phuong	Member
Ms. Tran Thi Phuong	Member

STATEMENT OF THE EXECUTIVE BOARD (Continued)

THE EXECUTIVE BOARD’S STATEMENT OF RESPONSIBILITY

The Executive Board of the Corporation is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Corporation as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. In preparing these consolidated financial statements, the Executive Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize errors and frauds.

The Executive Board of the Corporation is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Corporation and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. The Executive Board is also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Executive Board confirms that the Corporation has complied with the above requirements in preparing these consolidated financial statements.

For and on behalf of the Executive Board,



Phan Cong Thanh
Chief Executive Officer

27 March 2025
Ho Chi Minh City, S.R. Vietnam

No.: 0884/VN1A-HN-BC

INDEPENDENT AUDITORS’ REPORT

TO: THE SHAREHOLDERS
THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD
PETROVIETNAM FERTILIZER AND CHEMICALS CORPORATION

We have audited the accompanying consolidated financial statements of PetroVietnam Fertilizer and Chemicals Corporation (the “Corporation”) prepared on 27 March 2025, as set out from page 145 to page 190, which comprise the consolidated balance sheet as at 31 December 2024, the consolidated statement of income, the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

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

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

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

INDEPENDENT AUDITORS’ REPORT (Continued) No.: 0884/VN1A-HN-BC

CONSOLIDATED BALANCE SHEET
As at 31 December 2024

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

Emphasis of Matter

As stated in Note 35 of the Notes to the consolidated financial statements, as at 31 December 2024, the Corporation has the guarantee obligation under the memorandum signed with the Vietnam Oil and Gas Group (“the Group”) relating to the Group’s guarantee commitment for the medium and long-term loan of Vietnam Petrochemical and Fiber Joint Stock Company - an associate of the Corporation. The Corporation has made appropriate accounting records regarding the rights and obligations arising in 2024 with the parties.

Our opinion is not modified in respect of this matter.



Khuc Thi Lan Anh
Deputy General Director
Audit Practising Registration Certificate
No. 0036-2023-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

27 March 2025
Hanoi, S.R. Vietnam

Nguyen Thi Ngan
Auditor
Audit Practising Registration Certificate
No. 5248-2025-001-1

Unit: VND

ASSETS		Codes	Notes	Closing balance	Opening balance
A.	CURRENT ASSETS	100		13,219,573,591,341	9,565,106,752,268
I.	Cash and cash equivalents	110	4	1,004,912,303,570	1,241,561,362,115
1.	Cash	111		741,876,402,650	574,781,435,783
2.	Cash equivalents	112		263,035,900,920	666,779,926,332
II.	Short-term financial investments	120	5	9,464,000,000,000	5,385,000,000,000
1.	Held-to-maturity investments	123		9,464,000,000,000	5,385,000,000,000
III.	Short-term receivables	130		653,185,512,324	642,215,358,351
1.	Short-term trade receivables	131	6	276,247,523,509	432,251,479,566
2.	Short-term advances to suppliers	132	7	227,545,463,111	56,288,686,447
3.	Other short-term receivables	136	8	532,760,539,063	377,802,561,892
4.	Provision for short-term doubtful debts	137	9	(383,368,013,359)	(224,127,369,554)
IV.	Inventories	140	10	1,730,684,831,761	1,910,840,607,214
1.	Inventories	141		1,731,334,756,236	1,942,109,074,750
2.	Provision for devaluation of inventories	149		(649,924,475)	(31,268,467,536)
V.	Other short-term assets	150		366,790,943,686	385,489,424,588
1.	Short-term prepayments	151	11	8,847,530,205	33,978,366,057
2.	Value added tax deductibles	152		357,943,413,481	310,224,881,046
3.	Taxes and other receivables from the State budget	153	16	-	41,286,177,485

FORM B 01-DN/HN: Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

CONSOLIDATED BALANCE SHEET (Continued)
As at 31 December 2024

Unit: VND				
ASSETS	Codes	Notes	Closing balance	Opening balance
B. NON-CURRENT ASSETS	200		3,332,712,856,166	3,744,153,277,315
I. Long-term receivables	210		1,125,000,000	876,100,000
1. Other long-term receivables	216	8	1,125,000,000	876,100,000
II. Fixed assets	220		2,711,222,351,120	2,988,445,788,293
1. Tangible fixed assets	221	13	1,852,113,498,553	2,154,198,652,529
- Cost	222		11,632,992,941,593	11,574,815,724,954
- Accumulated depreciation	223		(9,780,879,443,040)	(9,420,617,072,425)
2. Intangible assets	227	14	859,108,852,567	834,247,135,764
- Cost	228		1,220,829,677,992	1,182,099,652,534
- Accumulated amortisation	229		(361,720,825,425)	(347,852,516,770)
III. Investment property	230	15	180,772,898,610	190,456,645,571
- Cost	231		317,953,542,202	317,953,542,202
- Accumulated depreciation	232		(137,180,643,592)	(127,496,896,631)
IV. Long-term assets in progress	240		89,432,287,256	261,326,265,034
1. Construction in progress	242	17	89,432,287,256	261,326,265,034
V. Long-term financial investments	250		34,189,383,462	33,359,983,256
1. Investments in joint-ventures, associates	252	18	30,589,383,462	29,759,983,256
2. Equity investments in other entities	253	5	20,502,000,000	20,502,000,000
3. Provision for impairment of long-term financial investments	254	5	(16,902,000,000)	(16,902,000,000)
VI. Other long-term assets	260		315,970,935,718	269,688,495,161
1. Long-term prepayments	261	11	67,439,702,684	57,616,661,429
2. Deferred tax assets	262	12	97,580,052,912	59,981,494,127
3. Long-term reserved spare parts	263	10	128,013,698,990	129,152,858,473
4. Other long-term assets	268		22,937,481,132	22,937,481,132
TOTAL ASSETS (270=100+200)	270		16,552,286,447,507	13,309,260,029,583

The accompanying notes are an integral part of these consolidated financial statements

Unit: VND				
RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		5,372,450,027,238	1,764,060,255,739
I. Current liabilities	310		5,198,718,914,842	1,484,492,945,240
1. Short-term trade payables	311	19	691,027,535,623	768,442,429,490
2. Short-term advances from customers	312	20	216,889,576,593	124,312,355,882
3. Taxes and amounts payable to the State budget	313	16	58,254,209,708	6,127,123,790
4. Payables to employees	314		177,347,094,144	164,498,016,812
5. Short-term accrued expenses	315	21	121,855,980,698	239,514,869,880
6. Short-term unearned revenue	318		18,181,819	18,181,819
7. Other current payables	319	22	188,515,955,342	71,840,876,194
8. Short-term loans and obligations under finance leases	320	24	3,422,025,863,029	-
9. Short-term provisions	321	23	253,973,730,976	8,176,000,000
10. Bonus and welfare funds	322		68,810,786,910	101,563,091,373
II. Long-term liabilities	330		173,731,112,396	279,567,310,499
1. Other long-term payables	337	22	2,807,058,000	2,219,808,500
2. Deferred tax liabilities	341		132,540,000,000	132,540,000,000
3. Long-term provisions	342	23	-	102,177,312,389
4. Scientific and technological development fund	343		38,384,054,396	42,630,189,610

The accompanying notes are an integral part of these consolidated financial statements

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FORM B 02-DN/HN: Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2024

Unit: VND				
RESOURCES	Codes	Notes	Closing balance	Opening balance
D. EQUITY	400		11,179,836,420,269	11,545,199,773,844
I. Owners' equity	410	25	11,179,836,420,269	11,545,199,773,844
1. Owners' contributed capital	411		3,914,000,000,000	3,914,000,000,000
- Ordinary shares carrying voting rights	411a		3,914,000,000,000	3,914,000,000,000
2. Share premium	412		21,179,913,858	21,179,913,858
3. Treasury shares	415		(2,296,824,120)	(2,296,824,120)
4. Investment and development fund	418		4,599,179,502,370	4,599,179,502,370
5. Retained earnings	421		2,470,369,047,680	2,838,340,934,833
- Retained earnings accumulated to the prior year end	421a		2,048,700,696,050	2,435,451,267,470
- Retained earnings of the current year	421b		421,668,351,630	402,889,667,363
6. Non-controlling interests	429		177,404,780,481	174,796,246,903
TOTAL RESOURCES (440=300+400)	440		16,552,286,447,507	13,309,260,029,583


Hoang Thi Lan Anh
Preparer


Le Hong Quan
Chief Accountant


Phan Cong Thanh
Chief Executive Officer


27 March 2025

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2024

Unit: VND				
ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01		13,657,031,176,628	13,719,510,012,331
2. Deductions	02		160,888,952,925	150,324,493,920
3. Net revenue from goods sold and services rendered (10=01-02)	10	28	13,496,142,223,703	13,569,185,518,411
4. Cost of sales	11	28	11,598,010,673,565	11,917,438,631,877
5. Gross profit from goods sold and services rendered (20=10-11)	20	28	1,898,131,550,138	1,651,746,886,534
6. Financial income	21	30	369,143,114,332	457,576,170,227
7. Financial expenses	22	31	65,028,684,735	71,157,838,669
- In which: Interest expense	23		47,838,183,679	50,638,299,383
8. Share of net profit from joint-ventures, associates	24	18	2,649,700,205	2,664,912,263
9. Selling expenses	25	32	837,208,423,254	848,444,338,144
10. General and administration expenses	26	32	702,811,258,885	502,354,622,004
11. Operating profit (30=20+(21-22)+24-(25+26))	30		664,875,997,801	690,031,170,207
12. Other income	31		12,791,842,667	11,025,864,376
13. Other expenses	32		8,336,263,370	10,090,505,890
14. Profit from other activities (40=31-32)	40		4,455,579,297	935,358,486
15. Accounting profit before tax (50=30+40)	50		669,331,577,098	690,966,528,693
16. Current corporate income tax expense	51	33	152,663,594,385	33,233,788,075
17. Deferred corporate tax (income)/expense	52	33	(37,598,558,785)	127,915,820,096
18. Net profit after corporate income tax (60=50-51-52)	60		554,266,541,498	529,816,920,522
In which:				
18.1 Profit after tax attributable to Parent Company	61		537,763,664,155	519,466,561,842
18.2 Profit after tax attributable to non-controlling shareholders	62		16,502,877,343	10,350,358,680
19. Basic earnings per share	70	34	1,078	1,029


Hoang Thi Lan Anh
Preparer


Le Hong Quan
Chief Accountant


Phan Cong Thanh
Chief Executive Officer


27 March 2025

FORM B 03-DN/HN: Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2024

Unit: VND			
ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	669,331,577,098	690,966,528,693
2. Adjustments for:			
Depreciation of fixed assets and investment properties and amortisation of fixed assets	02	393,838,974,383	403,299,073,758
Provisions	03	272,242,519,331	(364,604,096,606)
Foreign exchange (gain)/loss arising from translating foreign currency items	04	(3,065,306,806)	763,978,887
Gain from investing activities	05	(346,166,068,458)	(452,967,211,465)
Interest expense	06	47,838,183,679	50,638,299,383
3. Operating profit before movements in working capital	08	1,034,019,879,227	328,096,572,650
Change in receivables	09	(187,933,522,440)	(239,668,055,799)
Change in inventories	10	211,913,477,997	2,089,951,570,430
Change in payables (excluding accrued loan interest and corporate income tax payable)	11	148,751,345,070	(551,418,283,375)
Change in prepaid expenses	12	15,307,794,597	(29,502,348,922)
Interest paid	14	(46,079,958,516)	(76,374,372,520)
Corporate income tax paid	15	(64,714,670,264)	(344,716,043,525)
Other cash outflows	17	(163,434,814,750)	(231,522,416,705)
Net cash generated by operating activities	20	947,829,530,921	944,846,622,234
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(85,463,362,684)	(240,758,232,062)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	524,381,835	906,078,161
3. Cash outflow for lending, buying debt instruments of other entities	23	(17,258,000,000,000)	(9,615,000,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	13,179,000,000,000	11,110,000,000,000
5. Interest earned, dividends and profits received	27	355,728,465,186	420,929,990,034
Net cash (used in)/generated by investing activities	30	(3,808,210,515,663)	1,676,077,836,133

Unit: VND			
ITEMS	Codes	Current year	Prior year
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	5,068,036,976,529	-
2. Repayment of borrowings	34	(1,646,011,113,500)	(707,152,179,119)
3. Dividends and profits paid	36	(801,478,274,775)	(2,755,413,813,475)
Net cash generated by/(used in) financing activities	40	2,620,547,588,254	(3,462,565,992,594)
Net decreases in cash (50=20+30+40)	50	(239,833,396,488)	(841,641,534,227)
Cash and cash equivalents at the beginning of the year	60	1,241,561,362,115	2,083,841,053,069
Effects of changes in foreign exchange rates	61	3,184,337,943	(638,156,727)
Cash and cash equivalents at the end of the year (70=50+60+61)	70	1,004,912,303,570	1,241,561,362,115


Hoàng Thi Lan Anh
Preparer


Le Hong Quan
Chief Accountant



Phan Cong Thanh
Chief Executive Officer
27 March 2025

FORM B 09-DN/HN: Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

1. GENERAL INFORMATION

Structure of ownership

PetroVietnam Fertilizer and Chemicals Corporation (hereinafter referred to as the “Corporation”), formerly known as PetroVietnam Fertilizer and Chemicals Joint Stock Company, was established under the Enterprise Registration Certificate No. 4103007696 first issued on 31 August 2007 and the 16th amendment dated 16 February 2024, issued by the Department of Planning and Investment of Ho Chi Minh City. On 01 September 2008, the Corporation officially transformed its operation into parent-subsidiary model in accordance with Resolution No. 01/NQ-DHDCD released by the Shareholders’ General Meeting. Accordingly, the Holding Company - PetroVietnam Fertilizer and Chemicals Corporation was established from functional departments of PetroVietnam Fertilizer and Chemicals Joint Stock Company, project management units and Phu My Fertilizer Plant.

As at 31 December 2024, the Corporation’s charter capital was VND 3,914,000,000,000, equivalent to 391,400,000 ordinary shares, with par value of VND 10,000. The Corporation’s shares are listed on Ho Chi Minh City Stock Exchange from 05 November 2007 with the stock symbol as “DPM”.

The parent company of the Corporation is Vietnam Oil and Gas Group (the “Group” or “PVN”) who holds 59.58% of its charter capital as at 31 December 2024.

The total number of employees of the Corporation and its subsidiaries as at 31 December 2024 was 1,550 (as at 31 December 2023: 1,527).

Operating industries and principal activities

The operating industries of the Corporation include:

- Production and trade in fertilizer, liquid ammonia, industrial gas, other chemicals;
- Provision of technical services relating to production and trade in fertilizer and other related chemicals (excluding heavily toxic chemicals);
- Architectural activities and related technical consultancy;
- Production, transmission and distribution of electricity;
- Trade in real estates, land use rights held as owner, user or lessor;
- Wholesale of agricultural and forestry products (excluding wood, bamboo) and living animals;
- Goods transport services by road and by inbound waterway, processing of oil and gas-related products and minerals;
- Vocational training;
- Supporting services for waterway transportation; loading and unloading goods at seaports and inland terminals and
- Acting as vessel agent and shipping agency and providing warehousing services.

The principal activities of the Corporation are production and trade in fertilizers used in agriculture.

Normal production and business cycle

The Corporation's normal production and business cycle is carried out for a time period of 12 months or less.

The Corporation’s structure

As at 31 December 2024, the Corporation’s dependent units are as follows:

No	Name	Address
1	Phu My Fertilizer Plant	Phu My 1 Industrial Park, Phu My Ward, Phu My Town, Ba Ria – Vung Tau Province, Vietnam
2	Ho Chi Minh City Branch	27 Dinh Bo Linh Street, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam
3	Cambodia Branch (i)	Phnom Penh, Cambodia
4	Fertilizer and Chemical Projects Management Unit	Phu My 1 Industrial Park, Phu My Ward, Phu My Town, Ba Ria – Vung Tau Province, Vietnam
5	Research and Application Center	Phu My 1 Industrial Park, Phu My Ward, Phu My Town, Ba Ria – Vung Tau Province, Vietnam

(i) According to Decision of the Board of Directors No.313/QD-PBHC dated 26 June 2014, the Corporation’s Board of Directors approved the plan to liquidate the Corporation’s branch at Cambodia. The Corporation is in process of liquidating its branch in Cambodia.

Details of subsidiaries and associates of the Corporation as at 31 December 2024 are as follows:

Subsidiary/associate	Location	Proportion of ownership interest (%)	Proportion of voting power held (%)	Main business
Subsidiaries				
1. Central PetroVietnam Fertilizer and Chemicals JSC	Binh Dinh Province	75.00	75.00	Trade in fertilizer and chemicals
2. SouthWest PetroVietnam Fertilizer and Chemicals JSC	Can Tho City	75.00	75.00	Trade in fertilizer and chemicals
3. SouthEast PetroVietnam Fertilizer and Chemicals JSC	Ho Chi Minh City	75.00	75.00	Trade in fertilizer and chemicals
4. Northern PetroVietnam Fertilizer and Chemicals JSC	Hanoi	75.00	75.00	Trade in fertilizer and chemicals
Associates				
1. Dam Phu My Packaging Joint Stock Company	Ba Ria - Vung Tau Province	43.34	43.34	Production of packages
2. PetroVietnam Urban Development JSC	Can Tho City	35.63	35.63	Construction and installation of civil and industrial works and services provision
3. Vietnam Petrochemical and Fiber JSC	Hai Phong City	25.99	25.99	Production and sale of polyester fibers

Disclosure of information comparability in the consolidated financial statements

Comparative figures are the figures of the Corporation’s audited consolidated financial statements for the year ended 31 December 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying consolidated financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.

The consolidated financial statements are prepared based on consolidation of separate financial statements of the Corporation and its subsidiaries' financial statements.

The accompanying consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Financial year

The Corporation's financial year begins on 01 January and ends on 31 December.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Corporation in the preparation of these consolidated financial statements, are as follows:

Estimates

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting requires the Executive Board to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Executive Board's best knowledge, actual results may differ from those estimates.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and enterprises controlled by the Corporation (its subsidiaries) up to 31 December 2024. This control is achieved where the Corporation has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Corporation.

All inter-company transactions and balances are eliminated in full on consolidation.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination (see below) and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Business combinations

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Investments in associates

An associate is an entity over which the Corporation has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Interests in associates are carried in the consolidated balance sheet at cost as adjusted by post-acquisition changes in the Corporation's share of the net assets of the associate. Losses of an associate in excess of the Corporation's interest in that associate (which includes any long-term interests that, in substance, form part of the Corporation's net investment in the associate) are not recognised.

Where a group entity transacts with an associate of the Corporation, unrealised profits and losses are eliminated to the extent of the Corporation's interest in the relevant associate.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments (not exceeding 3 months) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Corporation has the positive intent or ability to hold to maturity, including term deposits at banks held to maturity to earn periodic interest.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the consolidated income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less provision for impairment of held-to-maturity investments.

Provision for impairment of held-to-maturity investments is made in accordance with prevailing accounting regulations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Equity investments in other entities

Equity investments in other entities represent the Corporation’s investments in ordinary shares of the entities over which the Corporation has no control, joint control or significant influence.

Equity investments in other entities are carried at cost less provision for impairment of such investments.

Provisions for impairment of investments in other entities are made in accordance with prevailing accounting regulations.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are recorded under the perpetual method. Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Issue cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working conditions and locations for their intended use. The costs of tangible fixed assets formed from construction investment by contractual mode or self-construction or self-generating process are the settled costs of the invested construction projects in accordance with the prevailing State’s regulations on investment and construction management, directly-related expenses and registration fee (if any). In the event the construction project has been completed and put into use but the settled costs thereof have not been approved, the cost of tangible fixed assets is recognized at the estimated cost based on the actual cost incurred. The estimated cost will be adjusted according to the settled costs approved by competent authorities.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives, as follows:

	Years
Buildings, structures	3 - 25
Machinery, equipment	3 - 15
Motor vehicles	5 - 10
Office equipment	3 - 9
Others	3 - 15

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between the net proceeds from sales or disposals of assets and their carrying amount and is recognised in the consolidated income statement.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Corporation as lessor

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are charged to the income statement when incurred or charged to the consolidated income statement using straight-line method over the lease term.

The Corporation as lessee

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Rentals payable under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivables as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Intangible assets and amortization

Land use rights

Intangible assets represent land use rights that are stated at cost less accumulated amortisation. Definite land use rights are amortised using the straight-line method over the duration of the right to use the land from 32 years to 50 years while indefinite-term land use rights are not amortized.

Copyrights

The copyrights are initially recognized at purchase price and amortised using the straight-line basis over their estimated useful lives.

Computer software and other intangible assets

Computer software and other intangible assets are initially recognized at purchase price and amortised using the straight-line basis from 3 to 6 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Investment properties

Investment properties are composed of land use rights, buildings and structures held by the Corporation to earn rentals. Investment properties held to earn rentals are stated at cost less accumulated depreciation. The costs of purchased investment properties comprise their purchase prices and any directly attributable expenditures, such as professional fees for legal services, property transfer taxes and other related transaction costs. The costs of self-constructed investment properties are the finally accounted construction or directly attributable costs of the properties.

The Corporation does not depreciate investment real estate, which is indefinite land use rights. The remaining investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

	Years
Definite land use rights	50
Buildings, structures	7 - 25

Construction in progress

Properties in the course of construction for production, rental or administrative purposes or for other purposes are carried at cost. The cost includes any costs that are necessary to form the asset including construction cost, equipment cost, interest expense and other related costs in accordance with the Corporation’s accounting policy. Such costs will be included in the estimated costs of the fixed assets (if settled costs have not been approved) when they are put into use.

According to the State’s regulations on investment and construction management, the settled costs of completed construction projects are subject to approval by appropriate level of competent authorities. The final costs of these completed construction projects may vary depending on the final approval by competent authorities.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods, including insurance premiums, office repair expenses, land, office and warehouse rental fees, maintenance costs of information technology systems, tools and supplies issued for use awaiting allocation, maintenance and other types of prepayments.

Insurance costs represent the insurance payment in advance and charged into the consolidated income statement based on the straight-line basis over the rental term.

Maintenance costs of information technology systems are recognized based on contract purchase price and amortized to the consolidated income statement on a straight-line basis over a specified period in accordance with the current prevailing accounting regulations.

Land and office rentals represent the land and office rental payment in advance and allocated into consolidated income statement based on the straight-line basis over the rental term.

The costs of tools and supplies issued for use awaiting allocation, maintenance comprise costs of small tools, supplies and spare parts issued for consumption which are expected to provide future economic benefits to the Corporation and are charged to the consolidated income statement on the straight-line basis in accordance with the current prevailing accounting regulations.

The other types of prepayments comprised office repair expenses, and other types of prepayment which are expected to provide future economic benefits to the Corporation and charged to the consolidated income statement on the straight-line basis in accordance with the current prevailing accounting regulations.

Payable provisions

Payable provisions are recognized when the Corporation has a present obligation as a result of a past event, and it is probable that the Corporation will be required to settle that obligation.

Phu My Fertilizer Plant accrued the estimated repair cost to annual expense for fixed assets with periodic overhaul. If actual amount is higher than accrued amount, the difference is recorded as an increase in expenses. If actual amount is lower than the accrued amount, the difference is recorded as a decrease in expense during the year.

Scientific and technological development fund

Scientific and technological development fund has been made since 2014 in order to finance science and technology activities of the Corporation. This fund was formed on the basis of the Corporation’s demand for development and technology innovation and is recognized in the consolidated income statement according to Joint Circular No.12/2016/TTLT-BKHCHN-BTC issued by Ministry of Science and Technology, and Ministry of Finance on 28 June 2016, amended and supplemented by Circular No.05/2022/TT-BKHCHN issued by Minister of Science and Technology on 31 May 2022 and Circular No. 67/2022/TT-BTC issued by the Ministry of Finance on 07 November 2022. Accordingly, the Corporation bases on the capital demand for scientific and technological activities to appropriate a maximum of 10% of the taxable profit for this fund.

Revenue recognition

Revenue from sale of goods

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

- (a) the Corporation has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Corporation retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Corporation; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the rendering of services

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several years, revenue is recognised in each year by reference to the percentage of completion of the transaction at the consolidated balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Corporation;
- (c) the percentage of completion of the transaction at the consolidated balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognised when the Corporation’s right to receive payment has been established.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Sales deductions

Sales deductions include sales discount.

Sales deductions incurred in the same year of the related revenue from sales of products, goods and rendering of services are recorded as a deduction from the revenue of that year. In case that sales deductions for sales of products, goods or rendering of services sold in the year incurred after the balance sheet date but before the issuance of the consolidated financial statements, the Company recorded as revenue deductions for the year.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates of commercial bank where the Company usually transacts on the same date. Exchange differences arising from the translation of these accounts are recognised in the consolidated income statement.

Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 “Borrowing costs”. Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Corporation intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities’ examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

4. CASH AND CASH EQUIVALENTS

	Closing balance VND	Opening balance VND
Cash on hand	3,977,349,115	2,657,500,348
Bank demand deposits	737,899,053,535	572,123,935,435
Cash equivalents (i)	263,035,900,920	666,779,926,332
	1,004,912,303,570	1,241,561,362,115

(i) As at 31 December 2024, cash equivalents represent time deposits with original terms from 01 to 03 months at commercial banks at the interest rates ranging from 1.6% per annum to 4.4% per annum (as at 31 December 2023: interest rates ranging from 2.5% per annum to 5.1% per annum).

5. FINANCIAL INVESTMENTS

a. Short-term financial investments

	Closing balance VND		Opening balance VND	
	Cost	Carrying amount	Cost	Carrying amount
Short-term held-to-maturity investments				
Term deposits	9,464,000,000,000	9,464,000,000,000	5,385,000,000,000	5,385,000,000,000
	9,464,000,000,000	9,464,000,000,000	5,385,000,000,000	5,385,000,000,000

Held-to-maturity investments as at 31 December 2024 represent time deposits with original terms of more than 03 months and remaining terms of less than 12 months from the consolidated balance sheet date at commercial banks at the interest rates ranging from 2.9% per annum to 5.6% per annum (as at 31 December 2023: interest rates ranging from 3.4% per annum to 8.3% per annum).

As at 31 December 2024, the Corporation’s six-month term deposits at Modern Bank of Vietnam Limited (“MBV”) (previously known as Ocean Commercial One Member Limited Liability Bank) amounting to VND 284 billion are restricted. According to MBV’s Official Letters, MBV commits to process the payments to the Company as previously stated. Accordingly, the Executive Board assess that the Corporation’s deposits are recoverable in the future.

As presented in Note 24, the Corporation used a six-month term deposit at Southeast Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch with a total value of VND 400,000,000,000 as at 31 December 2024 as collateral for a loan at Southeast Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

b. Long-term financial investments

Closing balance VND			Opening balance VND		
Cost	Provision	Fair value	Cost	Provision	Fair value
Equity investments in other entities					
Petroleum Information Technology Telecom and Automation JSC	3,600,000,000	-	(i)	3,600,000,000	-
					(i)
Ut Xi Aquatic Products Processing JSC	16,902,000,000	(16,902,000,000)	(i)	16,902,000,000	(16,902,000,000)
					(i)
	20,502,000,000	(16,902,000,000)		20,502,000,000	(16,902,000,000)

(i) For the equity investments in other entities, these companies have not had their shares listed on a stock exchange yet and the Corporation was unable to determine their fair values as at the consolidated balance sheet date since there is no comprehensive guidance of relevant prevailing regulations on determination of fair value on these financial investments.

6. SHORT-TERM TRADE RECEIVABLES

	Closing balance VND	Opening balance VND
a. Short-term trade receivables which are not from related parties		
Hung Thanh VTNN Co., Ltd	61,557,615,000	40,658,619,230
Tran Thi Ngoan Private Enterprise	27,710,308,347	19,873,856,018
Phu My Chemical and Construction Co.,Ltd	23,293,722,660	16,948,855,002
Minh Dung Trading and Services Co., Ltd	19,513,127,719	46,222,847,421
Minh Khoa Trading and Services Co., Ltd	18,620,947,207	31,587,378,570
Tuan Vu Fertilizer Trading and Services Co., Ltd	11,764,426,870	31,999,880,000
Kumsung Enc Co., Ltd	-	50,007,500,000
Others	78,709,512,590	167,753,647,256
	241,169,660,393	405,052,583,497
b. Short-term trade receivables from related parties		
(Details stated in Note 36)	35,077,863,116	27,198,896,069
	35,077,863,116	27,198,896,069
Total	276,247,523,509	432,251,479,566

7. SHORT-TERM ADVANCES TO SUPPLIERS

	Closing balance VND	Opening balance VND
a. Short-term advances to suppliers which are not related parties		
Tri Viet Trading Engineering Co., Ltd	122,190,000,000	-
BORSIG Process Heat Exchange GmbH	17,067,491,200	-
Mico Mineral Industry Joint Stock Company	-	3,220,800,000
Others	45,582,783,308	17,330,348,608
	184,840,274,508	20,551,148,608
b. Short-term advances to related parties		
(Details stated in Note 36)	42,705,188,603	35,737,537,839
	42,705,188,603	35,737,537,839
Total	227,545,463,111	56,288,686,447

8. OTHER RECEIVABLES

	Closing balance VND	Opening balance VND
a. Other short-term receivables		
Vietnam Petrochemical and Fiber JSC	272,789,241,398	114,209,081,543
- Receivables relating to guarantee (i)	266,367,097,158	107,786,937,303
- Other receivables	6,422,144,240	6,422,144,240
PetroVietnam Trade and Services Joint Stock Company (ii)	109,993,267,289	110,043,267,289
Accrued interest income from term deposits	104,669,638,367	115,078,553,295
Other short-term receivables	45,308,392,009	38,471,659,765
	532,760,539,063	377,802,561,892
In which:		
Other short-term receivables from related parties	384,885,919,646	225,470,431,024
(Details stated in Note 36)		
b. Other long-term receivables		
Long-term deposits	1,125,000,000	876,100,000
	1,125,000,000	876,100,000

(i) Represent the receivables from Vietnam Petrochemical and Fiber Joint Stock Company (“VNPOLY”) when the Corporation executed of the guarantee obligations with the Vietnam Oil and Gas Group (“PVN”) relating to PVN’s guarantee commitment for loans to invest in and construct the Dinh Vu Polyester Fiber Plant of VNPOLY. The closing balance includes:

- The amount of VND 107,786,937,303 that the Corporation paid to PVN on 10 March 2015 and 18 February 2016.
- The amount of VND 158,580,159,855, representing the guarantee amount arising during 2024 (Details stated in Note 35).

As at 31 December 2024, the Executive Board assessed that this receivable is irrecoverable and has made a provision for the entire amount (Details stated in Note 9).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(ii) The balance of the other short-term receivables from PetroVietnam Trade and Services Joint Stock Company (formerly known as PetroVietnam Trade Union Finance Investment Corporation) (“PVTSJSC”) as at 31 December 2024 represents an investment trust with the amount of VND 101,547,868,000 and unpaid interest with the amount of VND 8,445,399,289. The Executive Board assessed the recoverability of this receivable at low level due to the PVTSJSC’s difficult situation in business and operations and made provisions for the entire amount.

9. BAD DEBTS

	Closing balance VND		Opening balance VND	
	Cost	Recoverable amount	Cost	Recoverable amount
PetroVietnam Trade and Services JSC	109,993,267,289	-	110,043,267,289	-
- <i>investment trust principal</i>	101,547,868,000	-	101,597,868,000	-
- <i>Investment trust interest receivable</i>	8,445,399,289	-	8,445,399,289	-
Vietnam Petrochemical and Fiber JSC	274,210,209,298	835,463,228	115,630,049,443	1,545,947,178
- <i>Receivables relating to guarantee</i>	266,367,097,158	-	107,786,937,303	-
- <i>Other receivables</i>	7,843,112,140	835,463,228	7,843,112,140	1,545,947,178
	384,203,476,587	835,463,228	225,673,316,732	1,545,947,178
Provision for short-term doubtful debts	383,368,013,359		224,127,369,554	

The recoverable amount is determined at cost less the provisions for doubtful debts made.

10. INVENTORIES

	Closing balance VND		Opening balance VND	
	Cost	Provision	Cost	Provision
a. Inventories				
Goods in transit	139,685,656,142	-	70,606,174,026	-
Raw materials	450,474,860,815	(4,211,883)	309,731,169,770	(73,056,320)
Tools and supplies	3,318,219,366	-	7,276,696,097	-
Work in progress	19,264,251,889	-	75,591,581,221	-
Finished goods	942,280,185,563	-	1,212,216,519,901	(30,883,284,630)
Merchandise	176,311,582,461	(645,712,592)	266,686,933,735	(312,126,586)
	1,731,334,756,236	(649,924,475)	1,942,109,074,750	(31,268,467,536)
b. Long-term reserved spare parts	128,013,698,990	-	129,152,858,473	-

During the year, an amount of VND 68,844,437 (prior year: VND 217,206,678) was reversed for devaluation of raw materials because the Corporation has used and sold some raw materials which had been made provision in the previous year.

During the year, an amount of VND 30,883,284,630 (prior year: VND 31,195,411,216) was reversed for devaluation of finished goods as the estimated net realised amount was higher than the cost of these inventories.

During the year, an amount of VND 333,586,006 (prior year: reversed for VND 139,240,804,049) was made provision for devaluation of merchandise as the estimated net realised amount was lower than the cost of these inventories.

11. PREPAYMENTS

	Closing balance VND	Opening balance VND
a. Current		
Insurance premiums	6,029,512,339	5,654,446,620
Tools and supplies issued for use awaiting allocation	486,973,306	4,395,293,493
Cost of hardware and software support services	185,723,019	10,650,109,221
Office repair expenses	-	3,168,037,052
Others	2,145,321,541	10,110,479,671
	8,847,530,205	33,978,366,057
b. Non-current		
Tools and supplies issued for use awaiting allocation	18,838,234,364	22,592,700,959
Office repair expenses	15,074,142,178	-
Land and office rentals	7,619,742,931	10,364,224,313
Others	25,907,583,211	24,659,736,157
	67,439,702,684	57,616,661,429

12. DEFERRED TAX ASSETS

Deferred tax assets related to deductible temporary differences and unused taxable losses were detailed as below:

	Closing balance VND	Opening balance VND
Accrued expenses not yet billed	54,210,602,236	35,969,702,213
Unrealized profit	2,140,992,966	2,027,636,208
Unused taxable losses	-	11,121,121,549
Others	41,228,457,710	10,863,034,157
	97,580,052,912	59,981,494,127

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

13. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
COST						
Opening balance	2,384,536,207,719	8,201,928,995,827	95,865,490,744	266,855,312,776	625,629,717,888	11,574,815,724,954
Additions	1,130,722,267	12,392,461,068	11,301,622,220	19,487,015,544	343,634,223	44,655,455,322
Transfer from construction in progress	7,349,584,812	10,539,014,694	-	-	5,657,709,980	23,546,309,486
Disposals	-	(1,454,919,333)	(4,543,126,444)	(4,026,502,392)	-	(10,024,548,169)
Reclassified	-	165,000,000	-	(165,000,000)	-	-
Closing balance	2,393,016,514,798	8,223,570,552,256	102,623,986,520	282,150,825,928	631,631,062,091	11,632,992,941,593
ACCUMULATED DEPRECIATION						
Opening balance	1,722,856,979,618	6,912,081,872,887	77,553,365,260	223,229,742,374	484,895,112,286	9,420,617,072,425
Charge for the year	81,979,125,061	242,330,028,932	5,527,379,875	21,617,600,139	18,832,784,760	370,286,918,767
Disposals	-	(1,454,919,333)	(4,543,126,444)	(4,026,502,375)	-	(10,024,548,152)
Reclassified	-	96,093,931	-	(96,093,931)	-	-
Closing balance	1,804,836,104,679	7,153,053,076,417	78,537,618,691	240,724,746,207	503,727,897,046	9,780,879,443,040
NET BOOK VALUE						
Opening balance	661,679,228,101	1,289,847,122,940	18,312,125,484	43,625,570,402	140,734,605,602	2,154,198,652,529
Closing balance	588,180,410,119	1,070,517,475,839	24,086,367,829	41,426,079,721	127,903,165,045	1,852,113,498,553

The cost of the Corporation's tangible fixed assets as at 31 December 2024 includes VND 7,422,055,143,386 (as at 31 December 2023: VND 7,303,692,228,644) of tangible fixed assets which have been fully depreciated but are still in use.

14. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights VND	Copy right VND	Computer software VND	Others VND	Total VND
COST					
Opening balance	863,853,207,162	159,315,893,074	124,443,757,903	34,486,794,395	1,182,099,652,534
Additions	36,342,070,618	-	1,877,954,840	510,000,000	38,730,025,458
Closing balance	900,195,277,780	159,315,893,074	126,321,712,743	34,996,794,395	1,220,829,677,992
ACCUMULATED AMORTISATION					
Opening balance	59,423,935,740	159,315,893,074	114,556,463,660	14,556,224,296	347,852,516,770
Charge for the year	5,908,407,570	-	4,195,452,857	3,764,448,228	13,868,308,655
Closing balance	65,332,343,310	159,315,893,074	118,751,916,517	18,320,672,524	361,720,825,425
NET BOOK VALUE					
Opening balance	804,429,271,422	-	9,887,294,243	19,930,570,099	834,247,135,764
Closing balance	834,862,934,470	-	7,569,796,226	16,676,121,871	859,108,852,567

The cost of the Corporation's intangible assets as at 31 December 2024 includes VND 283,220,544,909 (as at 31 December 2023: VND 267,715,462,572) of intangible assets which have been fully amortized but are still in use.

As presented in Note 24, Southwest Petrochemical and Fertilizer Joint Stock Company - a subsidiary of the Corporation has used the Certificate of land use rights, house use rights and other assets attached to land at No. 151/18 Tran Hoang Na, Hung Loi ward, Ninh Kieu district, Can Tho city as collateral for the loan at Vietnam Joint Stock Commercial Bank for Foreign Trade - Can Tho Branch.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. INCREASES, DECREASES IN INVESTMENT PROPERTIES

	Land use rights VND	Buildings and structures VND	Total VND
COST			
Opening balance	99,499,152,000	218,454,390,202	317,953,542,202
Closing balance	99,499,152,000	218,454,390,202	317,953,542,202
ACCUMULATED DEPRECIATION			
Opening balance	13,681,075,533	113,815,821,098	127,496,896,631
Charge for the year	1,005,683,040	8,678,063,921	9,683,746,961
Closing balance	14,686,758,573	122,493,885,019	137,180,643,592
NET BOOK VALUE			
Opening balance	85,818,076,467	104,638,569,104	190,456,645,571
Closing balance	84,812,393,427	95,960,505,183	180,772,898,610

List of investment properties

Closing balance VND				Opening balance VND		
	Cost	Accumulated Depreciation	Carrying amount	Cost	Accumulated Depreciation	Carrying amount
Dong Tay Building at No 27 Dinh Bo Linh Street, Ho Chi Minh City	90,358,442,144	25,683,588,643	64,674,853,501	90,358,442,144	24,097,962,643	66,260,479,501
Cuu Long Supermarket and Office Building in Ca Mau Province	157,460,134,120	77,594,655,574	79,865,478,546	157,460,134,120	72,301,933,250	85,158,200,870
PVFCCo Building at No 43 Mac Dinh Chi Street, Ho Chi Minh City	70,134,965,938	33,902,399,375	36,232,566,563	70,134,965,938	31,097,000,738	39,037,965,200
	317,953,542,202	137,180,643,592	180,772,898,610	317,953,542,202	127,496,896,631	190,456,645,571

Fair value of investment properties

According to VAS No. 05 - Investment Properties, fair value of investment properties at the consolidated balance sheet date is required to be disclosed. However, the Corporation has not determined the fair value as at 31 December 2024; therefore, no information about the fair value of investment properties is stated at the Notes to the consolidated financial statements. In order to determine the fair value, the Corporation would require an independent consultancy company to perform the valuation. At present, the Corporation has not found a suitable consultancy company yet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

	Opening balance VND	Receivable/ Payable during the year VND	Received/Paid during the year VND	Closing balance VND
Value added tax	1,672,755,904	28,798,155,806	28,345,670,411	2,125,241,299
- VAT on domestic goods	1,672,755,904	13,723,409,876	13,270,924,481	2,125,241,299
- VAT on imports	-	15,074,745,930	15,074,745,930	-
Import-export duties	-	82,937,175,883	82,937,175,883	-
Corporate income tax	(38,878,958,703)	153,021,490,922	64,714,670,264	49,427,861,955
Personal income tax	1,596,934,303	76,874,021,375	72,118,677,064	6,352,278,614
Natural resource tax	330,451,200	3,886,810,080	3,883,183,440	334,077,840
Environmental protection tax and other taxes	119,763,601	5,729,514,964	5,834,528,565	14,750,000
- Environmental protection tax	119,763,601	109,059,899	214,073,500	14,750,000
- Property tax and land rental	-	5,241,716,227	5,241,716,227	-
- Other taxes	-	378,738,838	378,738,838	-
	(35,159,053,695)	351,247,169,030	257,833,905,627	58,254,209,708
In which:				
Taxes and other receivables from the State budget	41,286,177,485			-
Includes:				
- Corporate income tax at the Holding of the Corporation	35,961,294,531			-
- Corporate income tax at subsidiaries	3,755,565,433			-
- Personal income tax at Phu My Fertilizer Plant	1,569,317,521			-
Taxes and amounts payables to the State budget	6,127,123,790			58,254,209,708

17. CONSTRUCTION IN PROGRESS

	Closing balance VND	Opening balance VND
Tay Ninh warehouse	29,132,052,943	29,120,068,273
NH3 and NPK project	-	137,760,601,166
Warehouse containing 20,000 tons NPK fertilizer finished goods	-	11,365,026,465
Other projects	60,300,234,313	83,080,569,130
	89,432,287,256	261,326,265,034

18. INVESTMENTS IN ASSOCIATES

	Closing balance VND			Opening balance VND		
	Historical cost	Amount according to the equity method	Fair value	Historical cost	Amount according to the equity method	Fair value
Dam Phu My Packaging Joint Stock Company (i)	18,203,000,000	30,589,383,462	24,574,050,000	18,203,000,000	29,759,983,256	22,571,720,000
Petro Vietnam Urban Development JSC	562,700,000,000	-	(ii)	562,700,000,000	-	(ii)
Vietnam Petro chemical and Fiber JSC	100,000,000,000	-	(ii)	100,000,000,000	-	(ii)
	680,903,000,000	30,589,383,462	24,574,050,000	680,903,000,000	29,759,983,256	22,571,720,000

- (i) The Corporation has determined the fair value of the investment in Dam Phu My Packaging Joint Stock Company based on the the closing price on the lastest trading day prior to the end of financial year of their shares on the stock exchange and the number of shares currently held by the Corporation.
- (ii) The Corporation was unable to determine the fair value of investments in these associates as at the balance sheet date since there is no comprehensive guidance of relevant prevailing regulations on determination of fair value on these financial investments.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Movements in investments in associates are as follows:

	Closing balance VND	Opening balance VND
Opening balance	29,759,983,256	29,279,430,994
Share of net profit from associates	2,649,700,205	2,664,912,263
Dividends	(1,820,300,000)	(2,184,360,000)
Other adjustments	1	(1)
Closing balance	30,589,383,462	29,759,983,256

19. SHORT-TERM TRADE PAYABLES

	Closing balance VND	Opening balance VND
	Amount/ Amount able to be paid off	Amount/ Amount able to be paid off
a. Short-term trade payables which are not from related parties		
Technip Italy S.p.A	6,241,005,205	13,896,504,050
Green Leaf International Company Limited	6,644,636,920	6,329,324,980
CMC Technology and Solution Company Limited	-	6,854,085,000
Others	158,466,644,750	182,426,883,186
	171,352,286,875	209,506,797,216
b. Short-term trade payables to related parties (Details stated in Note 36)	519,675,248,748	558,935,632,274
	519,675,248,748	558,935,632,274
Total	691,027,535,623	768,442,429,490

20. SHORT-TERM ADVANCES FROM CUSTOMERS

	Closing balance VND	Opening balance VND
a. Short-term advances from customers which are not from related parties		
Minh Tan Fertilizer Import Export Joint Stock Company	78,006,999,022	-
Hanwa Co.,Ltd.	35,653,213,200	-
VTNN Hung Thanh Company Limited	12,331,417,552	10,740,883,320
Lucky Horse Trading Co.,Ltd	11,578,660,000	7,327,222,000
Minh Dung Trading and Service Company Limited	7,518,612,500	-
Tuan Vu Fertilizer Commercial Services Company Limited	2,275,346,000	5,571,438,090
Ameropa Asia Pte., Ltd	-	9,736,400,000
Brio Agrochem Pte., Ltd	-	8,738,495,360
Forplas Industry Limited	-	7,076,580,000
Others	69,525,328,319	75,054,712,112
	216,889,576,593	124,245,730,882
b. Short-term advances from related parties (Details stated in Note 36)	-	66,625,000
	-	66,625,000
Total	216,889,576,593	124,312,355,882

21. SHORT-TERM ACCRUED EXPENSES

	Closing balance VND	Opening balance VND
Safety and production standards bonus	23,777,542,365	16,439,656,286
Transportation and loading expenses	11,928,929,510	10,295,791,956
Gas expenses	10,765,237,444	3,725,626,697
Insurance premium	9,915,561,911	3,972,551,554
Accrued interest	1,758,225,163	-
Accruals for construction in progress	-	106,797,556,696
Other accruals	63,710,484,305	98,283,686,691
	121,855,980,698	239,514,869,880

In which:

Short-term accruals with related parties

(Details stated in Note 36)	30,264,759,363	74,714,781,807
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22. OTHER PAYABLES

	Closing balance VND	Opening balance VND
a. Current		
Payable to Vietnam Oil and Gas Group relating to guarantee obligation (Details stated in Note 35)	127,619,090,471	-
Dividend payables	27,927,718,759	36,212,473,534
Short-term deposits received	8,183,464,932	7,558,772,997
Others	24,785,681,180	28,069,629,663
	188,515,955,342	71,840,876,194

In which:

**Other short-term payables to related parties
(Details stated in Note 36)**

	129,974,954,783	2,242,515,552
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b. Non-current

Long-term deposits received	2,807,058,000	2,219,808,500
	2,807,058,000	2,219,808,500

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

23. PROVISIONS

a. Short-term payable provisions

	Provision for maintenance costs for Gas Turbine VND	Provision for repair and maintenance costs for Phu My Fertilizer Plant VND	Total VND
Opening balance	8,176,000,000	-	8,176,000,000
Additional appropriation of provision for the year	14,839,522,162	-	14,839,522,162
Utilisation of provisions	(23,015,522,162)	-	(23,015,522,162)
Reclassification	-	253,973,730,976	253,973,730,976
Closing balance	-	253,973,730,976	253,973,730,976

b. Long-term payable provisions

	Provision for repair and maintenance costs for Phu My Fertilizer Plant VND
Opening balance	102,177,312,389
Additional appropriation of provision for the year	153,265,968,587
Utilisation of provisions	(1,469,550,000)
Reclassification	(253,973,730,976)
Closing balance	-

24. SHORT-TERM LOANS

	Opening balance VND		In the year VND		Closing balance VND	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh City Branch (i)	-	-	2,286,345,560,776	685,511,113,500	1,600,834,447,276	1,600,834,447,276
Joint Stock Commercial Bank for Investment and Development of Vietnam - Hoan Kiem Branch (ii)	-	-	1,525,241,275,879	892,000,000,000	633,241,275,879	633,241,275,879
Joint Stock Commercial Bank for Industry and Trade of Vietnam - Branch 7, Ho Chi Minh City (iii)	-	-	841,055,139,874	69,000,000,000	772,055,139,874	772,055,139,874
Southeast Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch (iv)	-	-	400,000,000,000	-	400,000,000,000	400,000,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Can Tho Branch (v)	-	-	283,970,000,000	268,075,000,000	15,895,000,000	15,895,000,000
	-	-	5,336,611,976,529	1,914,586,113,500	3,422,025,863,029	3,422,025,863,029

- (i) Representing short-term loans from Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh City Branch under credit contract No. 25/627354/24-DN1/N-CTD dated 4 April 2024 for the purpose of supplementing working capital for business operations. The loan has a maximum credit limit of VND 2,000,000,000,000 and the effective term of the credit limit is 12 months from the date of signing the Contract. This loan is unsecured, with the term not exceeding 6 months at the floating interest rate determined at the time of loan disbursement. The interest rate applied during the year is from 2.6%/year to 3.6%/year.

(ii) Representing short-term loans from Joint Stock Commercial Bank for Investment and Development of Vietnam - Hoan Kiem Branch under credit contract No. 01/2024/4167608/HDTD dated 10 April 2024, amendments and supplements for the purpose of supplementing working capital for business operations. The loan has a maximum credit limit of VND 1,500,000,000,000 and the effective term of the credit limit is until 31 March 2025. This loan is unsecured, with the term not exceeding 6 months at the floating interest rate determined at the time of loan disbursement. The interest rate applied during the year is from 2.8%/year to 3.9%/year.
- (iii) Representing short-term loans from Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 7, Ho Chi Minh City under credit contract No. 0311/2024-HDCVHM/NHCT924-DPM dated 28 March 2024 for the purpose of supplementing working capital for business operations. The loan has a maximum credit limit of VND 1,000,000,000,000 and the effective term of the credit limit is 12 months from the date of signing the Contract. This loan is unsecured, with the term not exceeding 6 months at the floating interest rate determined at the time of loan disbursement. The interest rate applied during the year is from 2.5%/year to 3.9%/year.

(iv) Representing Southeast Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch under credit contract No. 24/2024/HĐTD-NH/TTKD dated 25 September 2024 with loan amount of VND 400,000,000,000 for the purpose of paying gas expenses. The loan bears an applicable interest rate of 2.6%/year with a term of 5 months from the date of debt receipt and is secured by the Company's 6-month term deposits at Southeast Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch with a total value of VND 400,000,000,000 (see Note 05).

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(v) Representing Joint Stock Commercial Bank for Foreign Trade of Vietnam - Can Tho Branch with a limit of VND 90,000,000,000 according to the limit loan contract No. 65/DN/HM/2024 dated 17 July 2024 and the appendix No. 01 dated 15 October 2024. The loan is used to finance legal, reasonable and valid short-term credit needs for production and business activities. The limit is maintained until the end of 17 July 2025. The loan term is no more than 3 months from the date of debt receipt. The interest rate is specified in each debt receipt at 4.3%/year. Interest will be paid on the 26th of each month. The credit facility is secured by the Certificate of land use rights, house use rights and other assets attached to land at address 151/18 Tran Hoang Na, Hung Loi ward, Ninh Kieu district, Can Tho city (see Note 14).

25. OWNERS' EQUITY

Changes in owners' equity

	Owners' contributed capital VND	Share premium VND	Treasury shares VND	Investment and development fund VND	Retained earnings VND	Subtotal VND	Non-controlling interests VND	Total VND
Prior year's opening balance	3,914,000,000,000	21,179,913,858	(2,296,824,120)	3,497,039,984,859	6,401,099,929,390	13,831,023,003,987	186,415,760,581	14,017,438,764,568
Profit for the year	-	-	-	-	519,466,561,842	519,466,561,842	10,350,358,680	529,816,920,522
Distributions to	-	-	-	1,102,139,517,511	(1,102,139,517,511)	-	-	-
Distributions to bonus and welfare funds	-	-	-	-	(240,143,117,072)	(240,143,117,072)	(2,357,372,358)	(242,500,489,430)
Dividends paid by cash	-	-	-	-	(2,739,339,820,000)	(2,739,339,820,000)	(19,612,500,000)	(2,758,952,320,000)
Other decreases	-	-	-	-	(603,101,816)	(603,101,816)	-	(603,101,816)
Prior year's dosing balance	3,914,000,000,000	21,179,913,858	(2,296,824,120)	4,599,179,502,370	2,838,340,934,833	11,370,403,526,941	174,796,246,903	11,545,199,773,844
Current year's opening balance	3,914,000,000,000	21,179,913,858	(2,296,824,120)	4,599,179,502,370	2,838,340,934,833	11,370,403,526,941	174,796,246,903	11,545,199,773,844
Profit for the year	-	-	-	-	537,763,664,155	537,763,664,155	16,502,877,343	554,266,541,498
Distributions to bonus and welfare funds (i)	-	-	-	-	(123,067,031,308)	(123,067,031,308)	(3,369,343,765)	(126,436,375,073)
Dividends paid by cash (ii)	-	-	-	-	(782,668,520,000)	(782,668,520,000)	(10,525,000,000)	(793,193,520,000)
Current year's dosing balance	3,914,000,000,000	21,179,913,858	(2,296,824,120)	4,599,179,502,370	2,470,369,047,680	11,002,431,639,788	177,404,780,481	11,179,836,420,269

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(i) During the year, the Corporation and its subsidiaries officially and provisionally allocated the 2023 and 2024 retained earnings to the Bonus and welfare funds according to their Resolutions of the General Meeting of Shareholders. Details are as follows:

Company	Resolution	Amount VND	In which	
			Retained earnings for 2023 VND	From profit in 2024 VND
PetroVietnam Fertilizer and Chemicals Corporation	Resolution No. 62/NQ-DHDCD dated 29 March 2024	112,959,000,000	6,959,000,000	106,000,000,000
Northern PetroVietnam Fertilizer and Chemicals JSC	Resolution No. 37/NQ-DHDCD dated 22 April 2024	2,186,192,141	16,958,377	2,169,233,764
Central PetroVietnam Fertilizer and Chemicals JSC	Resolution No. 46/NQ-DHDCD dated 05 April 2024	5,543,763,019	-	5,543,763,019
SouthEast PetroVietnam Fertilizer and Chemicals JSC	Resolution No. 34/NQ-DHDCD dated 10 April 2024	3,856,587,260	-	3,856,587,260
SouthWest PetroVietnam Fertilizer and Chemicals JSC	Resolution No. 05/NQ-DHDCD dated 12 April 2024	1,890,832,653	-	1,890,832,653
Total		126,436,375,073	6,975,958,377	119,460,416,696

(ii) During the year, the Corporation and its subsidiaries made dividend payment from profit after tax in 2023 under Resolution of Annual General Meeting of Shareholders. Details are as followings:

Company	Resolution	Description	Ex-Dividend Date	Amount VND
PetroVietnam Fertilizer and Chemicals Corporation	Resolution No. 62/NQ-DHDCD dated 29 March 2024 and Resolution No. 24-279/NQ-PBHC dated 09 August 2024	The dividend paid from the profit in 2023	22/8/2024	782,668,520,000
Northern PetroVietnam Fertilizer and Chemicals JSC	Resolution No. 37/NQ-DHDCD dated 22 April 2024	Dividend from profit after tax in 2023	15/8/2024	9,600,000,000
Central PetroVietnam Fertilizer and Chemicals JSC	Resolution No. 46/NQ-DHDCD dated 05 April 2024	Dividend from profit after tax in 2023	04/9/2024	14,000,000,000
SouthEast PetroVietnam Fertilizer and Chemicals JSC	Resolution No. 74/NQ-DNB dated 06 September 2024	Dividend from profit after tax in 2023	17/9/2024	10,000,000,000
SouthWest PetroVietnam Fertilizer and Chemicals JSC	Resolution No. 09/NQ-TNB dated 13 August 2024	Dividend from profit after tax in 2023	05/9/2024	8,500,000,000
Total				824,768,520,000
<i>In which:</i>				
- Dividends to Owners				782,668,520,000
- Subsidiaries paid dividends to the Parent Company eliminated from the consolidated financial statements				31,575,000,000
- Dividends to Non-controlling interests				10,525,000,000

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Shares	Closing balance	Opening balance
	Share	Share
Number of shares issued to the public	391,400,000	391,400,000
Ordinary shares	391,400,000	391,400,000
Number of treasury shares	65,740	65,740
Ordinary shares	65,740	65,740
Number of outstanding shares in circulation	391,334,260	391,334,260
Ordinary shares	391,334,260	391,334,260

A common share has par value of VND 10,000.

Charter capital

According to Enterprise Registration Certificate No. 4103007696 with the latest amendment dated 16 February 2024 issued by the Department of Planning and Investment of Ho Chi Minh City, the Corporation's charter capital is VND 3,914,000,000,000. The charter capital was fully contributed by the shareholders as at 31 December 2024 as follows:

Contributed capital				
Shareholders	Closing balance		Opening balance	
	Number of shares	%	Number of shares	%
Vietnam Oil and Gas Group	233,204,253	59.58	233,204,253	59.58
Others	158,130,007	40.40	158,130,007	40.40
	391,334,260	99.98	391,334,260	99.98
Treasury shares	65,740	0.02	65,740	0.02
	391,400,000	100.00	391,400,000	100.00

26. OFF BALANCE SHEET ITEMS

Foreign currencies

	Closing balance	Opening balance
United States Dollar (USD)	13,345,293	5,341,665
Euro (EUR)	32,629	32,547

Operating lease assets

	Closing balance VND	Opening balance VND
Minimum lease payment in the future under non-cancellable operating lease under the following terms:		
Within one year	24,301,530,549	23,225,837,580
In the second to fifth year inclusive	97,206,122,196	90,278,317,080
After five years	461,729,080,431	473,961,164,670
	583,236,733,176	587,465,319,330

Operating lease commitment of the Corporation is land and office rentals. On 03 September 2005, the Corporation was handed over Land-subleasing contract No. 178/HD/TLD/UDEC.2001 dated 01 June 2001 signed between the Project Management Unit (PMU) of Dam Phu My Plant and Ba Ria-Vung Tau Urban Development and Construction Company for the long-term lease of land and infrastructure in Phu My I Industrial Zone, Tan Thanh district, Ba Ria - Vung Tau province. The contract is valid for 17 years from 03 September 2004. According to land sub-lease contract No. 46/HD/TLD/IZICO-PVFCCo signed on 23 December 2021, from 2022 onwards, the Corporation has to pay the annual fee for leasing land and using infrastructure in VND with an amount equivalent to USD 1.046,208.90 on every 15 February. Lease term is from 23 December 2021 to 20 October 2048.

Bad debts written off

	Closing balance VND	Opening balance VND
Ngoc Lan Production Trade Company Limited	9,153,800,000	9,153,800,000

Goods that subsidiaries hold for third parties

	Unit	Closing balance	Opening balance
Northern PetroVietnam Fertilizer and Chemicals JSC	Ton	15,257.90	25,653.75
Central PetroVietnam Fertilizer and Chemicals JSC	Ton	14,123.45	10,385.30
SouthEast PetroVietnam Fertilizer and Chemicals JSC	Ton	14,085.15	-
SouthWest PetroVietnam Fertilizer and Chemicals JSC	Ton	19,527.60	45,118.08
		62,994.10	81,157.13

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

27. BUSINESS AND GEOGRAPHICAL SEGMENTS

The Corporation’s principal activities are production and trade of fertilizers used in agriculture. Accordingly, the information as presented in the consolidated balance sheet as at 31 December 2024 and the revenue, expenses as presented in the consolidated income statement for the year ended 31 December 2024 relate only to the production of trade and in fertilizers. Revenue and cost of sales by product line and business activity are presented in Note 28.

The Corporation distributes fertilizer, chemicals, packages, and provides services throughout the country via its subsidiaries in each region, including the North, Central Region - Central Highlands, Southeast, Southwest and Ho Chi Minh City. During the year, the Corporation exported fertilizers with the revenue accounting for less than 12% of gross revenue from goods sold and services rendered of the Corporation. Thus, almost all business and operating activities of the Corporation during the year were carried out within the territory of Vietnam.

	Current year VND	Prior year VND
Sales of merchandise and services		
Exported-sales	11,925,878,386,592	12,570,613,462,674
Domestic sales	1,570,263,837,111	998,572,055,737
Gross profit	13,496,142,223,703	13,569,185,518,411
Cost of sales of merchandise and services		
Exported Cost of good sold	10,267,373,284,941	11,069,841,974,719
Domestic Cost of good sold	1,330,637,388,624	847,596,657,158
Gross profit	11,598,010,673,565	11,917,438,631,877

28. REVENUE AND COST OF SALES

	Locally-produced products VND	Imported and domestically purchased goods VND	Total VND
Current year			
Net revenue	11,588,458,533,595	1,907,683,690,108	13,496,142,223,703
Cost of sales	(9,746,467,271,738)	(1,851,543,401,827)	(11,598,010,673,565)
Gross profit	1,841,991,261,857	56,140,288,281	1,898,131,550,138
Prior year			
Net revenue	11,424,950,950,742	2,144,234,567,669	13,569,185,518,411
Cost of sales	(9,711,667,181,730)	(2,205,771,450,147)	(11,917,438,631,877)
Gross profit	1,713,283,769,012	(61,536,882,478)	1,651,746,886,534

Details of revenue from trading locally-produced products are as follows:

	Current year VND	Prior year VND
Revenue from sale of merchandise and services		
Sales of fertilizers	10,890,954,163,389	10,695,632,321,267
Sales of chemicals	815,503,580,315	840,512,835,832
Others	42,643,980,801	37,553,125,063
	11,749,101,724,505	11,573,698,282,162
Deductions		
Sales discount	160,643,190,910	148,747,331,420
	160,643,190,910	148,747,331,420
Net revenue of merchandise and services	11,588,458,533,595	11,424,950,950,742

Details of cost of sales with regard to trade in locally-produced products are as follows:

	Current year VND	Prior year VND
Cost of fertilizers	8,981,253,406,235	9,002,866,360,466
Cost of chemicals	749,638,388,948	683,418,843,329
Others	15,575,476,555	25,381,977,935
	9,746,467,271,738	9,711,667,181,730

Details of revenue from trading imported goods and proprietary trading are as follows:

	Current year VND	Prior year VND
Sales of merchandise		
Sales of fertilizers	1,842,874,131,214	2,046,692,657,975
Sales of chemicals	65,055,320,909	99,119,072,194
	1,907,929,452,123	2,145,811,730,169
Deductions		
Sales discount	245,762,015	1,577,162,500
	245,762,015	1,577,162,500
Net revenue of merchandise and services	1,907,683,690,108	2,144,234,567,669

Details of cost of sales with regard to trade of imported goods and proprietary trading are as follows:

	Current year VND	Prior year VND
Cost of fertilizers	1,792,309,800,597	2,112,384,354,193
Cost of chemicals	59,233,601,230	93,387,095,954
	1,851,543,401,827	2,205,771,450,147

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

29. PRODUCTION COST BY NATURE

	Current year VND	Prior year VND
Raw materials and consumables	7,858,251,120,893	6,871,144,247,415
Labour	706,262,620,951	598,801,329,925
Depreciation of fixed assets and investment properties and amortisation of fixed assets	393,838,974,383	403,299,073,758
Provision expenses	976,120,439,252	972,240,458,737
Out-sourced services	317,946,799,462	1,945,008,673
Other monetary expenses	358,488,838,472	651,985,001,608
	10,610,908,793,413	9,499,415,120,116

30. FINANCIAL INCOME

	Current year VND	Prior year VND
Bank interest	337,526,535,775	443,628,158,336
Foreign exchange gain	26,151,127,897	8,118,651,893
Dividends and profits received	5,465,450,660	5,829,359,998
	369,143,114,332	457,576,170,227

31. FINANCIAL EXPENSES

	Current year VND	Prior year VND
Interest expense	47,838,183,679	50,638,299,383
Foreign exchange loss	17,104,417,056	11,396,915,667
Additional provision for impairment of long-term investments	-	8,888,624,631
Others	86,084,000	233,998,988
	65,028,684,735	71,157,838,669

32. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current year VND	Prior year VND
Selling expenses		
Transportation, loading, unloading and storages	301,629,650,214	310,648,973,160
Social security, advertisement and marketing	276,678,466,963	277,991,474,962
Salary and other benefits for sale staff	107,455,931,193	96,768,673,993
Others	151,444,374,884	163,035,216,029
	837,208,423,254	848,444,338,144
General and administration expenses		
Administration staff costs	209,185,530,093	189,813,835,005
Provision for doubtful debts	159,240,643,805	(145,704,205)
Depreciation and amortisation	37,749,197,778	33,553,552,368
Others	296,635,887,209	279,132,938,836
	702,811,258,885	502,354,622,004

33. CORPORATE INCOME TAX EXPENSE

Current corporate income tax

	Current year VND	Prior year VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current year	152,479,742,445	8,905,364,717
Corporate income tax expense based on taxable profit in the current year	183,851,940	24,328,423,358
Total current corporate income tax expense	152,663,594,385	33,233,788,075

Deferred corporate tax

	Current year VND	Prior year VND
Deferred corporate tax (income)/expense		
Deductible temporary differences	(18,240,900,023)	126,857,133,853
Taxable losses and tax incentives not yet applied	11,121,121,549	(11,121,121,549)
Deferred income tax expense arising from unrealized profits and others	(30,478,780,311)	12,179,807,792
Total deferred corporate tax (income)/expense	(37,598,558,785)	127,915,820,096

34. BASIC EARNINGS PER SHARE

	Current year	Prior year (Restated)
Profit after corporate income tax (VND)	537,763,664,155	519,466,561,842
Decreasing adjustments to profit to determine profit attributable to ordinary shareholders:		
Distributions to bonus and welfare fund (VND)	(116,095,312,525)	(116,971,718,783)
Profit attributable to ordinary shareholders (VND)	421,668,351,630	402,494,843,059
Average ordinary shares in circulation for the year (shares)	391,334,260	391,334,260
Basic earnings per share (VND/share)	1,078	1,029

The bonus and welfare fund was appropriated based on estimation basis; therefore, basic earnings per shares for the year ended 31 December 2024 can be changed according to the Resolution of the General Meeting of Shareholders on distribution of profit for 2024.

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The basic earnings per share for the year ended at 31 December 2023 were restated due to the effect of the distribution of after-tax profit for 2023 under resolutions of the Corporation’s General Shareholders’ Meetings. Accordingly, the basic earnings per shares for 2023 were recalculated and distributed as follows:

	Reported amount	Restated amount
Profit after corporate income tax (VND)	519,466,561,842	519,466,561,842
Decreasing adjustments to profit to determine profit attributable to ordinary shareholders:	(116,576,894,479)	(116,971,718,783)
<i>Distributions to bonus and welfare fund (VND)</i>	<i>(116,576,894,479)</i>	<i>(116,971,718,783)</i>
Profit attributable to ordinary shareholders (VND)	402,889,667,363	402,494,843,059
Average ordinary shares in circulation for the year (shares)	391,334,260	391,334,260
Basic earnings per share (VND/share)	1,030	1,029

35. COMMITMENT

On 06 March 2015, the Corporation and Vietnam Oil and Gas Group (“the Group”) signed the Agreement No. 141/2015/PVFCCo/TCKT-PVN/D_NVBL on the performance of the guarantee obligation for Dinh Vu Petrochemical and Fiber Joint Stock Company (currently know as Vietnam Petrochemical and Fiber Joint Stock Company (“VNPOLY”)) related to the Group’s guarantee commitment for loans to invest in the construction of Dinh Vu Polyester Fiber Factory of VNPOLY - an associate company of the Corporation. The principal balance of VNPOLY’s loan guaranteed by the Group is USD 221,322,242.93. The amount that the Corporation will pay the Group under the guarantee obligation is determined at the amount that the Group has paid on behalf of VNPOLY multiplied (x) by the Corporation’s shareholding rate in VNPOLY (25.99%). As at 31 December 2024, VNPOLY’s overdue loan principal balance is USD 73,109,451 and the remaining USD 123,842,974.93 is not yet due.

During 2024, the Group issued Official Dispatches notifying the Corporation of its guarantee obligation for 20 periods until 21 September 2028 of USD 25,334,317.47 for VNPOLY’s overdue principal balance of USD 97,479,268 and requesting the Corporation to refund the Group with a total amount of USD 6,333,579.35 (equivalent to VND 158,580,159,855), corresponding to 25.99% of the amount the Group paid 5 periods on behalf of VNPOLY. Accordingly, the Corporation has recorded this amount as a payable to the Group and another receivable from VNPOLY (details stated in Note 08) according to the agreement between the parties. As of 31 December 2024, the Corporation has paid the Group an amount of USD 1,266,715.87 (equivalent to VND 30,961,069,384) and still has to pay the Group an amount of VND 127,619,090,471 (details stated in Note 22).

36. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties with significant transactions and balances during the year:

Related parties	Relationship
Vietnam Oil and Gas Group	Parent company
Dam Phu My Packaging Joint Stock Company	Associates
Vietnam Petrochemical and Fiber JSC	Associates
Vietnam Petroleum Institute	Company under Vietnam Oil and Gas Group
Petro Vietnam Gas Joint Stock Corporation	Company under Vietnam Oil and Gas Group
Petro Vietnam Chemical and Services Corporation	Company under Vietnam Oil and Gas Group
Petro Vietnam Transportation Corporation	Company under Vietnam Oil and Gas Group
PetroVietnam Technical Services Corporation	Company under Vietnam Oil and Gas Group
Vietnam Public Joint Stock Commercial Bank	Company under Vietnam Oil and Gas Group
Vietsovpetro Joint Venture	Company under Vietnam Oil and Gas Group
PVD Trading and Technical Services Joint Stock Company	Company under Vietnam Oil and Gas Group
PVI Holdings	Company under Vietnam Oil and Gas Group
Petro Vietnam Ca Mau Fertilizer Joint Stock Company	Company under Vietnam Oil and Gas Group
Petro Power Renewable Energy Joint Stock Company	Company under Vietnam Oil and Gas Group
PTSC Thanh Hoa Port JSC	Company under Vietnam Oil and Gas Group
Petro Vietnam Security Service Joint Stock Company	Company under Vietnam Oil and Gas Group
PetroVietnam Trade Union Finance Investment Corporation	Company under Vietnam Oil and Gas Group
PetroVietnam Securities Incorporation	Company under Vietnam Oil and Gas Group
PTSC Phu My Port Joint Stock Company	Company under Vietnam Oil and Gas Group
PVD Technical Training and Certification JSC	Company under Vietnam Oil and Gas Group
Pvchem Drilling Mud and Services Company Ltd	Company under Vietnam Oil and Gas Group
Petrosetco Assets Management Joint Stock Company (Hanoi)	Company under Vietnam Oil and Gas Group
Petrovietnam Oil Vung Tau Joint Stock Company	Company under Vietnam Oil and Gas Group
Binh Son Refining and Petrochemical Joint Stock Company	Company under Vietnam Oil and Gas Group
Petrosetco Vung Tau General Services Joint Stock Company	Company under Vietnam Oil and Gas Group
Pvchem Industrial Technical Services Company Limited	Company under Vietnam Oil and Gas Group
Petrowaco Property Joint Stock Company	Company under Vietnam Oil and Gas Group
Petrovietnam Maintenance and Repair Corporation	Company under Vietnam Oil and Gas Group

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

During the year, the Corporation entered into the following significant transactions with its related parties:

	Current year VND	Prior year VND
Sales	144,636,330,675	261,371,413,081
Petro Vietnam Ca Mau Fertilizer Joint Stock Company	132,966,743,012	127,929,716,919
Petro Vietnam Gas Joint Stock Corporation	10,926,419,500	22,250,200,700
Petro Power Renewable Energy Joint Stock Company	631,685,913	100,680,947,618
PTSC Phu My Port Joint Stock Company	111,482,250	195,503,355
Vietsovpetro Joint Venture	-	9,915,044,489
PTSC Thanh Hoa Port JSC	-	400,000,000
Purchases	6,790,343,745,788	5,627,510,909,772
Petro Vietnam Gas Joint Stock Corporation	6,242,440,252,264	5,197,857,025,811
Dam Phu My Packaging Joint Stock Company	257,773,330,310	244,877,830,362
PVI Holdings	97,090,629,283	74,298,091,250
Vietnam Oil and Gas Group	68,890,282,200	61,109,286,358
Petro Vietnam Chemical and Services Corporation	64,050,991,322	2,171,985,286
PTSC Phu My Port Joint Stock Company	19,128,018,604	18,084,275,088
PVD Trading and Technical Services Joint Stock Company	11,434,750,000	-
Petro Vietnam Security Service Joint Stock Company	11,202,041,758	7,519,029,964
Pvchem Drilling Mud and Services Company Ltd	5,311,902,058	1,967,299,554
Petrosetco Assets Management Joint Stock Company (Hanoi)	5,274,120,727	1,538,400,400
Petro Vietnam Transportation Corporation	1,673,422,960	3,272,832,780
Petrosetco Vung Tau General Services Joint Stock Company	1,611,449,260	-
Petrovietnam Oil Vung Tau Joint Stock Company	1,496,158,265	1,270,947,280
Petrowaco Property Joint Stock Company	1,040,040,724	252,933,856
Vietnam Petrochemical and Fiber JSC	960,000,000	9,558,637,383
PVD Technical Training and Certification JSC	427,171,563	442,303,574
Vietnam Petroleum Institute	287,845,490	1,175,482,690
PetroVietnam Technical Services Corporation	251,339,000	481,734,500
Petro Vietnam Ca Mau Fertilizer Joint Stock Company	-	1,632,813,636
Dividends paid	466,408,506,000	1,632,098,664,756
Vietnam Oil and Gas Group	466,408,506,000	1,632,098,664,756
Deposit interest	7,747,794,520	10,003,609,590
Vietnam Public Joint Stock Commercial Bank	7,747,794,520	10,003,609,590
Other income	1,512,019,630	842,283,519
Petro Vietnam Ca Mau Fertilizer Joint Stock Company	1,512,019,630	842,283,519
Binh Son Refining and Petrochemical Joint Stock Company	1,226,930,741	-
PetroVietnam Technical Services Corporation	589,881,930	-
Dividends profits received	1,820,300,000	2,184,360,000
Dam Phu My Packaging Joint Stock Company	1,820,300,000	2,184,360,000
Loans paid	-	707,152,179,119
Vietnam Public Joint Stock Commercial Bank	-	707,152,179,119
Interest expenses	-	47,162,569,134
Vietnam Public Joint Stock Commercial Bank	-	47,162,569,134

Significant related party balances as at the balance sheet date were as follows:

	Closing balance VND	Opening balance VND
Short-term trade receivables	35,077,863,116	27,198,896,069
Petro Vietnam Ca Mau Fertilizer Joint Stock Company	32,048,231,131	19,670,906,460
Vietnam Petrochemical and Fiber JSC	1,420,967,900	1,420,967,900
Binh Son Refining and Petrochemical Joint Stock Company	1,325,085,200	-
Petro Vietnam Chemical and Services Corporation	172,480,000	-
Petro Power Renewable Energy Joint Stock Company	111,098,885	279,923,059
Petro Vietnam Gas Joint Stock Corporation	-	4,803,714,920
Vietsovpetro Joint Venture	-	1,003,850,000
Petro Vietnam Transportation Corporation	-	19,533,730
Short-term advances to suppliers	42,705,188,603	35,737,537,839
Dam Phu My Packaging Joint Stock Company	37,449,900,000	35,271,597,750
Petrosetco Vung Tau General Services Joint Stock Company	1,984,499,845	-
Petro Vietnam Chemical and Services Corporation	1,257,766,510	-
Petrovietnam Maintenance and Repair Corporation	976,800,000	-
Pvchem Industrial Technical Services Company Limited	715,481,184	-
Vietnam Oil and Gas Group	213,657,439	358,835,974
PetroVietnam Securities Incorporation	107,083,625	107,104,115
Other short-term receivables	384,885,919,646	225,470,431,024
Vietnam Petrochemical and Fiber JSC	272,789,241,398	114,209,081,543
PetroVietnam Trade Union Finance Investment Corporation	109,993,267,289	110,043,267,289
Vietnam Public Joint Stock Commercial Bank	2,103,410,959	1,218,082,192
Short-term trade payables	519,675,248,748	558,935,632,274
Petro Vietnam Gas Joint Stock Corporation	465,343,001,586	485,400,818,467
Dam Phu My Packaging Joint Stock Company	48,043,928,899	63,782,261,381
PTSC Phu My Port Joint Stock Company	3,427,348,215	1,708,113,736
Petrowaco Property Joint Stock Company	1,040,040,724	-
Petro Vietnam Security Service Joint Stock Company	1,006,506,517	-
Petrosetco Assets Management Joint Stock Company (Hanoi)	393,548,760	16,357,680
PVI Holdings	322,343,082	6,360,208,734
PetroVietnam Securities Incorporation	98,530,965	284,383,008
Vietnam Petrochemical and Fiber JSC	-	1,383,489,268
Other short-term payables	129,974,954,783	2,242,515,552
Vietnam Oil and Gas Group	127,619,090,471	-
Vietnam Petrochemical and Fiber JSC	2,355,864,312	2,242,515,552
Short-term advances from customers	-	66,625,000
PVI Holdings	-	66,625,000
Short-term accruals	30,264,759,363	74,714,781,807
Vietnam Oil and Gas Group	19,499,521,919	56,065,889,597
Petro Vietnam Gas Joint Stock Corporation	10,765,237,444	3,725,626,697
PetroVietnam Technical Services Corporation	-	14,923,265,513

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Remuneration of Executive Board, Board of Directors and Board of Supervisors paid during the year was as below:

	Current year VND	Prior year VND
Board of Directors		
Mr. Nguyen Xuan Hoa	1,034,655,238	-
Mr. Phan Cong Thanh	1,319,774,609	-
Mr. Trinh Van Khiem	1,811,569,993	1,642,081,715
Mr. Nguyen Ngoc Anh	881,947,000	109,481,454
Mr. Hoang Trong Dung	683,413,306	1,856,544,776
Mr. Duong Tri Hoi	998,276,101	1,733,053,856
Mr. Ho Quyet Thang	1,420,709,988	608,951,838
Mr. Le Cu Tan	654,488,819	1,889,993,078
Executive Board		
Mr. Phan Cong Thanh	(*)	(*)
Mr. Dao Van Ngoc	1,778,579,032	1,596,384,952
Ms. Tran Thi Phuong Thao	1,819,923,721	1,733,053,856
Mr. Ta Quang Huy	1,722,692,238	1,565,965,524
Mr. Vo Ngoc Phuong	1,650,013,731	1,572,343,719
Mr. Cao Trung Kien	1,415,001,469	1,671,906,909
Mr. Vu An	92,920,455	-
Mr. Le Van Quoc Viet	167,734,661	1,277,703,857
Ms. Le Thi Thu Huong	392,988,321	1,433,213,856
Board of Supervisors		
Mr. Huynh Kim Nhan	1,819,923,721	1,733,053,856
Mr. Luong Phuong	297,153,967	290,961,702
Ms. Tran Thi Phuong	1,148,620,982	500,179,022
Mr. Louis T.Nguyen	77,297,292	280,456,480
Mr. Le Vinh Van	196,777,383	1,085,525,407
	21,384,462,026	22,580,855,857

(*) Presented in the remuneration of the Board of Directors due to concurrent position.


Hoang Thi Lan Anh
Preparer


Le Hong Quan
Chief Accountant



Phan Cong Thanh
Chief Executive Officer

27 March 2025



Proud to be a member of Petrovietnam



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