

HABAC NITROGENOUS FERTILIZER  
& CHEMICALS JOINT STOCK  
COMPANY

SOCIALIST REPUBLIC OF VIETNAM  
**Independence - Freedom - Happiness**

No. *321* /ĐHB-KTTC

Subject: Explanation of 2024 business  
results.

*Bac Giang, date 11 month 3 year 2025*

**To: - State Securities Commission;  
- Hanoi Stock Exchange**

Pursuant to Article 14 of Circular 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding the disclosure of information on the stock market.

Based on the audited financial statements for 2024, Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company (stock code: DHB) would like to explain as follows:

**1. Explanation for the 2024 business results which is changed by more than 10% compared to 2023.**

The Company's production and business results in 2024 reached a profit of 6.8 billion VND, a decrease of 851 billion VND compared to 2023, mainly due to the following reasons:

- In early 2024, the production situation was unfavorable due to unusual weather, hot and rainy weather, especially lightning strikes that broke the Company's power transmission line, the production line had to stop suddenly and abnormally, directly affecting the equipment of the production line. When the Company fixed the problems caused by the power grid, the machine was restarted and discovered that there was a leak in the equipment, so the machine had to be stopped for a long time to fix it and combine with major maintenance and repair. Therefore, the machine running time was reduced by 45 days compared to the plan, and there was no product.

- The unusual situation of rain, storms and floods, especially the impact of storm No. 3 and the post-storm circulation, has disrupted the supply of materials and goods.

- Input raw material prices, especially coal prices, remain high.

- Exchange rate difference loss in 2024 is VND 67 billion, an increase of VND 20 billion compared to 2023 due to the sharp increase in the US dollar exchange rate, reducing the efficiency of the company's production and business activities.

- Other income from the Project to restructure the Company's investment loans at the Vietnam Development Bank in 2024 is VND 243 billion, a decrease of VND 1,559 billion compared to 2023 (In 2023, the total amount recorded in the Company's other income is VND 1,802 billion).

**2. Explain the exception audit opinion.**

Moore AISC Auditing and Informatics Services Co., Ltd. has issued an exceptional audit opinion on the final settlement of the project to revamping and expanding the Ha Bac Nitrogenous Fertilizer and Chemicals Plant.

Implementing the direction of Vietnam National Chemical Group on the progress of project settlement to be completed in 2017, on December 1, 2017, the Company

completed the Project Settlement Report for the completion of the Ha Bac Nitrogenous Fertilizer and Chemicals Plant Project, in which the EPC contract is self-settled.

In recent times, the Company has continued to coordinate and urge the Contractor to complete the final settlement documents. However, up to now, the two parties have not agreed on some outstanding contents. Therefore, up to now, the A-B settlement of the EPC contract has not been completed and there is not enough basis to approve the project settlement as well as not being able to confirm with the Contractor the related debts.

Above is the explanation of Ha Bac Fertilizer and Chemical Joint Stock Company on the production and business results of 2024.

Thank you very much!

*Received by:*

- As above;
- Stored by Administrative office, Financial Accounting Department.



**General Director**

**Nguyen Van Dung**