

CÔNG TY CỔ PHẦN  
PHÂN BÓN BÌNH ĐIỀN  
**BINH DIEN FERTILIZER JOINT  
STOCK COMPANY**

CỘNG HOÀ XÃ HỘI CHỦ NGHĨA VIỆT NAM  
Độc lập - Tự do - Hạnh phúc  
**THE SOCIALIST REPUBLIC OF VIETNAM**  
Independence - Freedom - Happiness

TP. Hồ Chí Minh, ngày 31 tháng 03 năm 2025  
Ho Chi Minh City, March 31, 2025

**CÔNG BỐ THÔNG TIN ĐỊNH KỲ**  
**PERIODIC INFORMATION DISCLOSURE**

Kính gửi: Ủy ban Chứng khoán Nhà nước  
Sở Giao dịch Chứng khoán thành phố Hồ Chí Minh  
To: **State Securities Commission of Vietnam**  
**Hochiminh Stock Exchange**

- Tên tổ chức: **CÔNG TY CỔ PHẦN PHÂN BÓN BÌNH ĐIỀN**  
Name of organization: **BINH DIEN FERTILIZER JOINT STOCK COMPANY**  
- Mã chứng khoán / Stock code: **BFC**  
- Địa chỉ: C12/21 Quốc lộ 1A, xã Tân Kiên, huyện Bình Chánh, Tp. Hồ Chí Minh  
Address: **C12/21, National Road 1A, Tan Kien Commune, Binh Chanh District, Ho Chi Minh City**  
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2. Nội dung thông tin công bố/Contents of disclosure:

Báo cáo thường niên năm 2024 của Công ty cổ phần Phân bón Bình Điền.  
Annual Report 2024 of Binh Dien Fertilizer Joint Stock Company.

- Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày 31/03/2025 tại đường dẫn [www.binhdien.com](http://www.binhdien.com).  
This information was published on the company's website on March 31, 2025 as in the link [www.binhdien.com](http://www.binhdien.com).

Chúng tôi xin cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung các thông tin đã công bố.  
We hereby certify that the information provided is true and correct and we bear the full responsibility to the law.



**Tài liệu đính kèm/Attached documents:**  
**Báo cáo thường niên năm 2024.**  
**Annual Report 2024.**

**Đại diện tổ chức**  
**Organization representative**  
**Người được ủy quyền CBTT**  
**Person authorized to disclose information**



**Trần Ngọc Hùng**





# ANNUAL REPORT 2024

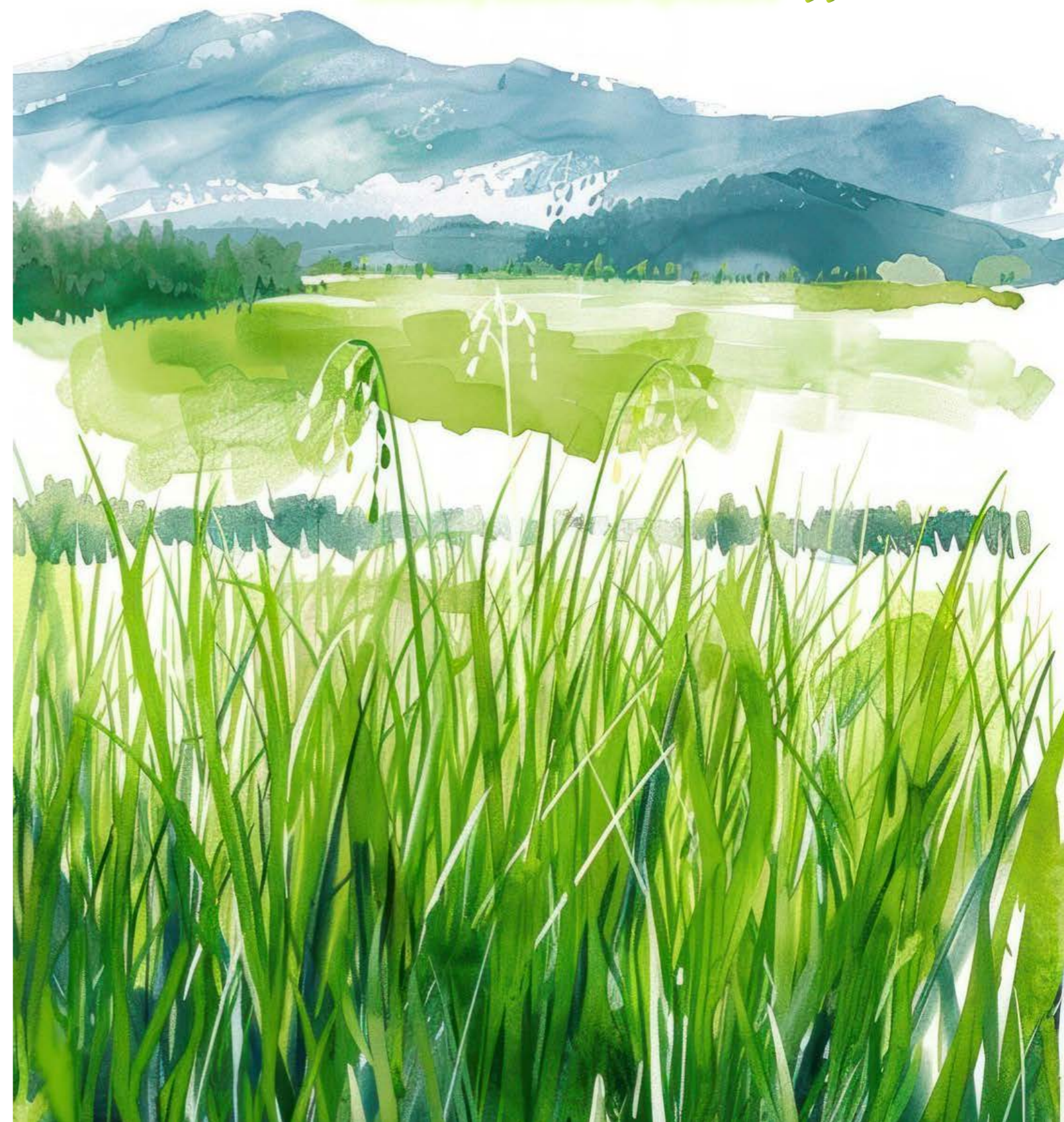
***" BUFFALO HEAD Fertilizers  
Your Trusted Partner in Farming  
Advancing Sustainable Agriculture"***

# ABBREVIATIONS

<b>BOD</b>	Board of Directors
<b>BOS</b>	Board of Supervisors
<b>JSC</b>	Joint Stock Company
<b>GDP</b>	Gross Domestic Product



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***Your Trusted Partner in Farming***  
***Advancing Sustainable Agriculture*** ”



# Message from THE CHAIRMAN OF THE BOARD OF DIRECTORS



## To our esteemed Shareholders, Customers, Partners, Scientists, and all Officers and Employees!

The year 2024 has concluded with noteworthy achievements for Binh Dien Fertilizer Joint Stock Company, marking a journey of overcoming challenges to affirm our position within the Vietnamese and regional fertilizer industry. On behalf of the Board of Directors, I extend our deepest gratitude for your companionship, trust, and valuable support throughout this period. Amidst a global economic landscape impacted by geopolitical conflicts, climate change, and fierce industry competition, the Company has achieved remarkable success. Consolidated sales volume in 2024 reached 728,923 tons, a 25.8% increase compared to the previous year. Consolidated net revenue in 2024 reached 9,358.2 billion VND, demonstrating impressive growth from 8,588.3 billion VND in 2023. Consolidated profit after tax reached 425.6 billion VND, a significant increase from 134.8 billion VND in the previous year, reaffirming the efficiency of our management and operations.

Binh Dien's achievements transcend financial metrics. The "Buffalo Head Fertilizer" brand continued to be honored as a Vietnamese National Brand for the 9<sup>th</sup> time, ranked among the Top 10 ASEAN Strong Brands of 2024, and featured in the Top 50 Best Performing Companies in Vietnam. This serves as a testament to the prestige and quality of the products we diligently provide to farmers, customers, and partners, both domestically and

internationally. Visits and collaborations with high-ranking officials from Cambodia, the Philippines, and Laos throughout the past year further solidify Binh Dien's standing in our regional market expansion journey.

Moreover, we firmly believe that sustainable development is intrinsically linked to social and environmental responsibility. In 2024, the Company implemented numerous meaningful programs, such as supporting scholarship funds and funds for orphaned children affected by the Covid-19 pandemic, providing livelihood assistance to people in flood-stricken areas of Lao Cai and Yen Bai, supporting impoverished farmers in building "Binh Dien Warm Shelter" houses, and collaborating with farmers on the One Million Hectare High-Quality Rice Project and sustainable coffee development in partnership with Vietnam Coffee Corporation.

During the 2020-2025 term, under the close guidance of the Board of Directors, the Company has organized 38 meetings, issued 126 resolutions and 97 decisions, establishing a firm foundation for navigating the challenges posed by the Covid-19 pandemic, fluctuating material prices, and complex natural disasters. The Company invested 70.5 billion VND in 16 projects to upgrade production facilities at the Long An factory, while simultaneously maintaining strict control over loans, minimizing financial costs, and ensuring maximum benefit for shareholders. Our commitment to transparency and responsibility is also reflected in the prompt payment of annual dividends. In 2024, we completed the final dividend payment for 2023 at a rate of 20% and the first interim dividend payment for 2024 at a rate of 5%.

Looking ahead, the period from 2025 to 2030 presents new challenges stemming from global economic fluctuations and climate change. However, leveraging the advantages of our reputable brand, stable dealer network, and the collective spirit of our officers and employees, the Board of Directors is committed to continuing to deliver the right strategies, expand domestic and international markets, invest in technology, develop green products, and optimize management to enhance the Company's operational efficiency, thereby increasing value for shareholders and investors. We will relentlessly strive to maintain our pioneering position, bring practical benefits to customers and partners, and contribute to the sustainable development of Vietnam's agricultural sector.

Once again, we sincerely thank our Shareholders, Customers, Partners, Scientists, and all Officers and Employees who have always been a great source of motivation for Binh Dien Fertilizer Joint Stock Company on its journey. We look forward to your continued support in the coming period to create outstanding value together, for a prosperous and sustainable future.

Sincerely!

**CHAIRMAN OF THE BOARD OF DIRECTORS**

(signed)

**Nguyen Van Thieu**

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## NOTABLE EVENTS

# 2024

The success of Binh Dien goes beyond mere financial figures. The “Buffalo Head Fertilizer” brand has once again been honored as a Vietnam National Brand for the 9th time, ranked among the Top 10 Strongest Brands in ASEAN 2024, and featured in the Top 50 Most Outstanding Enterprises in Vietnam. This is a testament to the reputation and product quality that we consistently strive to deliver to farmers, valued customers, and partners both domestically and internationally. The visits and working sessions with senior leaders from Cambodia, the Philippines, and Laos over the past year further affirm Binh Dien’s position as it embarks on expanding its regional market presence.

### May 9, 2024

Binh Dien Fertilizer Joint Stock Company, with the brand “Buffalo Head Fertilizer”, was honored at the Vietnam – ASEAN Economic Cooperation Forum 2024 & The 8th ASEAN Strong Brand Announcement Ceremony in two categories: **Top 10 ASEAN Strong Brands and Typical ASEAN Leader 2024**. This is the fourth time Binh Dien has received this prestigious title, affirming its position as a reputable and high-quality brand in the region. Achieving the ASEAN Strong Brand Award 2024 and in previous years has demonstrated Binh Dien’s continuous efforts for over 50 years. Under the leadership of many generations of excellent leaders and currently General Director Ngo Van Dong, Binh Dien Fertilizer Joint Stock Company has risen to develop, overcoming many difficulties and challenges, step by step integrating deeply with the region and the world.



### June 1, 2024

The delegation of leaders of the Ministry of Agriculture, Forestry and Fisheries of the Kingdom of Cambodia and Takeo province, led by Deputy Minister Toch Bunhour, visited and worked at Binh Dien Fertilizer Joint Stock Company. Representatives of Binh Dien Fertilizer Joint Stock Company said:



**Not only developing strongly in the Vietnamese market with product lines towards greenhouse gas emission reduction agriculture, the Company also implemented the model “Smart rice cultivation adapting to climate change in Cambodia.** At the same time, the Company’s products are also trusted by the Cambodian agricultural sector and farmers.

### July 6, 2024

Philippines Minister of Agriculture, Francisco P.Tiu Lauren Jr., visited and worked with the Company, within the framework of his visit and work with the Ministry of Agriculture and Rural Development of Vietnam from July 6, 2024 to July 9, 2024. Minister Francisco said: “The Philippine agricultural sector, although strongly developed, has not yet been fully exploited. **Therefore, this visit is an opportunity for the two countries to learn from each other, share experiences and techniques to improve agricultural production for both sides. At the same time, it is also an opportunity to explore the possibility of importing fertilizers from Vietnam to the Philippines, or perhaps establishing joint ventures to produce and sell fertilizers directly to farmers in the Philippines**”. This is both an honour and an opportunity for the company to expand its market to the Philippines.



# NOTABLE EVENTS [CONT.]

# 2024

## November 04, 2024

Binh Dien Fertilizer Joint Stock Company's Buffalo Head fertilizer product continues to be honored as a Vietnamese National Brand at the 9th Vietnam National Brand Award Ceremony in 2024. This program recognizes prestigious, high-quality goods and services that have contributed to the country's sustainable development goals, representing the Vietnamese Brand. This acknowledges Binh Dien's continuous focus on and fulfillment of the program's three core criteria: Quality, Innovation - Creativity, and Pioneering Capacity. Buffalo Head Fertilizer contributes effectively to the agricultural sector, thereby demonstrating Binh Dien's competitive capacity and standing in domestic and international markets.



## November 26, 2024

Binh Dien Long An Sports One Member Limited Liability Company collaborated with the Long An Department of Culture, Sports, and Tourism along with Binh Dien Fertilizer Joint Stock Company to organize **The 20th Anniversary of the VTV Binh Dien Long An Women's Volleyball Team under the theme "20 Years of Steady Steps - Towards the Future."** This event allows members of the VTV Binh Dien Long An volleyball team to reflect upon the team's 20-year journey of development within the Vietnamese volleyball and sports community. At the 20th-anniversary celebration, VTV Binh Dien Long An Volleyball Club also signed a cooperation agreement with PFU Bluecats (Japan) to facilitate training opportunities for the VTV Binh Dien Long An team in Japan, or to send young athletes for long-term training while providing coaching support.



## December 21, 2024

Binh Dien Fertilizer Joint Stock Company had the honor of welcoming Mr. Xaysomphone Phomvihane, Member of the Politburo of the Lao People's Revolutionary Party, President of the National Assembly of the Lao People's Democratic Republic, during his visit and working session at the company

**As part of this collaborative effort, Binh Dien dispatched leading experts in soil agrochemistry and crops to Laos to conduct research assessments while deploying Buffalo Head fertilizer product in crucial Laotian agricultural regions.**

Demonstrations showcasing the use of Buffalo Head fertilizer on coffee, rice, and corn were organized to illustrate the product's efficacy as well as Binh Dien's advanced cultivation techniques





## NOTABLE EVENTS [CONT.]

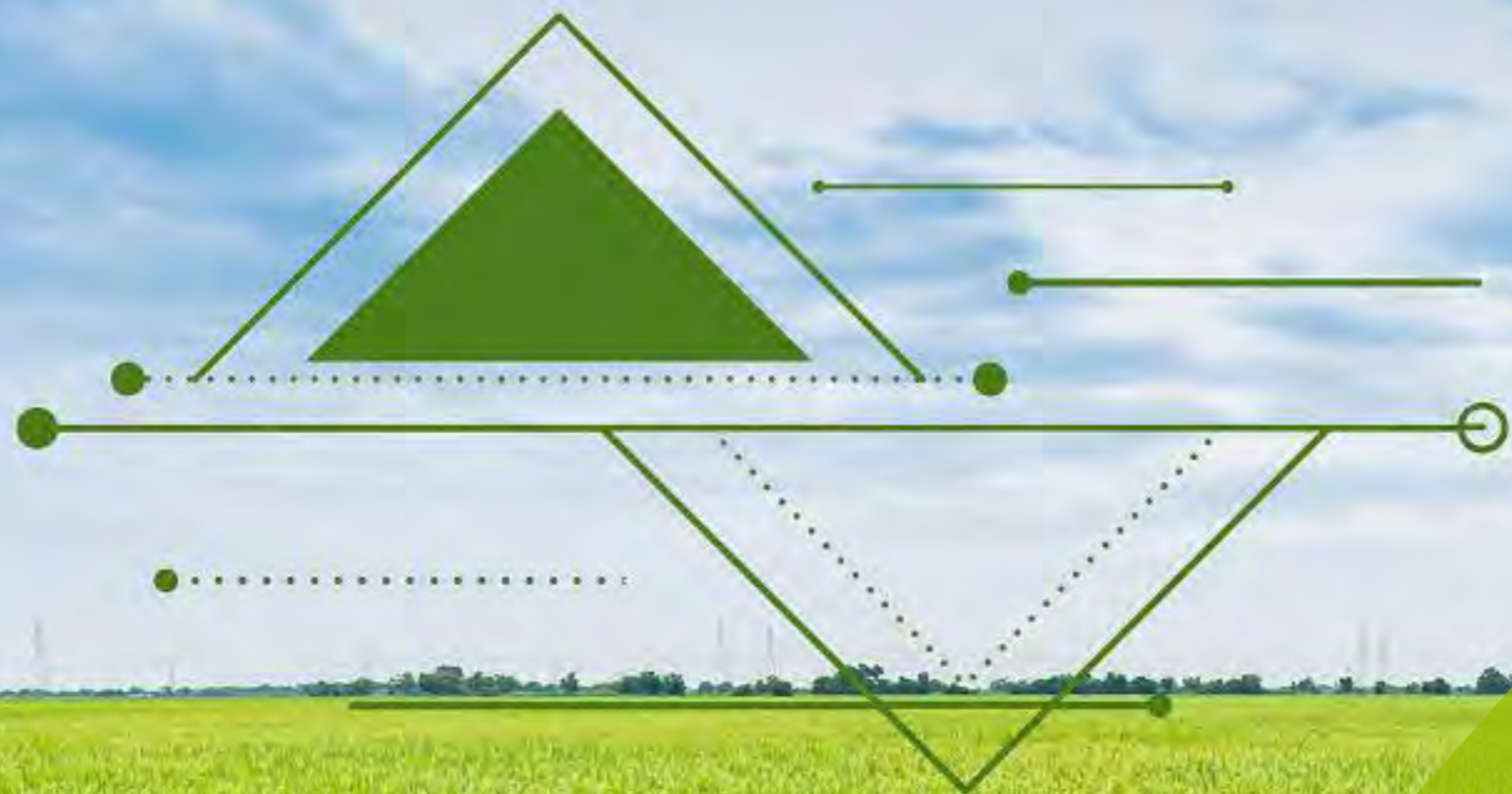
# 2025

**January 8, 2025**

**Binh Dien Fertilizer Joint Stock Company was honored to be recognized as one of the 50 best businesses in Vietnam in 2024.** This is a noteworthy achievement not only for Binh Dien but also for the entire fertilizer production industry in Vietnam. Organized by Vietnam Report in collaboration with VietnamNet Newspaper, this event recognizes businesses with high revenue and sustainable business performance. To continue achieving future success, Binh Dien has set the objective to expand internationally and develop further product lines. The company plans to invest in advanced technologies for manufacturing processes, enabling cost reduction and enhanced productivity. Specifically, the company emphasizes research into advanced fertilizer solutions designed to enhance the value of Vietnamese agricultural products in line with the trends of sustainable, environmentally-friendly agriculture and emissions reduction.

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# 01 | GENERAL INFORMATION

- Overview Information
- Formation and Development Process
- Notable Events in 2024 – 2025
- Business Lines and Geographic Areas
- Information on the Corporate Governance Model, Business Organization, and Management Apparatus
- Development Orientation
- Risks



## GENERAL INFORMATION

<b>Trading Name</b>	: BINH DIEN FERTILIZER JOINT STOCK COMPANY
<b>English Name</b>	: BINH DIEN FERTILIZER JOINT STOCK COMPANY
<b>Business Registration Certificate No.</b>	: 0302975517 issued by the Department of Planning and Investment of Ho Chi Minh City, initially registered on January 25, 2011, fifth amendment on July 25, 2023
<b>Charter Capital</b>	: 571,679,930,000 VND
<b>Owner's Investment Capital</b>	: 571,679,930,000 VND
<b>Address</b>	: C12/21 National Highway 1A, Tan Kien Commune, Binh Chanh District, Ho Chi Minh City, Vietnam
<b>Phone number</b>	: 028 37560110
<b>Email</b>	: phanbon@binhdien.com
<b>Website</b>	: www.binhdien.com
<b>Stock Code</b>	: BFC



*For the sustainable development of  
Vietnamese agriculture*



## FORMATION AND DEVELOPMENT PROCESS

### 1973

The company was established under the name Thanh Tai Fertilizer Company (Thataco).

### 1976

In 1976, it was transferred to the State, operating under the enterprise model with the name Binh Dien 2 Fertilizer Enterprise.

### 1991

In 1991, the "Buffalo Head" brand was established with the motto of taking science and technology as the foundation for sustainable development, taking the mission of accompanying farmers as a premise for all production-business activities.

### 2003

The Company became an independent accounting member under Vietnam Chemicals Company (now Vietnam Chemicals Group) under the name Binh Dien Fertilizer Company according to Decision No. 73/2003/QĐ-BCN of the Ministry of Industry (now the Ministry of Industry and Trade).

### 2010

In July 2010, Vietnam Chemicals Group issued Decision No. 329/QĐ-HCVN on July 29, 2010 approving the equitization plan of Binh Dien Fertilizer Company with a charter capital of 397,000,000,000 dong.

### 2011

The Company officially operated as a Joint Stock Company after successfully organizing the auction of 7,371,300 shares to outside investors.

### 2014

On June 17, 2014, the Company received the issuance certificate No. 47/GCN-UNCK from the State Securities Commission of Viet Nam to increase its charter capital from 397,000,000,000 dong to 476,400,000,000 dong.

### 2015

On August 27, 2015, the Company was listed on The Stock Exchange in Ho Chi Minh City. On October 07, 2015, Binh Dien Fertilizer Joint Stock Company's shares were officially traded on The Stock Exchange in Ho Chi Minh City.

### 2016

The company received the notification of receipt of complete issuance documents No. 5505/UBCK-QLCB of the State Securities Commission of Viet Nam to increase the charter capital from 476,400,000,000 dong to 571,679,930,000 dong from owner's equity. The Company has completed the capital increase and all additionally issued shares have been listed on The Stock Exchange in Ho Chi Minh City. The current charter capital of the Company is 571,679,930,000 dong.

### 2016 - Nay

From 2016 to the present, Binh Dien Fertilizer Joint Stock Company has continued to affirm its leading position in the Vietnamese fertilizer industry, maintaining a charter capital of 571,679,930,000 VND and expanding its influence both domestically and internationally. With the "Buffalo Head" brand as its cornerstone, the company constantly innovates technology, develops high-quality products, and accompanies farmers in sustainable agricultural programs.



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## BUSINESS LINES

- Production and trading of inorganic, organic, microbial, micro-nutrient fertilizers, and growth regulators for plants and animals;
- Research and production of fertilizer products (not produced at the company's headquarters);
- Import and export of fertilizers, fertilizer production equipment and technologies, agricultural machinery and tools, plant varieties, and agricultural products.

## GEOGRAPHIC AREAS

The business operations of Binh Dien Fertilizer Joint Stock Company are spread throughout Vietnam and exported to countries in the region.

## COMPANY OBJECTIVES

Binh Dien Fertilizer Joint Stock Company, although belonging to the industrial sector, produces products that serve agriculture. Therefore, the nature of interests of workers and farmers are aligned; the development of the Company must take the goal of serving farmers, agriculture, and rural areas as the guiding principle for its activities. All company activities adhere to this overarching objective.

Fertilizer is a technical input, thus, effective utilization requires user comprehension. To generate tangible profits in agricultural produce, the Company must impart intangible benefits in the form of scientific knowledge to farmers. In this spirit, the Company has made every effort to convey agricultural technical knowledge about soil, fertilizer, and plant physiology to the farming community. Once farmers acquire some understanding of this knowledge, they can make more informed and effective choices regarding fertilizer usage. The Company has collaborated closely with scientific research units, acting as a bridge between science, intellectuals, agriculture, and farmers, thus solidifying the industry-agriculture-trade-intellect alliance.

To extend the product life cycle, the Company's products must continuously incorporate advanced technical features, and their overall quality must consistently improve to enhance effectiveness for farmers. Specialized fertilizers, methods to inhibit fertilizer dissolution, and the incorporation of appropriate medium and micronutrients into main fertilizers all contribute to the technical enrichment of our fertilizer products. These initiatives align with the Ministry of Agriculture and Rural Development's goal: "Balanced fertilization for sustainable and clean agriculture".

With its new standing, Binh Dien Fertilizer Joint Stock Company strives to concentrate all resources to become a strong and stable NPK fertilizer producer, not only in Vietnam but also within the ASEAN region. With the motto "Cooperation - Creative Development - Towards the Future", Binh Dien Fertilizer Joint Stock Company is always ready to connect and cooperate with agencies, organizations, institutes, universities, centers, scientists, companies, units, agents, partners... as well as individuals domestically and internationally for our collective development.



# INFORMATION ON THE CORPORATE GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGEMENT APPARATUS

## CORPORATE GOVERNANCE MODEL

**The General Meeting of Shareholders:** Comprising all shareholders with voting rights, the General Meeting of Shareholders is the highest decision-making body of the company. It has the authority to elect and dismiss members of the Board of Directors and the Board of Supervisors. The General Meeting of Shareholders has the right to review and address violations by the Board of Directors and the Board of Supervisors that cause damage to the company and its shareholders, decide on the company's reorganization or dissolution, and approve the company's development orientation.

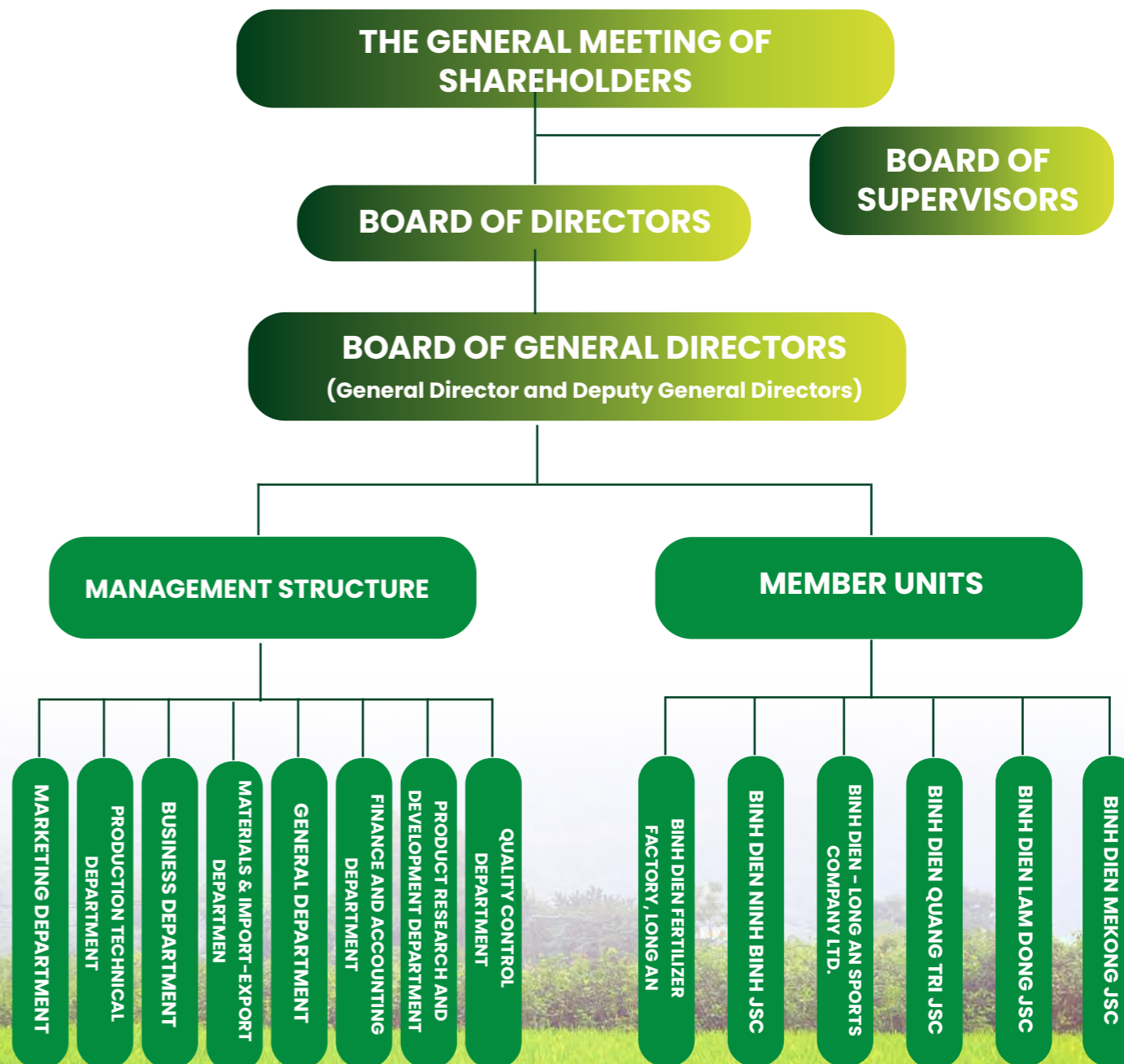
**Board of Directors:** The Board of Directors, elected by the General Meeting of Shareholders, is the management body of the company with full authority to act on behalf of the company in deciding all important matters related to the company's objectives and interests, except for matters under the jurisdiction of the General Meeting of Shareholders. The Board of Directors has the right and obligation to supervise the General Director and other managers within the company. The rights and obligations of the Board of Directors are stipulated by law, the company's charter, and internal regulations.

**Board of Supervisors:** The Board of Supervisors, elected by the General Meeting of Shareholders, is responsible for inspecting the legality and rationality of the Board of Directors' management activities and the General Director's business operations, including accounting records and financial reports. The Board of Supervisors operates independently from the Board of Directors and the Board of General Directors

**Board of General Directors:** The Company's Board of General Directors comprises one General Director and two Deputy General Directors. Authorized by the Board of Directors, the General Director is the legal representative of the Company, manages all daily operations, and is accountable to the Board of Directors for fulfilling assigned duties and rights. The Deputy General Directors directly manage business production operations, advise, and contribute suggestions to the General Director for strategic decision-making.



## MANAGEMENT MODEL



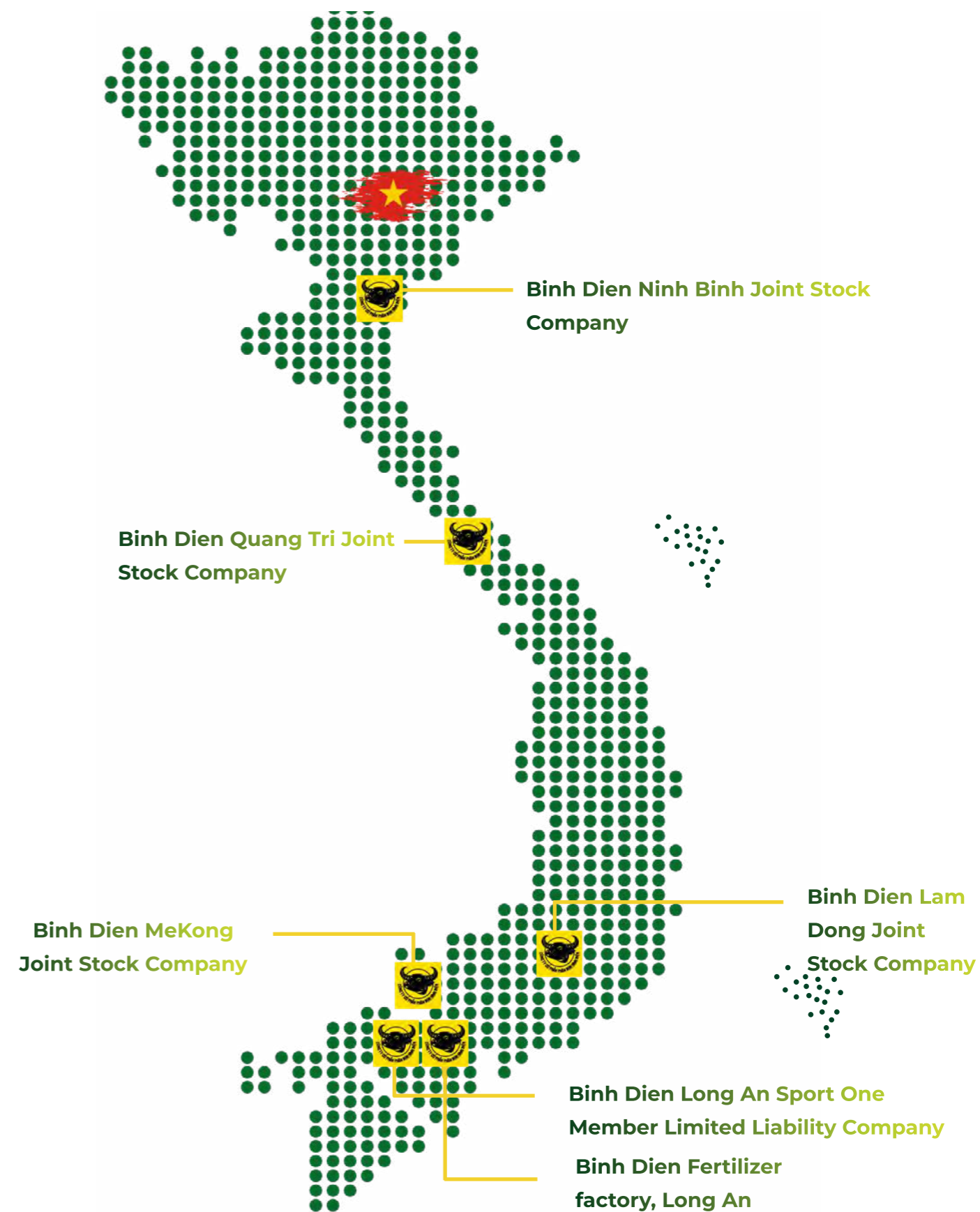
## INFORMATION ON THE CORPORATE GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGEMENT APPARATUS (CONT.)



### MANAGEMENT MODEL

### SUBSIDIARIES AND AFFILIATES

No.	Name of company	Address	Main production-business field	Contributed charter capital (VND)	Percentage of the Company's ownership
1	Binh Dien Lam Dong Joint Stock Company	National Highway 20, Hiep Thanh Commune, Duc Trong District, Lam Dong Province	Production and trading	88,529,760,000	51%
2	Binh Dien Quang Tri Joint Stock Company	Lot 22, Quán Ngang Industrial Zone, Gio Quang Commune, Gio Linh District, Quang Tri Province	Production and trading	39,000,000,000	51%
3	Binh Dien MeKong Joint Stock Company	Lot A10.1, D3 Road, Thanh Thanh Cong Industrial Park, An Hoa Ward, Trang Bang Town, Tay Ninh Province	Production and trading	39,000,000,000	51%
4	Binh Dien Long An Sport One Member Limited Liability Company	Long Dinh – Long Cang Industrial Park – Long Dinh Commune – Can Duoc District – Long An Province	Advertising and Sports	5,000,000,000	100%
5	Binh Dien Ninh Binh Joint Stock Company	Khanh Phu Industrial Park, Khanh Phu Commune, Yen Khanh District, Ninh Binh Province	Production and trading	100,000,000,000	51%



## DEVELOPMENT ORIENTATION



### CORPORATE VISION

“Quality - Accompaniment - Creativity - Honesty - Responsibility - Solidarity”

To establish and develop Binh Dien Fertilizer Joint Stock Company into the largest NPK fertilizer producer, offering market-leading cultivation solutions in Vietnam and regional countries in the near future, based on a digital platform, thereby becoming the largest NPK fertilizer producer in Southeast Asia.



### THE COMPANY'S MAIN OBJECTIVES



Expanding the international market and increasing domestic market share.



Investing in technological advancements and applying digital technology to production and management. Focus on researching and developing intelligent fertilizers for optimal efficiency, cost savings, and environmental friendliness.



Building and developing a brand associated with farmers' benefits.



Sustainable development and joint environmental protection. Promote the development of organic fertilizers and environmentally friendly products, minimizing the impact of chemical fertilizers on land and water resources. Simultaneously, implement environmental protection strategies, reduce greenhouse gas emissions, and waste during production.



Develop a sustainable human resource base by building a creative, innovative, and continuously improving work environment.



### DEVELOPMENT STRATEGIES IN MEDIUM AND LONG TERM

Binh Dien's business strategy is built on the motto “**Not just selling fertilizers, but providing technical cultivation solutions**” to farmers, aiming for Smart, Sustainable, and Multi-value Integrated Farming.



#### About Products

The Company continues to promote research and development of new products and specialized fertilizer lines suitable for the soil characteristics and crop needs at each growth stage to create diverse products aligned with green agriculture trends. Concurrently, expand production, increase investment, and upgrade production lines to improve operating efficiency, save energy, and create quality products that meet market demands.

With the goal of sustainable development and pursuing the trend of Industry 4.0, the Company has been and is building a strategy towards developing sustainable agricultural farming methods by applying smart farming solutions, comprehensive mechanization, and promoting digitalization in agricultural production. In the near future, the Company will focus on expanding the application of Agriculture 4.0 and comprehensive solutions such as climate-resilient smart farming.



#### Regarding the market

Continuing to focus on building and developing the Buffalo Head fertilizer brand, both as a corporate brand and a product brand, consistently maintains its presence as a familiar and accessible brand for farmers, a robust leader in the domestic fertilizer production sector, possessing competitive capabilities within the international integration landscape.

Aggressively expand domestic market share and increase export volume to ASEAN countries.



#### Regarding human resources

To align with the Company's development objectives: Binh Dien continuing as the leading fertilizer producer and provider of farming solutions in the Vietnamese fertilizer market, the Company focuses on developing scientific and technological human resources with both long-term strategic vision and ongoing consistency, in accordance with the developmental needs of each phase. The scientific and technological workforce is projected to increase by an average of 5%/year, alongside an improvement in training quality.



## SUSTAINABLE DEVELOPMENT GOALS

The Company's sustainable development goals are formulated based on the three pillars of Economy - Environment - Society, with specific objectives as detailed below:

### Developing and applying green technology products

In its forward trajectory, the Company will continue collaborating with scientists to research and develop high-quality organic fertilizers, novel environmentally friendly services, catering to intelligent farming processes and solutions that adapt to climate change and foster green growth, making positive contributions to environmental preservation and bolstering production capabilities, to participate in creating a prosperous life for farmers.

### Compliance with environmental protection regulations

The Company clearly recognizes and defines its responsibility in activities concerning environmental preservation and community health. The Company is committed to implementing environmental protection measures and strictly adhering to environmental regulations and standards throughout the entire production process, from input materials to final products. It will continue employing measures to mitigate emissions and waste from production, while properly treating waste in accordance with regulations and maximizing resource recycling in production.

### Maintain and promote the values of "Accompaniment" and "Sharing" with the community and society.

Binh Dien builds its brand with the positioning of "Accompaniment and Sharing," serving as the guiding principle for all of the Company's activities. "Accompaniment" alongside farmers in the development of modern, sustainable agriculture, assisting them in utilizing fertilizers economically and effectively, yielding high productivity and profits surpassing expectations. "Sharing" agricultural knowledge, advanced supportive equipment, and smartphone-installed software applications for monitoring and managing farms that are suitable for modern agriculture and Agriculture 4.0. "Accompaniment and Sharing" in both material and spiritual aspects via numerous social programs such as providing fertilizer assistance to farmers in need, constructing rural infrastructure, supporting education and healthcare, creating a positive community impact.

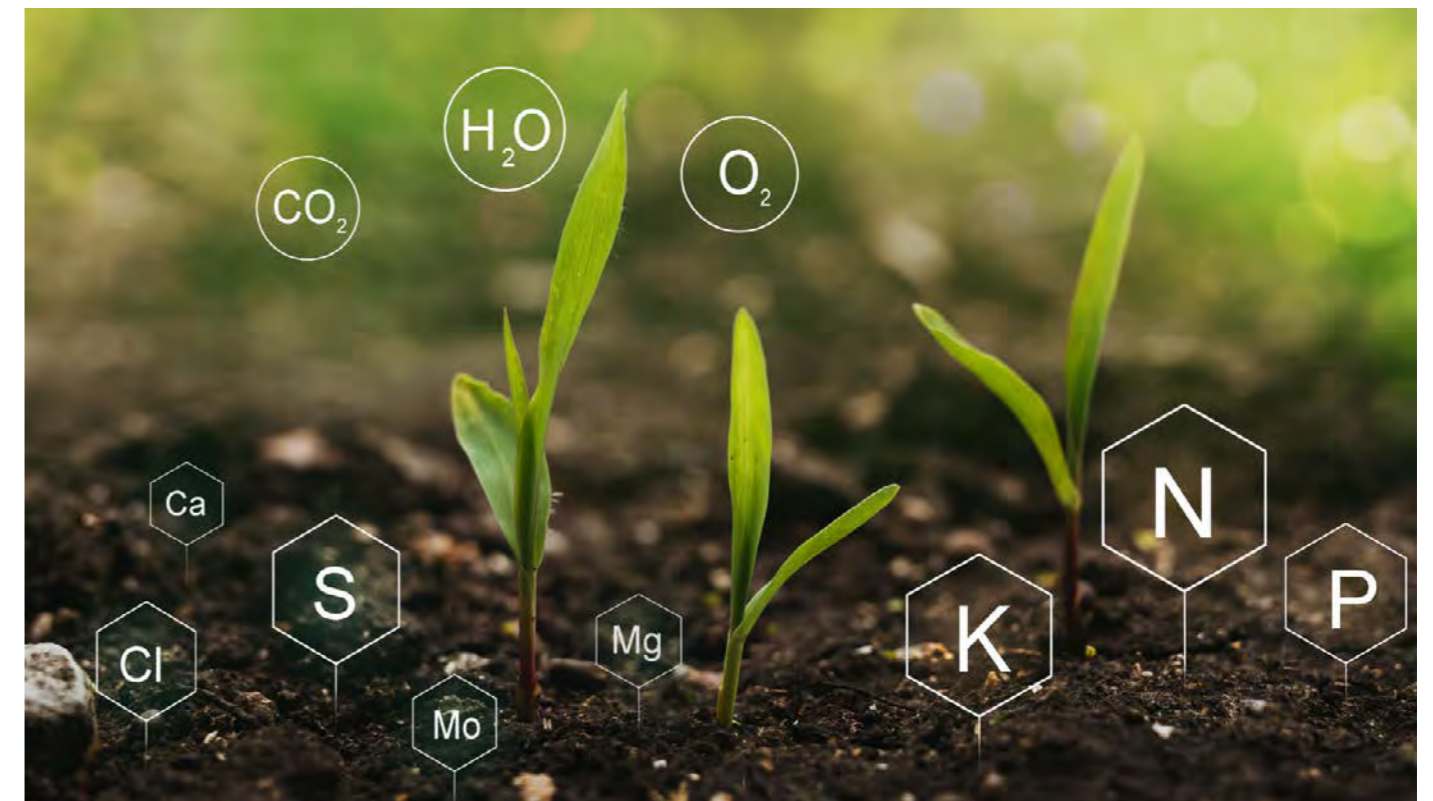
The Company's sustainable development goals are formulated based on the three pillars of Economy - Environment - Society, with specific objectives as detailed below:

### Fostering a healthy, professional work environment to cultivate a strong employee team

People are consistently the most crucial factor for the Company's sustainable growth. Binh Dien places emphasis on human resource development, fostering a creative and dynamic work environment, concurrently building a skilled workforce committed to the Company's mission.

### Transparent corporate governance ensures shareholder interests.

Ensuring timely and comprehensive information disclosure, refining the corporate governance structure, and strengthening independent monitoring and inspection are the governance objectives that the Company emphasizes to provide transparency and safeguard shareholder interests. The Company understands that investor confidence will create a solid foundation for its long-term development.



## RISKS

### ECONOMIC RISKS

In 2024, GDP growth reached 7.09%, a substantial increase compared to 5.05% in 2023. Storm No. 3 caused a total economic loss of 83,746 billion VND in 2024, with the agricultural sector alone suffering approximately 31,800 billion VND in damages, reducing the overall sector growth by 0.3-0.5 percentage points. Despite this, the agricultural sector still recorded positive growth, with sector GDP reaching 3.3% in 2024, and the crop cultivation sub-sector increasing by about 1.8%, with total rice production for the year rising by 0.4%. This demonstrates a sustained demand for fertilizers to meet cultivation needs.

Furthermore, with Binh Dien holding the leading market share in Vietnam for NPK compound fertilizers, the demand for this type of fertilizer significantly impacts the Company's business operations. Overall, the NPK fertilizer market in Vietnam experienced fierce competition in 2024 due to oversupply and the entry of numerous competitors. Although the global supply tightened due to export restrictions from China and Russia, creating an opportunity for a slight increase in fertilizer prices, this increase was not sufficient to offset price competition and import pressures.

In this context, the Company's management will continuously monitor macroeconomic conditions, price fluctuations, and domestic and global consumption demand to promptly adjust strategies and plans for each period. Furthermore, the management will continue to enhance the Company's image, strengthen brand positioning within the industry, and improve service quality to meet customer needs.



### INTEREST RATE RISKS

To meet production and business needs, Binh Dien Fertilizer Joint Stock Company utilizes financial leverage from credit loans; therefore, interest rates directly impact interest expenses, operational efficiency, and the Company's profits. In 2024, the State Bank continued to reduce the average lending rate by 0.44 percentage points compared to the end of 2023 to support economic growth, contributing to the Company's reduction of consolidated interest expenses in 2024 by 60.7 billion VND. Specifically, according to the audited 2024 consolidated financial statements, as of December 31, 2024, short-term loans decreased by 712.3 billion VND, long-term debt and financial leases also slightly decreased, with short-term debt still accounting for over 98% of the loan structure, mainly serving

working capital needs. Although the Company has reduced loans from commercial banks amidst declining lending rates, it is anticipated that deposit and lending rates will adjust slightly upwards by approximately 0.2-0.3 percentage points in 2025. The impact of high interest rates could increase interest expenses and put pressure on Binh Dien's loans in the coming years.

To mitigate interest rate risks, the management will closely monitor the interest rate situation to promptly adjust strategies, plans, and choose suitable capital sources for the Company. From there, the management will also propose solutions to mitigate risks as well as seize other investment opportunities.

### COMPETITIVE RISKS

Within the NPK fertilizer production segment, the market is quite fragmented with the participation of many businesses due to low entry barriers. This is because small and individual businesses often use simple technologies, mixing different types of single fertilizers at the input stage and producing cheap, low-quality fertilizers. Meanwhile, larger companies utilize modern technologies and more complex chemical formulas for production, leading to differences in quality and selling price. Furthermore, the market situation of oversupply coupled with price competition from imported fertilizers also presents significant obstacles for the Company.

Notably, 2024 witnessed many large enterprises increasing their NPK market share as the Urea segment became saturated, intensifying the pressure on the Company to gain market share. In response, Binh Dien focuses on researching and developing new, high-quality products that meet the practical needs of farmers, while leveraging the prestige of the "Buffalo Head" brand – which has been affirmed through titles such as National Brand – to expand domestic and international markets and consolidate its position in the industry.

## RISKS (CONT.)

### LEGAL RISKS

As a fertilizer production and trading enterprise, Binh Dien Fertilizer Joint Stock Company operates under the governance of a legal system encompassing the Law on Enterprises, the Law on Investment, the Law on Value Added Tax, as well as relevant Decrees, Circulars, and industry-specific policies. Concurrently, BFC operates as a joint-stock company listed on the Ho Chi Minh City Stock Exchange (HOSE), and is therefore subject to the Securities Law and its guiding documents. On September 18, 2024, Circular 68/2024/TT-BTC was issued, stipulating the roadmap for information disclosure in English by listed companies and public companies. These new regulations in 2024 will be among the challenges requiring the Company's thorough understanding for compliance.

In addition, Vietnam's integration into the global economy through free trade agreements and international treaties also directly impacts the business activities of the Company. Notably, the draft amendment to the Law on Value Added Tax (VAT) proposed by the Ministry of Finance suggests applying a 5% VAT on fertilisers. The production cost of domestic fertilisers may decrease, while the selling price of imported fertilisers will increase by 5% due to the VAT. This will enhance the competitiveness of domestic fertiliser manufacturing enterprises. To mitigate legal risks, the Company maintains continuous monitoring, research, and timely updates on relevant legal documents, proactively engaging specialized consultants when necessary, ensuring full compliance and maximizing opportunities presented by new policies.

To mitigate legal risks, the Company maintains continuous monitoring, research, and timely updates on relevant legal documents, proactively engaging specialized consultants when necessary, ensuring full compliance and maximizing opportunities presented by new policies.



### RAW MATERIAL RISKS

Input material risks are a constant concern for Binh Dien Fertilizer Joint Stock Company, especially as NPK fertilizer production heavily relies on single fertilizers such as Urea (accounting for a significant portion of the cost), potassium, and phosphate fertilizers. In 2024, Urea prices remained largely stable except for fluctuations at the beginning of the year. Increased supply and a slight decrease in demand put pressure on Urea prices, while domestic consumption saw a slight recovery, thus not significantly impacting domestic prices.

In response, the Company prioritizes closely monitoring domestic and international raw material prices, establishing appropriate inventory plans, and collaborating with suppliers to secure stable supply at favorable costs, contributing to maintaining production efficiency and market competitiveness.

### FORCE MAJEURE RISKS

In addition to the aforementioned risks, unforeseen events such as natural disasters, floods, and epidemics are difficult to predict. These risks cannot be underestimated, as they can cause significant losses to the Company and even the entire economy. Therefore, the Company proactively mitigates these risks by providing insurance for employees, assets, and goods, and by constructing infrastructure that meets prescribed safety standards to prepare for any potential occurrences.



# 02

## OPERATING STATUS DURING THE YEAR

Assessment of Operating results

Organization and Human Resources

Investment situation in implementing projects

Financial Status

Shareholders structure, change in the owner's equity



## ASSESSMENT OF OPERATING RESULTS

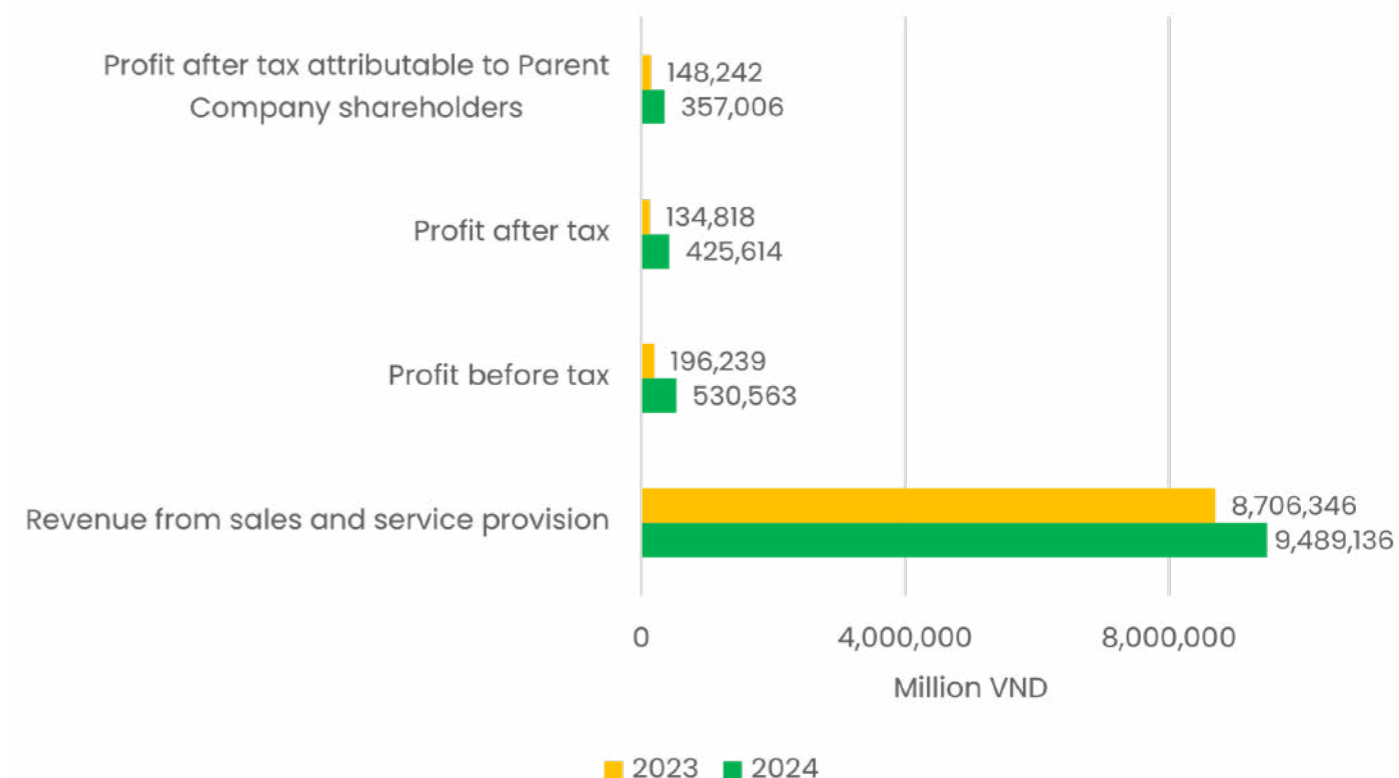
"The Vietnamese fertilizer industry is undergoing robust development, facilitated by Government support for sustainable agriculture and the expansion of export-oriented cultivation. This growth is primarily driven by the transition to high-yielding crops and investment in sustainable farming practices. Furthermore, with Vietnam's burgeoning population, the demand for food production, and consequently, fertilizer, has risen.

Indicators	Unit	2023	2024	%Change
Production output	Tonnes	582,115	731,352	25.64%
Sales volume	Tonnes	579,505	728,923	25.78%
Revenue from sales and service provision	Million VND	8,706,346	9,489,136	8.99%
Profit before tax	Million VND	196,239	530,563	170.37%
Profit after tax	Million VND	134,818	425,614	215.70%
Profit after tax of the Parent Company's shareholders	Million VND	148,242	357,006	140.83%

In 2024, the Vietnamese fertilizer market experienced positive fluctuations, with fertilizer demand rebounding due to the promising outlook for the agricultural sector in Vietnam and Southeast Asia. This resurgence stems from increased consumption in foreign markets and domestic recovery, alongside a slight recovery in selling prices. According to statistics from the General Department of Customs, Vietnam exported nearly 1.73 million tons of fertilizer in 2024, equivalent to over 709.9 million USD, marking an 11.7% increase in volume and a 9.4% increase in value. The Cambodian market dominated, accounting for 34.3% of total volume and 33.9% of total export value, a key market for Binh Dien Fertilizer Joint Stock Company.

Amidst lingering challenges such as natural disasters, fluctuating raw material prices, and

intensifying competition, the Company's leadership closely monitored market developments to implement flexible solutions and respond promptly. Maintaining sustainable development in strategic and traditional markets while diversifying both domestically and internationally led to outstanding production and profit results in 2024. Production and consumption increased significantly, by 25.64% and 25.78%, respectively, demonstrating robust market demand and substantial improvements in the company's production capacity. Consolidated revenue from sales and service provision grew by 8.99% compared to 2023, lower than the production growth rate due to competitive pricing. However, profit before tax and profit after tax achieved breakthroughs, reaching 170.37% and 215.7% respectively, indicating optimized production costs, notably through controlled financial expenses,



### Sales volume 2024

728,923 tonnes

**25.78%**  
compared to 2023

### Net revenues from sale of goods and rendering of services

9,358,244 million VND

**8.96%**  
compared to 2023

### Profit After Tax 2024

425,614 million VND

**215.70%**  
compared to 2023

### Net Export Revenue 2024

1,445,778 million VND

**36.40%**  
compared to 2023

enhancing operational efficiency. Parent company shareholders' after-tax profit also surged by 140.83%, reaffirming the Company's steady and sustainable development, demonstrating not only growth in scale but also heightened profitability and dramatically improved operational efficiency in 2024.

## ORGANIZATION AND HUMAN RESOURCES



### LIST OF MEMBERS OF THE BOARD OF DIRECTORS

As of December 31, 2024

No.	Board of Directors' members	Position	Date of appointment	Date of dismissal
1	Mr. Nguyen Van Thieu	Chairman of the Board of Directors	April 29, 2022	-
2	Mr. Ngo Van Dong	Board of Directors' members, General Director	June 24, 2020	-
3	Mr. Le Quoc Phong	Non-executive Board of Directors' members	June 24, 2020	-
4	Mr. Do Quang Huy	Non-executive Board of Directors' members	June 24, 2020	-
5	Mr. Nguyen Bao Ve	Independent members of the Board of Directors	April 28, 2023	-



Mr. **NGUYEN VAN THIEU**

Chairman of the Board of Directors

Date of birth: 1965

Qualification: Bachelor of Economics

### Number of shares owned (representative, individual) as of Date December 31, 2024

Personal ownership	30,000	shares, accounting for 25% charter capital
Representing the Shares of Vietnam Chemical Group	14,292,000	shares, accounting for 0.05% charter capital

### Position at other companies:

Representative of Vietnam Chemicals Group

Chairman of the Board of Directors of Ha Bac Nitrogenous Fertilizer and Chemical Joint Stock Company (DHB)

Deputy Director in charge of Ninh Binh Fertilizer Plant Project Management Board

### Work Experience

Time	Position
July, 1988 – May, 1994	Specialist of Market Planning Department, Ha Bac Fertilizer Company
May, 1994 – December, 2001	Deputy Head of Market Planning Department and Deputy Head of Planning Department, Ha Bac Fertilizer Company
December, 2001 – February, 2008	Head of Planning Department, Ha Bac Fertilizer Company
February, 2008 – March, 2014	Deputy Director of Ninh Binh Fertilizer Plant Project Management Unit
November, 2011 – March, 2017	Board of Directors' members of Ninh Binh Fertilizer One Member Limited Liability Company
December, 2011 – March, 2014	Deputy Director of Ninh Binh Fertilizer One Member Limited Liability Company
April, 2014 – December, 2016	Head of Authorized Representative Board, Vietnam Chemicals Group
July, 2013 – June, 2014	Chairman of the Board of Directors, Ninh Binh Fertilizer Port Joint Stock Company
April, 2014 – April, 2015	Chairman of the Board of Directors, Paint – Plastic Joint Stock Company
April, 2014 – December, 2015	Chairman of the Board of Directors, Danang Rubber Joint Stock Company
May, 2014 – December, 2014	Chairman of the Board of Directors, Viet Tri Chemical Joint Stock Company
May, 2014 – August, 2016	Chairman of the Board of Directors, Lam Thao Super Phosphate and Chemical Company
January, 2016 – April, 2017	Chairman of the Board of Directors, Hanoi Soap Joint Stock Company
January, 2015 – April, 2019	Chairman of the Board of Directors, DAP No. 2 – Vinachem Joint Stock Company
April, 2015 – June, 2020	Chairman of the Board of Directors, Binh Dien Fertilizer Joint Stock Company
December, 2016 to present	Capital Representative of Vietnam Chemicals Group at other enterprises
May, 2020 to present	Deputy Director in charge of Ninh Binh Fertilizer Plant Project Management Unit
June, 2020 to present	Chairman of the Board of Directors, Ha Bac Fertilizer Company and Chemical Joint Stock Company



**Mr. NGO VAN DONG**

Member of the Executive BOD, General Director

Date of Birth: 1967

Qualification: Agricultural Engineer

**Position at other companies:**

Chairman of the BOD of Binh Dien Lam Dong JSC

Chairman of the BOD of Binh Dien Quang Tri JSC

Chairman of the BOD of Binh Dien Ninh Binh JSC

Chairman of the BOD of Binh Dien Mekong JSC

Chairman of the Members' Council of Binh Dien Long An Sport One Member Limited Liability Company

**Work Experience**

Time	Position
1994 - 2007	Working at General Materials and Biochemical Fertilizer Joint Stock Company, General Department of Defense Industry - Ministry of Defense in the positions of Manager, Head of Business Department and Deputy Director in charge of production.
2007 - 2013	Director of Binh Dien - Quang Tri JSC
February, 2013 - January, 2018	Deputy Director of Binh Dien Fertilizer JSC
March, 2017 to present	Chairman of the Board of Directors, Binh Dien Lam Dong JSC
March, 2016 to present	Chairman of the Board of Directors, Binh Dien Quang Tri JSC
March, 2018 to present	Chairman of the Board of Directors, Binh Dien Ninh Binh JSC
May, 2021 to present	Chairman of the Board of Directors, Binh Dien Mekong JSC
August, 2016 to present	Chairman of the Board of Directors of Binh Dien Long An Sports Company Limited
January, 2018 to present	Member of the Board of Directors cum Director of Binh Dien Fertilizer JSC

**Number of shares owned (representative, individual) as of Date December 31, 2024**

Representative of shares of Vietnam Chemicals Group 11,433,600 shares, accounting for 20% of charter capital  
Personal ownership: 0 shares, accounting for 0% of charter capital



**Mr. LE QUOC PHONG**

Member of the Non-Executive BOD

Date of birth : 1957

Qualification: Bachelor of Economics

**Position at other companies:**

Chairman of the Board of Directors of Binh Dien II Fertilizer Production and Trading JSC

Chairman of the Board of Directors of Binh Dinh Agricultural Equipment and Materials JSC

Board of Directors' members of Binh Dien Ninh Binh JSC

**Work Experience**

Time	Position
1990-2003	Director of Binh Dien II Fertilizer Factory
2003-2012	Director of Binh Dien Fertilizer Company
2012-December 2017	Board of Directors' members, General Director of Binh Dien Fertilizer JSC
To present	Chairman of the Board of Directors of Binh Dien II Fertilizer Production and Trading JSC
To present	Chairman of the Board of Directors of Binh Dinh Agricultural Materials and Technology JSC
To present	Board of Directors' members of Binh Dien Ninh Binh JSC
2017 to present	Board of Directors' members of Binh Dien Fertilizer JSC

**Number of shares owned (representative, individual) as of Date December 31, 2024**

Personal ownership: 163,440 shares, accounting for 0.29% of charter capital.



**Mr. DO QUANG HUY**

Member of the Non-Executive BOD

Date of Birth: 1974

Qualification: Bachelor of Economics

**Position at other companies:**

Deputy Head of Business Planning Department of Vietnam Chemicals Group

**Work Experience**

Time	Position
December 1992 - January 1998	Employee of Pirit Company
January 1998 - February 2003	Specialist of Market Planning Department of Sao Vang Rubber Company
February 2003 - January 2023	Specialist of Business Planning Department of Vietnam Chemicals Group
January 2023 - Present	Deputy Head of Business Planning Department of Vietnam Chemicals Group
June 2020 - Present	Member of the Board of Directors, Binh Dien Fertilizer Joint Stock Company

**Number of shares owned (representative, individual) as of Date December 31, 2024:**

Representative of Vietnam Chemicals Group's shares 11,433,600 shares, accounting for 20% charter capital  
Personal ownership 0 shares, accounting for 0% charter capital.



**Mr. NGUYEN BAO VE**

Independent Member of the BOD

Date of Birth: 1951

Qualification: Professor of Agriculture

**Position at other companies::** None

**Work Experience**

Time	Position
1973 - 1975	Lecturer - Can Tho University
1975 - 1977	Teaching Staff - Can Tho University
1977 - 1981	Deputy Head of Crop Science Department - Can Tho University
1981 - 1983	Studying for a Master's degree at Asian Institute of Technology (AIT)
1983 - 1984	Lecturer - Can Tho University
1984 - 1985	Head of Soil and Agricultural Chemistry Department - Can Tho University
1985 - 1992	Deputy Head of Faculty of Agriculture, Head of Soil and Agricultural Chemistry Department - Can Tho University
1992 - 1996	Studying for a Ph.D. at International Rice Research Institute (IRRI) and University of the Philippines (UPLP)
1996 - 1998	Head of Crop Science Department - Can Tho University
1998 - 2002	Head of Faculty of Agriculture & Applied Biology, Head of Crop Science Department - Can Tho University
2002 - 2007	Head of Faculty of Agriculture & Applied Biology, Head of Crop Science Department - Can Tho University
2007 - 2011	Head of Crop Science Department - Faculty of Agriculture and Applied Biology - Can Tho University
2011 - 2019	Senior Lecturer - Can Tho University
April/2023 to Present	Independent Member of the Board of Directors, Binh Dien Fertilizer JSC

**Number of shares owned (representative, individual) as of Date December 31, 2024:** None

## ORGANIZATION AND HUMAN RESOURCES (CONT.)



Currently, the Company has 01 General Director, 02 Deputy General Directors and 01 Chief Accountant. The members of the Board of Management of the Company have fully met the standards and conditions as prescribed in the Enterprise Law and current regulations.

### LIST OF THE BOARD OF MANAGEMENT

As of December 31, 2024

No.	Name	Position	Year of birth	Qualification
1	Mr. Ngo Van Dong	General Director	August 8, 1967	Agricultural Engineer
2	Mr. Vo Van Phu	Deputy General Director	June 16, 1969	Master of Industrial Management, Chemical Engineer
3	Mr. Phan Van Tam	Deputy General Director	October 11, 1976	Master of Agronomy
4	Mr. Tran Ngoc Hung	Chief Accountant	June 11, 1979	Master of Finance, CPA



**Mr. NGO VAN DONG**

General Director

See Board of Directors information



**Mr. VO VAN PHU**

Deputy General Director

**Position at other companies:** None

#### Work Experience

Time	Position
1992 - 1996	In charge of technical at Binh Dien II Fertilizer Factory
1998 - 2003	Deputy foreman in charge of technical at Binh Dien II Fertilizer Factory
2003 - 2013	Head of Production Engineering Department, Binh Dien Fertilizer Company
2013 to present	Deputy General Director of Binh Dien Fertilizer JSC

**Number of shares owned (representative, personal) as of December 31, 2024:** 3,448 shares, accounting for 0.004% charter capital.







Mr. **PHAN VAN TAM**

Deputy General Director

**Position at other companies:**

Board of Directors' members of Binh Dien - Quang Tri JSC  
Member of the Members' Council of Binh Dien Long An Sport One Member Limited Liability Company

**Work Experience**

Time	Position
2000 - 2006	Marketing officer in charge of An Giang market - Binh Dien Fertilizer Company
2006 - 2010	Head of Mekong Delta Marketing Region - Binh Dien Fertilizer Company
2010 - August 2011	Deputy Head of Marketing Department, Binh Dien Fertilizer JSC
August 2011 - October 2023	Head of Marketing Department, Binh Dien Fertilizer JSC
March 2018 to present	Board of Directors' members of Binh Dien - Quang TriJSC
October 2023 to present	Deputy General Director of Binh Dien Fertilizer JSC
August 2024 to present	Member of the Members' Council of Binh Dien Long An Sport One Member Limited Liability Company

**Number of shares owned (representative, personal) as of December 31, 2024:**

126 shares, accounting for 0.0002% charter capital.



Mr. **TRAN NGOC HUNG**

Chief Accountant

**Position at other companies:**

Board of Directors' members of Binh Dien Ninh Binh JSC  
Member of the Board of Supervisors of Duc Thanh Wood Processing JSC

**Work Experience**

Time	Position
2001 - 2003	Accounting Specialist at CP. Group
2003 - 2005	Chief Accountant of UHSystem VN Limited Liability Company
2005 - 2007	Financial Supervisor at MercedesBenz VN Joint Venture Company
2007 - 2014	Senior Corporate Finance Consultant, Ban Viet Securities JSC
2014 - 2019	General Accountant of Binh Dien Fertilizer JSC
2018 to present	Concurrently holding the position of Person in charge of corporate governance
2019 - 2022	Deputy Head of Finance and Accounting Department, Binh Dien Fertilizer JSC
November, 2022 to Present	Chief Accountant of Binh Dien Fertilizer JSC
March, 2023 to Present	Board of Directors' members of Binh Dien Ninh Binh JSC
June, 2020 to Present	Member of Board of Supervisors of Duc Thanh Wood Processing JSC

**Number of shares owned (representative, individual) as of Date December 31, 2024:** None



“ ***BUFFALO HEAD Fertilizers***  
***Your Trusted Partner in Farming***  
***Advancing Sustainable Agriculture*** ”

## ORGANIZATION AND HUMAN RESOURCES (CONT.)



### LIST OF BOARD OF SUPERVISORS

As of December 31, 2024

No.	Name	Position	Number of shares	Percentage
1	Mr. Truong Minh Phu	Head of the Board of Supervisors	0	0%
2	Mr. Quan Dinh Gang	Member of the Board of Supervisors	0	0%
3	Mr. Nguyen Huy Hieu	Member of the Board of Supervisors	0	0%



#### Mr. TRUONG MINH PHU

Head Of the Board Of Supervisors

Qualification: : Master of Finance

#### Position at other companies:

Head of the Board of Supervisors of Binh Dien MeKong JSC

**Number of shares owned (representative, individual) as of Date December 31, 2024:** None



#### Mr. QUAN DINH GANG

Member of the Board of Supervisors

Qualification: Bachelor of Economics

#### Position at other companies:

- Member of the Board of Supervisors of Binh Dien Mekong JSC
- Head of the Board of Supervisors of Binh Dien II Fertilizer Production - Business JSC

**Number of shares owned (representative, individual) as of Date December 31, 2024:** None



#### Mr. NGUYEN HUY HIEU

Member of the Board of Supervisors

Qualification: Master of Business Administration, General Accounting Certificate, Bachelor of Laws

#### Position at other companies:

- Deputy Head of Human Resources Organization Department of Vietnam Chemicals Group
- Board of Directors' members of Da Nang Rubber JSC

**Number of shares owned (representative, individual) as of Date December 31, 2024:** None



## ORGANIZATION AND HUMAN RESOURCES (CONT.)

### NUMBER OF OFFICERS AND EMPLOYEES

No.	Criteria	Year 2023		Year 2024	
		Quantity (people)	Percentage (%)	Quantity (people)	Percentage (%)
<b>I</b>	<b>By labor qualification</b>	<b>428</b>	<b>100.00%</b>	<b>457</b>	<b>100.00%</b>
1	University and postgraduate level	127	29.67%	140	30.63%
2	College, professional secondary level	150	35.05%	40	8.75%
4	Unskilled labor	151	35.28%	277	60.61%
<b>II</b>	<b>By gender</b>	<b>428</b>	<b>100.00%</b>	<b>457</b>	<b>100%</b>
1	Male	360	84.11%	387	84.68%
2	Female	68	15.89%	70	15.32%
<b>III</b>	<b>By labor contract term</b>	<b>428</b>	<b>100.00%</b>	<b>457</b>	<b>100%</b>
1	Short-term contract under 1 year	388	90.65%	386	84.46%
2	Contract with a term of 1 to 3 years	34	7.94%	36	7.88%
3	Indefinite term contract	6	1.40%	35	7.66%
	<b>Total</b>	<b>428</b>	<b>100.00%</b>	<b>457</b>	<b>100.00%</b>

### AVERAGE INCOME

Year	Year 2021	Year 2022	Year 2023	Year 2024
Total number of employees (including outsourced labor)	710	710	677	612
Average income (million VND/person/month)	17,02	13,50	17,23	24,15



### ABOUT TRAINING

The Company understands that building a high-quality human resource team is the core factor in all activities, therefore, training policies to improve professional skills for employees are implemented annually with clear, specific content and in line with the Company's development policy. The training courses are combined by the Company between internal training, external training, short-term training and long-term training. In which, special attention is paid to training a team of highly qualified scientific staff in the fields of science and technology, prioritizing:

- Professional, technical training, and refresher training: The enterprise supports 100% of the cost of on-site training, online training or/and sending to school...
- Budget for training: estimated 1% of total payroll/year.
- Percentage of employees participating in training and refresher courses annually organized by the enterprise: estimated 25-30%/year.

Strengthen the connection between the Company and Institutes, Universities, and reputable and experienced Training Centers to organize training programs to improve the qualifications of the Company's science and technology specialists. Promote and strengthen international cooperation in training high-quality human resources for the science and technology industry. In addition, the Company also issues development policies to create promotion opportunities for employees. This is something that the Board of Directors always prioritizes to encourage and motivate employees to increase productivity and long-term commitment to the Company.

## ORGANIZATION AND HUMAN RESOURCES (CONT.)

### REGARDING RECRUITMENT

The company implements a public recruitment and selection policy, based on the standards of each job position, focusing on rigorous recruitment and a reasonable salary regime to attract talent, especially focusing on attracting young human resources in science and technology.



### WORK ENVIRONMENT

Creating a professional, cultured, and positive work environment is something the company always focuses on. The company has established rules and regulations on work processes for departments to coordinate more clearly and conveniently. Every member of the company is always provided with favorable conditions to maximize their potential and receive recognition for their contributions. In addition, seminars and sharing sessions are also regularly organized by the company to increase camaraderie, solidarity, and sharing among members. The Board of Directors always listens, respects, and creates maximum conditions for employees to confidently and actively speak up and promote initiatives in production and business as well as in management. Creating a healthy and united work environment and paying attention to equipment and facilities to attract and retain talent.

### REGARDING SALARY, BONUSES, BENEFITS, AND COMPENSATION

Salaries and bonuses are paid to employees in accordance with the company's salary and bonus regulations. The salary policy includes 12 months' salary and bonuses based on business results, bonuses for holidays and Tet. In terms of benefits and compensation, all employees in the company are fully entitled to employee policies as prescribed by law such as participating in health insurance, social insurance, unemployment insurance, occupational accident insurance, maternity leave, etc. Besides, the company is also very concerned about the spiritual life and health of its employees through additional benefits such as:

- Life insurance: The company purchases life insurance for employees at a rate of 12 - 36 million VND/ person/year depending on the position/management level and seniority at the company;
- Periodic health check: 100% of employees have a periodic health check at least once a year.
- Travel and excursion activities: Every year, the company organizes domestic and international tours for employees, depending on the company's production and business situation, to determine the travel cost per person.
- Sports activities, networking, and cultural programs: The Company has constructed volleyball, tennis, badminton, and table tennis courts within the office and factory premises to provide employees with recreational facilities after stressful working hours. The Company organizes or participates in camps organized by the Youth Union of the Company or the City Youth Union. Employees also participate in sports events organized by the Company, local authorities, or other departments, with various sports including volleyball, football, table tennis, and badminton. The Company also engages in veteran reunions, workers' congresses, and participates in the Green Summer Campaign. The Company rewards and supports the welfare of employees, their children, and families.

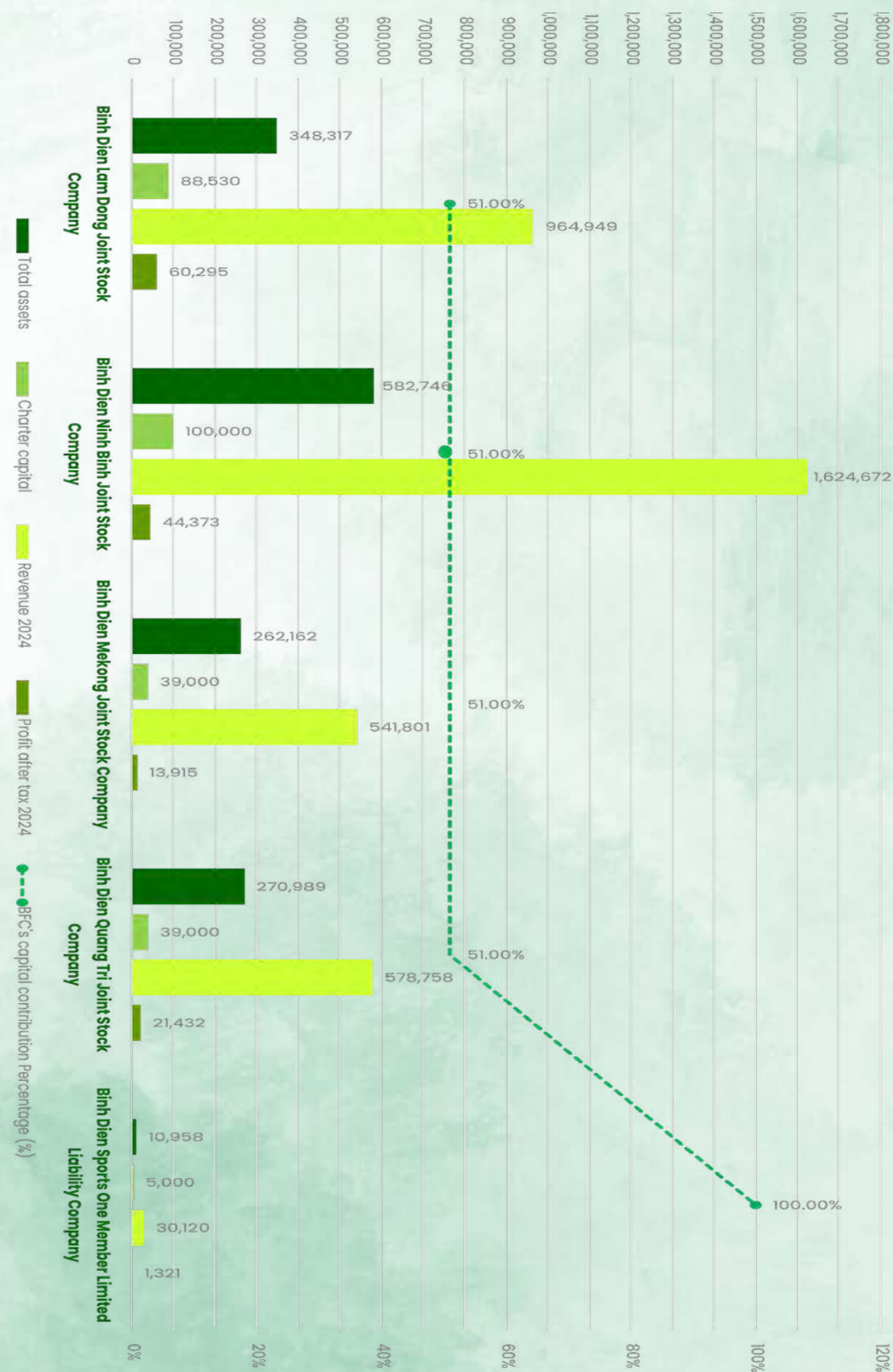
## INVESTMENT SITUATION IN IMPLEMENTING PROJECTS

### MAJOR INVESTMENTS

In 2024, there were no major investments. Capital construction investment is mainly small-scale investment and procurement items directly serving production, such as: renovating the Long An factory's workshop, upgrading internal roads, purchasing forklifts, and worker transport vehicles, with procedures carried out in accordance with regulations issued by the company's Board of Directors.

### FINANCIAL STANDING OF SUBSIDIARY COMPANIES AND AFFILIATED COMPANIES

The Company possesses five Subsidiary companies, among which, Binh Dien Long An Sport One Member Limited Liability Company operates within the sports sector, undertaking brand promotion for the Company.



## FINANCIAL STATUS

The year 2024 signified a period of stability for the Vietnamese fertilizer industry, as exports attained nearly 1.73 million tons of diverse fertilizers, with an average price of 411,1 USD/ton, exhibiting an 11.7% increase in output and a 9.4% increase in turnover, despite a slight 2% price reduction compared to 2023. This fluctuation primarily stemmed from input material prices, elevated transportation expenses, and seasonal market demand shifts, coupled with the impact of China's fertilizer export adjustment policy on domestic supply and pricing.

Notwithstanding minor fertilizer price fluctuations, the Company sustained positive business outcomes owing to a suitable strategy, recording net revenue of 9,358,244 million VND, reflecting an 8.96% rise compared to the previous year. Total assets experienced a modest 5.13% decline, from 3,454,648 million VND to 3,277,320 million VND, chiefly due to reduced short-term receivables and inventory, specifically in customer receivables and the value of finished fertilizer products.

Although net revenue exhibited only a marginal increase, net profit from business activities, pre-tax profit, and after-tax profit surged significantly by 166.56%, 170.37%, and 215.70%, respectively. These outcomes were achieved through a 769,935 million VND increase in sales revenue, a slight 284,534 million VND rise in cost of goods sold, combined with effective management of financial expenses and a substantial capital reduction during the year.



No.	Indicators	2023 (million VND)	2024 (million VND)	% Change
1	Total asset value	3,454,648	3,277,320	-5.13%
2	Net revenue	8,588,309	9,358,244	8.96%
3	Net profit from business activities	199,271	531,173	166.56%
4	Other profit	-3,032	-610	20.13%
5	Profit before tax	196,239	530,563	170.37%
6	Profit after tax	134,818	425,614	215.70%
7	Percentage of dividend payout/Charter capital (%)	25%	Expected not less than 15%	-

## FINANCIAL INDICATORS

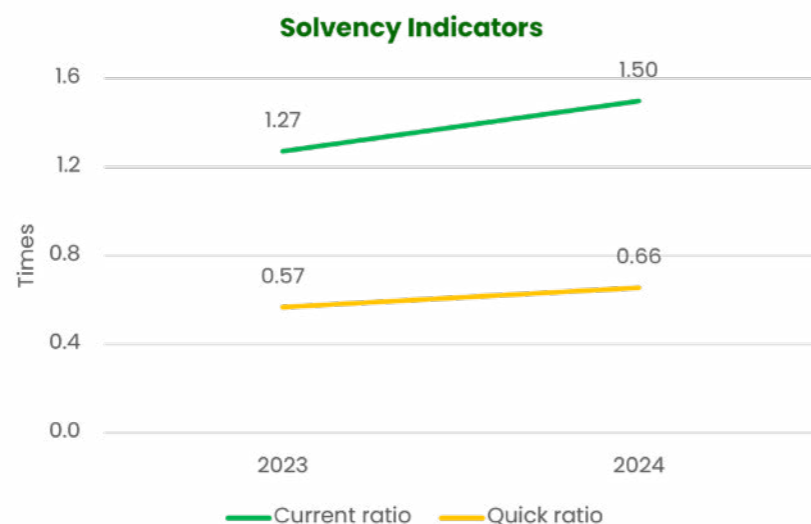
No.	Indicators	Unit	2023	2024
<b>Solvency indicators</b>				
1	Current ratio	Times	1.27	1.50
	Quick ratio	Times	0.57	0.66
<b>Capital structure indicators</b>				
2	Debt-to-total assets ratio	%	62.78	53.70
	Debt-to-equity ratio	%	168.69	115.99
<b>Operational capacity indicators</b>				
3	Inventory turnover	Times	3.99	5.33
	Total asset turnover	Times	2.22	2.78
<b>Profitability indicators</b>				
4	Profit after tax/Net revenue	%	1.57	4.55
	Return on equity (ROE)	%	10.19	30.37
	Return on average assets (ROAA)	%	3.48	12.64
	Operating profit/Net revenue	%	2.32	5.68

## FINANCIAL STATUS

### FINANCIAL INDICATORS

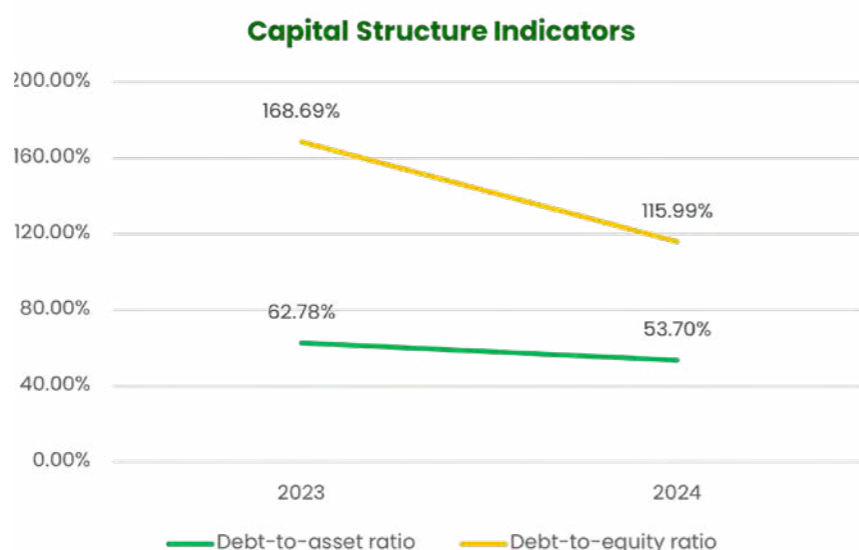
#### SOLVENCY INDICATORS

Both the Company's current ratio and quick ratio demonstrated growth in 2024, rising from 1.27 to 1.50 and from 0.57 to 0.66, respectively. This trend indicates that the Company maintained sound financial capacity and ensured its ability to meet debt obligations. The most notable contributor to the current ratio's increase was the reduction in the Company's short-term debt from 2,159,290 million VND to 1,743,091 million VND. This decline primarily resulted from the Company refraining from increasing loans and partially repaying short-term loans and financial lease liabilities, equivalent to 712,311 million VND.



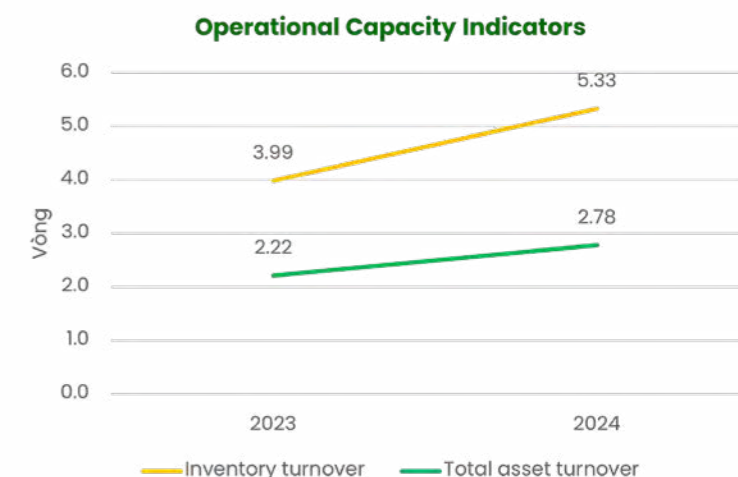
#### CAPITAL STRUCTURE INDICATORS

The Company's capital structure continued its downward trend this year, with both the debt-to-asset ratio and debt-to-equity ratio decreasing, from 62.78% to 53.70% and from 168.69% to 115.99%, respectively. This was largely due to a 408,934 million VND reduction in total debt, including a 416,199 million VND decrease in short-term debt. The debt-to-equity ratio registered the most significant drop due to a 231,606 million VND increase in the Company's equity, mainly attributed to the rise in undistributed profits from 257,722 million VND in 2023 to 432,999 million VND in 2024. The debt-to-asset ratio decreased slightly due to a roughly 177,328 million VND reduction in the Company's total assets, resulting from a decrease in short-term loans.



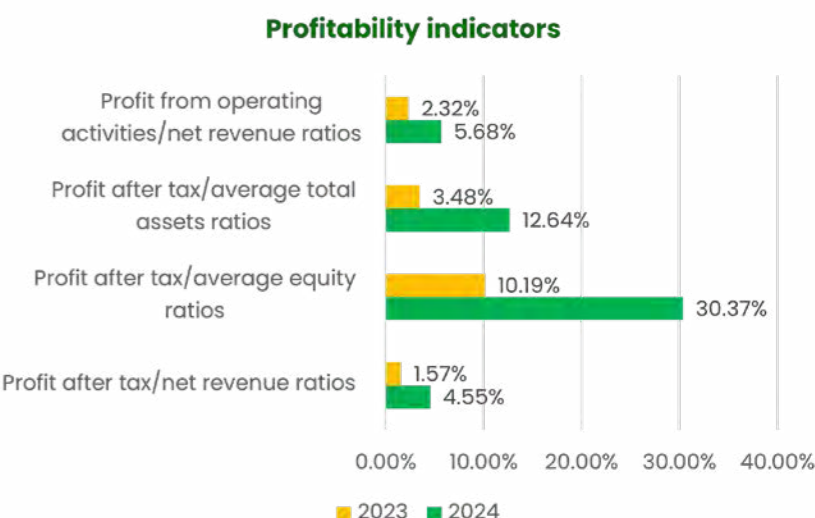
#### OPERATIONAL CAPACITY INDICATORS

Both the Company's inventory turnover and total asset turnover exhibited growth in 2024, reflecting effective inventory management and asset utilization throughout the year. Specifically, inventory turnover increased from 3.99 to 5.33, primarily due to a 53,821 million VND reduction in inventory, indicating positive fertilizer sales and contributing to minimizing the risk of goods stagnation. While total assets remained relatively stable, net revenue increased significantly by approximately 769,935 million VND, resulting in a rise in asset utilization from 2.22 to 2.78, a comparatively high increase compared to the same period last year.



#### PROFITABILITY INDICATORS

Amidst favorable business conditions and positive business results, Binh Dien recorded increases in almost all Profitability indicators compared to 2023, including a tripling of the profit after tax/net revenue, profit after tax/average equity, and profit after tax/average total assets ratios within a year. Specifically, the profit after tax/average equity and profit after tax/average total assets ratios increased from 10.19% to 30.37% and 3.48% to 12.64%, respectively, demonstrating a significant improvement in the Company's utilization of equity and assets compared to last year. The profit after tax/net revenue and profit from operating activities/net revenue ratios both recorded positive results with growth rates of 2.98% and 3.36%, Profit after tax/net revenue ratios respectively.

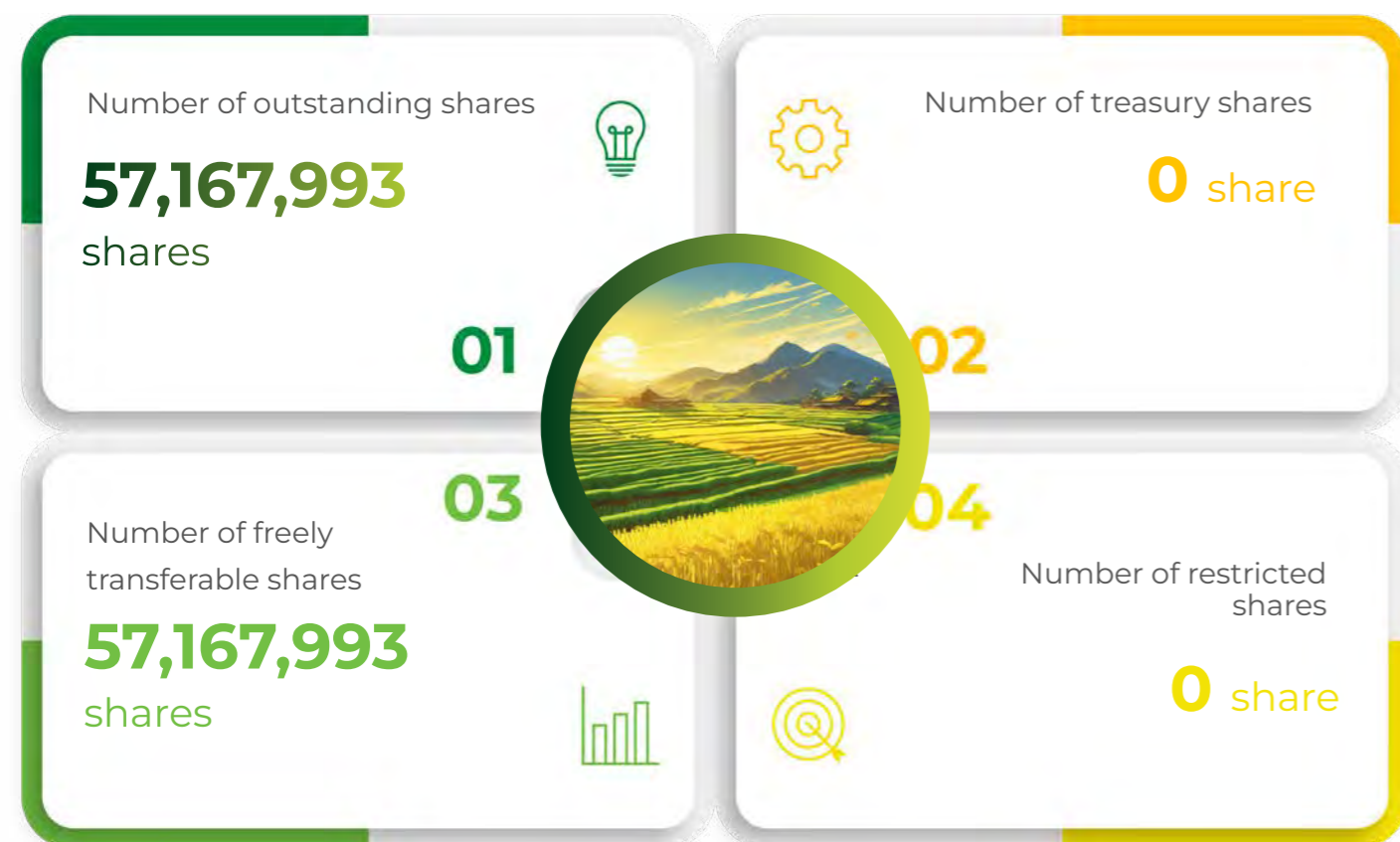


## SHAREHOLDERS STRUCTURE, CHANGE IN THE OWNER'S EQUITY

### SHARES

Share type: Common Shares

Par Value: 10.000 VND/Share



### CHANGES IN OWNER'S EQUITY

On June 17, 2014, the Company received Issuance Certificate No. 47/GCNUNCK from the State Securities Commission to increase capital from 397,000,000,000 VND to 476,400,000,000 VND. The issuance method was an offer to existing shareholders, the selling price was 10,000 VND/share, and the exercise ratio was 5:1. On August 17, 2016, the Company received a notification of complete issuance documents No. 5505/UBCK-QLCB from the State Securities Commission to increase capital from 476,400,000,000 VND to 571,679,930,000 VND from owner's equity for existing shareholders, with an exercise ratio of 5:1. The current charter capital of the Company is 571,679,930,000 VND.

### OTHER SECURITIES

In 2024, the Company did not issue any other securities.

## LIST OF STATE SHAREHOLDERS, STRATEGIC SHAREHOLDERS, MAJOR SHAREHOLDERS

No.	Individual/ Organization (name of organization representative)	Shareholder classification			Identity Card Number/ Ownership registration number	Date of issue	Number of shares held	Percentage of ownership	Record date
		State share holders	Strategic share holders	Major share holders					
1	Vietnam Chemicals Group	x		x	100100061	August 30, 2011	37,159,200	65%	December 18, 2024
In which Capital Representative:									
	Nguyen Van Thieu				-	-	14,292,000	25%	December 18, 2024
	Ngo Van Dong				-	-	11,433,600	20%	December 18, 2024
	Do Quang Huy				-	-	11,433,600	20%	December 18, 2024

### SHAREHOLDERS STRUCTURE

No.	Subject	Number of shares	Ownership Percentage / Charter capital (%)	Number of share holders	Shareholders structure	
					Organization	Individual
1	State shareholders	37,159,200	65.00%	1	1	-
	Founding shareholders/ FDI shareholders	0	0.00%	0	-	-
2	- Domestic	0	0.00%	0	-	-
	- Foreign	0	0.00%	0	-	-
	Major shareholders (owning 5% or more of charter capital)	0	0.00%	0	-	-
3	- Domestic	0	0.00%	0	-	-
	- Foreign	0	0.00%	0	-	-
4	Company's trade union	175,372	0.31%	1	1	-
	- Domestic	175,372	0.31%	1	1	-
	- Foreign	0	0.00%	0	-	-
5	Treasury shares	0	0.00%	0	-	-
6	Shareholders owning preferred shares (If any)	0	0.00%	0	-	-
	Other shareholders	19,833,421	34.69%	3,371	45	3,326
7	- Domestic	18,729,801	32.76%	3,320	23	3,297
	- Foreign	1,103,620	1.93%	51	22	29
<b>TOTAL</b>		<b>57,167,993</b>	<b>100.00%</b>	<b>3,373</b>	<b>47</b>	<b>3,326</b>
	In which: - Domestic	56,064,373	98.07%	3,322	25	3,297
	- Foreign	1,103,620	1.93%	51	22	29



# 03

## REPORT AND ASSESSMENT OF THE BOARD OF DIRECTORS

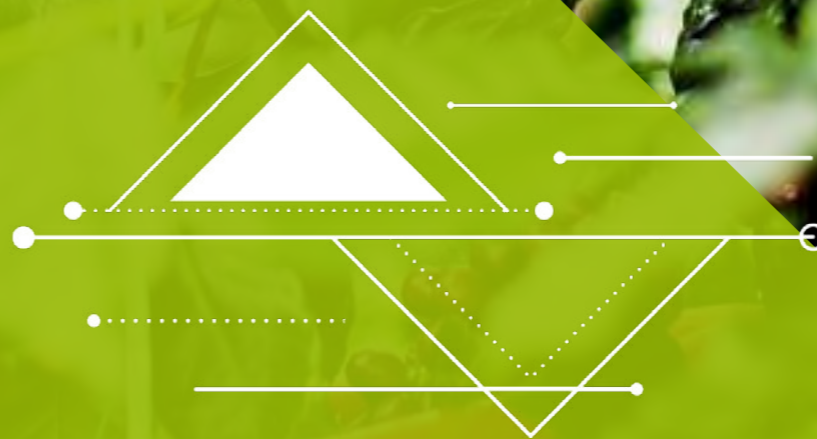
Assessment of operating results

Financial Situation

Future Development Plans

Explanation of the Board of Directors on audit opinions (if any)

Assessment Report Related To Environmental And Social Responsibilities Of The Company



## ASSESSMENT OF OPERATING RESULTS

**PRODUCTION OUTPUT: 731,352 tons**, equivalent to 125.64% compared to the same period last year

**SALES VOLUME: 728,923 tons**, equivalent to 125.78% compared to the same period last year

**REVENUE FROM SALES AND SERVICE**

**PROVISION: 9,489,136**

**million VND**, equivalent to 108.73% compared to the same period last year

**CONSOLIDATED PROFIT BEFORE TAX:**

**530,563 million VND**, equivalent to 270.37% compared to the same period last year

**PBT PERFORMED BY PARENT COMPANY ONLY:**

**357,006 million VND**, equivalent to 240.83% compared to the same period last year

## ADVANTAGES

In 2024, Binh Dien Fertilizer Joint Stock Company benefited from positive developments in the fertilizer industry and stability in its business operations. The global fertilizer market is forecast to grow slightly by about 1.2%, mainly due to increased demand from South Asia and Latin America, while fertilizer prices show signs of recovery as countries like Russia and China tighten exports. These factors contributed to favorable conditions for Binh Dien in expanding its market and optimizing its business activities. In the domestic market, prices of agricultural products increased significantly, with profits from agricultural production multiplying compared to previous years. This motivated farmers to focus on investing in agricultural inputs to promote plant growth and increase productivity, consequently leading to an increased demand for fertilizers.

The fertilizer export market in 2024 experienced significant growth, increasing by 11.7% in volume and 9.4% in value compared to the previous year, with the Cambodian market accounting for the majority, representing 34.3% of the total volume and 33.9% of the country's total fertilizer export value. This is the main export market for Binh Dien Fertilizer Joint Stock Company.

Overall, with positive market signals and a prudent business strategy, Binh Dien Fertilizer Joint Stock Company has maintained a solid position in the industry and aims for sustainable development.

## DISADVANTAGES

Despite the numerous positive aspects of the 2024 market landscape, Binh Dien Fertilizer Joint Stock Company still faced challenges amidst the oversupply situation in the NPK fertilizer sector, leading to fierce price competition. Furthermore, the NPK market fragmentation stems from the presence of numerous small-scale fertilizer importers and producers utilizing simple technologies, resulting in inconsistent quality and pricing. In light of these adverse impacts, the company's leadership must develop solutions to enhance product quality and leverage brand strength to ensure that Buffalo Head fertilizer remains the preferred choice for farmers.



## ASSESSMENT OF OPERATING RESULTS (CONT)

### PROGRESS ACHIEVED BY THE COMPANY

In 2024, Binh Dien Fertilizer Joint Stock Company achieved remarkable accomplishments, affirming its solid position in the fertilizer industry.

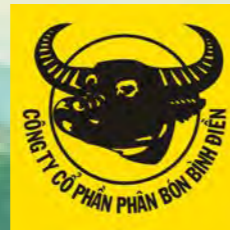
In terms of business operations, the Company recorded total revenue of over VND 9,489,136 million, representing an increase of 8.99% compared to 2023. Pre-tax profit reached VND 530,563 million, marking a growth of 170.37% year-on-year – the highest profit ever recorded by the Company to date.

Regarding awards and accolades, Binh Dien, with its “Buffalo Head Fertilizer” brand, was honored as a National Brand and listed among the top 10 ASEAN strong brands in 2024, and recognized as one of the 50 best businesses in Vietnam in 2024, demonstrating its continuous efforts to elevate product and service quality.

In external affairs, the company had the honor of successively welcoming high-ranking delegations from Cambodia, the Philippines, and Laos for visits and collaborations. This presents an opportunity for the company to expand into potential markets within the region and affirms its prestige in the Vietnamese fertilizer sector.

Concerning social programs, the company received positive feedback on its “Smart Farming Adapting to Change” projects, contributing to improved productivity and economic efficiency for farmers while mitigating adverse environmental impacts. Simultaneously, in 2024, the company contributed over 13 billion VND to charitable activities, supporting education, housing for the disadvantaged, and numerous other initiatives. These accomplishments not only reflect effective business strategies but also demonstrate

“ ***BUFFALO HEAD Fertilizers***  
***Your Trusted Partner in Farming***  
***Advancing Sustainable Agriculture*** ”



Binh Dien’s commitment to the community and sustainable development.

Regarding product development, the company officially launched the Buffalo Head Bio-Canxi, Buffalo Head Bio-Rice 1, and Bio-Rice 2 fertilizer product line. Following a period of collaboration with agricultural promotion centers in localities such as Long An, An Giang, and Soc Trang, these products underwent research and trials in smart rice farming models on fields severely affected by acidity. This line of medium and micronutrient fertilizers improves soil conditions, raises soil pH, and reduces saline and acidic poisoning. They also supplement beneficial microorganisms that fix nitrogen, rapidly decompose difficult-to-digest organic substances, insoluble phosphorus, and cellulose, thereby reducing organic poisoning and accelerating post-harvest straw decomposition, aligning with sustainable farming trends.

### IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT

During the year, the Company continued to consolidate its management apparatus, review and supplement personnel to the cadre planning list for the 2021–2026 and 2026–2031 periods. The Company also continued to improve its regulations and rules to align with legal changes and the Company’s operational realities. Arrange and organize the workforce to ensure rationality, streamlining, suitability, and effectiveness. Focus on training and developing human resources to meet the Company’s development needs in the new situation. Ensure income and improve the material and spiritual life of employees.



## FINANCIAL SITUATION

### ASSET STATUS

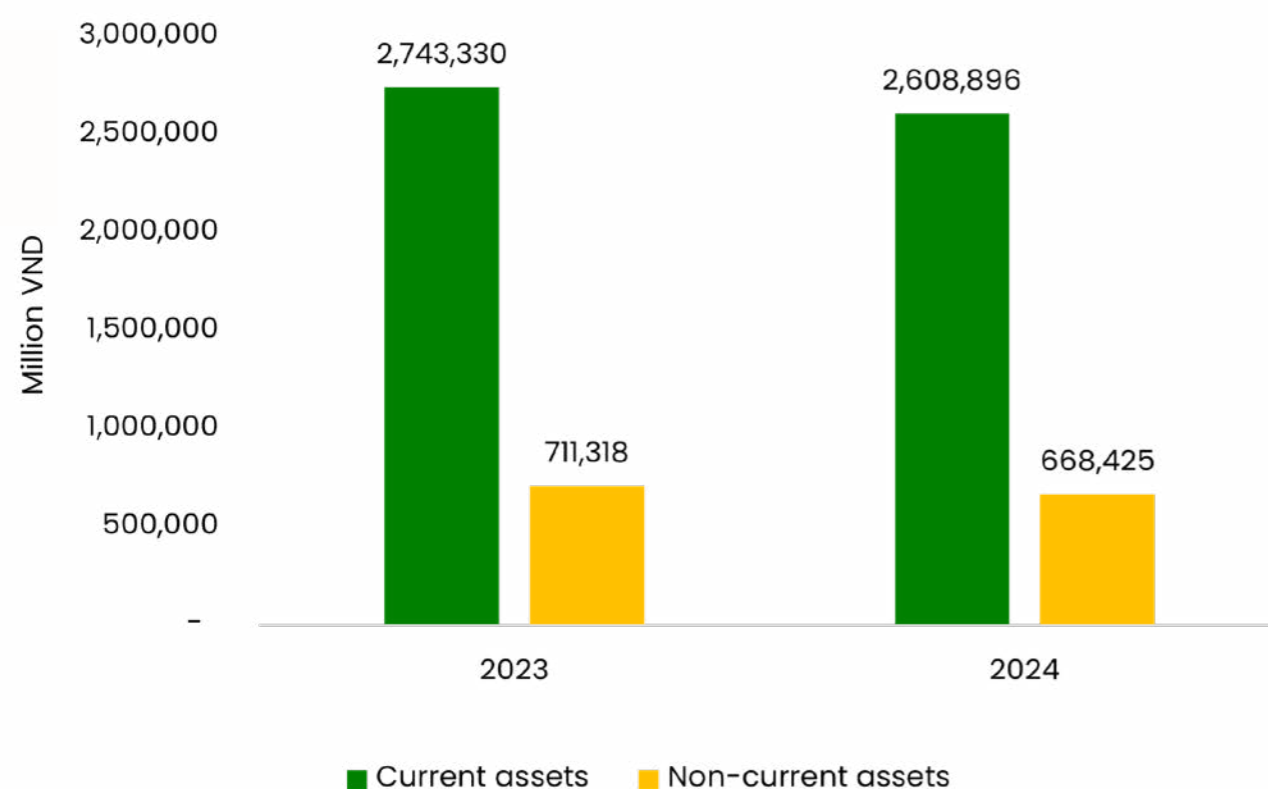
Item	31/12/2023		31/12/2024		% Change
	Value (VND million)	Percentage (%)	Value (VND million)	Percentage (%)	
Current assets	2,743,330	79.41%	2,608,896	79.60%	-4.90%
Non-current assets	711,318	20.59%	668,424	20.40%	-6.03%
<b>Total assets</b>	<b>3,454,648</b>	<b>100.00%</b>	<b>3,277,320</b>	<b>100.00%</b>	<b>-5.13%</b>

The Company's total asset value in 2024 changed insignificantly compared to the same period last year, decreasing slightly by 5.13%, from 3,454,648 million VND to 3,277,320 million VND. The unchanged assets indicate that in 2024, the Company had a cautious business strategy and maintained stable production and business activities in the context of a volatile economy.

Current assets account for the largest proportion of the Company's asset structure, approximately 79.6%, meaning changes in current assets will have the greatest impact on the Company's asset structure. In 2024, current assets decreased slightly by 134,434 million VND. The item with the largest decrease was short-term receivables, down approximately 76,475 million VND compared to last year.

Similarly, the Company's long-term assets decreased from 711,318 million VND to 668,424 million VND. The main reason is the Company's reduction in long-term assets in progress by 31,459 million VND in 2024.

#### Company's Asset Situation

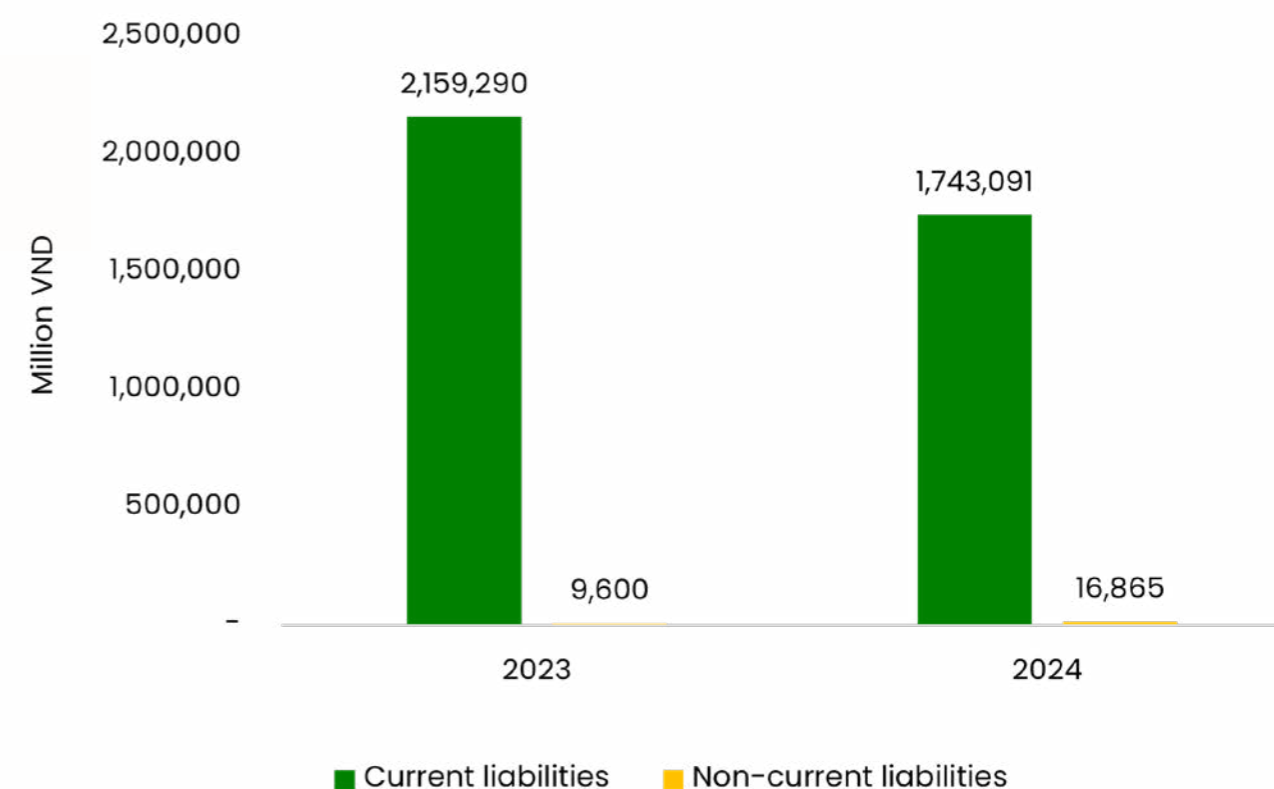


### DEBT STATUS

Item	31/12/2023		31/12/2024		% Change
	Value (VND million)	Percentage (%)	Value (VND million)	Percentage (%)	
Current liabilities	2,159,290	99.56%	1,743,091	99.04%	-19.27%
Long-term liabilities	9,600	0.44%	16,865	0.96%	75.68%
<b>Total liabilities</b>	<b>2,168,890</b>	<b>100.00%</b>	<b>1,759,956</b>	<b>100.00%</b>	<b>-18.85%</b>

The majority of the Company's current liabilities is used to finance total assets, with Current liabilities showing a significant decrease from 2,159,290 million VND to 1,743,091 million VND, a reduction of over 19% compared to the same period last year. Interest expenses have decreased the most. The items for loans and financial leasing at commercial banks have seen the largest reduction, approximately 712,311 million VND. Meanwhile, long-term liabilities has increased by 7,265 million VND, reaching 175.68% compared to the same period last year. It is evident that the Company has reduced its reliance on current liabilities. This helps the Company stabilise its financial structure and mitigate payment risks. Additionally, this strategy simultaneously decreases interest expenses to alleviate financial pressure and potential risks that may arise within the year.

#### Company's Liabilities Situation



## FUTURE DEVELOPMENT PLANS

No.	Indicators	Unit	Actual in 2024	Plan for 2025 (*)	Plan 2025/ Actual 2024
1	Production output	Tonnes	731,352	605,000	82.72%
2	Sales volume	Tonnes	728,923	605,000	83.00%
3	Total revenue	Billion VND	9,489,1	7,438,3	78.39%
4	Consolidated profit before tax	Billion VND	530,5	281	52.97%
5	PBT performed by Parent Company only	Billion VND	376,0	195	51.86%

(\*): The annual plan will be submitted to the General Meeting of Shareholders for approval in 2025.



Entering 2025, the Company aims to produce and consume 605,000 tons of fertilizer, with total expected revenue of 7,438 billion VND, consolidated pre-tax profit of about 281 billion VND, of which the Parent Company's pre-tax profit is estimated at 195 billion VND. Although this figure is lower than the 2024 results, this decrease reflects a reasonable adjustment in the context of a still volatile fertilizer market. Binh Dien continues to maintain a flexible production strategy, optimizing costs and enhancing competitiveness to ensure stable operating performance in the long term.

## EXPLANATION OF THE BOARD OF DIRECTORS ON AUDIT OPINIONS (IF ANY)

The audit opinion fully accepts the 2024 Financial Statements, therefore, the Board of Directors has no further explanation.



## ASSESSMENT REPORT RELATED TO ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES OF THE COMPANY



### ASSESSMENT CONCERNING THE ENVIRONMENTAL INDICATORS (WATER CONSUMPTION, ENERGY, EMISSIONS, ETC.)

With business activities closely tied to the environment, the Company annually sets environmental protection goals through optimizing the management of raw materials, energy, electricity, and water consumption, and always complies with environmental protection laws aiming towards sustainable environmental development. In early 2024, the Company contributed ideas to the project “Sustainable Development of One Million Hectares of High-Quality, Low-Emission Rice Production Linked to Green Growth in the Mekong Delta Region to 2030,” aiming to reduce input costs by 30%, increase profit margins for rice farmers, contribute to climate change adaptation, and reduce emissions. In addition, the Company collaborated with Vietnam Coffee Corporation to sign a cooperation agreement to promote the efficient production of coffee, improving the quality and value of Vietnamese coffee beans in a sustainable way, reducing greenhouse gas emissions, contributing to environmental protection,

enhancing the livelihood of workers, and driving the business and production activities of both sides. On World Environment Day in mid-2024, the Company deployed a series of training courses to introduce and guide farmers on fertilizer use to reduce soil degradation and protect the environment.

With the initiatives the Company has implemented, along with systematic approaches and directions, the Company is ready for new strides in accompanying farmers and the agricultural sector in researching and implementing innovative farming solutions to promote green growth, reduce greenhouse gas emissions, and protect the environment.

### ASSESSMENT CONCERNING THE CORPORATE RESPONSIBILITY FOR THE LOCAL COMMUNITY

The Company recognizes itself as a part of society and always carries out social activities, creating a strong collective to become a useful component of society.

In 2024, Binh Dien, along with the delegation of the Vietnam Journalists Association, organized the program “Wings of Dreams - Bringing You to School” to award 100 gifts, including 1,500,000 VND in cash and gifts worth 500,000 VND, to disadvantaged children in Nghia Dan District, Nghe An Province and Trieu Phong District, Quang Tri Province. The Company continued to collaborate with the “Support to School” scholarship fund organized by Tuoi Tre Newspaper to award scholarships to students and freshmen with special and difficult circumstances across the country.

In addition, the Company also coordinated with the Board of Directors of Le Tri Secondary School to award the “Steps to School” scholarship for the 2024-2025 school year, each worth 1 million VND, to 15 poor students with difficult circumstances in An Giang. This activity aims to encourage students to continue nurturing their learning

aspirations to contribute to the country’s development; the Company has truly demonstrated its responsibility to society and to the “human cultivation” mission of the education sector.

2024 was a particularly challenging year for farmers due to tens of thousands of hectares of rice and vegetables being damaged, broken, and flooded as a result of Typhoon No. 3. Recognizing the extent of the damage’s impact on farmers, the Company called on all employees to contribute financially and with agricultural supplies, including corn seeds and fertilizers, to those affected by the typhoon, assisting them in overcoming the aftermath and swiftly stabilizing their lives. Beyond supporting farmers, the Company also organized training sessions on farming techniques and crop care. This activity not only provided material assistance but also enhanced farmers’ knowledge, helping increase productivity and adapt to increasingly harsh weather conditions.

In addition, Binh Dien continues to maintain numerous other social programs, such as constructing charitable and benevolent housing initiatives, “Binh Dien warm shelter”; developing rural infrastructure; and establishing partnerships with minority ethnic communities (Eana village - Daklak and Bon R’long Phe - DakNong) to assist these communities in developing production, increasing income for improved living standards, and eradicating hunger and alleviating poverty. The total financial support for the two communities ranges from 0.5 to 1 billion VND annually, and this partnership has been maintained by Binh Dien since 2005.

### ASSESSMENT CONCERNING THE LABOR ISSUES

The company consistently prioritizes enhancing the quality of its human resources, improving employee compensation and benefits, establishing methods for employee training and development, and regularly organizing courses on skills, culture, and sports. Social insurance, health insurance, unemployment insurance, and other benefits are fully implemented by the company in accordance with legal regulations.

The working environment for employees continues to be improved; occupational safety and fire prevention measures are strictly controlled.



# 04

## ASSESSMENT OF THE BOARD OF DIRECTORS ON THE COMPANY'S ACTIVITIES

Assessment of the Board of Directors on the Company's Activities

Board of Directors' assessment of the activities of the Company's General Management Board

Plans and orientations of the Board of Directors



## ASSESSMENT OF THE BOARD OF DIRECTORS ON THE COMPANY'S ACTIVITIES

No.	Indicators	Year 2023 (million VND)	Year 2024 (million VND)	% Change
1	Revenue from sales and service provision	8,706,346	9,489,136	8.99%
2	Profit before tax	196,239	530,563	170.37%
3	Profit after tax	134,818	425,614	215.70%
4	Profit after tax attributable to Parent Company shareholders	148,242	357,006	140.83%

The management and direction of the Board of Directors consistently adhere to legal regulations, the Company Charter, and the Board of Directors' operating regulations; effectively implement the resolutions of the Annual General Meeting of Shareholders, respecting and ensuring the rights of shareholders; and fulfilling the company's rights and obligations effectively, as demonstrated in the following key areas:



### In the field of production and business

In 2024, under the direction of the Board of Directors, the Company has generally performed its assigned tasks effectively. The company has introduced several solutions and policies aligned with its strategic direction to promptly address difficulties and obstacles; particularly, business solutions and tasks ensuring unit safety to secure revenue and profit in accordance with the established plan. Consequently, by the end of 2024, the company recorded favorable business results with a slight revenue increase of nearly 9% compared to the previous year, reaching 9,489,136 million VND. Meanwhile, the company's pre-tax profit experienced a significant surge from 196,239 million VND in the same period to 530,563 million VND. In addition to the favorable business environment in 2024 that enabled the Company to enhance its financial health, the Company also boosted production and sales output while reducing operating costs, contributing to increased profit margins.

### In the financial domain

In 2024, the Company's financial situation continued to be well-managed, with no bad debts arising; the total credit limit did not exceed the permissible limit as stipulated by law, and loan repayments were made on schedule, thus reducing interest expenses. The Company's expenses were strictly controlled and executed in accordance with the internal expenditure regulations and procurement regulations issued by the Board of Directors, contributing to limiting and reducing unreasonable expenses, thereby increasing profits. Quarterly, semi-annual, and annual financial reports were meticulously reviewed by the Board of Directors to ensure objectivity and transparency before public disclosure and submission to the General Meeting of Shareholders for approval. The Board of Directors issued a maximum inventory limit, approved a raw material procurement plan, and a capital mobilization plan aligned with the Company's production and business plan, contributing to a reduction in inventory levels and interest expenses, increasing the Company's profit.

### In the construction investment sector

In 2024, there were no investment projects under the decision-making authority of the General Meeting of Shareholders and the Board of Directors, only projects for renovating workshops, equipment lines, internal roads, and minor procurements directly serving production, which fell under the decision-making authority of the General Director according to the delegated authority.

The Board of Directors carefully considers and evaluates before approving the basic construction investment plan for the year. The Board of Directors only decides to invest in projects that are truly necessary for the Company's production and business activities; therefore, when completed and put into use, the projects bring high economic efficiency; procedures and processes comply with current legal regulations and the Investment and Construction Management Regulations issued by the Board of Directors.



## ASSESSMENT OF THE BOARD OF DIRECTORS ON THE COMPANY'S ACTIVITIES (CONT)



### In the field of capital management invested in other enterprises

Fully implement the Regulations on Representative Management and Financial Supervision at enterprises in which the Company has invested.

Through the reports of the capital representatives at the enterprises, the Board of Directors promptly grasps the operational situation of the member companies and directs the representatives to guide the member companies to follow the direction set by the Company, thereby enhancing the efficiency of capital management outside the enterprise. In 2024, under the supervision and direction of the Board of Directors, the capital representatives closely coordinated with the Board of Directors and the Executive Board of Binh Dien Ninh Binh Joint Stock Company to implement business plans that brought very positive profit results and recovered financial indicators.

In 2024, the Company did not make any new external investments.

### In the field of internal governance, organizational structure, and personnel work

- Regarding internal governance: The Company's internal governance is increasingly consolidated and improved, ensuring transparency and efficiency in decision-making.
- Regarding organizational structure and management apparatus: The Company's management apparatus continues to be consolidated to meet corporate governance requirements. The functions, tasks, and powers of the General Director's Board and its subordinate departments and units are clearly defined. The Company's management apparatus is organized in a tightly structured manner, with each position suitably arranged according to professional expertise, resulting in high work efficiency.
- Regarding personnel organization: It is carried out seriously by the Company, following the correct processes and regulations of the law and the regulations issued by the Company. In 2024, the Board of Directors made decisions regarding personnel matters as follows:
  - ▶ Reappointed and authorized the Company's Capital Representative at Binh Dien - Lam Dong Joint Stock Company;
  - ▶ Appointed a Member of the Members' Council and approved the appointment of the Director of Binh Dien - Long An Sport One Member Limited Liability Company;
  - ▶ Supplemented the planning of the Company's leadership and management personnel for the 2021-2026 and 2026-2031 periods;
  - ▶ Classified the Capital Representatives of the Company at member units.

### Results of implementing the tasks authorized by the General Meeting of Shareholders

In 2024, the Board of Directors performed the authorized tasks in accordance with the resolutions of the Annual General Meeting of Shareholders:

- Decided to select Chuan Viet Auditing and Consulting Co., Ltd. to audit the Company's 2024 Financial Statements.
- Decision to pay an interim dividend in 2024 at a rate of 5% in cash to existing shareholders.

### Responsibility to the environment and society

Regarding environmental matters, the Company strictly adheres to all relevant environmental regulations. The Company focuses on building and developing an environmental management system for the entire Company. Waste treatment is carried out in accordance with regulations, and a safe working environment is established. The Company is committed to continuously striving to create more products geared towards a Green - Clean - Beautiful environment and to ensure sustainable, stable, and safe development in production.

Regarding social responsibility, the Company actively collaborates with farmers to understand and share their difficulties, assisting them in overcoming obstacles and achieving bountiful harvests and prosperous lives through programs of transferring scientific and technical knowledge of cultivation, charitable programs to eradicate hunger and reduce poverty, contributing to scholarship funds, and donating charity houses.

## BOARD OF DIRECTORS' ASSESSMENT OF THE ACTIVITIES OF THE COMPANY'S GENERAL MANAGEMENT BOARD

Pursuant to the Company's Charter, the internal regulations on corporate governance, and the Board of Directors' operating regulations, the Board of Directors has seriously implemented monitoring and regular, continuous inspection of the General Management Board's operations in managing production and business, complying with the law, and implementing resolutions of the General Meeting of Shareholders, as well as resolutions/decisions and policies of the Board of Directors. Quarterly or on an ad-hoc basis, the Board of Directors holds meetings to evaluate the results of implementing the previous period's plan and to set out the next period's plan, promptly discuss and direct the General Management Board to achieve the production and business targets of the entire Company. Issues falling under the authority of the Board of Directors that arise during the production and business process are all submitted to the Board of Directors for consideration and decision. In 2024, the Board of Directors, in coordination with the General Management Board, has completed several key contents as follows:

- Completed and announced the Financial Statements information in accordance with regulations;
- The General Management Board has established reasonable business mechanisms and market policies, gradually overcoming difficulties and challenges, fundamentally achieving the targets set by the General Meeting of Shareholders annually, and the Company's key markets continue to be maintained.
- The Company's products maintain consistent high quality and continue to be trusted by domestic and international users.
- The implementation of the resolutions and decisions of the Board of Directors has been carried out seriously and effectively by the General Management Board.
- The financial situation and expenses have been well controlled by the General Management Board, preventing any losses to the Company.
- Investment projects are implemented by the General Director in accordance with the law and the Company's investment and construction management regulations.
- Effectively implement salary and bonus policies and care for the lives of employees in many aspects; the working environment of employees continues to be improved.
- Supervise the activities of capital representatives at Subsidiary companies.

## PLANS AND ORIENTATIONS OF THE BOARD OF DIRECTORS

**The domestic fertilizer market in 2025 is forecasted to continue to grow steadily, supported by consumption demand. The Vietnamese fertilizer industry is experiencing significant growth thanks to government support for agriculture. This may create opportunities for the Company to continue to increase revenue and improve business efficiency. To achieve this result, the Board of Directors will regularly monitor, support, and direct the Executive Board to implement and achieve the targets set by the General Meeting of Shareholders.**

**The 2024 product development strategies for the market should focus on solutions to maintain key markets, develop foreign markets, and research mechanisms to segment products within the system using the "Buffalo Head Fertilizer" brand.**

To achieve the above objectives, the Board of Directors will focus on implementing the following:

- Closely monitor market developments to establish appropriate development orientations, business policies, markets, and products, ensuring the fulfillment of the 2025 plan targets and the 2025-2030 development orientation approved by the General Meeting of Shareholders.
- Organize market development strategy planning, focusing on solutions to maintain key markets, develop foreign markets; research mechanisms to segment markets and products within the Parent Company - Subsidiary system using the "Buffalo Head Fertilizer" brand, avoiding mutual competition in the market.
- Strengthen management, direction, and supervision of the Company's activities in all areas; ensure effective implementation of the Resolutions of the Annual General Meeting of Shareholders.
- Closely monitor monetary policy developments to formulate effective and safe capital circulation and utilization plans. Strengthen inspection and supervision of the Company's financial situation, review and reduce unreasonable expenses and expenditures to reduce costs, lower prices, and enhance market competitiveness. Strengthen inspection and supervision of the Company's investment capital management in other enterprises.
- Carefully review and evaluate investment projects before making investment decisions to ensure project effectiveness and optimize capital utilization.
- Enhance science and technology development, research, and development of new products to better meet the needs of farmers, align with the Government's agricultural development orientation, and comply with legal regulations on greenhouse gas emission reduction.
- Continue to consolidate the management apparatus; review and complete the system of regulations and rules as a basis for managing the Company's activities, promote digital transformation to meet corporate governance requirements in the new situation; focus on training and human resource development to meet development needs.
- Continue to improve salary mechanisms and policies so that employees are paid commensurate with their efforts and qualifications; ensure the attraction and retention of highly skilled and qualified personnel.



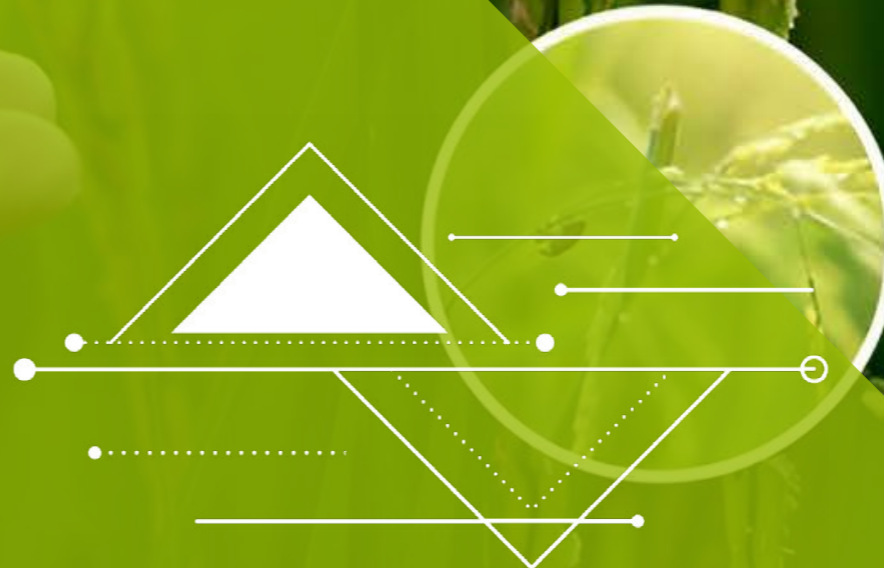
# 05

## CORPORATE GOVERNANCE

Board of Directors

Board of Supervisors

Transactions, remunerations and benefits of the Board of Directors, Board of Management and Board of Supervisors



## BOARD OF DIRECTORS

### EVALUATION OF THE BOARD OF DIRECTORS' ACTIVITIES DURING THE YEAR

The Board of Directors of Binh Dien Fertilizer Joint Stock Company has undertaken positive activities and achieved many important results in 2024. Specifically, the Board of Directors has seriously implemented the tasks outlined in the Resolution of the General Meeting of Shareholders, effectively performed its role in directing and orienting business strategies, supervising and inspecting the activities of the Executive Board, ensuring that all activities are carried out in accordance with the established regulations and plans. The relationship between the Board of Directors and the Board of General Directors has been maintained closely and smoothly, facilitating the management process.

The Company's policies and resolutions are carefully reviewed before issuance to ensure high effectiveness for the Company's actual operating situation.

No.	Board of Directors' members	Position	Number of meetings attended by Board of Directors	Attendance rate	Reasons for absence
1	Nguyen Van Thieu	Chairman of the Board of Directors	11/11	100%	
2	Le Quoc Phong	Non-executive Board of Directors' members	11/11	100%	
3	Ngo Van Dong	Executive Board of Directors' members	11/11	100%	
4	Do Quang Huy	Non-executive Board of Directors' members	11/11	100%	
5	Nguyen Bao Ve	Independent members of the Board of Directors	11/11	100%	

The Board of Directors held 11 meetings in 2024, including 06 online meetings and 05 meetings with written opinions. The specific content of the meetings and the corresponding Resolutions issued are as follows:

No.	Resolution/ Decision No.	Date	Content	Approval Rate
1	04/NQ-HĐQT	January 26, 2024	Board of Directors Resolution approving the production and business results of Quarter IV and the entire year 2023; production and business plan for 2024 and Quarter I of 2024	100%
2	05/NQ-HĐQT	January 26, 2024	Board of Directors Resolution to approve operational expenses and marketing expenses in 2024; purchase of materials in 2024, allowances in 2024; investments, and construction 2024, salary and allowance budget for labor; delegation's assignment working abroad and review and evaluate implementation projects of high rise NPK technology; report of internal audit in 2023 and the plan internal audit 2024 budget.	100%
3	06/QĐ-HĐQT	January 26, 2024	Board of Directors Decision approving the Business Operations and Marketing budget plan for year 2024.	100%
4	07/QĐ-HĐQT	January 26, 2024	Board of Directors Decision on Approving the 2024 Procurement Plan for Materials, Supplies, and Goods	100%
5	08/QĐ-HĐQT	January 26, 2024	Board of Directors Decision on Issuing the 2024 Norms for Raw Materials and Auxiliary Materials	100%
6	09/QĐ-HĐQT	January 26, 2024	Board of Directors Decision on Approving the 2024 Major Repair Plan	100%
7	10/QĐ-HĐQT	January 26, 2024	Board of Directors Decision on Approving the 2024 Investment and Construction Plan	100%
8	11/QĐ-HĐQT	January 26, 2024	Board of Directors Decision on Approving the 2024 Labor and Salary Plan	100%
9	12/QĐ-HĐQT	January 26, 2024	Board of Directors Decision on Approving the 2024 Overseas Business Trip Plan for Company Managers	100%
10	13/QĐ-HĐQT	January 26, 2024	Decision on Assigning Personnel for an Overseas Business Trip (England)	100%
11	16/NQ-HĐQT	March 1, 2024	Board of Directors Resolution regarding finalization of the list of shareholders entitled to attend the 2024 Annual General Meeting of Shareholders	100%
12	18/NQ-HĐQT	March 1, 2024	Board of Directors Resolution approving the 2023 Financial Statements and key contents to be submitted to the 2024 Annual General Meeting of Shareholders of the member companies; Assigning personnel for an overseas business trip (Cambodia); Approving the regulations on management and use of fixed assets; Approving the final settlement of the 2023 payroll fund	100%
13	19/QĐ-HĐQT	March 1, 2024	Board of Directors' Decision on Reappointing the Representative of Binh Dien Fertilizer Joint Stock Company's Capital Contribution at Binh Dien - Lam Dong Joint Stock Company	100%
14	24/QĐ-HĐQT	March 1, 2024	Decision on Assigning Personnel for an Overseas Business Trip (Cambodia)	100%

No.	Resolution/ Decision No.	Date	Content	Approval Rate
15	25/QĐ-HĐQT	March 1, 2024	Board of Directors Decision on Issuing the Regulation on Management and Use of Fixed Assets of Binh Dien Fertilizer Joint Stock Company	100%
16	26/QĐ-HĐQT	March 1, 2024	Board of Directors Decision on Approving the Final Settlement of the 2023 Payroll Fund	100%
17	27/QĐ-HĐQT	March 22, 2024	Decision on Assigning Personnel for an Overseas Business Trip (Cambodia)	100%
18	30/NQ-HĐQT	April 3, 2024	Board of Directors Resolution regarding the organization of the 2024 Annual General Meeting of Shareholders; approving the estimated results of the first quarter of 2024 production and business plan and the second quarter of 2024 production and business plan	100%
19	31/NQ-HĐQT	April 3, 2024	Board of Directors Resolution on approving the Financial Statements, Profit Distribution Plan, fund allocations for 2023 and remuneration for the Members' Council, Supervisory Board of Binh Dien - Long An Sports Company Ltd; approving the 2023 Financial Statements and key contents to be presented to the 2024 Annual General Meeting of Shareholders of Binh Dien Ninh Binh; Assigning personnel for overseas business trips (Singapore); Approving the plan to review and supplement the leadership and management personnel plan for the period 2021-2026 and 2026-2031	100%
20	40/QĐ-HĐQT	April 3, 2024	Board of Directors Decision on Approving Financial Statements, Profit Distribution Plan, allocations to funds for 2023 and remuneration for the Members' Council and The Board of Supervisorsof Binh Dien - Long An Sports Company Ltd	100%
21	42/QĐ-HĐQT	April 3, 2024	Decision to Appoint Personnel for Overseas Assignment (Singapore)	100%
22	43/QĐ-HĐQT	April 3, 2024	Decision to Promulgate the Plan for Reviewing and Supplementing the Planning of Leadership and Management Personnel for the Period 2021-2026 and 2026-2031	100%
23	44/NQ-HĐQT	April 3, 2024	Board of Directors Resolution regarding Regular Financial Supervision of Binh Dien - Ninh Binh Joint Stock Company	100%
24	47/NQ-HĐQT	April 12, 2024	Board of Directors Resolution on the Assignment of Duties for Members of the Board of Directors, Term 2020-2025	100%
25	48/QĐ-HĐQT	April 12, 2024	Board of Directors Decision on the Assignment of Duties for Company's BOD Members, Term 2020-2025	100%
26	52/NQ-HĐQT	May 24, 2024	Board of Directors Resolution on the Final Dividend Payment for 2023	100%
27	53/NQ-HĐQT	June 21, 2024	Board of Directors Resolution on Selecting the 2024 Auditing Unit	100%

No.	Resolution/ Decision No.	Date	Content	Approval Rate
28	54/NQ-HĐQT	June 26, 2024	Board of Directors Resolution on Issuing Regulations for the Management of Fixed Asset Repair and Overseas Travel and Incoming Delegations	100%
29	55/QĐ-HĐQT	June 26, 2024	Board of Directors Decision on Issuing Regulations for Fixed Asset Repair Management	100%
30	56/QĐ-HĐQT	June 26, 2024	Board of Directors Decision Issuing Regulations for the Management of Outgoing and Incoming Delegations	100%
31	61/NQ-HĐQT	July 16, 2024	Board of Directors Resolution Approving the Estimated Results of the Production and Business Plan for Quarter II and the First Six Months of 2024, and the Production and Business Plan for Quarter III/2024	100%
32	63/NQ-HĐQT	July 16, 2024	Board of Directors Resolution on Investor Classification in Subsidiaries for 2023	100%
33	65/NQ-HĐQT	July 16, 2024	Decision of the Board of Directors regarding Investor Classification within Subsidiary Units in 2023	100%
34	70/NQ-HĐQT	August 1, 2024	Board of Directors Resolution regarding Personnel Matters for the Sports Company; Approving Debt Management and Sales Operations Management Regulations; Appointing Personnel for an Overseas Assignment (Cambodia)	100%
35	71/QĐ-HĐQT	August 1, 2024	Board of Directors Decision on Issuing Debt Management Regulations	100%
36	72/QĐ-HĐQT	August 1, 2024	Board of Directors Decision on Issuing Sales Management Regulations	100%
37	73/QĐ-HĐQT	August 1, 2024	Board of Directors Decision on Assigning Personnel to an Overseas Assignment (Cambodia)	100%
38	74/QĐ-HĐQT	August 1, 2024	Decision to Approve the Resignation of a Member of the Board of Directors at the Sports Company	100%
39	75/QĐ-HĐQT	August 1, 2024	Decision Approving the Resignation Letter of a Member of the Management Board of the Sports Company	100%
40	76/QĐ-HĐQT	August 1, 2024	Decision regarding the appointment of Mr. Phan Van Tam to the Management Board of the Sports Company	100%
41	77/QĐ-HĐQT	August 1, 2024	Decision on the appointment of Mr. Phan Hung Cuong as a member of the Board of Directors of the Sports Company.	100%
42	79/QĐ-HĐQT	August 16, 2024	Board of Directors Resolution regarding the delegation of personnel for an overseas business trip (Philippines).	100%
43	80/QĐ-HĐQT	August 27, 2024	Board of Directors Decision concerning the delegation of personnel for an overseas business trip (Laos).	100%
44	81/QĐ-HĐQT	September 6, 2024	Board of Directors Decision regarding the delegation of personnel for a business trip to the United States.	100%
45	82/QĐ-HĐQT	September 6, 2024	Board of Directors Decision regarding the delegation of personnel for a business trip to the United States.	100%

No.	Resolution/ Decision No.	Date	Content	Approval Rate
46	83/QĐ-HĐQT	September 16, 2024	Board of Directors Decision concerning the delegation of personnel for an overseas business trip (Cambodia).	100%
47	84/QĐ-HĐQT	October 4, 2024	Board of Directors Decision regarding the delegation of personnel for an overseas business trip (United States).	100%
48	86/QĐ-HĐQT	October 22, 2024	Board of Directors Decision concerning the delegation of personnel for a business trip to Europe.	100%
49	89/NQ-HĐQT	October 29, 2024	Board of Directors Resolution approving the Q3 business performance results and the business plan for Q3/2024.	100%
50	90/NQ-HĐQT	October 29, 2024	Board of Directors Resolution approving the remuneration policy for company managers; approving the results of the review and supplementation of leadership and management personnel planning for the period of 2021-2026 and 2026-2031; pertaining to land lease contracts and warehouse rental agreements.	100%
51	91/QĐ-HĐQT	October 29, 2024	Board of Directors Decision issuing remuneration policy for company managers.	100%
52	92/QĐ-HĐQT	October 29, 2024	Board of Directors Decision approving results of reviewing & adding leadership and managerial staff planning, 2021-2026.	100%
53	93/QĐ-HĐQT	October 29, 2024	Board of Directors Decision approving the results of reviewing & augmenting strategic personnel appointments for 2026-2031.	100%
54	94/NQ-HĐQT	November 27, 2024	Board of Directors Resolution approving amendments and supplements to the employee salary scale.	100%
55	95/NQ-HĐQT	November 27, 2024	Board of Directors Resolution regarding the interim dividend payment for the first phase of 2024.	100%
56	96/QĐ-HĐQT	November 27, 2024	Board of Directors Decision to Promulgate the Company's Salary Scale.	100%

## ACTIVITIES OF INDEPENDENT BOARD MEMBERS

The Independent Member of the Board of Directors has effectively performed the role of monitoring and protecting the interests of shareholders, especially in ensuring transparency and fairness in management decisions through specific actions such as:

- Fully participating in meetings of the Board of Directors, contributing opinions, and voting on decisions of the Board of Directors such as building annual plans, new policies and regulations, paying dividends to shareholders, and issues revolving around business operations that the Board of Management presents, ensuring that decisions are made fairly and not influenced by any interest group.
- Monitoring the company's transactions with related parties.
- Monitoring and supervising the company's compliance with legal regulations, corporate governance standards, and financial regulations.
- In addition to positive contributions to the evaluation and supervision of the Board of Management's activities, he is also a member of the Scientific Council, a professional advisor in orienting the Company's product development.

## EVALUATION OF THE INDEPENDENT MEMBER OF THE BOARD OF DIRECTORS

The Board of Directors always operates in compliance with legal regulations, the Company's Charter, and operating regulations. The resolutions of the 2024 Annual General Meeting of Shareholders were implemented effectively, ensuring shareholder rights and fulfilling the Company's rights and obligations. The Board of Directors has organized periodic meetings and obtained written opinions to approve resolutions and decisions within its authority. This process takes place in accordance with legal regulations, the Company's Charter, and internal governance regulations.

Besides, the Board of Directors has assigned specific responsibilities to each member, enhancing the overall operational efficiency. All mechanisms, policies, and resolutions are carefully considered before issuance, closely following the Company's actual situation, ensuring feasibility and effectiveness. Concurrently, internal supervision and management were strengthened, significantly contributing to the Company's operating results in 2024.



## LIST OF MEMBERS OF THE BOARD OF DIRECTORS WITH CERTIFICATION IN CORPORATE GOVERNANCE

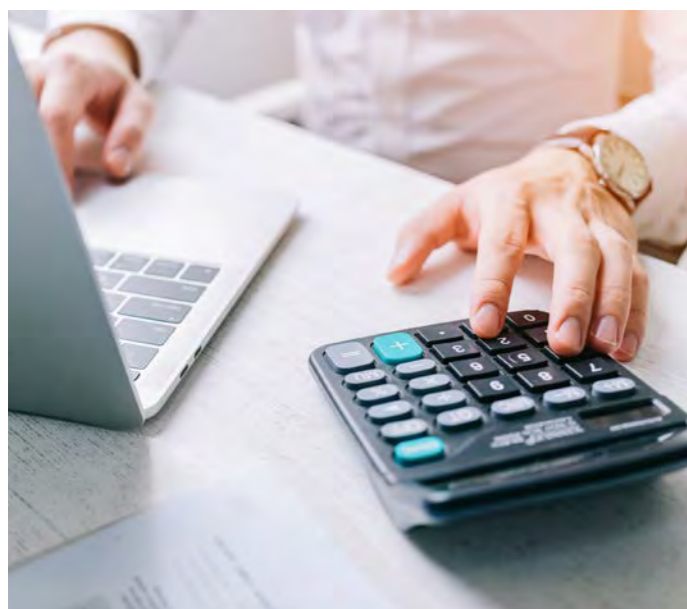
In 2024, the members of the Board of Directors, Supervisors, General Director, Person in Charge of Corporate Governance, Company Secretary, and other management personnel have not participated in corporate governance training courses recognized by the State Securities Commission (SSC). However, the members of the Board of Directors, Supervisors, General Director, Person in Charge of Corporate Governance, Company Secretary, and other management personnel regularly update relevant legal documents and regulations related to corporate governance and actively participate in training sessions, discussions, and knowledge updates on governance organized by the State Securities Commission and the Stock Exchange

## BOARD OF SUPERVISORS

### ACTIVITIES OF THE BOARD OF SUPERVISORS

The Company's Board of Supervisors has 3 members. During the year, the Board of Supervisors performed duties according to the powers and duties prescribed in the Company's Charter to inspect and supervise compliance with the law, the implementation of the Company's Charter, Resolutions, and Decisions of the General Meeting of Shareholders and the Company's Board of Directors. The specific tasks performed are:

- Supervising operations and compliance with the Law and the Company's Charter with the Board of Directors and Board of Management in the Company's management and administration.
- Monitoring the implementation of the contents of the Resolution passed by the 2024 Annual General Meeting of Shareholders.
- Reviewing financial reports, business performance reports, and evaluation reports on management and administration in 2024.
- Participating and giving opinions in the meetings of the Board of Directors.
- Reviewing the reasonableness, sequence, and procedures for issuing Resolutions and Decisions of the Board of Directors and the Board of Management; controlling compliance with the Company's information disclosure regulations in accordance with legal provisions.
- Examine the execution of Resolutions and Decisions of the Board of Directors and the Board of Management, thereby evaluating the legality, rationality, and timeliness of the Company's management and administration.
- Propose and recommend to the Board of Directors and the Board of Management to enhance efficiency and capital safety in the management and administration of the Company's production and business activities



## RESULTS OF THE BOARD OF SUPERVISORS' MEETINGS

No.	Member of the Board of Supervisors	Position	Number of meetings attended by Board of Supervisors	Attendance rate	Voting rate
1	Truong Minh Phu	Head of the Board of Supervisors	4/4	100%	100%
2	Nguyen Huy Hieu	Member	4/4	100%	100%
3	Quan Dinh Gang	Member	4/4	100%	100%

In 2024, the Board of Supervisors held 4 meetings to review and ensure transparency and efficiency in the Company's operations. The meetings were chaired by the Head of the Board of Supervisors, with the full participation of all members. At each meeting, the Head of the Board of Supervisors listened to and carefully considered the contributions from the members, ensuring that all decisions aligned with the Company's sustainable development goals and social responsibilities. Detailed minutes of each meeting were carefully archived and unanimously approved by all members.



## TRANSACTIONS, REMUNERATIONS AND BENEFITS OF THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND BOARD OF SUPERVISORS

### SALARY, REWARDS, REMUNERATION AND BENEFITS

No.	Name	Position	Year 2023 (VND)	Year 2024 (VND)
1	Nguyen Van Thieu	Chairman of the Board of Directors	106,000,000	119,500,000
2	Le Quoc Phong	Non-executive Board of Directors' members	77,555,000	95,555,000
3	Ngo Van Dong	Executive Board of Directors' member, concurrently General Director	756,001,473	904,774,000
4	Do Quang Huy	Non-executive Board of Directors' members	77,000,000	95,000,000
5	Nguyen Bao Ve	Independent members of the Board of Directors	30,000,000	95,555,000
7	Truong Minh Phu	Head of the Board of Supervisors	678,000,091	935,581,592
8	Nguyen Huy Hieu	Member of the Board of Supervisors	53,000,000	80,000,000
9	Quan Dinh Gang	Member of the Board of Supervisors	53,555,000	80,555,000
10	Vo Van Phu	Deputy General Director	592,619,264	758,363,000
11	Phan Van Tam	Deputy General Director	175,958,000	708,982,833
12	Nguyen Minh Son	Deputy General Director	632,253,264	-
13	Tran Ngoc Hung	Chief Accountant	599,893,636	794,363,000

\* Dividends paid to internal persons in 2024: 580,642,000 VND

### INTERNAL PERSONS' SHARE TRANSACTIONS

No.	Transaction executor	Relationship with internal shareholders	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reasons for increase/decrease (purchase, sale, conversion, bonus...)
			Number of shares	Percentage	Number of shares	Percentage	
1	.Nguyen Van Thieu	Chairman of the Board of Directors	17,200	0.03%	30,000	0.05%	Due to trading
2	Quan Dinh Gang	Supervisor	1,500	0.003%	-	0%	Due to trading
3	Vo Van Phu	Deputy General Director	2,448	0.004%	3,448	0.006%	Due to trading
4	Nguyen Duong Hoang My Anh	Spouse of the Chief Accountant and Head of Finance - Accounting and Company's administration manager and Person authorized for information disclosure	-	0%	2,900	0.005%	Due to trading

### ASSESSING THE IMPLEMENTATION OF REGULATIONS ON CORPORATE GOVERNANCE

Binh Dien Fertilizer Joint Stock Company is a public company with shares listed on the Ho Chi Minh City Stock Exchange (HOSE). The Company's governance and management activities always comply with the regulations of the Enterprise Law, the Securities Law, and other relevant legal documents.

The Company fulfills all obligations regarding information disclosure in the securities field as prescribed in Circular 68/2024/TT-BTC, the information disclosure regulations of the Ho Chi Minh City Stock Exchange, and other relevant legal documents.

In addition, the Company's management leaders have actively participated in training sessions, discussions, and knowledge updates on governance organized by The State Securities Commission of Viet Nam and the Stock Exchange such as:

No.	Time	Conference/Event
1	March 2024	Training conference on dossiers of securities offering and issuance registration organized by The State Securities Commission of Viet Nam
2	June 2024	Conference "Issues to note in complying with regulations of securities and securities market laws of Public Companies and Listed Companies; Errors in preparing and presenting financial statements of Public Companies and Listed Companies" organized by The State Securities Commission of Viet Nam in collaboration with the Vietnam Association of Certified Public Accountants (VACPA) to guide Public Companies, Listed Companies to improve compliance with regulations of securities and securities market laws and enhance the quality of financial statement information disclosure.
3	July 2024	Conference "Strengthening Corporate Governance Capacity for Listed Enterprises" (The Conference is part of the corporate governance and stock market upgrade program) organized by The State Securities Commission of Viet Nam with technical support from the Vietnam Institute of Directors (VIOD)
4	August 2024	Conference "Conference of Securities Registration Organizations at VSDC in 2024" organized by Vietnam Securities Depository (VSDC).
5	September 2024	Conference "Improving the effectiveness of corporate governance in public companies through internal regulations" organized by FPT Securities JSC with professional support from the Ho Chi Minh City Stock Exchange.
6	October 2024	Launch conference, introduction and user manual for the Handbook on ESG implementation and disclosure organized by The State Securities Commission of Viet Nam.

Thereby, Binh Dien has affirmed its commitment to promoting transparency and fairness in the securities market, while creating a solid foundation for sustainable development in the future.



## CONTRACT OR TRANSACTION WITH INTERNAL PERSONS

No.	Name of the institution or person	Relationship with the company	NSH No*	Date of issue	Place of issue	Address	Time when transaction occurs at corporation	Resolution/ Decision No. of the General Meeting of Shareholders/BOD	Content, Quantity, Total transaction value		
									Transaction	Quantity (ton)	Value (VND)
1	Binh Dien - Mekong Joint Stock Company	Subsidiary company	1100845080	September 27, 2024	Tay Ninh Provincial Planning Department	Lot A10.1, D3 Road, Thanh Thanh Cong Industrial Park, An Hoa Ward, Trang Bang Town, Tay Ninh Province	2024	Resolution No. 07/NQ - HĐQT dated March 4, 2022 until replaced by a new document	Binh Dien sells goods and processes products for Binh Dien Mekong	3,093	40,216,914,981
									Binh Dien collects brand fees	-	4,005,082,641
									Binh Dien purchases goods	617	17,302,100,000
									<b>Total</b>	<b>3,710</b>	<b>61,524,097,622</b>
2	Binh Dien - Quang Tri Joint Stock Company	Subsidiary company	3200269109	April 6, 2021	Quang Tri	Lot 22 / Quan Ngang Industrial Park, Gio Chau Commune, Gio Linh District, Quang Tri	2024	Resolution No. 07/NQ - HĐQT dated March 4, 2022 until replaced by a new document	Binh Dien collects brand fees		4,593,445,295
									Binh Dien receives distributed dividends		5,967,000,000
									<b>Total</b>		<b>10,560,445,295</b>
									<b>Transaction</b>		<b>Value (VND)</b>
3	Binh Dien - Lam Dong Joint Stock Company	Subsidiary company	5800606078	January 2, 2009	Lam Dong	National Highway 20, Hiep Thanh, Duc Trong, Lam Dong	2024	Resolution No. 07/NQ - HĐQT dated March 4, 2022 until superseded by a new document	Binh Dien collects brand fees		7,650,958,356
									Binh Dien receives distributed dividends		11,287,545,750
									<b>Total</b>		<b>18,938,504,106</b>
									<b>Transaction</b>		<b>Value (VND)</b>
4	Binh Dien - Ninh Binh Joint Stock Company	Subsidiary company	2700664419	January 11, 2013	Ninh Binh	Khanh Phu Industrial Cluster, Khanh Phu Commune, Yen Khanh District, Ninh Binh Province	2024	Nghị quyết số 07/NQ - HĐQT ngày 04/03/2022 cho đến khi có văn bản mới thay thế	Binh Dien collects brand fees		8,152,970,086
									Binh Dien purchases goods	315	2,062,500,000
									<b>Total</b>	<b>315</b>	<b>10,215,470,086</b>
									<b>Transaction</b>		<b>Quantity (tons)</b>
5	Binh Dien - Long An Sports Company Ltd.	Subsidiary company	1101383456	June 17, 2011	Long An	Long Dinh / Long Cang Industrial Cluster, Long Dinh Commune, Can Duoc District, Long An Province, Vietnam	2024	Resolution No. 07/NQ - HĐQT dated March 4, 2022 until superseded by a new document	Binh Dien receives advertising and brand promotion services: Value: VND 25,704,000,000		
									Binh Dien procures materials: Quantity: 12,204.9 tons Value: VND 167,935,956,200		
6	DAP - Vinachem Joint Stock Company	Subsidiary company of Vietnam Chemicals Group	0200827051	July 29, 2008	Hai Phong	Lot G1/7 Dinh Vu Economic Zone, Dong Hai 2 Ward, Hai An District, Hai Phong.	2024	Resolution No. 07/NQ - HĐQT dated March 4, 2022 until superseded by a new document	Binh Dien procures materials: Quantity: 1,020 tons Value: VND 13,336,500,000		
									Binh Dien procures materials: Quantity: 1,020 tons Value: VND 13,336,500,000		
7	DAP No 2 - Vinachem Joint Stock Company	Subsidiary company of Vietnam Chemicals Group	5300265969	9th Amendment dated March 13, 2019	Lao Cai	Tang Loong Industrial Zone, Tang Loong Town, Bao Thang District, Lao Cai Province, Vietnam	2024	Resolution No. 07/NQ - HĐQT dated March 4, 2022 until superseded by a new document	Binh Dien purchases materials and other services: Quantity: 7,090.8 tons Value: VND 99,163,218,180		
									Binh Dien purchases materials and other services: Quantity: 7,090.8 tons Value: VND 99,163,218,180		
8	Mai Xa Trading Service Joint Stock Company	Affiliated persons of internal persons who are Members of the Board of Directors	0310827872	May 5, 2011	Ho Chi Minh City	384/29 Nam Ky Khoi Nghia, Ward 8, District 3, Ho Chi Minh City.	2024	Resolution No. 07/NQ - HĐQT dated March 4, 2022 until superseded by a new document	Binh Dien purchases materials and other services: Quantity: 7,090.8 tons Value: VND 99,163,218,180		
									Binh Dien purchases materials and other services: Quantity: 7,090.8 tons Value: VND 99,163,218,180		

## CONTRACT OR TRANSACTION WITH INTERNAL PERSONS (CONT.)

No.	Name of the institution or person	Relationship with the company	NSH No*	Date of issue	Place of issue	Address	Time when transaction occurs at corporation	Resolution/ Decision No. of the General Meeting of Shareholders/BOD	Content, Quantity, Total transaction value
9	Hanoi Soap Joint Stock Company	Vietnam Chemicals Group	0100100311	May 16, 1998	Hanoi	No. 233B, Nguyen Trai Street, Thuong Dinh Ward, Thanh Xuan District, Hanoi City	2024	Resolution No. 07/NQ-HĐQT dated March 04, 2022 until a new document replaces it	Binh Dien buys goods Quantity: 8,820 Value: VND 308,700,000
10	Vietnam National Chemical Group	Parent company (Accounting for 65% of charter capital)	0100100061	April 10, 2020	Hanoi	1A Trang Tien, Hoan Kiem, Hanoi	2024		Binh Dien's 2023 dividend payment and 1st interim dividend payment for 2024: Value: VND 92,898,000,000
11	Nguyen Van Thieu	Internal persons					2024		- Binh Dien's 2023 dividend payment and 1st interim dividend payment for 2024: Value: VND 79,600,000
12	Le Quoc Phong	Internal persons					2024		- Binh Dien's 2023 dividend payment and 1st interim dividend payment for 2024: Value: VND 490,320,000
13	Vo Van Phu	Internal persons					2024		- Binh Dien's 2023 dividend payment and 1st interim dividend payment for 2024: Value: VND 7,844,000
14	Phan Van Tam	Internal persons					2024		- Binh Dien's 2023 dividend payment and 1st interim dividend payment for 2024: Value: VND 378,000
15	Quan Dinh Gang	Internal person					2024		- Binh Dien's 2023 dividend payment: Value: VND 2,500,000
16	Le Thi Ngan	Affiliated person of an internal person, Member of the Board of Directors					2024		- Binh Dien's 2023 dividend payment and 1st interim dividend payment for 2024: Value: VND 58,650,000
17	Le Van Hao	Affiliated person of an internal person, Member of the Board of Directors					2024		- Binh Dien's 2023 dividend payment and 1st interim dividend payment for 2024: Value: VND 7,200,000
18	Le Van Loi	Affiliated person of an internal person, Member of the Board of Directors					2024		- Binh Dien distributes 2023 dividends and the 1st interim dividend payment for 2024: Value: VND 18,000
19	Nguyen Thi My Hoa	Affiliated persons of internal persons who are Members of the Board of Directors					2024		- Binh Dien distributes 2023 dividends and the 1st interim dividend payment for 2024: Value: VND 18,000
20	Vo Dinh Chinh	Affiliated persons of internal persons who are Deputy General Directors					2024		- Binh Dien distributes 2023 dividends and the 1st interim dividend payment for 2024: Value: VND 504,000
21	Nguyen Duong Hoang My Anh	Affiliated persons of internal persons who are Chief Accountants					2024		- Binh Dien distributes the 1st interim dividend payment for 2024: Value: VND 3,900,000

# 06

## SUSTAINABILITY REPORT

**Impact on the Environment**

**Raw Material Management**

**Energy Consumption**

**Water Consumption**

**Waste Management (according to GRI 303, 305, 306)**

**Compliance with Environmental Protection Laws**

**Policies related to employees**

**Assessment concerning the corporate responsibility  
for the local community**

**Report On Green Capital Market Activities Under The  
Guidance Of The SSC**

With the aim of providing Investors and stakeholders with a comprehensive overview of our strategic direction and business production efforts towards sustainable goals, Binh Dien would like to present the 2024 Sustainability Report to investors and stakeholders on prominent activities of the year, from environmental management, social responsibility to sustainable economic development, affirming Binh Dien's role in the journey of creating long-term value.

*"People are the core element, the foundation for all the Company's development strategies and plans."*

## REPORT OBJECTIVES

Sustainable development is not only a global trend but also an inevitable path in Vietnam. Businesses are increasingly aware of their responsibility in minimizing environmental, economic and social impacts throughout the value chain. For Binh Dien, pursuing a sustainable development strategy, balancing the interests of stakeholders, is the key to ensuring long-term success.

This report focuses on elucidating critical aspects such as resource management, environmental protection, social policies, and community engagement. Through this, Binh Dien demonstrates an integrated approach, incorporating sustainable thinking into every management decision. Simultaneously, the report outlines specific objectives and the Company's long-term commitments, accompanied by a practical action plan to realize them. Publicly disclosing this information not only enhances transparency in governance but also strengthens the trust of partners, shareholders, and the community in a Binh Dien that develops steadily and responsibly in the future. Furthermore, the figures in this report represent measurements recorded at the Parent Company.

In 2024, Binh Dien collaborated with specialized units to compile a greenhouse gas emissions report in compliance with legal regulations and developed an emission reduction strategy according to the roadmap required by law. This is a crucial step, demonstrating the Company's determination to contribute to a greener and more sustainable economy



## Impact on the Environment

### Total Direct and Indirect Greenhouse Gas (GHG) Emissions

The Company's total direct and indirect greenhouse gas (GHG) emissions for the year were 17,655.89 tonnes of CO<sub>2</sub>, encompassing both scope emissions. These emissions are influenced by factors including direct emission sources (Scope 1), such as coal combustion for boilers and dryers, the use of diesel oil for forklifts and trucks, petrol for vehicles, as well as emissions from refrigerant systems, fire suppression systems, and domestic wastewater treatment. Indirect emission sources (Scope 2) stem from the use of electricity purchased from the national grid. These factors need careful consideration to better understand emission sources and to implement appropriate mitigation measures in the future.

To mitigate these impacts, the Company has implemented a series of integrated solutions, such as using frequency converters in high-power consumption equipment (ventilators, mills, pump stations...), managing the energy system operation at the correct load, replacing low-efficiency motors, turning off equipment when not in use, and optimizing the load profile. Additionally, the Company actively uses energy-saving equipment, participates in community programs such as Earth Hour, and gradually transitions to renewable energy sources such as solar and wind power. These initiatives not only help reduce GHG emissions but also demonstrate the Company's responsibility to the community and the environment, while preparing for the development of an emission reduction strategy in line with the legal framework in the coming years.

### Initiatives and Measures to Reduce Greenhouse Gas Emissions

With the goal of complying with the emission reduction roadmap in accordance with legal requirements, while also reducing operational costs and contributing to global efforts in combating climate change, the Company has maintained and expanded a range of effective energy-saving solutions. Among these, the use of frequency converters continues to be widely applied to high-power motor-driven equipment such as hot air drying fans, cold air drying fans, pelletizers, screw conveyors, and air compressors, allowing for frequency adjustment based on actual load and significantly reducing energy consumption without affecting production efficiency.

Additionally, the Company has replaced most fluorescent lamps with energy-efficient LED lights, helping reduce electricity consumption in office areas, warehouses, and factories. Simple yet effective electricity consumption management measures continue to be implemented, such as turning off equipment when not in use, adjusting load profiles appropriately, and completely turning off lighting systems in areas where it is not necessary after working hours.

Moreover, Binh Dien has expanded internal awareness campaigns to raise employees' understanding of climate change and energy efficiency. The Company actively participates in community campaigns such as Earth Hour and encourages employees to use public transport or low-emission vehicles. Furthermore, the Company is in the initial stages of researching the application of renewable energy, such as solar power, at some production facilities, gradually transitioning to a green production model.

These efforts not only help the Company significantly reduce its greenhouse gas emissions but also lay the foundation for the development of periodic greenhouse gas inventory reports in accordance with the requirements of the Environmental Protection Law. Binh Dien has also planned to hire a dedicated consulting firm to develop medium- and long-term emission reduction strategies, with a focus on clean technology and energy efficiency across the entire value chain. As a result, in 2024, the Company not only maintained its production efficiency but also progressively affirmed its leading role in the fertilizer industry in terms of green transition and environmental protection.

## Raw Material Management

### Total quantity of raw materials used to manufacture and package the organization's primary products and services during the year

The total quantity of raw materials used during the year to support the production and packaging of the Company's fertilizer products amounted to approximately 414,773 tons, primarily consisting of basic single fertilizers such as UREA, DAP, Potash, SA, and other additional additives. The total volume of NPK fertilizer used was 411,773 tons. All raw materials are subject to strict technical and quality standards checks before being stored in warehouses, ensuring compliance with safety and efficiency requirements throughout the blending, granulation, and packaging processes.

The Company places particular emphasis on minimizing material loss and strictly controlling each step from receiving, warehousing to production, aiming to reduce costs, protect resources, and promote an environmentally-friendly production model. In addition, the trend of using recyclable, biodegradable, and environmentally friendly packaging continues to be promoted in 2024. Binh Dien has implemented several forms of packaging

finished product bags within the internal cycle. This not only reduces packaging costs but also contributes to reducing plastic waste discharged into the environment.

Furthermore, the Company is gradually replacing internal transportation vehicles with electric forklifts and clean energy-powered vehicles, aiming to reduce greenhouse gas emissions during operations. The production lines have also been upgraded to increase automation, reduce material consumption, enhance recovery rates, and improve production efficiency. This approach not only helps manage raw material sources effectively but also supports the control of waste generation. Additionally, smart farming programs adapted to climate change continue to be maintained and expanded, creating a sustainable value chain from raw materials to finished products, meeting the growing demand for green and circular agricultural development. The proactive and flexible management of raw materials is one of the key factors enabling Binh Dien to enhance its competitiveness and maintain stable production amidst market and environmental volatility.

No.	Raw Material Type	Total Usage (tons)	Recycled Usage (tons)	Recycled Usage Rate/Total Usage (%)
1	DAP, URE, Kali, SA	414,773	3,056	0.73%
2	NPK	411,773	1,836	0.44%

### The Percentage Of Materials Recycled To Produce Products And Services Of The Organization

- During the production process, products that do not meet market demand or fail to meet the minimum product appearance standards as per the Company's regulations are reintroduced into the production process for recycling, approximately 3,056 tons per year.
- Reused waste oil as a lubricant additive for the gear system: 1,890 kg/year.
- Reused coal ash as raw material input for other units: 387 tons/year.
- Reused packaging materials for the production process: 3,500,000 items/year.
- Reused waste products as raw material for the production process: approximately 1,836 tons/year



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## Energy Consumption

### Direct and Indirect Energy Consumption

The Company has implemented measures to manage and use energy efficiently throughout the year, making a significant contribution to improving production efficiency, optimizing operating costs, and reducing greenhouse gas emissions. The total energy consumption of the Company includes both direct and indirect energy, with the primary energy sources being electricity, coal, and diesel oil (DO). Electricity is used for production activities, operation of equipment systems, lighting, cooling, and auxiliary systems; coal is primarily used in boilers and dryers; and diesel oil is used for backup generators, forklifts, and some internal operational equipment.

No.	Energy Type	Unit	Energy Consumption in 2023	Energy Consumption in 2024
1	Diesel Oil (DO)	Litter	92,050	96,210
2	Gasoline	Litter	56,500	59,078
3	Coal	Tonnes	3,538	4,179
4	Electricity	Kwh	8,310,100	9,455,800

Energy consumption at the parent company in 2024 was higher than the previous year, due to a significant increase in production output.

### Energy Saved through Energy Efficiency Initiatives

One of the prominent solutions is the expansion of the application of frequency converters for high-power equipment in the production lines, such as hot airdrying fans, cold airdrying fans, screw conveyors, pelletizing equipment, and air compressors. This helps adjust the operating frequency of the motors to match actual demand, significantly reducing electricity consumption without affecting production efficiency. At the same time, the Company continues to replace traditional lighting systems with energy-efficient LED lights throughout the factories, offices, and auxiliary areas, improving lighting efficiency while reducing energy usage.

Additionally, the Company has developed and systematically applied various electricity load management solutions, such as turning off equipment when not in use and distributing

operating times reasonably across production shifts, optimizing the electricity consumption profile. These initiatives have contributed to saving hundreds of thousands of kWh of electricity annually and reducing CO2 emissions by hundreds of tons, enhancing production efficiency and lowering operational costs. In particular, in 2024, Binh Dien began researching and piloting the installation of rooftop solar power systems at some of its facilities, marking the first step toward gradually transitioning to the use of environmentally friendly renewable energy sources.

These efforts not only bring direct economic benefits to the company but also clearly demonstrate Binh Dien's commitment to environmental protection and its contribution to the national goals of energy conservation and greenhouse gas emission reduction in the fertilizer manufacturing industry.

### Energy Saving Initiative Reports (Providing Energy Efficient Products and Services or Utilizing Renewable Energy)

In 2024, the Company implemented and reported several initiatives related to energy conservation and the use of renewable energy, in line with the Company's sustainable development goals and greenhouse gas emission reduction strategy. One of the notable initiatives was the integration of frequency converter technology across the entire system of high-power equipment such as air compressors, exhaust fans, screw conveyors, and pelletizing equipment, to regulate power consumption according to actual load. This initiative has significantly reduced electricity consumption in production while improving operational efficiency.

Additionally, the Company continued replacing the entire traditional lighting system with LED bulbs, not only saving electricity but also extending the lifespan of equipment, reducing maintenance, and replacement costs. The lighting, air conditioning, and office equipment systems are adjusted according to reasonable usage hours, ensuring that they effectively support production while avoiding energy wastage.

Moreover, the Company actively promotes energy efficiency among employees through programs such as "Earth Hour," "Turn off equipment when not in use after working hours," and prioritizing low-emission transportation within the factory. These initiatives not only contribute to reducing operational costs and greenhouse gas emissions but also clearly demonstrate Binh Dien's long-term direction in building a sustainable and environmentally friendly production value chain, aligned with social responsibility and climate change adaptation.

**Hương Ưng**  
CÔNG TY CỔ PHẦN PHÂN BÓN BÌNH DIỆN

**GIỜ TRÁI ĐẤT**  
**60 EARTH HOUR**

**Cùng tắt đèn từ 20h30 - 21h30, ngày 23/3/2024**

**PHÂN BÓN ĐẦU TRÂU**  
Bạn đồng hành của nhà nông

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## Water Consumption

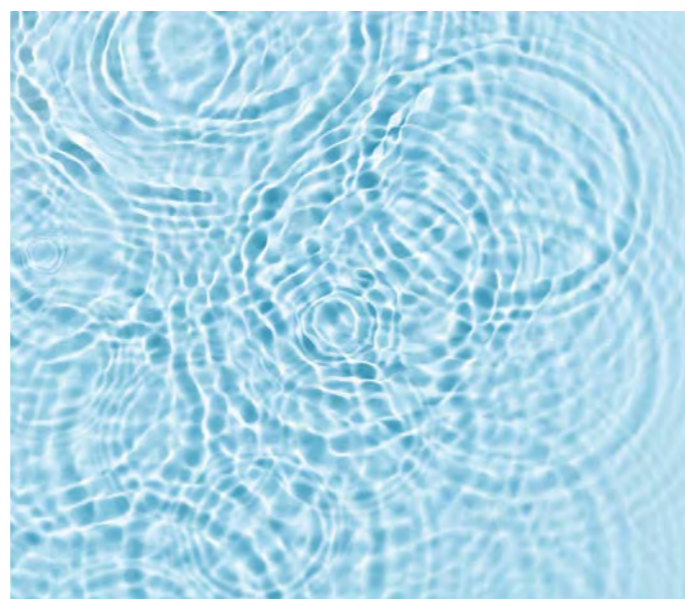
### Water Supply and Consumption

In 2024, Binh Dien maintained effective and economical water resource management and utilization, fully complying with current legal regulations, clearly demonstrating the Company's commitment to sustainable development and natural resource conservation. The water used in the Company's operations is entirely supplied from the local water supply system through a long-term contract. This treated water meets the quality standards according to current regulations and is strictly controlled in terms of flow, pressure, and safety. The total amount of water used by the Company in 2024 was 91,637 m<sup>3</sup>, including water for internal use and water directly serving production, such as dissolving raw materials, cooling equipment, cleaning workshops, controlling dust in the operating area, and supplying the fire protection system.

Of which, a significant proportion is dedicated to the living needs of employees, with the goal of not only ensuring health but also improving work quality. The Company continues to maintain the operation of two high-capacity RO filtration systems, installed in the central areas of the factory, to ensure that the quality of domestic water always meets the direct drinking water standards according to QCVN 01-1:2018/BYT of the Ministry of Health. The filtered water is used for drinking, living, and personal hygiene needs of employees. Notably, Binh Dien maintains monthly water quality checks, sampling, and analysis through authorized units, to monitor physical, chemical, and microbiological parameters, thereby making timely adjustments when any unusual signs are detected. The Company also conducts periodic general cleaning of the water supply pipeline system, tanks, and filtration equipment to limit the accumulation of dirt, microorganisms, and ensure the continuity of the water supply system.

Regarding water resource management in production, the Company has been applying several water-saving measures, such as using low-pressure spray nozzles for equipment washing, reusing a portion of cooling water in the thermal equipment area, and enhancing leak control through an automatic flow monitoring system. Simultaneously, the Company also promotes internal communication on economical water use in each stage and personalizes responsibility within subordinate units. These efforts not only help reduce water consumption per product unit but also contribute to alleviating pressure on regional water resources. All data on water consumption are stored, statistically analyzed, and integrated into the periodic environmental reporting system, serving internal monitoring and reporting to authorities in accordance with regulations. These practical

actions have been affirming Binh Dien's pioneering role in the fertilizer production sector, coupled with the responsibility of managing water resources and comprehensively caring for the health of the workforce.



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## Waste Management (according to GRI 303, 305, 306)

### Wastewater (GRI 303)

Regarding wastewater (GRI 303), in 2024, the Company treated an average of about 17,850 m<sup>3</sup> of wastewater per year, mainly domestic wastewater generated from canteens, restrooms, offices and equipment maintenance. Wastewater is not generated from the NPK fertilizer production process because the Company applies dry technology, which does not cause discharge in production. The wastewater treatment system before discharging to the Vam Co Dong River with an average of 18,000 cubic meters of wastewater annually has been treated before being released into the environment. The entire amount of wastewater is collected and treated through a centralized wastewater treatment system with a capacity of 120 m<sup>3</sup>/day and night, ensuring that the output water meets QCVN 40:2011/BTNMT - Column A before discharging into the Vam Co Dong River. To enhance operational safety, the Company continues to maintain a standby wastewater reservoir ready for use in case of incidents. The company has also built and operated an internal wastewater quality self-monitoring process, combined with quarterly monitoring activities conducted by authorized units to assess parameters such as BOD, COD, TSS, ammonia, pH, coliform... The monitoring results throughout the year show that the treated wastewater meets standards, there are no environmental incidents, thereby confirming the operational capacity and effective control of the treatment system.

### Gas Emissions (GRI 305)

In 2024, the Company diligently managed gas emissions (as per GRI 305), primarily originating from boilers, dryers, and backup generators. All emissions were treated to meet QCVN 19:2009/BTNMT - Column B (Kp = 0.8; Kv = 1) standards before release. The Company conducts regular emissions monitoring, upgrades, and maintains treatment equipment to ensure effective control of dust, NO<sub>x</sub>, SO<sub>x</sub>, and NH<sub>3</sub>. Numerous production line components, such as screw conveyors, dryers, and grinders, have been improved to minimize dust dispersion into the environment and workspace. Regular occupational environment monitoring is conducted, and the Company has received environmental protection completion certification as regulated, contributing to a safe, clean, and community-friendly work environment.

### General Industrial Solid Waste, Domestic Waste, and Hazardous Waste (GRI 305)

In 2024, the Company generated 73.84 tons of domestic waste, 158.5 tons of general industrial solid waste, and 829 kg of hazardous waste, all of which were fully collected and processed under contract with licensed entities. Designated waste storage areas adhere to regulations, featuring covered roofs, elevated flooring to prevent flooding, collection trenches and pits to prevent leakage, clear signage, comprehensive fire prevention and fighting systems, and proper layout according to technical guidelines. The hazardous waste storage area is separate, maintains a logbook, uses QR codes for traceability, and is overseen by an internal control system.

The Company continues to implement various source reduction solutions, notably optimizing production processes to minimize excess materials and utilizing highly degradable and reusable materials. Equipment on the production line has been upgraded to enhance operational efficiency,

## Compliance with Environmental Protection Laws

In 2024, the Company faced no penalties for environmental violations and incurred no administrative fines related to environmental issues. This result demonstrates comprehensive legal compliance and the efficacy of the Company's environmental management system. The Company regularly reviews and updates its environmental regulations, implementing timely measures to meet evolving management requirements. In addition, partners and authorized waste treatment units, especially hazardous waste, are carefully selected, ensuring they possess all necessary operating licenses, technical capabilities, and clear legal commitments. The company also maintains regular environmental monitoring reports as required by the Ministry of Natural Resources and Environment, as well as by the Department of Natural Resources and Environment of Long An Province, while applying the environmental management system according to ISO 14001:2015 - code QA-D/VN/14001/0012 issued by QATECHNIC on 31/12/2023, valid until December 24, 2026.

Regarding fire prevention and fighting, the Company maintains annual training for the on-site Fire Prevention and Fighting Team, while conducting weekly inspections and replacements of fire protection equipment in high-risk areas. In 2024, no fire, explosion or environmental accidents occurred within the factory area, contributing to ensuring safety for employees, corporate assets, and the surrounding community. These results not only demonstrate Binh Dien's robust environmental management capabilities but also reinforce the confidence of shareholders, partners, and the community in the Company's long-term green, safe, and responsible development orientation.

reduce material loss, and minimize ancillary waste generation. In 2024, Binh Dien promoted internal recycling and reuse, particularly for raw material packaging, plastic bags, wooden pallets, and boiler coal ash, contributing to reduced environmental discharge and operational cost savings.

Concurrently, the Company maintains internal training and communication programs on waste management, fostering responsible waste sorting, economical usage, and proper disposal among personnel. The Company is also exploring investment in environmentally friendly waste treatment technologies to increase recycling rates and reduce the volume of waste requiring external processing. All waste-related activities are conducted in accordance with Environmental Permit No. 2986/GPMT-STNMT, issued on April 28, 2023 by the Department of Natural Resources and Environment of Long An Province. Effective and integrated waste management in 2024 not only ensures Binh Dien's legal compliance but also affirms its pioneering role in establishing a green, clean, and sustainable production model within the fertilizer industry.



## Policies related to employees

### Number of employees, average salary for employees

Year	Year 2021	Year 2022	Year 2023	Year 2024
Total number of employees (including out-sourced labor)	710	710	677	612
Average income (million VND/person/month)	17,02	13,50	17,23	24,15

### Labor policies to ensure health, safety and welfare of workers

The Company not only fully complies with legal regulations related to social insurance, health insurance, and unemployment insurance but also proactively purchases accident insurance for all employees to protect their benefits and peace of mind throughout their employment. The average income reached 24,15 million VND/person/month, along with support such as maternity, sickness, accident, emergency, and marriage allowances, has created a great motivation for employees to have a long-term commitment to the Company. A safe working environment is also one of the top priorities, demonstrated through regular occupational safety training, weekly inspection and maintenance of the fire protection system, and strict monitoring of working conditions through occupational environment monitoring in high-risk areas. In addition, the Company regularly organizes activities to care for the spiritual life, encourages technical innovation initiatives, and practices thrift, contributing to improving productivity and work efficiency. These humane and synchronous policies have helped Binh Dien not only maintain a stable and safe working environment but also build trust, commitment, and companionship of employees in the long-term development journey of the enterprise.

### Employee training activities

The Company always considers human resources as a valuable asset, and this is demonstrated through the issuance of regulations supporting employees in training to improve their skills to serve production and business. The company facilitates employees to participate in external training courses, or invites lecturers to train on-site, or organizes online training sessions on the Zoom platform... thereby improving the knowledge and skills of the company's employees.

Workers are encouraged to continuously improve their skills and knowledge, helping them not only consolidate their proficiency in their current jobs but also develop their ability to face new challenges in the industry. Annually, the Company conducts skill assessments for each worker to ensure work quality and efficiency.



## Assessment concerning the corporate responsibility for the local community

Binh Dien Fertilizer Joint Stock Company's products and services aim for the objective of "farmers becoming experts" to intelligently apply cultivation techniques amidst climate change and market instability.

The Company not only focuses on producing high-quality fertilizers but also organizes hundreds of agendas introducing the production process, answering questions, and supporting agricultural activities. Binh Dien also continues to aim at reducing fertilizer usage and promoting smart farming methods, while contributing to emission reduction and environmental protection. The company has pursued the goal of climate-resilient smart rice cultivation in the Mekong Delta for nearly 10 years and regularly organizes agendas supporting farmers. Especially in 2024, the Company strengthened farmer training amidst the severe damage caused by storm number 3 to the country's agriculture. The Company is committed to accompanying farmers in implementing smart rice farming adaptable to climate change, contributing to environmental protection and sustainable agricultural development.

Binh Dien also participates in international cooperation, exporting fertilizers and implementing smart farming projects in other countries. The Company has built a high reputation domestically and internationally through conducting practical research and providing effective solutions for farmers and partners.

- Charitable activities that Binh Dien participated in during 2024
- Organizing the "Wings of Dreams to School" Agenda to award 100 gifts to disadvantaged children in Nghe An and Quang Tri provinces.
- Awarding "Steps to School" scholarships for the 2024-2025 school year worth 1 million VND to 15 poor students in An Giang.
- Implementing a 1-day salary contribution from all employees, equivalent to 600,000 VND/person.
- Implementing a 1-day salary contribution from all employees, equivalent to 600,000 VND/person to support families severely affected by natural disasters, helping them overcome consequences and quickly stabilize their lives.
- Donating 1,650 livelihood support packages to people affected by storm number 3 in Lao Cai and Yen Bai provinces through the "Bringing Livelihoods to People in Storm-Flood Areas" Agenda in Lao Cai and Yen Bai provinces. The total value of the Agenda reached 3 billion VND.
- "Support to School" scholarship Agenda in 2024 for over 1,100 disadvantaged freshmen nationwide, with a total budget of over 20 billion VND. Each freshman scholarship is worth 15 million VND in cash, including 2 special scholarships worth 50 million VND/4 years.
- Supporting 60 million VND to give 1,500 children's books to students in Cu Chi district



## Report On Green Capital Market Activities Under The Guidance Of The SSC

As a public company listed on the Ho Chi Minh City Stock Exchange, the Company recognizes the role of green growth in the economic development of an organization and, more broadly, the nation. Binh Dien is ready and proactively participates in action plans related to green capital market activities under the guidance of the SSC.





# 07

## Financial Statements

Audit Opinion

The consolidated audited Financial Statements for the year 2024



**VIETVALUES** Audit and Consulting Co., Ltd  
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No.: 2068/25/BCKT/AUD-VVALUES

## INDEPENDENT AUDITOR'S REPORT

**To: SHAREHOLDERS, THE BOARD OF MANAGEMENT AND  
 THE BOARD OF DIRECTORS  
 BINH DIEN FERTILIZER JOINT STOCK COMPANY**

We have audited the accompanying (consolidated) financial statements of the Parent company - Binh Dien Fertilizer JSC (hereafter, referred to as "the Company") and Subsidiaries (hereafter referred to as "the Group"), prepared on 03<sup>rd</sup> March 2025 (from page 08 to page 46) which comprise the (consolidated) Balance Sheet as at 31<sup>st</sup> December 2024, the (consolidated) Income Statement, the (consolidated) Cash Flows Statement and the Notes to the (consolidated) Financial Statements for the fiscal year then ended.

### The Board of Directors' responsibility

The Board of Directors of the Group is responsible for the preparation and fair presentation of these (consolidated) financial statements in accordance with the accounting standards, Vietnamese enterprises' accounting regime as well as other related regulations and for such internal control as the Board of Directors determines is necessary to enable the preparation and presentation of (consolidated) financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on these (consolidated) financial statements based on our audit. We conducted our audit in accordance with the Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 auditor's 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 auditor considers internal control relevant to the Group'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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, 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 Auditor's report (cont.)*

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### Auditor's opinion

In our opinion, the (consolidated) financial statements referred to above give a true and fair view, in all material respects, of the (consolidated) financial position of the Group as at 31<sup>st</sup> December 2024, the (consolidated) business results and the (consolidated) cash flows for the fiscal year then ended in conformity with the accounting standards, the prevailing Vietnamese enterprises' accounting regime as well as other regulations related to the preparation and presentation of the (consolidated) financial statements.

*Ho Chi Minh city, 03<sup>rd</sup> March 2025.*

**VIETVALUES** Audit and Consulting Co., Ltd.



**Tran Van Hiep – Deputy General Director**  
 Certificate of registration for  
 practicing audit No. 2141-2023-071-1  
 Authorized signature

**Nguyen Thi Tuyet Van – Auditor**  
 Certificate of registration for  
 practicing audit No. 2839-2025-071-1

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## BINH DIEN FERTILIZER JOINT STOCK COMPANY

Address: C12/21, National Road 1A, Tan Kien commune, Binh Chanh district, Ho Chi Minh city.

## (CONSOLIDATED) BALANCE SHEET

As at 31st December 2024

## (CONSOLIDATED) BALANCE SHEET

As at 31st December 2024

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
1	2	3	4	5
<b>100</b>	<b>A. CURRENT ASSETS AND SHORT-TERM INVESTMENTS</b>		<b>2,608,895,504,667</b>	<b>2,743,330,306,053</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	V.1	<b>626,550,473,599</b>	<b>607,044,366,543</b>
111	1. Cash		195,462,117,599	333,544,366,543
112	2. Cash equivalents		431,088,356,000	273,500,000,000
<b>120</b>	<b>II. Short-term financial investments</b>		<b>10,500,000,000</b>	<b>20,000,000,000</b>
123	1. Held-to-maturity investments	V.2	10,500,000,000	20,000,000,000
<b>130</b>	<b>III. Accounts receivable</b>		<b>463,775,594,905</b>	<b>561,030,719,124</b>
131	1. Short-term trade receivables	V.3	499,278,076,972	575,752,790,218
132	2. Short-term advance payments to suppliers	V.4	6,432,901,104	15,379,025,772
136	3. Other short-term receivables	V.5a	14,620,732,585	15,637,483,373
137	4. Provision for doubtful short-term receivables (*)	V.6	(56,556,115,756)	(45,738,580,239)
<b>140</b>	<b>IV. Inventories</b>	V.7	<b>1,466,096,874,567</b>	<b>1,519,917,491,207</b>
141	1. Inventories		1,466,682,136,434	1,522,444,882,233
142	2. Provision for obsolete inventory (*)		(585,261,867)	(2,527,391,026)
<b>150</b>	<b>V. Other current assets</b>		<b>41,972,561,596</b>	<b>35,337,729,179</b>
151	1. Short-term prepaid expenses	V.8a	5,977,308,328	6,033,124,569
152	2. VAT deductible		35,707,246,158	27,997,569,452
153	3. Tax receivables	V.17	288,007,110	1,307,035,158
<b>200</b>	<b>B. FIXED ASSETS AND LONG-TERM INVESTMENTS</b>		<b>668,424,545,526</b>	<b>711,317,641,545</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>4,650,098,980</b>	<b>4,209,144,670</b>
216	1. Other long-term receivables	V.5b	4,650,098,980	4,209,144,670
<b>220</b>	<b>II. Fixed assets</b>		<b>633,070,762,630</b>	<b>646,373,395,208</b>
221	1. Tangible fixed assets	V.9	420,378,238,412	433,566,473,960
222	- Historical cost		1,276,661,250,904	1,220,654,250,878
223	- Accumulated depreciation (*)		(856,283,012,492)	(787,087,776,918)
224	2. Finance lease fixed assets	V.10	9,103,043,329	6,028,110,548
225	- Historical cost		11,819,606,100	8,101,686,100
226	- Accumulated depreciation (*)		(2,716,562,771)	(2,073,575,552)
227	3. Intangible fixed assets	V.11	203,589,480,889	206,778,810,700
228	- Historical cost		245,068,418,857	244,759,118,857
229	- Accumulated amortization (*)		(41,478,937,968)	(37,980,308,157)
<b>230</b>	<b>III. Investment properties</b>		<b>-</b>	<b>-</b>
<b>240</b>	<b>IV. Non-current unfinished assets</b>		<b>7,684,706,260</b>	<b>39,143,576,687</b>
242	1. Construction-in-progress	V.12	7,684,706,260	39,143,576,687
<b>250</b>	<b>V. Long-term financial investments</b>	V.13	<b>5,161,315,268</b>	<b>5,681,326,730</b>
253	1. Investments in other entities		11,661,918,871	11,661,918,871
254	2. Provision for long-term financial investments (*)		(6,500,603,603)	(5,980,592,141)
<b>260</b>	<b>VI. Other non-current assets</b>		<b>17,857,662,388</b>	<b>15,910,198,250</b>
261	1. Long-term prepaid expenses	V.8b	2,671,767,728	2,904,397,518
262	2. Deferred income tax assets		15,185,894,660	13,005,800,732
268	3. Other non-current assets		-	-
269	4. Goodwill	V.14	-	-
<b>270</b>	<b>TOTAL ASSETS</b>		<b>3,277,320,050,193</b>	<b>3,454,647,947,598</b>

Address: C12/21, National Road 1A, Tan Kien commune, Binh Chanh district, Ho Chi Minh city.

## (CONSOLIDATED) BALANCE SHEET (cont.)

As at 31st December 2024

Code	RESOURCES	Notes	Ending balance	Beginning balance
1	2	3	4	5
<b>300</b>	<b>C. LIABILITIES</b>		<b>1,759,956,299,456</b>	<b>2,168,890,124,722</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>1,743,091,417,540</b>	<b>2,159,289,937,729</b>
311	1. Short-term trade payables	V.15	468,008,730,488	231,766,407,941
312	2. Short-term advance payments from customers	V.16	21,599,877,173	22,959,972,095
313	3. Tax and statutory obligations	V.17	151,533,525,841	133,535,637,151
314	4. Payables to employees		126,684,004,459	81,953,411,631
315	5. Short-term accruals	V.18	147,592,037,973	115,399,736,348
319	6. Other short-term payables	V.19	15,255,393,272	39,943,865,513
320	7. Short-term finance lease loans and liabilities	V.20a	771,601,318,553	1,483,912,197,317
321	8. Provision for short-term payables		3,500,000,000	6,079,857,224
322	9. Bonus and welfare funds	V.21	37,316,529,781	43,738,852,509
<b>330</b>	<b>II. Long-term liabilities</b>		<b>16,864,881,916</b>	<b>9,600,186,993</b>
331	1. Long-term trade payables		7,579,260,000	-
338	2. Long-term finance lease loans and liabilities	V.20b	9,285,621,916	9,600,186,993
341	3. Deferred income tax payables		-	-
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>1,517,363,750,737</b>	<b>1,285,757,822,876</b>
<b>410</b>	<b>I. Capital of the owner</b>	V.22	<b>1,517,363,750,737</b>	<b>1,285,757,822,876</b>
411	1. Owners' invested equity		571,679,930,000	571,679,930,000
411a	- Common stocks with voting rights		571,679,930,000	571,679,930,000
411b	- Preferred stocks		-	-
412	2. Surplus of share capital		-	-
414	3. Other capital of the owner		24,230,059,200	24,230,059,200
418	4. Development and investment funds		215,631,331,436	206,035,133,011
420	5. Other funds of the owner's capital		13,191,833,055	13,191,833,055
421	6. Undistributed earnings after tax		432,999,233,030	257,722,029,290
421a	- Accumulated undistributed earnings after tax to the end of previous year		104,576,878,152	138,063,807,594
421b	- Accumulated undistributed earnings after tax in current year		328,422,354,878	119,658,221,696
429	7. Benefits of non-controlling shareholders		259,631,364,016	212,898,838,320
<b>430</b>	<b>II. Other capital, funds</b>		<b>-</b>	<b>-</b>
<b>440</b>	<b>TOTAL RESOURCES</b>		<b>3,277,320,050,193</b>	<b>3,454,647,947,598</b>

Prepared by

HUYNH THI LAN ANH

Chief Accountant

TRAN NGOC HUNG

Ho Chi Minh city, 03rd March 2025

General Director

NGO VAN DONG

## BINH DIEN FERTILIZER JOINT STOCK COMPANY

Address: C12/21, National Road 1A, Tan Kien commune, Binh Chanh district, Ho Chi Minh city.

**(CONSOLIDATED) INCOME STATEMENT**

For the fiscal year ended 31st December 2024

**(CONSOLIDATED) INCOME STATEMENT**

For the fiscal year ended 31st December 2024

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
1	2	3	4	5
01	1. Revenues from sale of goods and rendering of services	VI.1	9,489,135,612,937	8,706,345,659,025
02	2. Revenue deductions	VI.2	130,891,866,060	118,036,574,996
10	3. Net revenues from sale of goods and rendering of services		9,358,243,746,877	8,588,309,084,029
11	4. Cost of goods sold	VI.3	7,964,775,333,670	7,680,240,977,445
20	5. Gross profit from sale of goods and rendering of services		1,393,468,413,207	908,068,106,584
21	6. Income from financial activities	VI.4	27,889,710,370	20,864,954,942
22	7. Expenses from financial activities	VI.5	88,828,496,787	140,370,636,938
23	- In which: Interest expenses		56,775,268,908	117,490,941,609
24	8. Profit/ Loss in the joint ventures, associates		-	-
25	9. Selling expenses	VI.6	589,675,906,268	423,662,994,344
26	10. General & administration expenses	VI.7	211,680,608,955	165,628,465,529
30	11. Net profit/(loss) from operating activities		531,173,111,567	199,270,964,715
31	12. Other income	VI.8	6,661,769,048	2,016,507,172
32	13. Other expenses	VI.9	7,272,255,332	5,048,623,462
40	14. Other profit		(610,486,284)	(3,032,116,290)
50	15. Total pre-tax accounting profit		530,562,625,283	196,238,848,425
51	16. Current Corporate Income tax expenses	V.17	107,128,247,745	63,138,368,357
52	17. Deferred Corporate Income tax expenses		(2,180,093,928)	(1,717,335,932)
60	18. Profit/(loss) after corporate income tax		425,614,471,466	134,817,816,000
61	19. Profit after tax of shareholders of holding company		357,006,351,378	148,242,218,196
62	20. Benefits of non-controlling shareholders		68,608,120,088	(13,424,402,196)
70	21. Gains on stock	VI.10	5,620	2,082
71	20. Diluted gains on stock	VI.11	5,620	2,082

Prepared by

Chief Accountant

Ho Chi Minh city, 03rd March 2025

General Director

HUYNH THI LAN ANH

TRAN NGOC HUNG

NGO VAN DONG

Address: C12/21, National Road 1A, Tan Kien commune, Binh Chanh district, Ho Chi Minh city.

**(CONSOLIDATED) CASH FLOWS STATEMENT**

For the fiscal year ended 31st December 2024

**(CONSOLIDATED) CASH FLOWS STATEMENT**

(As per Indirect Method)

For the fiscal year ended 31st December 2024

Currency: VND

Code	Items	Notes	Current year	Previous year
1	2	3	4	5
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	1. Net profit/(loss) before tax	V.17	530,562,625,283	196,238,848,425
	2. Adjustments for:		152,642,122,013	194,737,537,443
02	- Depreciation and amortisation	V.9;V.10;V.11	92,255,883,749	117,001,402,884
03	- Provisions		9,395,417,820	12,197,082,484
04	- (Gains)/Losses of exchange rate differences due to the revaluation of the ending balances in foreign currencies		-	-
05	- (Profit)/ loss from investing activity	VI.4; VI.8	(5,784,448,464)	(3,417,103,062)
06	- Interest expense	VI.5	56,775,268,908	68,956,155,137
08	3. Operating income/(loss) before changes in working capital		683,204,747,296	390,976,385,868
09	- (Increase)/decrease in receivables		79,305,985,734	(3,634,950,558)
10	- (Increase)/decrease in inventory		55,762,745,799	816,359,633,726
11	- Increase/(decrease) in payables (excluding interest payable, CIT payables)		360,208,669,446	(218,738,187,164)
12	- Increase/(decrease) in prepaid expenses		8,715,899,466	1,575,805,290
13	- Increase/(decrease) in trading securities		-	-
14	- Interest paid		(61,429,175,024)	(68,956,155,137)
15	- Corporate income tax (CIT) paid	V.17	(88,510,372,161)	(51,331,371,085)
16	- Other cash inflows from operating activities	V.21	373,000,000	561,920,000
17	- Other cash outflows from operating activities	V.21	(41,305,988,233)	(39,310,194,889)
20	Net cash inflows/(outflows) from operating activities		996,325,512,323	827,502,886,051
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	1. Purchase of fixed assets and other long-term assets	V.9;V.11;V.12	(91,396,535,290)	(13,025,305,707)
22	2. Proceeds from disposals of fixed assets and other long-term assets		1,080,600,001	129,090,909
23	3. Loans to other entities and payments for purchase of debt instruments of other entities		9,500,000,000	(17,000,000,000)
24	4. Repayments from borrowers and proceeds from sales of debt instruments of other entities		-	-
25	5. Payments for investments in other entities		-	-
26	6. Proceeds from sales of investments in other entities		-	-
27	7. Interest and dividends received	VI.4	4,703,848,463	2,486,382,074
30	Net cash inflows/(outflows) from investing activities		(76,112,086,826)	(27,409,832,724)
	<b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>			
31	1. Proceeds from issue of stocks, capital contribution of the owner		-	-
33	3. Proceeds from borrowings	V.20	3,127,610,119,255	4,162,927,330,546
34	4. Repayments of borrowing principal	V.20	(3,833,208,276,019)	(4,742,463,583,576)
35	5. Repayments of finance lease principal	V.20	(7,027,287,077)	(6,914,296,740)
36	6. Dividends, profits paid to the owners	VII.1	(188,081,874,600)	(147,650,268,631)
40	Net cash inflows/(outflows) from financing activities		(900,707,318,441)	(734,100,818,401)
50	Net cash inflows/(outflows) in year (20+30+40)		19,506,107,056	65,992,234,926
60	Cash and cash equivalents at the beginning of the year	V.1	607,044,366,543	541,052,131,617
61	Impact of exchange rate fluctuation		-	-
70	Cash and cash equivalents at the end of the year	V.1	626,550,473,599	607,044,366,543

Prepared by

Chief Accountant

Ho Chi Minh city, 03rd March 2025

General Director

HUYNH THI LAN ANH

TRAN NGOC HUNG

NGO VAN DONG

## BINH DIEN FERTILIZER JOINT STOCK COMPANY

Address: C12/21, National Road 1A, Tan Kien commune, Binh Chanh district, Ho Chi Minh city.

## (CONSOLIDATED) FINANCIAL STATEMENTS

For the fiscal year ended 31<sup>st</sup> December 2024

Notes to the (consolidated) Financial Statements

## NOTES TO THE (CONSOLIDATED) FINANCIAL STATEMENTS

### For the fiscal year ended 31<sup>st</sup> December 2024

These notes form an integral part of and should be read in conjunction with the (consolidated) Financial Statements for the fiscal year ended 31<sup>st</sup> December 2024 of Binh Dien Fertilizer Joint Stock Company and 05 subsidiaries (hereafter, referred to as “the Group”).

#### I. OPERATION FEATURES

##### 1. Forms of ownership

Binh Dien Fertilizer Joint Stock Company is a joint stock company.

##### 2. Lines of business

Manufacture and trade.

##### 3. Business functions

- Manufacture and trading numerous types of inorganic fertilizer, organic fertilizer, microbiology, micronutrient, growth regulators for plants and animals;
- Researching and producing numerous types of fertilizer (do not produce at registered office);
- Import and export numerous types of fertilizer product, agricultural machineries, varieties of plant and agricultural products;
- Trading of real estate.

##### 4. Normal business and production cycle

The Group's normal business and production cycle is within 12 months.

##### 5. (Consolidated) subsidiaries

Total subsidiaries: 05 companies.

Total (consolidated) subsidiaries: 05 companies.

*Subsidiaries include:*

Name of company	Registered address	Main business activities	Ending balance			Beginning balance		
			Ratio of capital contribution	Proportion of voting rights	Proportion of interest	Ratio of capital contribution	Proportion of voting rights	Proportion of interest
1. Binh Dien Long An Sports Co., Ltd.	Long Dinh - Long Cang Industrial Zone, Long Dinh commune, Can Duoc district, Long An province, Vietnam	Sports, advertisement	100%	100%	100%	100%	100%	100%
2. Binh Dien Lam Dong JSC	National Road 20, Hiep Thanh commune, Duc Trong district, Lam Dong province	Manufacture, commercial fertilizers	51%	51%	51%	51%	51%	51%
3. Binh Dien Mekong JSC	Lot A10.1, D3 Road, Thanh Thanh Cong Industrial Zone, An Hoa commune, Trang Bang district, Tay Ninh province	Manufacture, commercial fertilizers	51%	51%	51%	51%	51%	51%

## BINH DIEN FERTILIZER JOINT STOCK COMPANY

Address: C12/21, National Road 1A, Tan Kien commune, Binh Chanh district, Ho Chi Minh city.

## (CONSOLIDATED) FINANCIAL STATEMENTS

For the fiscal year ended 31<sup>st</sup> December 2024

Notes to the (consolidated) Financial Statements (cont.)

Name of company	Registered address	Main business activities	Ending balance			Beginning balance		
			Ratio of capital contribution	Proportion of voting rights	Proportion of interest	Ratio of capital contribution	Proportion of voting rights	Proportion of interest
4. Binh Dien Quang Tri JSC	Lot 22, Quan Ngang Industrial Zone, Gio Chau commune, Gio Linh district, Quang Tri province	Manufacture, commercial fertilizers	51%	51%	51%	51%	51%	51%
5. Binh Dien Ninh Binh JSC	Khanh Phu Industrial Zone, Khanh Phu commune, Yen Khanh district, Ninh Binh province	Manufacture, commercial fertilizers	51%	51%	51%	51%	51%	51%

#### The subordinate entities without legal status and dependent accounting

Name of entities	Address
Binh Dien Long An fertilizer factory	Long Dinh Industrial Zone, Long Dinh commune, Can Duoc district, Long An province.

#### Employees

As at the accounting period ended, there are 1,243 employees who are working at the Group (there are 1,189 employees at the beginning of year).

#### Characteristist of operation of the Company in the fiscal year that affect the separate financial statements

The Group has promoted promotional programs and the scale of net revenue in current year increased by 8.96% compared to previous year, while the raw materials price used to produce finished products in current year decreased compared to previous year, leading to an increase in the gross profit ratio in current year by 53.45% compared to previous year. The operating expenses (selling expenses, general & administration expenses, expenses from financial activities) in current year increased by 22.00% compared to previous year. However, the operating expense ratio / net revenue in current year 9.51% is stable compared to previous year 8.50%. These main conditions lead to the accounting profit after corporate income tax in current year increasing by 215.70% compared to previous year.

#### I. ACCOUNTING PERIOD, AND REPORTING CURRENCY

##### The Group's fiscal year

The fiscal year starts on 01<sup>st</sup> January and ends on 31<sup>st</sup> December of each calendar year.

##### Reporting currency

The standard currency unit used is Vietnam Dong (VND) because the Group uses the main accounting currency unit which is Vietnam Dong (VND) for receipts and payments.

#### I. ADOPTED ACCOUNTING REGIME AND STANDARDS

##### Applicable accounting regime and standards

The Group has applied the Accounting Standards and the Vietnamese Corporate Accounting System in accordance with the Circular No. 200/2014/TT-BTC dated 22<sup>nd</sup> December 2014 and Circular No. 202/2014/TT-BTC dated 22<sup>nd</sup> December 2014 as well as circulars guidance on implementing the accounting standards of the Ministry of Finance in the preparation and presentation of the (consolidated) financial statements.

**BINH DIEN FERTILIZER JOINT STOCK COMPANY**

Address: C12/21, National Road 1A, Tan Kien commune, Binh Chanh district, Ho Chi Minh city.

**(CONSOLIDATED) FINANCIAL STATEMENTS**

For the fiscal year ended 31<sup>st</sup> December 2024

Notes to the (consolidated) Financial Statements (cont.)

**2. Statement on the compliance with the Vietnamese accounting system and standard**

The Board of Directors ensure to follow all the requirements of the accounting standards and the Vietnamese Corporate accounting system promulgating together with the Circular No. 200/2014/TT-BTC dated 22<sup>nd</sup> December 2014 and Circular No. 202/2014/TT-BTC dated 22<sup>nd</sup> December 2014 as well as circulars guidance on implementing the accounting standards of the Ministry of Finance in the preparation of the (consolidated) financial statements.

**IV. APPLIED ACCOUNTING POLICIES**
**1. Basis for preparation of the (consolidated) financial statements**

The (consolidated) financial statements include the financial statements of parent company and all subsidiaries. The financial statements of subsidiaries are prepared for the same fiscal year as well as applied the same accounting policies of parent company. Adjusted entries are applied for any different accounting policy in order to ensuring the consistency of parent company and all subsidiaries.

All inter-company balances and transactions, including recognised profits arising from inter-group transactions, have been eliminated in full. Unrealized losses are eliminated in (consolidated) financial statements, except where irrevocable expenses.

Minority interest showed the profit/ loss and net assets which are not held by the Company's shareholders and are presented by a separate item on the (consolidated) Income Statement and the (consolidated) Balance Sheet.

Subsidiaries are (consolidated) since the date of parent Company obtains control and cease to be (consolidated) since the date of parent Company do not obtain control that subsidiary. In case of parent company has no longer the right of control the subsidiaries, the (consolidated) financial statements will include the period's business result which is still obtained control by parent company.

The financial statements of subsidiaries subject to business combinations under common control are included in the Group's (consolidated) financial statements in accordance with the book value method of accounting. The financial statements of the other subsidiaries are (consolidated) into the parent company's reports under the purchase method whereby assets and liabilities are recorded at fair value at the date of a business combination.

**2. Cash and cash equivalents**

Cash includes cash on hand, call deposits and cash in transit.

Cash equivalents is the short-term securities of which the due dates can not exceed 3 (three) months from the dates of the investments and the convertibility into cash is easy, and which do not have a lot of risks in the conversion into cash.

**3. Transactions in foreign currencies**

The transactions in foreign currencies are converted at the actual exchange rates ruling as of the transaction dates. The balances of monetary items in foreign currencies are converted at the actual exchange rates ruling as of the balance sheet date.

Foreign exchange differences arising during year from transactions in foreign currencies are recognized in income from financial activities or expenses from financial activities. Exchange rate differences due to the revaluation of monetary items in foreign currencies as of the balance sheet date after offsetting differences of increasing and decreasing are recognized in income from financial activities or expenses from financial activities.

Exchange rate used to convert the foreign currency transactions is the actual exchange rate as at the time when transactions are incurred. The actual exchange rate of the foreign currency transactions is determined as follows:

- For receivables: buying exchange rate of the commercial bank where the Group indicated for the customer's payment at the time when transactions are incurred.
- For liabilities: buying exchange rate of the commercial bank where the Group is expected to deal at the time when transactions are incurred.

**BINH DIEN FERTILIZER JOINT STOCK COMPANY**

Address: C12/21, National Road 1A, Tan Kien commune, Binh Chanh district, Ho Chi Minh city.

**(CONSOLIDATED) FINANCIAL STATEMENTS**

For the fiscal year ended 31<sup>st</sup> December 2024

Notes to the (consolidated) Financial Statements (cont.)

- For the purchase transactions of assets or expenses are paid immediately in foreign currencies (not via the payable accounts): buying exchange rate of the commercial bank where the Group implements the payment.

Exchange rate used to revalue balances of the monetary items in foreign currencies as at 31<sup>st</sup> December 2024 is determined comply with the following principles:

- For foreign currency account in banks: foreign currency buying exchange rate of the bank where the Group frequently traded.
- For the monetary items in foreign currencies is classified as other assets: foreign currency buying exchange rate of the bank where the Group frequently traded.
- For the monetary items in foreign currencies is classified as liabilities: foreign currency selling exchange rate of the bank where the Group frequently traded.

**4. Financial investments**
***Held-to-maturity investments***

The investments are classified as held-to-maturity if the Group has both the ability and the intention to hold to maturity. Held-to-maturity investments include: term deposits (including treasury bills, promissory note) bonds, preferred stocks which the issuance party is obligated to repurchase at a specific time in the future and held-to-maturity loans for the purpose of collecting interest periodically and other held-to-maturity investments.

Principles for determining held-to-maturity investments are initially recognized at the historical costs include purchase price and expenses related to investments transactions. After initial recognition, these investments are recognized at recoverable amount. Interest income on held-to-maturity investments after the date of acquisition are recognized in Income Statement on the basis of accrual. Interest enjoyed before the Group held is deducted against the historical cost as at the date of acquisition.

When there is certainly evidence shows part of or the entire investment may not be recoverable and the loss can be determined reliably, the loss is recognized in Expenses from financial activities in year and direct reduction of investment value.

***Investments in equity instruments of other entities***

Investments in equity instruments of other entities include investments in equity instruments but the Group does not have control, joint control or significant influence over the investee.

Investments in equity instruments of other entities is initially recorded at their historical cost, include purchase price or capital contributions plus the costs directly related to the investment. When investments are purchased, their dividends and profits from previous years are accounted in reducing their value. And their dividends and profits of following years are recognized in the revenue. Received dividends by stocks are only monitored as the number of stocks increases, not to be recorded as the received stocks.

Provision for loss of investments in equity instruments of other entities is appropriated as follows:

- For investments in listed stocks or fair value of investments is determined reliably, the provision is based on the market value of stocks.
- For investments can not determine fair value as at the date of report, the provision is based on the loss of investee by the differences between the actual capital contributions by parties in other entity and the actual equity multiplied (X) with the percentage of capital contribution of the Group and total actual capital contributions by parties in other entity.

Increase/Decrease in the balance of provision for loss of investments in equity instruments of other entities must be make as at the accounting period ended and are recognized in the expenses from financial activities.

**5. Receivables**

Doubtful receivables are presented by book value subtracting the provisions for doubtful receivables.

Receivables are classified as trade receivables and other receivables comply with the following



**BINH DIEN FERTILIZER JOINT STOCK COMPANY**

Address: C12/21, National Road 1A, Tan Kien commune, Binh Chanh district, Ho Chi Minh city.

**(CONSOLIDATED) FINANCIAL STATEMENTS**For the fiscal year ended 31<sup>st</sup> December 2024**Notes to the (consolidated) Financial Statements (cont.)**

- Trade receivables reflect the commercial elements arising from selling - purchasing transactions between the Group and the buyer is an independent entity, include receivables from export sales under entrusted others.
- Other receivables reflect the non-commercial elements, unrelated to selling - purchasing transactions.

Provisions for doubtful receivables are presented at the estimated uncollectible value by the Group as at the accounting period ended. Increase/Decrease in the balance of provisions for doubtful receivables is recognized in the income statement.

**6. Inventories**

Inventories are recognized at the lower of their historical costs or their net realizable values.

Historical costs of inventories are determined as follows:

- Raw materials, goods: including the acquisition cost and other direct related expenses arising to obtain inventory in current status and place.
- Work-in-progress: including only the costs of main raw materials.
- Finished goods: including the cost of direct materials, direct labor and related factory overhead cost are allocated based on normal capacity.

Net realizable values is the estimated selling price of inventory in normal operating cycle except for the estimated costs to complete and necessary to consume them.

The value of inventories are recognized at the weighted average method and recorded at the perpetual method.

Provision for devaluation of inventories is made for the expected value of loss due to declines in value (due to price reduction, poor quality, obsolescence, ...) which may arise for inventories owned by the Group based on reasonable evidence of decline in value as at the balance sheet date. Increase/Decrease in the balance of provision for devaluation of inventory must be made as at the end of the accounting period and are recognized in the cost of goods sold.

**7. Prepaid expenses**

Prepaid expenses include the actual arising costs but related to the operating results of numerous accounting periods. The Group's prepaid expenses include:

**Tools**

Expenses on tools being put into use are allocated into expenses in accordance with the straight line method for the maximum period of 36 months.

**Repair costs of fixed assets**

Repair costs of assets arising once have great value are allocated into expenses in accordance with the straight line method for the maximum period of 36 months.

**8. Tangible fixed assets**

Tangible fixed assets are determined by the historical costs less (-) accumulated depreciation. Historical costs of tangible fixed assets include all the expenses of the company to have these fixed assets as of the dates they are ready to be put into use. Other expenses incurred subsequent to the initial recognition are included in historical costs of fixed assets only if they certainly bring more economic benefits in the future thanks to the use of these assets. Those which do not meet the above conditions will be recorded into expenses during the period.

When tangible fixed assets are disposed or liquidated, their historical costs and accumulated depreciation are written off, then any profit (or loss) generated from the liquidation is included in the income or the expenses during the period.

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Tangible fixed assets are depreciated in line with straight-line method to gradually write off the historical costs of fixed assets over their estimated useful lives. The depreciation years of tangible fixed assets applied are as follows:

<u>Kinds of fixed assets</u>	<u>Depreciated years</u>
Buildings and structures	05 – 30
Machineries & equipments	03 – 15
Vehicles, transmission	06 – 08
Management equipments & tools	03 – 07
Other tangible fixed assets	06 – 08

**9. Finance lease fixed assets**

A lease of asset is considered a financial lease in case most of the risks and rewards associated with the ownership of that asset belong to the lessee. Fixed assets under financial lease are determined by their historical costs less (-) accumulated depreciation. Historical cost of finance lease fixed assets is the lower between the reasonable value of the assets at the starting date of the lease agreement and the current value of the minimum lease payment. The discounting rate used to calculate the current value of the minimum lease payment is the interest rate as agreed by implication or as mentioned in the lease agreement. In case the interest rate as agreed by implication in the lease agreement cannot be determined, the interest rate for loan at the starting date of the lease agreement will be applied.

Finance lease fixed assets are depreciated in line with straight-line method to gradually write off the historical costs of fixed assets over their estimated useful lives. The depreciation years of Finance lease fixed assets applied are as follows:

<u>Kinds of leasehold assets</u>	<u>Depreciated years</u>
Machineries and equipments	07 – 10
Vehicles, transmissions	07

**10. Intangible fixed assets**

Intangible fixed assets are determined by the historical costs less (-) accumulated amortization.

Historical costs of intangible fixed assets include all the expenses of the Group to have these fixed assets as of the dates they are ready to be put into use. Other expenses incurred subsequent to the initial recognition are included in expenses during the period only if they attached to the specific intangible fixed asset and bring more economic benefits thanks to the use of these assets.

When intangible fixed assets are disposed or liquidated, their historical costs and accumulated amortization are written off, then any profit (or loss) generated from the liquidation is included in the income or the expenses during the period.

The Group's intangible fixed assets include:

**Land-use right**

Land-use right is all actual expenses related directly to the used land, included: the payment for getting land-use right, costs of compensation, site clearance, ground leveling, registration fee ... which the Group paid. Land-use right is amortized in line with straight-line method since the Group starts its operation to the using expiration recorded on the Certificate on land-use right, land-use rights with indefinite term is not amortized.

**Software program**

Costs related to computer software programs is not an integral part of the related hardware is capitalized. Historical costs of computer software include all the expenses of the Group to pay until the date the software is put into use. Software program is amortized in line with straight-line method within 07 – 10 years.

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**Franchise license**

Costs related to franchise license. Historical costs of franchise license include all the expenses of the Group to pay until the date of franchise license. The franchise license is amortized in line with straight-line method within 03 years.

**11. Construction-in-progress**

Construction-in-progress reflects the direct cost related to the assets are being built, machineries and equipments are being installed for the purpose of manufacturing, leasing and management, as well as expenses related to the repair of fixed assets which are being implemented. Those assets are recorded at their historical cost and not to be depreciated.

**12. Goodwill**

Amount of goodwill is the value incurred when business combination, the Group's goodwill is allocated not exceed 10 years.

**13. Liabilities and accruals**

Liabilities and accruals are recognized for payable amounts in the future related to the received goods and services. Accruals are recognized based on the reasonable estimates of the payable amounts.

Payables are classified as trade payables, accruals and other payables comply with the following principles:

- Trade payables reflect the commercial elements arising from purchasing transactions of goods, services, assets and the seller is an independent entity, include payables from import by a trustee.
- Accruals reflect the payables to the received goods and services from seller or provided to buyer but not yet paid due to do not have invoice or insufficient accounting records and vouchers and payable to employees on sabbatical salary, operating costs must be accrued.
- Other payables reflect the non-commercial elements, unrelated to selling - purchasing transactions, rendering of services.

**14. Owners' equity****Owners' invested equity**

Owners' invested equity is recognized according to the shareholders' actual capital.

**Surplus of share capital**

Surplus of share capital is recognized at differences between issued actual value and the nominal value of stocks when they first issued, supplement issue, differences between re-issued value and the book value of treasury stocks and capital structure of the convertible bonds at maturity. Direct costs related to the issuance of additional stocks and the re-issuance of treasury stocks is reversed on Surplus of share capital.

**15. Profit distribution**

Profit after corporate income tax is distributed to shareholders after appropriating for funds in accordance with the Company's Charter as well as regulations and being approved by General Meeting of Shareholders.

Distribution of profits to shareholders is considered non-monetary items in undistributed earnings after tax which can affect the cash flows and ability to pay dividends such as profit from revaluation of the contributed assets, revaluation of monetary items, financial instruments and other non-monetary items.

Dividends are recorded as liabilities when being approved by General Meeting of Shareholders.

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**16. Recognition of revenues and income**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return.

**Revenues from sale of finished goods, merchandises**

Revenues from sale of goods are recognized when satisfying the following conditions at the same time:

- Most of risk and benefits associated with the goods ownership are transferred to customers;
- There are no rights to manage or to control the goods;
- Revenues can be determined reliably;
- Getting or will get reliable economic benefits from providing service;
- Expenses related to providing and completing service can be determined.

**Revenues from rendering of services**

Revenues from rendering of services transaction are recognized when the result of transaction is determined reliably. Where the service is rendered during numerous periods, revenue in period is recognized based on the results of work completely as at balance sheet date. The results of rendering of services transaction are determined when satisfying all the following conditions:

- Revenue is determined rather reliably;
- Be able to gain economic benefits from the transactions;
- Determining work completely as at Balance Sheet date;
- Determining expenses related to rendering of services.

**Revenues from processing activities**

Revenue for the processing activities of materials, goods is the actual received amount of processing activities, excluding their value.

**Interest**

Interest is recognized on an accrual basis, and determined on balance of savings accounts and the actual interest rates for each period.

**Dividends and divided profits**

Dividends and divided profits are recorded as the Group has the right to receive dividends or profits from the capital contribution. Received dividends by stocks are only monitored as the number of stocks increases, not to be recorded as the received stocks.

**17. Revenue deductions**

Revenue deductions are adjusted reductions of total revenue in year which include trade discount, rebate and sales return.

**18. Cost of goods sold**

Cost of goods sold is total cost of goods, expenses directly of provided services, depreciation costs of rental real properties, other expenses are included in the cost of goods.

**19. Expenses from financial activities**

Expenses from financial activities are the costs related to financial activities include borrowing costs, loss of the short-term securities transfers, transaction costs of selling securities, provision for devaluation of trading securities, provision for loss of investments in other entities.

**20. Selling expenses and General & administration expenses**

Selling expenses and General & administration expenses are all costs related to the process of selling products, goods, rendering of services and general administration expenses of the Group.

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**21. Borrowing costs**

Borrowing costs include interest and other costs incurred directly related to loans.

Borrowing costs will be capitalized when they are directly related to the construction or the production of an asset in progress, which has taken a substantial period of time (over 12 months) to get ready for intended use or sales of the asset. Otherwise, the borrowing costs will be recognized into expenses during the period. For private loans serve the construction of fixed assets, investment properties, interest is capitalized even if the construction period of less than 12 months. The income arising from the temporary investment of loans is recorded reducing the historical cost of the relevant assets.

In the event of general borrowings which are partly used for acquiring, constructing or producing an asset in progress, the costs eligible for capitalization will be determined according to the capitalization rates applied to average accumulated expenditure on that asset. The capitalization rates are computed at the average interest rates on the borrowings not yet paid during the period, except for particular borrowings serving the purpose of obtaining a specific asset.

**22. Transactions in foreign currencies**

The transactions in foreign currencies are converted at the actual exchange rates ruling as of the transaction dates. The balances of monetary items in foreign currencies are converted at the actual exchange rates ruling as of the balance sheet date.

Foreign exchange differences arising during year from transactions in foreign currencies are recognized in income from financial activities or expenses from financial activities. Exchange rate differences due to the revaluation of monetary items in foreign currencies as of the balance sheet date after offsetting differences of increasing and decreasing are recognized in income from financial activities or expenses from financial activities.

Exchange rate used to convert the foreign currency transactions is the actual exchange rate as at the time when transactions are incurred. The actual exchange rate of the foreign currency transactions is determined as follows:

- For receivables: buying exchange rate of the commercial bank where the Company indicated for the customer's payment at the time when transactions are incurred.
- For liabilities: selling exchange rate of the commercial bank where the Company is expected to deal at the time when transactions are incurred.
- For the purchase transactions of assets or expenses are paid immediately in foreign currencies (not via the payable accounts): buying exchange rate of the commercial bank where the Company implements the payment.

**23. Corporate income tax**

Corporate income tax expenses include current corporate income tax and deferred corporate income tax.

**Current corporate income tax**

Current corporate income tax expense is recognized based on taxable income. Taxable income is different from accounting profit due to the adjustments of differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses.

Corporate income tax (CIT) rate of 20%.

**Deferred Corporate income tax**

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the financial statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

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Book values of deferred corporate income tax assets are considered at the balance sheet dates and will be reduced to the rates that ensure enough taxable income against which the benefits from a part of or all of the deferred income tax can be used. Deferred corporate income tax assets are not yet recorded in before that will be reconsidered as at the accounting period ended and recorded when being reliably taxable profit to be able to use deferred income tax assets.

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rates to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the income statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity of the Group.

Deferred income tax assets and deferred income tax liabilities should be offset when:

- The Group has a legal right to implement the offset of current income tax assets and current income tax payable; and
- Those deferred income tax assets and deferred income tax payable related to corporate income tax is administered by the same tax authority:
  - For the same taxable entity; or
  - The Group intends to pay current income tax payable and current income tax assets on the basis of net or recover assets at the same time with the payment of liabilities in each future period when the significant deferred income tax payable or deferred income tax assets to be paid or recovered.

**4. Gains on stock and Diluted gains on stock**

Gains on stock is calculated by dividing profit after tax attributable to ordinary shareholders of the Group after appropriation of Bonus and welfare funds to average outstanding common stocks during year.

Diluted gains on stock is calculated by dividing profit after tax attributable to ordinary shareholders of the Group after appropriation of Bonus and welfare funds to average outstanding common stocks during year and the weighted average number of common stocks will be issued in case of all potential dilutive common stock had been converted to common stock.

**5. Related parties**

A party is considered a related party of the company in case that party is able to control the company or to cause material effects on the financial decisions as well as the operations of the company. A party also is considered a related party of the company in case that party is under common control or significant influence.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

**5. Segment Reporting**

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services (segment engages in business activities), or products or services within a particular economic environment (segment engages in geographic) and that is subject to risks and returns that are different from those of other business segments.

The Company's basic segment reporting is based on geographical segment.

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Notes to the (consolidated) Financial Statements (cont.)

## V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE (CONSOLIDATED) BALANCE SHEET (Currency: VND)

### 1. Cash and cash equivalents

Details are as follows:

	Ending balance	Beginning balance
- Cash on hand	2,670,187,967	4,348,136,133
- Call deposits	192,791,929,632	329,196,230,410
- Cash equivalents (*)	431,088,356,000	273,500,000,000
<b>Total</b>	<b>626,550,473,599</b>	<b>607,044,366,543</b>

(\*) This is the savings deposits at banks with maturity less than 3 months.

### 2. Held-to-maturity investments

This is the savings deposits with maturity more than 3 months and less than 12 months.

In which, the year-end value of savings deposits is used as collateral for loans is VND 10,500,000,000 (refer to the Notes No. V.20).

### 3. Short-term trade receivables

Trade receivables are mainly from trading in all kinds of fertilizers.

Details are as follows:

	Ending balance	Beginning balance
<i>Trade receivables from related parties</i>	-	-
<i>Trade receivables from non-related parties</i>	<i>499,278,076,972</i>	<i>575,752,790,218</i>
- Yetak – Cambodia Co., Ltd.	68,168,104,620	62,914,297,600
- Tuan Vu Fertilizer Commercial Services Co., Ltd.	29,474,356,800	24,763,782,850
- Others	401,635,615,552	488,074,709,768
<b>Total</b>	<b>499,278,076,972</b>	<b>575,752,790,218</b>

In which, the year-end value of rotation trade receivables is used as collateral for loans is VND 130,117,303,873 (refer to the Notes No. V.20).

### 4. Short-term advance payments to suppliers

Details are as follows:

	Ending balance	Beginning balance
<i>Advance payments to related parties</i>	<i>1,619,305,309</i>	<i>2,629,005,309</i>
- DAP2 – VINACHEM JSC	1,619,305,309	2,629,005,309
<i>Advance payments to non-related parties</i>	<i>4,813,595,795</i>	<i>12,750,020,463</i>
- Others	4,813,595,795	12,750,020,463
<b>Total</b>	<b>6,432,901,104</b>	<b>15,379,025,772</b>

### 5. Other short-term and long-term receivables

#### 5a. Other short-term receivables

	Ending balance		Beginning balance	
	Amount	Provision	Amount	Provision
<i>Other receivables from related parties</i>	-	-	816,998,350	-
- The Vietnam National Chemical Group	-	-	816,998,350	-
<i>Other receivables from non-related parties</i>	<i>14,620,732,585</i>	-	<i>14,820,485,023</i>	-
- Advances to employees	673,193,326	-	1,182,039,658	-
- Others	13,947,539,259	-	13,638,445,365	-
<b>Total</b>	<b>14,620,732,585</b>	-	<b>15,637,483,373</b>	-

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### 5b. Other long-term receivables

	Ending balance		Beginning balance	
	Amount	Provision	Amount	Provision
<i>Details are as follows:</i>				
<i>Other receivables from related parties</i>	<i>3,834,841,545</i>	-	<i>3,737,502,545</i>	-
- The Vietnam National Chemical Group	3,834,841,545	-	3,737,502,545	-
<i>Other receivables from non-related parties</i>	<i>815,257,435</i>	-	<i>471,642,125</i>	-
- Others	815,257,435	-	471,642,125	-
<b>Total</b>	<b>4,650,098,980</b>	-	<b>4,209,144,670</b>	-

### 6. Provision for doubtful receivables

	Ending balance		Beginning balance	
	Historical	Provision	Historical	Provision
<i>Details are as follows:</i>				
- Tien Thanh Agricultural Materials and Transport Co., Ltd.	23,950,709,654	23,950,709,654	24,208,402,358	15,783,914,436
- Hung Tien Import Export Trading Co., Ltd.	13,627,505,762	13,627,505,762	13,627,505,762	13,627,505,762
- Others	20,214,011,254	18,977,900,340	20,157,860,730	16,327,160,041
<b>Total</b>	<b>57,792,226,670</b>	<b>56,556,115,756</b>	<b>57,993,768,850</b>	<b>45,738,580,239</b>

#### The movement on provision for doubtful receivables during year:

	Current year	Previous year
Beginning balance	(45,738,580,239)	(31,391,922,970)
Provision increased during year	(14,666,071,924)	(16,775,818,725)
Reversal of provision during year	3,848,536,407	2,429,161,456
<b>Ending balance</b>	<b>(56,556,115,756)</b>	<b>(45,738,580,239)</b>

### 7. Inventories

	Ending balance		Beginning balance	
	Historical cost	Provision	Historical cost	Provision
<i>Details are as follows:</i>				
- Materials and supplies <sup>(1)</sup>	837,464,676,207	(585,261,867)	787,086,794,694	(2,527,391,026)
- Tools	13,371,770,436	-	12,345,291,113	-
- Work-in-process	98,969,133,605	-	106,890,019,921	-
- Finished goods <sup>(2)</sup>	464,898,486,791	-	575,576,519,779	-
- Merchandises	7,921,825,300	-	11,818,380,156	-
- Goods on consignment	44,056,244,095	-	28,727,876,570	-
<b>Total</b>	<b>1,466,682,136,434</b>	<b>(585,261,867)</b>	<b>1,522,444,882,233</b>	<b>(2,527,391,026)</b>

In which, the year-end value of rotation inventories is used as collateral for loans is VND 746,600,028,066 (refer to the Notes No. V.20).

<sup>(1)</sup> Materials and supplies are mainly kinds of fertilizer raw materials: Urea, DAP, kaolin, ...<sup>(2)</sup> Finished goods are kinds of fertilizers.

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Notes to the (consolidated) Financial Statements (cont.)

## 8. Short-term and long-term prepaid expenses

## 8a. Short-term prepaid expenses

Details are as follows:

	Ending balance	Beginning balance
- Tools in use	2,470,367,196	1,247,770,949
- Others	3,506,941,132	4,785,353,620
<b>Total</b>	<b>5,977,308,328</b>	<b>6,033,124,569</b>

## The movement on short-term prepaid expenses during year:

	Current year	Previous year
Beginning balance	6,033,124,569	7,983,443,294
Increase during year	17,201,688,591	12,096,442,730
Allocation during year	(17,257,504,832)	(14,046,761,455)
<b>Ending balance</b>	<b>5,977,308,328</b>	<b>6,033,124,569</b>

## 8b. Long-term prepaid expenses

Details are as follows:

	Ending balance	Beginning balance
- Repair costs	2,357,563,133	2,803,789,768
- Others	314,204,595	100,607,750
<b>Total</b>	<b>2,671,767,728</b>	<b>2,904,397,518</b>

## The movement on long-term prepaid expenses during year:

	Current year	Previous year
Beginning balance	2,904,397,518	1,613,558,026
Increase during year	2,683,288,896	3,335,847,902
Allocation during year	(2,915,918,686)	(2,045,008,410)
<b>Ending balance</b>	<b>2,671,767,728</b>	<b>2,904,397,518</b>

## 9. Tangible fixed assets

Details of the movement of tangible fixed assets are presented to the Appendix No. 01.

## 10. Finance lease fixed assets

	Machineries & equipments	Vehicles, transmissions	Total
<b>I. Historical cost</b>			
1.Beginning balance	3,481,365,000	4,620,321,100	8,101,686,100
2.Increase during year	5,197,470,000	-	5,197,470,000
- New procurement	5,197,470,000	-	5,197,470,000
3.Decrease during year	1,479,550,000	-	1,479,550,000
- Decrease due to transferring to tangible fixed assets	1,479,550,000	-	1,479,550,000
<b>4.Ending balance</b>	<b>7,199,285,000</b>	<b>4,620,321,100</b>	<b>11,819,606,100</b>
<b>II. Depreciation</b>			
1.Beginning balance	1,134,131,178	939,444,374	2,073,575,552
2.Increase during year	691,892,377	660,045,876	1,351,938,253
- Depreciation during year	691,892,377	660,045,876	1,351,938,253

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	Machineries & equipments	Vehicles, transmissions	Total
3.Decrease during year	708,951,034	-	708,951,034
- Transferring to tangible fixed assets	708,951,034	-	708,951,034
<b>4.Ending balance</b>	<b>1,117,072,521</b>	<b>1,599,490,250</b>	<b>2,716,562,771</b>
<b>III. Net book value</b>			
Beginning balance	2,347,233,822	3,680,876,726	6,028,110,548
<b>Ending balance</b>	<b>6,082,212,479</b>	<b>3,020,830,850</b>	<b>9,103,043,329</b>

## 11. Intangible fixed assets

	Long-term land-use right (*)	Limited-term land-use right (*)	Franchise license	Software program	Total
<b>I. Historical cost</b>					
1.Beginning balance	114,687,620,655	124,498,292,402	324,400,000	5,248,805,800	244,759,118,857
2.Increase during year	-	-	-	309,300,000	309,300,000
New procurement	-	-	-	309,300,000	309,300,000
3.Decrease during year	-	-	-	-	-
<b>Ending balance</b>	<b>114,687,620,655</b>	<b>124,498,292,402</b>	<b>324,400,000</b>	<b>5,558,105,800</b>	<b>245,068,418,857</b>
<b>II. Amortization</b>					
1.Beginning balance	-	35,628,845,249	324,400,000	2,027,062,909	37,980,308,157
2.Increase during year	-	2,778,858,912	-	719,770,899	3,498,629,811
Amortization during year	-	2,778,858,912	-	719,770,899	3,498,629,811
3.Decrease during year	-	-	-	-	-
<b>Ending balance</b>	<b>-</b>	<b>38,407,704,161</b>	<b>324,400,000</b>	<b>2,746,833,807</b>	<b>41,478,937,968</b>
<b>III. Net book value</b>					
Beginning balance	114,687,620,655	88,869,447,154	-	3,221,742,892	206,778,810,700
<b>Ending balance</b>	<b>114,687,620,655</b>	<b>86,090,588,241</b>	<b>-</b>	<b>2,811,271,993</b>	<b>203,589,480,889</b>

In which:

- Historical cost of fully-amortized intangible fixed assets which are still in use: VND 2,880,585,256.
- Residual value of some intangible fixed assets is used as collateral for loans is: VND 27,562,088,840 (refer to the Notes No. V.20).

(\*) The Group's year-end land-use rights include:

- The land located at C12/21 National Road 1A, Tan Kien commune, Binh Chanh district, Ho Chi Minh city. As at 31<sup>st</sup> December 2024, the Company has not yet been granted the use right certificate. Value of land is recognized in accordance with Decision No. 32/QĐ-BTC dated 03<sup>rd</sup> January 2007 of the Ministry of Finance and Document No. 9402/BTC-QLCS dated 12<sup>th</sup> August 2008 of the Ministry of Finance on approving the overall handling planning for the housing facilities of the Vietnam National Chemical Group (formerly known as Vietnam Chemical Corporation) in Ho Chi Minh city. In 2019, the Company has moved to another place and no longer operate on this land. Currently, the State is carrying out procedures to recover this land.
- Land-use right No. T00080/QSDĐ/0401-LA located at Long Dinh commune, Can Duoc district, Long An province. Expiry date until 08<sup>th</sup> September 2054

## BINH DIEN FERTILIZER JOINT STOCK COMPANY

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Notes to the (consolidated) Financial Statements (cont.)

- The right to use 30,317.9 m<sup>2</sup> of leased land (the land plot No. 856; map sheet No. 26) according to the Certificate of land-use right and ownership of house and other land-attached assets No. CU461065 dated 16<sup>th</sup> June 2020 granted by Department of Natural Resources and Environment of Lam Dong province. This right of use has been mortgaged for a loan (refer to the Notes No. V.20). 50-year expiration period.
- The right to use 87,400 m<sup>2</sup> of leased land (belongs to TK 278B (the land plot No. 2); map sheet No. 100002) according to the Certificate of land-use right and ownership of house and other land-attached assets No. BA010541 dated 12<sup>th</sup> March 2010 granted by Lam Dong Provincial People's Committee. This right of use has been mortgaged for a loan (refer to the Notes No. V.20). 50-year expiration period.
- Certificates of land-use right No. CO5560264, CO5560265 dated 31<sup>st</sup> July 2014 granted by the Department of Natural Resources and Environment of Lam Dong province. This right of use has been mortgaged for a loan (refer to the Notes No. V.20). 50-year expiration period.
- The land-use right according to Certificate of land-use right No. CĐ241094 dated 02<sup>nd</sup> December 2016 granted by the Department of Natural Resources and Environment of Tay Ninh province with total area of 10,202.50 m<sup>2</sup> which belongs to land plot No. A20B, Road C4, Thanh Industrial Park Thanh Cong, An Hoi hamlet, An Hoa commune, Trang Bang district, Tay Ninh province. 42-year expiration period.
- The land-use right according to Certificates of land-use right No. BM189701 and BM189701 dated 19<sup>th</sup> January 2015 granted by the Department of Natural Resources and Environment of Tay Ninh province with total area of 15,233.20 m<sup>2</sup> which belongs to land plot No. A10, C4 road, Bourbon An Hoa Industrial Zone, An Hoa commune, Trang Bang district, Tay Ninh province. 45-year expiration period.

## 12. Construction-in-progress

Details are as follows:

	Ending balance	Beginning balance
- Repair costs at the parent company's factory	4,663,245,300	37,384,214,687
- Repair costs at the subsidiaries' factory	3,021,460,960	1,759,362,000
<b>Total</b>	<b>7,684,706,260</b>	<b>39,143,576,687</b>

## 13. Investment in other entities

Invested entities	Ending balance			Beginning balance		
	Historical cost	Fair value <sup>(1)</sup>	Provision	Historical cost	Fair value <sup>(1)</sup>	Provision
Saigon – Dong Ha Tourist JSC <sup>(2)</sup>	11,661,918,871	5,161,315,268	(6,500,603,603)	11,661,918,871	5,681,326,730	(5,980,592,141)
<b>Total</b>	<b>11,661,918,871</b>	<b>5,161,315,268</b>	<b>(6,500,603,603)</b>	<b>11,661,918,871</b>	<b>5,681,326,730</b>	<b>(5,980,592,141)</b>

<sup>(1)</sup> For stocks with trading prices, fair value is determined according to the closing price as of 31<sup>st</sup> December 2024 of the Stock exchanges. For undeposited stocks with no transaction price, fair value is determined by the differences between the historical cost and the provision of the investments. The provision is determined based on the financial statements of the investee.

<sup>(2)</sup> This is the investment in Saigon - Dong Ha Tourist JSC equivalent to 1,164,564 shares (occupied to 6.28% of charter capital) with nominal value of VND 10,000/share. This investment does not have a listed price on the market. Fair value is determined by the differences between the historical cost and the provision of the investments by the Group. The provision is determined based on the financial statements of the investee.

## 14. Goodwill

The goodwill arising at the date of acquisition of subsidiaries has been fully amortized because the 10-year maximum amortization period has been expired.

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Notes to the (consolidated) Financial Statements (cont.)

## 15. Short-term trade payables

Details are as follows:

	Ending balance	Beginning balance
<b>Trade payables to related parties</b>	<b>11,422,782,000</b>	<b>-</b>
- DAP Vinachem JSC	11,422,782,000	-
<b>Trade payables to non-related parties</b>	<b>456,585,948,488</b>	<b>231,766,407,941</b>
- Long Hung – Hanoi Import Export & Investment JSC	85,514,660,000	32,651,570,843
- Tuong Nguyen Import Export Trading Service Co., Ltd.	70,149,940,700	-
- Others	300,921,347,788	199,114,837,098
<b>Total</b>	<b>468,008,730,488</b>	<b>231,766,407,941</b>

In which: the unpaid overdue debts: VND 0.

## 16. Short-term advance payments from customers

Details are as follows:

	Ending balance	Beginning balance
<b>Advance payments from related parties</b>	<b>-</b>	<b>-</b>
<b>Advance payments from non-related parties</b>	<b>21,599,877,173</b>	<b>22,959,972,095</b>
- Nguyen Tien Hung	3,794,107,455	5,512,342,594
- Others	13,684,459,485	17,447,629,501
<b>Total</b>	<b>21,599,877,173</b>	<b>22,959,972,095</b>

## 17. Tax and statutory obligations

	Beginning balance		Arising during year		Ending balance	
	Payable	Receivable	Payable	Already paid	Payable	Receivable
- Value added tax (VAT)	635,619,611	23,941,975	1,941,122,787	(1,993,177,768)	585,068,262	25,445,607
- VAT on imports	-	-	68,593,533	(68,593,533)	-	-
- Corporate income tax (CIT)	13,673,987,809	1,205,779,779	107,399,048,302	(88,510,372,161)	31,356,884,171	-
- Personal income tax (PIT)	2,315,676,343	77,313,404	13,304,032,392	(10,899,243,487)	4,901,713,347	258,561,503
- Housing tax, Land rent	-	-	1,184,361,563	(674,056,022)	510,305,541	-
- License tax	-	-	3,000,000	(7,000,000)	-	4,000,000
- Value of land-use right	114,687,620,655	-	3,229,584,960	(3,229,584,960)	114,687,620,655	-
- Others	2,222,732,733	-	64,955,800	(2,285,449,127)	2,239,406	-
<b>Total</b>	<b>133,535,637,151</b>	<b>1,307,035,158</b>	<b>127,460,669,892</b>	<b>(108,443,753,154)</b>	<b>151,533,525,841</b>	<b>288,007,110</b>

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Notes to the (consolidated) Financial Statements (cont.)

Estimated corporate income tax ("CIT") payable during the year is as follows:

Items	Current year	Previous year
Total pre-tax accounting profit	530,562,625,283	196,238,848,425
Increase/ Decrease adjustments of accounting profit to determine profit subject to corporate income tax:		
- Increase adjustments	90,277,697,450	42,737,290,175
+ Expenses without valid documents	90,277,697,450	150,459,155,419
+ Loss on taxable income during year of companies in the Group	-	26,282,175,716
- Decrease adjustments	(65,548,164,500)	(60,553,023,000)
+ Reversal of temporary differences deducted from previous year	(65,548,164,500)	(60,553,023,000)
Taxable income	555,292,158,233	312,427,156,560
Transferring losses from previous years	(26,296,241,382)	-
Taxed income	528,995,916,851	312,427,156,560
Corporate income tax (CIT) payable on taxed income during year (at rate of 20%)	105,799,183,371	62,485,431,312
Tax arrears from previous years	1,329,064,374	652,937,045
<b>Total CIT payable during year</b>	<b>107,128,247,745</b>	<b>63,138,368,357</b>

**18. Short-term accruals**

	Ending balance	Beginning balance
- Accrued expenses of discount, promotion, sales support to agents	141,462,543,471	111,539,743,920
- Others	6,129,494,502	3,859,992,428
<b>Total</b>	<b>147,592,037,973</b>	<b>115,399,736,348</b>

**19. Other short-term payables**

Details are as follows:

	Ending balance	Beginning balance
<b>Payables to related parties</b>	-	<b>18,673,440,000</b>
- The Vietnam National Chemical Group	-	18,579,600,000
- Dividend payable to others	-	93,840,000
<b>Payables to other organizations and individuals</b>	<b>15,255,393,272</b>	<b>21,270,425,513</b>
- Trade union's fees, expenditures	2,944,389,936	2,990,989,083
- Dividends payable	-	9,910,556,500
- Others	12,311,003,336	8,368,879,930
<b>Total</b>	<b>15,255,393,272</b>	<b>39,943,865,513</b>

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Notes to the (consolidated) Financial Statements (cont.)

**20. Short-term and long-term finance lease loans and liabilities****20a. Short-term finance lease loans and liabilities**

	Ending balance		Beginning balance	
	Amount	Ability to pay	Amount	Ability to pay
<i>Short-term loans payable to organizations and individuals are related parties</i>	-	-	-	-
<i>Short-term loans payable to organizations and individuals are non-related parties</i>	770,797,573,553	770,797,573,553	1,482,747,702,317	1,482,747,702,317
- JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank) – Branch in HCMC <sup>(1)</sup>	113,789,858,798	113,789,858,798	157,290,809,720	157,290,809,720
- Vietnam JS Commercial Bank for Industry and Trade (Vietinbank) – Branch in HCMC <sup>(2)</sup>	31,483,351,500	31,483,351,500	151,220,208,850	151,220,208,850
- Shinhan Bank Vietnam Ltd – Bac Saigon branch <sup>(3)</sup>	24,972,607,161	24,972,607,161	-	-
- JS Commercial Bank for Investment and Development of Vietnam (BIDV) - Ben Nghe branch <sup>(4)</sup>	49,705,651,500	49,705,651,500	122,931,352,400	122,931,352,400
- Vietnam JS Commercial Bank for Industry and Trade (Vietinbank) – Tay Saigon branch <sup>(5)</sup>	39,110,891,809	39,110,891,809	64,546,505,543	64,546,505,543
- Vietnam JS Commercial Bank for Industry and Trade (Vietinbank) - Quang Tri branch <sup>(6)</sup>	54,619,216,300	54,619,216,300	127,610,754,999	127,610,754,999
- JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank) – Quang Tri branch <sup>(7)</sup>	34,864,186,137	34,864,186,137	-	-
- Vietnam Bank for Agriculture & Rural Development (Agribank) - Quang Tri branch <sup>(8)</sup>	6,079,375,000	6,079,375,000	12,857,800,000	12,857,800,000
- Quang Trinh Charity Club <sup>(9)</sup>	3,424,000,000	3,424,000,000	2,654,000,000	2,654,000,000
- JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank) – Lam Dong branch <sup>(10)</sup>	21,663,848,500	21,663,848,500	36,298,469,560	36,298,469,560
- Vietnam JS Commercial Bank for Industry and Trade (Vietinbank) - Lam Dong branch <sup>(11)</sup>	59,424,507,500	59,424,507,500	27,401,664,916	27,401,664,916
- Vietnam JS Commercial Bank for Industry and Trade (Vietinbank) - Ninh Binh branch <sup>(12)</sup>	162,034,303,487	162,034,303,487	524,251,333,519	524,251,333,519
- Military Commercial JS Bank (MB) – Ninh Binh branch <sup>(13)</sup>	55,334,011,211	55,334,011,211	130,000,000,000	130,000,000,000
- Asia Commercial Joint Stock Bank (ACB) - Binh Tay branch <sup>(14)</sup>	24,483,182,750	24,483,182,750	27,216,915,000	27,216,915,000
- Vietnam Bank for Agriculture & Rural Development (Agribank) – Branch 3 <sup>(15)</sup>	89,808,581,900	89,808,581,900	-	-

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Notes to the (consolidated) Financial Statements (cont.)

	Ending balance		Beginning balance	
	Amount	Ability to pay	Amount	Ability to pay
- Woori Bank Vietnam Limited – Thai Nguyen branch	-	-	1,375,099,600	1,375,099,600
- Vietnam Maritime Commercial Bank (MSB) - Ninh Binh branch	-	-	31,048,395,600	31,048,395,600
- JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank) - Hanoi branch	-	-	66,044,392,610	66,044,392,610
<b>Current portions of finance lease liabilities</b>	<b>803,745,000</b>	<b>803,745,000</b>	<b>1,164,495,000</b>	<b>1,164,495,000</b>
<b>Total</b>	<b>771,601,318,553</b>	<b>771,601,318,553</b>	<b>1,483,912,197,317</b>	<b>1,483,912,197,317</b>

(1) The loan from JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank) – Branch in Ho Chi Minh city as follows:

Credit limit: VND 790,000,000,000.

Loan term: according to each debt on the receipts of debt, less than 12 months.

Interest rate: upon each time of getting debt.

Loan purpose: supplementing working capital to meet the needs of production and business.

Collateral:

- All rotation goods with value at any time not less than VND 70,000,000,000 under the Property mortgage contract No. 150270079/HĐTC/SDBS-04 dated 05<sup>th</sup> February 2020 (refer to the Notes No. V.7).
- Buildings, structures and machineries, equipments at Binh Dien - Mekong fertilizer factory in Thanh Thanh Cong Industrial Park, Trang Bang district, Tay Ninh province of Binh Dien - Mekong Joint Stock Company under the Property mortgage contract No. 150270116/HĐTC dated 08<sup>th</sup> June 2015 and the Property mortgage contract No. 189220173/2018/HĐBD/NHCT923 dated 02<sup>nd</sup> July 2018 (refer to the Notes No. V.9).

(2) The loan from Vietnam JS Commercial Bank for Industry & Trade (Vietinbank) – Branch in Ho Chi Minh city as follows:

Credit limit: VND 550,000,000,000.

Type of loan: unsecured.

Loan term: according to each debt on the receipts of debt, less than 12 months.

Interest rate: upon each time of getting debt.

Loan purpose: supplementing working capital to meet the needs of production and business.

(3) The loan from Shinhan Bank Vietnam Ltd – Bac Saigon branch as follows:

Credit limit: VND 25,000,000,000.

Loan term: according to each debt on the receipts of debt, less than 12 months.

Interest rate: upon each time of getting debt.

Loan purpose: supplementing working capital to meet the needs of production and business.

Collateral: The Company's term deposit balance opened at the bank with amount of VND 2,000,000,000 according to the Term deposit Mortgage contract No. SHB/BSG/BDMK/HDTD/2024-01 dated 27<sup>th</sup> May 2024 signed by the bank and the Company together with amended and supplemented contracts, attached documents and appendices (if any) (refer to the Notes No. V.2).

(4) The loan from JS Commercial Bank for Investment & Development of Vietnam (BIDV) – Ben Nghe branch as follows:

Credit limit: VND 400,000,000,000.

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Notes to the (consolidated) Financial Statements (cont.)

Type of loan: unsecured.

Loan term: according to each debt on the receipts of debt, less than 12 months.

Interest rate: upon each time of getting debt.

Loan purpose: supplementing working capital to meet the needs of production and business.

(5) The loan from Vietnam JS Commercial Bank for Industry and Trade (Vietinbank) – Tay Saigon branch as follows:

Credit limit: VND 90,000,000,000.

Loan term: according to each debt on the receipts of debt, less than 6 months.

Interest rate: upon each time of getting debt.

Loan purpose: supplementing working capital to meet the needs of production and business.

Collateral:

- All rotation goods with value at any time not less than VND 70,000,000,000 (refer to the Notes No. V.7).
- Buildings, structures and machineries, equipments at Binh Dien - Mekong fertilizer factory in Thanh Thanh Cong Industrial Park, Trang Bang district, Tay Ninh province of Binh Dien - Mekong Joint Stock Company (refer to the Notes No. V.9).

(6) The loan from Vietnam JS Commercial Bank for Industry and Trade (Vietinbank) – Quang Tri branch as follows:

Credit limit: VND 150,000,000,000.

Loan term: according to each debt on the receipts of debt, less than 12 months.

Interest rate: upon each time of getting debt.

Loan purpose: supplementing working capital to meet the needs of production and business.

Collateral:

- The properties mortgage contract No.2404/2018/HĐBĐ/NHCT450 dated 03<sup>rd</sup> May 2018 (refer to the Notes No. V.9).
- The properties mortgage contract No. 1211/2019/HĐBĐ/NHCT450 - BINH DIEN dated 13<sup>th</sup> November 2019 (refer to the Notes No. V.9).
- The mortgage agreement of property rights No. 01-1511/2018/HĐBĐ/NHCT450 dated 19<sup>th</sup> November 2018 (refer to the Notes No. V.3 and V.9).
- The properties mortgage contract No. 02-1511/2018/HĐBĐ/NHCT450 - BINH DIEN dated 19<sup>th</sup> November 2018 (refer to the Notes No. V.9).
- The properties mortgage contract No. 1211-2/2019/HĐBĐ/NHCT450 - BINH DIEN dated 13<sup>th</sup> November 2019 (refer to the Notes No. V.9).
- The properties mortgage contract No. 1211-1/2019/HĐBĐ/NHCT450 - BINH DIEN dated 13<sup>th</sup> November 2019 (refer to the Notes No. V.9).
- The properties mortgage contract No. 1511/2018/HĐBĐ/NHCT450 dated 19<sup>th</sup> November 2018 (refer to the Notes No. V.9).
- The commodity mortgage agreement No. 1403/2014/TCHH ngày 14/03/2014 (refer to the Notes No. V.7).
- The mortgage agreement of property rights No. 1403/2014/TCQTS ngày 14/03/2014 (refer to the Notes No. V.7).

(7) The loan from JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank) – Quang Tri branch as follows:

Credit limit: VND 90,000,000,000.

Loan term: according to each debt on the receipts of debt, less than 12 months.

Interest rate: upon each time of getting debt.

Loan purpose: supplementing working capital to meet the needs of production and business.

Collateral: The commodity mortgage agreement No. 29BB.HĐTC/2019 dated 17<sup>th</sup> July 2019 (refer to the Notes No. V.7).



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Notes to the (consolidated) Financial Statements (cont.)

- (8) The loan from Vietnam Bank for Agriculture & Rural Development (Agribank) - Quang Tri branch as follows:  
Credit limit: VND 20,000,000,000.  
Loan term: according to each debt on the receipts of debt, less than 12 months.  
Interest rate: upon each time of getting debt.  
Loan purpose: supplementing working capital to meet the needs of production and business.  
Collateral: The mortgage agreement of properties formed in the future No. 01/TSHTTLT dated 11<sup>th</sup> November 2019 (refer to the Notes No. V.9).
- (9) The loan from Quang Tri Charity Club as follows:  
Credit limit: VND 2,654,000,000.  
Loan term: according to each debt on the receipts of debt, less than 12 months.  
Interest rate: 10%/year.  
Loan purpose: supplementing working capital to meet the needs of production and business.  
Collateral: unsecured.
- (10) The loan from Vietnam JS Commercial Bank for Industry and Trade (Vietinbank) – Lam Dong branch as follows:  
Credit limit: VND 20,000,000,000.  
Loan term: according to each debt on the receipts of debt, less than 12 months.  
Interest rate: upon each time of getting debt.  
Loan purpose: supplementing working capital to meet the needs of production and business.  
Collateral:  
- Owner rights of construction works and land-use right at Highway 20, Hiep Thanh commune, Duc Trong district, Lam Dong province according to the Certificate of land-use right, house ownership and other assets attached to land No. CU 461065 (refer to the Notes No. V.9, V.11).  
- Rotation inventories according to the commodity mortgage agreement No. 57DN-TC/2019/HĐBĐ/NHCT620, the amended document dated 27<sup>th</sup> September 2022 (refer to the Notes No. V.7).
- (11) The loan from JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank) – Lam Dong branch as follows:  
Credit limit: VND 150,000,000,000.  
Loan term: according to each debt on the receipts of debt, less than 12 months.  
Interest rate: upon each time of getting debt.  
Loan purpose: supplementing working capital to meet the needs of production and business.  
Collateral:  
- Land-use right at Sub-zone 278B, Hiep Thanh commune, Duc Trong district, Lam Dong province according to the Certificate of land-use right, house ownership and other assets attached to land No. BA 010541 dated 12<sup>th</sup> March 2010 granted by People's Committee of Lam Dong province (refer to the Notes No. V.9, V.11).  
- Rotation inventories according to the commodity mortgage agreement No. 0033B/TDN/20TC dated 24<sup>th</sup> February 2021 (refer to the Notes No. V.7).
- (12) The loan from Vietnam JS Commercial Bank for Industry and Trade (Vietinbank) – Ninh Binh branch as follows:  
Credit limit: VND 550,000,000,000.  
Loan term: according to each debt on the receipts of debt, less than 12 months.  
Interest rate: upon each time of getting debt.  
Loan purpose: supplementing working capital to meet the needs of production and business.

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Notes to the (consolidated) Financial Statements (cont.)

## Collateral:

- All construction items attached to land according to the Investment project to build NPK Binh Dien - Ninh Binh fertilizer factory, have been built and installed on an area of 113,603.2 m<sup>2</sup> in Khanh Phu Industrial Zone, Khanh Phu commune, Yen Khanh district, Ninh Binh province (refer to the Notes No. V.9).
  - All materials, lines, machinery and equipment, vehicles transmissions ... are installed, operated and belonged to the Investment project to build Binh Dien - Ninh Binh fertilizer factory in Khanh Phu Industrial Zone, Khanh Phu commune, Yen Khanh district, Ninh Binh province (refer to the Notes No. V.9).
  - All rotation inventories and receivable rights of Binh Dien - Ninh Binh JSC (refer to the Notes No. V.3, V.7).
- (13) The loan from Vietnam Military Commercial JS Bank (MB) – Ninh Binh branch as follows:  
Credit limit: VND 100,000,000,000.  
Loan term: according to each debt on the receipts of debt, less than 12 months.  
Interest rate: upon each time of getting debt.  
Loan purpose: supplementing working capital to meet the needs of production and business.  
Collateral:  
- Cash - savings cards/Deposit contracts - Valuable papers at Military Commercial Joint Stock Bank (refer to the Notes No. V.2).  
- Assets formed from loan capital, including assets and property rights that have been, are and will be formed from loan capital (refer to the Notes No. V.9).
- (14) The loan from Asia Commercial Joint Stock Bank (ACB) - Binh Tay branch as follows:  
Credit limit: VND 100,000,000,000.  
Loan term: according to each debt on the receipts of debt, less than 12 months.  
Interest rate: upon each time of getting debt.  
Loan purpose: supplementing working capital to meet the needs of production and business.  
Collateral: unsecured.
- (15) The loan from Vietnam Bank for Agriculture & Rural Development (Agribank) – Branch 3 as follows:  
Credit limit: VND 130,000,000,000.  
Type of loan: unsecured.  
Loan term: according to each debt on the receipts of debt, less than 12 months.  
Interest rate: upon each time of getting debt.  
Loan purpose: supplementing working capital to meet the needs of production and business.
- (16) The current portions of finance lease liabilities according to the following contract:  
- Finance lease agreement No. 90.23.10/CTTC dated 08<sup>th</sup> December 2023, with the remaining rental amount of VND 271,710,000 and Finance lease agreement No. 90.23.11/CTTC dated 08<sup>th</sup> December 2023, with the remaining rental amount of VND 351,660,000 as at 31<sup>st</sup> December 2024. The lease term of these contracts is 36 months, the interest rate is determined by the interest rate on 12-month post-paid savings deposits in Vietnam Dong applicable to individuals announced by the JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank) at the time of first disbursement and adjustment times plus a margin of 2.6%/year;  
- Finance lease agreement No. 90.21.01/CTTC dated 12<sup>th</sup> January 2021, with the remaining rental amount of VND 180,375,000 as at 31<sup>st</sup> December 2024, 48-month lease term, the interest rate is determined by the interest rate on 12-month post-paid savings deposits in Vietnam Dong applicable to individuals announced by the JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank) – Branch in Ho Chi Minh city at the time of first disbursement and adjustment times plus a margin of 2%/year.

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Notes to the (consolidated) Financial Statements (cont.)

*The movement on short-term finance lease loans and liabilities during year is as follows:*

	Beginning balance	Arising amount during year / Transferring from long-term	Already paid during year	Ending balance
Short-term bank loans	1,482,747,702,317	3,121,258,147,255	(3,833,208,276,019)	770,797,573,553
Current portions of finance lease liabilities	1,164,495,000	803,745,000	(1,164,495,000)	803,745,000
<b>Total</b>	<b>1,483,912,197,317</b>	<b>3,122,061,892,255</b>	<b>(3,834,372,771,019)</b>	<b>771,601,318,553</b>

**20b. Long-term finance lease loans and liabilities**

	Ending balance		Beginning balance	
	Amount	Ability to repay	Amount	Ability to repay
<i>Long-term loans payable to organizations and individuals are related parties</i>	-	-	-	-
<i>Long-term loans payable to organizations and individuals are non-related parties</i>	4,480,000,000	4,480,000,000	7,040,000,000	7,040,000,000
- Vietnam JS Commercial Bank for Industry & Trade (Vietinbank) – Tay Saigon branch <sup>(1)</sup>	4,480,000,000	4,480,000,000	7,040,000,000	7,040,000,000
<i>Long-term finance lease liabilities</i>	4,805,621,916	4,805,621,916	2,560,186,993	2,560,186,993
- Chailease International Leasing Co., Ltd. <sup>(2)</sup>	726,120,421	726,120,421	1,133,071,993	1,133,071,993
- BIDV-SuMi TRUST Leasing Co., Ltd. – Branch in HCMC <sup>(3)</sup>	3,456,131,495	3,456,131,495	-	-
- Vietcombank Finance Leasing Co., Ltd. – Branch in HCMC <sup>(4)</sup>	623,370,000	623,370,000	1,427,115,000	1,427,115,000
<b>Total</b>	<b>9,285,621,916</b>	<b>9,285,621,916</b>	<b>9,600,186,993</b>	<b>9,600,186,993</b>

<sup>(1)</sup> The loan from Vietnam JS Commercial Bank for Industry and Trade (Vietinbank) – Tay Saigon branch as follows:

Credit limit: VND 49,000,000,000.

Loan term: 96 months from the first disbursement date.

Interest rate: upon each time of getting debt.

Loan purpose: Investment in construction the project of Binh Dien Mekong fertilizer and plant protection factory.

Collateral:

- Certificate of land-use rights No. CO-560264, CO-560265 at Lot A10.1, D3 street, Thanh Thanh Cong Industrial Park, An Hoa commune, Trang Bang district, Tay Ninh province granted by Tay Ninh Department of Natural Resources and Environment according to the properties mortgage contract No. 160240025/HĐTC dated 25<sup>th</sup> February 2016 (refer to the Notes No. V.11).

- Certificate of land-use right No. CO-560468 at Lot A10.1, D3 street, Thanh Thanh Cong Industrial Park, An Hoa commune, Trang Bang district, Tay Ninh province granted by Tay Ninh Department of Natural Resources and Environment according to the properties mortgage contract No. 180580192/2018/HĐBD/NHCT923 dated 12<sup>th</sup> July 2018 (refer to the Notes No. V.11).

<sup>(2)</sup> The finance lease liabilities from Chailease International Leasing Co., Ltd. as follows:

Lease value: VND 2,637,137,000.

Lease term: 48 months.

Interest rate: 10.15%/year.

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Notes to the (consolidated) Financial Statements (cont.)

<sup>(3)</sup> The finance lease liabilities from BIDV-SuMi TRUST Leasing Co., Ltd. – Branch in Ho Chi Minh city as follows:

Lease value: VND 3,507,570,000.

Lease term: 60 months.

Interest rate: 4.7%/year.

<sup>(4)</sup> The finance lease liabilities from Vietcombank Finance Leasing Co., Ltd. – Branch in Ho Chi Minh city as follows:

Lease value: VND 2,164,500,000.

Lease term: 48 months.

Interest rate: 7.5%/year.

<sup>(4)</sup> This is the finance lease liabilities according to the Finance lease agreement No. 90.23.10/CTTC dated 08<sup>th</sup> December 2023, with the remaining rental amount of VND 271,710,000 and the Finance lease agreement No. 90.23.11/CTTC dated 08<sup>th</sup> December 2023, with the remaining rental amount of VND 351,660,000 as at 31<sup>st</sup> December 2024. The lease term of these contracts is 36 months, the interest rate is determined by the interest rate on 12-month post-paid savings deposits in Vietnam Dong applicable to individuals announced by the JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank) at the time of first disbursement and adjustment times plus a margin of 2.6%/year.

*Details of long-term finance lease loans and liabilities during year are as follows:*

	Beginning balance	Arising amount during year	Already paid during year / Transferring to short-term liabilities	Ending balance
Long-term finance lease loans and liabilities	9,600,186,993	5,548,227,000	(5,862,792,077)	9,285,621,916
<b>Total</b>	<b>9,600,186,993</b>	<b>5,548,227,000</b>	<b>(5,862,792,077)</b>	<b>9,285,621,916</b>

**21. Bonus and welfare funds**

	Beginning balance	Increase from appropriation of profit	Other increase	Spending from funds during year	Ending balance
Bonus and welfare funds, bonus to the Board of Directors	43,738,852,509	34,510,665,505	335,000,000	(41,267,988,233)	37,316,529,781
<b>Total</b>	<b>43,738,852,509</b>	<b>34,510,665,505</b>	<b>335,000,000</b>	<b>(41,267,988,233)</b>	<b>37,316,529,781</b>

**22. Owners' equity****22a. The movement on the owners' equity**

Details of the movement of the owners' equity are presented to the Appendix No. 02.

**22b. Details of the owners' invested equity**

Details are as follows:	Ending balance		Beginning balance	
	Common equity	Proportion (%)	Common equity	Proportion (%)
- The Vietnam National Chemical Group	371,592,000,000	65.00	371,592,000,000	65.00
- Others	200,087,930,000	35.00	200,087,930,000	35.00
<b>Total</b>	<b>571,679,930,000</b>	<b>100.00</b>	<b>571,679,930,000</b>	<b>100.00</b>

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Notes to the (consolidated) Financial Statements (cont.)

Details of the charter capital contribution are as follows:

	According to the Business Registration Certificate	Contributed charter capital	Remaining charter capital
	571,679,930,000	571,679,930,000	-
<b>Total</b>	<b>571,679,930,000</b>	<b>571,679,930,000</b>	<b>-</b>

**22c. Transactions on capital with owners and distribution of dividends and profit**

	Current year	Previous year
- Owners' invested equity		
+ Beginning balance	571,679,930,000	571,679,930,000
+ Increase in year	-	-
+ Ending balance	571,679,930,000	571,679,930,000
- Dividends, profits already divided by Parent company	142,919,982,500	142,919,982,500

**22d. Stocks**

	Ending balance	Beginning balance
Number of stocks being registered to issue	-	-
Number of stocks already issued / public offering	57,167,993	57,167,993
- Common stocks	57,167,993	57,167,993
- Preferred stocks (type is classified as owners' equity)	-	-
Number of buy-back stocks	-	-
- Common stocks	-	-
- Preferred stocks	-	-
Number of outstanding stocks	57,167,993	57,167,993
- Common stocks	57,167,993	57,167,993
- Preferred stocks	-	-

Nominal value of outstanding stocks: VND 10,000/stock.

**22e. Funds**

- Development and investment funds are used to promote business growth and development or intensive investment of the Group.
- Other funds of the owner's capital are used to supplement charter capital.

**23. Off-balance sheet items****Foreign currencies**

Details are as follows:

	Ending balance	Beginning balance
United States Dollar (USD)	1,282,425.58	1,137,364.17

**VI. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE (CONSOLIDATED) INCOME STATEMENTS (Currency: VND)****1. Revenues from sale of goods and rendering of services**

Details are as follows:

	Current year	Previous year
- Sale of goods	9,470,817,884,164	8,671,660,032,329
- Rendering of services, others	18,317,728,773	34,685,626,696
<b>Total</b>	<b>9,489,135,612,937</b>	<b>8,706,345,659,025</b>

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Notes to the (consolidated) Financial Statements (cont.)

**Revenues from related parties**

Not incurred.

**2. Deductions**

Details are as follows:

	Current year	Previous year
- Trade discount, sales discount	130,881,866,060	111,772,928,706
- Sales returns	10,000,000	6,263,646,290
<b>Total</b>	<b>130,891,866,060</b>	<b>118,036,574,996</b>

**3. Cost of goods sold**

Details are as follows:

	Current year	Previous year
- Sale of goods	7,966,308,889,170	7,672,247,444,667
- Make (+)/Reversal of (-) provision for obsolete inventory	(1,942,129,159)	(2,514,295,157)
- Services, others	408,573,659	10,507,827,935
<b>Total</b>	<b>7,964,775,333,670</b>	<b>7,680,240,977,445</b>

**4. Income from financial activities**

Details are as follows:

	Current year	Previous year
- Interest on deposits	4,703,848,463	2,486,382,074
- Interest on exchange rate differences	22,806,776,420	17,924,567,135
- Others	379,085,487	454,005,733
<b>Total</b>	<b>27,889,710,370</b>	<b>20,864,954,942</b>

**5. Expenses from financial activities**

Details are as follows:

	Current year	Previous year
- Loan interest, finance lease interest	56,775,268,908	117,490,941,609
- Payment discount	23,725,410,447	17,921,336,512
- Loss from exchange rate differences	7,807,805,970	2,516,805,641
- Others	520,011,462	2,441,553,176
<b>Total</b>	<b>88,828,496,787</b>	<b>140,370,636,938</b>

**6. Selling expenses**

Details are as follows:

	Current year	Previous year
- Wages and salary	48,946,578,410	34,354,215,139
- Brand promotion, marketing, sales support	347,798,925,258	232,608,366,962
- Depreciation/Amortization of fixed assets	153,540,065	237,025,177
- Outsourcing expenses	104,335,450,280	74,398,299,812
- Others	88,441,412,255	82,065,087,254
<b>Total</b>	<b>589,675,906,268</b>	<b>423,662,994,344</b>

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Notes to the (consolidated) Financial Statements (cont.)

**7. General and administration expenses**

Details are as follows:

	Current year	Previous year
- Wages and salary	93,982,598,506	72,201,812,996
- Depreciation/Amortization of fixed assets	6,855,598,399	6,149,309,620
- Make/(Reversal of) provision for receivables	11,523,349,517	14,346,657,269
- Outsourcing expenses	77,560,398,807	47,386,278,736
- Others	21,758,663,726	25,544,406,908
<b>Total</b>	<b>211,680,608,955</b>	<b>165,628,465,529</b>

**8. Other income**

Details are as follows:

	Current year	Previous year
- Profit from liquidation of fixed assets	1,080,600,001	129,090,909
+ Proceeds from liquidation of fixed assets	1,080,600,001	129,090,909
+ Residual value of fixed assets	-	-
+ Other costs from liquidation of fixed assets	-	-
- Others	5,581,169,047	1,887,416,263
<b>Total</b>	<b>6,661,769,048</b>	<b>2,016,507,172</b>

**9. Other expenses**

Details are as follows:

	Current year	Previous year
- Others expenses	7,272,255,332	5,048,623,462
<b>Total</b>	<b>7,272,255,332</b>	<b>5,048,623,462</b>

**10. Gains on stock**

	Current year	Previous year (restated)
Accounting profit after corporate income tax of the Parent company's shareholders	357,006,351,378	148,242,218,196
Increase and decrease adjustments of accounting profit to determine profit or loss is allocated for shareholders holding common stock:		
- Appropriation of bonus and welfare funds (*)	(35,700,635,138)	(29,212,966,713)
Profit is calculated gains on stock	321,305,716,240	119,029,251,483
Average outstanding common stock during year (stock)	57,167,993	57,167,993
<b>Gains on stock (VND/stock)</b>	<b>5,620</b>	<b>2,082</b>

(\*) Bonus and welfare funds of current year is appropriated temporarily by 10% under after-tax profit of the Parent company's shareholders in current year.

Bonus and welfare funds of previous year is the actual amount deducted according to the Resolutions of the General Meeting of Shareholders from the parent company and subsidiaries in current year on the profit distribution profit from the previous year's business results.

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Notes to the (consolidated) Financial Statements (cont.)

**11. Diluted gains on stock**

	Current year	Previous year (restated)
Accounting profit after corporate income tax of the Parent company's shareholders	357,006,351,378	148,242,218,196
Increase and decrease adjustments of accounting profit to determine profit or loss is allocated for shareholders holding common stock:		
- Appropriation of bonus and welfare funds (*)	(35,700,635,138)	(29,212,966,713)
Profit to calculate diluted gains on stock	321,305,716,240	119,029,251,483
Average outstanding common stock during year (stock)	57,167,993	57,167,993
Number of stocks expected to arise after the accounting period ended	-	-
<b>Diluted gains on stock (VND/stock)</b>	<b>5,620</b>	<b>2,082</b>

(\*) Bonus and welfare funds of current year is appropriated temporarily by 10% under after-tax profit of the Parent company's shareholders in current year.

Bonus and welfare funds of previous year is the actual amount deducted according to the Resolutions of the General Meeting of Shareholders from the parent company and subsidiaries in current year on the profit distribution profit from the previous year's business results.

**12. Expenses from operating activities by nature**

Details are as follows:

	Current year	Previous year
- Raw materials and supplies	7,469,937,348,974	6,665,955,667,565
- Wages and salary	404,112,999,293	309,467,396,251
- Depreciation/Amortization of fixed assets	92,255,883,749	117,001,402,884
- Outsourcing expenses	333,949,365,671	203,468,644,847
- Others	505,042,800,299	449,018,628,553
<b>Total</b>	<b>8,853,471,042,781</b>	<b>7,728,012,693,424</b>

**VII. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE (CONSOLIDATED) CASH FLOW STATEMENT (Currency: VND)****1. Details of cash flows**

<b>Code 36. Dividends, profits paid to the owners</b>	Current year	Previous year
- Parent company has paid dividends, profits to parent company's shareholders	171,503,979,000	114,335,986,000
- Subsidiaries have paid dividends, profits to non-controlling shareholders	16,577,895,600	33,314,282,631
<b>Total</b>	<b>188,081,874,600</b>	<b>147,650,268,631</b>

## BINH DIEN FERTILIZER JOINT STOCK COMPANY

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## (CONSOLIDATED) FINANCIAL STATEMENTS

For the fiscal year ended 31<sup>st</sup> December 2024

Notes to the (consolidated) Financial Statements (cont.)

## VIII. OTHER INFORMATION

## 1. Contingent assets

As at the date of the financial statements, the Company has not incurred contingent assets.

## 2. Contingent liabilities

As at the date of the financial statements, the Company has not incurred contingent liabilities.

## 3. Transactions and balances with related parties

The Group's related parties include: members of key management, individuals related to members of key management and other related parties.

## 3a. Transactions and balances with members of key management, individuals related to members of key management (including Members' Council, the Board of Controllers and the Board of Directors and Chief Accountant)

Income of members of key management:

	Current year	Previous year
<b>The Board of Management</b>	<b>1,310,384,000</b>	<b>1,094,111,473</b>
Nguyen Van Thieu - Chairman	119,500,000	106,000,000
Ngo Van Dong - Member cum General Director	904,774,000	756,001,473
Le Quoc Phong - Member	95,555,000	77,555,000
Do Quang Huy - Member	95,000,000	77,000,000
Mai Thanh Phung - Member (dismissed on 28 <sup>th</sup> April 2023)	-	47,555,000
Nguyen Bao Ve - Member (appointed on 28 <sup>th</sup> April 2023)	95,555,000	30,000,000
<b>The Board of Controllers</b>	<b>1,096,136,592</b>	<b>784,555,091</b>
Truong Minh Phu - Chief Controller	935,581,592	678,000,091
Nguyen Huy Hieu - Member	80,000,000	53,000,000
Quan Dinh Gang - Member	80,555,000	53,555,000
<b>The Board of Directors</b>	<b>2,261,708,833</b>	<b>2,000,724,164</b>
Nguyen Minh Son - Deputy General Director (dismissed on 31 <sup>st</sup> October 2023)	-	632,253,264
Vo Van Phu - Deputy General Director	758,363,000	592,619,264
Phan Van Tam - Deputy General Director (appointed on 17 <sup>th</sup> October 2023)	708,982,833	175,958,000
Tran Ngoc Hung - Chief Accountant	794,363,000	599,893,636
<b>Dividends paid to insiders</b>	<b>580,642,000</b>	<b>364,231,000</b>

## BINH DIEN FERTILIZER JOINT STOCK COMPANY

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## (CONSOLIDATED) FINANCIAL STATEMENTS

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Notes to the (consolidated) Financial Statements (cont.)

## 3b. Transactions with other related parties

Other related parties	Relationship
The Vietnam National Chemical Group	Parent Company (occupied to 65.00% of the charter capital of Binh Dien Fertilizer JSC)
DAP – VINACHEM JSC	Company belongs to the same group - The Vietnam National Chemical Group
DAP2 – VINACHEM JSC	Company belongs to the same group - The Vietnam National Chemical Group
Ninh Binh Nitrogenous Fertilizer Co., Ltd.	Company belongs to the same group - The Vietnam National Chemical Group
Hanoi Soap JSC	Company belongs to the same group - The Vietnam National Chemical Group
Mai Xa Production Trading Service JSC	Having the same key personnel
Duc Thanh Wood Processing JSC	Having the same key personnel (Mr. Tran Ngoc Hung is member of the Board of Controllers)
Ha Bac Nitrogenous Fertilizer and Chemicals JSC	Having the same key personnel (Mr. Nguyen Van Thieu is Chairman)
Binh Dien II Fertilizer Manufacturing and Trading JSC	Having the same key personnel (Mr. Le Quoc Phong is Chairman)
Binh Dinh Agriculture Technic Material JSC	Having the same key personnel (Mr. Le Quoc Phong is Chairman)
Da Nang Rubber JSC	Having the same key personnel (Mr. Nguyen Huy Hieu is member of the Board of Management)

## • Significant transactions with other related parties

The Vietnam National Chemical Group	<b>Current year</b>	<b>Previous year</b>
- Paying dividends	111,477,600,000	74,318,400,000
DAP – VINACHEM JSC	<b>Current year</b>	<b>Previous year</b>
- Purchase of goods	167,935,956,200	87,626,060,968
DAP2 – VINACHEM JSC	<b>Current year</b>	<b>Previous year</b>
- Purchase of goods	13,336,500,000	10,197,000,000
Mai Xa Production Trading Service JSC	<b>Current year</b>	<b>Previous year</b>
- Purchase of goods	99,163,218,180	57,383,368,485
Hanoi Soap JSC	<b>Current year</b>	<b>Previous year</b>
- Purchase of goods	308,700,000	-

• Balances with other related parties are described in the Notes No. V.2, V.3, V.4, V.12, V.13, V.15.

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Notes to the (consolidated) Financial Statements (cont.)

**4. Segment reporting****- Segment reporting is presented according to the business field**

The Group's business activities are mainly to trade in fertilizer.

**- Segment reporting is presented according to geography****Current year**

Items	Domestic	Export	Total
Net revenues from sale of goods and rendering of services	7,912,465,870,177	1,445,777,876,700	9,358,243,746,877
Cost of goods sold	6,643,063,948,407	1,321,711,385,263	7,964,775,333,670
<b>Gross profit from sale of goods and rendering of services</b>	<b>1,269,401,921,770</b>	<b>124,066,491,437</b>	<b>1,393,468,413,207</b>

**Previous year**

Items	Domestic	Export	Total
Net revenues from sale of goods and rendering of services	7,528,369,031,879	1,059,940,052,150	8,588,309,084,029
Cost of goods sold	6,698,727,906,385	981,513,071,060	7,680,240,977,445
<b>Gross profit from sale of goods and rendering of services</b>	<b>829,641,125,494</b>	<b>78,426,981,090</b>	<b>908,068,106,584</b>

**5. Comparative figures**

Gains on stock and Diluted gains on stock in previous are (restated) due to Bonus and welfare funds is deducted from the previous year's profit according to Resolution of the General Meeting of Shareholders No. 49/NQ-ĐHĐCĐ dated 26<sup>th</sup> April 2024.

	Code	Before adjustments	Adjustments	After adjustments
	(1)	(2)	(3)	(2)+(3)
<b>Income Statement</b>				
Gains on stock	70	2,334	(252)	2,082
Diluted gains on stock	71	2,334	(252)	2,082

**6. Collateral****Collateral for other entities**

Collateral: The Group has used savings deposits, receivables, inventories, tangible fixed assets and intangible fixed assets with total amount of VND 1,243,168,803,115 as collaterals for loans (refer to Notes No. V.2, V.3, V.7, V.9, V.11, V.20).

**Mortgage assets of other entities**

The Company did not hold the collateral of the other entities.

**BINH DIEN FERTILIZER JOINT STOCK COMPANY**

Address: C12/21, National Road 1A, Tan Kien commune, Binh Chanh district, Ho Chi Minh city.

**(CONSOLIDATED) FINANCIAL STATEMENTS**For the fiscal year ended 31<sup>st</sup> December 2024

Notes to the (consolidated) Financial Statements (cont.)

**7. Going-concern assumption**

As at the date of the (consolidated) financial statements, there is not any factor which affect the going-concern assumption of the Group. Therefore, the (consolidated) financial statements for the fiscal year ended 31<sup>st</sup> December 2024 are prepared on the basis of the going-concern assumption.

**8. Subsequent events**

The Group's (consolidated) business results expressed in this Report for the fiscal year ended 31<sup>st</sup> December 2024 would not be seriously affected by any important items, transactions, or any extraordinary events from 31<sup>st</sup> December 2024 to the date of this Report, which would require any adjustments to the figures or disclosures in the (consolidated) Financial Statements.

Ho Chi Minh city, 03<sup>rd</sup> March 2025

Prepared by

HUYNH THI LAN ANH

Chief Accountant

TRAN NGOC HUNG

General Director

NGO VAN DONG

**APPENDIX NO. 01: THE MOVEMENT ON TANGIBLE FIXED ASSETS**

Items	Buildings and structures	Machineries & equipments	Vehicles, transmission	Management equipments	Other tangible fixed assets	Total
<b>I. HISTORICAL COST</b>						
1. Beginning balance	657,654,224,822	482,386,620,429	54,091,305,461	10,025,372,894	16,496,727,272	1,220,654,250,878
2. Increase during year	7,070,387,884	67,975,792,230	6,128,351,500	1,528,172,992	650,780,000	83,353,484,606
- New procurement	7,070,387,884	58,764,211,795	6,128,351,500	1,528,172,992	650,780,000	74,141,904,171
- Transfer from finance lease assets	-	1,479,550,000	-	-	-	1,479,550,000
- Reclassification	-	7,732,030,435	-	-	-	7,732,030,435
3. Decrease during year	7,732,030,435	15,320,321,352	4,256,075,651	38,057,142	-	27,346,484,580
- Disposals, liquidation	-	14,624,898,352	4,256,075,651	38,057,142	-	18,919,031,145
- Reclassification	7,732,030,435	695,423,000	-	-	-	8,427,453,435
4. Ending balance	656,992,582,271	535,042,091,307	55,963,581,310	11,515,488,744	17,147,507,272	1,276,661,250,904
<b>II. DEPRECIATION</b>						
1. Beginning balance	387,476,060,993	333,343,068,204	43,458,857,370	7,872,183,912	14,937,606,439	787,087,776,918
2. Increase during year	41,978,519,356	48,009,361,423	3,898,490,281	929,628,303	778,212,385	95,594,211,748
- Depreciation during year	41,978,519,356	39,820,465,363	3,898,490,281	929,628,303	778,212,385	87,405,315,688
- Transfer from finance lease assets	-	708,951,034	-	-	-	708,951,034
- Reclassification	-	7,479,945,026	-	-	-	7,479,945,026
3. Decrease during year	7,479,945,029	14,624,898,352	4,256,075,651	38,057,142	-	26,398,976,174
- Disposals, liquidation	-	14,624,898,352	4,256,075,651	38,057,142	-	18,919,031,145
- Reclassification	7,479,945,029	-	-	-	-	7,479,945,029
4. Ending balance	421,974,635,320	366,727,531,275	43,101,272,000	8,763,755,073	15,715,818,824	856,283,012,492
<b>III. NET BOOK VALUE</b>						
1. Beginning balance	270,178,163,829	149,043,552,225	10,632,448,091	2,153,188,982	1,559,120,833	433,566,473,960
2. Ending balance	235,017,946,951	168,314,560,032	12,862,309,310	2,751,733,671	1,431,688,448	420,378,238,412

Historical cost of fully-depreciated fixed assets are still in use:

Residual value of fixed assets which are used as collateral for loans

47,803,955,937

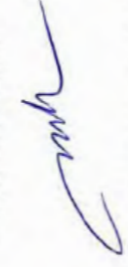
83,468,543,686

Prepared by



HUYNH THI LAN ANH

Chief Accountant



TRAN NGOC HUNG

**BINH DIEN FERTILIZER JOINT STOCK COMPANY**

Address: C12/21, National Road 1A, Tan Kien commune, Binh Chamh district, Ho Chi Minh city.

Notes to the (consolidated) Financial Statements (cont.)

For the fiscal year ended 31st December 2024

**APPENDIX NO. 02: THE MOVEMENT ON THE OWNERS' EQUITY**

Items	Owners' invested equity	Other capital of the owner	Development and investment funds	Other funds of the owner's capital	Undistributed earnings after tax	Benefits of non-controlling shareholders (*)	Total
A	1	2	3	4	5	6	7
<b>For the fiscal year ended 31st December 2023</b>							
As at 01st January 2023	571,679,930,000	24,230,059,200	204,451,455,967	13,191,833,055	277,808,492,052	268,829,059,749	1,360,190,830,023
Increase during year	-	-	1,583,677,044	-	148,255,032,931	12,312,195	149,851,022,170
- Interest during year	-	-	-	-	148,242,218,196	-	148,242,218,196
- Supplement from profit	-	-	1,583,677,044	-	-	-	1,583,677,044
- Other increase	-	-	-	-	12,814,735	12,312,195	25,126,930
Decrease during year	-	-	-	-	(168,341,495,693)	(55,942,533,624)	(224,284,029,317)
- Loss during year	-	-	-	-	-	(13,424,402,196)	(13,424,402,196)
- Making appropriation of Development and investment funds	-	-	-	-	(1,583,677,044)	-	(1,583,677,044)
- Making appropriation of Bonus and welfare funds, bonus to the Management Board	-	-	-	-	(23,605,276,149)	(8,980,408,797)	(32,585,684,946)
- Dividing dividends in 2022	-	-	-	-	(114,335,986,000)	(33,314,282,631)	(147,650,268,631)
- Temporary dividends are divided	-	-	-	-	(28,583,996,500)	-	(28,583,996,500)
- Remuneration for the Members' Council and the Board of Controllers	-	-	-	-	(232,560,000)	(223,440,000)	(456,000,000)
- Bonus to the Management Board	-	-	-	-	-	-	-
- Other decrease	-	-	-	-	-	-	-
As at 31st December 2023	571,679,930,000	24,230,059,200	206,035,133,011	13,191,833,055	257,722,029,290	212,898,838,320	1,285,757,822,876
<b>For the fiscal year ended 31st December 2024</b>							
As at 01st January 2024	571,679,930,000	24,230,059,200	206,035,133,011	13,191,833,055	257,722,029,290	212,898,838,320	1,285,757,822,876
Increase during year	-	-	9,596,198,425	-	357,006,351,378	68,608,120,088	435,210,669,891
- Interest during year	-	-	-	-	357,006,351,378	68,608,120,088	425,614,471,466
- Supplement from profit	-	-	9,596,198,425	-	-	-	9,596,198,425
Decrease during year	-	-	-	-	(181,729,147,638)	(21,875,594,392)	(203,604,742,030)

Items	Owners' invested equity	Other capital of the owner	Development and investment funds	Other funds of the owner's capital	Undistributed earnings after tax	Benefits of non-controlling shareholders (*)	Total
A	1	2	3	4	5	6	7
- Making appropriation of Development and investment funds	-	-	-	-	(9,596,198,425)	-	(9,596,198,425)
- Making appropriation of Bonus and welfare funds, bonus to the Management Board from business results in previous year	-	-	-	-	(29,212,966,713)	(5,297,698,792)	(34,510,663,505)
- Dividing dividends in 2023	-	-	-	-	(114,335,986,000)	(16,577,895,600)	(130,913,881,600)
- Temporary dividends are divided for 2024	-	-	-	-	(28,583,996,500)	-	(28,583,996,500)
<b>As at 31st December 2024</b>	<b>571,679,930,000</b>	<b>24,230,059,200</b>	<b>215,631,331,436</b>	<b>13,191,833,055</b>	<b>432,999,233,030</b>	<b>259,631,364,016</b>	<b>1,517,363,750,737</b>

(\*) Details of the movement on Benefits of non-controlling shareholders for the fiscal year ended 31st December 2024 are as follows:

Benefits of non-controlling shareholders in	As at 01st		Profit/Loss during year		As at 31st	
	January 2024	December 2024	January 2024	December 2024	January 2024	December 2024
Binh Dien Mekong JSC	23,436,166,266	6,818,574,246	6,818,574,246	(775,781,567)	29,478,958,945	29,478,958,945
Binh Dien Quang Tri JSC	54,771,783,148	10,501,871,800	10,501,871,800	(7,300,139,560)	57,973,515,388	57,973,515,388
Binh Dien Lam Dong JSC	74,513,300,759	29,544,707,222	29,544,707,222	(13,799,673,265)	90,258,334,716	90,258,334,716
Binh Dien Ninh Binh JSC	60,177,588,147	21,742,966,820	21,742,966,820	-	81,920,554,967	81,920,554,967
<b>Total</b>	<b>212,898,838,320</b>	<b>68,608,120,088</b>	<b>68,608,120,088</b>	<b>(21,875,594,392)</b>	<b>259,631,364,016</b>	<b>259,631,364,016</b>

Prepared by



HUYNH THI LAN ANH

Chief Accountant



TRAN NGOC HUNG

Ho Chi Minh city, 03rd March 2025  
 General Director  
  
 NGO VAN DONG

## 2024 ANNUAL REPORT

Ho Chi Minh City, March 31, 2025

LEGAL REPRESENTATIVE



NGO VAN DONG



“ **BUFFALO HEAD Fertilizers**  
 Your Trusted Partner in Farming  
 Advancing Sustainable Agriculture ”





**Binh Dien Fertilizer  
Joint Stock Company**

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