

VIETNAM NATIONAL CHEMICAL GROUP  
NINH BINH PHOSPHATE FERTILIZER  
JOINT STOCK COMPANY

No.: 509/PLNB-CBTT

Re: Submission of Revised Documents  
for the General Meeting of Shareholders

SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness

*Ninh Binh, April 10th, 2025*

**EXTRAORDINARY INFORMATION DISCLOSURE**

**To: Hanoi Stock Exchange**

1. Name of the organization: Ninh Binh Phosphate Fertilizer Joint Stock Company
  - Stock code: NFC
  - Address: Bo Dau Hamlet, Ninh An Commune, Hoa Lu City, Ninh Binh Province
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2. Disclosed Information:

Following a review of the previously disclosed documents related to the 2025 Annual General Meeting of Shareholders, Ninh Binh Phosphate Fertilizer Joint Stock Company hereby submits the revised documents, including: The draft Report on the Activities of the Board of Directors and the Corporate Governance situation in 2024, as well as the Business Orientation for 2025; The draft Report from the Board of Management on the 2024 business results and proposed solutions for implementing the 2025 business plan.

3. Publication: This information has been published on the Company's website as of April 10th, 2025, at the following link: <http://niferco.com.vn>

We hereby certify that the information provided above is true and correct, and we take full responsibility under the law for its accuracy.

**Recipients:**

- As addressed;
- Company Website;
- Accounting & Finance Archive.

**REPRESENTATIVE OF THE ORGANIZATION**  
Authorized Information Disclosure Person *R*



**Nguyễn Ngọc Thuan**



Ninh Binh, April 24, 2025

**REPORT**  
**ON THE BOARD OF DIRECTORS' PERFORMANCE**  
**AND CORPORATE GOVERNANCE IN 2024,**  
**DIRECTIONS FOR COMPANY OPERATIONS IN 2025**  
***(At the Annual General Meeting of Shareholders 2025)***

Dear distinguished Guests!

Dear Shareholders!

In accordance with the Charter on Organization and Operation of Ninh Binh Phosphate Fertilizer Joint Stock Company, today our Company is holding the Annual General Meeting of Shareholders 2025. On behalf of the Board of Directors, I would like to report to the General Meeting of Shareholders on the management and direction of the Board of Directors in 2024 and the directions and tasks for 2025 for your consideration and discussion.

**I. ACTIVITIES OF THE BOARD OF DIRECTORS IN 2024**

**1. Board of Directors Personnel**

The Board of Directors (BOD) of Ninh Binh Phosphate Fertilizer Joint Stock Company for the term 2023-2028 consists of 05 members, including:

- 1) Mr. Pham Manh Ninh - BOD Chairman
- 2) Mr. Duong Nhu Duc - BOD Member
- 3) Mr. Pham Hong Son - BOD Member
- 4) Mr. Nguyen Ngoc Thach - BOD Member
- 5) Mr. Ha Huy San - BOD Member.

**2. Business Performance Results in 2024**

**2.1 General Situation of the Company**

**\* Difficulties:**

- The trend of using organic fertilizers for organic agricultural development continues to increase, replacing inorganic fertilizers.

- Complex and unpredictable weather conditions, especially prolonged rain and flooding in all three regions: North, Central, and South.

- Continuous fluctuation in input material prices, creating difficulties in material procurement and sales policy planning.

**\* Advantages:**



- Continued cooperation and support from traditional partners in supplying input materials for production and product distribution.

- The Company's product brand has been well established in both domestic and international markets.

- Agricultural product prices remain high, especially for industrial crops in the Central Highlands region.

Amid these advantages and difficulties, the Board of Directors has identified and focused on corporate governance orientation, strengthening management, adhering closely to the established targets, and ensuring optimal efficiency for the Company's business operations.

## 2.2 Business Performance Results (audited by Vietnam Auditing & Evaluation Company Limited):

- Industrial production value: Actual value reached 953.3 billion VND, equivalent to 132.2% compared to 2023 and 131.7% compared to the 2024 plan.

- Total revenue: 916.0 billion VND, equivalent to 126.8% compared to 2023 and 127.8% compared to the 2024 plan.

- Production volume:

- + Fused magnesium phosphate fertilizer: 203,030 tons, equivalent to 145% compared to 2023 and 145% compared to the 2024 plan.

- + NPK fertilizer: 35,000 tons, equivalent to 100% compared to 2023 and 100% compared to the 2024 plan.

- Sales volume:

- + Fused magnesium phosphate fertilizer: 182,697 tons, equivalent to 135.1% compared to 2023 and 138.4% compared to the 2024 plan.

- + NPK fertilizer: 35,069 tons, equivalent to 104.6% compared to 2023 and 100.2% compared to the 2024 plan.

- Profit before tax: 55.9 billion VND, equivalent to 159.7% compared to 2023 and 164.4% compared to the 2024 plan.

## 3. Board of Directors' Performance

The Board of Directors has implemented its functions, duties, and authorities as stipulated; managed and directed the Company's operations in accordance with the Law, the Company's Charter, and Resolutions of the General Meeting of Shareholders; monitored and kept track of market developments, identified key issues in the Company's business operations in each period to develop appropriate and effective operational plans.

During the year, the Board of Directors conducted (04) direct BOD meetings and organized (11) written opinion collections from BOD members to issue Resolutions on management, direction, and timely resolution of issues arising in the Company's business operations, specifically:



No.	Resolution No.	Date	Content
1	14/NQ-HDQT	January 3, 2024	Approval of contract for purchasing Apatite ore with Vietnam Apatit Limited Company (Written opinion collection)
2	60/NQ-HDQT	January 9, 2024	Approval of appointment to the position of Drying and Grinding Workshop Manager (Written opinion collection)
3	62/NQ-HDQT	January 10, 2024	Approval of contract for selling semi-finished Fused magnesium phosphate fertilizer to Vandien Fused Magnesium Phosphate Fertilizer Joint Stock Company (Written opinion collection)
4	113/NQ-HDQT	January 18, 2024	Approval of goods purchase contract with South Chemicals Import - Export Joint Stock Company (Written opinion collection)
5	191/NQ-HDQT	February 2, 2024	The Regular Meeting of the Board of Directors, First Quarter of 2024
6	361/NQ-HDQT	March 14, 2024	Approval of 2023 actual salary fund (Written opinion collection)
7	400/NQ-HDQT	March 21, 2024	Approval of contract for selling semi-finished Fused magnesium phosphate fertilizer to Vandien Fused Magnesium Phosphate Fertilizer Joint Stock Company (Written opinion collection)
8	459/NQ-HDQT	March 29, 2024	Approval of the 2024 anti-corruption and anti-negativity plan for Ninh Binh Phosphate Fertilizer Joint Stock Company (Written opinion collection)
9	512/NQ-HDQT	April 5, 2024	The Regular Meeting of the Board of Directors, Second Quarter of 2024
10	770/NQ-HDQT	May 17, 2024	Approval of contract for selling semi-finished Fused magnesium phosphate fertilizer to Vandien Fused Magnesium Phosphate Fertilizer Joint Stock Company (Written opinion collection)
11	780/NQ-HDQT	May 20, 2024	<ul style="list-style-type: none"> <li>- Approval of selecting Vietnam Auditing &amp; Evaluation Company Limited</li> <li>- Approval of bonus distribution from the Company managers' bonus fund for 2023</li> <li>- Approval of salary and bonus distribution regulations for 2024</li> </ul> (Written opinion collection)
12	1255/NQ-HDQT	July 23, 2024	The Regular Meeting of the Board of Directors, Third Quarter of 2024
13	1698/NQ-HDQT	October 31, 2024	The Regular Meeting of the Board of Directors, Fourth Quarter of 2024



14	1792/NQ-HDQT	November 21, 2024	Approval of the implementation plan for appointment process for positions of Blast Furnace Workshop Manager, Electrical-Mechanical Workshop Manager, and Manager of Technical Department. (Written opinion collection)
15	1937/NQ-HDQT	December 13, 2024	Approval of appointments to positions of Blast Furnace Workshop Manager, Electrical-Mechanical Workshop Manager, and Manager of Technical Department (Written opinion collection)

Other contents: The Board of Directors has effectively provided documents and informations to the Board of Supervisors to perform their inspection and supervision duties of the Board of Directors and the Board of Management in managing and operating business activities.

#### 4. Evaluation of BOD Members' Performance

Generally, during the year, BOD Members have effectively performed their functions and duties in their assigned areas. When performing their functions and duties, BOD members have complied with the Company's Charter, the Board of Directors' organizational and operational regulations, and current legal provisions.

The Board of Directors includes 02 BOD members who are also members of the Company's Board of Management, which facilitates proactive and timely reporting and information provision from the Board of Management to the Board of Directors in directing the Company's business operations.

#### 5. Regarding Remuneration, Salaries, and Bonuses for BOD Members

##### 5.1 Salaries (income) and remuneration for the Board of Directors

No.	Full Name	Position	Amount (VND)	Notes
1	Pham Manh Ninh	Chairman	657,457,000	Salary
2	Duong Nhu Duc	BOD Member, Director	668,778,000	Salary + compensation
3	Pham Hong Son	BOD Member, Deputy Director	599,330,000	Salary + compensation
4	Nguyen Ngoc Thach	BOD Member	60,000,000	Compensation
5	Ha Huy San	BOD Member	396,611,000	Salary + compensation

##### 5.2 Distribution from the Company managers' bonus fund to BOD members

No.	Full Name	Position	Amount (VND)
1	Pham Manh Ninh	BOD Chairman	32,280,000
2	Duong Nhu Duc	BOD Member	32,280,000
3	Pham Hong Son	BOD Member	32,280,000
4	Nguyen Ngoc Thach	BOD Member	32,280,000
5	Ha Huy San	BOD Member	32,280,000



	Total bonus amount	161,400,000
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## **II. CORPORATE GOVERNANCE IN 2024**

### **1. The Board of Directors reports to the General Meeting on the results of supervision of the Board of Management in 2024 as follows:**

- On a quarterly basis, the Board of Directors held meetings to inspect and supervise the activities of the Board of Management regarding:

+ Implementation of the General Meeting of Shareholders' Resolutions and the Board of Directors' Resolutions.

+ Monthly and quarterly business performance; implementation solutions.

+ Implementation of technical and economic material consumption norms.

+ Implementation of capital investment and major repairs plans.

+ Labor utilization and management...

- Supervision results:

The Company's business activities comply with the business registration certificate, adhere to the Company's Charter, and comply with current Vietnamese laws. The Board of Management has recognized the Company's advantages and difficulties and has proactively directed and managed the implementation of the business targets approved by the General Meeting of Shareholders. They have also issued internal documents within their authority to effectively control the Company's business activities.

Through supervision, the Board of Directors identified areas for improvement and provided direction, guidance, encouragement, and requirements for the Board of Management and related units to promptly rectify issues and enhance responsibility in performing their duties.

### **2. The Board of Directors' guidance to the Board of Management across various areas**

#### **2.1 Achievements**

- Production operations

+ Stable blast furnace operation, production of new products to meet customer requirements and increase market competitiveness.

+ Implementation of solutions and innovations in production to reduce costs and lower product prices for market competition.

+ Review and issuance of production management regulations to ensure quality, especially regarding environmental and safety aspects in production.

- Technical matters, quality, and occupational safety

+ Implementation of consumption norms for main materials in production; inventory norms for main raw materials, products, semi-finished products, and technical materials.

+ Management of production technology and quality control ensure products meet quality standards for market circulation.

+ Inspection and supervision of process implementation in the quality management system according to ISO 9001: 2015 standards.



- + Compliance with the environmental management system according to ISO 14001: 2015 standards.

- + Testing laboratory system according to ISO 17025:2017 standards.

- + Regular monitoring, review, supplementation, and full updating of occupational safety and fire prevention regulations for all labor positions.

- Material supply, planning, and market development

- + Strict management and monitoring of purchase and sale contracts in accordance with State regulations and Company rules.

- + Market development: maintaining existing markets, developing new markets, implementing testing models and technical training on fertilizer usage for farmers in local areas to develop the Company's brand.

- Financial and accounting management

- + Compliance with proper accounting and financial settlement according to the Company's financial regulations and State regulations.

- + Timely and full payment of salaries, bonuses to employees, State budget contributions, and dividends to shareholders according to regulations.

- + Direction, supervision, and collection of debts, especially due debts, handling of overdue debts, and capital recovery to ensure sufficient capital for the Company's business operations.

- Business strategy development

Continued implementation of the Company's development strategy with the aim of building the brand, creating competitive advantages; focusing resources and taking advantage of development opportunities to bring the highest efficiency in the Company's business operations.

- Capital construction investment

- + Implementation of capital construction investment according to the approved plan, ensuring progress, quality, and efficiency.

- Other activities

- + Implementation of anti-corruption, thrift practice, and waste prevention according to regulations.

- + Close coordination between management and the Company's organizational units to promote production emulation movements; sports activities to improve the spiritual life of employees.

## 2.2 Existing Challenges in Various Areas:

- Production:

Following the renovation, the blast furnace continues to experience operational issues, necessitating further improvements to ensure enhanced stability and efficiency. The production equipment and technology at the blast furnace are currently insufficient to meet the demands of operating three blast furnaces when market demand arises

- Market:



The inherent market advantages of the primary product, fused magnesium phosphate fertilizer, have not been fully capitalized upon. The quality of certain NPK granular fertilizer varieties remains inconsistent.

**- Safety and Environment:**

The year witnessed 04 workplace accidents, including 01 serious incident. Environmental production concerns have not been fully addressed, and potential risks remain.

**- Labor:**

Difficulties in recruiting new employees have resulted in labor shortages, particularly during peak seasons. There is also a shortage of qualified successor management personnel

### **III. DIRECTIONS FOR COMPANY OPERATIONS IN 2025**

#### **1. Business Plan for 2025**

<b>No.</b>	<b>Indicator</b>	<b>Unit</b>	<b>Plan for 2025</b>
1	Industrial production value at actual prices	Billion VND	1,030.0
2	Total revenue	Billion VND	1,050.0
3	Production volume		
	- Fused magnesium phosphate fertilizer	Tons	220,000
	- NPK fertilizer	Tons	37,000
4	Sales volume	Sales volume	
	- Fused magnesium phosphate fertilizer	Tons	200,000
	- NPK fertilizer	Tons	37,000
5	Profit before tax	Billion VND	65.0
6	Dividend	%	≥ 20%

Based on market developments, the Board of Directors directs the executive management to boost production, ensuring that the business and production targets for 2025 achieve a growth rate of  $\geq 10\%$  compared to the targets achieved in 2024.

#### **2. Board of Directors' Directions for the Company's Business Plan for 2025**

**\* Company operational objectives:**

*Efficient business operations to maximize profit, create jobs, increase income for employees, increase returns for shareholders, contribute to the State budget, and develop the Company.*

##### **2.1. Market and financial operations**

- Capitalize on favorable market opportunities, high agricultural product prices, especially coffee, pepper, durian, and rubber prices, to promote retail market expansion investment, increase sales volume, affirm the position of the "Ninh Binh Phosphate Fertilizer" brand in the market, creating momentum for future development.



- Strengthen market personnel, establish more agencies in new market areas; maintain and increase sales volumes in existing markets, develop export markets.

- Effectively implement management accounting; strengthen debt management and supervision to ensure financial security and prevent the occurrence of bad debts.

## 2.2. Production operations

- Prepare all necessary conditions regarding equipment, labor, and raw materials to operate all 3 blast furnaces at full capacity to meet customer demand for products in a timely manner.

- Continue research on blast furnace equipment improvement, enhance furnace operation to ensure stable and long-term operation, ensure and reduce coal consumption norms, and improve product quality.

- Research, renovate, and upgrade NPK production technology equipment to produce high-nutrient content fertilizers, reduce application quantities, improve product appearance, meeting the current and future needs of the agricultural sector.

- Strengthen management of materials, main raw materials, input services regarding procurement prices, quality, usage norms, and inventory preservation in accordance with Company regulations and legal requirements to improve business efficiency.

- Ensure production operations comply with environmental safety and occupational safety requirements according to State regulations: Regularly disseminate, educate, and remind employees to follow occupational safety and fire prevention regulations in the Company.

- Promote technical innovation initiatives, mechanization, and automation to reduce physically demanding labor for workers.

- Implement capital construction investment according to plan, ensuring progress, quality, and efficiency.

## 2.3. Administrative organization

- Focus on recruitment, training, planning, and human resource development, especially for successor management personnel, to meet the Company's production and management requirements.

- Pay attention to employees' welfare; provide good benefits and increase wages to ensure successful recruitment and retention of employees.

## 2.4. Other activities

- Regularly review, adjust, and issue regulations, processes, and economic material norm systems to match actual conditions.

- Effectively fulfill shareholder rights such as: dividend payments, creating favorable conditions for shareholders to receive information and contribute ideas to develop the Company.

The report above outlines the activities of the Board of Directors of Ninh Binh Phosphate Fertilizer Joint Stock Company for 2024 and the operational



directions for 2025, which have been submitted to the General Meeting for consideration and approval for implementation.

We extend our best wishes for good health to all shareholders and the entire General Meeting./.

Yours sincerely!

**ON BEHALF OF THE BOARD OF  
DIRECTORS  
CHAIRMAN**

**Pham Manh Ninh**







Ninh Binh, April 24, 2025

**BOARD OF MANAGEMENT'S ASSESSMENT REPORT**  
**On the Company's Situation in 2024**  
**And Business Directions and Tasks for 2025**  
(At the Annual General Meeting of Shareholders 2025)

Respected: - Distinguished Guests  
- All Shareholders Attending the General Meeting,

In accordance with the Resolution of the Annual General Meeting of Shareholders 2024, today, Ninh Binh Phosphate Fertilizer Joint Stock Company is holding the Annual General Meeting of Shareholders 2025. On behalf of the Board of Management, I would like to present the report on the Company's overall situation in 2024 and the Company's directions and tasks for 2025 for the General Meeting to review, discuss, and decide.

**Part One**  
**COMPANY'S BUSINESS AND PRODUCTION**  
**PERFORMANCE IN 2024**

In 2024, fertilizer manufacturing enterprises continued to face several challenges, such as fluctuating fertilizer prices, unfavorable weather conditions in many regions, rising raw material costs, and increased transportation fees. However, the Company also benefited from favorable conditions, particularly the surge in agricultural and industrial crop product prices, which led to higher fertilizer demand, while fertilizer imports remained lower compared to previous years. Right from the beginning of the year, under the leadership of the Board of Directors, the Board of Management, together with the staff and workers, has overcome difficulties and challenges in business and production, while taking advantage of favorable conditions to manage and implement the goals and tasks Aset for 2024.

**I. Business and Production Results**

No.	Indicator	Unit	Actual 2023	2024 Plan	Actual 2024	% Actual 2024 compared to.	
						Same period 2023	2024 Plan
1	Industrial production value, market price	Billion VND	721.2	723.9	953.3	132.2	131.7
2	Revenue	Billion	722.6	716.5	916.0	126.8	127.8



		VND					
3	Production	Ton	175,000	175,000	238,030	136.0	136.0
-	Fused magnesium Phosphate fertilizer	Ton	140,000	140,000	203,030	145.0	145.0
-	NPK fertilizer	Ton	35,000	35,000	35,000	100.0	100.0
4	Consumption	Ton	168,796	167,000	217,766	129.0	130.4
-	Fused magnesium Phosphate fertilizer	Ton	135,266	132,000	182,697	135.1	138.4
-	NPK fertilizer	Ton	33,530	35,000	35,069	104.6	100.2
5	Profit	Billion VND	35.0	34.0	55.9	159.7	164.4
6	Payment to state budget	Billion VND	10.37	10.3	14.6	140.8	141.7

## II. Achievements in the Management field

### 1. Production:

- Production at the Blast Furnace Workshop: The furnace operation capacity has been improved, increasing the output of semi-finished products with stable quality, meeting domestic and export market demands. The blast furnace renovation was successfully carried out, resulting in higher furnace productivity, reduced coal and electricity consumption. This is a highly positive outcome that helps lower production costs, increase profits, improve the working environment, and raise workers' wages.

- Production at the Drying and Grinding Workshop: The product quality has generally met customer requirements and regulatory standards.

### 2. Market field:

- New Markets and New Agents: Continue promoting market expansion in areas and provinces where the Company has not yet established a distribution system; focus on caring for, maintaining and developing newly opened markets. In the year, 08 new agents were established in the Northern, Southern, and Central Highlands regions, with newly acquired customers showing positive growth trends.

- Traditional Markets: Regularly cared for and maintained, leading to increased consumption volume in most markets.

- Export activities have been well maintained, with export volume increasing compared to the same period in 2023 due to retaining old customers while developing new customers and new markets. Throughout the year, the company participated in trade promotion conferences and fairs in Singapore, Cambodia, and Indonesia.

3. Technical Operations: Overall, the company has met requirements for product quality, design, standards, and environmental regulations.

- Continue implementing effective solutions for managing and inspecting the quality of coal and other materials.



- The inspection and supervision of the quality of NPK fertilizer pellets continue to be strengthened.

4. Investment in Capital Construction: During the year, the Company invested 2.1 billion VND in two items (02 forklifts and 01 street sweeper) in accordance with the approved plan.

5. Major Repairs: The Company carried out repairs on various works to meet production, environmental, and safety requirements. Additionally, in 2024, the Company focused on renovating the blast furnace, leading to an increase in major repair costs by 1.18 billion VND compared to the same period in 2023, with a total expenditure of 3.42 billion VND in 2024.

6. Safety Management: The Company and its workshops continue to pay attention to safety management, with regular inspections and supervision being carried out.

7. Labor Protection: Labor protection measures are consistently and strictly implemented. The quality of protective gear has been continuously improved to meet both government regulations and worker needs.

8. Environmental management: Environmental work is regularly maintained and well managed.

9. Labor and Wages: During the year, 94 employees were recruited (including 6 market officers), while 67 employees resigned (including 4 retirees and 63 who resigned voluntarily). As of December 31, 2024, the total number of company employees was 316.

- The average salary paid and projected for 2024 was 13,046,000 VND per person per month, compared to 11,584,000 VND per person per month in 2023 (increasing of 1,962,000 VND per person per month, equivalent to a 12.6% rise).

- Overall, the workforce in 2024 still did not fully meet the demands of the production units. Along with new recruitment, the company has implemented labor rotation and re-allocation of labor at stages and production lines to streamline labor and increase income for workers; the company has collaborated with employment centers, approached vocational schools in the province to establish a long-term recruitment foundation when needed.

#### 10. Training and Planning:

- To improve workforce quality, from the beginning of the year, the company's leadership assigned units to implement on-the-job training, enhancing both professional skills and professional expertise; and to create flexible conditions in the mobilization and rotation of labor at each time. At the same time, in coordination with the College of Chemistry, 03 officers were sent to attend the Intermediate Inorganic Chemical Technology class, improving the qualifications of the young management staff.

- In 2024, the Company has implemented 02 training sessions on occupational safety and hygiene for all employees. At the same time, units disseminate regulations and procedures related to the safe operation of



production machinery and equipment to employees of their units according to regulations.

11. Finance:

- Salaries and bonuses for employees were paid in full and on time, in accordance with regulations.
- Mobilized capital to meet the Company's business and production requirements; urged and collected receivables from sales in accordance with regulations.

12. National Defense, Security, and Social Order within the unit

- Organized military training for the Company's self-defense force according to the approved plan, ensuring quality. Developed fire protection plans for implementation.
- Participated in national defense and security groups in southern communes of Hoa Lu District and the social order security group in the Cau Yen area, following current regulations.
- Contributed to national defense security funds, ensuring local defense services according to the district's plan. Carry out military rear work.

13. Carry out the work of building a clean and strong Party, Government, and mass organizations.

- Strengthen political and ideological education for party members and employees so that each person always has a correct understanding of the advantages and difficulties of the unit, enhances each person's sense of responsibility, strictly implements all Party guidelines and policies, State laws and policies, and complies with the Company's rules and regulations when performing tasks.
- Trade Unions, Youth Unions, and Veterans Associations have actively participated in the activities of the Company, the corporation, and the locality to contribute to the development of the Company.

14. Anti-Corruption, Practicing Thrift, and Preventing Wastefulness

- Regarding Anti-Corruption Efforts:
  - + Effectively managed the Company's finances and assets, particularly in revenue collection from sales and procurement of materials for production, in compliance with the Company's regulations.
  - + Asset and income declarations were fully carried out in accordance with regulations.
- On Practicing Thrift and Preventing Wastefulness: The Board of Management has launched initiatives for technical innovation, cost-saving, and innovating cost management in the production process. This includes reviewing and issuing standards for the use of key raw materials, fuel, and supplies for production (Maintaining the management and settlement of coal usage in the blast furnace workshop by batch, fuel in the raw material workshop, and conducting monthly and quarterly inventory and settlement of supplies as per regulations).



## 15. Implementation of Grassroots Democracy Regulations and Periodic Dialogues Between the Company's Director and Employees

- The Board of Management has fully organized and publicized the contents related to the organization of implementation of production and business plan tasks and issues related to production organization, rights, obligations, jobs, life and income of employees for employees to discuss and implement.

- Periodic workplace dialogues between the employer and employees have been conducted during review and final conferences to discuss and address matters of mutual concern.

### III. Existing Issues

#### 1. Technical and Production Work

- Fused magnesium Phosphate Fertilizer Production: There are still issues arising during furnace operation after renovation, requiring further improvements to ensure stable, long-term, and more efficient blast furnace performance. The equipment and production technology of the blast furnace in 2024 have not yet met the requirements for operating 03 blast furnaces when the market needs goods.

- NPK Fertilizer Production: At various times, the product still fails to meet the required standards in terms of design and appearance, and the phenomenon of slow dissolution and powder release has not been completely resolved.

- Inspection, monitoring, detection and handling of violations of technological regulations in production are still limited, violations still occur.

#### 2. Market Operations

- Monitoring and reflecting fertilizer market fluctuations, capturing and processing market information is sometimes slow, leading to delays in addressing market-related issues in a timely manner.

- The implementation of promoting market activities in new markets has been insufficient, so the market share in new markets has not increased compared to the Company's expectations.

- Export activities have received attention, and export volume has increased, but the market remains unstable due to the need for bidding and dependence on exporters.

#### 3. Human Resources

- Labor Recruitment: Although the number of new hires was high, employee turnover remained significant, making recruitment efforts less effective. This led to a labor shortage to serve production, specially during peak consumption periods, so there are many times when there is a shortage of goods to meet consumption needs.

- Training programs have not seen much change, so the quality of workers is still limited, leading to inflexible arrangements in production.

#### 4. Financial Management:



- The recovery and settlement of overdue debts have not been thoroughly addressed, with outstanding overdue payments still remaining.

#### **5. Occupational Safety and Environmental Hygiene:**

- Safety work: Inspection and supervision to detect unsafe risks in production have not been fully implemented; Labor protection has been paid attention to and equipped by the Company, but the awareness of use and compliance of employees is not high.

+ The arrangement of electrical equipment, machinery, and devices in the production line is, in many positions, not yet reasonable or scientifically structured, posing significant safety risks.

+ Although the Company and workshops have paid attention to this issue, 04 occupational accidents still occurred during the year, including 01 serious accident.

- Environmental work: Maintained regularly but dust and odor emissions still exist, the working environment in the workshops is not good at times, especially the environment in the NPK pellet production area of the grinding and drying workshop.

### **Part Two**

## **ORIENTATIONS AND BUSINESS PRODUCTION TASKS FOR 2025**

### **A. Business Production Plans and Tasks for 2025**

No.	Indicator	Unit	2025 Plan
1	Industrial Production Value at Market Price	Billion VND	1,030.0
2	Revenue	Billion VND	1,050.0
3	Production		
-	Fused Phosphate Fertilizer	Ton	220,000
-	NPK Fertilizer	Ton	37,000
4	Consumption		
-	Phosphate Fertilizer	Ton	200,000
-	NPK Fertilizer	Ton	37,000
5	Profit	Billion VND	65.0
6	Payment to the state budget	Billion VND	14.6

Based on market conditions and the labor situation, the Board of Management will report to the Board of Directors to oversee the business and production plan, ensuring that the 2025 targets achieve a growth rate of  $\geq 10\%$  compared to actual performance in 2024.

### **B. Key Objectives and Implementation Solutions**



## **I. General Objectives for Implementing the 2025 Business Production Plan**

- Focus on leading, directing and operating production in all fields to exceed the 2025 plan.
- Organize and direct technical operations to ensure the blast furnace runs stably for extended periods while maintaining quality, environment, safety, and security, contributing to lower production costs.
- Develop a reasonable monthly production plan to ensure continuous employment and stable income for workers.

## **II. Key Implementation Solutions for 2025**

### **1. In Production:**

1.1. Strengthening production inspection and supervision; training, coaching, and dissemination of regulations and production processes must be regularly focused on and strictly implemented according to regulations.

1.2. Operate and maintain continuous production of 02 blast furnaces, ready to produce 03 blast furnaces simultaneously when needed, in a stable and long-term manner; ensure the environment and reduce consumption standards, production must ensure quality to reduce costs; Continue to find solutions to reduce coal costs at the Blast Furnace workshop; Continue to have new solutions to manage the quality of input materials, costs of phosphate and NPK drying coal at the Drying and Grinding workshop.

1.3. Investing in improving the quality of NPK pellet production lines; Investing in completing safety equipment systems and fire protection; Step by step investing in automating the production lines of all kinds of phosphate such as the phosphate robot stacking system, automatic phosphate granule packaging system, etc.

At the same time, continue to research and improve technology and equipment to improve the quality and design of NPK fertilizer products, ensuring production meets quality standards.

1.4. Focus on reducing and saving costs; Applying scientific and technical topics, solutions and initiatives in production to reduce product costs.

1.5. Focus on production management, promulgate regulations on production management to ensure quality, standards, environment and absolute safety.

1.6. Balance labor to produce 02 blast furnaces or 03 continuous blast furnaces, focus on grinding phosphate, producing NPK to increase inventory volume for consumption, ensuring continuous employment for workers; Continue to analyze to rearrange labor appropriately and re-establish some stages in the production line.

1.7. Continue to strengthen the quality control of raw materials and fuels for production and provide effective solutions.



1.8. Improve the wastewater circulation system to prepare for running 3 blast furnaces at the same time, ensuring stable and efficient furnace operation.

1.9. Organize conferences and seminars to propose solutions to reasonably adjust technology and some stages in the production line to increase productivity, reduce costs, reduce labor, increase income for employees, and improve the quality of the working environment for employees.

## **2. In marketing and materials work:**

2.1. Evaluate the distribution channel after summarizing the consumption cases to continue to re-plan appropriately and improve the efficiency of product consumption.

2.2. Deploy customer conferences, training conferences, agent reward conferences, install advertising signs, fairs, strengthen testing work, etc. according to the plan in the regions, organize domestic and foreign tours for notable agents approved by the Board of Directors.

2.3. Propose effective sales policies that are close to the market, focusing on developing new markets, maintaining and developing traditional markets; Develop a reasonable salary plan for market staff, to motivate staff.

2.4. Contact export partners, research market information, balance costs to offer competitive bidding prices, in order to continue signing export contracts to ensure the 2025 export plan; Participate in trade promotion conferences in potential foreign markets.

2.5. Deploy to find and open agents in areas where the Company does not have agents.

2.6. Transit warehouse: Deploy to bring goods to transit warehouses in areas: Ho Chi Minh City, Khanh Hoa and Binh Dinh reasonably to reduce costs and prepare goods to serve consumption when the consumption season comes.

2.7. Focus on risk management, strengthen debt collection, minimize outstanding debts, avoid prolonged delays.

2.8. Balance the import of materials reasonably to meet production needs and economic efficiency to reduce product costs, create competition in the market, and at the same time comply with State regulations and Company regulations.

## **3. In financial and accounting work:**

3.1. Pay salaries and bonuses to employees in full and on time according to regulations; Mobilize capital to meet the requirements of the Company's production and business activities

3.2. Strengthen monitoring of due debts, focus on debt collection, handle due and overdue customer debts; gradually resolve bad debts completely.

3.3. Coordinate with the Sales Department to conduct inventory of materials and fuels, strictly manage inventories, and and finalize the 2024 financial settlement in accordance with regulations.



#### **4. In Labor and Organizational Work:**

4.1. Plan training to raise awareness of compliance with rules, regulations, safety in production, and skill level for employees; Arrange labor reasonably, review and re-establish some stages in the production line to increase salaries for employees.

4.2. Arrange labor reasonably to ensure enough jobs for employees and stable income; Correctly and fully implement benefits and policies for employees; Continue to pay attention to doing well social security work with the community, especially paying attention to doing well social security work at the unit.

4.3. Continue to propose solutions to recruit labor, especially highly skilled labor to meet the continuous production of 02 blast furnaces (or 03 blast furnaces when needed) and produce NPK fertilizer during the season.

Dear Shareholders and the General Meeting,

In 2025, we will continue to face many difficulties and challenges, but there will also be numerous advantages. With the determination and efforts of the leadership team, the Board of Directors, the Board of Management, and all employees of the Company, the Company will overcome challenges, take advantage of favorable conditions, and to organize, lead, and direct the unit to exceed the business production targets and tasks set by the Resolution of the Company's General Meeting of Shareholders for 2025 with the highest results.

Finally, on behalf of the Board of Management, I would like to extend my best wishes for health, happiness, and success to our distinguished guests and all shareholders attending today's General Meeting. I wish the General Meeting great success./.

Sincerely, thank you!

**ON BEHALF OF THE BOARD OF  
MANAGEMENT  
Director**

**Duong Nhu Duc**