

ANNUAL REPORT 2025



ĐẠM HÀ BẮC
Quản bá cùng nhà nông



LIST OF TERMS AND ABBREVIATIONS

Ha Bac Fertilizer Company / the Company / DHB	Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company
SSC	State Securities Commission
HNX	Hanoi Stock Exchange
JSC	Joint Stock Company
GMS	General Meeting of Shareholders
BOD	Board of Directors
Chairman of the BOD	Chairman of the Board of Directors
BOS	Board of Supervisors
BOM	Board of Management
GD	General Director
Deputy GD	Deputy General Director

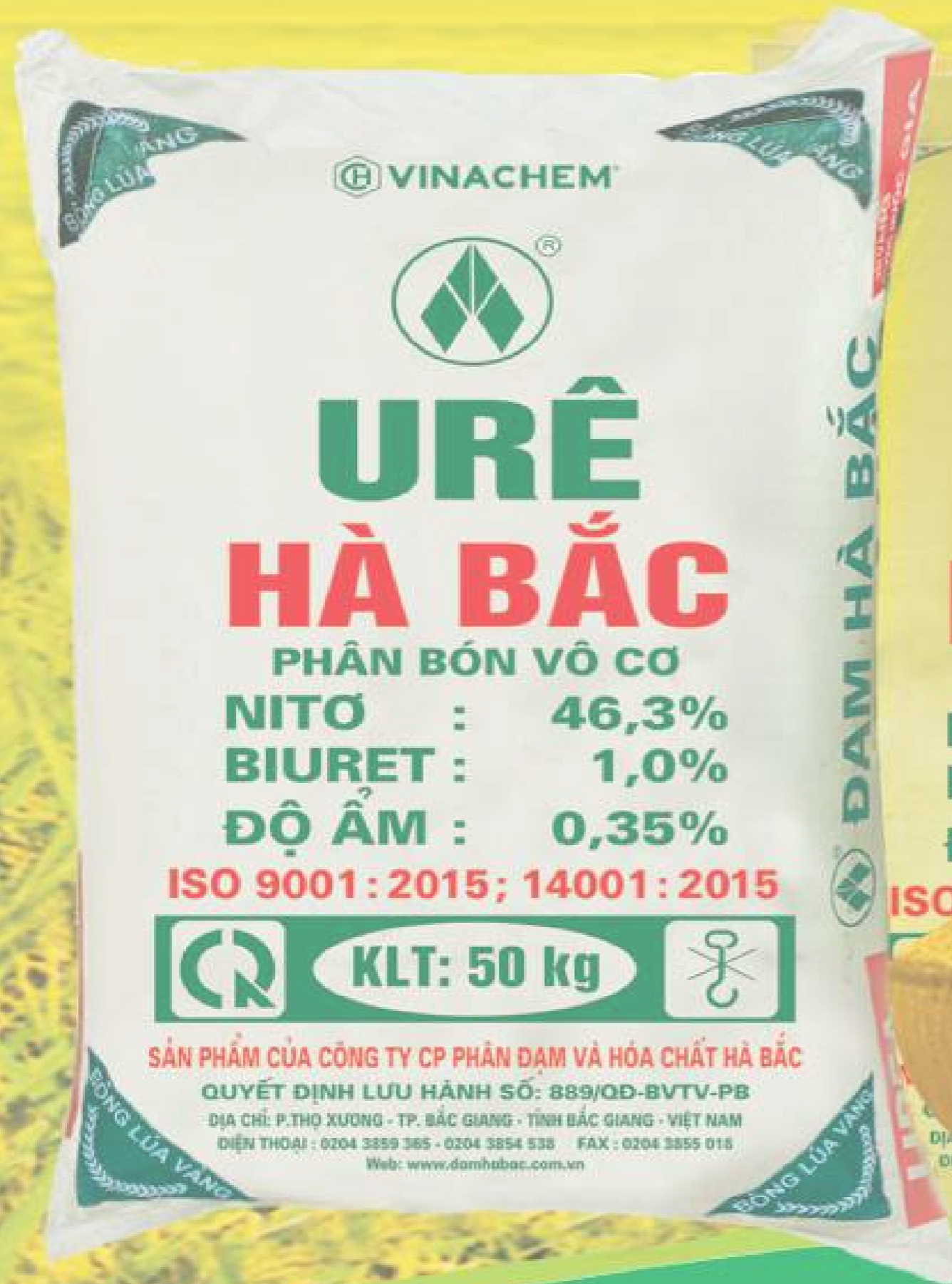


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01.

INTRODUCTION

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MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS



Dear Valued Shareholders, Valued Partners, and All Company Employees!

The year 2025 has officially come to a close, marking a journey full of challenges but also great efforts and resilience of Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company. In the context of a slow global economic recovery and potential risks, the business environment continued to be affected by tightening trade policies, increasing protectionism in major export markets, and supply chain disruptions caused by prolonged trade-geopolitical conflicts. Domestically, the fertilizer industry continued to face an imbalanced between production and consumption, with an unreasonable supply-demand structure, creating significant pressure on the overall operational efficiency of the industry. Moreover, the Company's operations during the year encountered many difficulties due to equipment failures that led to prolonged production shutdowns.

However, with a spirit of solidarity, proactive adaptation, and strong determination, we have gradually overcome challenges to achieve positive results. Although revenue decreased slightly compared to the previous year, the gross profit margin improved thanks to optimization of production costs and efficient use of raw materials. In addition, financial expenses decreased significantly, contributing to reducing debt pressure, strengthening the financial foundation, and enhancing the Company's autonomy. As a result, profit before tax recovered positively, marking the fifth consecutive year since 2021 that the Company has been profitable – a clear testament to the effective financial restructuring process, as well as to the flexible, decisive management and sustainable development orientation that the Company has persistently implemented.

Entering 2026, the Company is determined to continue pursuing its strategic objectives with determination and innovation: comprehensively optimizing production operations, improving productivity – quality – efficiency; expanding and diversifying consumption markets; and enhancing product competitiveness. We will promote the application of new technologies and digital transformation in management, improve governance capacity, and effectively utilize existing resources. At the same time, sustainable development associated with environmental and social responsibility will continue to serve as the guiding principle for all activities, aiming at harmonizing economic growth with environmental protection, and ensuring long-term benefits for shareholders, employees, and the community.

On behalf of the Board of Directors, I would like to express my sincere gratitude to our Shareholders, Partners, and all Officers and Employees of the Company for your companionship and dedication. With a spirit of solidarity, innovation, and determination, we firmly believe that we will overcome all challenges, strengthen our position, and move toward a sustainable future.

***Sincerely,
Chairman of the Board of Directors
Nguyen Van Thieu***

SUMMARY OF FINANCIAL INFORMATION FOR THE 2021 - 2025 PERIOD

Indicators	Unit	2021	2022	2023	2024	2025
Business Performance						
Net Revenue	Billion VND	4,488.58	6,441.03	4,413.48	4,439.48	4,330.49
Gross Profit	Billion VND	1,189.49	2,834.61	(15.27)	277.66	484.91
Profit Before Tax	Billion VND	0.63	1,779.15	858.28	6.85	10.85
Profit After Tax	Billion VND	0.63	1,779.15	858.28	6.85	10.85
Balance Sheet						
Total Assets	Billion VND	8,029.26	7,581.44	6,745.87	6,247.66	5,786.15
Shareholders' Equity	Billion VND	(1,977.53)	(252.18)	611.61	618.45	631.64
Liabilities	Billion VND	10,006.79	7,833.63	6,134.26	5,629.21	5,154.51
Key Financial Indicators						
Return on Average Assets (ROAA)	%	0.01	22.79	11.98	0.11	0.18
Return on Average Equity (ROAE)	%	-0.03	-159.59	477.59	1.11	1.74

VISION AND MISSION



Vision

To become a leading enterprise in the production and trading of fertilizers and industrial chemicals in Vietnam, pioneering in green technology, aiming toward sustainable development and international integration.



Mission

- Provide high-quality products: Meet the needs of agricultural and industrial production with fertilizers and chemical products of superior quality, safety, and efficiency.
- Sustainable development: Actively apply modern technologies, minimize environmental impacts, and move toward green production that is environmentally friendly.
- Accompany Vietnamese agriculture: Contribute to improving crop productivity and quality, helping farmers optimize production and increase income.
- Build a professional workforce: Invest in people and develop a dynamic, innovative, and cohesive working environment.
- Enhance value for shareholders and partners: Maintain business efficiency, strengthen brand value, and ensure long-term benefits for stakeholders.



02.

COMPANY INTRODUCTION

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GENERAL INFORMATION ABOUT THE COMPANY

Prestigious titles

General information

Logo



ĐẠM HÀ BẮC
Quán bé cùng nhà nông



Year 2010

The Company was awarded the Third-Class Independence Order by the State President.

Year 2011

The Company was awarded the Emulation Flag by the Prime Minister.

Year 2012

The Company was awarded the Emulation Flag by the Prime Minister.

Trading Name

**Ha Bac Nitrogenous Fertilizer & Chemicals
Joint Stock Company**

International Trading Name

HANICHEMCO

Business Registration Certificate No.

No. 2400120344, initially issued by the Department of Planning and Investment of Bac Giang Province on December 21, 2006, and amended for the 14th time on November 6, 2024.

Headquarters address

Tran Nguyen Han Street, Bac Giang Ward, Bac Ninh Province.

Charter capital

2,722,000,000,000 VND

Owner's capital

2,722,000,000,000 VND

Telephone

02043854538

Fax

02043855018

Securities code

DHB

Website

<http://www.damhabac.com.vn>

Establishment and development process

During its development, the Company has received attention from the highest Leaders of the Party and the State. The General Secretaries of the Central Committee of the Communist Party, Nguyen Van Linh, Do Muoi, Nong Duc Manh, and State Presidents Le Duc Anh, Tran Duc Luong, have visited and worked at the Company

01/05/1960

Vietnam's first Nitrogenous Fertilizer Factory commenced construction in Bac Giang province

1965

After five years of construction, the Factory was completed with a total of 130 structures.

On February 3, 1965, the Thermal Power Workshop was inaugurated.

On May 19, 1965, the Gasification Workshop successfully produced coal gas as a raw material for ammonia production.

On June 1, 1965, the Mechanical Workshop began operations

1965 - 1973

However, due to the U.S. air raids during the war, the Government decided to temporarily suspend the factory's operation. The Thermal Power workshop was converted into the Ha Bac Thermal Power factory to continue production for economic and defense purposes. The Mechanical Workshop was relocated to Lang Giang and repurposed as Ha Bac Chemical Mechanical Factory, while the Chemical Equipment Section was dismantled and returned to China.

During the bombing campaign, U.S. aircraft attacked the Power Factory 52 times, dropping thousands of tons of bombs. The factory's self-defense forces engaged in 63 battles, successfully shooting down one U.S. aircraft and damaging several others.

1973

The factory was restored, rebuilt, and expanded.

1975

The Government merged the Ha Bac Power Factory, Ha Bac Chemical Mechanical Factory, and Chemical workshops to form the Ha Bac Nitrogenous Fertilizer Factory, producing the first fertilizer bags under the "Golden Rice" brand.

2016

On January 1, 2016, the company was transformed into Ha Bac Nitrogenous Fertilizer & Chemicals Joint Stock Company.

2006

On October 20, 2006, the company was converted into Ha Bac Nitrogenous Fertilizer & Chemicals One-Member Limited Liability Company.

1993

On February 13, 1993, the company was renamed Ha Bac Nitrogenous Fertilizer & Chemicals Company.

1988

On October 10, 1988, the factory was renamed Ha Bac Nitrogenous Fertilizer and Chemicals Union of Enterprise.

1976 - 1983

The factory faced many difficulties, and in 1981, the annual urea production reached only 9,000 tons, accounting for 9% of its designed capacity. On January 17, 1983, the Chairman of the Council of Ministers issued Directive 19-CP to sustain and boost production at the factory.

1977

Deputy Prime Minister Do Muoi presided over the inauguration of the Ha Bac Nitrogenous Fertilizer Factory, marking a significant milestone in Vietnam's fertilizer industry.

1960

2025

BUSINESS LINES AND OPERATING LOCATIONS OF THE BUSINESS

Major lines of business

Business and production of urea nitrogenous fertilizer, liquid NH_3 , and industrial gas products.



Operating location of business

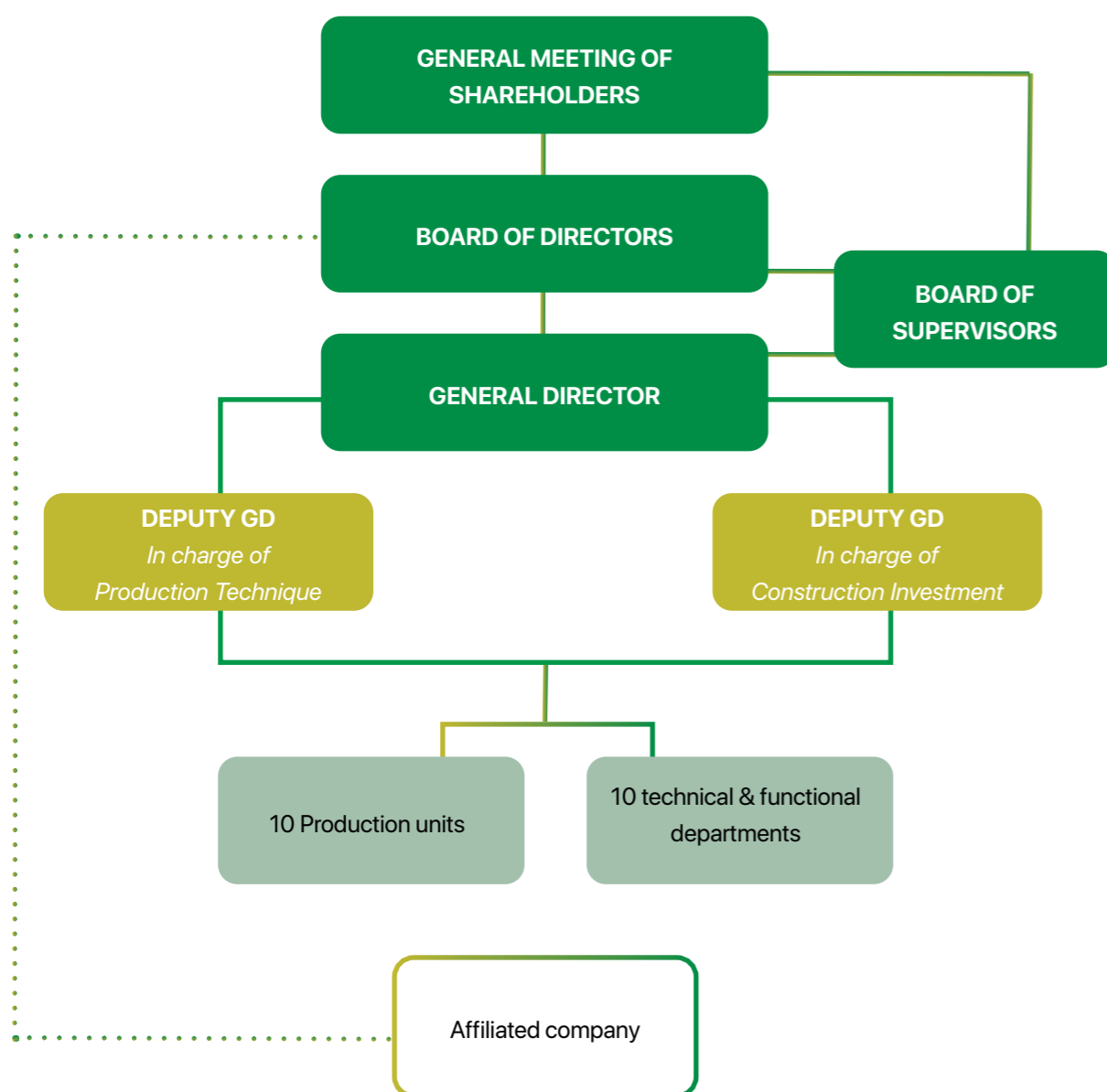
- **For urea products:** Distributed nationwide and exported. The company has been implementing the distribution of urea fertilizer to farmers across almost all provinces and cities through its network of distributors. The Company's main export markets are Asian countries such as: South Korea, Japan, the Philippines, Taiwan, Malaysia, India, ...
- **For liquid NH_3 products:** The company sells directly to manufacturing units, including DAP and MAP fertilizer production, explosives production, monosodium glutamate (MSG) production, ..., and also sells through its distributors across the country.



GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGERIAL APPARATUS

Governance model

Currently, DHB is applying a governance model in accordance with Point a, Clause 1, Article 137 of the Law on Enterprise No. 59/2020/QH14, issued on June 17, 2020, by the National Assembly of the Socialist Republic of Vietnam. This model includes the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the General Director.



Business organization chart and managerial apparatus

General Meeting of Shareholders

The highest authority, with the right to make decisions on matters within its duties and powers as prescribed by Law and the Company's charter.

Board of Directors

The Company's Board of Directors consists of 05 members, including 01 independent member, 01 non-executive members and 03 executive members. The Board of Directors manages the Company and ensures its operations comply with the Law on Enterprises, the Company's Charter, and other legal regulations.

Board of Supervisors

The Company's Board of Supervisors consists of 03 members, including 01 head and 02 members. The Board of Supervisors oversees the Board of Directors and the General Director in managing and operating the Company. It functions in accordance with the Law on Enterprises, the Company's Charter, and other legal regulations.

Executive management

The structure of the Board of Management currently includes General Director and 02 Deputy General Directors.

- General Director is the legal representative of the Company and is responsible for managing the Company's daily business operations. The General Director is subject to the supervision of the Board of Directors and the Board of Supervisors and performs the rights and obligations assigned under the resolutions of the Board of Directors, the Law on Enterprises, the Company's Charter, and other legal regulations.
- 02 Deputy General Directors assist the General Director in managing various operational areas of the Company as assigned and authorized by the General Director. They are accountable to the General Director and Law for their assigned and delegated duties.

Technical and functional departments

Assist the General Director and Deputy General Directors in management, including: Company Office, Organization and Human Resources Department, Planning and Investment Department, Market Department, Materials and Transportation Department, Accounting, Statistics and Finance Department, Production Engineering Department, Mechanical Department, Electrical and Instrumentation Department, Quality Control Department (KCS)

Production workshops

Operate according to their assigned functions, tasks, and authority to support the Company's production and business activities, including: Thermal Workshop, Gas Generation Workshop, Ammonia Workshop, Urea Workshop, Finished Products Workshop, Coal Workshop, Power Workshop, Instrumentation and Automation Workshop, Chemical Equipment Repair and Installation Workshop, Water Workshop.

Subsidiaries, associated companies

Subsidiaries

Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company has no subsidiaries.

Affiliated companies

No.	Affiliated Company	Address	Major lines of business	Charter Capital	DHB's contributed capital	DHB's Ownership Percentage
1	Ha Bac Liquefied Gas Joint Stock Company	Pham Lieu Street, Bac Giang Ward, Bac Ninh Province	Major field of production and business is liquid and solid Carbon Dioxide	24,025,190,000 VND	8,649,060,000 VND	36%



DEVELOPMENT ORIENTATIONS

Main objectives of the Company

- Continue to promote the achievements obtained to fully leverage and maximize the brand value of HANICHEMCO, maintaining stable production, achieving economic efficiency goals, and creating high-quality, sustainable, and environmentally friendly products.
- Develop HANICHEMCO into a strong and large-scale enterprise with advanced technological capability and modern management practices, closely integrating production and business with science, technology, and research and development; continuously improving corporate governance and competitive capabilities.
- Build a leadership team that is resilient and professional, while developing competent management, business personnel, and expert teams.

Development strategies in medium and long term

Medium-term development strategy

Focus on the Urea fertilizer segment for fertilizer production to effectively exploit stable market demand and consolidate market share, while ensuring the balance of NH₃ supply and demand and enhancing the efficiency of the value chain.

Long-term development strategy

Aim to become a leading enterprise in supplying Urea fertilizer to the fertilizer market, while continuously improving production capacity and product quality to strengthen a sustainable competitive position.

Sustainable development objectives

The Company sets its sustainable development goals based on three main pillars:

- Accompanying and growing alongside agriculture and farmers.
- Ensuring environmental safety, hygiene, and fire prevention in production.
- Securing employment and improving the livelihoods of the Company's employees.

RISKS



Economic risks

The Company's production and business activities are directly affected by domestic and global economic developments. Slower growth and exchange rate fluctuations may reduce demand for fertilizers and chemicals, thereby negatively impacting revenue and profit. At the same time, global economic fluctuations may alter the cost of imported raw materials, increasing pressure on production costs and the Company's competitiveness.

In 2025, the global fertilizer market continued to show high sensitivity to policy adjustments from major exporting countries. In particular, changes in Urea fertilizer export policies during the year by China – one of the world's largest suppliers – significantly affected market supply and demand, requiring domestic enterprises to proactively adjust their business strategies and market policies to adapt to overall industry developments.



Cash flow risks

The fertilizer and chemical manufacturing industry has a relatively long capital recovery cycle, while the Company requires significant investments in machinery, equipment, and raw material reserves. If inventory turnover slows down, customer debt collection is delayed, or the market experiences difficulties, the Company may face cash flow shortages, affecting production activities.

In addition, loans for investment expansion increase obligations for interest and principal repayment in the context of revenue fluctuations. Currently, the Company is also facing pressure to balance cash flows in order to fulfill debt repayment obligations under the restructuring plan of loans with the Vietnam Development Bank – Bac Dong Bac Area Branch, while ensuring medium- and long-term capital sources for new investment plans. Therefore, the mobilization and utilization of financial resources need to be carefully, flexibly, and efficiently managed in each period.



Legal risks

The production and trading of fertilizers and chemicals is a sector subject to strict regulation by state authorities, particularly in the context of increasingly stringent requirements on safety, environmental protection, and sustainable development. Changes in tax policies, quality standards, regulations on emission control, and licensing for production and business may increase compliance costs and directly affect the Company's operational efficiency. Notably, the Law on Chemicals 2025 has been promulgated with a direction toward stricter management of chemicals throughout their entire lifecycle, imposing higher requirements on risk management, information transparency, and investment in safety technologies.

As a publicly traded enterprise, the Company is also subject to Vietnam's stock market regulations. Any adverse changes in these legal provisions may negatively impact business operations.



Raw material risks

Input materials such as natural gas, coal fines, and auxiliary chemicals account for a large proportion of the cost structure of nitrogen fertilizer and chemical production, in which coal plays a key role in ensuring the continuous operation of the plant. Due to the energy-intensive nature of the industry, any fluctuations in prices or disruptions in the supply of raw materials directly affect production costs, profit margins, and the Company's competitiveness.

In the context where domestic coal supply is not yet stable, and may even need to be supplemented by imports at high cost, the Company's ability to control product costs may be subject to significant pressure. Dependence on supply sources from Vietnam National Coal and Mineral Industries Group (TKV) and foreign partners also increases risks related to pricing and the continuity of raw material supply, especially amid volatility in the global energy market, emerging geopolitical tensions, or changes in coal export-import policies. These factors require the Company to proactively develop strategies for supply diversification, maintain reasonable inventory reserves, and manage raw material price risks in a flexible and long-term manner.



Competition and market risks

The Vietnamese fertilizer industry is facing increasingly fierce competition due to the entry of new enterprises with more advanced technology, pressure from imported products as free trade agreements allow fertilizers from China, Russia, and Indonesia to flood into Vietnam at competitive prices, and shifts in consumer demand as farmers transition to organic and microbial fertilizers, reducing the use of traditional nitrogenous fertilizers. The Company faces intensifying and direct competition, particularly from imported fertilizers and domestic fertilizer manufacturers, leading to business risks related to its market share if sales policies are not timely adjusted to align with market conditions.



Other force majeure risks

Some force majeure risks beyond the Company's control, such as natural disasters, fires, etc., may cause damage to production and business activities and affect the Company's operational efficiency. These force majeure risks, if they occur, can result in significant losses in assets, human resources, and overall business operations. The Company can only mitigate these risks by purchasing insurance for its assets and enhancing forecasting and risk assessment efforts to minimize potential consequences.



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OPERATIONS IN THE YEAR

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SITUATION OF PRODUCTION AND BUSINESS OPERATIONS



Advantages

- The National Assembly's continued approval of the policy to reduce VAT by 2% in 2025 has created significant room for enterprises to reduce costs, optimize the cost structure, and enhance competitiveness in the market. This is a positive supporting factor, especially in the context of unpredictable fluctuations in input material prices, which exert considerable pressure on profit margins.
- The proposal to amend Law No. 71 on taxation has been resolved and applied from July 2025, contributing to reducing the Company's input costs and enhancing its competitive advantage compared to imported products.
- In 2025, the domestic fertilizer price level recorded a relatively strong upward trend compared to the same period of the previous year. The average selling prices of Urea fertilizer, NPK, DAP, and Potash increased by 17%, 25%, 3%, and 15%, respectively. Notably, China (accounting for approximately one-third of the global Urea fertilizer supply) implemented export restrictions on fertilizers, and Egypt decided to indefinitely extend a 30% reduction in gas supply to all urea production plants, significantly affecting global supply. At the same time, Russia – the world's second-largest fertilizer producer – did not extend its export quotas from May 2025 in the context of sanctions from the European Union, further tightening supply in the international market and supporting fertilizer price increases.
- Despite facing many challenges, the agricultural sector continues to play a key pillar of the Vietnamese economy, thereby maintaining stable demand for fertilizers and chemical products used in production. With the advantage of a long-established brand, strong market reputation, and a nationwide distribution system, the Company is well positioned to effectively capture this demand, ensure sales volume, and strengthen its competitive position.



Challenges

- At the beginning of 2025, production and business activities faced many unfavorable conditions as natural disasters became increasingly complex nationwide. A series of storms and floods in the Northern and Central regions caused significant damage to assets and disrupted cultivation cycles; meanwhile, abnormal and prolonged flooding in the Mekong Delta continued to devastate large areas of crops, leading to a clear decline in actual fertilizer demand. These factors not only reduced operating capacity but also increased maintenance and repair costs, directly affecting production progress and the Company's ability to supply products to the market.
- Input gas prices – the core raw material in Urea fertilizer production – maintained an upward trend due to increasing dependence on higher-cost gas sources, as low-cost gas fields gradually decline in output. At the same time, a surge of low-priced imported fertilizers from neighboring markets, aimed at clearing global inventories, has created intense competitive pressure on prices and market share for domestic enterprises.
- Production has consistently been in a state of labor shortage, with many positions requiring prolonged overtime work, while the number of newly recruited employees has been insufficient to compensate due to uncompetitive wages, as low income levels have not been attractive enough to attract and retain workers.
- The production lines, after renovation and expansion, have been in operation for more than 10 years, resulting in equipment-related issues that disrupt production.
- In addition, the tightening of emission standards, together with changes in farming practices—where farmers increasingly prefer organic fertilizers and slow-release products—has posed significant challenges for traditional inorganic fertilizers, requiring enterprises to accelerate product transformation and restructure their business portfolios to adapt.

Results of production and business activities compared to the plan

No.	Indicators	Unit	Plan 2025	Actual 2025	Actual 2024	% of Plan 2025	Growth 2025/2024
1	Main production indicators						
*	Total output converted to Urea (based on NH3 production)	tons	450,000	396,522	434,268	88.12%	91.31%
-	Urea production output	tons	390,430	384,626	397,658	98.51%	96.72%
-	NH3 commercial output	tons	32,000	6,293	19,486	19.67%	32.29%
2	Sales indicators						
*	Total output converted to Urea fertilizer (based on NH3 production)	tons	445,556	393,093	440,882	88.23%	89.16%
-	Urea output	tons	390,000	382,168	407,052	97.99%	93.89%
-	NH3 commercial output	tons	32,000	6,293	19,486	19.67%	32.29%
3	Total Revenue	Billion VND	4,607	4,354	4,466	94.49%	97.49%
4	Profit before tax	Billion VND	123	10.85	6.8	8.8%	158.57%

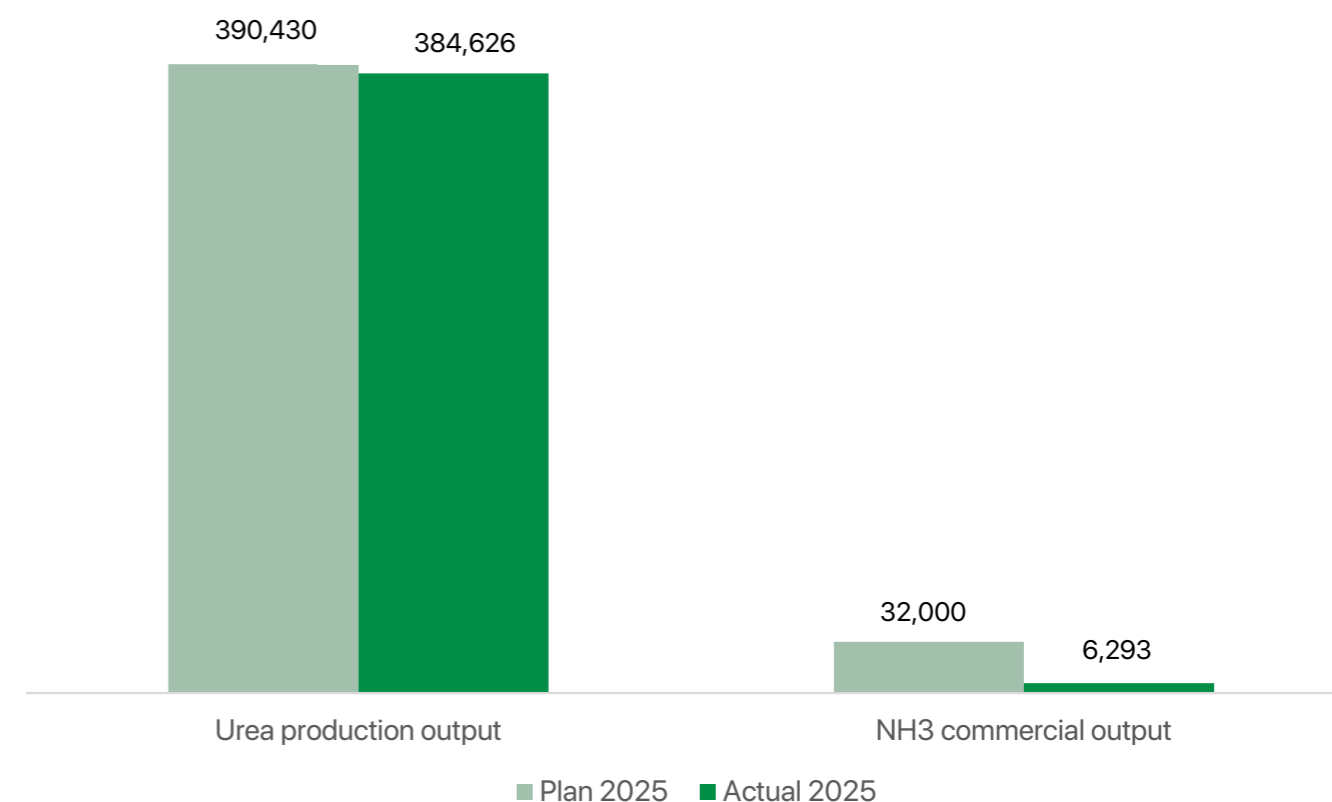
In 2025, the Company's production and business activities faced numerous difficulties, particularly due to equipment failures that forced the plant to suspend operations for an extended period, significantly reducing production and sales output compared to the plan. However, under the decisive and timely leadership and direction of the Management, together with the spirit of solidarity, responsibility, and efforts of all officers and employees, the Company promptly implemented remedial solutions, gradually restored production activities at the earliest possible time, and maintained stable operations in the ending months of the year.

In parallel with the repair and maintenance of equipment to ensure safety and continuity of the production lines, the Company proactively applied solutions to procure additional NH3 to support Urea fertilizer production, thereby optimizing capacity and achieving the highest possible output under the given conditions. The product structure was flexibly adjusted in line with market supply-demand developments; sales policies were proactively implemented in accordance with market conditions, contributing to increased consumption even during the off-season. At the same time, the Company continued to strictly fulfill its bank debt repayment obligations under the restructuring plan, ensuring financial credibility and maintaining operational stability.

As a result, in 2025, profit reached VND 10.85 billion, which did not meet the plan approved by the General Meeting of Shareholders but increased by 58.57% compared to the actual results of 2024. This marks the fifth consecutive year since 2021 that the Company has been profitable, affirming sustainable recovery and effective management. Employees' income and wages were maintained, providing a stable foundation for the workforce to remain committed and accompany the Company's long-term development.

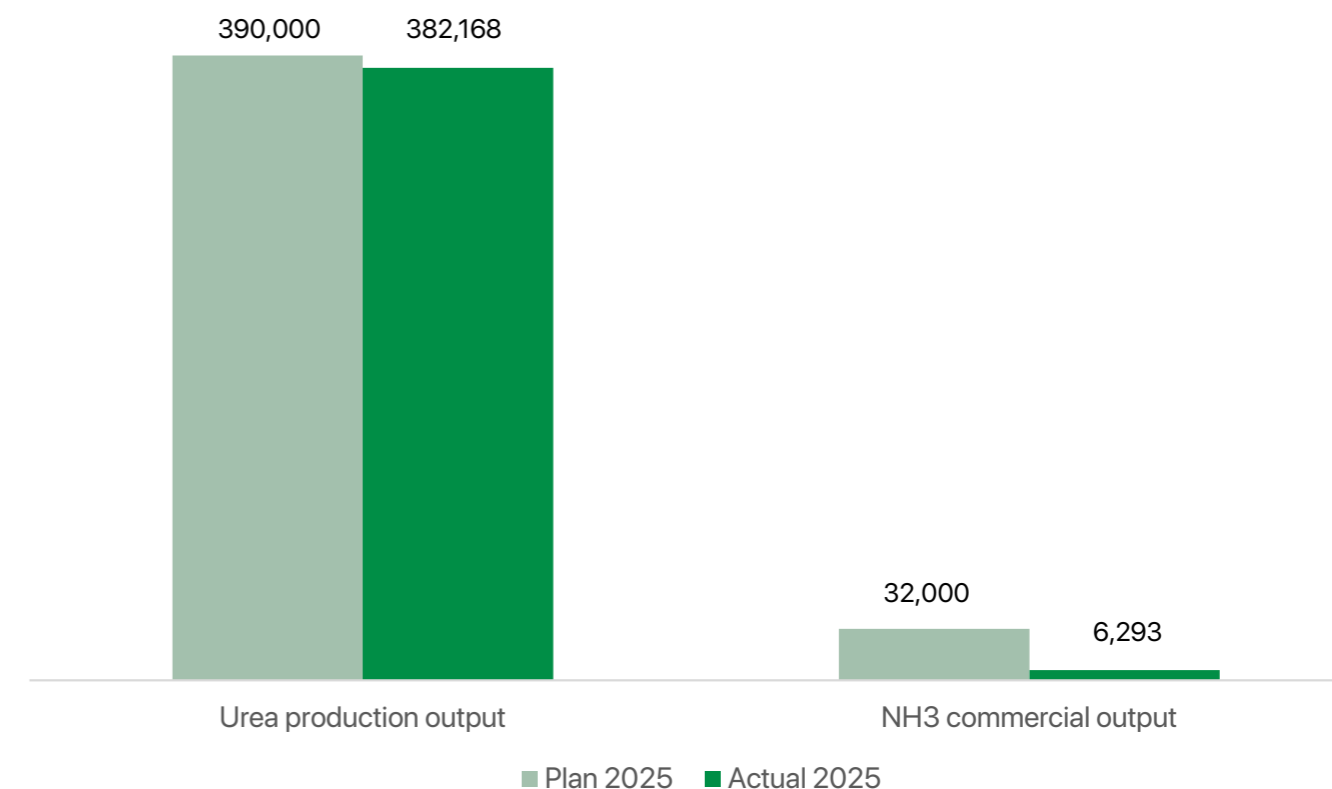
Main production indicators

Unit: tons



Sales indicators

Unit: tons



ORGANIZATION AND HUMAN RESOURCE

Board of Directors



No.	Full name	Position
1	Mr. Nguyen Van Thieu	Chairman of the BOD
2	Mr. Nguyen Van Dung	Member of the BOD, General Director
3	Mr. Pham Van Trung	Member of the BOD, Deputy General Director
4	Mr. Nguyen Dinh Hong	Member of the BOD, Deputy General Director
5	Ms. Nguyen Tuyen Anh	Independent Member of the BOD



Mr. Nguyen Van Thieu – Chairman of the BOD

Year of birth: 1965
 Professional qualification: Bachelor of Economics
 Number of shares representing HCVN Group: 102,511,000 shares
 Number of shares personally held: 0 shares



Mr. Nguyen Van Dung – Member of the BOD

Year of birth: 1968
 Professional qualification: Chemical Engineer, MBA
 Number of shares representing HCVN Group: 54,440,000 shares
 Number of shares personally held: 0 shares



Mr. Pham Van Trung – Member of the BOD

Year of birth: 1967
 Professional qualification: Economic Engineer, MBA
 Number of shares representing HCVN Group: 54,440,000 shares
 Number of shares personally held: 0 shares



Mr. Nguyen Dinh Hong – Member of the BOD

Year of birth: 1978
 Professional qualification: Chemical Engineer, MBA
 Number of shares representing HCVN Group: 54,440,000 shares
 Number of shares personally held: 0 shares



Ms. Nguyen Tuyen Anh – Independent Member of the BOD

Year of birth: 1968
 Professional qualification: Bachelor's degree in Economics
 Number of shares personally held: 0 shares

Board of Management



Mr. Nguyen Van Dung - General Director

Year of birth: 1968
 Professional qualification: Chemical Engineer, MBA
 Number of shares representing HCVN Group: 54,440,000 shares
 Number of shares personally held: 0 share



Mr. Pham Van Trung - Deputy General Director

Year of birth: 1967
 Professional qualification: Economic Engineer, MBA
 Number of shares representing HCVN Group: 54,440,000 shares
 Number of shares personally held: 0 shares



Mr. Nguyen Dinh Hong - Deputy General Director

Year of birth: 1978
 Professional qualification: Chemical Engineer; MBA
 Number of shares representing HCVN Group: 54,440,000 shares
 Number of shares personally held: 0 shares



Mr. Le Anh Tuan - Chief Accountant

Year of birth: 1981
 Professional qualification: Master's degree in Business and Management
 Number of shares personally held: 0 shares

No.	Full name	Position
1	Mr. Nguyen Van Dung	General Director
2	Mr. Pham Van Trung	Deputy General Director
3	Mr. Nguyen Dinh Hong	Deputy General Director
4	Mr. Le Anh Tuan	Chief Accountant

Changes in the Board of Management

In 2025, there was no change in the structure of the Company's Board of Management.

Board of Supervisors

No.	Full name	Position
1	Ms. Hoang Thi Linh Giang	Head of the Board of Supervisors (Appointed effective from April 25, 2025)
2	Mr. Le Anh Tuan	Member of the Board of Supervisors
3	Ms. Dang Thi Minh Ly	Member of the Board of Supervisors



Ms. Hoang Thi Linh Giang
– Head of the Board of Supervisors

Year of birth: 1990
Professional qualification: Master's degree in Economics
Number of shares personally held: 0 shares



Mr. Le Anh Tuan
– Member of the Board of Supervisors

Year of birth: 1974
Professional qualification: Chemical Engineer, MBA
Number of shares personally held: 3,000 shares



Ms. Dang Thi Minh Ly
– Member of the Board of Supervisors

Year of birth: 1994
Professional qualification: Bachelor's degree in Law
Number of shares personally held: 0 shares



The 2025 Annual General Meeting of Shareholders approved the dismissal of Mr. Ha Xuan Han as Head of the BOS and the election of Ms. Hoang Thi Linh Giang as Head of the BOS for the 2021–2026 period.



Human resource structure

No.	Criteria	Year 2024		Year 2025	
		Quantity (people)	Percentage (%)	Quantity (people)	Percentage (%)
I	By Labor Level				
1	University and Postgraduate Degree	465	36.82	428	35.17
2	College and professional intermediate level	718	56.85	669	54.97
3	Elementary and Skilled Worker	72	5.70	89	7.31
4	Unskilled labor	8	0.63	31	2.55
II	By gender				
1	Male	900	71.26	863	70.91
2	Female	363	28.74	354	29.09
Total		1,263	100	1,217	100

Brief information on the employee's policies

The Company always identifies employees as valuable assets and foundation for sustainable development; therefore, policies on health care, safety, and welfare are implemented in a comprehensive and practical manner. 100% of employees are provided with stable employment, fully participate in social insurance (SI), health insurance (HI), and unemployment insurance (UI) in accordance with regulations; are provided with mid-shift meals, in-kind allowances for hazardous working conditions during production shifts, monthly transportation allowances, and are fully equipped with personal protective equipment (PPE) according to their job positions. The Company maintains a medical unit on duty 24/24 hours and organizes periodic health check-ups 1–2 times per year depending on employee groups. In 2025 alone, the Company provided more than VND 168 million in subsidies and support to hundreds of employees in cases of illness, accidents, or difficult circumstances, thereby promptly encouraging and supporting employees.

Along with welfare policies, the Company places special emphasis on training and human resource development to ensure long-term employment and create opportunities for career advancement. The total annual training hours exceed 254,000 hours, averaging 174 hours per employee, mainly focusing on direct production workers. Training programs are systematically designed, including on-the-job coaching for skill upgrading, multi-skilling training to enable flexible operation across multiple positions on modern production lines, sending employees to courses at reputable training institutions, or inviting lecturers to deliver training at the Company. At the same time, the Company cooperates with specialized organizations to conduct training programs on safety, first aid, equipment operation, and skill upgrading and salary grade advancement, thereby enhancing the quality of human resources, ensuring stable income, and promoting sustainable career development for employees.



INVESTMENT ACTIVITIES, PROJECT IMPLEMENTATION

Project implementation

Year 2025

In 2025, the Company recorded a number of results in construction investment activities as follows:

03 Projects

Completed:

Sulfur analyzer in coal;
Coal calorific value analyzer;
Wheel loader (bucket capacity ~ 0.167 m3)

03 Projects

Under implementation:

Ppm O2 concentration measuring device;
Urea bag-stacking robot system;
Sulfur recovery project 657

In addition, the Company continued to focus on resolving the outstanding issues of the Ha Bac Nitrogenous Fertilizer Plant Expansion and Renovation Project.

2021 - 2025

Over the past 05 years, the Company has implemented investment items and projects with a total value of VND 21.7 billion, mainly consisting of items serving production activities, such as:

**VND
21.7 Billion**

20 Projects

The Company has implemented investment items and projects

Completed:

Kiln equipment procurement project; spectrometer; photocopy machine; purchase of a 16-seat passenger vehicle; 3-ton KOMASU forklift trucks (02 units); 29-seat passenger vehicle; 11-seat electric bus; three-pot vibrating grinder; 7-seat passenger vehicle; automatic and continuous environmental monitoring system at the outlet of the A/O wastewater treatment station; sulfur analyzer in coal; coal calorific value analyzer; wheel loader (bucket capacity ~ 0.167 m3), etc

The implementation of construction investment projects is carefully reviewed and evaluated by the Board of Directors before approval. The Board of Directors only decides to invest in works and projects that are truly necessary for the Company's production and business activities; therefore, once completed and put into operation, these works and projects all deliver high economic efficiency. The implementation sequence and procedures comply with the provisions of current laws and the Construction Investment Management Regulation issued by the Board of Directors.

Operations of the subsidiaries, affiliated companies

Subsidiaries

None

Affiliated companies

DHB has 01 affiliated company:

Habac Liquefied Gas Joint Stock Company



Unit: Billion VND

No.	Indicator	Actual 2024	Actual 2025	Actual 2025/ Actual 2024 (%)
1	Total assets	40,635	35,515	87.40%
2	Net revenue	39,593	22,703	57.34%
3	Cost of goods sold	25,520	16,669	65.32%
4	Financial income	474	494	104.22%
5	Selling, administrative, and financial expenses	3,423	3,666	107.10%
6	Profit from business activities	11,137	2,534	22.75%
7	Other profit	0	283	N/a
8	Profit before tax	11,125	2,818	25.33%
9	Profit after tax	8,879	2,361	26.59%



FINANCIAL SITUATION

Summary of Financial Situation

Indicator	Unit	Year 2024	Year 2025	Growth rate (%)
Total assets (as of December 31, 2025)	Billion VND	6,247.66	5,786.15	-7.39%
Net revenue	Billion VND	4,439.48	4,330.49	-2.45%
Profit from business activities	Billion VND	(190.55)	52.33	N/a
Other profit	Billion VND	197.40	(41.48)	N/a
Profit before tax	Billion VND	6.85	10.85	58.57%
Profit after tax	Billion VND	6.85	10.85	58.57%
Payout ratio	%	0	0	

Major financial indicators

Financial Indicator	Unit	Year 2024	Year 2025
Liquidity Ratio			
Current ratio	Time	1.09	1.23
Quick ratio	Time	0.63	0.77
Cash ratio	Time	0.32	0.32
Leverage Ratio			
Debt/Total assets ratio	%	90.10	89.08
Debt/Owner's Equity ratio	%	910.21	816.05
Debt and financial lease liabilities/Total assets	%	44.58	39.39
Operational Efficiency Ratio			
Average inventory turnover ratio	Time	7.27	7.02
Average days inventory outstanding	Day	50.23	52.00
Average receivables turnover ratio	Time	22.50	18.71
Average collection period	Day	16.22	19.51
Average payables turnover ratio	Time	10.40	8.07
Average payment period	Day	35.11	45.22
Cash conversion cycle	Day	31.34	26.30
Net Revenue/Average total assets	Time	0.68	0.72
Profitability Ratio			
Gross profit margin	%	6.25	11.20
Operating profit margin	%	(4.29)	1.21
Profit after tax margin	%	0.15	0.25
ROAA	%	0.11	0.18
ROEA (*)	%	1.11	1.74



Overall, the year of 2025 recorded significant improvements in the quality and efficiency of the Company's business performance. Although net revenue reached approximately VND 4,331 billion, slightly decreasing by 2.45% compared to the previous year, the Company proactively optimized the cost of goods sold, reducing it by 7.6% to VND 3,845.58 billion thanks to effective control of input material prices and the utilization of value-added tax (VAT) support policies. In addition, financial expenses decreased by nearly 20% compared to 2024, to VND 218.47 billion, contributing to a notable improvement in profit margins.

Through comprehensive solutions in cost management and financial structure, profit after tax in 2025 reached more than VND 10.85 billion, increasing by 58.57% compared to the previous year, indicating a recovery trend and a stronger, more sustainable financial foundation. As of December 31, 2025, the Company's total assets reached VND 5,786.15 billion, representing a decrease of 7.39% compared to the end of 2024.

In 2025, the Company's operating performance showed a clear improvement trend in liquidity, capital structure, and profitability, although some operational efficiency indicators still fluctuated. Regarding liquidity, the current ratio increased from 1.09 to 1.23 times and the quick ratio rose from 0.63 to 0.77 times, indicating a significant improvement in the Company's ability to meet short-term debt obligations. This increase was mainly driven by a 57.33% rise in short-term financial investments to VND 75 billion and a 39.41% increase in short-term receivables to VND 344 billion in 2025. In addition, the cash ratio remained stable at 0.32 times.

In terms of capital structure, financial leverage indicators showed a positive declining trend: the debt-to-total assets ratio decreased from 90.10% as of December 31, 2024 to 89.08% as of December 31, 2025; the debt-to-equity ratio decreased significantly from 910.21% to 816.05%; notably, the ratio of borrowings and finance leases to total assets declined from 44.58% to 39.39%. The decrease in leverage was attributable to the Company's increased repayment of loan principal during the year. This indicates that the Company has gradually reduced debt pressure and improved its financial autonomy, although leverage remains at a high level.

Regarding operating efficiency, inventory turnover slightly declined, with inventory days increasing from approximately 50 to 52 days, reflecting a slower inventory turnover rate. Receivables turnover decreased, resulting in an increase in days sales outstanding from 16 to over 19 days, indicating a slowdown in receivables collection. However, average payables days increased from approximately 35 to over 45 days, reflecting that the Company extended its payment period to suppliers. As a result, the cash conversion cycle decreased from over 31 days to approximately 26 days, indicating improved cash flow management. At the same time, asset utilization efficiency improved as net revenue to average total assets increased from 0.68 to 0.72 times.

Notably, profitability indicators recorded strong improvements. The gross profit margin increased from 6.25% to 11.20%; the operating profit margin shifted from negative 4.29% to positive 1.21%, indicating a positive recovery in core operations due to lower input material costs and optimized operating expenses. Profit after tax margin, return on average assets (ROAA), and return on average equity (ROEA) all increased compared to 2024, reflecting improved efficiency in the use of assets and equity.

SHAREHOLDER STRUCTURE, CHANGES IN EQUITY

Share information

As of December 31, 2025, Ha Bac Nitrogenous Fertilizer & Chemicals Joint Stock Company has issued 272,200,000 shares. Of which:

Share name	Share of Ha Bac Nitrogenous Fertilizer & Chemicals Joint Stock Company	
Share type	Common share	
Securities code	DHB	
Par value per share	10,000 VND/ share	
Listing date	On July 26, 2017, the shares of Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company were officially listed on the Hanoi Stock Exchange (HNX) under the securities code DHB.	
Number of common shares	272,200,000	shares
Number of preferred shares	0	shares
Number of floating shares	272,200,000	shares
Total treasury shares	0	shares
Number of freely transferable shares	270,896,200	shares
Number of restricted transferable shares	1,303,800	shares
Treasury share transactions in 2025	None	

Other securities

In 2025, the Company did not issue other securities.



Shareholder structure

	Number of Shares	Ownership Percentage (%)	Number of Shareholders	Shareholder Structure (people)	
				Institution	Individual
Total number of shares	272,200,000	100%	1,390	19	1,371
State shareholders (*)	265,831,000	97.66%	1	1	0
Major shareholders (holding 5% or more of shares) (*)	265,831,000	97.66%	1	1	0
- Domestic	265,831,000	97.66%	1	1	0
- Foreign	0	0%	0	0	0
Minority Shareholder	6,369,000	2.34%	1,389	18	1,371
- Domestic	6,368,800	2.34%	1,387	18	1,369
- Foreign	200	0.00007%	2	0	2
Company trade union	160,000	0.06%	1	1	0
Treasury shares	0	0%	0	0	0

(*) The Company has 01 state shareholder who is also a major shareholder.

Source: According to DHB's shareholder list as of March 23, 2026

List of major shareholders

In 2025, there were no changes in the ownership ratio of major shareholders in the Company. Specifically as follows:

No.	Name	Business Registration Certificate/ Investor Code	Address (Individual Shareholder) / Headquarters (Institutional Shareholder)	Number of Shares	Ownership /Charter Capital Ratio (%)
1	Vietnam National Chemical Group	2180/QĐ-TTg	1A Trang Tien, Hoan Kiem, Hanoi	265,831,000	97.66%

Source: According to DHB's shareholder list as of March 23, 2026

Changes in equity

In 2025, Ha Bac Nitrogenous Fertilizer & Chemicals Joint Stock Company had no changes in equity.

ENVIRONMENT-SOCIAL-GOVERNANCE (ESG) REPORT OF THE COMPANY

Environmental impact

- Total direct and indirect greenhouse gas (GHG) emissions: Not recorded.
- Initiatives and measures to reduce greenhouse gas (GHG) emissions: None.

Management of raw materials

The total amount of raw materials used for the manufacture and packaging of the products as well as services of the organization during the year

No.	Category of Material	Unit	Quantity Used in 2025
1	Coal dust 4B	tons	77,200
2	Coal dust 5A	tons	296,064
3	Coal dust 4A	tons	342,209
4	Cashew nutshell oil for boiler firing	kg	101,501
5	Circulating water	m3	340,622,980
6	50 kg Urea packaging (Ha Bac Urea)	set	5,690,607
7	25 kg Urea packaging	set	930,161

The percentage of materials recycled to produce products and services of the organization

No.	Category of Materials	Unit	Quantity Used in 2025	Ratio (%)
1	Boiler ash	tons	0	0%
2	Shell furnace acid residue	tons	7,622	2.23%
3	Recovered oil	liters	0	0%

Energy consumption

Direct and indirect energy consumption:

- Total electricity consumption in 2025 was: 256,431,896 kWh.

Energy savings achieved through initiatives for efficient energy use:

- Total savings from implementing consumption norms in 2025 amounted to: VND 45 billion. Of which, savings from coal consumption norms were VND 5.3 billion, and electricity savings were VND 9.1 billion.

Reports on energy-saving initiatives:

The Company annually implements energy-saving solutions, such as operating motors at optimal modes to reduce electricity consumption, and implementing scientific and technical projects to reduce consumption norms, lower production costs, and improve production and business efficiency. In 2025, the Company continued to implement the following 2 solutions:

- Solution 1: A comprehensive solution for calculating and coordinating protection settings to isolate the grid and maintain stable operation of the main production line in the event of a national grid power failure.
- Solution 2: Continued implementation of the project on blending Shell gasifier residue into 5A coal fines supplied to the Thermal Workshop, in order to reduce the consumption norm of 5A coal fines, while reutilizing all ash generated from old boilers and Shell gasifier residue discharged into the environment.



Water consumption

Water supply and amount of water used

- The Company's water consumption mainly consists of circulating water (continuously recirculated during production), with evaporated water replenished from external sources.
- The primary water supply comes from Thuong River, with a total consumption in 2025: 340,622,890 m3.

Percentage and total volume of water recycled and reused: 97.5%

Compliance with the law on environmental protection

- Number of times the company is fined for failing to comply with laws and regulations on environment: None
- The total amount to be fined for failing to comply with laws and regulations on the environment: None

Report on responsibility for local community

The Company actively participates in community development initiatives in economic and social aspects, including financial support programs to serve the community like: participating in advocacy campaigns, mutual support movements, charity programs for the underprivileged, and contributing to maintaining public order and social security in the Company's operational area.

Report on green capital market activities

None



Policies related to employees

Number of employees, average wages of workers

- As of December 31, 2025, the Company had 1,217 employees. The average salary for employees in 2025 was 14.055 million VND per person per month.

Labor policies to ensure health, safety and welfare of workers

- 100% of employees are fully employed and covered by social insurance, health insurance, unemployment insurance, ... as per regulations; employees receive one mid-shift meal, hazardous work allowances in kind during production shifts, monthly fuel allowances, and personal protective equipment according to their job positions, ...
- The Company has a medical department with 07 staff members, on duty 24/24h.
- Annual health check-ups are conducted for Officers and Employees 01 time/year, while direct production workers receive health check-ups 02 times/ year.
- In 2025, the Company provided emergency hardship assistance totaling 131,800,000 VND to 460 employees; provided assistance totaling 36,900,000 VND to 58 employees to support Officers and Employees facing illness, accidents, retirement, or family difficulties to support and encourage Officers and Employees in overcoming difficulties.

Employee training

	Total average training hours per year (hours)	Per total employees (hours/person)	By employee classification	
			Indirect employees (hours/person)	Direct employees (hours/person)
Average training hours per year	254,524	174	08	214

The Company operates a modern fertilizer production line, making regular employee training essential for stable and long-term operations. To meet this requirement, the Company annually develops training plans to enhance employees' professional skills and expertise, specifically, the following programs:

- Assigning senior workers to mentor junior workers to improve their technical skills, ensuring they meet qualification standards for annual salary-grade evaluations according to the Company's training regulations; employees are also trained to operate multiple positions within the production line to expand their expertise, increase job flexibility, and maintain stable employment.
- Sending employees to authorized training centers or inviting lecturers from reputable institutes and universities to provide professional training and knowledge enhancement for employees to qualify for salary increases;
- The Company regularly organizes training courses and professional development programs for employees to improve workforce quality, ensure employment, and support career growth with the following programs:
 - Cooperate with the Hanoi College of Trade and Technology to organize a training course on "Training and Certification for Forklift Operation".
 - Cooperate with Industrial Safety Inspection and Training Joint Stock Company No. 1 to organize training courses on first aid and emergency response skills at the workplace.
 - Training and development for skill upgrading and salary grade advancement for employees.
 - Training and development to enhance professional qualifications and expertise.
 - Additional position training and retraining to reorganize and reassign employees.



04.

REPORTS OF THE BOARD OF MANAGEMENT

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ASSESSMENT OF OPERATING RESULTS IN 2025

Operating situation in 2025 and the assessment of the Board of Management

Unit: Billion VND

Business results	Year 2024	Year 2025	Growth rate (%)
Net Revenue	4,439.48	4,330.49	-2.45%
Cost of Goods Sold	4,161.82	3,845.58	-7.60%
Gross Profit	277.66	484.91	74.64%
Financial Income	26.90	13.07	-51.41%
Financial Expenses	272.94	218.47	-19.95%
- Of which: Interest Expenses	203.31	173.66	-14.58%
Selling Expenses	86.35	86.00	-0.40%
General and Administrative Expenses	135.82	141.17	3.94%
Net Profit from Business Activities	(190.55)	52.33	-127.46%
Other Profit	197.40	(41.48)	-121.01%
Total Accounting Profit Before Tax	6.85	10.85	58.57%
Profit After Corporate Income Tax	6.85	10.85	58.57%

Despite facing significant challenges due to equipment failures and prolonged shutdowns, the Company—under strong leadership and collective efforts—quickly restored production and maintained stable operations in late 2025. By optimizing product mix, procuring additional NH₃ for urea production, and applying flexible, market-driven sales strategies, the Company maximized output and boosted off-season consumption. It also ensured timely debt repayment in line with its restructuring plan and maintained equipment effectively. As a result, 2025 marked the fifth consecutive profitable year since 2021, with stable salaries and income supporting employee confidence.

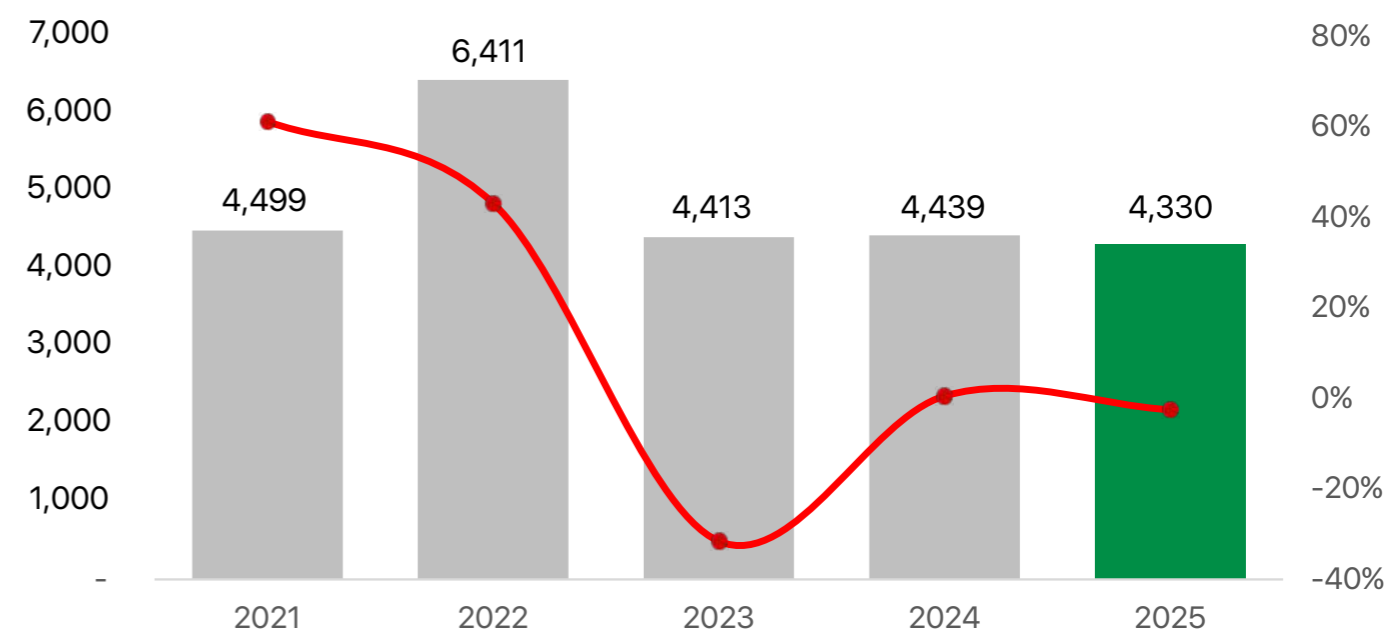
Regarding revenue and gross profit margin, net revenue in 2025 reached nearly VND 4,330.5 billion, slightly decreasing by 2.45% compared to 2024, reflecting the continued challenges in the market environment. However, cost of goods sold decreased sharply by 7.6% (equivalent to a reduction of more than VND 316 billion), to nearly VND 3,845.6 billion, mainly due to a significant decline in the prices of certain input materials, particularly oil, along with the Company's proactive efforts to optimize consumption norms and improve the efficiency of raw material utilization compared to the planned targets. As a result, gross profit increased sharply by 74.64%, reaching VND 484.9 billion. The gross profit margin improved markedly, indicating that the Company has optimized production efficiency, effectively controlled input material costs, and enhanced operational productivity.

Regarding financial activities and cost management, financial income decreased by 51.41% to VND 13.07 billion, indicating that income from investment or financial activities no longer contributed significantly as in the previous year. However, financial expenses amounted to nearly VND 218.5 billion, decreasing by almost 20%; in particular, interest expenses reached VND 173.7 billion, down 14.58% compared to the previous year, reflecting efforts to reduce outstanding debt or restructure borrowings at more reasonable costs. Selling expenses remained relatively stable, while administrative expenses increased slightly by 3.94%, indicating that the Company maintained effective control over general operating expenses.

The most notable point is the strong turnaround in core business operations. Net profit from operating activities shifted from a loss of nearly VND 190.6 billion in 2024 to a profit of VND 52.2 billion in 2025. This demonstrates the effectiveness of restructuring measures, cost optimization, and improvements in production efficiency. Total profit before tax and profit after tax reached VND 10.8 billion, increasing by 58.57% compared to 2024. Although the absolute profit remains modest relative to revenue exceeding VND 4,300 billion, the profit structure has become more positive as it is generated from core business activities rather than relying on other income. This signals that the Company's financial foundation is being strengthened toward greater sustainability, providing a basis for stable growth in the coming years if the Company continues to maintain cost discipline and improve sales volume.

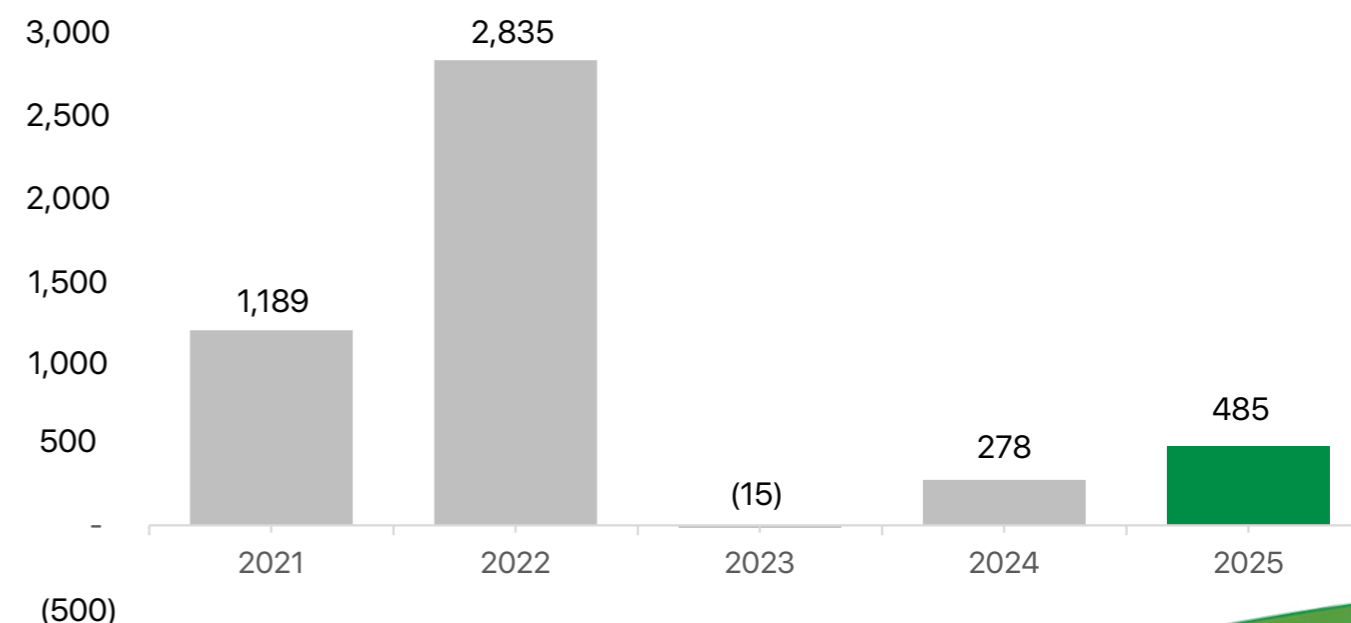
Net Revenue

Unit: Billion VND



Gross Profit

Unit: Billion VND



FINANCIAL SITUATION

Assets

Unit: Billion VND

Indicators	Year 2024	Year 2025	Growth rate (%)
Total assets	6,247.7	5,786.2	-7.39%
Current assets	1,280.7	1,480.6	15.62%
- Cash and cash equivalents	371.8	390.4	4.99%
- Short-term financial investments	48.0	75.5	57.33%
- Short-term receivables	247.3	344.8	39.42%
Including: Short-term trade receivables	194.5	268.5	38.02%
Including: Provision for doubtful short-term receivables	(5.2)	(5.2)	0.00%
- Inventories	539.1	556.7	3.25%
Including: Provision for inventory devaluation	-	-	-
- Other current assets	74.4	113.3	52.27%
Long-term assets	4,967.0	4,305.5	-13.32%
- Long-term receivables	740.8	740.8	0%

Total assets
5,786.2
Billion VND

Asset management: As of December 31, 2025, the Company's total assets amounted to VND 5,786.2 billion, of which current assets were VND 1,480.6 billion and non-current assets were VND 4,305.5 billion.

Receivables
1,085.6
Billion VND

Receivables management: Total receivables as of December 31, 2025 amounted to VND 1,085.6 billion (of which short-term receivables were VND 344.8 billion and long-term receivables were VND 740.8 billion).

- Short-term receivables mainly consist of receivables from customers arising from the Company's sale of goods and provision of services. The receivable from Ngu Hoan Company amounting to VND 54 billion arose from the provision of electricity, water, and other services during the commissioning phase of the Plant Expansion and Renovation Project; due to the A-B settlement of the Project not yet being finalized, the Company has not yet collected this receivable.
- A notable long-term receivable is the amount due from Ngu Hoan Company of VND 740.8 billion, arising from the Company's self-prepared settlement of the EPC contract in accordance with the Circular of the Ministry of Finance; however, the contractor does not agree, arguing that the EPC contract is a fixed-price contract.
- Provision for doubtful receivables: The Company has made a provision for receivables arising from Constrexim-Meco Company amounting to VND 5.2 billion.



Debt Payable

Unit: Billion VND

Indicators	Year 2024	Year 2025	Growth rate (%)
Liabilities	5,629.2	5,154.5	-8.43%
Short-term liabilities	1,173.6	1,203.1	2.52%
- Short-term borrowings and finance leases	386.1	566.7	46.75%
Long-term liabilities	415.3	284.0	-31.61%
- Long-term borrowings and finance leases	4,455.6	3,951.4	-11.32%

Payables
5,154.5
Billion VND

- Payables situation: As of December 31, 2025, total liabilities amounted to VND 5,154.5 billion (of which current liabilities were VND 1,203.1 billion and non-current liabilities were VND 3,951.4 billion).
- During the period 2021–2025, the Company repaid a total of VND 6,284 billion in investment loans to banks (including principal repayments to VDB of VND 2,694 billion and interest payments of VND 709 billion; for commercial banks, principal repayments amounted to VND 2,413 billion and interest payments totaled VND 468 billion).
- Debt repayment capacity: Although the Company's financial position in 2025 has improved compared to previous years, the debt repayment ratio remains at a relatively low level.



IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT

Production operation management and materials & equipment management

In 2025, the Company made strong efforts to maintain stable operations while ensuring safety for people, equipment, and the environment. However, production operations faced significant challenges due to unpredictable equipment issues affecting the production system, reducing operating time and output. The Company experienced a total of 6 full-system shutdowns, with a total downtime of 95 days compared to the planned 45 days, including 02 planned shutdowns and 04 unplanned shutdowns in the process section, notably the failure of the cold box in the air separation unit at the Gasification Workshop, which resulted in a 2-month shutdown for troubleshooting and remediation.

In response to these challenges, the Company implemented a series of flexible and synchronized solutions to quickly restore production, ensuring stable operations in the final months of the year. In particular, the Company procured NH₃ for Urea production, contributing to increased output and improved business efficiency. As a result, the production line operated for 270 days compared to the planned 320 days, with an average load (based on Urea output) of approximately 90%. Key consumption norms were all at or below planned levels.

Measures for management of the Company's production activities

- Maintaining high focus on production operations, balancing production load, and adjusting technical parameters to reduce consumption norms while ensuring safety and environmental compliance. Proper coal blending before feeding into production was implemented to stabilize boiler and Shell gasifier operations, thereby reducing consumption norms.
- Ensuring the stability of the power grid system and effectively isolating Line 2 during grid fluctuations to maintain production safety.
- Implementing the procurement of liquid NH₃ at reasonable prices for Urea production, resulting in an additional Urea output of 11,334 tons in 2025.
- Effectively managing procurement and utilization of materials at competitive prices, ensuring quality and efficiency in accordance with Company regulations, and securing sufficient coal, electricity, and other materials for production. Increasing procurement of 5a.1 coal fines from non-TKV sources at competitive prices to enhance economic efficiency. Notably, the use of 4b.1 coal fines from TKV and other suppliers for thermal power boilers proved more efficient than 5a.1 coal due to higher calorific value and lower consumption rates.
- Regularly inspecting occupational safety and hygiene, and fire and explosion prevention at all units to ensure safe production. Maintaining good industrial hygiene practices and proper waste treatment to ensure environmental compliance within the Company.
- Developing and implementing storm and flood response plans: inspecting facilities, workshops, equipment protection, and storage areas for materials and products to ensure safety during adverse weather conditions, while assigning personnel on duty during storms.
- Promoting the application of scientific and technological advancements, initiatives, and solutions in production and business operations (in 2025, 18 initiatives were recognized, generating benefits of VND 26.5 billion).

Cost optimization management

In 2025, the Company achieved total cost savings of VND 68 billion, including:

- Savings of VND 48 billion from reducing material consumption norms compared to planned levels.
- Savings of VND 20 billion from contractor selection processes, compared to approved bidding package values, contributing to improved business efficiency.

Maintenance and repair of machinery and equipment

The Company effectively carried out maintenance activities in accordance with the annual plan to ensure proper upkeep of machinery and equipment, as well as repairs during unplanned shutdowns to address operational issues and promptly restore production lines. Notably, during the unplanned shutdown in Q3 to address equipment failures, the Company actively coordinated with licensors and relevant contractors to complete the modification of distillation column C01301 by replacing trays with packing, and conducted leakage testing of the air separation system as quickly as possible, while strictly ensuring quality, safety for people, equipment, and the environment.

Market operations and product consumption

For Urea products:

Unusual storms and floods adversely affected agricultural production, leading to reduced fertilizer demand. In addition, during prolonged shutdown periods, the Company had no products available for sale during peak seasons. Urea prices remained low in line with global prices, making sales activities more challenging. However, the Company closely monitored market developments and proactively distributed products to key consumption areas in the final months of the year to reduce inventory levels. At the same time, the Company expanded its partner network to boost exports, achieving Urea exports of 65,340 tons with a total export value of USD 28 million in 2025. The Company also sold Urea feedstock and expanded distribution into the southern market. Notably, during prolonged shutdown periods, the Company flexibly procured Urea from Ninh Binh Fertilizer Company (nearly 10,500 tons) to meet seasonal demand and fulfill signed contracts, thereby maintaining market share and the reputation of Ha Bac Fertilizer.

For NH₃ products:

Selling prices remained low at the beginning of the year but reversed and increased again in December. The Company actively promoted NH₃ sales to reduce pressure on Urea consumption, achieving total NH₃ sales of 6,293 tons in 2025.

Financial Management

The Company managed its cash flows to ensure uninterrupted production. It worked with commercial banks to reduce long-term lending interest rates, and negotiated with coal suppliers to temporarily suspend coal deliveries during shutdowns for equipment repairs, while extending payment terms by 60 days to ease cash flow pressure amid challenging market conditions. In 2025, the Company prioritized repayment of long-term principal and interest totaling VND 693 billion, in line with the restructuring plan approved by the Government.

Organization, Labor and Compensation

During the year, the Company streamlined its organizational structure by merging affiliated units, reducing the number of units to 20 to enhance efficiency and effectiveness.

The average workforce in 2025 was 1,244 employees, equivalent to 93% of the annual plan and 98% compared to 2024. The average contractual salary was VND 8.463 million per employee per month, achieving 99% of the annual plan and 99.8% year-on-year. The average actual income reached VND 12.992 million per employee per month.

Construction investment activities

Total capital expenditure in 2025 reached VND 8.37 billion, fulfilling 100% of the annual plan. This included VND 7.74 billion in equipment costs and VND 0.63 billion in other expenses. The Company implemented all 6 out of 6 planned projects and investment items for 2025, of which 3 were completed, 2 are under execution, and 1 is in the investment preparation phase.

DEVELOPMENT ORIENTATION FOR 2026

2026 Action Plan

No.	Indicator	Unit	2026 Plan
1	Industrial production value (at current prices)	Million VND	4,846,458
-	Total revenue	Million VND	4,875,374
2	Production output		
-	Urea	Tons	448,430
3	Sales volume		
-	Urea	Tons	448,000
4	Total investment in construction	Million VND	6,620
5	Total major repair value	Million VND	100,187
6	Labour and wages		
-	Total number of employees and management	People	1,334
-	Total wage fund for employees and management	Million VND	288,144
7	Profit	Million VND	242,036

Main Objectives



General objective for 2026

To focus on strengthening management and operation of production and business activities, striving to fulfill the assigned 2026 production, business, and investment plan.



Key tasks and solutions

Construction investment activities

The Company will continue implementing projects supporting production, focusing on key initiatives such as: completion of the Urea bagging and loading system in Q2 2026; upgrading the Sulfur Recovery Unit 657; development of a 5 MW solar power system; replacement of NH₃ and carbamate pumps in the urea production line with centrifugal pumps; and construction of an environmental monitoring station.

Production management

- Strengthen operational management and technological control, enhancing the accountability of technical staff and operators in regularly monitoring equipment performance to proactively identify and promptly address issues. Develop maintenance and overhaul plans to ensure stable operations.
- Optimize production methods, including continued procurement of NH₃ for urea production to maximize output in line with market demand.

Procurement of materials

- Proactively develop and effectively implement procurement management solutions to mitigate the impact of fluctuations in input materials; optimize purchasing timing to secure competitive prices while ensuring quality and supply schedules, thereby improving operational efficiency.
- Procure spare parts and materials for production and maintenance to ensure stable and uninterrupted operations.

Market development and product consumption

- Enhance forecasting capability and closely monitor global price trends to adopt flexible sales policies aligned with market conditions, improving business efficiency.
- Strengthen brand promotion, maintain and consolidate customer base, market share, and domestic market presence; expand into new markets, including AdBlue and industrial products.

Financial management

- Maintain balanced cash flow for production and business operations, while ensuring timely repayment of long-term principal and interest in accordance with the Government-approved restructuring plan. Work with commercial banks to reduce long-term lending rates and secure working capital financing.
- Utilize financial leverage effectively, diversify funding sources, and strengthen financial discipline to ensure cost efficiency and compliance with internal regulations.

Labor and remuneration

- Continue organizational restructuring through consolidation of affiliated units to enhance efficiency and effectiveness.
- Arrange and allocate workforce to meet production needs; implement overtime where necessary in compliance with regulations.
- Review and revise compensation policies to attract and recruit qualified employees.

Other Key Tasks

- Continue working with the EPC contractor to resolve outstanding issues and finalize EPC contract settlement and project finalization.
- Accelerate digital transformation in production and business management; promptly upgrade and enhance the Bravo software system to improve corporate governance and operational efficiency.



EXPLANATION OF THE BOARD OF MANAGEMENT FOR AUDITOR'S OPINIONS

Moore AISC Auditing and IT Services Co., Ltd. issued a qualified audit opinion regarding the final settlement of the completed Renovation and Expansion Project of Ha Bac Nitrogenous Fertilizer and Chemicals Plant.

Implementing the direction of Vietnam National Chemical Group on the progress of project settlement to be completed in 2017, on December 1, 2017, the Company completed the Project Settlement Report for the completion of the Ha Bac Nitrogenous Fertilizer and Chemicals Plant Project, in which the EPC contract is self-settled.

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

ASSESSMENT OF ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES OF THE COMPANY



Concerning the environmental indicators

Each year, the Company proactively implements various energy-saving solutions, such as optimizing motor operating modes to reduce electricity consumption and carrying out scientific and technical projects to lower consumption norms, reduce production costs, and enhance production and business efficiency. In 2025, the Company continued to promote two key solutions:

- Solution 1: A comprehensive solution involving the calculation and coordination of protection settings to isolate the grid and maintain stable operation of the main production line in the event of a national grid power failure.
- Solution 2: Continued implementation of the project on blending Shell gasifier residue into 5A coal fines supplied to the Thermal Workshop, in order to reduce the consumption norm of 5A coal fines, while reutilizing all ash generated from old boilers and Shell gasifier residue discharged into the environment.



Concerning the corporate responsibility for the local community

Social welfare activities continue to be a key focus of the Company and are regularly implemented, reflecting its responsibility toward employees and the community. In addition to providing timely support and allowances for employees in difficult circumstances, visiting and supporting employees during illness, and offering condolences and congratulations on significant occasions, the Company also pays attention to encouraging elderly parents of employees and caring for children through various practical and meaningful activities. At the same time, the Company closely coordinates with local authorities in neighboring areas and several units under the Vietnam National Chemical Group to effectively organize social welfare programs, thereby promoting a spirit of responsibility and community support.

Concerning employees and occupational safety



In addition to ensuring stable income for employees, the Company's Trade Union and mass organizations continue to effectively fulfill their role in representing, protecting, and advocating for employees' legitimate rights and interests; coordinate with management to implement grassroots democracy regulations, provide support for employees facing difficulties or work-related accidents; collaborate in ensuring job security, salary improvements, and benefits for officers and employees.

Throughout the year, these organizations have regularly conducted inspections and monitoring of labor-related policies, including: Salary policies, social insurance, health insurance, inspection of standards, portion sizes, food hygiene and safety for mid-shift meals, night shift (third shift) meals, and hazardous work conditions. Additionally, efforts continue to encourage employees to overcome challenges, fulfill their assigned tasks, and strengthen their commitment to the Company.

Simultaneously, the Company's unions have continued to organize and oversee cultural and sports activities, such as the Company's Sports Festival, Swimming Tournament, Badminton Tournament, and Traditional Tennis Tournament; regularly maintaining the activities of 22 clubs for badminton, table tennis, chess, and Chinese chess across various units, providing a healthy and engaging recreational space, contributing to improving the spiritual well-being of employees. The Company Trade Union has also facilitated teams of athletes to compete in provincial and sector-wide tournaments, achieving high rankings, which not only affirms the quality of the Company's cultural and sports movement but also enhances the HANICHEMCO brand.





05.

ASSESSMENTS OF THE BOD ON THE COMPANY'S OPERATIONS

- 64 Assessment by the BOD on the Company's performance in 2025 and the 2021–2025 period
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- 70 Plans and strategic directions of the BOD for the 2026–2030 period

ASSESSMENTS OF THE BOD ON THE COMPANY'S OPERATIONS IN 2025 AND THE PERIOD 2021-2025

1 Production and business performance

During the period 2021-2025, the Company faced numerous difficulties and challenges, particularly equipment failures that caused prolonged shutdowns of the plant, significantly reducing production and sales output. In response to these challenges, the Board of Directors, together with the Company's Management Board, proactively monitored the situation, provided close and timely direction, and adjusted planning targets in line with actual conditions. The Board also set appropriate orientations and policies regarding business, market, and products. Combined with the Company's tradition of unity and determination to overcome difficulties among its employees, along with the support of distributors, customers, and shareholders, these efforts made a significant contribution to helping the Company gradually overcome challenges and achieve many key annual targets set by the General Meeting of Shareholders, as detailed below:

No	Indicator	Unit	2021	2022	2023	2024	2025
1	Key production indicators						
-	Urea production out-put	Tons	287,249	333,508	391,174	397,658	384,626
-	NH3 output (finished product)	Tons	92,525	66,680	34,890	19,486	6,293
2	Sales indicators						
-	Urea sales volume	Tons	313,033	313,909	410,592	407,052	382,168
-	NH3 output (finished product)	Tons	92,508	66,680	34,890	19,486	6,293
3	Total Revenue	Billion VND	4,518	6,484	4,435	4,466	4,354
4	Profit after tax	Billion VND	6.251	1,779	858	6.8	10.85

During the period 2021-2025, as well as in 2025, due to the Company still having accumulated losses, the Board of Directors did not submit a profit distribution plan to the General Meeting of Shareholders.



2 Financial activities

- Quarterly, semi-annual, and annual financial statements are disclosed in accordance with regulations or submitted to the General Meeting of Shareholders for review and approval.
- The Board of Directors has issued, amended, and supplemented various regulations and policies to manage finance and control costs, such as: financial management regulations, internal spending regulations, procurement regulations, and regulations on maximum and minimum inventory levels, thereby limiting and reducing unreasonable costs.
- The Company's financial performance in 2025 showed certain improvements, particularly in reducing financial cost pressure due to the restructuring of borrowings.

3 Internal governance and organizational structure

2021 - 2025

Internal governance: Regulations, policies, and decisions governing the Company's operations have continued to be reviewed and revised. During the 2021-2025 term, the Board of Directors amended and supplemented 35 regulations and policies to manage and direct the Company's operations across various areas. The Board of Directors also submitted the Internal Corporate Governance Regulation to the General Meeting of Shareholders for approval and amended and supplemented the Company's Charter in accordance with legal regulations.

Organizational structure and management system: During the term, the Company's management structure was further reorganized and streamlined to enhance effectiveness and efficiency, with the following key outcomes:

- Decision on the establishment of the Technical – Technology – Safety – Environment Department (based on the merger of the Technical & Technology Department and the Safety – Environment Department);
- Decision on the establishment of the Urea Workshop;
- Decision on the establishment of the Finished Products Workshop;
- Decision on the establishment of the Planning and Investment Department;
- Decision on the establishment of the Production Engineering Department (based on the merger of the Technical-Technology-Safety-Environment Department and the Production Operations Department);
- Decision on the establishment of the Mechanical and Construction Department;
- Decision on the dissolution of the Investment – Construction Department.

Year 2025

The Board of Directors continued to reorganize and streamline the organizational structure, specifically:

- Decision to rename the Mechanical and Construction Department as the Mechanical Department;
- Decision to merge the Company Office with the Security and Military Department, retaining the name Company Office (abbreviated as VPCT);
- Decision to merge the Human Resources Department and the Medical Department, retaining the name Human Resources Department (abbreviated as TCNS).

At the beginning of 2026, the Board of Directors continued to accelerate the restructuring and streamlining of the organizational structure to enhance operational efficiency, specifically:

- Merger of the Mechanical Department and the Electrical – Instrumentation – Automation Department into the Electro-Mechanical Department (abbreviated as CD);
- Consolidation of the Finished Products Workshop into the Urea Workshop (abbreviated as X.Urea);
- Merger of the Planning and Investment Department and the Materials and Transportation Department into the Planning – Materials Department (abbreviated as KH-VT)

4 Construction and investment activities

In 2025, the Company focused on investing in items directly serving production activities, such as sulfur analyzers in coal, coal calorific value analyzers, and wheel loaders; at the same time, it continued to implement three other projects in the coming period. In addition, the Company maintained its focus on resolving outstanding issues related to the Ha Bac Nitrogenous Fertilizer Plant Expansion and Renovation Project, aiming to enhance production efficiency in the next phase. Over the past five years, the Company has implemented investment items and projects with a total value of VND 21.7 billion, including 20 completed investment projects. The implementation of construction investment projects is carefully reviewed and evaluated by the Board of Directors prior to approval. The Board of Directors only approves investments in works and projects that are truly necessary for the Company's production and business activities; therefore, once completed and put into operation, these works and projects deliver high economic efficiency. The implementation process and procedures comply with applicable laws and the Construction Investment Management Regulation issued by the Board of Directors.

5 Personnel organization and salary policy

Personnel organization: During the term, the Board of Directors made important decisions related to personnel matters, including:

- Conducting annual reviews of leadership and management personnel planning for the periods 2021–2025 and 2026–2031;
- Appointing/reappointing key positions, including the General Director, Deputy General Directors, Chief Accountant, the person in charge of corporate governance, and the Company's representatives of capital at other enterprises. All procedures and processes were implemented in accordance with the personnel appointment regulations issued by the Board of Directors, including:
 - Decision on the term-based appointment of Mr. Nguyen Van Dung, Member of the Board of Directors and Deputy General Director, to the position of General Director of the Company effective from November 1, 2024;
 - Decision on retirement in accordance with pension policies for Mr. Nguyen Duc Ninh, General Director of the Company, effective from November 1, 2024;
 - Decision on the term-based appointment of Mr. Nguyen Dinh Hong, Director of the Gasification Workshop and concurrently Head of Technical Department of the Ha Bac Nitrogenous Fertilizer Plant Expansion and Renovation Project Management Unit, to the position of Deputy General Director of Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company;
 - Decision on the reappointment of Mr. Pham Van Trung (date of birth: December 12, 1967) to the position of Deputy General Director of Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company for the period from December 14, 2025 to December 31, 2029;
 - Decision on the term-based reappointment of Mr. Le Anh Tuan to the position of Chief Accountant of Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company;
 - Decision on the appointment of Mr. Dang Xuan Thuy, Deputy Chief of Office, as the person in charge of corporate governance

Salary policies: The Board of Directors has issued the Salary Regulation and reviewed, amended, and supplemented the Company's salary scale and payroll system as a basis for salary payments and employee benefits, ensuring compliance with legal regulations and alignment with the Company's actual operations.



6 Management of invested capital in other enterprises

- The management of the Company's invested capital in other enterprises has been given due attention. The Board of Directors has issued the Regulation on the Management of Capital Representatives as a basis for managing the Company's investments in other enterprises; appointing and authorizing capital representatives to participate in the Boards of Directors of investee companies to act on behalf of the Company in exercising the rights and obligations of a contributing shareholder.
- During the term and in 2025, the Board of Directors implemented inspection and supervision activities in accordance with the Regulation on Capital Representatives. Through reports from the representatives, the Board of Directors promptly monitored the operational performance of subsidiaries and associated companies, and provided direction to ensure these companies operate in line with the Company's strategic orientation, thereby improving the efficiency of managing the Company's external investments.
- During the period 2021–2025, the Company did not make any new external investments.

Currently, the Company has two long-term investments: an investment in one associated company, Ha Bac Liquefied Gas Joint Stock Company, with capital of VND 8.6 billion (representing 36% of charter capital), and an investment in Hung Phat Ha Bac Chemical Joint Stock Company with capital of VND 4 billion, equivalent to 4.7% of charter capital. In 2025, Ha Bac Liquefied Gas Joint Stock Company recorded profit before tax of VND 2.8 billion and is expected to distribute dividends at a rate of 10%.

Capital contribution investment



Ha Bac Liquefied Gas Joint Stock Company

VND 8.6 billion
(36% of charter capital)



Hung Phat Ha Bac Chemical Joint Stock Company

VND 4 billion
(4.7% of charter capital)

7 Environmental and social responsibilities

- The Company's management consistently emphasizes responsibility and requires staff and employees to strictly comply with regulations related to environmental protection and social responsibility. The Company's management, operations, and production and business activities fully comply with environmental laws and regulations, and the Company has not incurred any penalties or compensation related to environmental issues.
- The Board of Directors places top priority on sustainable production; therefore, directives on environmental protection and emission reduction are strongly emphasized. Various measures on occupational safety and industrial hygiene have been implemented in production activities, ensuring strict compliance with environmental protection regulations in production and business operations.
- In 2025, Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company actively implemented numerous charitable programs and local support activities, thereby clearly demonstrating its corporate social responsibility and strong commitment to the community. The Company's Youth Union actively participated in voluntary blood donation campaigns and effectively carried out various social welfare activities, contributing to the promotion of humanitarian values and enhancing the image and brand of Ha Bac Fertilizer among the public and business partners.

ASSESSMENT BY THE BOD OF THE PERFORMANCE OF THE BOM IN 2025 AND THE 2021-2025 PERIOD

In 2025 and during the 2021-2025 term, the Board of Management operated in full compliance with the resolutions of the General Meeting of Shareholders and the Board of Directors, adhering to legal regulations, the Company's Charter, and internal policies and regulations; in performing its duties, the Board of Management consistently demonstrated high responsibility, dynamism, creativity, and solidarity, striving to overcome challenges to achieve the best possible results, specifically:

-  The Board of Management has developed appropriate business and market policies, gradually overcoming difficulties and challenges, and generally achieving the targets set annually by the General Meeting of Shareholders. The Company's key markets have continued to be maintained.
-  The Company's products have remained stable and of high quality, earning the trust of customers both domestically and internationally.
-  The implementation of resolutions and decisions of the Board of Directors has been carried out by the Board of Management in a serious and effective manner.
-  The Company's financial position and expenses have been well controlled by the Board of Management, ensuring that no losses or damages have occurred.
-  Salary and bonus policies have been effectively implemented, with attention paid to various aspects of employees' welfare; the working environment has continued to improve.



PLANS AND STRATEGIC DIRECTIONS OF THE BOD FOR THE 2026–2030 PERIOD

Outlook for the next 5 years



Advantages

- The overall outlook for the next five years is expected to be favorable, as the restructuring plan approved by the Government will help the Company reduce financial expenses through debt and interest restructuring, enabling it to proactively manage cash flows to sustain production and allocate capital for key investment projects.
- The amended VAT Law, which places fertilizer products under a 5% VAT rate, will help reduce cost burdens for fertilizer enterprises and enhance competitiveness against imported products.
- The brand and reputation of “Ha Bac Fertilizer” continue to be trusted and supported by domestic farmers.
- The Company’s traditional customer base, which has consistently accompanied the Company, will contribute to overcoming challenges.
- The spirit of unity and determination of the Company’s management, employees, and workers, together with the support from authorities, relevant agencies, and shareholders, will play an important role in achieving the Company’s objectives and tasks for the 2026–2030 period.

Challenges



In the next five years, the Company is expected to face several challenges, including:

- Domestic demand for Urea is expected to continue declining due to substitution by other types of fertilizers, the application of advanced agricultural techniques, shrinking cultivation areas, and the restructuring of the national economy. Meanwhile, domestic supply from four plants remains excessive, intensifying competition among domestic producers in terms of both pricing and sales policies.
- Coal-based fertilizer production will continue to face disadvantages compared to gas-based production due to higher input material costs, as well as higher expenses related to environmental treatment of solid waste, emissions, and wastewater.
- Although the Company’s financial situation has improved compared to the 2021–2025 period, cash flow for production remains constrained.
- The influx of foreign investment into the region has intensified competition for human resources among enterprises, leading to increasingly severe labor shortages as existing employees change jobs, while newly recruited workers are insufficient and require time for training.

These challenges also present opportunities for the Company to research and develop new products, maintain and strengthen its market position, and improve production and business efficiency in the coming years.

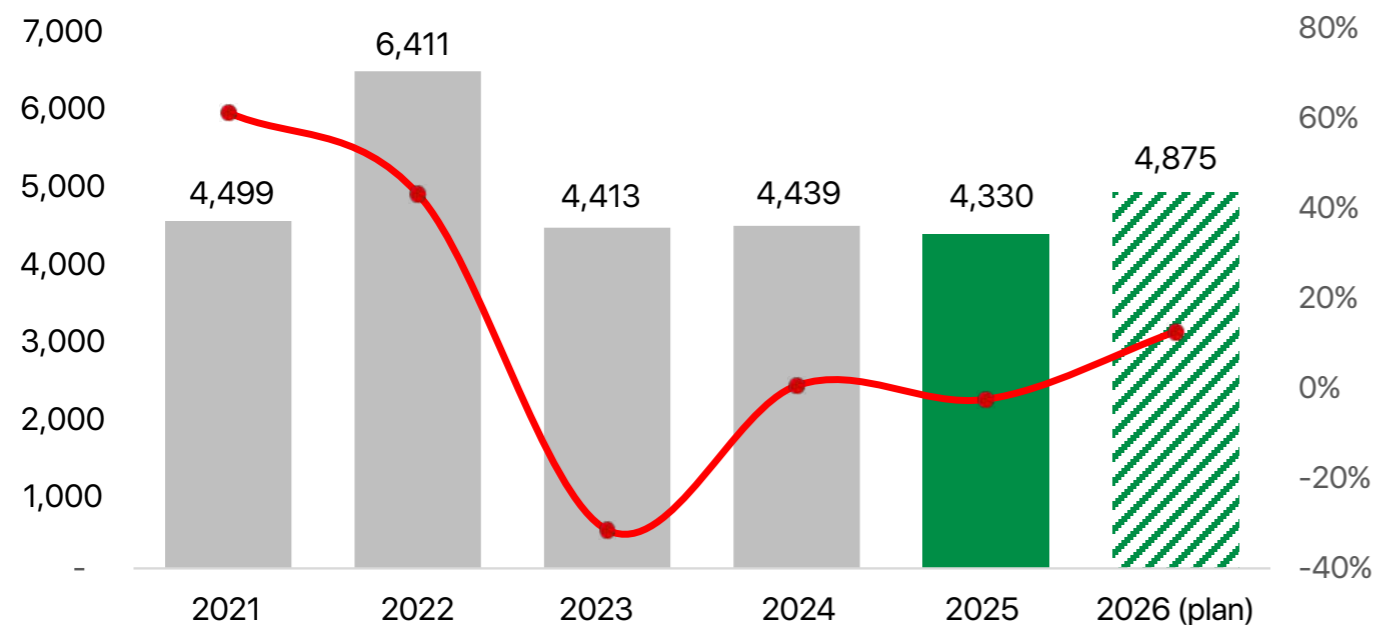


Development Orientation for the 2026–2030 Period











Key targets of the 2026 Production and Business Plan

No	Indicators	Unit	2026 Plan
1	Industrial production value (at current prices)	Million VND	4,846,458
-	Total Revenue	Million VND	4,875,374
2	Production output		
-	Urea	Tons	448,430
3	Sales volume		
-	Urea	Tons	448,000
4	Total investment in construction (CAPEX)	Million VND	6,620
5	Total major repair and maintenance cost	Million VND	100,187
6	Labor and wages		
-	Total number of employees and executive management	People	1,334
-	Total wage fund (employees and executive management)	Million VND	288,144
7	Profit	Million VND	242,036

Total Revenue



Duties of the Board of Directors in 2026 and for the 2026–2030 period

-  Strengthen management, direction, and supervision of the Company's operations across all areas; ensure the effective implementation of resolutions of the Annual General Meeting of Shareholders.
-  Focus on resolving difficulties and outstanding issues related to the final settlement of the Renovation and Expansion Project of Ha Bac Fertilizer Plant.
-  Enhance inspection and supervision of the Company's financial situation; review and eliminate unreasonable expenditures in order to reduce costs, lower product prices, and improve market competitiveness.
-  Strengthen supervision over the management of the Company's invested capital in other enterprises.
-  Supervise and direct the executive management to ensure safe, stable production at high capacity, while implementing synchronized solutions to reduce costs and consumption norms, thereby improving business efficiency.
-  Maintain traditional markets while expanding and developing new markets; promote the consumption of Urea (including raw Urea and high-grade Urea) and liquid NH₃; continue researching new differentiated products to increase sales volume and business efficiency.
-  Continue improving internal regulations and policies as a basis for management and operations across all business activities, with a focus on enhancing governance and reducing input material costs.
-  Continue restructuring and reorganizing production and management toward a leaner model, reducing intermediary units and improving operational efficiency.
-  Strengthen training programs and review personnel planning to develop and supplement a high-quality workforce when needed.
-  Gradually increase employees' wages in line with regional benchmarks in the coming years to ensure stable living standards and retain the workforce.



06.

CORPORATE GOVERNANCE

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BOARD OF DIRECTORS

Members of the Board of Directors

No.	Organization/ Individual Name	Position at the company	Number of shares owned at the end of the period	Ownership percentages of voting shares at the end of the period	Position hold at other companies
1	Mr. Nguyen Van Thieu	- Chairman of the BOD, Non-executive member of the BOD	102,511,000	37.66%	- Chairman of the Board of Directors of Binh Dien Fertilizer Joint Stock Company - Deputy Director in charge of the Ninh Binh Fertilizer Project Management Board
2	Mr. Nguyen Van Dung	- Member of the BOD, - General Director	54,440,000	20%	
3	Mr. Pham Van Trung	- Member of the BOD, - Deputy General Director	54,440,000	20%	
4	Mr. Nguyen Dinh Hong	- Member of the BOD, - Deputy General Director	54,440,000	20%	
5	Ms. Nguyen Tuyen Anh	- Independent Member of the BOD	0	0%	Deputy General Director of Ha Anh Export Import Joint Stock Company

Notes:

Members numbered from 1 to 4: Representatives of the major shareholder, the Vietnam National Chemical Group, with a total ownership ratio to 97.66% of charter capital.

Changes in the Board of Directors in 2025:

In 2025, there were no changes in the Board of Directors.

The committees of the BOD

Not yet established

Activities of the BOD

Attendance at Board of Directors meetings

No.	Member of the BOD	Number of meetings attended	Meeting attendance rate	Reason for absence
1	Mr. Nguyen Van Thieu	16/16	100%	
2	Mr. Pham Van Trung	16/16	100%	
3	Mr. Nguyen Van Dung	16/16	100%	
4	Mr. Nguyen Dinh Hong	16/16	100%	
5	Ms. Nguyen Tuyen Anh	16/16	100%	

General assessing activities of the Board of Directors

In 2025, the Board of Directors convened and successfully held the Annual General Meeting of Shareholders on April 25, 2025.

During the year, the Board of Directors held 16 meetings and issued 20 resolutions and 36 decisions to govern the Company's operations. The contents and participants of these meetings fully complied with the Company's Charter and the Law on Enterprises. All Board meetings were conducted in alignment with the resolutions of the General Meeting of Shareholders and the Company's actual operating conditions to ensure effective implementation.

Members of the Board of Directors actively coordinated and supported the management of production and business activities. Representatives of the Board regularly attended meetings with the Board of Management to receive updates on organizational and business performance, provide direct guidance during meetings, and reach consensus in decision-making. As a result, the Board of Directors was able to stay well-informed about the Company's operations. All resolutions and decisions issued by the Board were adopted with a high level of consensus among its members.

Supervising the Board of Management by the Board of Directors

In 2025 and for the 2021–2026 term, the executive management of the Board of Management operated in full compliance with the resolutions of the General Meeting of Shareholders and the Board of Directors, as well as with applicable laws, the Company's Charter, and internal regulations. In performing their duties, the Board of Management consistently demonstrated a high sense of responsibility, proactiveness, creativity, and strong unity in overcoming challenges to achieve the best possible results, as follows:

- The Board of Management introduced appropriate business and market policies, gradually overcoming difficulties and challenges, and basically achieved the annual targets set by the General Meeting of Shareholders, while maintaining the Company's key markets.
- The Company's products remained stable and of high quality, earning trust from both domestic and international customers.
- The implementation of resolutions and decisions of the Board of Directors was carried out seriously and effectively by the Board of Management.
- The Company's financial situation and expenses were well controlled, ensuring no losses were incurred.
- Salary and bonus policies were effectively implemented, with continuous attention to employees' well-being; the working environment was further improved.

Activities of the Board of Directors independent members

As of December 31, 2025, Bac Giang Fertilizer and Chemicals Joint Stock Company had one independent member of the Board of Directors, Ms. Nguyen Tuyen Anh. In 2025, the independent Board member fulfilled her assigned duties with prudence and a high sense of responsibility, promoting her independent role in governance and supervision through inspection activities, reporting, participation in meetings, and working sessions with the Board of Management as well as at Board of Directors' meetings.

Training courses on corporate governance

The members of the Board of Directors of the Company have undergone training in the Chemical Industry Business Director program, as well as professional training courses organized by the Company and the Vietnam National Chemical Group.

BOARD OF SUPERVISORS

Members of the Board of Directors

No.	Member	Position	Number of shares holding	Ownership percentage (%)
1	Mr. Ha Xuan Han	Dedicated Head of the BOS	0	0%
2	Ms. Hoang Thi Linh Giang	Dedicated Head of the BOS	0	0%
3	Mr. Le Anh Tuan	Member of the BOS	3,000	0.0011%
4	Ms. Dang Thi Minh Ly	Member of the BOS	0	0%



Activities of the Board of Supervisors

Attendance at Board of Supervisors Meetings

No.	Member of the BOS	Number of meetings attended	Attendance rate	Voting percentage	Reason for absence
1	Mr. Ha Xuan Han	1	100%	100%	From January 2025 to the date of dismissal, the Supervisory Board held 01 meeting
2	Ms. Hoang Thi Linh Giang	2	100%	100%	From April 25, 2025 to present, the Supervisory Board has held 02 meetings
3	Mr. Le Anh Tuan	3	100%	100%	
4	Ms. Dang Thi Minh Ly	3	100%	100%	

Supervising Board of Directors, Board of Management and shareholders by Board of Supervisors

In addition to regular activities as stipulated by the Law on Enterprises and the Company's Charter, the Board of Supervisors has undertaken the following tasks:

- Supervised the activities of the BOD and the Board of Management in implementing the Resolutions of the General Meeting of Shareholders;
- Coordinated with various departments within the Company to inspect the production and business operations, management of production and business costs, and the Company's executive operations;
- Monitored the Company's production and business activities in 2024 as well as the operations of associated companies;
- Maintained regular communication with the BOD and the Board of Management, continuously updating information to propose and recommend solutions for corporate governance and operational management of the Company's production activities.

The coordination among the Board of Supervisors, the BOM, BOD and other managers

- The coordination and exchange of information between the Board of Supervisors, the Board of Directors, and the Board of Management are regularly maintained through various forms, including meetings, direct discussions, and written exchanges.
- In the meetings of the Board of Directors and the executive briefings of the Board of Management the Board of Supervisors is always present to enhance the quality and independence of supervisory activities. During these meetings, the Board of Supervisors has provided input within the scope of its functions and authority.



TRANSACTIONS, REMUNERATIONS AND BENEFITS OF THE BOD, BOM, AND BOS

Salary, rewards, remuneration and benefits in the year

Unit: Million VND

No.	Full name	Position at the Company	Remuneration / Salary / Benefits
Remuneration of the BOD; Salaries of the Board of Management and Key Management Personnel			
1	Nguyen Van Thieu	Chairman of the BOD	131.8
2	Nguyen Van Dung	Member of the BOD; General Director	408.9
3	Pham Van Trung	Member of the BOD; Deputy GD	362.5
4	Nguyen Dinh Hong	Member of the BOD; Deputy GD	343.8
5	Nguyen Tuyen Anh	Member of the BOD; Deputy GD of Ha Anh Import-Export JSC	101.7
6	Le Anh Tuan	Chief Accountant	244.3
Salaries and remuneration of the Supervisory Board			
1	Hoang Thi Linh Giang	Head of Supervisory Board (from April 25, 2025)	38.2
2	Le Anh Tuan	Member of the BOS; Deputy Head of Production Engineering	89.8
3	Dang Thi Minh Ly	Member of the BOS; Officer at Inspection Commission of the Party Committee of the Vietnam National Chemical Group	89.8

Note:

The remuneration above includes: Remuneration for concurrently held positions in the BOD and Board of Supervisors of Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company and Remuneration for the representatives of Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company's capital at other enterprises.

Stock transactions of insiders and related parties of insiders

In 2025, there were no share transactions by insiders or their related persons



Transactions between the Company and its affiliated persons or between the Company and its major shareholders, internal persons and affiliated persons

No.	Institution / Individual Name	Relationship with the company	NSH No*, Date of Issue, Issuing Authority	Headquarters /Contact Address	Transaction Timing with the Company	Resolution/ Decision No. of the AGMS/ BOD (if applicable, specify issue date)	Transaction details, quantity, and total value	Note
1	Ha Anh Export Import Joint Stock Company	Being a Related Person of an Insider of the Company	0101328911	Group 3, Dong Anh Commune, Hanoi City, Vietnam	From January 1, 2025 to December 31, 2025	Resolution No. 02/NQ-BOD dated January 6, 2025	Approval of transaction contracts between Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company and Ha Anh Import-Export Joint Stock Company. The duration for the signing and execution of these contracts is from January 1, 2025 to December 31, 2025	

IMPROVING CORPORATE GOVERNANCE

Assessing the implementation of regulations on corporate governance

- The Company has fully implemented and complied with legal regulations on corporate governance and information disclosure applicable to large-scale public companies. Information disclosure is consistently carried out in a timely manner, covering both periodic and extraordinary disclosures as required.
- The Corporate Governance Officer regularly updates regulatory changes issued by the State Securities Commission, Stock Exchange, and other relevant authorities, providing timely consultation to the Board of Directors to ensure appropriate preparation and strict implementation in the Company's internal governance.
- The Company Charter, Internal Governance Regulations, Board of Directors' Operating Regulations, and Board of Supervisors' Operating Regulations have been formulated in strict compliance with prevailing legal regulations, ensuring the protection of shareholder rights.



Improve the efficiency of corporate governance

To meet the requirements of sustainable development and enhance competitiveness, Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company identifies innovation and improvement in corporate governance as key priorities in the coming period. The Company focuses on developing a modern, transparent, and professional governance system, ensuring compliance with legal regulations while enhancing the efficiency of business operations management.

First, the Company promotes the application of digital technologies and automation in production management and operations to optimize resource utilization, improve labor productivity, and effectively control costs. In addition to operating the Bravo accounting software, the Company implements a project to upgrade and expand its Enterprise Resource Planning (ERP) system, aiming to build a more integrated, synchronized, and transparent management platform. At the same time, the corporate governance system continues to be strengthened in line with advanced management models, thereby enhancing strategic planning capabilities, improving financial supervision, risk management, and internal control. The Company also places strong emphasis on developing the quality of its management team through structured training programs, gradually building a leadership team with strategic vision, strong capabilities, and high professional qualifications to meet future development demands.

In parallel, the Company continues to improve governance transparency, enhance accountability, and establish robust internal control processes to minimize risks, improve capital efficiency, and build trust among shareholders and investors. Strengthening cooperation and partnerships with domestic and international strategic partners is also a key solution to expand markets and improve business performance.

With a governance orientation that is professional, transparent, and efficient, Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company aims to achieve stronger growth in the future, creating a solid foundation for sustainable development and increasing value for shareholders, employees, and stakeholders.

Bac Ninh, March 30, 2026

General Director

 Nguyen Van Dung



07.

FINANCIAL STATEMENT

AUDITED FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

**HA BAC NITROGENOUS FERTILIZER AND
CHEMICALS JOINT STOCK COMPANY**

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REPORT OF THE BOARD OF MANAGEMENT

For the financial year ended 31 December 2025

The Board of Management of Habac Nitrogenous Fertilizer and Chemicals Joint Stock Company has the honor of submitting this Report together with the audited Financial Statements for the financial year ended 31 December 2025.

1. General information about the Company

Establishment:

Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company (hereinafter referred to as "the Company") is an enterprise equitized from a 100% state-owned company, which was Habac Nitrogenous Fertilizer and Chemicals One Member Limited Liability Company, from 01 January 2016. The Company operates under the first Business Registration Certificate No. 2400120344 dated 21 December 2006 issued by the Department of Planning and Investment of Bac Giang Province, the 14th amended certificate on 06 November 2024.

Form of ownership:

Joint Stock Company

The Company's business activities:

Producing and trading chemical products and fertilizers, specifically: Urea fertilizer, NH3, CO2, industrial gas products, electricity, etc.

English name: Habac Nitrogenous Fertilizer and Chemicals Joint Stock Company

Abbreviation: HANICHEMCO

Securities code: DHB

Head office: Tran Nguyen Han Street, Bac Giang Ward, Bac Ninh Province

2. Financial position and results of operation

The Company's financial position and the results of its operation during the year are presented in the accompanying financial statements.

3. Members of the Board of Directors, the Supervisory Board, Board of Management and Chief Accountant

Members of the Board of Directors, the Supervisory Board, Board of Management and Chief Accountant during the year and at the date of the financial statements include:

Board of Directors

Mr. Nguyen Van Thieu	Chairman
Mr. Nguyen Van Dung	Member
Mr. Pham Van Trung	Member
Mr. Nguyen Dinh Hong	Member
Ms. Nguyen Tuyen Anh	Member
Mr. Dang Xuan Thuy	Person in charge of Corporate Governance

the Supervisory Board

Mr. Ha Xuan Han	Head of the Board of Supervisors	Resigned on 25/4/2025
Ms. Hoang Thi Linh Giang	Head of the Board of Supervisors	Appointed on 25/4/2025
Ms. Dang Thi Minh Ly	Member	
Mr. Le Anh Tuan	Member	

Board of Management and Chief Accountant

Mr. Nguyen Van Dung	General Director	
Mr. Pham Van Trung	Deputy General Director	Re-appointed on 01/12/2025
Mr. Nguyen Dinh Hong	Deputy General Director	
Mr. Le Anh Tuan	Chief Accountant	Re-appointed on 22/9/2025

REPORT OF THE BOARD OF MANAGEMENT

For the financial year ended 31 December 2025

4. Legal representatives of the Company during the year and to the date of the financial statements:

Mr. Nguyen Van Dung General Director

5. Independent Auditor

MOORE AISC Auditing and Informatics Services Company Limited has been appointed as an independent auditor for the financial year ended 31 December 2025.

6. Announcement of responsibilities of the Board of Management

The Board of Management is responsible for the preparation of the Financial Statements which give a true and fair view of the financial position of the Company as at 31 December 2025, its results of operation and cash flows for the financial year then ended. In order to prepare these Financial Statements, the Board of Management has considered and complied with the following matters:

- Selected appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Prepared the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept and maintained which disclose, with reasonable accuracy at any time, the financial position of the Company and that the Financial Statements are prepared in compliance with the accounting regime stated in Notes to the Financial Statements. The Board of Management is also responsible for safeguarding the Company's assets, and hence taking reasonable steps for the prevention and detection of frauds and other irregularities.

7. Commitment

The Board of Management, in their opinion, confirmed that the Financial Statements including the Balance Sheet as at 31 December 2025, the Income Statement, the Cash Flow Statement and accompanying Notes, which expressed a true and fair view of the financial position of the Company as well as its operating results and cash flows for the financial year ended 31 December 2025.

The Financial Statements are prepared in accordance with Vietnamese Accounting Standards and System.

Bac Ninh, 02 March 2026

For and on behalf of the Board of Management *A*



Nguyen Van Dung
General Director

INDEPENDENT AUDITOR'S REPORT

To: Shareholders, Board of Directors and Board of Management
Habac Nitrogenous Fertilizer and Chemicals Joint Stock Company

We have audited the accompanying Financial Statements of Habac Nitrogenous Fertilizer and Chemicals Joint Stock Company as prepared on 02 March 2026 from pages 05 to 39, which comprise the Balance Sheet as at 31 December 2025, Income Statement, Cash Flow Statement for the year then ended, and Notes to the Financial Statements.

Responsibility of the Board of Management

The Board of Management of the Company is responsible for the preparation and fair presentation of the Financial Statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing regulations applicable to the preparation and presentation of the Financial Statements and also for the internal control which the Board of Management considers necessary for the preparation and fair presentation of the Financial Statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the 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 Company'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 Management as well as evaluating the overall presentation of the Financial Statements.

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

Basis for qualified opinion

- The Company has recognized the original cost and charged depreciation on the fixed assets of the Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project based on the completed project finalization report prepared by the investor on 01 December 2017 while A-B finalization for packages 10, 14, 8, the consulting contract for reviewing construction completion documents, and the approval of the completed project finalization by competent authorities remain incomplete. This has led to the incurrence of payables to foreign contractors and other liabilities (see details in Notes V.3; V.5; V.12; V.16 and VII.1)

Based on the evidence obtained and other alternative audit procedures performed, we have not obtained sufficient appropriate audit evidence to conclude on the existence and completeness of the aforementioned payables, as well as any contingent liabilities that may arise in the future related to the finalization of the project mentioned above.

Auditor's qualified opinion

Statements give a true and fair view, in all material respects, on the financial position of Habac Nitrogenous Fertilizer and Chemicals Joint Stock Company as at 31 December 2025 as well as its operating results and cash flows for the financial year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting Regime and other relevant statutory requirements related to preparation and presentation of the Financial Statements.

Emphasis of matter

As stated in Note V.9, the Company has temporarily recognized original cost and charged depreciation on the tangible fixed assets of the Ha Bac Fertilizer Plant Renovation and Expansion Project based on the completed project finalization report prepared by the investor dated 01 December 2017.

As stated in Notes IV.8 and V.11, the Company has recognized deferred depreciation expenses for the years 2017, 2018, and 2019 under Long-term prepaid expenses - Code 261 on the Balance Sheet as at 31 December 2025.

Ho Chi Minh City, 02 March 2026

MOORE AISC Auditing and Informatics Services Co., Ltd



NGUYEN THI PHUONG
Deputy Branch Director
Audit Practising Registration
Certificate No. 4945-2024-005-1

PHAN CONG VAN
Auditor
Audit Practising Registration Certificate
No. 5298-2026-005-1

BALANCE SHEET

As at 31 December 2025

Unit: VND

ASSETS	Code	Notes	31/12/2025	01/01/2025
A. CURRENT ASSETS	100		1,480,637,952,059	1,280,654,453,806
I. Cash and cash equivalents	110	V.1	390,360,146,994	371,815,496,069
1. Cash	111		390,360,146,994	371,815,496,069
II. Short-term financial investments	120	V.2	75,519,000,000	48,000,000,000
1. Held-to-maturity investments	123		75,519,000,000	48,000,000,000
III. Short-term receivables	130		344,834,210,235	247,334,172,387
1. Short-term trade receivables	131	V.3	268,479,033,176	194,518,231,831
2. Short-term prepayments to suppliers	132	V.4	61,175,690,070	37,973,043,906
3. Other short-term receivables	136	V.5	20,389,824,051	20,053,233,712
4. Provision for short-term doubtful receivables	137	V.5	(5,210,337,062)	(5,210,337,062)
IV. Inventories	140	V.7	556,653,711,592	539,114,396,425
1. Inventories	141		556,653,711,592	539,114,396,425
V. Other current assets	150		113,270,883,238	74,390,388,925
1. Short-term prepaid expenses	151	V.11a	3,716,671,501	5,677,546,358
2. Deductible value added tax	152		109,538,498,885	68,712,842,567
3. Taxes and other receivables from the State	153	V.14	15,712,852	0
B. LONG-TERM ASSETS	200		4,305,513,119,152	4,967,010,492,705
I. Long-term receivables	210		740,804,017,963	740,804,017,963
1. Other long-term receivables	216	V.5	740,804,017,963	740,804,017,963
II. Fixed assets	220		3,016,638,299,306	3,544,838,254,694
1. Tangible fixed assets	221	V.9	3,016,638,299,306	3,544,838,254,694
- Cost	222		9,821,292,724,065	9,842,734,235,963
- Accumulated depreciation	223		(6,804,654,424,759)	(6,297,895,981,269)
2. Intangible fixed assets	227	V.10	0	0
- Cost	228		13,226,611,293	13,226,611,293
- Accumulated amortization	229		(13,226,611,293)	(13,226,611,293)
III. Long-term assets in progress	240	V.8	70,956,549,360	92,343,894,458
1. Long-term work in progress	241		33,552,540	33,552,540
2. Construction in progress	242		70,922,996,820	92,310,341,918
V. Long-term financial investments	250	V.2	13,218,878,465	13,218,878,465
1. Investments in joint ventures, associates	252		9,662,812,368	9,662,812,368
2. Equity investments in other entities	253		3,556,066,097	3,556,066,097
VI. Other long-term assets	260		463,895,374,058	575,805,447,125
1. Long-term prepaid expenses	261	V.11b	463,895,374,058	575,805,447,125
TOTAL ASSETS	270		5,786,151,071,211	6,247,664,946,511

Notes to the financial statements are an integral part of this report

BALANCE SHEET

As at 31 December 2025

Unit: VND

RESOURCES	Code	Notes	31/12/2025	01/01/2025
C. LIABILITIES	300		5,154,508,639,439	5,629,212,667,649
I. Current liabilities	310		1,203,122,872,920	1,173,591,345,018
1. Short-term trade payables	311	V.12	566,654,037,556	386,144,351,853
2. Short-term advances from customers	312	V.13	46,666,957,669	117,549,295,214
3. Taxes and payables to the State	313	V.14	1,964,163,899	500,166,207
4. Payables to employees	314		49,105,573,258	45,049,252,495
5. Short-term accrued expenses	315	V.15	11,943,131,967	576,813,743
6. Other short-term payables	319	V.16a	242,748,713,591	208,448,097,686
7. Short-term borrowings and finance lease liabilities	320	V.17a	283,980,150,466	415,263,223,306
8. Bonus and welfare fund	322		60,144,514	60,144,514
II. Long-term liabilities	330		3,951,385,766,519	4,455,621,322,631
1. Other long-term payables	337	V.16b	1,956,052,316,519	2,085,715,122,631
2. Long-term borrowings and finance lease liabilities	338	V.17b	1,995,333,450,000	2,369,906,200,000
D. OWNERS' EQUITY	400	V.19	631,642,431,772	618,452,278,862
I. Owners' equity	410		631,642,431,772	618,452,278,862
1. Owners' contributed capital	411		2,722,000,000,000	2,722,000,000,000
- Common shares with voting rights	411a		2,722,000,000,000	2,722,000,000,000
2. Undistributed profit after tax	421		(2,090,357,568,228)	(2,103,547,721,138)
- Undistributed profit after tax accumulated to the end of the previous period	421a		(2,101,212,153,271)	(2,110,393,137,744)
- Undistributed profit after tax in the current period	421b		10,854,585,043	6,845,416,606
TOTAL RESOURCES	440		5,786,151,071,211	6,247,664,946,511



Nguyen Thi Hong Nhung
Preparer
Bac Ninh, 02 March 2026



Le Anh Tuan
Chief Accountant

Nguyen Van Dung
General Director

Notes to the financial statements are an integral part of this report

INCOME STATEMENT

For the financial year ended 31 December 2025

Unit: VND

ITEMS	Code	Notes	Year 2025	Year 2024
1. Revenue from goods sold and services rendered	01	VI.1	4,351,995,843,532	4,439,477,098,072
2. Revenue deductions	02		21,505,000,000	0
3. Net revenue from goods sold and services rendered	10		4,330,490,843,532	4,439,477,098,072
4. Cost of goods sold	11	VI.2	3,845,579,863,734	4,161,818,996,381
5. Gross profit from goods sold and services rendered (20 = 10 - 11)	20		484,910,979,798	277,658,101,691
6. Financial income	21	VI.3	13,070,088,554	26,898,387,016
7. Financial expenses	22	VI.4	218,474,194,472	272,936,421,195
<i>In which: Interest expenses</i>	23		173,664,833,428	203,307,955,862
8. Selling expenses	25	VI.5a	86,004,391,200	86,347,980,481
9. General and administrative expenses	26	VI.5b	141,169,466,182	135,824,364,153
10. Net profit from operating activities (30 = 20 + (21 - 22) - (25 + 26))	30		52,333,016,498	(190,552,277,122)
11. Other income	31	VI.6	9,493,604,236	248,982,692,225
12. Other expenses	32	VI.7	50,972,035,691	51,584,998,497
13. Other profit (40 = 31 - 32)	40		(41,478,431,455)	197,397,693,728
14. Total accounting profit before tax (50 = 30 + 40)	50		10,854,585,043	6,845,416,606
15. Current Corporate income tax expense	51	VI.9	0	0
16. Profit after Corporate income tax (60 = 50 - 51 - 52)	60		10,854,585,043	6,845,416,606
17. Basic earnings per share	70	VI.10	39.88	25.15

Nguyen Thi Hong Nhung
Preparer
Bac Ninh, 02 March 2026

Le Anh Tuan
Chief Accountant

Nguyen Van Dung
General Director



CASH FLOW STATEMENT

(Under indirect method)

For the financial year ended 31 December 2025

Unit: VND

ITEMS	Code	Notes	Year 2025	Year 2024
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Profit before tax	01		10,854,585,043	6,845,416,606
2. Adjustments for:				
- Depreciation of fixed assets and investment properties	02	V.9,10	627,879,254,036	626,674,030,149
- Provisions	03		0	(134,000,000)
- Gains/losses from foreign exchange differences upon revaluation of monetary items in foreign currencies	04		43,587,789,612	67,667,275,146
- Gains/losses from investing activities	05		(10,620,046,684)	(6,879,249,927)
- Interest expense	06	VI.4	173,664,833,428	203,307,955,862
3. Profit from operating activities before changes in working capital	08		845,366,415,435	897,481,427,836
- Increase (-)/ decrease (+) in receivables	09		(146,280,019,058)	(76,945,856,939)
- Increase (-)/ decrease (+) in inventories	10		(17,539,315,167)	67,302,323,406
- Increase (+)/ decrease (-) in payables (Other than interest payable, income tax payable)	11		182,676,778,296	(420,259,550,735)
- Increase (-)/ decrease (+) in prepaid expenses	12		30,290,597,335	(1,360,767,775)
- Interest expense paid	14		(303,653,849,171)	(203,668,168,862)
- Other payments from operating activities	17		0	(4,331,318)
Net cash flows from operating activities	20		590,860,607,670	262,545,075,613
II. CASH FLOWS FROM INVESTING ACTIVITIES				
1. Purchase and construction of fixed assets and other long-term assets	21		(13,963,698,062)	(45,500,014,919)
2. Proceeds from disposals of fixed assets and other long-term assets	22		7,362,558,922	232,933,333
3. Loans granted, purchases of debt instruments of other entities	23		(251,730,000,000)	(30,000,000,000)
4. Collection of loans, proceeds from sales of debt instruments of other entities	24		224,211,000,000	0
5. Proceeds from loan interest, dividends and profit received	27		3,537,852,017	6,248,371,388
Net cash flows from investing activities	30		(30,582,287,123)	(69,018,710,198)

CASH FLOW STATEMENT

(Under indirect method)

For the financial year ended 31 December 2025

Unit: VND

ITEMS	Code	Notes	Year 2025	Year 2024
III. CASH FLOWS FROM FINANCING ACTIVITIES				
1. Proceeds from borrowings	33		1,697,224,476,235	1,890,182,696,271
2. Repayments of principal	34		(2,242,409,549,075)	(2,034,721,862,012)
Net cash flows from financing activities	40		(545,185,072,840)	(144,539,165,741)
Net cash flows in the year (50 = 20+ 30 + 40)	50		15,093,247,707	48,987,199,674
Cash and cash equivalents at the beginning of the year	60		371,815,496,069	321,675,669,771
Effect of exchange rate fluctuations	61		3,451,403,218	1,152,626,624
Cash and cash equivalents at the end of the year (70 = 50+60+61)	70	V.1	390,360,146,994	371,815,496,069



Nguyen Thi Hong Nhung
Preparer

Bac Ninh, 02 March 2026



Le Anh Tuan
Chief Accountant



Nguyen Van Dung
General Director

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

I. BUSINESS HIGHLIGHTS

1. Establishment:

Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company (hereinafter referred to as "the Company") is an enterprise equitized from a 100% state-owned company, which was Habac Nitrogenous Fertilizer and Chemicals One Member Limited Liability Company, from 01 January 2016. The Company operates under the first Business Registration Certificate No. 2400120344 dated 21 December 2006 issued by the Department of Planning and Investment of Bac Giang Province, the 14th amended certificate on 06 November 2024.

Form of ownership:

Joint Stock Company

2. Business sector:

The Company's business sector is industrial production.

3. Business lines

Producing and trading chemical products and fertilizers, specifically: Urea fertilizer, NH₃, CO₂, industrial gas products, electricity, etc.

English name: Habac Nitrogenous Fertilizer and Chemicals Joint Stock Company

Abbreviation: HANICHEMCO

Securities code: DHB

Head office: Tran Nguyen Han Street, Bac Giang Ward, Bac Ninh Province

4. Normal operating cycle

Normal operating cycle of the Company lasts 12 months of the normal fiscal year beginning from 01 January and ending on 31 December annually.

5. The Company's operations in the financial year affecting the Financial Statements:

None.

6. Total employees as at 31 December 2025: 1,217 persons.

(As at 31 December 2024: 1,263 persons)

7. Enterprise's structure

List of joint ventures and associates

As at 31 December 2025, the Company has one (01) associate as follows:

Name and address	Principal business activity	Capital contribution ratio	Ownership ratio	Voting rights ratio
Habac Liquefied Gas Joint Stock Company	Production and trading of CO ₂	36.00%	36.00%	36.00%

8. Disclosure on the comparability of information in the Financial Statements:

The selection of figures and information needs to be presented in the Financial Statements based on the principles of comparability among corresponding accounting periods.

II. ACCOUNTING PERIOD AND REPORTING CURRENCY

1. Financial year

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

2. Currency unit used in accounting

Vietnamese Dong (VND) is used as a currency unit for accounting records.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

III. APPLIED ACCOUNTING STANDARDS AND REGIME

1. Applied accounting regime

The Company applies the Vietnamese Corporate Accounting Regime as guided in Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 53/2016/TT-BTC dated 21 March 2016 by the Ministry of Finance on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC.

2. Disclosure of compliance with Vietnamese Accounting Standards and Regime

We conducted our accounting, preparation, and presentation of the Financial Statements in accordance with Vietnamese Accounting Standards and System and other relevant statutory regulations. The Financial Statements give a true and fair view of the financial position of the Company and the results of its operations as well as its cash flows.

The selection of figures and information presented in the notes to the Financial Statements complies with the material principles in Vietnamese Accounting Standard No. 21 - "Presentation of the financial statements".

IV. APPLIED ACCOUNTING POLICIES

1. Types of exchange rates applied in accounting

The Company converts foreign currencies into Vietnam Dong based on actual exchange rates and book rates.

Principles for determining actual exchange rates

All transactions denominated in foreign currencies that arise during the period (trading foreign currencies, capital contribution or receipt of contributed capital, recording receivables and payables, purchasing assets or expenses immediately paid by foreign currencies) are converted at the actual exchange rates ruling as of the transaction dates.

Closing balance of monetary items (cash, cash equivalents, payables and receivables, except for prepayments to suppliers, advances from customers, pre-paid expenses, deposits and unearned income) denominated in foreign currencies should be revalued at the actual rate ruling at the balance sheet date.

Principles for determining book rates

When recovering receivables, deposits, collaterals or payments for payables in foreign currencies, the Company uses specific identification book rate.

When making payments in foreign currencies, the Company uses a moving weighted average rate.

2. Principles for recording cash and cash equivalents

Cash includes cash on hand, demand deposits.

Cash equivalents comprise term deposits, short-term investments with an original maturity of three months or less since investment date, high liquidity and are able to convert to a known amount of cash and subject to an insignificant risk of changes in value.

3. Principles for accounting financial investments

Principles for accounting held-to-maturity investments

Held-to-maturity investments include term deposits.

Held-to-maturity investments are initially recognized at cost, including the purchase price and costs associated with the acquisition of the investments. After initial recognition, if provisions for doubtful debts have not been made as required by law, these investments are evaluated at their recoverable values. When there is firm evidence that part or all of the investment may not be recovered, the loss is recognized as financial expenses during the year and a decrease in the investment value.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

3. Principles for accounting financial investments (continued)

Principles of recording financial investments in subsidiaries, joint ventures, associates

The investments in subsidiaries are recognized when the Company holds more than 50% of voting rights and has the power to govern the financial and operating policies in order to obtain economic benefits from the subsidiaries' operation. When the Company ceases to control the subsidiaries, the investment in the subsidiaries will be written down.

The investment in joint ventures is recorded when the Company holds joint control over these entities' financial and operating policies. When the Company ceases to control these entities, the investment will be written down.

The investments in associates are recognized when the Company holds from 20% to less than 50% of the voting rights of those companies and has considerable influence over their decisions on the financial and operating policies.

Investments in subsidiaries, joint ventures, associates are initially recognized at cost and will not be adjusted thereafter for changes in investors' share of net assets of the investee. The original cost comprises purchase cost and directly attributable expenses to the investment. In a case where the investment is a non-monetary investment, the investment fee is recognized under the fair value of these assets at the date of occurrence.

Provision for loss of investments in subsidiaries, joint ventures, and associates is made when the investee suffers from loss leading to possible loss of capital of investor or the value of the investments is impaired. The basis for making provisions is based on the consolidated financial statements of the investee (if it is a parent company), and the investee's financial statements (if it is an independent enterprise without subsidiaries).

4. Principles for recording trade receivables and other receivables

Principle for recording receivables: At cost less provision for doubtful debts.

The classification of the receivables as trade receivables, internal receivables and other receivables depends on the nature of the transaction or relationship between the company and the debtor.

Method of making provision for doubtful receivables: Provision for doubtful debts is estimated for the loss value of the receivables, other held-to-maturity investments similar to doubtful debts that are overdue and undue, but are likely to become possibly irrecoverable due to insolvency of debtors who go bankruptcy, making procedures for dissolution, go missing or run away, etc.

5. Principles for recording inventories:

Principle of recording inventories: Inventories are stated at cost less (-) the provision for the devaluation and provision for obsolete and deteriorated inventories.

The costs of inventories are determined as follows:

- Raw materials, tools and instruments: consist of purchase cost, transportation cost and other directly attributable costs in bringing the inventories to their present location and condition.
- Finished products: include the costs of raw materials, direct labor, and related manufacturing overheads, which are collected based on the actual costs incurred for each production stage.
- Work in progress: includes the cost of direct raw materials, direct labor, and manufacturing overheads incurred during the production process.

Method of calculating inventory' value: Weighted average cost

Accounting for the inventories: Perpetual inventory method

Method of making provision for the devaluation of inventories: Provision for the devaluation of inventories is made when the net realizable value of inventories is lower than their original cost. Net realizable value is the estimated selling price less the estimated costs of completion and selling expenses. Provision for the devaluation of inventories is the difference between the cost of inventories greater than their net realizable value. Provision for the devaluation of inventories is made for each inventory with the cost greater than the net realizable value.

NOTES TO THE FINANCIAL STATEMENTS

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6. Principles for recording and depreciating fixed assets**6.1 Principles for recording tangible fixed assets**

Tangible fixed assets are stated at the original cost less accumulated depreciation. The original cost of a tangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use. The expenditures incurred after initial recognition are only capitalized if they generate future economic benefits from the use of those tangible fixed assets. The expenditures which do not meet the above conditions are charged to the expenses in the period.

When the assets are sold or disposed of, their original costs and the accumulated depreciation which have been written off, and any gain or loss from the disposal of assets are recorded as income or expense during the period.

Determination of original cost in each case:

Tangible fixed assets purchased

The original cost of purchased tangible fixed assets shall consist of the actual purchase price (less (-) trade discounts or reduction), taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation such as fees for installation and trial operations, specialists and other direct costs.

The original cost of fixed assets formed from capital construction under the mode of tendering shall be the finalization price of the construction project, other relevant fees plus registration fee (if any).

Fixed assets are buildings, and structures attached to land use rights, the value of land use rights is computed separately and recorded as intangible fixed assets.

6.2 Principles for recording intangible fixed assets:

Intangible fixed assets are stated at the original cost less accumulated amortization. The original cost of an intangible fixed asset comprises all costs incurred by the enterprise to acquire that asset from the date of its operation as expected.

Determination of original cost in each case:

Computer software

Computer software includes all expenses the company incurred to obtain software for use.

6.3 Method of depreciating fixed assets

Fixed assets are depreciated on straight-line basis over their estimated useful lives. Useful life means the duration in which the tangible fixed assets produce their effect on production and business.

Estimated useful lives of the fixed assets are as follows:

<i>Factories and structures</i>	5 - 25 years
<i>Machinery and equipment</i>	5 - 15 years
<i>Means of transportation</i>	6 years
<i>Intangible fixed assets</i>	3 - 8 years

Based on Notice No. 947/HCVN-TCKT dated 24 May 2017 of Vietnam Chemical Group, specifically as follows:

- In 2017, the Company depreciated fixed assets by 40% under the straight-line method;
- In 2018 and 2019, the Company depreciated fixed assets by 50% under the straight-line method.

The company records the deferred depreciation costs in the "Long-term prepaid expenses" on the Balance Sheet.

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7. Principles for recording construction in progress

Construction in progress is recorded at cost. This cost includes all costs necessary to newly purchase fixed assets, build or repair, renovate, expand or re-equip technical works such as construction costs; equipment costs; compensation, support and resettlement costs; project management costs; construction investment consulting costs and other costs.

This cost is carried forward to increase asset value when the project is completed, the assets are handed over and put into a ready-to-use state.

8. Principles for recording prepaid expenses

The Company's prepaid expenses are all expenses incurred but related to the operating result of several accounting periods. The Company's prepaid expenses include the following expenses: Insurance costs (fire and explosion insurance, car insurance, property insurance, etc.); tools and instruments; fixed asset repair costs; prepaid land rental fee; business advantages; deferred depreciation costs, etc.

Method of allocating prepaid expenses: The determination and allocation of prepaid expenses into the operating cost of each period is on a straight-line basis. Based on the nature and level of each expense, the term of allocation is defined as follows: short-term prepaid expenses should be allocated within 12 months; Long-term prepaid expenses should be allocated from 12 months to 36 months. Particularly, business advantages upon equitization are allocated for 10 years; depreciation costs will be suspended for 2 years (for assets with the remaining useful life less than or equal to 2 years) and allocated according to the remaining useful life (for assets with remaining useful life over 2 years).

9. Principles for recording liabilities

Liabilities are recorded at the original cost and not lower than the payment obligation.

The Company classifies liabilities into trade payables, internal payables and other payables depending on the nature of transactions and the relationship between the Company and debtors.

Liabilities must be recorded in detail according to the payment schedule, creditor, original currency (including the revaluation of liabilities that meet the definition of monetary items denominated in foreign currencies) and other factors as per the Company's management

At the reporting date, if it is evident that there is an unavoidable loss, an amount payable will be immediately recorded under prudent principles.

10. Principles for recording borrowings

Borrowings are total amounts the Company owes to banks, organizations, financial companies and other objects (excluding borrowings under the form of bond or preferred stock issuance which require the issuer to repurchase at a certain time in the future).

Borrowings are monitored in detail for each creditor, loan agreement and borrowed asset.

11. Principles of recording and capitalizing borrowing costs:

Principles for recording borrowing costs: Loan interest and other costs incurred in direct relation to borrowings of an enterprise are recognized as a business and production cost in the period, except where these costs incurred from the borrowings directly related to the construction investment or production of uncompleted assets are computed in these assets' value (capitalized) when they satisfy conditions stipulated in the VAS No. 16 "Borrowing costs".

The capitalization rate is used to determine the borrowing costs capitalized during the period: In the case of joint borrowings involving construction investment purposes or the production of an unfinished asset, the amount of borrowing costs eligible for capitalization in each accounting period is determined based on the capitalization rate for the weighted average accumulated costs incurred for the construction investment or production of that asset. The capitalization rate is calculated based on the weighted average interest rate of the loans outstanding during the period. Borrowing costs capitalized must not exceed the total borrowing costs incurred during that period.

NOTES TO THE FINANCIAL STATEMENTS

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12. Principles for recording accrued expenses

Accrued expenses include loan interest expenses... incurred during the reporting period but have not yet been paid out. These expenses are recorded based on reasonable estimates of the amounts payable under contracts, and agreements,...

13. Principles for recording provisions for payables:

Provisions for payables are only recognized when the following conditions are met: the Company has a present obligation (legal or constructive) as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; And value of the obligation can be estimated reliably.

The amount recognized as a provision for payables should be the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Provision for payables includes provisions for periodic repair and maintenance of fixed assets (as per technical requirements).

14. Principles for recording owners' equity

Principles for recording owners' contributed capital:

The owner's contributed capital is the amount that is initially contributed by members and supplemented from the shareholders. The owners' equity will be recorded at the actually contributed capital by cash or assets in the early establishment period or additional mobilization to expand the operation.

Principles for recording undistributed profit:

Undistributed profit after tax is recorded at the profit (loss) from the Company's result of operation after deducting (- the current corporate income tax expense and the adjusted items due to the retroactive application of changes in accounting policy and adjustments for material misstatement of the previous years.

The distribution of profits is based on the Company's charter and approved by the Annual General Shareholders' Meeting.

15. Principles and methods for recording revenues and other income

Principles and methods for recording revenue from goods sold

Revenue from the sale of goods should be recognized when all five (5) following conditions have been satisfied: 1. The enterprise has transferred to the buyer the significant risks and rewards of ownership of the goods; 2. The enterprise retains neither continuing managerial involvement as an owner nor effective control over the goods sold; 3. The amount of revenue can be measured reliably; When the contract specifies that buyers are entitled to return products, goods they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have right to return products, goods (except for changing to other goods, services) 4. The economic benefits associated with the transaction has flown or will flow to the enterprise; 5. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Principles and methods for recording revenue from services rendered

Revenue from a service rendered is recognized when the transaction results can be measured reliably. In a case where the services are rendered in several periods, the revenue will be recorded by the part of completed works at the end of the period. Revenue from services rendered is recognized when all four (4) of the following conditions are satisfied simultaneously: 1. The revenue is determined firmly. When the contract specifies that buyers are entitled to return the service they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have the right to return the service; 2. The economic benefits associated with the transaction have flown or will flow from the supply of the provided service; 3. Part of completed works can be determined at the balance sheet date; 4. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

If the contract result cannot be determined reliably, revenue will only be recognized at the recoverable amounts of the recognized costs.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

15. Principles and methods for recording revenues and other income (continued)

Principles and methods for recording financial income

Financial income reflects income from interest, distributed dividends and profits, and other financial income (foreign change gains), etc.

Revenue from interest, royalties, distributed dividends and profit is recognized when both of the two following conditions are satisfied: 1. It is possible to obtain benefits from the transaction; 2. Revenue is determined with relative certainty.

- Interest income is recognized based on the time and actual interest rates in each period.

- Royalties are recognized on an accrual basis in accordance with agreements.

- Dividends and profits distributed are recorded when shareholders are entitled to receive dividends or capital contributors are entitled to receive profits from capital contributions.

When an amount that has been recorded as an income becomes irrecoverable, such an irrecoverable or uncertainly recoverable amount must be recorded as an expense incurred in the period, but not recorded as an income decrease.

16. Principles and methods of recording cost of goods sold

Cost of goods sold reflects the cost of products, services, sold during the period and other costs recorded in cost of goods sold or recorded as reductions in cost of goods sold in the reporting period. The cost of goods sold is recorded at the date the transaction incurs or is likely to incur in the future regardless of whether payment has been made or not. The cost of goods sold and revenue shall be recorded simultaneously on the matching principle. Expenses exceeding normal consumption levels are recorded immediately to the cost of goods sold on a prudent principle.

17. Principles and methods for recording financial expenses

Financial expenses include: Lending and borrowing costs; Provision for impairment of financial investments, losses from selling foreign currencies, Foreign exchange losses and other financial expenses.

Financial expenses are recorded in detail for each expense incurred in the period and determined reliably when there is reliable evidence of these expenses.

18. Principles and methods for recording current Corporate income tax expense

Corporate income tax expense includes current corporate income tax and deferred corporate income tax incurred in the year, which sets a basis for determining operating results after tax in the current fiscal year.

Current Corporate tax expense is the tax payable on the taxable income and tax rate enacted in the current year.

The tax payables to the State budget will be finalized with the tax authority. The difference between the tax payables recorded in the book and the tax amounts under finalization will be adjusted upon official finalization with the tax authority.

19. Principles for recording basic earnings per share

Earnings Per Share (EPS) is calculated by dividing the profit or loss attributable to common shareholders, after deducting the Bonus and Welfare Fund established during the period, by the weighted-average number of common shares outstanding during that period.

Diluted EPS is calculated by dividing profit or loss after tax attributable to common shareholders (after adjusting for dividends on preferred convertible shares) by the weighted average number of common shares outstanding during the period and the weighted average number of the common shares will be issued in the case where all dilutive potential common shares are converted into common shares.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

20. Financial instruments

Initial recognition:

Financial assets

According to Circular No. 210/2009/TT-BTC dated 06 November 2009 (Circular No. 210) by the Ministry of Finance, financial assets are classified properly, for the purpose of presentation in the financial statements, into the financial assets which are stated at fair value through the Income Statement, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The Company decides to classify these assets at the date of initial recognition.

At the date of initial recognition, financial assets are recognized at cost plus directly related transaction costs.

Financial assets of the Company comprise cash, short-term deposits, trade receivables and other receivables, listed and unlisted financial instruments and derivative financial instruments.

Financial liabilities

Financial liabilities under Circular 210, for financial statement disclosure purposes, are appropriately classified into financial liabilities recognized through the Income Statement and financial liabilities measured at amortized cost. The Company determines the classification of financial liabilities at the time of initial recognition.

All financial liabilities are initially recognized at cost plus directly related transaction costs.

Financial liabilities of the Company comprise trade payables, other payables, borrowings and liabilities and derivative financial instruments.

Value after initial recognition

Currently, there are no requirements for the re-measurement of the financial instruments after initial recognition.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the report on financial position if, and only if, there is a currently enforceable legal right to offset the financial assets against financial liabilities or vice versa and there is an intention to settle on a net basis or to realize the assets and settle the liability simultaneously.

21. Related parties

Related parties include enterprises and individuals that directly or indirectly through one or more intermediaries, control, or are under control of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel such as Board of Directors, Board of Management and close members of the family of these individuals and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

22. Presentation of assets, revenue and results of operation by segment

Business segment includes segment based on business sector and on geographical area.

A business segment is a distinguishable component of the Company engaged in production or in providing an individual product or service or a group of related products or services and that is subject to risks and rewards that are different from those of other business segments.

A geographical segment is a distinguishable component of the Company engaged in production or providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

Because the company's operations primarily focus on producing and trading fertilizers in Bac Ninh province, the company does not prepare segment reports by geographical area and business sector.

NOTES TO THE FINANCIAL STATEMENTS

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Unit: VND

V. ADDITIONAL INFORMATION FOR ITEMS IN THE INTERIM BALANCE SHEET

1. Cash and cash equivalents

	31/12/2025	01/01/2025
Cash	390,360,146,994	371,815,496,069
Cash on hand	927,649,802	3,725,588,904
Demand deposits	389,432,497,192	368,089,907,165
a. Demand deposits in Vietnamese Dong	145,603,549,077	124,777,657,363
<i>Vietnam Maritime Commercial Bank (MSB) - Bac Giang Branch</i>	34,390,605,075	21,200,365,843
<i>Asia Commercial Bank (ACB)</i>	28,829,459,415	123,024,788
<i>Vietnam Joint Stock Commercial Bank for Industry and Trade (Vietinbank) - Bac Giang Branch</i>	26,693,228,341	79,544,148,778
<i>Bank for Investment and Development of Vietnam (BIDV) - Kinh Bac Branch</i>	22,181,210,344	2,007,306,287
<i>BIDV - Bac Giang Branch</i>	15,719,850,584	92,329,620
<i>Vietinbank - Tay Ho Branch</i>	8,338,200	20,167,403,466
<i>Other banks</i>	17,780,857,118	1,643,078,581
b. Demand deposits in foreign currency (USD)	243,828,948,115	242,448,679,476
<i>ACB - Hoang Cau Branch</i>	78,289,728,414	0
<i>Vietinbank - Bac Giang Branch</i>	59,471,177,991	242,341,481,358
<i>MSB - Bac Giang Branch</i>	27,936,002,250	0
<i>Joint Stock Commercial Bank for Foreign Trade of Vietnam (VCB) - Tay Ho Branch</i>	26,200,379,960	104,673,118
<i>BIDV - Kinh Bac Branch</i>	26,095,000,000	0
<i>Cathay United Bank - Ho Chi Minh City Branch</i>	25,834,050,000	0
<i>Other banks</i>	2,609,500	2,525,000
Total	390,360,146,994	371,815,496,069

NOTES TO THE FINANCIAL STATEMENTS

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Unit: VND

3. Trade receivables	31/12/2025		01/01/2025	
	Value	Provision	Value	Provision
a. Short-term	268,479,033,176	0	194,518,231,831	0
Wuhuan Engineering Co., Ltd - Project Management Office in Bac Giang (*)	54,084,783,360	0	54,084,783,360	0
Ha Anh Export Import Joint Stock Company	71,052,361,640	0	0	0
SAMSUNG C AND T SINGAPORE PTE LTD	34,445,400,000	0	49,868,750,000	0
Ha Bac Hung Phat Chemical Joint Stock Company	28,241,550,888	0	5,450,582,788	0
Bac Giang Fertilizer Export Import Joint Stock Company	21,215,777,952	0	0	0
Thanh Son General Trading and Service Company Limited	0	0	33,427,000,000	0
Others	59,439,159,336	0	51,687,115,683	0
Total	268,479,033,176	0	194,518,231,831	0
b. Trade receivables from related parties				
Habac Liquefied Gas Joint Stock Company	1,175,602,594	0	902,310,017	0
Total	1,175,602,594	0	902,310,017	0

(*) This is receivable from the contractor related to the trial operation of fixed assets of Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project.

All trade receivables are pledged under short-term loan contract No. 01/2025-HĐCVHM/NHCT280-DHB dated 28 July 2025 of Vietinbank - Bac Giang Branch.

NOTES TO THE FINANCIAL STATEMENTS

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Unit: VND

4. Prepayments to suppliers	31/12/2025		01/01/2025	
	Value	Provision	Value	Provision
a. Short-term	61,175,690,070	0	37,973,043,906	0
Yueyang Dongtian Petrochemical Co., Ltd, China	57,708,945,741	0	26,367,604,217	0
Hong Phuc Material and Equipment Co., Ltd	0	0	6,167,604,000	0
Chan Hung Trading Technical Services Joint Stock Company	1,030,000,000	0	0	0
Others	2,436,744,329	0	5,437,835,689	0
Total	61,175,690,070	0	37,973,043,906	0
5. Other receivables				
a. Short-term	20,389,824,051	(5,210,337,062)	20,053,233,712	(5,210,337,062)
Constrexim-MECO Joint Stock Company - Advance payment for site clearance of the resettlement project.	5,210,337,062	(5,210,337,062)	5,210,337,062	(5,210,337,062)
Other receivables related Fertilizer Plant Renovation and Expansion Project	4,654,692,143	0	4,654,692,143	0
Receivables for adjusting compensation costs for pipeline 390,395	2,701,391,102	0	2,701,391,102	0
Others	7,823,403,744	0	7,486,813,405	0
b. Long-term	740,804,017,963	0	740,804,017,963	0
Receivable from EPC contractor, package 8 - Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project (*)	740,804,017,963	0	740,804,017,963	0
Total	761,193,842,014	(5,210,337,062)	760,857,251,675	(5,210,337,062)

(*): Adjustment to decrease the original cost of fixed assets of Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project (See Note V.9)

NOTES TO THE FINANCIAL STATEMENTS

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	31/12/2025		01/01/2025	
	Cost	Recoverable amount	Provision	Cost
6. Bad debts				
- Total value of receivables, loans that are overdue or not overdue but unlikely to be recovered	5,210,337,062	0	(5,210,337,062)	5,344,337,062
Constrexim-MECO Joint Stock Company -Advance payment for site clearance of the resettlement project.	5,210,337,062	0	(5,210,337,062)	(5,210,337,062)

- Total value of receivables, loans that are overdue or not overdue but unlikely to be recovered

Constrexim-MECO Joint Stock Company -Advance payment for site clearance of the resettlement project.

These notes are an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

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7. Inventories	31/12/2025		01/01/2025	
	Cost	Provision	Cost	Provision
Raw materials	493,735,176,901	0	519,918,637,465	0
Tools, instruments	450,067,448	0	469,867,445	0
Work in progress	23,247,476,401	0	15,964,483,881	0
Finished products	39,220,990,842	0	2,761,407,634	0
Total	556,653,711,592	0	539,114,396,425	0

All inventories are pledged under short-term loan contract No. 01/2025/HĐCVHM/NHCT280-ĐHB dated 28 July 2025 of Vietinbank - Bac Giang Branch.

8. Long-term assets in progress	31/12/2025		01/01/2025	
	Value	Provision	Value	Provision
a. Long-term work in progress	33,552,540	0	33,552,540	0
- Research to implement CA topic	33,552,540	0	33,552,540	0
b. Construction in progress	70,922,996,820	0	92,310,341,918	0
- Resettlement project (*)	70,873,660,448	0	70,873,660,448	0
- 130 tons/h steam boiler investment project- Thermal Workshop	11,310,909	0	11,310,909	0
- Limestone grinding system investment project - Thermal workshop	10,987,963	0	10,987,963	0
Urea loading Robot System Investment Project (02 Robots)	27,037,500	0	0	0
- Major repair costs of fixed assets	0	0	21,414,382,598	0
Total	70,956,549,360	0	92,343,894,458	0

(*) The project is being undertaken by the Ha Bac Nitrogenous Fertilizer and Chemicals Joint Stock Company, with a total investment of 87 billion Vietnamese Dong. The capital source is collected from land use fees when allocating land for resettlement but the Company advanced for implementation. The project is located in Tho Xuong Ward, Bac Giang City, Bac Giang Province (now Bac Ninh Province), and aims to resettle people affected by Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project. As of now, the project has been basically completed and is awaiting final settlement.

These notes are an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

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Unit: VND

9. Tangible fixed assets

Items	Buildings, structures	Machinery, equipment	Means of transportation	Total
Original cost (*)				
Opening balance	2,040,519,490,653	7,766,148,013,924	36,066,731,386	9,842,734,235,963
Complete construction	2,695,473,583	11,268,224,479	0	13,963,698,062
Other increase (**)	3744454413	0	0	3,744,454,413
Disposals, resales	0	(37,227,883,421)	(1,921,780,952)	(39,149,664,373)
Closing balance	2,046,959,418,649	7,740,188,354,982	34,144,950,434	9,821,292,724,065
Accumulated depreciation				
Opening balance	987,870,501,012	5,283,170,189,962	26,855,290,295	6,297,895,981,269
Depreciated for the year	70,464,766,659	473,891,659,784	1,551,681,420	545,908,107,863
Disposals, resales	0	(37,227,883,421)	(1,921,780,952)	(39,149,664,373)
Closing balance	1,058,335,267,671	5,719,833,966,325	26,485,190,763	6,804,654,424,759
Net book value				
Opening balance	1,052,648,989,641	2,482,977,823,962	9,211,441,091	3,544,838,254,694
Closing balance	988,624,150,978	2,020,354,388,657	7,659,759,671	3,016,638,299,306

(*) The original cost of fixed assets includes the value of fixed assets of the Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project. This project has been temporarily recorded as an increase in fixed assets since April 2015 with a total cost of VND 9,578,015,411,146. In 2017, based on the completed project finalization report prepared on 01 December 2017, the Company adjusted to decrease the original cost of fixed assets formed from this project by VND 731,345,834,964, the revised original cost was determined to be VND 8,846,669,576,182 and depreciated the fixed assets under the revised original cost. The reduced value is mainly associated with the materials and equipment of package 8 implemented by Wuhuan Engineering Co., Ltd, so the Company recorded the receivable from the contractor. Currently, the Company is waiting for approval of completion finalization from the competent authority, and the lack of A-B finalization may lead to a contractual dispute with the contractor.

(**) Increase adjustment due to reduction of major repair costs to increase fixed assets, as per the State Audit's conclusion.

- In which:

+ Net book value of tangible fixed assets used as mortgage or pledge to secure loans: VND 2,987,887,096,339.

+ Original cost of tangible fixed assets at the end of the year fully depreciated but still in use: VND 893,393,892,362.

10. Intangible fixed assets

Items	Computer software	Total
Original cost		
Opening balance	13,226,611,293	13,226,611,293
Closing balance	13,226,611,293	13,226,611,293
Accumulated amortization		
Opening balance	13,226,611,293	13,226,611,293
Charged for the year	0	0
Closing balance	13,226,611,293	13,226,611,293
Net book value		
Opening balance	0	0
Closing balance	0	0

* Original cost of intangible fixed assets at the year end fully amortized but still in use: VND 13,226,611,293.

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11. Prepaid expenses

	31/12/2025	01/01/2025
Short-term prepaid expenses	3,716,671,501	5,677,546,358
Insurance costs	1,915,067,811	3,771,776,209
Others	1,801,603,690	1,905,770,149
Long-term prepaid expenses	463,895,374,058	575,805,447,125
Business advantages when equitizing	0	18,835,350,028
Land rental fee (*)	50,803,898,822	52,413,103,238
Fixed asset depreciation is deferred under Notice No. 947/HCVN-TCKT	402,284,661,521	484,255,807,694
Major fixed assets repair cost	10,631,516,777	20,053,784,534
Others	175,296,938	247,401,631
Total	467,612,045,559	581,482,993,483

(*) According to Notice No. 163/TB-STC dated 7 August 2015 of the Department of Finance of Bac Giang province (now the Department of Finance of Bac Ninh province) and documents determining the land rental fee to be offset against compensation and site clearance cost of the Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project by the Tax Department of Bac Giang province (now the Tax Department of Bac Ninh province), the amount of VND 65,613,266,507 will be deducted from the annual land rental fees of the Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project in Huong Man village - Xuan Huong commune - Lang Giang district (now My Thai commune) and 02 land lots in Tho Xuong ward - Bac Giang city (now Bac Giang commune) until 2058. At 31 December 2025, the remaining site clearance amount to be offset against the project's land rental fee is VND 50,803,898,822.

12. Trade payables

	31/12/2025		01/01/2025	
	Value	Debt repayment capacity	Value	Debt repayment capacity
a. Short-term	566,654,037,556	566,654,037,556	386,144,351,853	386,144,351,853
Wuhuan Engineering Co., Ltd (*)	243,486,712,117	243,486,712,117	235,876,130,842	235,876,130,842
Vietnam National Coal & Mineral Industries Holding Co., Ltd	217,797,703,205	217,797,703,205	70,144,912,245	70,144,912,245
Hoang Gia Trading & Service Company Limited	11,903,520,499	11,903,520,499	20,904,085,125	20,904,085,125
THAHUSA Group Joint Stock Company	12,676,515,163	12,676,515,163	15,711,522,750	15,711,522,750
Ha Long Investment Co., Ltd	0	0	15,228,241,875	15,228,241,875
Ha Bac Mechanical Electrics Joint Stock Company	10,746,491,637	10,746,491,637	3,317,792,356	3,317,792,356
Payable to other suppliers related to the Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project	2,476,959,000	2,476,959,000	2,476,959,000	2,476,959,000
Others	67,566,135,935	67,566,135,935	22,484,707,660	22,484,707,660
Total	566,654,037,556	566,654,037,556	386,144,351,853	386,144,351,853
b. Short-term from related parties				
Vietnam Institute of Industrial Chemistry	572,810,400	572,810,400	358,930,000	358,930,000
Total	572,810,400	572,810,400	358,930,000	358,930,000

(*) This is payable to contractor related to the Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

	31/12/2025	01/01/2025
13. Advances from customers	46,666,957,669	117,549,295,214
a. Short-term		
VRG DONGWHA MDF Joint Stock Company	17,325,000,000	0
Vinacam Group Joint Stock Company	15,712,700,555	0
Vietgro Export Import Co., Ltd	6,244,533,500	6,763,567,795
Thuy Ngan Trading Co., Ltd	0	27,145,500,000
Toan Van General Trading Joint Stock Company	0	18,850,780,941
Cuong Lien Agricultural Materials Company Limited	0	17,367,100,000
Bac Giang Fertilizer Export Import Joint Stock Company	0	13,135,807,383
Others	7,384,723,614	34,286,539,095
Total	46,666,957,669	117,549,295,214
b. Advances from related parties		
Ninh Binh Nitrogenous Fertilizer Ltd. Company	6,212,700	0
Total	6,212,700	0

14. Taxes and payables to the State

	01/01/2025	Payables in the year	Paid/deducted during the year	31/12/2025
a. Payables				
Output VAT	0	95,163	95,163	0
VAT on imported goods	0	3,887,978,418	3,887,978,418	0
Import and export tax	0	43,935,339,816	42,400,783,192	1,534,556,624
Personal income tax	47,363,937	1,614,687,808	1,570,195,240	91,856,505
Natural resources tax	146,683,440	1,180,394,100	1,212,328,350	114,749,190
Housing tax and land rental fee	0	13,116,932,537	13,116,932,537	0
Business license fee	0	3,000,000	3,000,000	0
Fees, charges and other payables	306,118,830	2,577,730,168	2,660,847,418	223,001,580
Total	500,166,207	66,316,158,010	64,852,160,318	1,964,163,899
b. Receivables				
Land rental fee	0	0	15,712,852	15,712,852
Total	0	0	15,712,852	15,712,852

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

	31/12/2025	01/01/2025
15. Accrued expenses	11,943,131,967	576,813,743
a. Short-term		
Interest expense	565,644,106	554,659,849
Fees for issuing letters of guarantee	846,821,706	0
Others	10,530,666,155	22,153,894
Total	11,943,131,967	576,813,743
16. Other payables	242,748,713,591	208,448,097,686
a. Short-term		
Trade union fees	7,549,540	462,403,256
Loan interest payable to Vietnam Development Bank - North Northeast Area Branch (*)	135,509,000,000	130,000,000,000
Payable to Vietnam National Chemical Group for proceeds from liquidation of unused materials when equitization	0	1,693,506,388
Materials are warehoused but pending liability recognition	41,159,921,214	31,368,869,800
Payables to resettlement project costs (**)	1,911,956,217	1,911,956,217
Funding source for resettlement project granted (*)	2,803,991,000	2,803,991,000
Payables related to the self-settlement of Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project.	35,151,624,197	35,151,624,197
Others	26,204,671,423	5,055,746,828
Total	242,748,713,591	208,448,097,686
b. Long-term		
Loan interest payable to Vietnam Development Bank - North Northeast Area Branch (*)	1,879,846,825,646	2,015,355,825,646
Long-term deposits and collaterals	9,395,690,873	3,549,496,985
Collection of land use fees for the resettlement project (**)	66,809,800,000	66,809,800,000
Total	1,956,052,316,519	2,085,715,122,631
c. Other payables to related parties		
Payable to Vietnam National Chemical Group for proceeds from liquidation of unused materials when equitization	0	1,693,506,388
Total	0	1,693,506,388

(*) The interest payable to Vietnam Development Bank - North Northeast Area Branch has its interest payment term adjusted under the amended and supplemented Contract No. 02/2023/HDTDDT-NHPT dated 21 December 2023.

(**): Amounts collected to implement resettlement investment construction project for Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project

- The above amounts are used to cover the technical infrastructure construction cost and are monitored in the construction in progress of about VND 70.9 billion; other receivables are about VND 1.9 billion. The difference between income/expenditures will be finalized with the State.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

17. Borrowings and finance lease liabilities

	During the year				Debt repayment capacity
	31/12/2025	01/01/2025			
	Value	Debt repayment capacity	Increase	Decrease	Value
a. Short-term borrowings	283,980,150,466	283,980,150,466	1,797,224,476,235	1,928,507,549,075	415,263,223,306
<i>Short-term borrowings from Banks</i>	<i>283,980,150,466</i>	<i>283,980,150,466</i>	<i>1,797,224,476,235</i>	<i>1,928,507,549,075</i>	<i>415,263,223,306</i>
Vietinbank - Bac Giang Branch (1)	46,368,494,884	46,368,494,884	1,380,511,371,562	1,634,948,330,497	300,805,453,819
ABC - Hoang Cau Branch (2)	69,279,978,947	69,279,978,947	181,641,859,675	112,361,880,728	0
MSB - Bac Giang Branch (3)	68,331,676,635	68,331,676,635	117,459,155,197	49,127,478,562	0
BIDV - Kinh Bac Branch	0	0	17,612,089,801	35,069,859,288	17,457,769,487
Long-term borrowings due	100,000,000,000	100,000,000,000	100,000,000,000	97,000,000,000	97,000,000,000
b. Long-term borrowings	1,995,333,450,000	1,995,333,450,000	39,329,250,000	413,902,000,000	2,369,906,200,000
<i>Long-term borrowings from Banks</i>	<i>1,995,333,450,000</i>	<i>1,995,333,450,000</i>	<i>39,329,250,000</i>	<i>413,902,000,000</i>	<i>2,369,906,200,000</i>
Vietinbank - Bac Giang Branch and co-financing banks (4)	1,024,746,450,000	1,024,746,450,000	39,329,250,000	313,902,000,000	1,299,319,200,000
Vietnam Development Bank - North Northeast Area Branch (5)	970,587,000,000	970,587,000,000	0	100,000,000,000	1,070,587,000,000
Total	2,279,313,600,466	2,279,313,600,466	1,836,553,726,235	2,342,409,549,075	2,785,169,423,306

These notes are an integral part of the financial statements

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HABAC NITROGENOUS FERTILIZER AND CHEMICALS JOINT STOCK COMPANY

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Form B 09 - DN

Unit: VND

17. Borrowings and finance lease liabilities (continued)

Borrowings from banks in detail:

Contract No.	Term	Interest rate	Credit limit	Balance as at 31/12/2025	Loan purpose	Secured assets
Vietinbank - Bac Giang Branch (1)						
Loan Limit Contract No. 01/2025/HDCVHM/NHCT280-PHB dated 28/07/2025	From 28/07/2025 đến 28/07/2026	As per each indebtedness certificate	380,000,000,000	46,368,494,884	Serving the production and trading of Urea, Ammonia, CO2	All inventories of the Company, address: Tran Nguyen Han Street, Bac Giang Ward, Bac Ninh Province, and accounts receivable from customers.
ABC - Hoang Cau Branch (2)						
Loan Limit Contract No. HCA.DN.6884.100325 dated 20/03/2025	From 20/03/2025 to 20/03/2026	As per each indebtedness certificate	200,000,000,000	69,279,978,947	Serving the production and business activities	The entire balance, including principal and interest, of the Company's current accounts and term deposits at MSB.
MSB - Bac Giang Branch (3)						
Loan Limit Contract No. 112-00039698.714/2025/HDTD dated 04/04/2025	From 04/04/2025 to 01/04/2026	As per each indebtedness certificate	100,000,000,000	68,331,676,635	Serving the production and business activities of Urea, Ammonia, CO2	The entire balance, including principal and interest, of the Company's current accounts and term deposits at MSB.

These notes are an integral part of the financial statements

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

17. Borrowings and finance lease liabilities (continued)

Vietinbank - Bac Giang Branch and co-financing banks (4)

Loan Limit Contract No. 01.68/HĐYTĐ dated 06/8/2010

Until 2031

6%/year

192 million USD

38.850,000 USD

Investment in Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project

Assets formed from loan capital

VND converted

1,024,746,450,000

Vietnam Development Bank - North Northeast Area Branch (5)

Loan Limit Contract No. 45/2008/HĐTĐĐT-NHPT dated 11/9/2008 and annexes

Until 2031

8,55%/year

4,125,000,000,000

1,070,587,000,000

Investment in Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project

Assets formed from loan capital

2,279,313,600,466

Total

These notes are an integral part of the financial statements

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

18. Owners' equity

a. Reconciliation table of changes in Owners' equity

Items	Owners' contributed capital	Undistributed Profit after tax	Total
Previous year opening balance	2,722,000,000,000	(2,110,393,137,744)	611,606,862,256
Profit	0	6,845,416,606	6,845,416,606
Previous year closing balance	2,722,000,000,000	(2,103,547,721,138)	618,452,278,862
Current year opening balance	2,722,000,000,000	(2,103,547,721,138)	618,452,278,862
Profit	0	10,854,585,043	10,854,585,043
Other increase (*)	0	2,335,567,867	2,335,567,867
Current year closing balance	2,722,000,000,000	(2,090,357,568,228)	631,642,431,772

(*) Increase adjustment due to recognition of other income from payables and reduction of major repair costs to increase fixed assets, as per the State Audit's conclusion.

b. Owners' contributed capital in detail

	Capital contribution ratio	31/12/2025	01/01/2025
Vietnam National Chemical Group	97.66%	2,658,310,000,000	2,658,310,000,000
Other shareholders	2.34%	63,690,000,000	63,690,000,000
Total	100.00%	2,722,000,000,000	2,722,000,000,000

c. Capital transactions with owners and distribution of dividends, profit

	Year 2025	Year 2024
Contributed capital of owners	2,722,000,000,000	2,722,000,000,000
At the beginning of the year	2,722,000,000,000	2,722,000,000,000
Capital increase during the year	0	0
Capital decrease during the year	0	0
At the end of the year	2,722,000,000,000	2,722,000,000,000

d. Shares

	31/12/2025	01/01/2025
Number of shares registered to issue	272,200,000	272,200,000
Number of shares sold out to public	272,200,000	272,200,000
Common shares	272,200,000	272,200,000
Number of treasury shares	0	0
Common shares	0	0
Number of shares in circulation	272,200,000	272,200,000
Common shares	272,200,000	272,200,000
Par value of share in circulation: VND per share	10,000	10,000

These notes are an integral part of the financial statements

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

19. Off-balance sheet item

a. Outsourced assets

The Company signed land lease agreements in Bac Giang ward, Bac Ninh province (formerly Tho Xuong Ward, Bac Giang City, Bac Giang Province) for production and business purposes from 2007 to 2058. The leased land area is 85,51811 ha. According to these agreements, the Company must pay annual land rent until its maturity date following current State regulations.

In addition, the Company signed a land lease contract in Quy Nhon Bac ward, Gia Lai province (formerly Tran Quang Dieu Ward, Quy Nhon City, Binh Dinh Province), to serve as the Company's representative office in Binh Dinh Province from 2001 to 2045. The leased land area is 349m². According to current state regulations, the Company must pay annual land rent until the contract maturity date.

b. Foreign currencies

	31/12/2025		01/01/2025	
	Original currency	VND converted	Original currency	VND converted
USD	9,343,895.31	243,828,948,115	9,675,035.93	244,294,657,234
Total	9,343,895.31	243,828,948,115	9,675,035.93	244,294,657,234

VI. ADDITIONAL INFORMATION FOR ITEMS IN THE INCOME STATEMENT

1. Net revenue from goods sold and services rendered

	Year 2025	Year 2024
Net revenue from goods, products sold	4,330,490,843,532	4,439,477,098,072
Total	4,330,490,843,532	4,439,477,098,072

2. Cost of goods sold

	Year 2025	Year 2024
Cost of goods, products sold	3,845,579,863,734	4,161,818,996,381
Total	3,845,579,863,734	4,161,818,996,381

3. Financial income

	Year 2025	Year 2024
Interest from loans, deposits	662,769,762	1,456,880,594
Dividends, profit received	2,594,718,000	5,189,436,000
Foreign exchange gain during the year	9,812,600,792	20,252,070,422
Total	13,070,088,554	26,898,387,016

4. Financial expenses

	Year 2025	Year 2024
Loan interest expense	173,664,833,428	203,307,955,862
Foreign exchange loss during the year	1,221,571,432	1,961,190,187
Foreign exchange loss due to revaluation	43,587,789,612	67,667,275,146
Total	218,474,194,472	272,936,421,195

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

5. Selling expenses and General and administrative expenses

a. Selling expenses

	Year 2025	Year 2024
Raw materials	1,758,682,151	2,367,015,194
Other costs in cash (transportation, advertisements,...)	84,245,709,049	83,980,965,287
Total	86,004,391,200	86,347,980,481

b. General and administrative expenses

	Year 2025	Year 2024
Staff cost	41,861,063,299	41,676,087,556
Management material costs	5,830,389,457	9,144,790,826
Fixed asset depreciation	13,190,445,467	14,097,140,318
Taxes, fees, charges	13,964,642,261	8,074,400,720
External services	8,703,702,210	6,766,547,235
Other costs in cash	57,619,223,488	56,065,397,498
Total	141,169,466,182	135,824,364,153

6. Other income

	Year 2025	Year 2024
Proceed from leasing assets	200,060,304	260,244,371
Income from loan interest waiver and rate reduction	0	242,846,771,107
Income from inventory count surpluses	0	4,438,999,198
Income from asset liquidation	7,362,558,922	232,933,333
Others	1,930,985,010	1,203,744,216
Total	9,493,604,236	248,982,692,225

7. Other expenses

	Year 2025	Year 2024
Depreciation of assets suspended for repairs	50,748,305,647	50,534,133,496
Others	223,730,044	1,050,865,001
Total	50,972,035,691	51,584,998,497

8. Business costs by factor

	Year 2025	Year 2024
Raw material cost	2,512,367,395,715	2,683,463,701,968
Labor cost	199,215,228,000	201,258,479,552
Fixed asset depreciation	576,922,740,695	576,139,896,653
External services	456,427,646,024	436,203,019,558
Other costs in cash	371,563,286,410	388,398,682,382
Total	4,116,496,296,844	4,285,463,780,113

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

	Year 2025	Year 2024
9. Current Corporate income tax expense		
Total accounting profit before tax	10,854,585,043	6,845,416,606
Adjustments to increase	362,665,777	172,050,000
- Non-deductible expenses	1,189,777	32,000,000
- Remuneration of non-executive Board of Directors and Supervisory Board	361,476,000	140,050,000
Adjustments to decrease	(2,594,718,000)	(5,189,436,000)
- Dividends, profit received	(2,594,718,000)	(5,189,436,000)
Loss from previous years carried forward	(8,622,532,820)	(1,828,030,606)
Taxable income	0	0
Tax rate	20%	20%
Total current Corporate income tax expense	0	0
10. Basic earnings per share		
Accounting profit after corporate income tax	10,854,585,043	6,845,416,606
Adjustments to increase or decrease	0	0
Profit or loss allocated to common shareholders	10,854,585,043	6,845,416,606
Average common shares outstanding during the year	272,200,000	272,200,000
Basic earnings per share	39.88	25.15

11. Financial risk management policies and objectives

The risks from financial instruments include market risk, credit risk and liquidity risk.

The Board of Management considers the application of management policies for the above risks as follows:

11.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. There are three market risks: interest rate risk, foreign exchange risk and other price risks, for example, risk of stock price. Financial instruments affected by the market risks include borrowings and liabilities, deposits, and available-for-sale investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risks due to changes in the interest rate of the Company mainly relate to: borrowings and liabilities, cash, and short-term deposits.

The Company manages the interest rate risk by analyzing the competition status in the market in order to apply the interest rate that brings benefits to the Company while is still within the limit of its risk management.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in the exchange rate. The Company bears risks due to changes in the exchange rate of currencies other than VND related directly to the Company's operating activities.

The Company manages foreign currency risk by considering current and expected market conditions when planning future transactions in foreign currencies. The Company does not use any derivative financial instruments to hedge its foreign currency risks.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

11.2 Credit risk

Credit risk is the risk that one party to a financial instrument or customer contract will cause a financial loss for the other party by failing to discharge an obligation. The Company bears credit risks from operating activities (mainly trade receivables) and from its financial activities including bank deposits, foreign exchange operations and other financial instruments.

Trade receivables

The Company minimizes the credit risk by only doing business with entities that have a good financial capacity and closely keeping track of the liabilities to speed up the recovery of debts. On the basis of this method and receivables related to different customers, the credit risk does not concentrate on a certain customer.

Bank deposits

The company mainly maintains deposits at large and prestigious banks in Vietnam. The Company finds that the concentration of credit risk on bank deposits is low.

11.3 Liquidity risk

Liquidity risk is the risk that arises from difficulty in fulfilling financial obligations due to a lack of capital. The liquidity risk of the Company mainly arises from the difference in the maturity of the financial assets and liabilities.

The Company supervises liquidity risk by maintaining an amount of cash, cash equivalents and borrowings from banks at the level that the Board of Management considers sufficient to satisfy the Company's activities and minimize influences of changes in cash flows.

The following table summarizes liquidity deadline of the Company's financial liabilities on the basis of estimated payments in accordance with contract which are not discounted:

As at 31/12/2025	Less than 1 year	Over 1 year	Total
Borrowings and liabilities	283,980,150,466	1,995,333,450,000	2,279,313,600,466
Trade payables	566,654,037,556	0	566,654,037,556
Accrued expenses	11,943,131,967	0	11,943,131,967
Other short-term payables	242,741,164,051	1,956,052,316,519	2,198,793,480,570
Total	1,105,318,484,040	3,951,385,766,519	5,056,704,250,559
As at 01 January 2025			
Borrowings and liabilities	415,263,223,306	2,369,906,200,000	2,785,169,423,306
Trade payables	386,144,351,853	0	386,144,351,853
Accrued expenses	576,813,743	0	576,813,743
Other short-term payables	206,292,188,042	2,085,715,122,631	2,292,007,310,673
Total	1,008,276,576,944	4,455,621,322,631	5,463,897,899,575

The Company can access capital sources and loans due within 12 months can be rolled over with existing lenders.

Secured assets

The Company used part of land use rights, bank deposits and cash equivalents, trade receivables, inventories, machinery and equipment, buildings and structures, and land use rights as collateral for short-term and long-term borrowings from banks (Detail in Note "Borrowings and finance lease liabilities").

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

12. Financial assets and liabilities

The fair value of financial assets and financial liabilities is stated at the value that the financial instruments are convertible in present transaction among partners, except for compulsory sale or disposal.

The Company uses the following methods and assumptions to estimate the fair value:

The fair value of cash on hand and short-term deposits, trade receivables, trade payables and other short-term liabilities is equivalent to the book value of these items because these instruments are in short-term.

The following table presents the book value and fair value of financial instruments presented in the Company's Financial Statements:

	Book value			Fair value		
	31/12/2025		01/01/2025	31/12/2025		01/01/2025
	Value	Provision	Value	Value	Provision	Value
Financial assets						
- Cash and cash equivalents	390,360,146,994	0	371,815,496,069	0	390,360,146,994	371,815,496,069
- Short-term held-to-maturity investments	75,519,000,000	0	48,000,000,000	0	75,519,000,000	48,000,000,000
- Other long-term investments	3,556,066,097	0	3,556,066,097	0	4,928,000,000	5,320,000,000
- Trade receivables	268,479,033,176	0	194,518,231,831	0	268,479,033,176	194,518,231,831
- Other receivables	761,193,842,014	(5,210,337,062)	760,857,251,675	(5,210,337,062)	755,983,504,952	755,646,914,613
TOTAL	1,499,108,088,281	(5,210,337,062)	1,378,747,045,672	(5,210,337,062)	1,495,269,685,122	1,375,300,642,513
Financial liabilities						
- Borrowings and liabilities	2,279,313,600,466	0	2,785,169,423,306	0	2,279,313,600,466	2,785,169,423,306
- Trade payables	566,654,037,556	0	386,144,351,853	0	566,654,037,556	386,144,351,853
- Accrued expenses	11,943,131,967	0	576,813,743	0	11,943,131,967	576,813,743
- Other payables	2,198,793,480,570	0	2,292,007,310,673	0	2,198,793,480,570	2,292,007,310,673
TOTAL	5,056,704,250,559	0	5,463,897,899,575	0	5,056,704,250,559	5,463,897,899,575

These notes are an integral part of the financial statements

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

VII. OTHER INFORMATION

1. Contingent liabilities, commitments and other financial information

The Company has been working with the EPC Contractor of Package 8 - Design, procurement of equipment and materials, construction, operation and handover of the factory to settle additional payments for the Ha Bac Nitrogenous Fertilizer Plant Renovation and Expansion Project. This may lead to future receivables and payables to the contractor and other related parties.

The accumulated losses incurred from the time of enterprise valuation to the time of official conversion to a joint-stock company (from 01 January 2015 to 31 December 2015) totaling VND 669,733,694,565 were transferred to the joint-stock company in accordance with the content of the Initial Public Offering Information Disclosure of Habac Nitrogenous Fertilizer and Chemicals One Member Limited Liability Company and Decision No. 15/QD-HCVN dated 6 January 2017 of Vietnam National Chemical Group regarding the approval of the equitization finalization of Habac Nitrogenous Fertilizer and Chemicals Company Limited at the time of conversion.

2. Transaction with related parties

Significant transactions and balances with related parties during the year are as follows:

Related parties	Relationship	Nature of transaction	Incurred during the year	Closing balance receivable (payable)
Vietnam National Chemical Group	Parent company	Income and expenses from the disposal of unused assets during equitization	1,693,506,388	0
DAP - Vinachem Joint Stock Company	Same parent company	Selling goods	19,444,599,000	0
		Purchasing goods	106,253,173,100	0
Habac Liquefied Gas Joint Stock Company	Associate	Selling goodsg	4,345,944,500	1,175,602,594
		Receiving dividend	2,594,718,000	0
		Other income	27,000,000	0
Vietnam Institute of Industrial Chemistry	Same parent company	Purchasing chemicals	26,264,355,840	(572,810,400)
Ninh Binh Nitrogenous Fertilizer Ltd. Company	Same parent company	Purchasing goods	130,000,000,000	0
		Selling goods	40,555,107,300	(6,212,700)

These notes are an integral part of the financial statements

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

Unit: VND

2. Transaction with related parties (continued)

+ Income of the Board of Directors, Board of Management and Chief Accountant

Name	Position	Content	Year 2025
Nguyen Van Thieu	Chairman of the Board of Directors	Remuneration of the Board of Directors and other income	131,777,000
Nguyen Van Dung	General Director	Salary, remuneration of the Board of Directors and other income	408,918,200
Pham Van Trung	General General Director	Salary, remuneration of the Board of Directors and other income	362,478,200
Nguyen Dinh Hong	General General Director	Salary, remuneration of the Board of Directors and other income	343,758,400
Nguyen Tuyen Anh	Member of the Board of Directors	Remuneration of the Board of Directors and other income	101,722,000
Ha Xuan Han	Head of the Supervisory Board (resigned on 25/4/2025)	Remuneration of the Supervisory Board and other income	68,466,891
Hoang Thi Linh Giang	Head of the Supervisory Board (appointed on 25/4/2025)	Remuneration of the Supervisory Board and other income	38,200,000
Le Anh Tuan	Member of the Supervisory Board	Remuneration of the Supervisory Board and other income	89,777,000
Dang Thi Minh Ly	Member of the Supervisory Board	Remuneration of the Supervisory Board and other income	89,777,000
Le Anh Tuan	Chief Accountant	Salary and other income	244,314,800

3. Presentation of assets, revenue and results of operation by segment

Because the company's operations primarily focus on producing and trading fertilizers in Bac Ninh province, the company does not prepare segment reports by geographical area and business sector.

4. Information on the going-concern operation

The company will continue to operate in the future.

5. Comparative figures

Comparative figures as at 01 January 2025 on the Balance Sheet and in 2024 on the Income Statement and Cash Flow Statement derived from the Company's Financial Statements for the financial year ended 31 December 2024 were audited by MOORE AISC Auditing and Informatics Services Co., Ltd.

6. Events occurred after the balance sheet date

There are no significant events occurring after the end of the accounting period that require adjustment and presentation in these financial statements.

Nguyen Thi Hong Nhung
Preparer

Bac Ninh, 24 February 2026

Le Anh Tuan
Chief Accountant

Nguyen Van Dung
General Director



ĐẠM HÀ BẮC
Quản bón cùng nhà nông

**HA BAC NITROGENOUS FERTILIZER & CHEMICALS
JOINT STOCK COMPANY**

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