



SOUTH WEST PETROVIETNAM FERTILIZER AND CHEMICALS JOINT STOCK COMPANY

*DOCUMENTS*  
**ANNUAL GENERAL MEETING OF  
SHAREHOLDERS 2025**



**Agenda**  
**April 10, 2025**

<b>Time</b>	<b>Content</b>	<b>Duration</b>
14:00 – 14:15	Welcoming delegates and esteemed shareholder	15 minutes
14:15 – 14:25	Flag salute, statement of purpose, and introduction of delegates	10 minutes
14:25 – 14:28	Report from the Shareholder Eligibility Verification Committee	3 minutes
14:28 – 14:35	Announcement of meeting regulations Introduction of the Presidium and the Secretariat	7 minutes
14:35 – 14:40	Welcome speech to shareholders and official opening of the Annual General Meeting (AGM) Approval of the meeting agenda Election of the Voting Committee	5 minutes
14:40 – 14:55	Report of the Board of Directors (BOD) for 2024 activities and operational plan and direction for 2025	15 minutes
14:55 – 15:15	Report on business performance in 2024 and business plan for 2025	20 minutes
15:15 – 15:30	Report of the Supervisory Board (SB) for 2024, operational plan for 2025, and proposal for the selection of an auditor for the 2025 financial statements	15 minutes
15:30 – 15:45	Presentation of 2024 financial statements, profit distribution plan for 2024, and profit distribution plan for 2025	15 minutes
15:45- 15:55	Approval of the report on salaries, remuneration, and other benefits for the BOD and SB in 2024 along with budget estimation for 2025.	10 minutes
15:55 – 16:05	Proposal for approval of the policy on signing contracts and entering transactions with Petrovietnam Fertilizer and Chemicals Corporation	10 minutes
16:05 – 16:20	Proposal for the dismissal and election of BOD members	15 minutes
16:20 – 16:30	The Voting Committee guides the voting process, shareholders complete voting ballots, and the Voting Committee collects and counts the ballots	10 minutes
16:30 – 16:40	Break	10 minutes
16:40 – 17:00	Continued discussion	20 minutes
17:00 – 17:10	The Voting Committee reports voting results for approval of reports and proposals	10 minutes
17:10 – 17:20	Approval of the AGM Resolution and closing remarks	10 minutes

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## **Chapter 1 – MEETING REGULATIONS AND VOTING PROCEDURES**

The following Meeting Regulations and Voting Procedures apply to the 2025 Annual General Meeting of Shareholders of South West PetroVietnam Fertilizer and Chemicals Joint Stock Company (PSW) with the following objectives:

- Ensuring transparency, fairness, and democracy;
- Facilitating the organization and smooth conduct of the meeting.

### **I. ORDER OF THE GENERAL MEETING OF SHARHOLDERS**

1. All attending shareholders must dress appropriately and present their identification documents, meeting invitations, and any other relevant documents for shareholder verification at the reception desk.
2. The Organizing Committee will prioritize seating arrangements, distribute documents, and provide voting ballots to shareholders who have confirmed attendance and arrived on time.
3. Shareholders must sit in their designated seats or areas as assigned by the organizing committee. The seating arrangement must be strictly followed.
4. Smoking is strictly prohibited in the meeting hall.
5. Private conversations and phone calls are not allowed during the meeting. All mobile phones must be turned off or set to silent mode.

### **II. SEQUENCE OF MEETING PROCEEDINGS**

Once the Credentials Committee announces the results of shareholder verification and confirms that the required quorum has been met, the opening procedures for the Annual General Meeting of Shareholders (AGM) will commence immediately.

- 1. Introduction of the meeting regulations, the Presidium, and the Secretariat.**
- 2. The Chairman of the Board of Directors (BOD) – the Chairperson of the AGM – delivers a welcome speech to the attending shareholders.**
- 3. Approval of the agenda and election of the Voting Committee.**  
The AGM votes by a show of hands to approve.
- 4. Presentation of reports as per the agenda.**  
As per the approved agenda.
- 5. Discussion and Q&A session.**

After the PSW leadership presents the reports, the Presidium will chair the discussion session, collect shareholder opinions, and provide responses according to the following principles and procedures:

- The discussion will take place after all reports have been presented.
- Shareholders wishing to speak must write their questions on the Question Form (provided by the AGM organizing committee) and submit them to the Secretariat, which will compile and forward them to the Presidium. In addition, meeting materials are available on PSW's website at <http://www.psw.vn>. Shareholders are encouraged to review them in advance and submit their questions before the AGM.
- The Presidium will respond directly to key questions related to the AGM agenda and those of broad interest to multiple shareholders. For previously disclosed information and technical explanations, the Presidium will summarize and

provide general responses. Detailed technical clarifications for individual shareholders will not be addressed directly.

- Questions concerning private information or unrelated topics will be compiled by the Secretariat and answered in writing or published on PSW's website.
- Questions that cannot be answered during the meeting due to time constraints will also be addressed in writing or published on PSW's website.

### **III. VOTING PROCEDURES FOR MATTERS DISCUSSED IN THE MEETING**

#### **1. Principles**

All matters in the AGM agenda must be approved through open voting by all shareholders via voting ballots, based on the number of shares owned and represented. Each shareholder attending the meeting will receive a Voting Ballot, which includes the required information and the voting items (with a barcode for electronic vote counting).

#### **2. Voting method**

Shareholders shall vote (*approve, disapprove, or no opinion*) on each item by marking the corresponding box on the Voting Ballot and then submitting it to the organizing committee.

#### **3. Timing of voting**

Immediately after voting on all agenda items, shareholders must submit their Voting Ballots to the organizing committee. During the meeting, shareholders may vote in advance and submit their ballots at any time.

For the election of Board of Directors (BOD) members, shareholders must complete the Election Ballot in accordance with the election regulations and instructions.

#### **4. Vote counting**

The Voting Committee consists of three members, nominated by the Presidium and approved by the AGM. The committee is responsible for collecting and counting votes with the assistance of the AGM support team.

If necessary, the Presidium may invite shareholder representatives to supervise the voting and counting process alongside the Voting Committee.

### **IV. RESPONSIBILITIES OF THE PRESIDIUM**

1. Conduct the meeting in accordance with the approved agenda and regulations. The Presidium operates under the principles of democratic centralism and makes decisions based on the majority rule.
2. Guide shareholders in discussions and voting on all agenda items and relevant matters throughout the meeting.
3. Address any issues arising during the AGM.

### **V. RESPONSIBILITIES OF THE SECRETARIAT**

1. Accurately and comprehensively record all meeting discussions and resolutions approved or noted by shareholders.
2. Compile shareholder submissions and present them to the Presidium.
3. Draft the AGM Minutes and Resolutions on the approved matters.

### **VI. RESPONSIBILITIES OF THE VOTING COMMITTEE**

1. Announce the voting procedures and regulations.

2. Distribute, collect, and count the Voting Ballots, and prepare the vote-counting report and results for all approved matters.
3. Promptly report the voting results to the Presidium and Secretariat.
4. Review and report any violations of voting regulations or complaints regarding the voting process to the AGM for resolution.

This Meeting Regulations and Voting Procedures document is officially presented for implementation at the 2025 Annual General Meeting of Shareholders (AGM) of PSW.

**O/B. BOARD OF DIRECTORS  
CHAIRMAN**

**Pham Quy Hien**

## Chapter 2 – REPORT OF THE BOARD OF DIRECTORS

The Board of Directors (BOD) of South West PetroVietnam Fertilizer and Chemicals Joint Stock Company respectfully reports to the General Meeting of Shareholders (GMS) on the performance of the BOD in 2024 and the BOD’s operational plan for 2025 as follows:

### I. Performance of the BOD in 2024.

#### 1. BOD personnel in 2024.

The BOD consists of three members, including one full-time BOD member, one concurrent BOD member, and one independent BOD member, as follows:

1. Mr. Pham Quy Hien - Chairman of the BOD.
2. Mr. Nguyen Cong Bang - BOD Member – Director.
3. Mr. Chu Van Hach - Independent BOD Member.

The company is organized and operates under the governance structure of the General Meeting of Shareholders, the Board of Directors, the Supervisory Board, and the Director. The BOD has not established any subcommittees or an audit committee.

The BOD assigns specific responsibilities to each member, who oversee various areas to review matters within the BOD’s authority for decision-making. Additionally, the BOD supervises, directs, and urges the Executive Board to implement resolutions and decisions of the BOD in accordance with assigned responsibilities.

#### 2. Evaluation of PSW’s performance in 2024.

The year 2024 marks the 14th year of PSW operating as a joint-stock company. This year has been characterized by numerous uncertainties both domestically and globally. The domestic fertilizer market has remained highly competitive, with an oversupply situation, high inventory levels, and prices hovering at low levels with narrow fluctuations.

Despite these challenges and opportunities, with the close attention, support, and guidance of the major shareholder PVFCCo, along with the cooperation of customers and partners, and the strong support of shareholders, PSW has strived to meet the business targets set by the GMS for 2024. These efforts have been driven by the dedication and determination of the BOD, the Executive Board, and all employees, leading to the following specific results:

##### 2.1. Overview of Business Performance

No.	Indicator	Unit	Target 2024	Actual 2024	Performance rate (2024 Actual/ Target)
1	Sales volume	Tons	267.000	255.469	95,68%
2	Total revenue	Billion VND	2.561,64	2.709,77	105,78%
3	Profit before tax	Billion VND	15,00	12,08	80,54%

## **2.2. Activities of the Board of Directors in 2024**

As the highest governing body representing shareholders' interests, the Board of Directors (BOD), consisting of three incumbent members in 2024, actively fulfilled its roles and responsibilities in line with corporate governance standards of a joint-stock company. The BOD operated in a structured manner, making collective decisions and assigning responsibilities to each member based on their area of expertise, specifically:

- Attending and providing direction in key management meetings of the Executive Board (EB) regarding the implementation of resolutions and decisions of the BOD.
- Monitoring and supervising business operations through corporate governance activities, direct oversight, and reports submitted by the EB.
- Directly advising and providing feedback to the EB on critical business matters.

The BOD of PSW has carried out its rights and duties as prescribed by corporate laws and the company's charter, as approved by the General Meeting of Shareholders (GMS).

## **3. Performance of Each Board Member:**

The Board of Directors assigns specific responsibilities to each member, as follows:

### **3.1 Mr. Pham Quy Hien – Chairman of the BOD.**

- Performing functions, duties, and rights as a BOD member and Chairman in accordance with legal regulations and the Company Charter.
- Overseeing the following areas:
  - + General management and oversight of all company activities.
  - + Development of corporate growth strategies;
  - + Organizational structure and corporate restructuring;
  - + Issuance, amendment, and supplementation of internal regulations and policies;
  - + Shareholder and investor relations;
  - + General supervision of company departments.

### **3.2. Mr. Nguyen Cong Bang – BOD Member cum Director.**

- Performing duties and exercising powers as the Director and a BOD member per legal provisions and the Company Charter.
- Overseeing the following areas:
  - + Development and execution of annual business plans;
  - + Human resources training and development;
  - + Employee remuneration, bonuses, welfare policies, and reward/disciplinary measures;
  - + Management of safety, environment, and quality control;
  - + Finance, accounting, and capital management for business operations;
  - + Annual dividend payout plans;
  - + Corporate communication and brand management.



### 3.3. Mr. Chu Van Hach – Independent BOD Member.

- Performing duties as an independent BOD member in compliance with corporate laws and the Company Charter;
- Overseeing the following areas:
- + Preparing periodic reports on independent BOD member activities and assessments of the BOD’s performance, in accordance with Clause 4, Article 280 of Decree 155/2020/ND-CP dated December 31, 2020, issued by the Prime Minister on detailed regulations for the Securities Law.
- + Developing new products and business areas aligned with the company’s strategic growth, particularly in agricultural supply chains, including seeds, cultivation techniques, and farming technologies, ...

#### 4. Report on the Activities and Assessment of the Independent BOD Member:

Independent BOD member Mr. Chu Van Hach has operated independently from the executive team, attending all meetings and providing independent opinions and votes on BOD decisions. He has also participated in monitoring and guiding of the Executive Board as assigned by the BOD since being elected on June 29, 2021.

Assessment of corporate governance and management in 2024.

- The BOD and executive team have fulfilled their roles and responsibilities per corporate governance regulations, the Company Charter, and decisions from the GMS and BOD. All BOD members and executives have performed their duties in full compliance with their responsibilities, ensuring the protection of shareholders' interests.
- The independent BOD member has been responsible for developing new products and business segments in line with the company’s strategic direction, particularly in agricultural supply chains and related areas such as seeds, cultivation techniques, and farming technologies. Currently, the company is intensifying research on optimizing its distribution system to maximize profitability and reduce intermediaries, ensuring that farmers can access Phu My fertilizer products at the most competitive market prices.

#### 5. Summary of Board of Directors Meeting Attendance.

No.	BOD Member	Position	BOD Meetings Attended	Attendance Rate	Reason for Absence
1	Pham Quy Hien	Chairman	6/6	100%	
2	Nguyen Cong Bang	Member	6/6	100%	
3	Chu Van Hach	Member	6/6	100%	

Additionally, each BOD member participated in approving resolutions and decisions of the BOD through nine rounds of written opinions.

The BOD has proposed various solutions to guide and support PSW’s Board of Management (BOM) in business operations and other corporate governance activities. The BOD has directed, reviewed, and supervised the BOM’s monthly

and quarterly business reports throughout 2024 and supported the implementation of resolutions and decisions issued by the BOD and the General Meeting of Shareholders (GMS), specifically:

- Issued the 2024 BOD operational plan.
- Directed the organization of the 2024 Annual General Meeting of Shareholders.
- Approved the resolution of the 2024 Annual General Meeting of Shareholders.
- Approved the 2023 salary fund of South West PetroVietnam Fertilizer and Chemicals Joint Stock Company.
- Approved and supervised the execution of the 2024 business plan.
- Approved and issued the inventory and receivables limits of South West PetroVietnam Fertilizer and Chemicals Joint Stock Company.
- Passed a resolution on investment limits for bank deposits and cash flow planning for 2024
- Selected the auditing firm for financial statements as authorized by the GMS.
- Approved the cost allocation method for indirect costs (administrative and sales expenses).
- Approved the 2023 dividend payout plan for South West PetroVietnam Fertilizer and Chemicals Joint Stock Company.
- Approved the transfer of Thanh Binh – Dong Thap warehouse of South West PetroVietnam Fertilizer and Chemicals Joint Stock Company.
- Approved the 2024 planned salary fund of South West PetroVietnam Fertilizer and Chemicals Joint Stock Company.
- Made decisions on the appointment and dismissal of personnel.
- Exercised other rights and duties as prescribed by the BOD’s authority and responsibilities.

#### **General assessment**

- All BOD meetings were convened in compliance with the Enterprise Law and the Company Charter. Matters within the BOD’s decision-making authority were considered and voted on according to the majority principle, with resolutions/decisions issued in written form.
- The resolutions/decisions issued by the BOD were fully implemented by the Executive Board, achieving the objectives set by the BOD.

#### **6. Training and Development in Corporate Governance.**

- All BOD members possessed experience and received corporate governance training at the time of their election/appointment. They also fully participated in corporate governance training sessions organized by the major shareholder, PVFCCo.
- BOD members actively pursued continuous education and updates on corporate governance to meet job requirements.

#### **7. Transactions, Salaries, Bonuses, Remuneration, and Other Benefits of BOD Members in 2024.**

##### **a. Salaries, Bonuses, and Remuneration for BOD Members in 2024.**

The company applies salary regulations for BOD members and the Supervisory Board in accordance with legal provisions, salary management policies, and

compensation policies for PVFCCo representatives. These are aligned with the company's annual salary policies and funds, ensuring fair compensation based on individual capabilities and work results. Non-executive BOD members receive work remuneration based on their duties.

*Unit: Million VND*

No.	Full name	Position	Salary	Remuneration	Bonus	Welfare, Expenses & Other Benefits	Total
<b>I.</b>	<b>Board of Directors</b>						
1	Pham Quy Hien	Chairman	800,29		180,34	30,00	1.010,63
2	Chu Van Hach	BOD Member		48,00			48,00
3	Nguyen Cong Bang	BOD Member cum Director	713,93		160,51	30,00	904,44
<b>Total</b>			<b>1.514,22</b>	<b>48,00</b>	<b>340,65</b>	<b>60,00</b>	<b>1.963,07</b>

- b. Transactions of Internal Shareholders: None
- c. Report on Transactions Between the Company, Subsidiaries, and Controlled Entities (Over 50% of Charter Capital) with BOD Members and Their Related Parties: None
- d. Transactions Between the Company and Entities Where BOD Members Were Founders or Executives Within the Past Three Years: None
- e. Contracts or Transactions with Internal Shareholders: The shareholder DPM has contracts for fertilizer purchases and services, including advertising and technical consulting.

*(Detailed transaction records with internal shareholders are listed in the 2024 Corporate Governance Report, available on the PSW website).*

- 8. **Compliance with Corporate Governance Regulations:** The BOD has strictly adhered to corporate governance regulations as required by law.

**II. Results of Supervision of the Director and Board of Management Members.**

- The Director has clearly assigned tasks to the Deputy Director in charge of specific areas to ensure effective implementation.
- The Executive Board has successfully implemented the resolutions and decisions of the Board of Directors (BOD) to maximize efficiency for PSW in 2024.
- The Executive Board has fully complied with legal regulations, policies, and company rules in business operations.
- The Executive Board has instructed relevant departments to review, supplement, and update regulations, processes, and policies to align with current legal requirements and actual business conditions.
- The Executive Board has proactively expanded market activities, strengthened distribution systems, enhanced customer care, and built PSW's image among customers and farmers in the region.

**III. Operational Plan and Direction of the Board of Directors for 2025.**

Recognizing that the macroeconomic landscape in 2025 will face numerous challenges, including high inflationary pressure affecting various sectors,

particularly agricultural production, these factors pose significant obstacles for fertilizer businesses in achieving their targets.

Understanding these challenges, the BOD, together with the Executive Board, will strive to enhance corporate governance and operations to fulfill the objectives and tasks assigned by the General Meeting of Shareholders (GMS) in 2025:

<b>No.</b>	<b>Indicator</b>	<b>Unit</b>	<b>2025 Target Approved by the BOD</b>
1	Sales volume	Tons	257.000
2	Total revenue	Billion VND	2.572,43
3	Profit before tax	Billion VND	16,11
4	Dividend payout	%	5

- The Board of Directors sets out the following strategic direction for 2025:
- Continue to organize and operate the BOD in a professional and responsible manner. Clearly define and delegate roles to enhance the effectiveness of the BOD.
  - Direct the completion of the 2025 business plan as approved by the GMS.
  - Oversee the activities of the Executive Board and company management to ensure PSW meets its objectives, fulfills its tasks, and achieves sustainable development. Maintain and enhance the reputation, image, and brand of PSW's products among customers and farmers.
  - Conduct regular and extraordinary meetings and collect opinions as needed to promptly resolve matters within the BOD's authority.
  - Continue updating and revising company policies, regulations, and processes to ensure compliance with legal requirements and current business conditions. Develop an appropriate business model and integrate Industry 4.0 technologies in management while recruiting and maintaining a high-quality, highly skilled workforce to optimize PSW's performance.
  - Prioritize and protect the legitimate rights of shareholders while fulfilling other duties assigned by the GMS.

The above report outlines the corporate governance activities of 2024 and the strategic direction for 2025 of the PSW's BOD. The BOD commits to performing its duties with transparency, integrity, and diligence to meet shareholder expectations and maximize benefits for PSW.

**O/B. BOARD OF DIRECTORS  
CHAIRMAN**

**Pham Quy Hien**

## Chapter 3 – REPORT ON BUSINESS PERFORMANCE IN 2024 AND BUSINESS PLAN FOR 2025

Overall, the fertilizer production and trading sector in 2024 showed signs of improvement compared to 2023. This positive outlook is expected to continue until at least the second quarter of 2025, creating favorable conditions for the fertilizer industry in the coming year.

### I. Business Performance in 2024

#### 1. Performance of Key Business Indicators for 2024

##### 1.1. Market Assessment.

###### *Favorable Factors:*

- Rice exports experienced strong growth in both volume and value in 2024. The total export volume and value reached approximately 9 million tons and \$5,7 billion, marking an increase of 10,7% in volume and 22,1% in value compared to 2023.
- Rice prices remained at relatively favorable levels, ensuring profitability for farmers and encouraging reinvestment in production.
- Fertilizer prices remained reasonable in relation to agricultural product prices.
- The recovery of urea prices from late September significantly supported urea sales volume and improved the company's profit margins in Q3 and Q4 of 2024.
- The support from the Parent Company in terms of policies and urea supply during the last months of the year greatly contributed to improving both sales volume and financial performance.

###### *Challenges:*

- Urea prices remained low for an extended period in 2024, with only a slight temporary increase from June to early July and a more significant rise from late September to early October. However, by November, domestic market prices had cooled, negatively affecting sales performance.
- High NPK inventory carried over from late 2023 created sales pressure across the distribution network. Additionally, declining price trends led many agents and retailers to sell off existing stock at a loss, making it difficult to sell new inventory. The company's high-cost NPK inventory became a major obstacle to business efficiency in 2024.
- Low profitability of dealers in 2023, coupled with unstable and mostly negative price fluctuations in early 2024, led to weakened market trajectory, reduced purchasing motivation, and lower investment from distribution partners.
- Increased fertilizer imports, particularly potassium (Kali) and NPK, intensified domestic market competition, making an already challenging environment even more competitive.

##### 1.2. Performance Against 2024 Business Plan

The key business indicators for 2024 are as follows:

No.	Indicators	Unit	Actual 2023	Approved 2024 Plan	Actual 2024	Comparison (%)	
A	B	C	1	2	3	4=3/2	5=3/1

No.	Indicators	Unit	Actual 2023	Approved 2024 Plan	Actual 2024	Comparison (%)	
A	Volume indicators						
<b>I</b>	<b>Product sales volume</b>	<b>Tons</b>	<b>314.154</b>	<b>267.000</b>	<b>255.469</b>	<b>95,68%</b>	<b>81,32%</b>
1	From production	Tons	199.557	180.000	181.935	101,07%	91,17%
1.1	Phu My Urea	Tons	186.556	160.000	173.510	108,44%	93,01%
1.2	Phu My NPK		13.001	20.000	8.425	42,12%	64,80%
2	- Trading business (self-operated products)	Tons	114.597	87.000	73.534	84,52%	64,17%
2.1	Phu My-branded fertilizers imported by Parent Co.	Tons	27.326	40.000	19.856	49,64%	72,66%
	Phu My Potassium	Tons	27.326	40.000	19.856	49,64%	72,66%
2.2	Urea-based products	Tons	1.202	-	1.848	-	153,76%
2.3	Self-operated fertilizers	Tons	86.070	47.000	51.830	110,28%	60,22%
B	Financial Indicators						
<b>I</b>	<b>Net revenue</b>	<b>Billion VND</b>	<b>3.261,58</b>	<b>2.561,64</b>	<b>2.709,77</b>	<b>105,78%</b>	<b>83,08%</b>
<b>II</b>	<b>Total expenses</b>	<b>Billion VND</b>	<b>3.258,87</b>	<b>2.546,64</b>	<b>2.697,70</b>	<b>105,93%</b>	<b>82,78%</b>
1	Cost of goods sold	Billion VND	3.215,65	2.490,28	2.649,21	106,38%	82,38%
2	SG&A expenses	Billion VND	41,54	55,36	47,82	86,39%	115,12%
3	Other expenses	Billion VND	1,68	1,00	0,66	66,33%	39,44%
<b>III</b>	<b>Profit before tax</b>	<b>Billion VND</b>	<b>2,71</b>	<b>15,00</b>	<b>12,08</b>	<b>80,50%</b>	<b>446,16%</b>

✚ The 2024 business results did not meet the targets for total sales volume, NPK and potassium sales, and profitability. However, the company exceeded targets in urea sales, self-operated fertilizer volume, and revenue.

The shortfall in profit and sales volume was primarily due to market difficulties and internal challenges, as analyzed in section 1.1. These factors resulted in an actual gross profit margin that did not meet the planned target. Nevertheless, profitability showed significant improvement compared to 2023.

## II. Business Plan for 2025

- Economic experts from Standard Chartered Bank forecast that Vietnam's economy will maintain its strong growth momentum, following an impressive 7% GDP growth in 2024.
- The business outlook for fertilizer manufacturers in 2025 is positive, driven by multiple favorable factors. The most significant is the sharp increase in urea prices. Since the beginning of 2024, international urea prices have risen by 19.26%, equivalent to a \$65 increase per ton, reaching \$402.5 per ton. If this

uptrend continues, it will provide substantial support for the profit margins of fertilizer companies.

- The application of a 5% VAT on fertilizers from July 2025 is also considered a positive factor for fertilizer manufacturers and traders.

However, despite these favorable conditions, domestic fertilizer businesses—including PVFCCo-PSW—must remain cautious of the following challenges:

- Rice export difficulties in 2025, particularly due to the return of India to the global rice market.
- Adverse climate conditions, as global climate change is expected to increase droughts, saline intrusion, and water shortages for agricultural production, ...
- Growing competition from Ca Mau Fertilizer, which continues to be a strong market player. Urea and NPK products from Ca Mau are gaining an increasing market share in the Mekong Delta region, posing a significant challenge for PVFCCo-PSW.
- The rise of alternative fertilizers, particularly the shift from chemical fertilizers to organic fertilizers. Government agencies are actively promoting green agriculture and low-emission farming, encouraging farmers to transition to organic-based cultivation.
- A shift in purchasing behavior—customers no longer stockpile fertilizers but instead follow a "buy-as-needed" approach, prioritizing products with higher profit margins and minimizing inventory.

## **1. Key strategic tasks**

The Company's Executive Board has identified several key tasks that must be decisively implemented to successfully achieve the 2025 business plan, specifically:

- Strengthen management, develop and enhance the effectiveness of the distribution network, ensuring sustainable expansion in both width and depth. Maintain Urea market share and significantly grow the Phu My NPK market share in the region.
- Implement flexible sales strategies to improve business efficiency. Expand the Phu My NPK market, enhance marketing and communication efforts to establish Phu My NPK as a well-recognized brand in both design and quality.
- Focus on improving inventory management to ensure optimal inventory value and quality, thereby minimizing operational costs.
- Proactively manage the company's self-operated fertilizer business to ensure profitability, preserve and grow capital, and improve labor productivity.
- Seek business opportunities in fertilizer-related products.
- Focus on implementing advanced management approaches: volatility management, value chain management, ecosystem management, and digital platform-based management. Adhere to the motto "renew old motivations, supplement new motivations" to adapt business models in line with modern development and transformation trends.
- Effectively implement the annual business plan, striving to meet or exceed the targets set in the 2021-2025 five-year business plan, as assigned by PVFCCo, the major shareholder of PSW.
- Strengthen governance, control, and maximize cost savings through concrete measures to optimize sales and administrative expenses.

- Improve financial management efficiency, ensuring balanced capital, cash flow, and debt management to maintain financial stability. Implement comprehensive risk management measures as required. Optimize the use of assets and available resources.
  - Leverage the company's warehouse system and strong relationships with partners/customers to generate additional revenue from external sources, maximizing warehouse utilization.
  - Carry out restructuring, divestment, and strategic development initiatives in line with PVFCCo's roadmap for PSW.
  - Update the company's management system, refine regulations and processes to align with operational needs. Accelerate digital transformation, adopt advanced information technology, and ensure alignment with PVFCCo's digital transformation strategy for PSW.
- 2. Key business targets for 2025** (according to Resolution No. 03/NQ-TNB dated February 5, 2025, approved by the BOD of PVFCCo-PSW on the 2025 business plan.)

**2.1. Business plan**

No.	Indicators	Unit	2025 Plan				
			Total	In which			
				Q1	Q2	Q3	Q4
A	B	C	1= 2+...+5	2	3	4	5
<b>I</b>	<b>Total sales volume</b>	<b>Tons</b>	<b>257.000</b>	<b>53.950</b>	<b>69.500</b>	<b>64.900</b>	<b>68.650</b>
1	Phu My Urea	Tons	160.000	37.000	43.000	38.000	42.000
2	Phu My NPK	Tons	18.000	2.750	4.900	5.300	5.050
3	Other fertilizers produced by the Corporation (KeBo Urea, etc.)	Tons	2.000	200	600	600	600
4	Other fertilizers under Phu My brand supplied by the Corporation	Tons	30.000	6.000	8.000	8.000	8.000
5	Self-operated fertilizers	Tons	47.000	8.000	13.000	13.000	13.000
<b>II</b>	<b>Total revenue</b>	<b>Billion VND</b>	<b>2.572,43</b>	<b>538,23</b>	<b>695,69</b>	<b>650,91</b>	<b>687,59</b>
1	Operating revenue	Billion VND	2.571,21	537,93	695,39	650,61	687,28
1.1	Phu My Urea	Billion VND	1.588,25	367,28	426,84	377,21	416,92
1.2	Phu My NPK	Billion VND	218,50	33,38	59,48	64,34	61,30
1.3	Other fertilizers produced by the Corporation (KeBo Urea, etc.)	Billion VND	22,80	2,28	6,84	6,84	6,84
1.4	Other fertilizers under Phu My brand supplied by the Corporation	Billion VND	273,60	54,72	72,96	72,96	72,96
1.5	Self-operated fertilizers	Billion VND	460,60	78,40	127,40	127,40	127,40
1.6	Services (logistics, packaging, etc.)	Billion VND	7,46	1,86	1,86	1,86	1,86



No.	Indicators	Unit	2025 Plan				
			Total	In which			
				Q1	Q2	Q3	Q4
A	B	C	1= 2+...+5	2	3	4	5
2	Financing activities	Billion VND	1,22	0,30	0,30	0,30	0,30

## 2.2. Expense plan

No.	Indicator	Unit	2025 Plan				
			Total	In which			
				Q1	Q2	Q3	Q4
A	B	C	1= 2+...+5	2	3	4	5
	<b>Total expenses</b>	<b>Billion VND</b>	<b>2.556,32</b>	<b>535,01</b>	<b>691,06</b>	<b>646,28</b>	<b>683,97</b>
<b>1</b>	<b>Cost of good sold</b>	<b>Billion VND</b>	<b>2.505,19</b>	<b>523,50</b>	<b>677,61</b>	<b>634,30</b>	<b>669,77</b>
1.1	Phu My Urea	Billion VND	1.536,00	355,20	412,80	364,80	403,20
1.2	Phu My NPK	Billion VND	211,30	32,28	57,52	62,22	59,28
1.3	Other fertilizers produced by the Corporation (KeBo Urea, etc.)	Billion VND	22,20	2,22	6,66	6,66	6,66
1.4	Other fertilizers under Phu My brand supplied by the Corporation	Billion VND	270,00	54,00	72,00	72,00	72,00
1.5	Self-operated fertilizers	Billion VND	458,96	78,12	126,95	126,95	126,95
1.6	Services (logistics, packaging, etc.)	Billion VND	6,73	1,68	1,68	1,68	1,68
<b>2</b>	<b>Expense</b>						
2.1	Selling expenses	Billion VND	31,11	7,04	7,69	7,47	8,91
2.2	Administration expenses	Billion VND	19,03	4,21	5,52	4,26	5,03
2.3	Financing expenses	Billion VND	1,00	0,25	0,25	0,25	0,25

## 2.3. Profit plan

No.	Indicators	Unit	2025 Plan				
			Total	In which			
				Q1	Q2	Q3	Q4
A	B	C	1= 2+...+5	2	3	4	5
1	Profit before tax	Billion VND	16,11	3,22	4,63	4,64	3,62
2	Profit after tax	Billion VND	12,89	2,58	3,70	3,71	2,90

## 2.4. Financial targets for 2025

No.	Indicators	Unit	2025 Plan				
			Total	In which			
				Q1	Q2	Q3	Q4

A	B	C	1= 2+...+5	2	3	4	5
1	Total assets	Billion VND	302				
2	Owner's equity	Billion VND	198				
3	Charter capital	Billion VND	170				
	<i>In which: Parent company's ownership percentage</i>	%	75				
4	Profit before tax/ Charter capital	%	9				
5	Profit before tax/ Owner's equity	%	8				
6	Taxes & government obligations	Billion VND	4,07	0,86	1,14	1,14	0,94
7	Funds allocation	Billion VND	2,58	0,52	0,74	0,74	0,58
	<i>- Bonus and welfare fund (provisionally allocated 20% of net profit) (*)</i>	<i>Billion VND</i>	<i>2,58</i>	<i>0,52</i>	<i>0,74</i>	<i>0,74</i>	<i>0,58</i>
8	Dividend payout ratio	%	5				
9	Payment to the parent company from 2025 business performance	Billion VND	6,38				
	<i>- Dividend</i>	<i>Billion VND</i>	<i>6,38</i>				
10	Debt ratio						
	<i>- Debt/ Charter Capital ratio</i>	Times	0,61				
	<i>- Debt/ Owner's equity ratio</i>	Times	0,52				
11	Cost-saving and waste prevention practices	Billion VND	1,00	0,25	0,25	0,25	0,25

(\*): *If actual profits exceed the planned target, the company is allowed to allocate up to 10% of the additional after-tax profit to the bonus and welfare fund.*

## 2.5. Basic construction investment plan & equipment procurement

### 2.5.1. Asset liquidation

*Unit: Billion VND*

No.	Assets	Original cost	Book value	Reason for liquidation
<b>I</b>	<b>Fixed assets</b>			
1	Dong Thap warehouse (including warehouse buildings and land use rights)	25,97	6,13	The construction value has been fully depreciated since 10/1/2018. Low warehouse utilization efficiency, and the location is in a landslide-prone area, posing risks of asset loss.
2	Fortuner vehicle and pickup truck	1,72	-	Vehicles have been in use for a long time, are fully depreciated, and frequently require major repairs.

## 2.5.2. Investment - Procurement

*Dvt: Billion VND*

No.	Project names	2025 plan			Notes
		Total	In which		
			Owner's equity	Liabilities	
	<b>Total (I+II)</b>	<b>11,19</b>	<b>11,19</b>	<b>-</b>	
<b>I</b>	<b>PROJECTS (I = 1+2+3)</b>				
1	Ongoing projects				
2	New projects				
3	Investment preparation projects				
<b>II</b>	<b>ASSET &amp; EQUIPMENT PROCUREMENT (II = 1+2)</b>	<b>11,19</b>	<b>11,19</b>	<b>-</b>	
1	<b>FIXED ASSET PROCUREMENT</b>	<b>9,90</b>	<b>9,90</b>	<b>-</b>	
1.1	Small trucks	1,00	1,00		Two vehicles for transporting drones and equipment to support marketing and sales activities.
1.2	Pickup trucks	1,00	1,00		One vehicle to replace the decommissioned one, serving market operations, conferences, and sales.
1.3	Drone set	0,90	0,90		Pilot investment in two drone units to support the development of the fertilizer business in an era where agricultural mechanization is increasingly emphasized.
1.4	Solar power system	1,50	1,50		Carried forward from 2024.
1.5	Medium- and long-term development projects (new investments or M&A). 2025 capital disbursement includes research and consulting costs, ...	5,5	5,5		<ul style="list-style-type: none"> <li>- The list of projects for the 2025-2030 period is detailed in the "<b>List of Medium and Long-Term Investment Projects</b>" table below</li> <li>- The General Meeting of Shareholders authorizes the Board of Directors to approve the total investment for the proposed projects and report to the General Meeting of Shareholders for approval at the next annual meeting.</li> </ul>
2	<b>EQUIPMENTS, TOOLS, AND INSTRUMENTS</b>	<b>1,29</b>	<b>1,29</b>		

**List of Medium and Long-Term Investment Projects**

No.	Product	Project	Unit	Expected capacity	Estimated pre-tax investment
					(Billion VND)
1	Fertilizers, agrochemicals	Fertilizer and agrochemical processing, packaging, and blending plant (5,000 tons/year for blending, 3,000 tons/year for extraction and packaging). Phase 1: 5,000 tons/year.	Thousand Tons	5	57,69
2	Inorganic, organic, and microbial fertilizers	Inorganic, organic, and microbial fertilizer plant (18,000 tons/year; Phase 1: 9,000 tons/year)	Thousand Tons	9	62,10
3	Infrastructure & distribution system	Multi-functional office complex (office, logistics, product display, R&D areas). 1,500-3,000 m <sup>2</sup> land; 3,000-5,000 m <sup>2</sup> floor area. Phase 1: 3,000 m <sup>2</sup>	m <sup>2</sup>	3000	99,00
4	Infrastructure & distribution system	Warehouse/port in the Mekong Delta (2,000-5,000 tons/warehouse)	Warehouses	3	105,00
5	Infrastructure & distribution system	Company-owned retail stores (store area: 100-200m <sup>2</sup> , warehouse: 100-200m <sup>2</sup> )	Stores	15	75,00
6	Infrastructure & distribution system	Logistics vehicles (2 barges of 500-700 DWT, 10 pickup trucks of 2.5-3.5 tons).	DWT	1500	24,40
7	Infrastructure & distribution system	Rooftop solar power system (office, warehouse) with a capacity of 50KW/unit	Kw	250	5,50
8	Agricultural materials & products	Biotechnology research and application center (microbiology and tissue culture)	m <sup>2</sup>	500	10,00
9	Agricultural materials & products	Crop experiment farm, seedling nursery, agricultural production, and livestock facility (land area: 10-20ha; factory/farm: 2,500-5,000m <sup>2</sup> ). Phase 1: 10ha	ha	10	45,00

*Notes: The General Meeting of Shareholders (GMS) authorizes the Board of Directors (BoD) to approve total investment amounts for the proposed projects and report back at the nearest annual GMS.*

If any adjustments to the 2025 business plan are required during operations, the GMS authorizes the BoD to review, decide, and report the changes at the next GMS.

### **3. Core implementation strategies**

#### **3.1. Business and market strategies**

- PSW's main supply source comes from its major shareholder, PVFCCo. Therefore, PSW will work closely with the supplier to ensure product availability

for timely delivery before peak seasons while strictly controlling product quality from import, warehousing, distribution to agents, and delivery to farmers.

- PSW will continue to review and evaluate its distribution system, establishing a dedicated distribution network for specific product lines to focus on developing the Phu My NPK market.
- In addition to applying the general sales policies set by PVFCCo, PSW will flexibly implement incentive programs for distributors and customers.
- Implement marketing and communication programs to support sales and provide technical consulting on the use of Phu My fertilizers.
- Promote brand awareness and build the Phu My brand and product portfolio in key regional markets.
- Continue exploring and developing new customer engagement methods for more effective outreach.
- Actively seek partnerships to secure high-quality, stable, and cost-effective supply sources, aiming to become a key distributor in target markets.
- Integrate marketing solutions with digital platforms and social media applications such as Facebook and Zalo to enhance online marketing and communication efforts.

### **3.2. Financial management**

- The company will continue to closely monitor customer credit limits and regularly update the financial status of agents and stores through various channels to mitigate potential risks. Emphasis will be placed on fast capital turnover to minimize financing costs. Debt collection will be managed in strict compliance with regulations to prevent overdue debts. Customers will be encouraged to make immediate payments to reduce outstanding receivables. The company will also closely track accounts receivable and payable, ensuring timely debt reporting.
- At the same time, strict cost control will be implemented across all business operations to maximize company profits. Additionally, the company will fully comply with reporting and information disclosure regulations to maintain transparency for shareholders.

### **3.3. Organizational structure and human resource development & training**

- Continue restructuring and optimizing the organizational structure to align with business operations, ensuring efficiency, cost-effectiveness, and streamlined processes. The company will continue efforts to restructure its workforce towards increased productivity.
- Strengthen professional training, leadership development programs, and talent rotation or recruitment of experienced personnel to enhance the direct sales team.
- Continue improving the salary and bonus structure to accurately reflect individual contributions and job responsibilities.
- Maintain and update software tools that support monitoring market information, seasonal demand, and operational supervision. This will ensure that field officers are well-equipped to advise agents, stores, and farmers effectively.
- Review, refine, and implement high-utility procedures that simplify administrative processes and shorten execution times. Regular training sessions, evaluations, and audits will be conducted to ensure effective implementation of these procedures.

### **3.4. Research & Development Strategies**

PSW will focus on research and development efforts aimed at: (i) diversifying its fertilizer product portfolio for agriculture; (ii) providing technical consultancy to help farmers adopt modern agricultural models and farming techniques; (iii) integrating Industry 4.0 technology into business and production operations; (iv) exploring opportunities to participate in agricultural production value chain projects.

**DIRECTOR**

**Le Duc Thuan**

## **Chapter 4 – REPORT OF THE SUPERVISORY BOARD AND PROPOSAL ON THE SELECTION OF THE AUDIT FIRM.**

### **I. Activities, remuneration and operating expenses of the Board of Supervisors in 2024**

#### **1. Activities of the Board of Supervisors in 2024:**

- The Board of Supervisors of Southwest Petrochemical and Fertilizer Joint Stock Company (the Company) elected by the General Meeting of Shareholders on June 29, 2021 consists of 3 members working part-time for a term of 5 years 2021-2026.
- The Board of Supervisors operates in accordance with the provisions of the Law on Enterprises, current legal provisions, the Company's Charter, the Board of Supervisors' operating regulations and has completed the Board of Supervisors' 2024 operating plan.
- In 2024, the Board of Supervisors developed a monitoring program and implemented the Board of Supervisors' tasks as assigned by each member of the Board of Supervisors; Organize 04 meetings with full participation of members to deploy work, unify and approve the monitoring results as well as the recommendations of the Supervisory Board on the Company's operations. The supervisory activities of the Supervisory Board focus on issues of capital preservation, efficiency in business operations, etc. according to the 2024 Operation Plan approved by the 2024 Annual General Meeting of Shareholders with the main contents:
  - Supervise the implementation of the Resolution of the 2024 General Meeting of Shareholders; supervise the implementation of the Company's 2024 production and business plan approved by the General Meeting of Shareholders;
  - Supervise the activities of the Board of Directors; the management and operation of the Company's Board of Directors in 2024;
  - Attend meetings of the Company's Board of Directors;
  - Attend meetings to deploy the Company's business operations when invited to attend;
  - Auditing the 2023 financial statements in Document No. 187/TNB-BKS;
  - Auditing the 1st Quarter 2024 financial statements in Document No. 372/TNB-BKS;
  - Auditing the 6-month financial statements in 2024 in Document No. 540/TNB-BKS;
  - Auditing the 3rd Quarter 2024 financial statements in Document No. 738/TNB-BKS.
  - Supervising the year-end inventory of goods in 2024 at warehouses in the Southwest region;
  - Coordinating with the Board of Directors and the Board of Management of the Company to make reports on the Company's governance work according to regulations;
  - Other tasks of the Board of Supervisors according to the provisions of the Company's Charter and the Law on Enterprises.
- The Board of Supervisors has reported monthly and quarterly monitoring results as well as recommendations to the Board of Directors and the Company's Director on the Company's operations and finances through monthly and quarterly

monitoring reports and official dispatches, emails and comments at meetings. The main recommendations are: monitoring, strengthening debt control and having plans to fully and promptly collect customer receivables, especially customer receivables exceeding the Company's prescribed limits and extending the debt collection period; monitoring and supervising inventory quality and having warnings about product quality, controlling inventory levels according to the Company's regulations; ensuring effective capital use; controlling costs reasonably to contribute to improving business efficiency.

## 2. Remuneration and other income of the SB

No.	Full name	Position	Remuneration (VND)
1	Mai Hong Khanh	Head of SB	42.000.000
2	Bui Trinh Van Anh	Member of SB	30.000.000
3	Pham Thi A Chau	Member of SB	30.000.000
<b>Total</b>			<b>102.000.000</b>

## II. Results of monitoring activities in 2024

### 1. Monitoring the implementation of the Company's General Meeting of Shareholders' Resolution

- Implement the 2024 plan approved by the General Meeting of Shareholders in Resolution No. 05/NQ-ĐHĐCĐ dated April 12, 2024.
- The Company's 2024 operating results are as follows:

STT	Indicator	Unit	PLAN 2024	PERFORM 2024	PERFORM 2024/ PLAN 2024
I	<b>Output</b>	<b>tons</b>	267.000	255.469	95,68%
II	<b>Total Revenue</b>	<b>billion VND</b>	2.561,64	2.709,77	105,78%
III	<b>Total Expenses</b>	<b>billion VND</b>	2.546,64	2.697,70	105,93%
IV	<b>Profit before tax</b>	<b>billion VND</b>	15,00	12,08	80,50%
V	<b>Profit after tax</b>	<b>billion VND</b>	12,00	9,45	78,79%

### 2. Results of the Financial Statement Audit:

- The preparation and presentation of the Financial Statements are in accordance with accounting standards, the Vietnamese corporate accounting regime and legal regulations related to the preparation and presentation of financial statements.
- In general, the Company's Financial Statements have honestly and reasonably reflected in all material aspects the financial situation of the Company as of December 31, 2024, as well as the business results and cash flows for the fiscal year 2024.

### 3. Evaluation of the Board of Directors' performance and the management and operation of the Company's Board of Directors:

- In 2024, the Board of Directors' activities were assigned to members according to their fields for guidance; The Board of Directors met 6 times and consulted with the Board of Directors 9 times to direct, review and supervise the Board of



Directors' monthly/quarterly business performance reports in 2024 in implementing the Resolutions and Decisions of the General Meeting of Shareholders/Board of Directors; On August 13, 2024, the Board of Directors issued Resolution No. 09/NQ-HĐQT on the payment of 2023 dividends of Southwest Petrochemical and Fertilizer Joint Stock Company at 5%/par value of shares.

- In 2024, the Board of Directors will perform its duties according to the resolutions of the General Meeting of Shareholders and the Board of Directors. Although the market has improved and there are some favorable factors (especially the relatively suitable adjustment of sales policies by major suppliers for the Company), the general market price trend is still not stable and clear, along with the Phu My NPK inventory at the end of 2023 transferred to a high inventory cost price, leading to ineffective Phu My NPK business results, which has greatly affected the combined profit of fertilizer business activities, and the business results have not completed the assigned plan for 2024. However, the Board of Directors has tried to improve the business situation in the last 6 months of 2024, contributing to the profit achieved in 2024 having a higher growth compared to 2023. - The Board of Directors has assigned tasks to members of the Board of Directors, discussed work to find solutions to implement the Company's business plan, management and operation always strive to ensure maximum profit for the Company and benefits for shareholders.
- General assessment: The Board of Directors and the Executive Board have performed their functions and duties properly, coordinated well with the departments in the company and with the Supervisory Board.

#### **4. Assessment of the performance of each member of the Supervisory Board:**

- Ms. Mai Hong Khanh - Head of the Supervisory Board: Chaired the development of the 2024 monitoring plan, coordinated the activities of the Supervisory Board, directly participated in the Board of Directors' meetings and briefing meetings, reviewed the financial statements, and made recommendations on debt and inventory control.
- Ms. Bui Trinh Van Anh - Member of the Supervisory Board: Fully participated in inspection, evaluation and periodic meetings; participated in inventory work, provided professional opinions on sales, promotion and discount policies, and the implementation of customer sales commitments according to plans, reviewed financial statements, and participated in monitoring the implementation of the resolutions of the Shareholders' Meeting.
- Ms. Pham Thi A Chau - Member of the Board of Supervisors: Fully performed assigned responsibilities, coordinated well with other members in supervising the implementation of plans, salary work, and periodic reports of the Company.
- General assessment: The Supervisors have fully performed their tasks according to the plan, coordinated well with each other and with related departments, ensuring independent and objective control functions.

#### **5. Evaluation of transactions with related parties**

In 2024, the Company had transactions to purchase and sell goods and provide services with the parent company, PetroVietnam Fertilizer and Chemicals Corporation - JSC. The Board of Supervisors reviewed and evaluated these transactions as follows:

- The transactions were mainly related to the purchase of goods such as fertilizers

and technical support and sales services.

- All transactions were fully signed with contracts, specific agreements on commercial terms, prices, payment methods, delivery times, etc. and implemented in accordance with the terms of the contract.
  - General assessment: Transactions between the parent company and its subsidiaries in 2024 complied with legal regulations, had complete contracts, clear and transparent content. The Board of Supervisors recommends that the Company continue to maintain the management and control of related transactions in accordance with current regulations, ensuring publicity and transparency, and protecting the interests of shareholders.
- 6. Coordination between the Board of Supervisors and the Board of Directors and the Board of Management of the Company:**

In the process of performing its functions and duties according to the law, the Board of Supervisors has performed its functions and duties according to the regulations, without hindering the Company's activities with the goal of ensuring the interests of shareholders and the development of the Company. At the same time, the Board of Supervisors also received support from the Board of Directors, the Board of Management and the Company's affiliated departments and units in coordinating and providing information for control work.

**7. Recommendations**

In order to successfully complete the Company's 2025 plan tasks, the Board of Supervisors has the following recommendations:

- Comply with the Company's regulations as well as current legal regulations in the Company's activities.
- The nature of the fertilizer business is quite sensitive to fluctuations in the fertilizer market, oil prices, agricultural products and especially the world's geopolitical situation, so it is recommended that the company complete the plan each month and quarter, avoiding the plan targets being concentrated in the last months of the year.
- Promote sales of Phu My NPK, balance inventory reasonably.
- Strengthen control and assessment of customer debt.

**III. Supervisory Board's 2025 work plan**

- Monitor the implementation of the 2025 GMS resolutions.
- Oversee compliance with laws, company charter, and PSW's internal regulations in business management and operations.
- Supervise the execution of resolutions, decisions, and directives issued by the GMS and BOD.
- Monitor the implementation of the 2025 business plan, as approved by the BOD and GMS.
- Examine and assess financial reports on a quarterly, semi-annual, and annual basis.
- Review key performance indicators on a monthly and quarterly basis as assigned by the BOD.
- Perform other duties as required for the Supervisory Board.

**IV. Selection of the audit firm for the 2025 financial statements**

Considering audit firm capabilities, reputation, and suitability for consolidated

financial reporting across the sector and DPM, the Supervisory Board (SB) recommends that the GMS authorize the BOD and SB to select one of the following audit firms for the 2025 financial statements: (1) Branch of Delloite Vietnam Audit Company Limited, (2) Ernst & Young Viet Nam Limited or (3) PwC (Vietnam) Limited.

**O/B. THE SUPERVISORY BOARD  
HEAD OF THE BOARD**

**Mai Hong Khanh**

## Chapter 5 – 2024 FINANCIAL STATEMENTS

### STATEMENT OF THE EXECUTIVE BOARD

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

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

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

##### **Board of Directors**

Mr. Pham Quy Hien	Chairman
Mr. Nguyen Cong Bang	Member
Mr. Chu Van Hach	Independent Member

##### **Executive Board**

Mr. Le Duc Thuan	Director (appointed on 01 January 2025)
Mr. Nguyen Cong Bang	Director (resigned on 01 January 2025)
Mr. Le Thanh Tung	Deputy Director

##### **Board of Supervisors**

Ms. Mai Hong Khanh	Head of Board of Supervisors
Ms. Bui Thi Van Anh	Member
Ms. Pham Thi A Chau	Member

#### THE EXECUTIVE BOARD’S STATEMENT OF RESPONSIBILITY

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

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

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

**STATEMENT OF THE EXECUTIVE BOARD (Continued)**

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

For and on behalf of the Executive Board,

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***Le Duc Thuan***

**Director**

*12 March 2025*

*Can Tho City, Vietnam*

No.: /VN1A-HN-BC

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders  
The Board of Directors and the Executive Board  
South-West PetroVietnam Fertilizer and Chemicals JSC**

We have audited the accompanying financial statements of South-West PetroVietnam Fertilizer and Chemicals JSC (the "Company") prepared on 12 March 2025, as set out from page 04 to page 21, which comprise the balance sheet as at 31 December 2024, the statement of income, the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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 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 audit opinion.

### ***Opinion***

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

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**Khuc Thi Lan Anh**  
**Deputy General Director**  
Audit Practising Registration Certificate  
No. 0036-2023-001-1  
**DELOITTE VIETNAM AUDIT COMPANY LIMITED**  
12 March 2025  
Hanoi, S.R. Vietnam

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**Do Trung Kien**  
**Auditor**  
Audit Practising Registration Certificate  
No. 1924-2023-001-1

**BALANCE SHEET**  
As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	<u>Closing balance</u>	<u>Opening balance</u>
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>233,458,146,350</b>	<b>265,782,017,937</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>95,399,926,105</b>	<b>63,876,315,537</b>
1. Cash	111		15,399,926,105	13,876,315,537
2. Cash equivalents	112		80,000,000,000	50,000,000,000
<b>II. Short-term receivables</b>	<b>130</b>		<b>115,023,551,109</b>	<b>124,122,599,897</b>
1. Short-term trade receivables	131	5	114,560,288,161	111,430,245,151
2. Short-term advances to suppliers	132	6	262,865,689	12,683,395,842
3. Other short-term receivables	136		200,397,259	8,958,904
<b>III. Inventories</b>	<b>140</b>	<b>7</b>	<b>22,890,441,729</b>	<b>75,473,038,551</b>
1. Inventories	141		23,536,154,321	81,429,848,636
2. Provision for devaluation of inventories	149		(645,712,592)	(5,956,810,085)
<b>IV. Other short-term assets</b>	<b>150</b>		<b>144,227,407</b>	<b>2,310,063,952</b>
1. Short-term prepayments	151		144,227,407	718,362,928
2. Taxes and other receivables from the State budget	153	12	-	1,591,701,024
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>17,733,583,740</b>	<b>18,973,154,192</b>
<b>I. Fixed assets</b>	<b>220</b>		<b>17,391,844,781</b>	<b>18,469,701,411</b>
1. Tangible fixed assets	221	8	2,320,792,648	3,336,525,946
- Cost	222		38,386,349,504	37,961,909,504
- Accumulated depreciation	223		(36,065,556,856)	(34,625,383,558)
2. Intangible assets	227	9	15,071,052,133	15,133,175,465
- Cost	228		15,835,487,425	15,835,487,425
- Accumulated amortisation	229		(764,435,292)	(702,311,960)
<b>II. Other long-term assets</b>	<b>260</b>		<b>341,738,959</b>	<b>503,452,781</b>
1. Long-term prepayments	261		341,738,959	503,452,781
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>251,191,730,090</b>	<b>284,755,172,129</b>

**BALANCE SHEET (Continued)**

As at 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	<u>Closing balance</u>	<u>Opening balance</u>
<b>C. LIABILITIES</b>	<b>300</b>		<b>50,168,085,922</b>	<b>82,794,858,572</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>50,168,085,922</b>	<b>82,794,858,572</b>
1. Short-term trade payables	311	10	4,821,616,072	56,611,550,670
2. Short-term advances from customers	312	11	14,685,992,950	18,051,280,430
3. Taxes and amounts payable to the State budget	313	12	1,530,716,780	191,772,246
4. Payables to employees	314		6,445,825,030	4,065,183,499
5. Short-term accrued expenses	315		816,036,145	916,748,749
6. Other current payables	319	13	2,837,649,975	61,580,000
7. Short-term loans	320	14	15,895,000,000	-
8. Bonus and welfare funds	322		3,135,248,970	2,896,742,978
<b>D. EQUITY</b>	<b>400</b>		<b>201,023,644,168</b>	<b>201,960,313,557</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>15</b>	<b>201,023,644,168</b>	<b>201,960,313,557</b>
1. Owner's contributed capital	411		170,000,000,000	170,000,000,000
- Ordinary shares carrying voting rights	411a		170,000,000,000	170,000,000,000
2. Investment and development fund	418		18,928,985,693	18,928,985,693
3. Retained earnings	421		12,094,658,475	13,031,327,864
- Retained earnings accumulated to the prior year end	421a		4,531,327,864	11,381,983,519
- Retained earnings of the current year	421b		7,563,330,611	1,649,344,345
<b>TOTAL RESOURCES (440=300+400)</b>	<b>440</b>		<b><u>251,191,730,090</u></b>	<b><u>284,755,172,129</u></b>

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**Le Duc Tan**  
Preparer

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**Ho Quang An**  
Chief Accountant

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**Le Duc Thuan**  
Director

12 March 2025



**INCOME STATEMENT**  
For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. <b>Gross revenue from goods sold and services rendered</b>	01	18	2,718,477,790,943	3,274,874,800,458
2. Deductions	02	18	10,016,838,819	17,408,969,050
3. <b>Net revenue from goods sold and services rendered (10=01-02)</b>	10	18	2,708,460,952,124	3,257,465,831,408
4. Cost of sales	11	19	2,649,209,318,423	3,215,649,118,441
5. <b>Gross profit from goods sold and services rendered (20=10-11)</b>	20		59,251,633,701	41,816,712,967
6. Financial income	21	21	1,299,027,178	828,166,436
7. Financial expenses	22	22	589,084,113	1,512,500,356
- In which: Interest expense	23		589,084,113	1,278,501,368
8. Selling expenses	25	23	30,542,844,890	26,238,496,802
9. General and administration expenses	26	23	17,279,947,612	15,303,593,354
10. <b>Operating profit/(loss) (30=20+(21-22)-(25+26))</b>	30		12,138,784,264	(409,711,109)
11. Other income	31		10,803,600	3,285,694,958
12. Other expenses	32		74,255,844	169,500,879
13. <b>(Loss)/profit from other activities (40=31-32)</b>	40		(63,452,244)	3,116,194,079
14. <b>Accounting profit before tax (50=30+40)</b>	50		12,075,332,020	2,706,482,970
15. Current corporate income tax expense	51	24	2,621,168,756	644,802,539
16. <b>Net profit after corporate income tax (60=50-51)</b>	60		9,454,163,264	2,061,680,431
17. Basic earnings per share	70	25	445	97

Le Duc Tan  
Preparer

Ho Quang An  
Chief Accountant

Le Duc Thuan  
Director

12 March 2025

**CASH FLOW STATEMENT**  
For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	01	12,075,332,020	2,706,482,970
2. Adjustments for:			
Depreciation and amortisation of fixed assets	02	1,502,296,630	1,627,753,480
Provisions	03	(5,311,097,493)	(81,018,864)
Foreign exchange gain arising from translating foreign currency items	04	(348,900)	(201,000)
Gain from investing activities	05	(1,254,059,158)	(827,965,436)
Interest expense	06	588,631,206	1,278,501,368
3. Operating profit before movements in working capital	08	7,600,754,305	4,703,552,518
Change in receivables	09	9,290,487,143	(95,268,070,378)
Change in inventories	10	57,893,694,315	73,239,443,787
Change in payables (excluding accrued loan interest and corporate income tax payable)	11	(50,230,076,621)	15,185,213,685
Change in prepaid expenses	12	735,849,343	(259,000,824)
Interest paid	14	(581,140,959)	(1,278,501,368)
Corporate income tax paid	15	-	(133,260,233)
Other cash outflows	17	(1,652,326,661)	(2,522,465,487)
Net cash generated by/(used in) operating activities	20	23,057,240,865	(6,333,088,300)
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Interest earned, dividends and profits received	27	1,062,620,803	845,307,901
Net cash generated by investing activities	30	1,062,620,803	845,307,901
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from borrowings	33	15,895,000,000	-
2. Dividends and profits paid	36	(8,491,600,000)	(15,539,650,000)
Net cash generated by/(used in) financing activities	40	7,403,400,000	(15,539,650,000)
Net increase/(decrease) in cash (50=20+30+40)	50	31,523,261,668	(21,027,430,399)
Cash and cash equivalents at the beginning of the year	60	63,876,315,537	84,903,544,936
Effects of changes in foreign exchange rates	61	348,900	201,000
Cash and cash equivalents at the end of the year (70=50+60+61)	70	95,399,926,105	63,876,315,537

Le Duc Tan  
Preparer

Ho Quang An  
Chief Accountant

Le Duc Thuan  
Director

12 March 2025

## **Chapter 6 – PROPOSAL ON PROFIT DISTRIBUTION PLAN**

Pursuant to the Enterprise Law;

Pursuant to the Charter of PSW as approved by the General Meeting of Shareholders (GMS);

Pursuant to PSW's financial management regulations as issued by the Board of Directors (BOD).

To establish a basis for allocating funds for PSW's operations and dividend distribution to shareholders, PSW respectfully requests the GMS to approve the following:

1. Profit distribution plan for 2024 (Attached as Appendix A).
2. Profit distribution plan for 2025 (Attached as Appendix B).

We kindly request the GMS to review and vote on the above profit distribution plans.

Sincerely.

**O/B. BOARD OF DIRECTORS  
CHAIRMAN**

**Pham Quy Hien**

**APPENDIX A**  
**PROFIT DISTRIBUTION PLAN FOR 2024**

*Unit: VND*

<b>No.</b>	<b>Item</b>	<b>Amount</b>
<b><i>I</i></b>	Profit before tax in 2024	<b><i>12.075.332.020</i></b>
<b><i>II</i></b>	Profit after tax in 2024	<b><i>9.454.163.264</i></b>
<b><i>III</i></b>	Provisions for funds in 2024 are as follows	<b><i>3.781.665.306</i></b>
1	Bonus and welfare fund (20% of profit after tax)	1.890.832.653
<i>1.1</i>	Bonus fund	<i>1.323.582.857</i>
<i>1.2</i>	Welfare fund	<i>567.249.796</i>
2	Reduced fund (20% of profit after tax)	1.890.832.653
<b><i>IV.</i></b>	Remaining profit after distribution of funds	<b><i>5.672.497.958</i></b>
<b><i>V.</i></b>	Profits from previous years carried over	<b><i>13.031.327.864</i></b>
<b><i>VI.</i></b>	Number of shares	<b><i>17.000.000</i></b>
<b><i>VII.</i></b>	Dividend ratio in 2024 (5%)	<b><i>8.500.000.000</i></b>
<b><i>VIII.</i></b>	Profits carried over to next year	<b><i>10.203.825.822</i></b>

**APPENDIX B**  
**PROFIT DISTRIBUTION PLAN FOR 2025**

*Unit: VND*

<b>No.</b>	<b>Item</b>	<b>Amount</b>
<b><i>I.</i></b>	2025 profit after tax plan	<b><i>12.885.487.210</i></b>
<b><i>II.</i></b>	Plan for fund allocation	<b><i>5.154.194.884</i></b>
1	Bonus and welfare fund (20% of profit after tax)	2.577.097.442
1.1	Bonus fund	1.803.968.209
1.2	Welfare fund	773.129.233
2	Reduced fund (20% of profit after tax)	2.577.097.442
<b><i>III.</i></b>	Previous year's profit carried forward	<b><i>10.203.825.822</i></b>
<b><i>IV.</i></b>	2025 undistributed profit	<b><i>17.935.118.148</i></b>
<b><i>V.</i></b>	Dividend ratio (5%)	<b><i>8.500.000.000</i></b>
<b><i>VI.</i></b>	Remaining profit carried forward to next year	<b><i>9.435.118.148</i></b>

**Chapter 7 – REPORT ON SALARIES, BONUSES, REMUNERATION, AND OTHER BENEFITS OF THE BOARD OF DIRECTORS AND SUPERVISORY BOARD FOR 2024 AND PLAN FOR 2025.**

**I. Report on Salaries, Remuneration, Bonuses, and Other Benefits in 2024:**

Unit: Million VND

No.	Full name	Position	Salary	Remu-eration	Bonus	Welfare, Expenses, and Other Benefits	Total
<b>I.</b>	<b>Board of Directors</b>						<b>1.963,07</b>
1	Pham Quy Hien	Chairman	800,29		180,34	30,00	1.010,63
2	Chu Van Hach	BOD Member		48,00			48,00
3	Nguyen Cong Bang	BOD Member cum General Director	713,93		160,51	30,00	904,44
<b>II.</b>	<b>Supervisory Board</b>						<b>102,00</b>
1	Mai Hong Khanh	Head		42,00			42,00
2	Bui Trinh Van Anh	Member		30,00			30,00
3	Pham Thi A Chau	Member		30,00			30,00
<b>TOTAL</b>			<b>1.514,22</b>	<b>150,00</b>	<b>340,85</b>	<b>60,00</b>	<b>2.065,07</b>

We respectfully submit to the General Meeting of Shareholders (GMS) for approval of the total salary, bonuses, remuneration, and other benefits of the Board of Directors (BOD) and Supervisory Board (SB) for 2024, amounting to 2.065,07 Million VND.

**II. Salary, Remuneration, and Bonus Plan for 2025.**

In 2025, PSW will continue to manage the salaries and bonuses of the BOD and SB in accordance with PVFCCo's Salary, Remuneration, and Bonus Management Regulations for representatives at joint-stock companies with PVFCCo's controlling stake. Based on 2024 performance and the 2025 business plan, PSW proposes the following salary, remuneration, and bonus plan for the BOD, SB, and Corporate Secretary/Corporate Governance Officer:

- Planned budget (salaries, additional salaries, bonuses, and remuneration): 2.025 million VND.
- Provisions and other expenses: 645,24 million VND.
- Total: 2.681,04 million VND.

*(Note: If the company's profit exceeds the plan approved by the GMS, an additional 2% of the planned salary fund will be allocated for every 1% of profit exceeding the target, but the total additional allocation shall not exceed 20% of the planned salary fund).*

No.	Position	Monthly allowance/month (VND)
1	Concurrently holding the position of Chairman of the BOD/Director of units	10.000.000
2	Concurrently holding the position of BOD Member/Deputy Director /Head of the Supervisory Board of units	6.000.000
3	Concurrently holding the position of Supervisory Board Member of units	4.000.000
4	Corporate Secretary/Corporate Governance Officer	4.000.000

## **Chapter 8 – PROPOSAL FOR APPROVAL OF TRANSACTIONS AND CONTRACTS WITH PETROVIETNAM FERTILIZER AND CHEMICALS CORPORATION – JSC**

To: The General Meeting of Shareholders  
South West PetroVietnam Fertilizer and Chemicals Joint Stock Company.

Pursuant to Enterprise Law No. 59/2020/QH14, passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020, and effective from January 1, 2021;

Pursuant to the Charter of South West PetroVietnam Fertilizer and Chemicals Joint Stock Company, approved by the General Meeting of Shareholders on December 29, 2010, and amended and supplemented on April 25, 2023;

To ensure that contracts and transactions between the Company and PetroVietnam Fertilizer and Chemicals Corporation – JSC (PVFCCo) are carried out in a timely manner, in compliance with applicable regulations, and to enhance the Company's business efficiency, the Board of Directors respectfully submits to the General Meeting of Shareholders for approval of the following:

1. Approval of the policy on signing contracts and transactions without value limitations related to the purchase and sale of goods, sales promotion services, marketing and communication, corporate social responsibility (CSR), technical services, customer care, transportation services, handling, warehousing, etc., with PetroVietnam Fertilizer and Chemicals Corporation – JSC.
2. Authorization for the Board of Directors of the Company to approve and execute contracts and transactions with PetroVietnam Fertilizer and Chemicals Corporation – JSC that fall under the authority of the General Meeting of Shareholders.

We respectfully submit this proposal for the General Meeting of Shareholders' review and approval.

Sincerely.

**O/B. BOARD OF DIRECTORS  
CHAIRMAN**

**Pham Quy Hien**

## **Chapter 9 – PROPOSAL FOR THE DISMISSAL AND ELECTION OF A MEMBER OF THE BOARD OF DIRECTORS**

### **PROPOSAL FOR THE DISMISSAL OF A MEMBER OF THE BOARD OF DIRECTORS**

To: The General Meeting of Shareholders  
South West PetroVietnam Fertilizer and Chemicals Joint Stock Company.

Pursuant to the provisions of the Company's Charter regarding the rights and responsibilities of the General Meeting of Shareholders, the Board of Directors respectfully submits to the General Meeting of Shareholders for consideration and approval of the dismissal of the following BOD Member before the end of term:

Mr. Nguyen Cong Bang, a Board Member, was elected by the General Meeting of Shareholders on June 29, 2021, for a five-year term. He also serves as the Representative nominated by PetroVietnam Fertilizer and Chemicals Corporation – JSC (PVFCCo) to the Board of Directors.

PVFCCo issued Official Letter No. 24-2481/PBHC-QTNL dated December 19, 2024, addressed to the General Meeting of Shareholders/Board of Directors of the Company, regarding the dismissal of Mr. Nguyen Cong Bang from his positions as Board Member and General Director of the Company.

In accordance with the authority of the General Meeting of Shareholders, the Board of Directors hereby submits this proposal to the General Meeting of Shareholders for review and approval of the dismissal of the aforementioned Board Member.

Sincerely.

**O/B. BOARD OF DIRECTORS  
CHAIRMAN**

**Pham Quy Hien**



## **GUIDELINES FOR NOMINATION AND ELECTION OF BOARD OF DIRECTORS MEMBERS**

These election guidelines have been approved by the General Meeting of Shareholders (GMS) of Southwest PetroVietnam Fertilizer and Chemicals Joint Stock Company (PVFCCo-PSW) in accordance with the Internal Corporate Governance Regulations, and in compliance with the Enterprise Law and the Securities Law (effective from January 1, 2021). This document outlines the procedures for electing Board of Directors (BOD) members at the GMS, with the following provisions:

### **1. Principles and voting rights at the GMS**

#### **1.1. Principles**

The election of BOD members shall be conducted based on the following principles:

- Compliance with Vietnamese laws on enterprises and securities;
- Adherence to the Company's Charter;
- Ensuring transparency, democracy, and the legal rights of all shareholders.

#### **1.2. Eligible voters**

Eligible voters at the GMS include shareholders holding shares or authorized representatives of shareholders (as per the list of shareholders compiled by the Vietnam Securities Depository and Clearing Corporation) who are present at the GMS meeting.

### **2. Number, conditions, and qualifications of BOD members**

#### **2.1. Number of BOD members**

The number of BOD members to be elected at the 2025 annual meeting: 01 member.

#### **2.2. Conditions and qualifications for BOD members**

- Must not fall under the restrictions specified in Clause 2, Article 17 of the Enterprise Law 2020;
- Must have professional qualifications and experience in business management or in the industry and business sector of the Company, and are not necessarily required to be a shareholder of the Company;
- A BOD member may concurrently hold BOD positions in no more than five other companies;

#### **2.3. Conditions for nomination, self-nomination, number of candidates, and compilation of candidate list**

##### **2.3.1. Conditions for self-nomination or nomination as a BOD member**

Individuals who self-nominate or are nominated for election to the BOD must meet the qualifications and conditions specified in Section 2.2 above and the following additional requirements:

- A shareholder who self-nominates must hold at least 10% of the total voting shares of the Company. A nominee must be nominated by a shareholder/group of shareholders holding at least 10% of the Company's total shares.
- Candidates (both self-nominated and nominated) must submit a valid application dossier as required.

##### **2.3.2. Number of BOD candidates**

The number of candidates for BOD election must be at least equal to the number of BOD members to be elected.

##### **2.3.3. Compilation of the list of BOD candidates**

After the deadline for receiving nomination applications, the incumbent BOD will compile a list of eligible candidates and announce it to shareholders in accordance with regulations. If the number of candidates nominated and self-nominated is still insufficient, the incumbent BOD may nominate additional candidates under the following conditions:

- Candidates must fully meet all qualifications and conditions for BOD members.
- Candidates must submit a complete application dossier.
- The final list of eligible candidates will be announced at the GMS before the election process begins.

### **3. Application documents and submission deadline for BOD nomination and self-nomination**

#### **3.1. Required documents:**

- Application form for BOD candidacy, including a commitment from the candidate to perform their duties with integrity if elected;
- Curriculum vitae (self-declared by the candidate);
- Minutes and list of nominating shareholders (if the candidate is nominated by a group of shareholders);
- Certified copies of the candidate's identification documents (National ID Card/Citizen ID/Passport) and relevant professional qualification certificates.

#### **3.2. Submission deadline:**

Applications must be submitted in person or via registered mail to the Company's headquarters before the date of the GMS, as per the Company's official announcement.

Only complete and qualified applications will be included in the final candidate list for announcement at the GMS.

### **4. Voting method**

The BOD election shall be conducted using the **cumulative voting method**, as follows:

- Each shareholder or authorized representative attending the GMS shall have a total number of voting rights equal to the total number of voting shares they own (including directly held and authorized shares) multiplied by the number of BOD members to be elected;
- Shareholders or authorized representatives may allocate all their votes to a single candidate or distribute their votes among multiple candidates, provided that the number of candidates voted for does not exceed the number of BOD seats available.

### **5. Election procedure**

#### **5.1. Voting ballot**

- Each shareholder or authorized representative attending the meeting will receive a Voting Ballot for BOD election ("Ballot"), which includes the shareholder code, number of shares (including both directly owned and authorized shares), the total number of votes allocated based on the number of BOD members to be elected, and the list of BOE candidates. Upon receiving the ballot, shareholders or their representatives must verify the shareholder code and shareholding information. Any discrepancies should be reported immediately for correction.
- Shareholders or authorized representatives must use the official printed ballot, which bears the company's stamp and is distributed by the Organizing Committee.

## **5.2. Voting instructions**

- To vote for a candidate, shareholders or their representatives must write the number of votes they wish to allocate in the "Number of votes" column corresponding to that candidate's name.
- If they do not wish to vote for a candidate, they should enter "0", leave the column blank, or cross it out.
- Shareholders or their representatives may concentrate all votes on one candidate or distribute votes among multiple candidates.
- If a shareholder makes an error while filling out the ballot (before putting it in the ballot box), they may request a new ballot from the Head of the Voting Committee.

## **5.3. Validity of ballots**

5.3.1. Valid ballot: A ballot is considered valid if:

- It is the official ballot issued by the Organizing Committee, bearing the company's official stamp;
- It is used to vote for candidates listed in the approved nomination list or left blank; and
- It does not contain erasures, corrections, or alterations.

5.3.2. Invalid ballot: A ballot is considered invalid if:

- It was **not issued by the Organizing Committee**;
- It does not bear the company's official stamp;
- It is torn, crossed out, erased, altered, or has the name of a candidate not on the list of candidates approved by the General Meeting of Shareholders before voting;
- The total votes allocated exceed the maximum voting rights of the shareholder or representative;
- The ballot is used to vote for more candidates than the number of BOD seats available.

## **6. Voting committee; Voting and vote counting procedure**

### **6.1. Voting Committee**

6.1.1. The Voting Committee is nominated by the Chairperson of the GMS and approved by the GMS attendees. Members of this committee may be non-shareholders, but they cannot be candidates for the BOD.

6.1.2. The committee's main responsibilities include:

- Providing a brief explanation of the election rules;
- Distributing ballots to shareholders and their representatives;
- Monitoring the voting process to ensure compliance;
- Organizing and conducting the vote counting;
- Preparing and announcing the vote counting results at the GMS;
- Submitting the vote counting report and all ballots to the Chairperson;

6.1.3. The committee must ensure transparency and confidentiality in the voting and counting process. If any misconduct occurs, the committee will be held accountable. After the vote counting, the committee must prepare an official vote counting report, which is announced at the GMS.

### **6.2. Voting and vote counting procedure**

- The Organizing Committee will prepare ballot boxes which The Voting Committee must inspect in the presence of shareholders;

- Voting commences once all ballots have been distributed and concludes when the last shareholder has cast their vote.
- Vote counting begins immediately after voting ends;
- The committee may use electronic systems and technical support for vote counting.
- The final vote count results must be documented, signed by all committee members, and publicly announced by the Head of the Voting Committee.

#### **7. Election results and selection of BOD members**

- Elected BOD members are those who receive the highest number of votes, starting with the candidate with the most votes, until the required number of positions is filled.

Formula: Voting percentage = (Total votes received by a candidate/ Total voting shares at the meeting) x 100%

- In the event of a tie among candidates with the same number of votes, but only a limited number of seats remain, the elected candidate will be determined based on the condition that the candidate nominated by the shareholder/group of shareholders holding the largest shareholding percentage will be selected.

#### **8. Resolution of Election and Vote Counting complaints**

- If a shareholder disputes the election results or requests a recount, the incumbent Supervisory Board will conduct an investigation. If intentional misconduct or fraud is discovered, the Voting Committee will be held fully responsible.

**All election complaints and their resolutions will be documented in the GMS meeting minutes and addressed by the Chairman of the GMS./.**

# **PROPOSAL FOR THE ELECTION OF BOARD OF DIRECTORS MEMBERS**

To: The General Meeting of Shareholders  
SouthWest PetroVietnam Fertilizer and Chemicals Joint Stock Company.

Pursuant to the provisions of the Company's Charter regarding the rights and responsibilities of the General Meeting of Shareholders, the Board of Directors respectfully submits to the General Meeting of Shareholders the proposal regarding the election of a BOD Member, as follows:

## **1. Requirement for the Election of a Board Member:**

The Company's Board of Directors currently consists of three members. As previously submitted to the General Meeting of Shareholders, Mr. Nguyen Cong Bang has been dismissed from his position before the end of his term.

To ensure compliance with legal and corporate governance regulations, the Company must elect a replacement BOD member.

## **2. List of Candidates for the Board of Directors**

South West PetroVietnam Fertilizer and Chemicals Joint Stock Company (PVFCCo-PSW) issued a notice regarding the nomination and self-nomination process on March 19, 2025, along with the invitation to the General Meeting of Shareholders. Based on the valid nomination and candidacy application received from eligible shareholders and shareholder groups by 10:00 AM on March 28, 2025, the Company has compiled the following list of candidates:

1. Major shareholder – PetroVietnam Fertilizer and Chemicals Corporation – JSC (PVFCCo), holding 75%, has introduced 01 candidate:

Mr. Le Duc Thuan - Member of the Board of Directors of Southeast PetroVietnam Fertilizer and Chemicals Joint Stock Company, Director of Southwest PetroVietnam Fertilizer and Chemicals Joint Stock Company, Representative of PVFCCo's capital to participate in the Board of Directors of Southwest PetroVietnam Fertilizer and Chemicals Joint Stock Company. (attached information)

2. Based on the criteria, conditions and valid documents, the above 01 candidate meets the requirements to be included in the Board of Directors' election list. At the same time, the number of candidates meets the minimum number to elect the Board of Directors.

The Board of Directors would like to announce to the General Meeting of Shareholders the list of candidates to elect members of the Board of Directors as above, respectfully requesting shareholders to study the election instructions of the General Meeting and the candidate's resume information to conduct the voting procedure.

Sincerely.

Sincerely.

**O/B. BOARD OF DIRECTOR  
CHAIRMAN**

**Pham Quy Hien**

**CANDIDATE INFORMATION  
BOARD MEMBERS**

1. Full name: Le Duc Thuan
2. Gender: Male.
3. Date of birth: March 20, 1975.
4. Place of birth: Hanoi.
5. ID card number (or passport number): 001075018091 Date of issue: January 18, 2024, Place of issue: Department of Administrative Police for Social Order.
6. Nationality: Vietnam.
7. Ethnicity: Kinh
8. Permanent address: 66/29 Nhieu Tu Street, Ward 7, Phu Nhuan District, Ho Chi Minh City.
9. Professional qualification: Bachelor of Economics.
10. Work history

08/2000- 03/2003	Deputy Store - Petechim Binh Long Petroleum Store - Petroleum Trading Company
03/2003- 01/2006	MeKong Petroleum Joint Venture Company - Ho Chi Minh City Branch
01/2006- 06/2006	MeKong Petroleum Joint Venture Company - Deputy Director of Ho Chi Minh City Branch
06/2006- 04/2008	MeKong Petroleum Joint Venture Company - Director of Ho Chi Minh City Branch
04/2008- 06/2008	Petroleum Products Processing and Trading Company - Director of Ho Chi Minh City Branch
07/2008- 11/2010	Deputy Director - Saigon Petroleum Enterprise - Vietnam Oil Corporation
12/2010- 01/2015	Deputy Director - Saigon Petroleum Joint Stock Company
02/2015- 2/2016	Director - Saigon Petroleum Joint Stock Company
03/2016 – present	Member of Board of Directors of Southeast Petrovietnam Fertilizer and Chemicals Joint Stock Company
03/2016 – 12/2024	Director - Southeast Petrovietnam Fertilizer and Chemicals Joint Stock Company
01/2025 – present	Director - Southwest Petrovietnam Fertilizer and Chemicals Joint Stock Company

No.: /NQ-DHĐCĐ

*Can Tho City, day 10 month 04 year 2025*

Draft

**RESOLUTION**  
**2025 Annual General Meeting of Shareholder**

**GENERAL MEETING OF SHAREHOLDERS**  
**SOUTH WEST PETROVIETNAM FERTILIZER AND CHEMICALS JOINT STOCK  
COMPANY**

- Pursuant to the Enterprise Law 2020;
- Pursuant to the Charter of South West PetroVietnam Fertilizer and Chemicals Joint Stock Company, as approved by the General Meeting of Shareholders on December 29, 2010, and amended and supplemented on April 25, 2023;
- Pursuant to the voting results presented at the Annual General Meeting of Shareholders 2025 of PetroVietnam Southwest Fertilizer and Chemicals Joint Stock Company on April 10, 2025,

**RESOLVED:**

**Article 1.** Approval of the Reports and Proposals presented at the Meeting, specifically:

- 1.1. Approval of the Board of Directors' Report for 2024 and the operational plan and orientation direction for 2025.
- 1.2. Approval of the Business Performance Report for 2024 and the Business Plan for 2025.
- 1.3. Approval of the Supervisory Board's Report for 2024, the operational plan and orientation for 2025, and the proposal for selecting an audit firm for the 2025 financial statements.
- 1.4. Approval of the 2024 Financial Statements, the 2024 profit distribution plan, and the 2025 profit distribution plan.
- 1.5. Approval of the salary, remuneration, and other benefits for the Board of Directors and Supervisory Board for 2024, as well as the budget plan for 2025.
- 1.6. Approval of the proposal for the transfer of Thanh Binh Warehouse - Dong Thap; approval of the investment projects and fixed asset procurements.
- 1.7. Approval of the proposal to authorize the execution of contracts and transactions with PetroVietnam Fertilizer and Chemicals Corporation (PVFCCo - JSC).
- 1.8. Approval of the proposal regarding the dismissal and election of a Board Member.

**Article 2.** This resolution shall take effect from the date of approval by the General Meeting of Shareholders, April 10, 2025.

**Article 3.** The Board of Directors, Executive Board, Supervisory Board, and Heads of Departments of SouthWest PetroVietnam Fertilizer and Chemicals Joint Stock Company shall be responsible for implementing this resolution.

***Recipients:***

- As stated in Article 3;
- Archive: Files, BOD, Administration.

**O/B. BOARD OF DIRECTORS  
CHAIRMAN**

**Pham Quy Hien**