

## CHAIRMAN'S MESSAGE

*Dear valued shareholders!*

For and on behalf of PetroVietnam Fertilizer and Chemicals Corporation (PVFCCo), I am delighted to share with our valued shareholders and partners the 2023 Annual Report!

The report will provide an overview of PVFCCo's activities in 2023, highlighting key achievements, evaluating and summarizing both financial and non-financial aspects.

In 2023, global economic and fertilizer market conditions were predominantly negative due to geopolitical instability and shifting export policies in key countries/markets. This led to oversupply and steep price declines from the highs of 2022. Domestically, factors such as unfavorable VAT tax policies, rising input costs, and intense competition among manufacturers further impacted the fertilizer market.

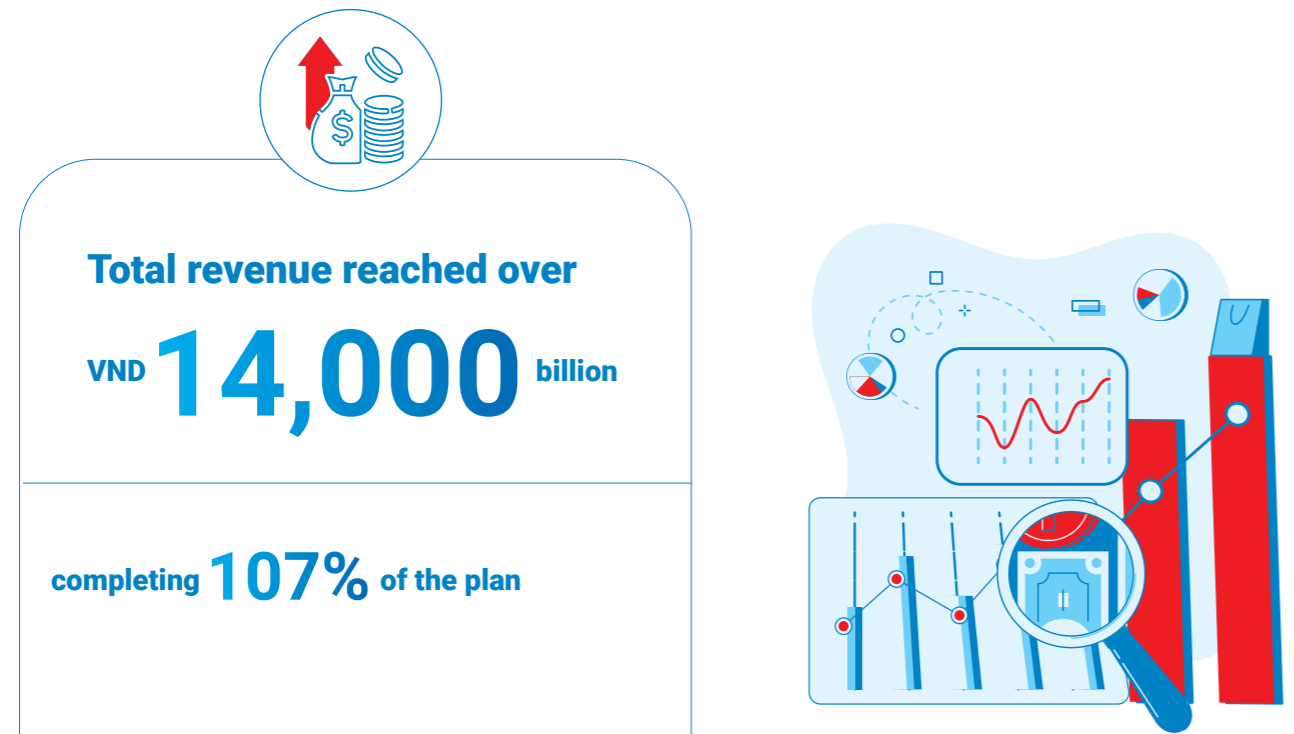
In 2023, PVFCCo entered the year with pride in its 20-year journey of development, yet faced challenges from various fronts. Through rigorous management and operational efforts, proactive solutions to increase sales volume, cost reduction across all stages from production to consumption, and stabilizing operations, PVFCCo overcame both external and internal fluctuations. This ensured stable production and business operations, meeting the set targets. Despite efforts to increase sales volume and minimize costs, revenue and profits were still impacted by market conditions. By the end of the fiscal year 2023, PVFCCo achieved 107% of the revenue target, a 26% decrease from 2022, with profit before tax at 113% of the plan, down 90% from 2022.



THROUGH RIGOROUS MANAGEMENT AND OPERATIONAL EFFORTS, PROACTIVE SOLUTIONS TO INCREASE SALES VOLUME, COST REDUCTION ACROSS ALL STAGES FROM PRODUCTION TO CONSUMPTION, AND STABILIZING OPERATIONS, PVFCCo OVERCAME BOTH EXTERNAL AND INTERNAL FLUCTUATIONS. THIS ENSURED STABLE PRODUCTION AND BUSINESS OPERATIONS, MEETING THE SET TARGETS.



## CHAIRMAN'S MESSAGE (continued)



PVFCCo's notable accomplishments reinforce its reputation and brand recognition, acknowledged by both the market and regulatory authorities through various prestigious awards. This serves as motivation for the entire PVFCCo team to persistently contribute, unite, and leverage their collective strengths and values. This unity propels them to swiftly overcome short-term challenges and thrive in the upcoming phase of growth.

Looking ahead, although challenges remain, I believe PVFCCo's toughest times are behind us. As we enter 2024, the Management and staff have aligned on key objectives: ensuring safe, stable production; efficiently managing costs to reduce product prices; increasing market share through digital solutions; driving research for new products; and strengthening financial management for stability and efficient asset use, while preparing for new investments. These objectives form the backbone of our strategy, aiming for sustainable growth and long-term benefits for all stakeholders.

On behalf of PVFCCo, I sincerely thank our shareholders and partners for their unwavering support. I also express gratitude to past leaders and staff for their dedication over the past 20 years. Looking forward, I eagerly anticipate our continued journey together. In an evolving world, unity and confidence are essential. I trust that shareholders, investors, employees, and the PVFCCo team will unanimously adhere to the principle of **"ADVANCING PARTNERSHIP - SHARING PROSPERITY"**, aiming to overcome challenges and achieve our vision and mission.

**On behalf of the Management,  
 Chairman of the Board of Directors**

**Nguyen Xuan Hoa**

