

Number/4/ /PLVĐ-TCKT

Hanoi, 18 March , 2025

Re: Announcement of information on measures  
and roadmap to overcome the situation of  
controlled securities

**INFORMATION DISCLOSURE**

To: - State Securities Commission;  
-Ho Chi Minh City Stock Exchange;  
-Dear shareholders.

Organization name: Van Dien Fused Phosphate Fertilizer Joint Stock Company.  
Stock code: VAF.

Head office address: Phan Trong Tue Street - Tam Hiep Commune - Thanh Tri  
District - Hanoi City.

Business registration number: 0100103143.

Phone number: 043.6884489/6885174. Fax number: 043.6884277.

Legal Representative: Van Hong Son - General Director.

Type of information disclosure: Periodic

**INFORMATION DISCLOSURE CONTENT:**

Van Dien Fused Phosphate Joint Stock Company announces information on the  
roadmap to overcome the situation of controlled securities and explain the auditor's  
exception opinion on the 2024 financial statements according to the provisions of  
Clause 1, Article 10 and Clause 2, Clause 3, Article 14, Circular 96/2020/TT-BTC dated  
November 16, 2020 of the Ministry of Finance on "Guidelines for information  
disclosure on the stock market".

The above information is published on the Company's website at the link:  
Vandienfmp.vn. We hereby commit that the above published information is true and  
we are fully responsible before the Law for the published content.

Attached documents:

- 2024 financial report (audited and published on March 3, 2025);

Thank you very much !

**Recipient:**

- As per;
- The person is UQCBTT;
- Save: TCKT;VT.

CEO ✓  
  
Van Hong Son



**JOINT STOCK COMPANY  
VAN DIEN FUSION PHOSPHATE**

**SOCIALIST REPUBLIC OF VIETNAM**  
**Independence - Freedom - Happiness**

No: 142./PLVĐ-TCKT

Hanoi, 18 March 2025

Re: *Explanation of audit opinion  
except on the 2024 Audit Report  
and remedies for stock control*

To :           - State Securities Commission;  
              - Ho Chi Minh City Stock Exchange;  
              - Dear shareholders.

Pursuant to the provisions of Clause 1, Article 10 and Clause 2, Clause 3, Article 14, Circular 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance on *"Guidelines for information disclosure on the stock market"*

Van Dien Fused Phosphate Fertilizer Joint Stock Company would like to explain the exception opinion of the Independent Auditor in the 2024 financial report and the roadmap to overcome the situation of securities being controlled as follows:

In the 2024 financial report of Van Dien Fused Phosphate Joint Stock Company. The independent auditor provided the basis for the audit exception: *"The Company is carrying out procedures to sue HUD 4 Investment and Construction Joint Stock Company according to Resolution of the Board of Directors No. 01/NQ-HĐQT dated January 3, 2024 to request compensation for investment costs that the Company has implemented the Van Dien Fused Phosphate and NPK Fertilizer Factory project in Thanh Hoa with the value of unfinished basic construction investment costs as of January 1, 2024 and December 31, 2024 being VND 24.51 billion and VND 25 billion, respectively (Details in Note No. 10 and Note No. 37 of the Financial Statement Explanation). The collected records and documents have not provided us with sufficient appropriate evidence to assess the recoverability, the ability to continue implementing the project and the benefits (if any) and losses that need to be recorded related to the unfinished basic construction investment costs presented in the Company's Financial Statements"*.

Following the explanation in Official Dispatch No. 204/CV-PLVĐ dated March 28, 2024 and Official Dispatch No. 506/PLVĐ-TCKT dated July 31, 2024 on Explanation of measures and roadmap to overcome the situation of controlled securities sent to the Department.

• **Difficulties and obstacles in the process of project implementation:**

- The Company's 2011 Annual General Meeting of Shareholders: Approved the policy of moving the factory from Hanoi City to a new location.
- 2012 Annual General Meeting of Shareholders of the Company: Approved land lease and investment project to build a factory to serve the relocation.
- Nghi Son Economic Zone Management Board (now Nghi Son Economic Zone and Industrial Zones Management Board) first issued Investment Certificate No.



26221000137 on January 16, 2013 for the Van Dien Fused Phosphate and NPK Fertilizer Factory Investment Project.

- The Company's 2015 Annual General Meeting of Shareholders: Approved the investment project to build a factory to produce fused phosphate and Van Dien NPK fertilizer in Bim Son, Thanh Hoa.

- After the Project was approved by competent authorities, on May 31, 2013, the Company signed Land Lease Contract No. 05/HDTD-HUD4 with HUD4 Company to implement the Project.

- However, at the time of signing the land lease contract, HUD4 Company had not been allocated land by Thanh Hoa Provincial People's Committee in Area B, Bim Son Industrial Park, Thanh Hoa Province (HUD4 Company was only allocated land by Thanh Hoa Provincial People's Committee according to Decision No. 3628/QĐ-UBND dated September 26, 2017). Therefore, according to the conclusion of the Ministry of Industry and Trade Inspectorate No. 8990/KL-BCT dated November 6, 2018, the two parties proceeded to resolve the matter. During the resolution process, some problems and disputes arose and on September 5, 2022, the People's Court of Bim Son Town, Thanh Hoa Province issued a Judgment in Judgment No. 03/2022/KDTM-ST with the following main contents:

- (1) Declaration of invalidity of Contract No. 05/HDTD-HUD4 signed on May 31, 2013 between the Company and HUD4 Company.

- (2) Force HUD4 Company to pay the Company a total amount of VND 74,849,703,302 to the Company.

- (3) Force the Company to return to HUD4 Company the entire land area that HUD4 Company has handed over to the Company.

- On May 18, 2023, the Management Board of Nghi Son Economic Zone and Industrial Parks issued Decision No. 135/QĐ-BQLKKTNS&KCN and Decision No. 140/QĐ-BQLKKTNS&KCN on terminating the investment project and revoking the investment registration certificate.

- Pursuant to Decision No. 328/QĐ - CCTHADS dated May 7, 2024 of the Bim Son Town Judgment Enforcement Office on the enforcement of judgments upon request, the Company has recovered the entire amount (VND 74,849,703,302) and late interest (VND 1,086,250,426), totaling: VND 75,935,953,728.

- Pursuant to Decision No. 383/QĐ-CCTHADS dated June 18, 2024 of the Bim Son Town Judgment Enforcement Office on judgment enforcement upon request, Decision No. 13/QĐ-CCTHADS dated August 20, 2024 on compulsory transfer of land use rights and Notice No. 401/TB-CCTHADS dated August 20, 2024 on compulsory judgment enforcement notice of the Bim Son Town Judgment Enforcement Office. On August 26, 2024, the Company completed the handover of land to HUD4.

- Due to some difficulties and problems arising during the implementation process, affecting the progress of the project. In 2018, the Company's Annual General Meeting of Shareholders approved the extension of the project progress.

- The Company signed Contract No. 2023044A1/HDTV/CECO-VADFCO with Chemical Industrial Design Joint Stock Company (CECO) to implement the package "Consulting on re-evaluation of the effectiveness of the investment project to build the Van Dien Fused Phosphate and NPK Fertilizer Factory".



- At the time of hiring a consulting unit to re-evaluate the project's effectiveness, the Company had not yet had to execute the judgment according to the judgment, so the land was still owned by the Company, the input factors for the re-evaluation were still basically calculated for the old project, only the investment was re-phased and the total investment was re-calculated; According to the economic efficiency assessment report of CECO Company's Project, the consulting unit proposed 03 investment phase options suitable for the scale and actual situation, all 03 options proposed by CECO were economically effective.

***However, up to now, the Company's land and Investment Certificate have been revoked, so the project efficiency assessment report prepared by CECO is no longer meaningful because it does not ensure the legal basis and feasibility of the input factors for the Project.***

- **The need to continue implementing the relocation project:**

On December 7, 2021, the Hanoi People's Committee issued Decision No. 5148/QĐ-UBND on land use planning until 2030 of Thanh Tri district, accordingly, the Company's current production and business location will be a commercial and service land area; therefore, the Company is forced to relocate elsewhere and time is running out.

***The implementation of investment in relocating the Company to ensure the existence and development of the Company is extremely necessary and urgent.***

Up to now, the Company's land has been revoked, the Management Board of Nghi Son Economic Zone and Industrial Parks has terminated the investment project and revoked the investment registration certificate; Pursuant to the Investment Law 2020, Decree No. 31/2021/ND-CP dated March 26, 2021 detailing and guiding the implementation of a number of articles of the Investment Law, the Company needs to terminate the Project investment activities, carry out the final settlement and liquidation of the Project according to regulations.

To ensure survival and development, the Company needs to urgently implement the project preparation to serve the investment in relocating the Company.

***Therefore, the Company is considering and deciding on the following contents:***

1. ***Terminate the investment activities of the Project "Van Dien Fused Phosphate and NPK Fertilizer Factory" according to Investment Certificate No. 26221000137 issued by Nghi Son Economic Zone Management Board (now Nghi Son Economic Zone and Industrial Zones Management Board) for the first time on January 16, 2013, and carry out the settlement and liquidation of the Project in accordance with the provisions of law.***

2. ***Supplementing the investment preparation plan for the relocation project of Van Dien Fused Phosphate Joint Stock Company, ensuring the existence and development of the Company (production capacity: Fused Phosphate 500,000 tons/year; NPK fertilizer 200,000 tons/year; total expected investment 1,600 billion).***

3. ***Assign the Company's Board of Directors to carry out related tasks in accordance with the provisions of law; Report to the Company's General Meeting of Shareholders in accordance with the provisions.***



After receiving the decision of the competent authority, the Company will carry out the next steps in accordance with the Law and will account for the above expenses in accordance with the current accounting regime of the Ministry of Finance.

Above is our company's explanation.

Respectfully report!

**Recipient:**

- As per your request;
- Save: TCKT; VT.

