

No. 20/BB-DHDCD-2014

Ho Chi Minh City, April 15th, 2014

MINUTES
On the 2014 Annual General Shareholder Meeting
Of Petrolvietnam Fertilizer and Chemicals Corporation-JSC
Head Quarter: No. 43 Mac Dinh Chi, Da Kao Ward, District 1, Ho Chi Minh City
Enterprise Code: 0303165480

I. Time and venue

- Time: From 1:30 PM to 5:00 PM on April 15th, 2014.
- Venue: Grand Meeting Room, InterContinental, No. 39 Le Duan, District 1, Ho Chi Minh City.

II. Attendees and Legality of the meeting.

1. Attendees:

- The shareholders and shareholders' proxies of Petrolvietnam Fertilizer and Chemicals Corporation-JSC according to the list prepared by Vietnam Securities Depository on the latest registration date of March 6th, 2014.
- The delegates are guests invited from agencies and units.

2. Legality of the meeting.

The shareholder qualification checking committee appointed by the Chairman comprises:

- + Mr. Phi Ngoc Khanh, Vice Chairman of the Internal Audit Committee
- + Mr. Le Thanh Tung, Vice Chairman – Board of Directors Office
- + Mrs. Nguyen Thi Thu Oanh, Expert of the Supervisory Board

As reported by the shareholder qualification checking Committee, the result of qualification checking of the shareholders attending the meeting is as follows:

- The total voting shares of the Corporation is **379,934,260** shares.
- The total shareholders invited to the meeting: All shareholders according to the list prepared by Vietnam Securities Depository on the latest registration date of March 6th, 2014.
- The total shareholders and shareholders' proxies attending the meeting includes **768** shareholders and proxies by powers of attorney, possessing and representing **306,575,505** shares, accounting for **80.69%** of the total voting shares of the Corporation.
- All shareholders and shareholders' proxies at the meeting are eligible to attend the meeting.

Pursuant to the regulations of the applicable Law on Enterprises and the Charter of the Corporation, the Annual General Shareholder Meeting of PetrolVietnam Fertilizer and Chemicals Corporation-JSC held on April 6th, 2014 is legal.

III. Chairman and Secretary of the meeting.

1. Chairman:

- Mr. Le Cu Tan - Chairman of the Corporation's Board of Directors.

2. Chairman Group:

- Mr. Le Cu Tan - Chairman of the Board of Directors

- Mr. Cao Hoai Duong - Member of the Board of Directors cum CEO

- Ms. Nguyen Thi Hien - Vice Chairwoman of the Board of Directors

- Mr. Nguyen Hong Vinh - Member of the Board of Directors

- Mr. Dinh Quang Hoan - Member of the Board of Directors

- Ms. Tran Thi Phuong Thao - Chairwoman of the Supervisory Board

3. Secreterial Committee:

- Mr. Truong The Vinh – Secretaty of the Corporation

- Mr. Vu Thanh Nam – Expert of the Financial and Accounting Department of the Corporation

IV. Contents and agenda of the meeting

The Board of Directors presents the following contents to the General Shareholder Meeting for approval:

1. Report on the 2013 production and business status;
2. Report on the major targets of the 2014 production and business plans;
3. Report on the Board of Directors' activities in 2013 and 2014 actions plans;
4. Report of the Supervisory Board for 2013 and on auditor selection for 2014;
5. 2013 Financial Statements and 2013 Profit Distribution Plan;
6. 2014 Profit Distribution Plan;
7. Report on the remunerations, salaries, bonuses and other benefits for the Board of Directors, Supervisory Board for 2013 and 2014 Budgeting;
8. Explanatory statement on the decision on appointment of members of the Board of Directors.

The entire report contents and explanatory statement are provided by the Corporation in the documents of the meeting posted on website www.dpm.vn and sent to the shareholders coming to the meeting.

V. Development of the meeting.

1:40 PM

National flag salutation and delegates welcoming

1:50 PM

The Chairman of the Board of Directors, Bui Minh Tien addresses and welcomes the General Shareholder Meeting.

1:55 PM

Conducting the procedures for approval of the Meeting's Agenda and the Vote Counting Committee members.

The General Shareholder Meeting voted to approve at 2 PM the below contents at 100%:

- Agenda: Approved as in item IV above.
- Members of the Vote Counting Committee:
 - + Mr. Dang Quoc Hung – Vice Chairman of the Human Resources and Training Committee Organization;
 - + Mr. Truong Quoc Tung – Chairman of the IT Committee;
 - + Mr. Le Vinh Van – Supervisory Board Member.

2:02 PM

The Chairman and Chairman Group began to run the meeting according to the Agenda with the following developments:

1. Report on the 2013 production and business status and the major targets of the 2014 production and business plans

Mr. Cao Hoai Duong, the Corporation's CEO, presented the Report on the 2013 production and business status and the targets of the 2014 production and business plans.

2. Report on the Board of Directors' activities

On behalf of the Board of Directors, Ms. Nguyen Thi Hien – Vice Chairwoman of the Board of Directors, presented the Report on the activities of the Board of directors in 2013 and action plans for 2014.

3. Report on the Supervisory Board's activities and proposition of auditors for the 2014 Financial Statements

Ms. Tran Thi Phuong Thao, Chairwoman of the Supervisory Board, reported to the General Shareholder Meeting on the Supervisory Board's activities in 2013 and submitted a list of auditors for the 2014 financial statements.

4. 2013 Financial Statements, 2013 Profit Distributions Plan and 2014 Profit Distributions Plan

Mr. Huynh Kim Nhan, the Corporation's Chief Accountant, was authorized by the Board of Directors to present the 2013 Audited Financial Statements, 2013 Profit Distributions Plan and 2014 Profit Distributions Plan.

5. Explanatory Statement to the approval of the appointment decision on the Board of Directors Members

Mr. Le Quoc Viet – the Corporation's Deputy CEO, was authorized by the Board of Directors to present the Explanatory Statement to the General Shareholders Meeting

for their approval of the Board of Directors' decision on appointing Mr. Le Cu Tan as a Board of Directors Member as from December 12th, 2013.

6. Report on the remunerations, salaries, bonuses and other benefits for the 2013 Board of Directors and Supervisory Board, and 2014 Budgeting

On behalf of the Board of Directors, Mr. Dinh Quang Hoan – Board of Directors Member presented the Report on the remunerations, salaries and other benefits for the 2013 Board of Directors and Supervisory Board, and the 2014 Budgeting to the General Shareholders Meeting.

(The entire report contents and explanatory statement: according to the Documents of the meeting)

3:10 PM: The General Shareholders Meeting finished hearing the Reports and the Explanatory Statement then took a break.

3:30 PM

7. General Shareholders Meeting's Discussion

Mr. Le Cu Tan, Chairman of the General Shareholders Meeting, ran the General Shareholders Meeting's discussion. The major opinions discussed are summarized as follows:

- **Comment of Ms. Tran Anh Dao, Deputy General Director of the HCMC Stock Exchange:**

Congratulations to the Leadership and employees of PVFCCo for their exceeding achievements of the Corporation's targets of 2013; the Stock Exchange highly appreciates PVFCCo's operations and results for the past years; PVFCCo has always been one of the remarkable listed enterprises with many achievements and awards in terms of Annual Reports, in top VN 30 and on the list of 15 stocks of HOSE, and a member of ASEAN STAR of 6 ASEAN countries. I hope PVFCCo's shareholders and employees will maintain such results and help the Corporation grow and remain a remarkable listed and prestigious company on the stock market for the coming years.

- **Shareholders' opinion on the 2013 business results according to the financial statements:**

- The Board of Directors is requested to explain why the 2013 production and business output declined against that of 2012. Whether or not the Corporation gave up its marketshare to Ca Mau Urea Plant?
- Why did 2013 profit strongly drop compared to that of 2012?
- Please explain the adjustment of the financial statements in terms of the reserve for losses deducted from the investments in affiliated companies after the announcement of the financial statements?

- **Answers:**

- Phu My Urea output in 2013 decreased by 4% and its consumption dropped by 8% against 2013. This was because in 2013 Phu My Urea plant ceased its operations for 25 days for an overall maintenance break. There was no such thing as PVFCCo reduced its production output to give up its marketshare to Ca Mau

Urea; reality has shown the Corporation has still maintained its output consumption and low and reasonable inventories. Phu My Urea and Ca Mau Urea operate on an independent, transparent and fair basis; Ca Mau Urea will also be equitized, therefore, the two units' business activities will be even more independent and transparent.

- The steep drop of 2013 profit against 2012 profit is mainly caused by the following factors: An increase in production costs due to a material costs increase by 2% and due to an output decrease (due to the maintenance break) causing an increase in cost price per product, transportation and circulation costs; Urea fertilizer prices went down compared to 2012 due to abundant domestic supply; Profit from financial activities declined due to a decrease in the general deposit interest.
- The 2013 Financial Statements of the Corporation was carried out by an auditor and an audit report was issued on March 12, 2014; then [the 2013 Financial Statements were] announced on March 21, 2014. After that, the Corporation's affiliated companies, Petrovietnam Petrochemical and Textile Fiber Joint Stock Company and Petrovietnam Urban Development Joint Stock Company, announced their financial statements with losses from business activities in 2013. According to the regulations, the Corporation made a risk reserve fund.
- **Opinions of shareholders on cash flow management and dividend policy:**
 - The Board of Directors is requested to share their plan on using the capital of around VND5,800 billion in cash. Does the dividend policy from 2014 ensure at least 25% of par value? Is there a bonus issues distribution plan to increase the charter capital?
- **Answers:**
 - It is possible to affirm with the distinguished shareholders that, at the present, holding a large number of cash on hand is a good thing. Our enterprise's liquidity will be guaranteed. As for the Corporation, in short term, in 2014 it will pay dividends for the 2nd time in 2013 to shareholders around VND900 billion (in case the profit distribution plan just presented is approved via voting by the General Shareholders Meeting). In terms of long term investments, in 2014, PVFCCo will spend capital on large projects such as NH₃-NPK, UFC85, upgrading and purchasing assets, etc. with an estimated disbursement of VND454 billion. The remaining idle funds will be managed and deposited with the most prestigious banks and used for such large projects when it comes to the stage of contract implementation.
 - As for dividend policy, the specific dividend amount will be annually approved by the General Shareholders Meeting. The Corporation's Leadership does hope and make every effort to keep high annual earning to have grounds to offer attractive dividend payment plan to the shareholders. The Board of Directors guarantees 2014 dividends will be at least the planned 25%. For now and in short term, the Corporation has no distribution plan on bonus issues distribution plan.
- **Shareholders would like to know if Vietnam's induction into TPP in the near future will have any impact on Phu My Urea.**
- **Answer:**

Vietnam's induction into TPP as its induction into WTO earlier will be both opportunities and challenges. As for Phu My Urea, TPP will bring tax free exportation opportunities. As the same time, TPP will be a challenge when imported fertilizers may compete with Phu My Urea since such fertilizers will bear no tax for importing into Vietnam. In terms of an indirect benefit, when Vietnam has benefit from exporting produce, its agriculture will grow and fertilizer demand will go up.

- **Shareholders' opinion on gas price:** As a report sent to investors on the market by Viet Capital Securities (VCSC), from quarter 2 of 2014, Phu My Urea will have to buy gas at 19% higher price, is this correct?

- **Answer:**

Until recently, the Corporation knows that the Government has a policy on market gas prices adjustment applied on enterprises; however, there is no official info on the exact increase/decrease levels. We are not sure of and cannot confirm the 19% increase as forecast and calculated by VCSC. Gas price adjustment is subject to the Government and very important so the Corporation will provide full information when it receives an official conclusion on a particular price plan from the State agencies.

- **Shareholders' other opinion:** Did the Corporation import urea in 2013 and is there a plan to import fertilizer in 2014?

- **Answer:**

In 2013, the Corporation imported the amount of fertilizer as presented in the CEO's Report, including such fertilizers as NPK, Kali, etc. As for urea, due to the redundant domestic urea supply, the Corporation did not import any.

- **Comment from Mr. Phan Dinh Duc, Member of the Members' Council of Vietnam Oil and Gas Group:**

The Leadership of Vietnam Oil and Gas Group confirm the important role of PVFCCo in the general achievements of Vietnam Oil and Gas Group to our national economy. The Group recognizes that the 2013 business result truly reflects the reality and the gigantic effort of PVFCCo's Leadership and employees in the setting of fertilizer market changes and difficulties. The Group undertakes to support PVFCCo's 2014 plans, sustainable growth and the PVFCCo Shareholders' interest.

4:30 PM

The Chairman Group announced and requested the shareholders to finish voting on the contents presented to the General Shareholders Meeting. The Vote Counting Committee counted votes of the shareholders at the meeting.

The General Shareholders Meeting continued to exchange and discuss the Corporation's investments projects as well as the TPP trade agreement while waiting for a vote counting result.

4:45 PM: End of discussion.

On behalf of the Chairman Group, Mr. Le Cu Tan thanked the General Shareholders Meeting, recognized and received the shareholders' comments and undertook to keep receiving the comments of and discussing with the shareholders after the meeting via

appropriate communications channels. The Chairman requested the Vote Counting Committee to announce the counting result of the votes of the shareholders at the meeting.

VI. Announcement of vote counting result.

4:47 PM

On behalf of the Vote Counting Committee, Mr. Dang Quoc Hung announced the result of voting to approve the contents presented to the General Shareholders Meeting as follows:

1.1. Thông qua Báo cáo kết quả hoạt động sản xuất kinh doanh năm 2013 và các chỉ tiêu chính:

No.	Targets	Unit	Plan of 2013	Implementation of 2013	Plan Accomplishment Percentage (%)
A	B	C	1	2	3=2/1
1	Production output				
-	Phu My Urea	Nghìn tấn	770	822	107%
-	Packing	Triệu bao	41	44	107%
2	Imported fertilizer output	Nghìn tấn	90	137	152%
3	Business output				
-	Phu My Urea	Nghìn tấn	800	835	104%
-	Fertilizer for proprietary trading	Nghìn tấn	315	362	115%
-	Chemicals	Nghìn tấn	4.2	5,3	127%
-	Packing	Triệu bao	41	44	107%
4	All Corporation's Financial Targets (consolidated)				
	Total revenue	VND Billion	10,100	10.807	107%
	Profit before tax	VND Billion	2,120	2.468	116%
	Profit after tax	VND Billion	1,915	2.142	112%
	Payment to State Budget	VND Billion	330	602	182%
5	Financial Targets of the holding company				
	Shareholders' equity	VND Billion	7,103	9,265	130%
	In which: Charter capital	VND Billion	3,800	3,800	100%
	Total revenue	VND	7,634	8,402	110%

No.	Targets	Unit	Plan of 2013	Implementation of 2013	Plan Accomplishment Percentage (%)
		Billion			
	PBT	VND Billion	2,077	2,352	113%
	Profit after tax	VND Billion	1,890	2,110	112%
	Profit after tax on charter capital	%	49.7%	55.53%	112%
	Payment to State Budget	VND Billion	264	518	196%
6	Investments				
a.	Total investment	VND Billion	396.7	178.38	45%
	Investment in basic construction	VND Billion	233	85	36%
	Procurement	VND Billion	100	58.24	58%
	Investment in capital contribution	VND Billion	63.7	35.14	55%
b.	Investment capital	VND Billion	396.7	178.38	45%
	Shareholder's equity	VND Billion	396.7	178.38	45%
	Borrowings and others	VND Billion	-	-	-

Voting results:

- Number of shares voting affirmatively: 301,484,507 shares accounting for 98.34% of the voting shares at the meeting.

- Number of shares voting negatively: 300 shares accounting for 0.00% of the voting shares at the meeting.

- Number of shares casting blank votes: 5,090,698 shares accounting for 1.66% of the voting shares at the meeting.

1.2. Approval of the main targets of the 2014 production and business plans:

a. Production plan

- Phu My Urea : 800,000 tons
- Packing of all descriptions : 46 million packs

b. Business plan

- Phu My Urea : 800,000 tons
- Fertilizer proprietary trading : 330,000 tons

- Chemicals trading : 4.200 t n
- Packing of all descriptions : 46 million packs

c. Financial plan

- Charter capital : VND3,800 billion
- Total revenue : VND8,700 billion
- PBT : VND1,384 billion
- Profit after tax : VND1,219 billion
- Payment to State Budget : VND362 billion
- Total capital for construction investment and procurement: VND353.97 billion

* Remark: The above planned targets are based on the gas price of USD6.69/million BTU

Voting results:

- Number of shares voting affirmatively: 293,078,017 shares accounting for 95.60% of the voting shares at the meeting.
- Number of shares voting negatively: 1,210,080 shares accounting for 0.39% of the voting shares at the meeting.
- Number of shares casting blank votes: 12,287,408 shares accounting for 4.01% of the voting shares at the meeting.

1.3. Approval of the Report on the Board of Directors' activities

Voting result:

- Number of shares voting affirmatively: 300,275,587 shares accounting for 97.95% of the voting shares at the meeting.
- Number of shares voting negatively: 1,206,720 shares accounting for 0.39% of the voting shares at the meeting.
- Number of shares casting blank votes: 5,093,198 shares accounting for 1.66% of the voting shares at the meeting.

1.4. Approval of 2013 Financial Statements audited by Deloitte Vietnam and 2013 Profit Distribution Plan

Profit Distribution Plan:

No.	Criteria	Calculation Formula	2013 Profit Distribution (VND)
1	2012 profit brought forward		940,897,662,842
2	2013 Profit after tax according to the audited financial statements		2.109,970,750,077
3	2013 profit after tax for distribution		2.109,970,750,077
4	Funds deducted from 2013 profit after	(4=3*8%)	168,797,660,006

	tax		
5	2013 retained profit after reserve funds	(5=3-4)	1.941,173,090,071
6	Total retained profit until 2013	(6=1+5)	2.882,070,752,912
7	Dividends		1.899,671,300,000
	Earning per share (VND/Share)		5,000
8	Earning carried forward to 2014	(8=6-7)	982,399,452,912

The Corporation is assigned to pay dividends for 2013 in compliance with the above mentioned plan in the 2nd quarter of 2014 (less the 2013 dividend which was paid to shareholders for the advance of 25% of the par value equivalent to VND2,500/share in 2013).

Voting results:

- Number of shares voting affirmatively: 291,241,277 shares accounting for 95.00% of the voting shares at the meeting.
- Number of shares voting negatively: 10,218,300 shares accounting for 3.33% of the voting shares at the meeting.
- Number of shares casting blank votes: 5,115,928 shares accounting for 1.67% of the voting shares at the meeting.

1.5. Approval of 2014 Profit Distribution Plan:

- Payment of dividends in cash at the estimated proportion of 25% of share par value.
- Proportion of deduction for reserves funds from profit after tax: Awards and Welfare Funds: 12% of profit after tax.

Voting results:

- Number of shares voting affirmatively: 284,288,147 shares accounting for 92.73% of the voting shares at the meeting.
- Number of shares voting negatively: 10,225,680 shares accounting for 3.34% of the voting shares at the meeting.
- Number of shares casting blank votes: 12,061,678 shares accounting for 3.93% of the voting shares at the meeting.

1.6. Approval of the Report on the Supervisory Board's activities in 2013 and Auditor Selection for 2014 Financial Statements

- The Supervisory Board's Report was approved.
- Auditors List was approved:

The General Shareholders Meeting authorized the Board of Directors and Supervisory Board of the Corporation to select one out of three (03) prestigious, experienced and highly ranked Auditors as follows to audit the 2014 Financial Statements:

- Deloitte Vietnam Co., Ltd.

- Ernst & Young Vietnam Co., Ltd.
- PricewaterhouseCoopers Vietnam Co., Ltd.

Voting results:

- *Number of shares voting affirmatively: 301,453,917 shares accounting for 98.33% of the voting shares at the meeting.*
- *Number of shares voting negatively: 0 shares accounting for 0% of the voting shares at the meeting.*
- *Number of shares casting blank votes: 5,121,588 shares accounting for 1.67% of the voting shares at the meeting.*

1.7. Approval of the Board of directors' decision to appointing Mr. Le Cu Tan as a Board of Directors Member, effective as of December 12th, 2013.

Voting results:

- *Number of shares voting affirmatively: 260,162,427 shares accounting for 84.86% of the voting shares at the meeting.*
- *Number of shares voting negatively: 37,566,010 shares accounting for 12.25% of the voting shares at the meeting.*
- *Number of shares casting blank votes: 8,847,068 shares accounting for 2.89% of the voting shares at the meeting.*

1.8. Approval of the Report on the remunerations, salaries and other benefits for the Board of Directors and Supervisory Board in 2013 and 2014 Budgeting:

- Report on 2013 implementation: VND6,580,726,000
- 2014 budgeting: VND6,879,368,000.

Voting results:

- *Number of shares voting affirmatively: 277,731,527 shares accounting for 90.59% of the voting shares at the meeting.*
- *Number of shares voting negatively: 22,517,310 shares accounting for 7.34% of the voting shares at the meeting.*
- *Number of shares casting blank votes: 6,326,668 shares accounting for 2.06% of the voting shares at the meeting.*

VII. Thông qua Biên bản, Nghị quyết và bổ nhiệm thành viên.

At 4:55 PM, the General Shareholders Meeting finished and had the result of voting to approve the contents of the agenda. Based on the Agenda, General Shareholders Meeting Documents, development of the Meeting and vote counting results announced, Mr. Truong The Vinh, on behalf of the Secretary Committee, reported to the General Shareholders Meeting the contents of the draft Minutes and Resolutions of the 2014 Annual General Shareholders Meeting of Petrovietnam Fertilizer and Chemicals Corporation with the contents of the resolutions as recorded at item VI herein.

Mr. Le Cu Tan, Chairman of the Meeting, requested the General Shareholders Meeting to vote and the General Shareholders Meeting voted to approve the Minutes and Resolutions with 100% agreement.

After the General Shareholders Meeting voted to approve the Minutes and Resolutions, Mr. Bui Minh Tien, on behalf of the Chairman Group, thanked the shareholders and announced the closing of the 2014 Annual General Shareholders Meeting of Petrolvietnam Fertilizer and Chemicals Corporation at 5:00 PM on April 15th, 2014.

These Minutes are made by the Secretary Committee to truly reflect the entire development of the meeting in accordance with the Law on Enterprises and the Charter of Petrolvietnam Fertilizer and Chemicals Corporation-JSC.

SECRETARY

(signed)

Truong The Vinh

**CHAIRMAN,
CHAIRMAN OF THE BOARD OF
DIRECTORS**

(signed)

Le Cu Tan

Recipients:

- The Board of Directors, Supervisory Board;
- Archived: Filing, Board of Directors Office (TTV).