**LO5: Annual General Mandate**

On 28 April 2017, Lilama Corporation – Lilama 05 Joint Stock Company announced the Annual General Mandate as follows:

**Article 1:** Approve the report on production, business and investment in 2016 and the plan of production, business and investment in 2017 with the following main contents:

1.1. Results of production, business and investment in 2016:

- Value of output VND 487,320 billion.

- Turnover VND 341,714 billion.

- Profit before tax VND 0,404 billion.

- Paying the budget VND 22,480 billion.

- Investment VND 2,294 billion.

1.2. Plans of production, business and investment in 2017:

- Value of output : VND 460,000 billion.

- Turnover VND 310,000 billion

- Profit before tax VND 0,400 billion.

- Paying the budget VND 16,120 billion.

- Investment VND 11,500 billion.

*Of which:*

|  |  |
| --- | --- |
| +Investment in machinery, equipment, construction tools. | : VND 8,000 billion |
| + Investment in raising the capacity of Bim Son steel structure and machinery manufacturing factory (electric system, drainage ditch system, concrete, road to workshop ...) | : VND 1,500 billion |
| + Continue to invest in the project: Supermarket and office for lease Lilama 5 | : VND 2,000 billion |

- Dividend : No division

**Article 2:** Approve audited financial statements of 2016 and plan of profit distribution of 2016 as follows:

2.1. Approve audited financial statements of 2016.

2.2. Approve plan of profit distribution of 2016

- Profit in 2015 tranferred to : VND 1,769,635

+ Adjusted profit according to the State audit office of Vietnam : VND 1,769,635

+ Previous years' profit : VND 0

- After-tax profit in 2016 : VND 323,521,150

- Distributed total profit in 2016 : VND 325,290,785

- Distribution plan for the fund as follows:

+ Development and Investment Fund : VND 260,232,628

+ Bonus and welfare fund : VND 65.058.157

- Dividend in 2016 : Not divided

Remaining profit after distribution until 2017 : VND 0

**Article 3:** Approve the operation report of the Board of Directors 2016 as follows:

3.1. Approve the operation report of the Board of Directors 2016

3.2. Approve the plan of human resources:

Dismiss the title of member of the Board of Directors, the Chairman of the Board of Directors to Mr Tran Van Mao for retirement according to the current regime as of December 1, 2017

**Article 4:** Approve the operation report of the Board of Supervisors in 2016.

**Article 5:** Approve the report of the salary payment results for the Chairman of the Board of Directors and the specialized head of Board of Supervisors. Payment of remuneration to members of the Board of Directors, members of the Board of Supervisors and Secretary of the Board of Directors in 2016 and plan of salary payment to the Chairman of the Board of Directors, the specialized head of Board of Supervisors; Remuneration for members of the Board of Directors, members of the Board of Supervisors and Secretary of the Board of Directors in 2017 is as follows:

5.1. Results of salary payment for the specialized Chairman of the Board of Directors, specialized Head of the Board of Supervisors. Remuneration for members of the Board of Directors, members of the Board of Supervisors and secretary of the Board of Directors in 2016:

- Salary of the specialized Chairman of the Board of Directors : VND 269,057,500

- Salary of the specialized Head of Board of Supervisors : VND 111.000.300

(May 09, 2016)

- Remuneration for members of the Board of Directors : VND 138,000,000

- Remuneration for members of Board of Supervisors : VND 316,700 dong

- Remuneration for the secretary of the Board of Directors : VND 27,600,000

**Total : VND 611,974,500**

5.2. The plan of salary payment for the Chairman of the Board of Directors, the Head of the Board of Supervisors, the remuneration for members of the Board of Directors, the Board of Supervisors and the Secretary of the Board of Directors 2017 are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **NO** | **Title** | **Specified level** | **Total (Unit: VND)** |
| **I** | **Specialized salary** |  | **438.000.000** |
| 1 | The salary of the specialized Chairman of the Board of Directors | Salary = VND 22.500.000/month x 12 months | 270.000.000 |
| 2 | The salary of the specialized Head of the Board of Supervisors | Salary = VND 14.000.000/month x 12 months | 168.000.000 |
| **II** | **Remuneration for members of the Board of Directors, Board of Supervisors, the secretary of the Board of Directors** |  | **232.320.000** |
| 1 | Members Board of Directors (04 members) | Members Board of Directors (04 members) (04 members) shall enjoy: 2.5 basic salary months/01 month = 4x (1,210,000x2,5x12 months) | 145.200.000 |
| 2 | Members of Board of Supervisors (02 members) | Members of Board of Supervisors (02 members) shall enjoy: 2 basic salary months/01 month = 2x (1,210,000x2x12 months) | 58.080.000 |
| 3 | Secretary of the Board of Directors (01 person) | The secretary of the Board of Directors (01 person) shall enjoy: 2 basic salary months/01 month = 2x (1,210,000x2x12 months) | 29.040.000 |
|  | **Total** |  | **670.320.000** |

**Article 6:** Approve the report of implementing the restructuring project and enhancing the management capacity of Lilama 5 Joint Stock Company for the period 2012-2016 and orientation to 2020.

**Article 7:** Approve the report of implementing the investment project: Lilama 5 Supermarket and Office for lease and plan to continue implementing the project investment under Resolution No. 62/NQ-DHDCD of April 26, 2016 of the General Meeting of Shareholders 2016.

**Article 8:** Approve the report of: Authorizing the Board of Directors to consider the selection of one of the following four independent auditing companies to audit the financial statements of 2017, including:

- Vietnam Auditing and Valuation Company Limited (AVA)

- PNT International Auditing Company Limited

- Branch of Nam Viet Auditing and Financial Audit Consultant Service Company Limited (AASCN)

- BDO Audit Services, Ltd.Co.

**Article 9:** Approve the statement of continuing to authorize the Board of Directors to carry out the restructuring of the assets of the machinery chains, equipment and tools to manufacture welding rods as follows:

9.1. Authorizing the Board of Directors of Lilama 5 Joint Stock Company to decide on matters related to the restructuring of the assets of the machinery chains, equipment and tools to manufacture welding rods with the following specific contents:

Actively seek partners to restructure the assets of the machinery chains, equipment and tools to manufacture welding rods in the form of: Auction the assets of the machinery chains, equipment and tools to manufacture welding rods/ equity contribution/ business co-operation/ any other forms in accordance with the regulations of Lilama Corporation - Joint Stock Company and the provisions of the law.

Maintenance of machinery to ensure the normal operation of equipment.

9.2. Authorize the Board of Directors of Lilama 5 Joint Stock Company to decide on the time and form of restructuring including: Auction the assets of the machinery chains, equipment and tools to manufacture welding rods/ equity contribution/business co-operation/any other forms in accordance with the regulations of Lilama Corporation - Joint Stock Company and the provisions of the law..

9.3. Authorize the Board of Directors of Lilama 5 Joint Stock Company to select and decide the consulting unit to complete the document for restructuring the assets of the machinery chains, equipment and tools to manufacture welding rods in accordance with the regulations of Lilama Corporation - Joint Stock Company and the provisions of the law.

9.4. Authorizing the Board of Directors of Lilama 5 Joint Stock Company to decide the transferred price of the assets of the machinery chains, equipment and tools to manufacture welding rods on the basis of the report on valuation of the assets of the machinery chains, equipment and tools to manufacture welding rods of the independent business valuer and in accordance with the regulations of Lilama Corporation - Joint Stock Company and the provisions of the law.

9.5. Authorize the Board of Directors of Lilama 5 Joint Stock Company to approve and decide to perform all other works that the Board of Directors of Lilama 5 Joint Stock Company finds it necessary in order to implement and complete the restructuring the assets of the machinery chains, equipment and tools to manufacture welding rods - in accordance with the regulations of Lilama Corporation - Joint Stock Company and the provisions of the law.

**Article 10:** Approve the policy of changing the purpose of land using at Machinery Installment Technical School No.5 belonging to The Construction and Machinery Installation Company No. 5 (now known as Lilama 5 Joint Stock Company) as follows:

Authorize the Board of Directors of Lilama 5 Joint Stock Company to decide the issues related to the conversion of land using purpose at Machinery Installment Technical School belonging to The Construction and Machinery Installation Company No. 5 (now known as Lilama 5 Joint Stock Company) to other purposes in accordance with the regulations of Lilama Corporation - Joint Stock Company and the provisions of the law.

**Article 11:** Approve the document of amending the charter of Lilama 5 Joint Stock Company in Article 5, Clause 1 – Chartered capital of the Company from VND 50,000,000,000 to VND 51,497,910,000 in the form of capital issue to pay dividends in 2015.

**Article 12:** The resolutions of the General Meeting of Shareholders shall take effect from the date of signing. Members of the Board of Directors, Board of Supervisors, Board of Managers and shareholders of Lilama 5 Joint Stock Company are responsible for implementing this resolution.