# SDK: Annual General Mandate 2020

On 31 Mar 2020, Mechanical Engineering & Metallurgy Joint Stock Company announced Annual General Mandate 2020 No. 01/ 020/ SDK/ DHCD as follows:

Article 01: Approve the report on business operation result of 2019 and orientations, tasks for 2020

Article 02: Approve the report of the Board of Directors on operations in 2019

Article 03: Approve the report of the Board of Supervisors on operations in 2019

Article 04: Approve the audited Financial Statement of 2019

Article 05: Approve the plan on profit distribution of 2019 and the plan on profit distribution for 2020

1. Distribution plan of profit after corporate income tax of 2019:

|  |  |  |
| --- | --- | --- |
| No | Target | Amount (VND) |
| 1 | Profit after tax of 2019 | 9,589,345,279 |
| 2 | Transferred profit of 2018 | 2,230,348,575 |
| 3 | Extraction for welfare fund (5%/ profit) | 479,467,264 |
| 4 | Extraction for bonus fund (5%/ profit) | 479,467,264 |
| 5 | Extraction for bonus fund to the Board of Directors, Board of Supervisors, Executive Board (5%/ profit) | 479,467,264 |
| 6 | Dividend payment (30%/ charter capital) | 7,800,000,000 |
| 7 | Retained profit transferred to 2020 | 2,581,292,062 |

1. Distribution plan of profit after corporate income tax for 2020:

|  |  |  |
| --- | --- | --- |
| No | Target | Amount (VND) |
| 1 | Revenue | 220,000,000,000 |
| 2 | Profit after tax of 2019 | 8,000,000,000 |
| 3 | Transferred profit of 2018 | 2,581,292,062 |
| 4 | Extraction for bonus & welfare fund, bonus fund to the Board of Directors, Board of Supervisors, Executive Board (20%/ profit) | 1,600,000,000 |
| 5 | Dividend payment (25%/ charter capital) | 6,500,000,000 |
| 6 | Retained profit transferred to 2021 | 2,4281,292,062 |

Article 06: Approve the business operation plan and investment plan for 2020

1. Business operation plan for 2020:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No | Target | Unit | Plan for 2020 | Note |
| 1 | Steel and cast iron | Ton | 4,500 |  |
| 2 | Forging mechanical processing | Ton | 2,100 |  |
| 3 | Structure processing | Ton | 500 |  |
| 4 | Revenue | Billion VND | 220 |  |
| 5 | Profit before tax | Billion VND | 10.0 |  |
| 6 | Dividend payment/ charter capital | % | 25 |  |

1. Investment plan for 2020:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No | Name of structure, equipment | Number | Value (VND) | Note |
| 1 | Lathe D600 x 3000 | 01 | 600,000,000 |  |
| 2 | 4-seats pickup truck | 01 | 850,000,000 |  |
| 3 | 5 tons forklift truck | 01 | 800,000,000 |  |
| 4 | Cutting machine | 01 | 800,000,000 |  |
|  | Total |  | 3,050,000,000 |  |

Article 07: Approve the remuneration to the Board of Directors and Board of Supervisors in 2019 and plan on remuneration to the Board of Directors and Board of Supervisors in 2020

1. Remuneration to the non-specialized members of the Board of Directors and Board of Supervisors
2. Remuneration of 2019:

Unit: VND/ person/ month

|  |  |  |  |
| --- | --- | --- | --- |
| Title | Planned remuneration | Exercised remuneration | Note |
| Chair of Board of Directors |  |  | Executive member |
| Members of Board of Directors (4 people) | 108,000,000 | 108,000,000 | 1 executive member |
| Chief of Board of Supervisors | 36,000,000 | 36,000,000 |  |
| Supervisors (2 people) | 48,000,000 | 48,000,000 |  |

Total exercised remuneration in 2019: VND 192,000,000

1. Plan on remuneration for 2020:

Unit: VND/ person/ month

|  |  |  |  |
| --- | --- | --- | --- |
| Title | Planned remuneration | Exercised remuneration | Note |
| Chair of Board of Directors |  |  | Executive member |
| Members of Board of Directors (4 people) | 108,000,000 | 108,000,000 | 1 executive member |
| Chief of Board of Supervisors | 36,000,000 | 36,000,000 |  |
| Supervisors (2 people) | 48,000,000 | 48,000,000 |  |

Total planned remuneration in 2020: VND 192,000,000

1. Wage scale to specialized Chief of Board of Supervisors: None
2. Planned wage scale of 2020:

Monthly salary: VND 00/ month

Planned wage scale: VND 00

1. Exercised settlement for the planned wage scale for 2020:

The exercised wage scale was defined based on the completion of profit target

Article 08: Approve selecting the auditing unit for 2020

Assign the Board of Directors to be based on the ability and level of the professional auditors of the independent auditing units, qualified to be auditing for the public companies having their shares traded on Hanoi Stock Exchange (Upcom) and accepted by the State Securities Commission of Vietnam, to initially select the auditing unit for the fiscal year 2020

Approve one from these 05 auditing units to audit the semi-annual and annual Financial Statement of 2020 of the Company:

1. AASC Auditing Firm Company Limited
2. PricewaterhouseCoopers (PWC)
3. Deloitte (Deloitte)
4. Ernst & Young (E&Y)
5. KPMG

Article 09: Approve the maximum holding rate for foreign investors at Mechanical Engineering & Metallurgy Joint Stock Company, which would be 49%

Article 10: Approve the issue that Chair of Board of Directors does not concurrently take charge of General Manager at the Company

This Annual General Mandate 2020 was approved totally by the Annual General Meeting of Shareholders of 2020 of Mechanical Engineering & Metallurgy Joint Stock Company right at the meeting. Board of Directors and Executive Board of Mechanical Engineering & Metallurgy Joint Stock Company are responsible for the enforcement of this Annual General Mandate

This Annual General Mandate was valid from the date of signature