**FT1: Annual Corporate Governance Report 2023**

On January 25, 2024, Machinery Spare Parts No1 Joint Stock Company announced Report No. 03/BC-HDQT on the corporate governance of the Company as follows:

* Name of company: Machinery Spare Parts No1 Joint Stock Company
* Head office address: 3/2 Street Group 10, Mo Che Ward, Song Cong City, Thai Nguyen Province
* Tel: 02083862396
* Charter capital: VND 70,798,530,000
* Securities code: FT1
* Corporate governance model:
* General Meeting of Shareholders, Board of Directors, Supervisory Board and Manager
* Internal audit execution: Unimplemented.
1. Activities of the General Meeting of Shareholders:

Information about meetings and General Mandates/Decisions of the General Meeting of Shareholders (including General Mandates approved by collecting opinions via a ballot)

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| --- | --- | --- | --- |
| No. | General Mandate/Decision No. | Date | Content |
| 1 | 01/NQ-ĐHĐCĐ | April 21, 2023 | The Annual General Mandate 2023 approved the following contents:* Report on the production and business results of 2022, production and business plan for 2023 by the Executive Board;
* Report on the operating results of 2022, plan for 2023 by the Board of Directors;
* Report of the Supervisory Board in 2022;
* Approval of the list of audit companies for the Financial Statements of 2023 of FUTU1;
* Audited Financial Statements 2022.
* Pay dividends of 2022
* Approval of the Salary Fund, Remuneration Fund implementation for 2022 and approval of the Salary and Remuneration Fund plan for 2023 by the Board of Directors and the Supervisory Board.
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| 2 | 02/NQ-ĐHĐCĐ | September 14, 2023 | On the establishment of a welfare reward fund and a regular managerial fund from the profit after tax of 2022 remaining after dividend payment. |

1. The Board of Directors
2. Information about members of the Board of Directors:

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| --- | --- | --- | --- |
| No. | Member of the Board of Directors | Position (independent member of the Board of Directors, non-executive member of the Board of Directors) | Date of appointment/dismissal as member/independent member of the Board of Directors |
| Appointment date | Date of dismissal |
| 1 | Mr. Ngo Van Thai | Non-executive Chair of the Board of Directors | October 29, 2019 |  |
| 2 | Mr. Tran Duc Hung | Member of Board of Directors, Manager | October 29, 2019 |  |
| 3 | Mr. Nguyen Duc Dung | Member of Board of Directors, Deputy Manager | November 18, 2022 |  |
| 4 | Mr. Le Van Hung | Non-executive member of the Board of Directors | October 29, 2019 |  |
| 5 | Mr. Nguyen Duc Hien | Non-executive member of the Board of Directors | October 29, 2019 |  |

1. Board Resolutions/Board Decisions (Annual report)

(Appendix 1 attached)

1. The Supervisory Board
2. Information about members of the Supervisory Board:

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| --- | --- | --- | --- | --- |
| No. | Members of the Supervisory Board | Position | Date of appointment/dismissal as member of the Supervisory Board | Qualification |
| 1 | Ms. Dong Thi Thanh Ngan | Chief | April 20, 2019 | Bachelor of Economics |
| 2 | Mr. Nguyen Anh Dung | Member | April 20, 2019 | Bachelor of Economics |
| 3 | Mr. Pham Cong Quy | Member | November 18, 2022 | Bachelor of Economics |

1. The Executive Board

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | Members of the Executive Board | Date of birth | Qualification | Date of appointment/dismissal as member of the Executive Board |
| 1 | Mr. Tran Duc Hung - Manager | October 07, 1973 | Mechanical Engineer | June 01, 2023 |
| 2 | Mr. Nguyen Duc Dung- Deputy General Manager | May 10, 1973 | Construction Mechanical Engineer | December 01, 2022 |
| 3 | Mr. Ngo Quang Binh - Deputy Manager | October 06, 1962 | Metallurgical Engineer | April 01, 2008 - August 01, 2023 |
| 4 | Mr. Le Van Hung - Deputy Manager | January 20, 1963 | Electronic Engineer | January 01, 2015 - November 01, 2023 |
| 5 | Mr. Vu Duy Hai - Deputy Manager | March 11, 1972 | Mechanical Engineer | June 01, 2023 |

During the year 2023, the Board of Directors appointed Mr. Tran Duc Hung - Acting Manager to hold the position of Company's Manager, Mr. Vu Duy Hai - Head of Technical Department to hold the position of Deputy Manager of the Company from June 1, 2023; dismissed, terminated the position of Deputy Manager Mr. Ngo Quan Binh from August 1, 2023, Mr. Le Van Hung from November 1, 2023 to retire under the regime.

1. Chief Accountant.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Full name | Date of birth |  | Qualification | Date of appointment/dismissal |
| Le Thi Minh Thu | December 28, 1971 |  | Bachelor of Accounting | January 01, 2017 |

1. Training on corporate governance
2. List of affiliated persons of public companies and transactions between affiliated persons of the Company and the Company itself
3. Transactions between the Company and affiliated persons of the Company, or between the Company and major shareholders, PDMR, or affiliated persons of PDMR:

Appendix III (attached)

1. Transactions between Company’s PDMR, related persons of PDMR and subsidiaries, companies controlled by the Company.
2. Transactions between the Company and other entities
	1. Transactions between the Company and the company in which members of the Board of Directors, members of the Supervisory Board, the Manager and other managers have been and are founding members or members of the Board of Directors, the Executive Manager for the past three (03) years (calculated at the time of reporting):
	2. Transactions between the Company and the companies that the affiliated persons of members of the Board of Directors, members of the Supervisory Board, the Manager and other managers are members of the Board of Directors, the Executive Manager:
	3. Other transactions of the Company (if any) which can bring material or non-material benefits to members of the Board of Directors and members of the Supervisory Board, the Manager and other managers:
3. Share transactions of PDMR and affiliated persons of PDMR
4. Company’s share transaction of PDMR and affiliated persons.
5. Other significant issues:

APPENDIX I

Board Resolutions/Decisions in 2023:

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| --- | --- | --- | --- | --- |
| No. | Board Resolution/Board Decision No. | Date | Content | Note |
| 1 | 01 /NQ-HDQT | February 10, 2023 | On the Approval of Contracts, Transactions with affiliated persons of the Company (DISOCO) |  |
| 2 | 02 /NQ-HDQT | February 23, 2023 | On the Approval of Contracts, Transactions with affiliated persons of the Company (FOMECO) |  |
| 3 | 03 /NQ-HDQT | March 01, 2023 | On convening for the Annual General Meeting of Shareholders 2023 |  |
| 4 | 01/QD-HDQT | March 01, 2023 | On the establishment of the Organizing Committee of the Annual General Meeting of Shareholders 2023 |  |
| 5 | 02/QD-HDQT | March 01, 2023 | On the promulgation of Regulation on Debt Management Regulations |  |
| 6 | 04/NQ-HDQT | March 15, 2023 | On the Approval of Contracts, Transactions with affiliated persons of the Company (COLOAMEC) |  |
| 7 | 05/NQ-HDQT | March 21, 2023 | On the approval of the program, content of documents serving the Annual General Meeting of Shareholders for the year 2023 |  |
| 8 | 06/NQ-HDQT | March 21, 2023 | On the Approval of Contracts, Transactions with affiliated persons of the Company (VEAM) |  |
| 9 | 07/NQ-HDQT | April 10, 2023 | On the Approval of Contracts, Transactions with affiliated persons of the Company |  |
| 10 | 08/NQ-HDQT | April 17, 2023 | On the approval of criteria, standards for personnel considered for planning, appointment and process of personnel planning, appointment within the jurisdiction of the Board of Directors |  |
| 11 | 09/NQ-HDQT | April 17, 2023 | On the approval to cease the employment of the Acting Manager of the Company |  |
| 12 | 03/QD-HDQT | April 17, 2023 | On the establishment of a Shareholder's Eligibility Verification Committee |  |
| 13 | 10/NQ-HDQT | April 20, 2023 | On approving of amendments, revisions to some contents of the documents presented at the Annual General Meeting of Shareholders for the year 2023 |  |
| 14 | 11/NQ-HDQT | April 28, 2023 | On the Approval of Contracts, Transactions with affiliated persons of the Company (COLOAMEC) |  |
| 15 | 12/NQ-HDQT | April 28, 2023 | On the Approval of Contracts, Transactions with affiliated persons of the Company (DISOCO) |  |
| 16 | 13/NQ-HDQT | April 28, 2023 | On the Distribution of Salaries, Remuneration of the Board of Directors, Supervisory Board for the year 2023 |  |
| 17 | 14/NQ-HDQT | May 12, 2023 | On the approval of the settlement of the Salary Fund implementation in 2022 and the planned Salary Fund for 2023 of managers and employees |  |
| 18 | 15/NQ-HDQT | May 12, 2023 | On the approval of the Personnel Planning List |  |
| 19 | 16/NQ-HDQT | May 26, 2023 | On the appointment of the Company's Manager |  |
| 20 | 17/NQ-HDQT | May 26, 2023 | On the appointment of the Deputy Manager of the Company |  |
| 21 | 06/QD-HDQT | May 29, 2023 | On the appointment of the Company's Manager |  |
| 22 | 07/QD-HDQT | May 29, 2023 | On the appointment of the Deputy Manager of the Company |  |
| 23 | 18/NQ-HDQT | June 07, 2023 | Regarding the Approval of Contracts, Transactions with affiliated persons of the Company (Southern Vietnam Engine And Agricultural Machinery Co.,Ltd) |  |
| 24 | 19/NQ-HDQT | June 07, 2023 | On the Approval of Contracts, Transactions with affiliated persons of the Company (DISOCO) |  |
| 25 | 20/NQ-HDQT | June 07, 2023 | On the approval of the investment plan for the year 2023 |  |
| 26 | 21/NQ-HDQT | June 16, 2023 | On the Approval of Contracts, Transactions with affiliated persons of the Company (DISOCO) |  |
| 27 | 22/NQ-HDQT | June 26, 2023 | On the Approval of Contracts, Transactions with affiliated persons of the Company (FOMECO) |  |
| 28 | 23/NQ-HDQT | July 05, 2023 | On the dismissal of the Deputy Manager of Company |  |
| 29 | 08/QD-HDQT | July 05, 2023 | On retirement under the pension regime |  |
| 30 | 24/NQ-HDQT | July 27, 2023 | Onn collecting shareholders' opinions via a ballot |  |
| 31 | 25/NQ-HDQT | July 27, 2023 | On the payment of dividends for the year 2022 in cash |  |
| 32 | 26/NQ-HDQT | July 27, 2023 | On the approval of contracts, transactions with affiliated persons (DISOCO) |  |
| 33 | 27/NQ-HDQT | August 16, 2023 | On the approval of contracts, transactions with affiliated persons (VEAM) |  |
| 34 | 09/QD-HDQT | September 13, 2023 | On the establishment of the Vote Counting Committee collecting shareholders’ opinions via a ballot |  |
| 35 | 28/NQ-HDQT | September 14, 2023 | On the allocation of funds for the year 2023 |  |
| 36 | 29/NQ-HDQT | September 14, 2023 | On the reward for managers |  |
| 37 | 30/NQ-HDQT | September 14, 2023 | On the approval of contracts, transactions with affiliated persons (DISOCO) |  |
| 38 | 31/NQ-HDQT | September 28, 2023 | On the retirement of the company's manager under the pension regime |  |
| 39 | 32/NQ-HDQT | September 28, 2023 | On the approval of contracts, transactions with affiliated persons (DISOCO) |  |
| 40 | 10/QD-HDQT | September 28, 2023 | On retirement under the pension regime (Mr. Le Van Hung, Deputy Manager) |  |
| 41 | 33/NQ-HDQT | October 31, 2023 | On the approval of contracts, transactions with affiliated persons (THD) |  |
| 42 | 34/NQ-HDQT | November 15, 2023 | On the approval of contracts, transactions with affiliated persons (VEAM) |  |
| 43 | 35/NQ-HDQT | November 27, 2023 | On the approval of contracts, transactions with affiliated persons (VEAM) |  |
| 43 | 36/NQ-HDQT | December 13, 2023 | On the approval of contracts, transactions with affiliated persons (VEAM) |  |

APPENDIX III

Transactions between the Company and affiliated persons of the Company; or between the Company and major shareholders, PDMR and affiliated persons of PDMR

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Name of organizations/individuals | Relations with the Corporation | NSH\* No., Date of issue and Place of issue of NSH | Headquarters address/Contact address | Time of transaction with the Company | General Mandate/Decision of the General Meeting of Shareholder No. or Board Resolution/Decision No. (including date of promulgation, if any) | Content, quantity, total value of transaction | Note |
| 1 | Song Cong Diesel Limited Company | Subsidiary of VEAM | 4600100211; January 15, 2020, Thai Nguyen | Chau Son Ward, Song Cong City, Thai Nguyen Province, | February 11, 2023 | Resolution No. 01/NQ-HDQT dated February 10, 2023 | Product outsourcing contract; Contract value: VND 579,117,500 (not including VAT) |  |
| 2 | Pho Yen Mechanical Joint Stock Company | Subsidiary of VEAM | 4600355393; May 07, 2021, Thai Nguyen | Bong Hong Industrial Zone, Bai Bong Ward, Pho Yen City, Thai Nguyen Province | March 03, 2023 | Resolution No. 02/NQ-HDQT dated February 23, 2023 | Product outsourcing contract; Contract value: VND 15,928,000 (including VAT) |  |
| 3 | Co Loa Mechanical Joint Stock Company (COLOAMEC) | Subsidiary of VEAM | 0101507847; September 4, 2019, Hanoi | Group 22, Dong Anh Town, Dong Anh District, Hanoi | March 16, 2023 | Resolution No. 04/NQ-HDQT dated March 15, 2023 | Purchase and sale contract; Contract value: VND 591,250,000 (including VAT) |  |
| 4 | Vietnam Engine and Agricultural Machinery Corporation | Holding Company | 0100103866; April 16, 2020, Hanoi | VEAM Building, Alley 689 Lac Long Quan Street, Lot 4, Zone D1, Phu Thuong Ward, Tay Ho District, Hanoi | March 29, 2023 | 06/NQ-HDQT dated March 21, 2023 | Appendix of Contract No. 01/20122022/PLHDMB of the purchase contract No. 20122022 VF/HDMB on contract value adjustment due to exchange rate fluctuations; adjustment of delivery time. Value after adjustment: VND 4,984,419,000 (including VAT) |  |
| 5 | Me Linh Mechanical One Member Company Limited | Subsidiary of VEAM | 2500217212; March 27, 2015; Hanoi | Lot 27B-Quang Minh Industrial Park, Quang Minh Town, Me Linh District, Hanoi | April 12, 2023 | Resolution No. 07/NQ-HDQT dated April 10, 2023 | Purchase and sale contract for products, spare parts, componentsContract value: VND 862,184,290 (including VAT) |  |
| 6 | Co Loa Mechanical Joint Stock Company (COLOAMEC) | Subsidiary of VEAM | 0101507847; September 04, 2019, Hanoi | Group 22, Dong Anh Town, Dong Anh District, Hanoi | May 05, 2023 | 11/NQ-HDQT dated April 28, 2023 | Contract for dismantling, moving, and assembling conveyor belt systems, roller conveyors for sand pouring into casting molds. Value of the contract: VND 264,363,000 (including VAT) |  |
| 7 | Song Cong Diesel Limited Company | Subsidiary of VEAM | 4600100211; January 15, 2020, Thai Nguyen | Chau Son Ward, Song Cong City, Thai Nguyen Province | May 03, 2023 | 12/NQ-HDQT dated April 28, 2023 | Purchase and sale contract for products; Contract value: VND 16,401,000,000 (including VAT) |  |
| 8 | Southern Vietnam Engine And Agricultural Machinery Co., Ltd | Subsidiary of VEAM | 3601330939; May 04, 2021, Dong Nai Province | Quarter 1, Binh Da Ward, Bien Hoa City, Dong Nai Province | June 08, 2023 | Resolution No. 18/NQ-HDQT dated June 07, 2023 | Purchase and sale contract for products; Contract value: VND 423,065,940 (including VAT) |  |
| 9 | Song Cong Diesel Limited Company | Subsidiary of VEAM | 4600100211; January 15, 2020, Thai Nguyen | Chau Son Ward, Song Cong City, Thai Nguyen Province | June 08, 2023 | Resolution No. 19/NQ-HDQT dated June 07, 2023 | Purchase and sale contract for products; Contract value: VND 32,802,000,000 (including VAT) | \* |
| 10 | Song Cong Diesel Limited Company | Subsidiary of VEAM | 4600100211; January 15, 2020, Thai Nguyen | Chau Son Ward, Song Cong City, Thai Nguyen Province | June 17, 2023 | 21/NQ-HDQT dated June 16, 2023 | Product outsourcing contract; Contract value: VND 98,340,000 (including VAT) |  |
| 11 | Pho Yen Mechanical Joint Stock Company | Subsidiary of VEAM | 4600355393; May 07, 2021, Thai Nguyen | Bong Hong Industrial Zone, Bai Bong Ward, Pho Yen City, Thai Nguyen Province | June 26, 2023 | Resolution No. 22/NQ-HDQT dated June 26, 2023 | Product outsourcing contract; Contract value: VND 12,810,000 (not including VAT) |  |
| 12 | Song Cong Diesel Limited Company | Subsidiary of VEAM | 4600100211; January 15, 2020, Thai Nguyen | Chau Son Ward, Song Cong City, Thai Nguyen Province |  | Resolution No. 26/NQ-HDQT dated July 27, 2023 | Appendix to the contract adjusting VAT from 10% to 8%; Contract value after adjustment: VND 97,268,820 (including VAT) |  |
| 13 | Vietnam Engine and Agricultural Machinery Corporation | Holding Company | 0100103866; April 16, 2020, Hanoi | VEAM Building, Alley 689 Lac Long Quan Street, Lot 4, Zone D1, Phu Thuong Ward, Tay Ho District, Hanoi |  | Resolution No. 27/NQ-HDQT dated August 16, 2023 | Steel purchase and sale contract;Contract value: VND 1,319,010,000; volume 70,000kg (including VAT) |  |
| 14 | Song Cong Diesel Limited Company | Subsidiary of VEAM | 4600100211; January 15, 2020, Thai Nguyen | VEAM Building, Alley 689 Lac Long Quan Street, Lot 4, Zone D1, Phu Thuong Ward, Tay Ho District, Hanoi |  | Resolution No. 30/NQ-HDQT dated September 14, 2023 | Appendix to the contract adjusting quantity and contract value of product purchase and sale; Contract value after adjustment: VND 21,124,488,000 (including VAT) |  |
| 15 | Song Cong Diesel Limited Company | Subsidiary of VEAM | 4600100211; January 15, 2020, Thai Nguyen | VEAM Building, Alley 689 Lac Long Quan Street, Lot 4, Zone D1, Phu Thuong Ward, Tay Ho District, Hanoi |  | Resolution No. 32/NQ-HDQT dated September 28, 2023 | Product outsourcing contract; Contract value: VND 328,724,150 (including VAT) |  |
| 16 | Tran Hung Dao Mechanical One Member Company Limited | Subsidiary of VEAM | 100100576; September 14, 2015; Hanoi | 114, Mai Hac De Street, Hai Ba Trung District, Hanoi |  | Resolution No. 33/NQ-HDQT dated October 31, 2023 | Product outsourcing contract; Contract value: VND 33,600,000 (including VAT) |  |
| 17 | Vietnam Engine and Agricultural Machinery Corporation | Holding Company | 0100103866; April 16, 2020, Hanoi | VEAM Building, Alley 689 Lac Long Quan Street, Lot 4, Zone D1, Phu Thuong Ward, Tay Ho District, Hanoi |  | Resolution No. 34/NQ-HDQT dated November 15, 2023 | Steel purchase and sale contract;Contract value: VND 1,289,750,000; quantity 70,000kg (including VAT) |  |
| 18 | Vietnam Engine and Agricultural Machinery Corporation | Holding Company | 0100103866, April 16, 2020, Hanoi | VEAM Building, Alley 689 Lac Long Quan Street, Lot 4, Zone D1, Phu Thuong Ward, Tay Ho District, Hanoi |  | Resolution No. 35/NQ-HDQT dated November 27, 2023 | Appendix to the contract adjusting delivery time, unit price, and contract value of purchase and sale; Contract value after adjustment: VND 1,345,928,650 (including VAT) |  |
| 19 | Vietnam Engine and Agricultural Machinery Corporation | Holding Company | 0100103866; April 16, 2020, Hanoi | VEAM Building, Alley 689 Lac Long Quan Street, Lot 4, Zone D1, Phu Thuong Ward, Tay Ho District, Hanoi |  | Resolution No. 36/NQ-HDQT dated December 13, 2023 | Steel purchase and sale contract;Contract value: VND 4,482,775,000; quantity 221,000kg (including VAT) |  |
| Notes: NSH Number\*: ID Card/Passport No. (for individuals) or Business Registration Certificate No., License on Operations No. or equivalent legal documents (for institutions) |