**DNC: Annual General Mandate 2024**

On April 6, 2024, Hai Phong Electricity Water Machine Assembly Joint Stock Company announced General Mandate No. 02/NQ-DHDCD as follows:

‎‎Article 1. Approve the Report on production and business results in 2023 and production and business plan 2024:

1. Production and business results in 2023:

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| Total revenue: | 802,483 | Million VND |
| Electricity business: | 767,375 | Million VND |
| Clean water business: | 17,103 | Million VND |
| Other businesses: | 18,005 | Million VND |
| Electricity output: | 337,969,000 | KWh |
| Water output: | 1,043,000 | m3 |
| Power loss rate: | 4.1 | % |
| Water loss rate: | 5.7 | % |
| Profit before tax: | 48,075 | Million VND |
| Payables to the State budget: | 18,527 | Million VND |
| Dividend payment rate: |  |  |
| In cash: | 25 | % |
| Average salary | 12.6 | Million VND/person/month |

1. Production and business plan 2024:

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| --- | --- | --- |
| Total revenue: | 1,006,000 | Million VND |
| Electricity business: | 985,500 | Million VND |
| Clean water business: | 12,500 | Million VND |
| Other businesses: | 8,000 | Million VND |
| Electricity output: | 408,750,000 | KWh |
| Water output: | 870,000 | m3 |
| Power loss rate: | 4.0 | % |
| Water loss rate: | 4.0 | % |
| Profit before tax: | 50,500 | Million VND |
| Payables to the State budget: | 20,500 | Million VND |
| Dividend payment rate: |  |  |
| In cash | ≥20 | % |
| Bonus share: | ≥25 | % |
| Average salary: | 13.8 | Million VND/person/month |
| Investment in renovating the electricity grid system: | |  |

* Construct 12 new electrical substations, with a total capacity of 7,000 kVA;
* Increase capacity of 08 electrical substations;
* Upgrade the anti-overload power line system with a total length of 25 km;
* Replace 20,000 electricity meters, including 17,600 remote electronic meters and 2,400 induction electric meters.
* Business market development and new customer development:
* Receive and sign an electricity business management cooperation contract with the Investor of the Ecopark Corporation Project in Vinh City, Nghe An and several projects in Hai Phong and Hung Yen.
* Increase the number of new electricity consumers at Enterprises: 2,150 customers.
* Increase the number of new electricity consumers at Branches: 3,500 customers.
* Digital transformation work:
* Upgrade the customer data management software for electricity and water purchases and customer care services.
* Develop an app for exchanging information and data related to electricity and water usage.
* Develop a Server DNC management system for autonomy in data management.
* Develop software for human resource and salary management, and document and work management.
* Investment capital plan: VND 32 billion (expected).
* Construct 12 new electrical substations in Communes: VND 7.8 billion.
* Increase the capacity of 8 electrical substations in Communes: VND 1.5 billion.
* Supplement, renovate and upgrade low-voltage power lines and electric poles: VND 3.55 billion.
* Develop the Server DNC management system: VND 0.35 billion.
* Periodically replace and purchase electricity and water meters: VND 11.5 billion.
* Construct the Office for Thuy Nguyen Electricity Enterprise: VND 2.0 billion.
* Expenses of purchasing vehicles and equipment for the Branch: VND 1.0 billion.
* Construct the electricity management office in Hong Thai Commune and Lap Le Commune: VND 1.5 billion.
* Expenses of customer conferences, DNC Family Day, and company employee tours: VND 2.8 billion.

‎‎Article 2. Approve the Financial Statements 2023 audited by VACO Auditing Company Limited with a number of targets as follows:

* Revenue from goods sales and service provision: VND 802,482,861,535
* Profit before tax: VND 48,075,614,109
* Current corporate income tax: VND 10,523,277,474
* Deferred corporate income tax: VND 158,536,101
* Profit after tax: VND 37,393,800,534

‎‎Article 3. Approve the Report on activities of independent members of the Board of Directors in the Audit Committee at the Annual General Meeting of Shareholders 2024.

‎‎Article 4. Approve the Report on activities of the Board of Directors in 2023 and the orientation in 2024.

‎‎Article 5. Approve the plan on profit distribution and dividend payment in 2023:

1. Profit distribution plan 2023;

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| --- | --- |
| Total profit before tax: | VND 48,075,614,109 |
| Current corporate income tax: | VND 10,523,277,274 |
| Deferred corporate income tax: | VND 158,536,101 |
| Total profit after tax: | VND 37,393,800,534 |
| Profit divided among 03 joint ventures: | VND 2,843,743,996 |
| Remaining profit: | VND 34,550,056,538 |
| Appropriation for bonus and welfare funds (5%): | VND 1,727,502,827 |
| Remaining profit after tax: | VND 32,822,553,711 |

1. Dividend payment plan 2023:

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| --- | --- |
| First prepayment = 10%/Capital: | VND 6,422,258,000 |
| Second prepayment = 15%/Capital: | VND 9,633,387,000 |

1. Remaining undistributed profit in 2023: VND 16,766,908,711

‎‎Article 6. Approve the remuneration settlement for the Board of Directors in 2023; remuneration plan for the Board of Directors in 2024.

1. Remuneration settlement for the Board of Directors in 2023: VND 942,000,000
2. Remuneration plan for the Board of Directors in 2024: VND 1,032,000,000

‎‎Article 7. Approve the plan on share issuance to increase charter capital in 2024 from the remaining undistributed profit after tax of 2022 and 2023 to existing shareholders, specifically as follows:

* Registered charter capital: VND 64,222,580,000.
* Expected charter capital increase: VND 80,278,225,000.
* Total expected issue value at par value: VND 16,055,645,000.
* Number of shares expected to be issued: 1,605,564 shares
* Expected time of the capital increase: Q3/2024
* Expected issue rate:
* Pay dividends by shares (25%/charter capital)
* Receive 0.25 new shares for each existing share: 25%
* Expected capital source: From the Company's remaining undistributed profit after tax audited in the Financial Statements 2022 and 2023.
* Expected implementation time: Q3/2024
* The Company plans to issue 1,605,564 shares to pay dividends to

existing shareholders of the Company with the share par value of VND 10,000/share

* Authorize the Board of Directors to be responsible for implementing the issuance of 1,605,564 shares with the State Securities Commission in accordance with the provisions of the Law on Securities and the Report on the results of share issuance. Amend the Company's Charter (Clause 1, Article 6 on regulating the charter capital and the number of shares)

and carry out procedures to increase charter capital with the Hai Phong Department of Planning and Investment after obtaining the results of share issuance in accordance with the provisions of the Law on Enterprise.

* Plan on handling fractional shares: The number of shares issued to each shareholder will be rounded down to the nearest unit, any fractional shares (if any) will be canceled.

‎‎Article 8. Approve the plan to select an Independent Auditing Unit to audit the Company's Financial Statements 2024:

Select an independent audit company to audit the Company's Financial Statements 2024 (VACO Auditing Company Limited).

‎‎Article 9. Public offering exemption

Approve letting Mr. Do Huy Dat - Chair of the Board of Directors increase the ownership rate of DNC shares via receiving the transfer of DNC shares from shareholder Mai Thi Thanh Ha with the number of shares transferred: 36,684 shares without having to carry out a public offering (in Proposal No. 05/TTr-HDQT dated March 12, 2024).

‎‎Article 10. Public offering exemption

Approve letting Mr. Nguyen Trung Kien - Member of the Board of Directors-cum-Member of the Audit Committee-cum-Head of the Internal Audit Committee increase the ownership rate of DNC shares via receiving the transfer of DNC shares from shareholder Nguyen Thi Thu Trang with the number of shares transferred: 315,201 shares without having to carry out a public offering (in Proposal No. 06/TTr-HDQT dated March 12, 2024).

‎‎Article 11. This General Mandate is approved in full by the Annual General Meeting of Shareholders 2024 at the meeting on April 6, 2024.

The Annual General Meeting of Shareholders 2024 authorizes the Board of Directors of Hai Phong Electricity Water Machine Assembly Joint Stock Company, based on the content of the General Mandate, to implement.

This General Mandate takes effect from the date of its signing.