**MCF: Annual General Mandate 2024**

On May 8, 2024, Mechanics Construction and Foodstuff JSC announced Annual General Mandate No. 24/NQ-MCF-DHCD as follows:

Article 1: Approve the Report on activities of the Board of Directors term IV (2019-2023) and the operational orientation of the Board of Directors in 2024.

Article 2: Approve the Report of the Supervisory Board on the Company's production and business results and the results on activities of the Board of Directors and General Manager in 2023; Self-assessment report on the results on activities of the Supervisory Board term IV (2019-2023) and targets orientation for 2024.

* Results of main business targets in 2023:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| No. | Target | Unit | In 2023 | | | Compared to the same period in 2022 (%) |
| Plan | Result | Compared to Plan in  2023 (%) |
| 1 | Total revenue | Billion VND | 511.538 | 446.454 | 87.28 | 105.02 |
| 2 | Profit before Tax | Billion VND | 13.800 | 13.901 | 100.73 | 101.40 |
| 3 | Payables to the State budget | Billion VND | According to regulations | 5.023 |  | 127.49 |
| 4 | Average income | Million VND | 8.23 | 8.67 | 105.35 | 104.84 |

Article 3: Approve the Proposal on the production, business, and investment plan for 2024;

1. Production and business plan
2. Purchase:

* Food (converted to rice): 34,000 tons

1. Sell:

* Food (converted to rice): 34,000 tons
* Packages: 7,000,000 pieces

1. Total revenue: VND 572.529 billion;
2. Profit before tax: VND 14 billion;
3. Payable to the State budget: According to regulations.
4. Plan on fixed asset Investment and purchase:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Investment item | Total Investment (VND) | Capital source for implementation | | Note |
| Company capital | Loan capital |
| I | Mechanical Construction Enterprise |  | 3,850,000,000 |  |  |
| 1 | CNC metal cutting machine (Vietnamese, 100% new): 1 machine | 550,000,000 | 550,000,000 |  | Transferred from 2023 |
| 2 | Concrete Mixer Truck (Chinese, 100% new): 2 trucks | 3,300,000,000 | 3,300,000,000 |  |  |
| II | Food Factory |  | 4,730,000,000 |  |  |
| 1 | Finished product tank system (Engine 3 - Factory 1) | 2,000,000,000 | 2,000,000,000 |  | Transferred from 2023 |
| 2 | Fire protection water pool- Factory 1 | 550,000,000 | 550,000,000 |  | Transferred from 2023 |
| 3 | Raising the warehouse floor - Factory 1 | 1,210,000,000 | 1,210,000,000 |  | Transferred from 2023 |
| 4 | Renovation and upgrade of dust treatment systems for machine lines at Factory 1 | 970,000,000 | 970,000,000 |  | Transferred from 2023 |
| Total | | 8,580,000,000 | 8,580,000,000 |  |  |

Article 4: Approve the Audited Financial Statements 2023.

Article 5: Approve the Proposal on the Profit Distribution Plan for 2023 and 2024:

1. Profit distribution plan in 2023

Unit: VND

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | Contents | Annual General Mandate 2023 | Results  2023 | Rate compared to the General Mandate |
| 1 | Total revenue | 511,538,000,000 | 446,452,863,082 | 87.28% |
| 2 | Profit before tax | 13,800,000,000 | 13,900,916,734 | 100.73% |
| 3 | Profit after tax for distribution | 11,040,000,000 | 16,110,911,431 | 145.93% |
|  | - Retained profit of previous years |  | 191,462,556 |  |
|  | - Investment and Development Fund of previous years |  | 5,055,904,066 |  |
|  | - Profit after tax this year | 11,040,000,000 | 10,863,544,809 |  |
| 4 | Sources for remuneration, appropriation for funds and dividend payment | 11,040,000,000 | 10,863,544,809 | 98.40% |
| a | Remuneration for the Board of Directors who do not directly participate in directing production and business | 84,000,000 | 102,000,000 | 121.43% |
| b | Appropriation for bonus fund for the Executive Board (according to Decree No. 53) | 310,700,000 | 310,700,000 | 100.00% |
| c | Appropriation for investment and development funds (10%) | 1,064,530,000 | 1,045,084,000 | 98.17% |
| d | Appropriation for bonus and welfare fund (15%) | 1,596,795,000 | 1,567,627,000 | 98.17% |
| e | Dividend payment | 7,975,600,120 | 12,933,405,600 |  |
| 5 | Dividend payment rate/charter capital of VND 107,778,380,000 | 7.40% | 12.00% | 162.16% |
| 6 | Remaining profit after dividend payment | 8,374,880 | 152,094,831 |  |

1. Distribution plan of profit after tax 2024

Unit: VND

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | Contents | Results 2023 | Production and business plan for 2024 | (%) compared to Results in 2023 |
| 1 | Total revenue | 446,452,863,082 | 572,529,000,000 | 128.24% |
| 2 | Profit before tax | 13,900,916,734 | 14,000,000,000 | 100.71% |
| 3 | Profit after tax for distribution | 16,110,911,431 | 11,352,094,831 | 70.46% |
|  | - Profit retained from previous years | 191,462,556 | 152,094,831 |  |
|  | - Investment And Development Fund of previous years | 5,055,904,066 |  |  |
|  | - Profit after tax this year | 10,863,544,809 | 11,200,000,000 |  |
| 4 | Sources for remuneration, appropriation for funds and dividend payment | 10,863,544,809 | 11,200,000,000 | 103.10% |
| a | Remuneration for the Board of Directors who do not directly participate in operating production and business | 102,000,000 | 300,000,000 | 294.12% |
| b | Appropriation for bonus fund for the Executive Board (according to Decree No. 53) | 310,700,000 | 292,500,000 | 94.14% |
| c | Appropriation for investment and development funds (10%) | 1,045,084,000 | 1,060,750,000 | 101.50% |
| d | Appropriation for bonus and welfare fund (15%) | 1,567,627,000 | 1,591,125,000 | 101.50% |
| e | Dividend payment | 12,933,405,600 | 8,083,378,500 | 62.50% |
| 5 | Dividend payment/charter capital of VND 107,778,380,000 | 12.00% | 7.50% | 62.50% |
| 6 | Remaining profit after dividend payment | 152,094,831 | 24,341,331 |  |

Authorize the Board of Directors to decide on the time to pay dividends in 2023 and prepay dividends in 2024 (if necessary), and carry out necessary procedures to record the list of shareholders with Vietnam Securities Depository and Clearing Corporation.

Article 6: Approve the Report on the results of implementing the salary and remuneration fund realized in 2023 and the salary and remuneration fund plan for 2024.

1. Report on the results of the implementation of the Salary Fund in 2023:

The Company has accounted for VND 26,250,031,214 of salary fund included in production and business expenses in 2023, accounting for 65.38% of total profit before salary deduction, specifically as follows:

*Unit: VND*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Explanation | Appropriated salary fund in 2023 | Actual amount appropriated for settlement in 2023 | Difference | Comparison (%) |
| A | B | C | D= (C-B) | E=  (C/Bx100%) |
| Appropriated salary fund into business and production expense | 34,446,000,000 | 26,250,031,214 | -8,195,968,786 | 76.21% |
| In which: - Salary fund for managers | 2,486,000,000 | 2,486,000,000 |  |  |
| - Salary fund for employees | 31,960,000,000 | 23,764,031,214 |  |  |

1. Plan for the salary fund appropriation to be included in the production and business expenses in 2024:

Based on the business and production plan for 2024, the profit before tax is VND 14,000,000,000, which increases by 0.71% compared to realized results in 2023.

To ensure that workers' income does not decrease due to the current living standard situation, The Company respectfully requests that the General Meeting of Shareholders consider and approve the salary fund to be included in production and business expenses in 2024 at the rate of 71.60% of profits before salary deduction, specifically as follows:

*Unit: VND*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| No. | Explanation | 2023 | | Plan 2024 | Comparison (%) | |
|  |  | Compared to Plan | Actual figures |  |  |  |
| 1 | 2 | 3 | 4 | 5 | (6)=(5)/(3) | (7) = (5)/(4) |
| 1 | Net profit before tax | 13,800,000,000 | 13,900,916,734 | 14,000,000,000 | 101.45% | 100.71% |
| 2 | Salary unit price (Percentage % of salary excluded profit v/(v+m)) | 71.40% | 65.38% | 71.60% | 100.29% | 109.52% |
| 3 | Appropriated salary fund into the expense | 34,446,000,000 | 26,250,031,214 | 35,300,000,000 | 102.48% | 134.48% |
|  | In which:- Salary fund for managers | 2,486,000,000 | 2,486,000,000 | 2,340,000,000 |  |  |
|  | - Salary fund for employees | 31,960,000,000 | 23,764,031,214 | 32,960,000,000 |  |  |

Based on the actual realized profit, the Company will appropriate and pay salaries in the fiscal year 2024 according to rate (%) of profit with salary that has not been excluded v/(v+m)=71.60% and report to the Annual General Meeting of Shareholders 2025.

1. Remuneration of the Board of Directors, Supervisory Board, and Secretary in 2024:

* The Chair of the Board of Directors (non-executive): VND 10,000,000/person/month
* The Vice Chair of the Board of Directors (non-executive): VND 8,000,000/person/month
* Members of the Board of Directors (non-executive): VND 7,000,000/person/month
* Supervisors: VND 4,500,000/person/month
* Secretariat of the Board of Directors: VND 4,500,000/person/month

Article 7: Approve the Proposal on the implementation of contracts or transactions with affiliated persons under the authority of the Board of Directors in 2024.

Article 8: Approve the Proposal on selecting an audit company for the Financial Statements 2024.

Article 9: Approve the Proposal on the Board of Directors ending term IV (2019-2023) and electing members of the Board of Directors term V (2024-2028).

Article 10: Approve the Proposal on the Supervisory Board ending term IV (2019-2023) and electing members of the Supervisory Board term V (2024-2028).

Article 11: Approve the results of electing members of the Board of Directors and members of the Supervisory Board for term V (2024-2028),

The General Meeting elected members of the Board of Directors and members of the Company's Supervisory Board for term V (2024-2028) by cumulative voting method. Election results:

a. Results of election of members of the Board of Directors term V (2024-2028)

|  |  |
| --- | --- |
| No. | Full name |
| 1 | Mr. Le Phat Tai |
| 2 | Mr. Nguyen Van Kiet |
| 3 | Ms. Le Mai Han |
| 4 | Ms. Ho Thi Cam Van |
| 5 | Mr. Nguyen Binh Hien |

b. Results of election of members of the Supervisory Board term V (2024-2028)

|  |  |
| --- | --- |
| No. | Full name |
| 1 | Ms. Hoang Thi Lien |
| 2 | Ms. Le Thi Hong Nhung |
| 3 | Mr. Phan Le Duy |

Article 12. Terms of enforcement.

This General Mandate takes effect from May 08, 2024.

Members of the Board of Directors, the Supervisory Board and the General Manager are responsible for implementing this General Mandate in accordance with functions, responsibilities and authorities in compliance with the Company’s Charter and provisions of law.

The General Mandate of the Annual General Meeting of Shareholders 2024 of Mechannics Construction and Foodstuff JSC was approved in full right at the meeting. The Board of Directors is responsible for reporting the implementation results to the General Meeting of Shareholders 2025.