**SKH: Annual General Mandate 2024**

On June 6, 2024, Khanh Hoa Sanest Soft Drink Joint Stock Company announced General Mandate No. 01/2024-DHDCD as follows:

Article 1: Reports at the Meeting

* Report on production and business results in 2023 and operating orientation of production and business activities in 2024 of the Company's Board of Management

Production and business results 2023:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Targets | Unit | Plan 2023 | Results 2023 | Results 2023/Plan 2023 (%) |
| 1 | Revenue | Billion VND | 1,900.00 | 1,900.05 | 100.00% |
| 2 | Profit before tax | Billion VND | 128.00 | 129.01 | 100.79% |
| 3 | Profit after tax | Billion VND | 102.40 | 102.50 | 100.10% |
| 4 | Profit after tax/Charter capital | % | 31.03 | 31.06 | 100.10% |
| 5 | Basic earnings per share | VND/share | 2,482 | 2,485 | 100.12% |

* Report of the Board of Directors on the Company's management and operation evaluation in 2023 and operational plan for 2024.
* Report on appraisal of production and business results in 2023 and duty orientation for 2024 of the Supervisory Board.

Article 2: Proposals at the Meeting

* Proposal on production, business, and investment plan for 2024

Production, and business plan and profit

Based on the realized production and business results in 2023, the socio-economic situation in the first months of the year, and domestic and international forecasts for 2024, it is predicted to be very difficult, with economic pressure of recession, inflated inflation, and declined consumer demand for goods. With that situation, the Company built a production and business plan for 2024, including the following main contents

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Targets | Unit | Plan 2024 |
| 1 | Revenue | Billion VND | 1,680 |
| 2 | Profit before tax | Billion VND | 96.00 |
| 3 | Profit after tax | Billion VND | 76.80 |
| 4 | Profit after tax/Charter capital | % | 23.27 |
| 5 | Basic earnings per share | VND/share | 1,861 |

➜ The Company's leadership and employees are united and strive to complete and exceed the planned targets of 2024.

Investment plan

Investment projects continue to be implemented to ensure compliance with legal processes and regulations and soon are put into operation, bringing efficiency to the Company. Specifically as follows

* Bird's Nest Specialties Processing Factory at Dien Phu Industrial Cluster
* The General Meeting of Shareholders approved the investment policy of Bird's Nest Specialties Processing Factory at Dien Phu Industrial Cluster in General Mandate No. 01/2022-DHDCD dated May 28, 2022 with a total investment of VND 60 billion according to the Investment Certificate granted by the Khanh Hoa Department of Planning and Investment.
* From Q1/2024, the project has been completed and officially put into operation to meet the demand for goods serving the domestic and export markets. Project implementation expenses: Rent land: VND 8.4 billion, construction investment and equipment procurement expense: VND 51.6 billion;
* Develop a system of bird's nest caves and Bird's Nest Houses according to the following standards
* The General Meeting of Shareholders approved the policy of developing the bird's nest cave system and Bird's Nest House in General Mandate No. 01/2020-DHDCD dated June 26, 2020. Up to now, the Company has completed construction and put 05 Bird's Nest Houses into operation.
* To continue to be proactive with the source of raw materials in the future, the goal each year will be to develop joint ventures’ cooperation and own at least 05 Bird's Nest Houses nationwide with an expected investment of each completed Bird's Nest House from VND 1.5 billion to VND 02 billion.
* Develop new product lines under the brands SK, SKPearlNest, Sklife, etc. besides the Sanest Khanh Hoa main products to ensure sustainable development, product diversification, and expansion of domestic and foreign markets.
* Renovate internal road systems, water supply and drainage systems, fire protection systems, and protective fences, invest in some additional machinery and equipment to serve production and business needs, and develop new products, etc. with an expected expense of approximately VND 25 billion.
* Song Cau Industrial Cluster: Currently, the Company is focusing capital on developing production and business and ongoing projects, so it will implement the project soon when the business situation is more favorable.

During the operation and implementation of projects, unexpected expenses may arise and new projects may be added to meet the production and business needs of the unit. The Board of Directors proposed that the General Meeting of Shareholders authorize it to implement projects committed to complying with the provisions of law, the Company's Charter and report to the General Meeting of Shareholders next year.

* Proposal on approval of Audited Financial Statements 2023
* Proposal on realized profit distribution plan for 2023 and profit distribution plan for 2024

1. Realized profit distribution in 2023 (According to the Consolidated Statements)

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Explanation | Rate | Amount (VND) |
| 1 | Profit before tax |  | 129,010,048,989 |
| 2 | Corporate income tax |  | 26,509,065,125 |
| 3 | Profit after tax |  | 102,500,983,864 |
| 4 | Remuneration and bonus for the Board of Directors, the Supervisory Board, and the Executive Management Board of the Company | 2% | 2,050,019,675 |
| 5 | Investment and development fund | 10% | 10,250,098,384 |
| 6 | Appropriation for bonus and welfare fund | 20% | 20,500,196,773 |
| 7 | Remaining profit after appropriation for funds | 68% | 69,700,669,032 |
| 8 | Dividends paid by rounded amount |  | 69,696,000,000 |

2 Profit distribution plan for 2024

|  |  |  |
| --- | --- | --- |
| No. | Explanation | Rate |
| 1 | Profit after tax | Profit after tax |
| 2 | Remuneration and bonus for the Board of Directors, the Supervisory Board, and the Executive Management Board of the Company | Profit after tax \* 2% |
| 3 | Investment and development fund | Profit after tax \* 10% |
| 4 | Appropriation for bonus and welfare fund | Profit after tax \* 20% |
| 5 | Remaining profit after appropriation for funds | (5)=(1)-(2)-(3)-(4) |
| 6 | Expected cash dividend payment | 68% \* profit after tax |

* Proposal on approval of the salary, remuneration, and bonus for the Board of Directors, the Supervisory Board, and the Executive Management Board in 2023 and the plan on salary, remuneration, and bonus for the Board of Directors, the Supervisory Board, and the Executive Management Board in 2024

1. Results 2023
2. Salary for the Board of Directors, the Supervisory Board, and the Executive Management Board of the Company

Default salary: VND 4,893,120,000/year

Actual salary paid: VND 3,683,960,000/year

1. Remuneration and bonus for the Board of Directors, the Supervisory Board, and the Executive Management Board of the Company

Default remuneration and bonus: VND 1,598,501,752/year

Actual remuneration and bonus paid: VND 1,547,622,779/year

1. Salary, remuneration, bonus for the Board of Directors, the Supervisory Board and the Executive Management Board in 2024

Pursuant to Circular No. 28/2016/TT-BLDTBXH dated September 1, 2016 guiding Decree No. 53/2016/ND-CP on Regulations on Labor, Wage, Remuneration and Bonus for Joint Stock Companies and the major contributed capital of the State. The profit plan for 2024 is expected to be VND 96 billion, so the maximum increase adjustment coefficient is 0.5 compared to the basic salary. Khanh Hoa Sanest Soft Drink Joint Stock Company proposed the salary and remuneration for the Board of Directors and the Supervisory Board in 2024 to be calculated as follows:

1. Salary of the Board of Directors, the Supervisory Board and the Executive Management Board

* General Manager: VND 48,800,000/person/month;
* Member of the Board of Directors-cum-Deputy General Manager

Person In charge of the Executive Board: VND 48,800,000/person/month;

* Member of the Board of Directors-cum-Deputy General Manager: VND 1,700,000/person/month;
* Deputy General Manager: VND 41,700,000/person/month;
* The Chief of the Supervisory Board: VND 44,000,000/person/month;
* Chief Accountant: VND 37,100,000/person/month;

Based on the Company's practical production and business results, if the realized profit reaches VND 100 billion or more, the salary fund will be applied at Point b, Clause 2, Article 13 of Circular 28/2016/TT-BLDTBXH.

1. Remuneration for the non-executive members of the Board of Directors and the Supervisory Board

* Non-executive Chair of the Board of Directors: VND 13,700,000/person/month;
* Non-executive members of the Board of Directors: VND 9,600,000/person/month;
* Non-executive member of the Supervisory Board: VND 6,000,000/person/month;

1. Bonus rate in 2024

Pursuant to Point a, Clause 2, Article 18 of Circular 28/2016/TT-BLDTBXH. If the realized profit is equal to or higher than the plan, the Company Manager's bonus fund must not exceed 1.5 months' average realized salary of an executive Company Manager.

* Proposal on implementation of transaction contracts with related entities
* Proposal on the selection of an audit company for the Financial Statements 2024.

Khanh Hoa Sanest Soft Drink Joint Stock Company respectfully submits to the General Meeting of Shareholders to authorize the Chair of the Board of Directors to decide on one of the following independent audit companies to audit the Annual Financial Statements 2024 of the Company

* AAC Auditing and Accounting Company Limited
* A&C Auditing and Consulting Company Limited- Nha Trang Branch
* PwC (Vietnam) Limited
* AASC Auditing Firm Company Limited
* FAC Auditing Company Limited
* Proposal on dismissal and election to replace members of the Board of Directors

Article 3 Results of election to replace members to the Board of Directors for the 2022-2027 term

Ms. Nguyen Thi Hai Ha was elected as a member of the Board of Directors for the 2022-2027 term.

Article 4 The Annual General Mandate 2024 of Khanh Hoa Sanest Soft Drink Joint Stock Company was approved at the Meeting.

The Board of Directors, the Supervisory Board, the Board of Management, and all shareholders of Khanh Hoa Sanest Soft Drink Joint Stock Company are responsible for implementing this General Mandate.

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