**TTZ: Annual General Mandate 2020**

On 06 Aug 2020, Tien Trung Investment Construction and Technology Joint Stock Company announced the annual General Mandate 2020 as follows:

Article 1: Approve the report on production and business activities in 2019 and orientations and tasks for 2020 with some main indicators as follows:

- The results of production and business activities of the Company in 2019

Unit: VND million

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No | Content | Plan 2019 | Realization 2019 | Completion ratio |
| 1 | Charter capital  | 210,704  | 75,704 | 35.93% |
| 2 | Total revenue | 100,000  | 11,238 | 11.24% |
| 3 | Profit before tax | 15,000  | (3,349) | -22.33% |
| 4 | Profit after tax | 12,000  | (3,421) | -28.51% |
| 5 | Dividend | 0 | 0% | - |

- Operation plan of the Company in 2020

Unit: VND million

|  |  |  |  |
| --- | --- | --- | --- |
| No | Indicator | Realization in 2019 | Plan 2020 |
| 1 | Chartered capital | 75,704 | 90,704 |
| 2 | Total revenue | 11,238 | 2.0 |
| 3 | Profit before tax | (3,349) | 0.2 |
| 4 | Profit after tax | (3,421) | 0.16 |
| 5 | Dividend | 0% | 0% |

Article 2: Approve the operation report of the Board of Directors in 2019 and directions and tasks for 2020

Article 3: Approve the operation report on the Supervisory Board's activities in 2019 and the plan for 2020

Article 4: Approve the parent company's financial statement and 2019 consolidated financial statement audited by UHY Auditing and Consulting Co., Ltd. (according to Statement No.04/2020/Ttr-HDQT)

Article 5: Approve the Proposal for selecting an auditor for financial statement of 2020 of the Company as follows:

UHY Auditing and Consulting Co., Ltd

- VACO Auditing Company Limited

- Deloitle Auditing Company Limited

In case of failure to negotiate with the auditing companies in the above list, the annual General Meeting of Shareholders will authorize the Board of Directors to choose a reputable auditing company with audit quality and appropriate audit fee and enough conditions to provide audit services approved by the State Securities Commission to audit units with public interest in 2020

Article 6: Approve the plan on paying the remuneration of the Board of Directors, the Supervisory Board in 2019, the plan for 2020 and the profit distribution plan for 2019, the plan for 2020. Specifically, as follows:

- Remuneration for the Board of Directors and Supervisory Board in 2019:

The Board of Directors and the Supervisory Board of the Company do not receive remuneration for operations in 2019

- Remuneration plan for the Board of Directors, Supervisory Board in 2020:

Based on the production and business plan for 2020, the annual General Meeting of Shareholders in 2020 approved the plan on paying the salary and remuneration to the Board of Directors and the Supervisory Board as follows: For members of the Board of Directors, the Supervisory Board, receiving salary according to the Company's regulations; For the part-time members of the Board of Directors and Supervisory Board, no remuneration

- Profit distribution plan for 2019:

Based on the 2019 production results of the Company, the annual General Meeting of Shareholders does not extract to funds and does not pay dividend for 2019

- Profit distribution plan 2020:

The annual General Meeting of Shareholders authorizes the Board of Directors to decide the dividend rate and extraction to funds on the basis of the actual business operation of the Company

Article 7: Approving the change in the name and address of the head office of the Company (according to Statement No. 08/2020/Ttr-HDQT)

Article 8: Approve the plan on private placement of bonds in 2020 (according to submission No.09/2020/ Ttr – HDQT on private placement of bond)

1. Necessity of issuing corporate bonds

In the coming period, realizing the great advantages and opportunities for the Company to restructure comprehensively and transform its business lines, the Company needs to have a capital amount for realization. Therefore, the Company will issue bonds to supplement capital for the Company's business activities

2. Bond issuance plan

It is expected that in the fourth quarter of 2020, the Company will make the private placement of bond and the conversion right with a value of VND 20,000,000,000

The detailed bond issuance plan will be built on the basis of the issue plan approved by the annual General Meeting of Shareholders in Section 3

3. Basic contents of the private placement

1. Name of company: Tien Trung Investment Construction and Technology Joint Stock Company

2. Type of company: Joint Stock Company

3. Total number of bonds to be issued: 20 (twenty) bonds

4. The total value of issued bonds: VND 20,000,000,000

5. Purpose of the private placement: to cooperate in implementing the project in the fields of agriculture and mineral exploitation

6. Conditions and terms of the bond: According to Article 6 of Decree No.163/2018/ND - CP dated December 04, 2018 on issuance of corporate bonds

a. Term of bond 02 years from the date of issue

b. Par value: VND 200,000,000/ bond

c. Bond code: TTZBOND\_2020

d. Type of bond: convertible, without collateral

e. Bond form: Bonds to be issued in the form of book entry

f. Interest rate: 13%/year

8. Interest period: 12 consecutive months, starting from the issue date until due date. Interest of the bond is calculated according to the actual number of days that investors own the bond, on the basis of 365 days/year. This interest period is not applicable in case the issuer pays the principal before maturity as required by the investor

h. Interest payment date: The bond interest is paid later on the last day of the interest period every 12 months. This interest payment date does not apply in the event that the issuing organization pays principal according to the investor's request to repurchase the bond before maturity

i. Time of exercising the conversion right: The conversion right belongs to the bondholder. The bondholder has the right not to convert or convert part or all of the bonds into shares after 12 months from the issue date

j. Conversion price: The convertible price is determined to be equal to the par value of share: VND 10,000/share

k. Conversion rate: Conversion rate from bonds to shares can be determined as follows:

1: (Par value of bond/ convertible price = 1: 20.000) (01 bond will be converted into 20.000 shares)

1. Terms of converting bonds into shares: At least 15 working days before the “time of exercising the right of conversion”, the bondholder shall notify the issuer of his or her conversion right. After receiving the request from the bondholder, the issuing organization will issue common shares for the number of bonds required to convert and increase capital in proportion to the number of shares to be issued. The converted bond will be cancelled. If the investor does not send a notice to the issuer, it is considered that the investor does not exercise the right to convert

7. Cash flow of payment: The cash flow of bond payment will be used by the bond issuer including:

(i) The proceeds from production and business activities of the issuing organization

(ii) and other lawful sources of the issuer

8. Repurchase, redemption

1. In case the issuer uses the proceeds in improper purposes, the issuing organization commits to redeem the amount of bonds used for improper purposes right after receiving the request of the investors

2. The issuer undertakes to repurchase bonds before the maturity date in case the enterprises violate the law on corporate bond issuance, corporate bond issuance plan

3. Bond redemption price is determined to be equal to par value of redeemed bonds plus unpaid bond interest up to the date of redemption

9. Expected issuance date: in 4th quarter of 2020

10. Bond transaction: Within 1 year from the date of completion of the bond issuance, the bond is only allowed to trade within less than 100 investors, excluding professional securities investors

Article 9. Approve the plan on private placement of shares in 2020 (according to submission No.10/2020/ TTr – HDQT on private placement of shares in 2020)

In order to improve financial capacity, create a competitive position for companies in the same industry and ensure more sustainable growth in the next period, the Board of Directors submits to the annual General Meeting of Shareholders for review and approval of the plan of issuing shares to increase charter capital of the Company in 2020 with the specific issuance plan as follows:

1. Issue plan

- Name of stock: Stock of Tien Trung Investment Construction and Technology Joint Stock Company

- Type of share: Common share

- Par value: VND 10,000/ share

- Total number of shares to be issued: 1,500,000 shares

- Total par value: VND 15,000,000,000

- Charter capital after the issuance: VND 90,704,440,000

- Issuing method: Private placement

- Number of investors participating in buying shares: less than 100 investors

- Offering price: VND 10,000/ share

- Criteria of selecting investors:

+ Domestic and foreign individuals/ organizations with financial potential

+ Financial institutions with strong financial potentials, with a team of professional personnel who can well support the Company in financial management, mobilizing and using capital effectively; or

+ Organizations and individuals with extensive experience in the field of operations of the Company or

+ Individuals, organizations with business cooperation relationships, contributing to the operation and development of the Company in the future

- Transfer restriction: Transfer restriction period for strategic shareholders is 01 year from the end date of the issuance

- Expected offering time: Expected in 2020

- Expected distribution time: after announcement of the State Securities Commission on receiving all required documents

- Plan for handling un-issued shares (if any): For the expected number of un-issued shares the annual General Meeting of Shareholders will authorize the Board of Directors to distribute to other investors, ensuring the conditions set out with the principle that the selling price is not lower than the price offered to the initial strategic investors, and ensuring less than 100 investors (the issue is a private placement), the distribution rate to investors is ensured within the authority of the Board of Directors in accordance with the current law. If it is still impossible to sell out, increase charter capital according to the number of actually issued shares

2. Commitments of the issuing organization

The issuing organization commits to put the shares into trading on the stock market in a period of one year from the end date of the offering

3. Plan on use of the proceeds

With the offering price of VND 10,000/ share, the total proceeds is VND 15,000,000,000. It is expected that all proceeds from the issuance will be used to restructure debts and supplement working capital of the Company

Article 10: Approval of transactions with affiliated persons of the Company (according to submission No. 11/2020/Ttr – HDQT on transactions with relevant parties of the Company)

The Board of Directors submits the annual General Meeting of Shareholders to consider and approve the transactions with the relevant parties of the Company as follows:

- The Company has short-term loans and debts with Tien Phong Commercial Joint Stock Bank with balance of VND 3,430,000,000 on 31 Dec 2019 under the credit limit contract No.629/2018/HDTD/HM1/​01 dated September 20, 2018 between Tien Trung Investment Construction and Technology Joint Stock Company and Tien Phong Joint Stock Commercial Bank secured by assets of the third party – collateral agreement between TPBank and Mr. Hoang Anh Quyet (Chairman of the Board of Directors)

- Because the loan is maturity for more than 90 days, TPBank issued a notice to sue at the court to recover the debt. In order to avoid affecting the creditworthiness of the Company and to demonstrate the highest sense of responsibility as Chairman of the Board of Directors, Mr. Quyet agreed to voluntarily coordinate with TPBank to sell the collateral to pay the debts for TTZ. Detail of the amount that TPbank will deduct from the sales of guaranteed assets of Mr. Hoang Anh Quyet on June 24, 2020 was as follows:

+ Principal: VND 3,430,000,000

+ Interest and penalty interest: VND 170,000,000

+ Total: VND 3,600,000,000

Therefore, the annual General Meeting of Shareholders is requested to approve the obligation to pay the debts to Mr. Hoang Anh Quyet and authorize the Board of Directors of the Company to execute procedures, sign documents related to the payment for this debt in accordance with the law and Charter of the Company

Article 11: Approve the authorization for the Board of Directors to approve other contents within the authority of the annual General Meeting of Shareholders (according to submission No.12/2020/Ttr - HDQT)

Article 12: Approve the dismissal of members of the Supervisory Board of the Company for:

1. Mr. Nguyen Tuan Phuong - Head of the Supervisory Board

2. Ms. Nguyen Thi Loan - Member of Supervisory Board

Article 13: Approve the increase in the number of members of the Board of Directors and to dismiss Ms. Tran Thi Thanh Na from the position of member of the Board of Directors (according to submission No. 14/2020/Ttr-HDQT)

Article 14: Adopting the list of members elected to the Company's Supervisory Board: Mr. Lai Trong Dan and Ms. Hoang Thi Minh Hoai

Article 15: Approving the list of elected members of the Board of Directors of the Company: Ms. Nguyen Thuy Linh and Ms. Tran Thi Hien

Article 16: Terms of implementation

The decisions stated in this General Mandate were approved by the Annual General Meeting of Shareholders in 2020 (convened for the third time) of Tien Trung Investment Construction and Technology Joint Stock Company and takes effect from the date of signing

The members of the Board of Directors, the Supervisory Board and the Board of Directors are responsible for implementing this General Mandate in accordance with their functions and the law and Charter on organization and operation of the Company