**ACS: Annual General Mandate 2024**

On May 31, 2024, Architects & Construction Service Corporation announced General Mandate No. 01/NQ-DHDCD.24 as follows:

Article 1: Approve the Report of the Board of Directors on the summary of business activities in 2023

* Total assets: VND 383,360,556,021, an increase of 6.1% compared to 2022
* Revenue: VND 272,322,041,184, reaching 45.4% of the plan, a decrease of 2.2% compared to 2022
* Profit after tax: VND 19,633,272

Article 2: Approve the Report of the Supervisory Board on the inspection and supervision of activities in 2023 and the operational plan for 2024

Article 3: Approve the operating direction for 2024 as follows:

* Total revenue: VND 500,000,000,000
* Profit after tax: VND 1,600,000,000

Article 4: Approve the Audited Financial Statements 2023.

Article 5: Approve the Proposal on the policy of profit distribution and dividend payment 2023 as follows:

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| --- | --- | --- | --- |
| No. | Target | Rate | Value (Million VND) |
| 1 | Profit before tax according to consolidated report |  | 1,528,912,981 |
| 2 | Profit after tax according to consolidated report |  | 19,633,272 |
| 3 | Profit before tax of the Holding company |  | 2,003,017,134 |
| 4 | Profit after tax of the Holding Company |  | 494,018,348 |
| 5 | Distributed profit |  | 19,633,272 |
| 6 | Profit distribution |  | 19,633,272 |
| *6.1* | *Expected dividend payment interests (0%/ year) (Submitted to the General Meeting of Shareholders)* |  | 0 |
| *6.2* | *Appropriation for funds for the Company (100%)* |  | 19,633,272 |
| *a* | *Investment and development fund (90%)* |  | 17,669,945 |
| *c* | *Bonus and welfare funds for employees (10%)* |  | 1,963,327 |

Article 6: Approve the Proposal on selecting an audit company for 2024 as one of the following companies:

1. AACS Auditing Firm Company Limited;
2. KPMG Limited;
3. Southern Auditing and Accounting Financial Consulting Services Company Limited.

Article 7: Approve the Proposal on approving remuneration 2023 and the proposed remuneration and operating budget for 2024 of the Board of Directors and the Supervisory Board.

Article 8: Approve the Proposal on authorizing the Board of Directors to proactively and fully decide on issues related to the organization, network, and investment fields including finance, projects, and measures to resolve implementation and other related issues under the authority of the General Meeting of Shareholders 2024, except for matters that, by law, must be approved by the General Meeting of Shareholders.

Article 9: Approve the Proposal on issuing the Internal Regulations on Corporate Governance to comply with current legal regulations

Article 10. Approve the Proposal on issuing the Operating Regulations of the Board of Directors following current legal regulations

Article 11: Approve the Proposal on issuing the Regulation on information disclosure following current legal regulations

Article 12: Approve the Proposal on issuing the Operational Regulations of the Supervisory Board to comply with current legal regulations

Article 13: Approve stopping the implementation of the share issuance plan to increase charter capital 2023.

The Board of Directors of Architects & Construction Service Corporation submits to the General Meeting of Shareholders for approval to stop implementing the share issuance plan to increase charter capital 2023. In 2023, with the approval and authorization of the Annual General Meeting of Shareholders 2023, the Board of Directors has directed the implementation of necessary work to develop a share issuance plan to increase charter capital in 2023 with a total expected offering value at maximum par value of VND 60 billion.

However, due to the financial market situation from the second half of 2023 until now, it is not suitable for implementation, and at the same time, the capital needs of the Company are changing. Therefore, the Board of Directors of the Company reports and submits to the General Meeting of Shareholders for approval to stop the implementation of the share issuance plan to increase charter capital in 2023, which was approved in the Annual General Mandate 2023 No. 01/NQ-DHDCD.23 dated May 27, 2023

Article 14: Approve the share issuance plan on debt swap

1. Share issuance plan on debt swap

|  |  |
| --- | --- |
| Share name | Shares of Architects & Construction Service Corporation |
| Securities code | ACS |
| Share type | Common share |
| Share par value | VND 10,000/share |
| Number of issued shares:  + Number of outstanding shares  + Number of treasury shares | 4,000,000 shares, in which:  4,000,000 shares  0 shares |
| Number of shares expected to be issued | 1,400,000 shares |
| Total issuance value at par value | VND 14,000,000,000 |
| Number of issued shares/ total number of outstanding shares rate | 35% |
| Charter capital before the issuance | VND 40,000,000,000 |
| Expected increase in charter capital | VND 14,000,000,000 |
| Expected charter capital after the issuance | VND 54,000,000,000 |
| Issuance purposes | The share issuance to swap debt of Architects & Construction Service Corporation for debtors Mr. Pham Van Hung Em and Ms. Hua Dan Thanh in order to improve the financial situation and operations of the Company by reducing costs and increasing charter capital. |
| The value of the payables is swapped | VND 14,000,000,000 |
| Debt swap rate | VND 10,000: 1 share (meaning VND 10,000 of debt will be swapped into 01 newly issued common share)  For example: The Company borrows VND 100,004,000 from the investor (creditor), with a swap rate of 10,000:1, after the swap, the number of received shares is (100,004,000 x1)/10,000 = 10,000.4 shares, after removing the fraction and rounding down to the unit, the investor will receive: 10,000 shares  After implementing the swap, the investor (creditor) will become a shareholder receiving 10,000 new shares with a par value of VND 10,000/share. |
| Method for determining swap rate | * According to the Audited Financial Statements 2023, the book value of shares of Architects & Construction Service Corporation as of December 31, 2023 is VND 18,105/share.   Formula to calculate book value per share (BVPS)  BVPS= (Owners’ equity - Profit of non-controlling shareholder)/(Number of issued shares - Number of treasury shares)  Specifically:  + Total source of owners' equity: VND 72,431,737,152  + Profit of non-controlling shareholder: VND (10,274,480)  + Number of issued shares: 4,000,000 shares  + Number of treasury shares: 0 shares  + Number of outstanding shares: 4,000,000 shares  + Book value: VND 18,105/share   * Currently, shares of Architects & Construction Service Corporation are trading on the Hanoi Stock Exchange (UPCoM). The Board of Directors has referenced the trading prices in the last 30 trading sessions of shares of Architects & Construction Service Corporation (from April 11, 2024 to May 28, 2024) averaging about VND 7,080/share. * Based on the above situation, based on the debt swap needs of the Company, actual negotiations with creditors, and to ensure the benefits of shareholders as well as the possibility of success of the issuance, the General Meeting of Shareholders agreed to approve the share issuance price on dept swap of VND 10,000/share, accordingly, the debt swap rate was determined to be 10,000:1, meaning VND 10,000 of debt will be swapped for 1 newly issued share. |
| Issuance method | Share issuance to swap debt |
| Distribution method | Direct distribution to creditors. When swapping debt, swapped shares will be rounded down to the unit, the fractional number will automatically be canceled |
| Agreement principle | According to the debt swap agreement between the Company and its creditors, Mr. Pham Van Hung Em and Ms. Hua Dan Thanh. |
| Expected execution time | In 2024-2025, after receiving an approval document from the State Securities Commission. The specific time is assigned to the Board of Directors to decide after receiving approval from competent state agencies. |
| Transfer Restrictions | Share in the private placement to creditors is restricted from transfer for 1 year from the date of completion of the issuance unless the transfer is implemented according to a legally effective court judgment or decision, arbitration decision, or inheritance according to the provisions of law. |
| Eligible buyer | + Criteria for selecting the subject to be swapped  The creditors are Mr. Pham Van Hung Em and Ms. Hua Dan Thanh who have debts according to data as of December 31, 2023 on the Audited Financial Statements 2023 of Architects & Construction Service Corporation. The creditors are domestic individual investor.  + List of creditors  Based on the debt between the Company and its creditors as of December 31, 2023 (according to the Audited Financial Statements 2023), Architects & Construction Service Corporation will implement the share issuance to swap debt for each creditor attached in Appendix I of this plan (including creditor name, address, number of ownership before issuance, number of shares expected to be distributed, ownership rate after issuance, creditor relationship with Issuer) |
| Plan on handling fractional shares (if any) | When swapping debt into shares, the number of swapped shares will be rounded down to the unit, and the number of fractional shares (if any) will be canceled. |
| Plan on handling undistributed shares due to the Creditor's refusal to swap part or all | In case the Creditor refuses to swap part or all of the debt approved by the General Meeting of Shareholders, the General Meeting of Shareholders authorizes the Board of Directors to reduce the number of issued shares according to the actual number to be swapped, based on the swap agreement with the creditors |
| Interests of the parties after swapping debts | Creditors: After being swapped, debts will be eliminated and creditors will become shareholders owning common shares of the Company and have full rights and obligations of shareholders from the date of completing the issuance.  Company: The value of the swapped debts will be accounted for to increase charter capital. An increase in charter capital corresponds to the number of issued shares and debts forgiven. The Company is no longer obliged to pay in cash the debts that have been exchanged to the Creditor. |

1. Register for depository and additional transactions.

All issued shares to swap debts will be registered for additional depository at Vietnam Securities Depository and Clearing Corporation and registered for additional trading on the Hanoi Stock Exchange after the completion of the issuance.

1. Plan on ensuring the issuance to meet the foreign ownership rate

The entire number of issued shares to swap debt in this issuance is distributed to creditors who are domestic individual investors, and the number of issued shares or redistributed (if any) to foreign investors in this private placement to swap debt of Architects & Construction Service Corporation is 0 shares (accounting for 0% of the charter capital of the Company), ensuring compliance with the law.

The General Meeting of Shareholders authorizes/assigns the Board of Directors to implement prescribed procedures (if any) to ensure the issuance of shares meets regulations on foreign ownership rate.

1. Authorize/ assign the Board of Directors

The General Meeting of Shareholders authorized/assigned the Board of Directors to implement tasks related to the share issuance to swap debts as follows:

* Select consulting organizations and other third parties involved in the issuance;
* Decide the implementation time of the share issuance;
* Decide on a plan for handling unissued shares (if any);
* Decide, select, and approve the list of investors (creditors) to be purchased and the number of shares to be purchased by each investor for the issuance plan;
* Adjust and amend relevant figures and rates in the issuance plan to suit the actual situation at the time of the issuance to swap debt, ensuring the expected number of issued shares to swap debt is 1,400,000 shares;
* Approve the plan to ensure the share issuance meets the regulations of the foreign ownership rate if any amendments and supplements are made;
* In case it is necessary to clarify, amend, or supplement the issuance plan, the issuance purpose, or the plan on using capital (if any), the Board of Directors has the right to decide to clarify, amend, and supplement the issuance plan, the issuance purpose, specific plan on using capital and other relevant contents in case of necessity and following the actual situation of the Company;
* Prepare and approve issuance documents and issuance reports to competent state agencies according to the provisions of law;
* Conduct relevant issuance procedures with the State Securities Commission, the Stock Exchange, the Vietnam Securities Depository and Clearing Corporation, and the Department of Planning and Investment;
* Implement procedures to distribute issued shares to swapped creditors;
* Implement additional transaction registration procedures at the Stock Exchange and register additional depository at Vietnam Securities Depository and Clearing Corporation for the number of issued shares to swap debt;
* Implement procedures for registering changes in charter capital and adjusting the Business Registration Certificate with the Department of Planning and Investment after reporting the issuance results to the State Securities Commission;
* Implement procedures to amend and supplement the Company's Charter according to the actual charter capital after the end of the issuance; approve increasing charter capital and implementing the necessary work and legal procedures to change the charter capital in the Business Registration Certificate corresponding to the actual total par value of shares after the end of the issuance.
* In addition to the above-authorized content, during the implementation of the issuance plan, the General Meeting of Shareholders authorizes the Board of Directors to supplement, amend, and complete the issuance plan (including decisions on contents not presented in this capital increase plan) at the request of the state management agency to ensure that the capital mobilization of the Company is implemented legally and following regulations, ensuring the rights of shareholders and the Company.
* Other issues related to the issuance.

List of creditors having distributed shares in the share issuance to swap debt

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Creditor name | ID Card /Passport or Business Registration Certificate No. | Contact information (Address/phone number /website address) | Number of shares owned as of April 22, 2024 | Principal balance as of December 31, 2023 (based on the Audited Financial Statements 2023 of the Company) (VND) | Value of payables expected to be swapped (VND) | Number of expected shares to be distributed to swap debt (shares) | Ownership rate after the issuance | Creditor relationships with the Issuer, members of the Board of Directors, and the Supervisory Board |
| 1 | Pham Van Hung Em | 083082000744 | 779/5B Quang Trung, Ward 12, Go Vap District, Ho Chi Minh City, Vietnam | 0 | 11,420,000,000 | 11,100,000,000 | 1,110,000 | 20.55% | PDMR of the Company (Deputy General Manager) |
| 2 | Hua Thanh Dan | 092185010758 | 501-5T3, KP1, Buu Long, Bien Hoa City, Dong Nai, Vietnam | 0 | 2,900,000,000 | 2,900,000,000 | 290,000 | 5.37% | Unrelated |

Article 15: Terms of enforcement

* This General Mandate takes effect on May 31, 2024.
* All shareholders, the Board of Directors, the Supervisory Board, and the Board of Management of Architects & Construction Service Corporation are responsible for implementing this General Mandate.
* The General Meeting of Shareholders authorizes the Board of Directors and the Executive Board of Architects & Construction Service Corporation to implement this General Mandate and report results to shareholders following the provisions of law.