**TUG: Annual General Mandate 2024**

On June 4, 2024, Haiphong Port Tugboat and Transport Joint Stock Company announced General Mandate No. 01.2024/NQ-DHDCD as follows:

Article 1. Approve the Report of the Board of Directors and the Executive Board on production and business results in 2023, production and business plan in 2024 with main targets as follows.

1. Some production and business targets in 2023.

* Total revenue: VND 97.268 billion.
* Profit before tax: VND 11.115 billion.

2. Some production and business targets in 2024.

* Revenue: VND 90 billion.
* Profit before tax: VND 09 billion.
* Expected dividends in 2024: 6% of charter capital.

Article 2. Approve the Audited Financial Statements 2023.

Article 3. Approve the Plan for distributing profit after tax and paying dividends in 2023, specifically as follows:

* Dividends (6% of Charter Capital): VND 1,620,000,000.
* Investment and development fund: VND 4,500,000,000.
* Bonus fund: VND 2,000,000,000.
* Welfare Fund: VND 458,385,295.
* Business manager Bonus Fund: VND 182,000,000.

Article 4. Approve the realized remuneration 2023 and plan 2024 of the Board of Directors and the Supervisory Board, specifically as follows:

1. Realized remuneration in 2023 of the Board of Directors and the Supervisory Board.

* Chair of the Board of Directors: VND 8,000,000/month
* Member of the Board of Directors, Chief of the Supervisory Board: VND 7,000,000/person/month.
* Members of the Supervisory Board: VND 6,000,000/person/month.

1. Remuneration plan 2024 of the Board of Directors and the Supervisory Board.

* Chair of the Board of Directors: VND 8,000,000/month
* Member of the Board of Directors, Chief of the Supervisory Board: VND 7,000,000/person/month.
* Members of the Supervisory Board: VND 6,000,000/person/month.

Article 5. Approve the Report of the Supervisory Board at the Annual General Meeting of Shareholders 2024.

Article 6. Approve the selection of the audit company for the Financial Statements 2024

Assign the Board of Directors to select one of the approved audit companies to audit public interest units by the Ministry of Finance in 2024.

Article 7. Approve the signing of service contracts with related parties.

Article 8. Approve the amendment and supplementation of the detailed content of business lines, specifically as follows:

1. Amending and supplementing the business lines specified in Clause 1, Article 5 of the Company's Charter as follows:

|  |  |  |
| --- | --- | --- |
| No. | Contents of Clause 1, Article 5 of the current Charter | Content of Clause 1, Article 5 of the Charter proposed to be adjusted |
| 1 | Direct support service activities for waterway transport - Industry code: 5222 (Main)  Details: Rescue activities for water transport vehicles; Towing and docking activities; Salvaging ships and boats; Rescue activities | Direct support service activities for waterway transport - Industry code: 5222 (main)  Details: Rescue activities for water transport vehicles; Towing and docking activities; Salvaging ships and boats; Rescue activities (Except marine pilot services) |
| 2 | Loading and unloading of goods - Industry code: 5224 | Loading and unloading of goods - Industry code: 5224 Details: Except for loading and unloading airport cargo. |
| 3 | Other support service activities related to transportation - Industry code: 5229  Details: Goods preservation and delivery services; Goods transshipment services; Shipping agency services; Agency services for sea transport | Other support service activities related to transportation - Industry code: 5229  Details: Goods preservation and delivery services Goods transshipment services; Shipping agency services; Agency services for sea transport  (Except for direct support services for air transport and Services for establishing, operating, and maintaining maritime signals, water areas, public navigation channels and maritime routes; Survey services for water areas, public navigation channels and maritime routes serving the publication of Notices to Mariners, surveying services, building and publishing nautical charts of water areas, seaports, maritime channels and maritime routes; Developing and publishing maritime safety documents, publications and regulatory services to ensure maritime safety in water areas, and public navigation channels; maritime electronic information services and maritime pilot services) |
| 4 | Direct support service activities for rail and road transport - Industry code: 5221 | Direct support service activities for rail transport - Industry code: 5221 |
| 5 | Leasing machinery, equipment and other tangible items - Industry code: 7730  Details: Tugboat leasing | Leasing machinery, equipment and other tangible items (without operators) - Industry code: 7730  Details: Tugboat leasing |
| 6 | Agents, brokers, auctions - Industry code: 4610  Details: Consignment agent (Not including: Securities and insurance agents) | Removed |
| 7 | Other remaining business support service activities not yet classified - Industry code: 8299 Details: Goods import and export services | Removed |
| 8 | Labor supply and management - Industry code: 7830  Details: Supply of seafarers | Labor supply and management - Industry code: 7830  Details: Supply of seafarers  (Except for temporary labor supply for enterprises with labor export function and services for sending workers to work abroad under contracts) |
| 9 | Trade in real estate, land use rights belonging to the owner, user or tenant - Industry code: 6810  Details: Port exploitation, warehouse business | Removed |

The remaining business lines remain the same as the content of Clause 1, Article 5 of the Company's current Charter.

1. Assign the Board of Directors of the Company to proactively direct the Manager on the following contents:

* Carry out procedures for amending and supplementing the above business lines according to the instructions of the competent State management agency (including cases where the State management agency guides and adjusts the method of recording details of industry codes 5221, 5222, 5224, 5229, 7730, 7830 that are stated above) to ensure compliance with the Company's goals and expected business lines;
* Amend and complete the content of Clause 1, Article 5 of the Company's Charter on business lines, and sign and promulgate an Appendix amending and supplementing the Company's Charter.
* Carry out procedures to submit to the State Securities Commission for consideration and approval of the maximum foreign ownership rate at the Company.
* Carry out information disclosure procedures in accordance with regulations.

Article 9. Approve the Report on the implementation of the Azimuth tugboat building project in 2023 and the implementation plan in 2024.

Article 10. Approve the plan to offer shares to existing shareholders according to the share ownership rate by the method of public securities offering to increase charter capital.

*I. Offering plan*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| *1* | *Issuer* | | *Haiphong Port Tugboat and Transport Joint Stock Company* | |
| *2* | *Name of offered share* | | *Shares of Haiphong Port Tugboat and Transport Joint Stock Company* | |
| *3* | *Securities code* | | *TUG* | |
| *4* | *Type of shares to be offered* | | *Common shares* | |
| *5* | *Share's par value* | | *VND 10,000/share* | |
| *6* | *Charter capital before offering* | | *VND 27,000,000,000* | |
| *7* | | *Number of outstanding shares* | | *2,700,000 shares* |
| *8* | | *Treasury share* | | *0 shares* |
| *9* | | *Offering method* | | *Offering shares to existing shareholders according to the share ownership rate by the method of offering securities to the public* |
| *10* | | *Expected number of shares in the offering* | | *2,700,000 shares* |
| *11* | | *Estimated total value of shares offered at par value* | | *VND 27,000,000,000* |
| *12* | | *Offering price* | | *VND 10,000/share* |
| *13* | | *Total expected proceeds from the offering (calculated based on Offering Price)* | | *VND 27,000,000,000* |
| *14* | | *Offering object* | | *Existing shareholders on the list of shareholders at the record date to exercise the right to buy shares offered to existing shareholders issued by Vietnam Securities Depository and Clearing Corporation.* |
| *15* | | *Offering rate* | | *100% (which is the rate between the number of shares expected to be offered to existing shareholders/the number of shares outstanding at the date of recording the list of shareholders to exercise the right to buy offered shares).* |
| *16* | | *Exercise rate* | | *1:1 (On the date of recording the list of shareholders, shareholders owning 01 share are entitled to 01 purchase right, for every 01 purchase right, they are entitled to buy 01 new share offered).* |
| *17* | | *Minimum successful offering rate of the offering* | | *70%* |
| *18* | | *Ensure to meet regulations on foreign ownership rate* | | *Authorize and assign the Board of Directors to approve a plan to ensure that the offering meets the regulations on maximum foreign ownership rate at the Company.* |
| *19* | | *Expected execution time* | | *After being approved by the General Meeting of Shareholders and the State Securities Commission issuing a Certificate of public offering of shares, expected in 2024.* |
| *20* | | *Plan on handling fractional shares* | | *Because the right exercise rate is 1:1, there will be no fractional shares arising.* |
| *21* | | *Plan for handling shares of existing shareholders who do not register to buy or pay to buy (if any)* | | * *The number of shares that existing shareholders do not register to buy or pay for is handled as follows:* * *The General Meeting of Shareholders authorizes/assigns the Board of Directors to distribute to other subjects (determine criteria and list of investors allowed to buy shares) with the offering conditions, conditions on rights and obligations of investors not more favorable than the offering conditions to existing shareholders (including the offering price equal to the current selling price to existing shareholders of VND 10,000/share); carry out necessary procedures to distribute shares according to the plan approved by the General Meeting of Shareholders so that the offering will be successful and bring the highest benefits to the Company and its shareholders.* * *The handling of shares purchased by existing shareholders who do not register or pay for must ensure compliance with the provisions of Article 42 of Decree No. 155/2020/ND-CP dated December 31, 2020 and according to other conditions as prescribed in Clause 2, Article 195 of the Law on Enterprises and other relevant provisions of current law.* * *When reaching the distribution deadline as prescribed by law (including the extended time if any), if there are still undistributed shares, they will be canceled, and the Board of Directors shall end the offering.* |
| *22* | | *Transfer of purchase rights* | | *Shareholders have the right to transfer the right to buy shares to others but can only transfer once within the prescribed time. The recipient of the purchase rights cannot transfer the purchase rights to a third person.*  *The right to buy shares is allowed to be divided and transferred to many different investors according to the agreement between the two parties.*  *- The transferor and transferee agree on the transfer price, make payment and are responsible for fulfilling the obligations according to regulations related to the transfer.* |
| *23* | | *Transfer restrictions* | | * *All of shares offered to existing shareholders according to the rights exercise rate are freely transferable.*   *The number of shares that existing shareholders do not register to buy or pay for which is distributed by the Board of Directors to other subjects is restricted from transfer within 01 year from the date of completion of the offering.* |

1. *Offering purposes*

*To ensure maintaining a sustainable growth rate and continuing to strengthen internal resources for breakthrough factors that will increase the growth rate in the following years, the Company offer shares to existing shareholders according to the share ownership rate by the method of offering securities to the public for the purpose of: Mobilizing capital for the Azimuth tugboat building project.*

1. *Plan for using capital obtained from the offering*

*The expected proceeds from the offering to existing shareholders according to the share ownership rate by the method of public offering is VND 27,000,000,000 (calculated according to the offering price). The amount will be allocated and used for the Company's activities as follows:*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| *No.* | *Content* |  | *Amount (VND)* | *Expected time of using capital* |
| *1* | *Azimuth tugboat building project* | | *27,000,000,000* | *2024 and 2025* |
|  | *Total* |  | *27,000,000,000* |  |

*The General Meeting of Shareholders authorizes and assigns the Board of Directors to develop a detailed capital use plan depending on the actual situation at the time of offering. In case it is necessary to adjust the capital use plan in accordance with the actual situation of the Company, the Board of Directors shall make adjustments and report to the nearest General Meeting of Shareholders in accordance with the provisions of current law.*

*Plan to compensate for the shortfall in capital expected to be mobilized from the offering: In case the shares are not fully distributed as expected and the amount of capital mobilized does not reach as expected, the Board of Directors will consider mobilizing bank loans or looking for other sources of additional funding to compensate in accordance with the Company's business activities.*

1. *Securities registration and additional trading registration*

*All additional shares offered will be registered as additional securities at the Vietnam Securities Depository and Clearing Corporation and registered for additional trading at the Stock Exchange after completing the offering, according to the provisions of Clause 8, Article 11 of Decree No. 155/2020/ND-CP.*

1. *Amendment to the charter*

*The General Meeting of Shareholders authorizes and assigns the Board of Directors to update and amend contents related to charter capital and shares in Article 7 of the Company's Charter of Organization and Operations, according to the charter capital after completing the offering.*

*Assign the Board of Directors to implement the next steps in accordance with current regulations.*

Article 11. Approve details of the plan to handle shares that existing shareholders do not register to buy or do not pay for (if any) when implementing the plan to offer shares to existing shareholders according to the share ownership rate by the method of public offering to increase charter capital.

*Assign the Board of Directors to implement the handling of shares for existing shareholders who do not register to buy or pay to buy in accordance with current regulations.*

Article 12. Approve the loan plan for credit institutions to sponsor the Azimuth tugboat building project as follows:

*1. Select Joint Stock Commercial Bank for Foreign Trade of Vietnam - South Hai Phong Branch as the credit institution to finance the Project with some main contents of the loan plan as follows:*

* *Credit extension amount: Maximum VND 67,685,000,000, equivalent to 50% of the total investment of the Project.*
* *Purpose: Financing legal and valid credit needs related to the investment in the Azimuth tugboat building project approved by the Company's competent authorities in accordance with the law, excluding loan interest incurred at Vietcombank during Project implementation.*
* *Credit term: Maximum 120 months from the day following the first disbursement date.*
* *Capital withdrawal period: Maximum 18 months from the effective date of the Credit Agreement/Loan Agreement.*
* *Grace period: Maximum 18 months from the day following the first disbursement date but no more than 03 months from the time revenue is generated from vessel operation/rental.*
* *Principal/interest repayment term: Principal/interest shall be paid monthly.*
* *Collateral: The Azimuth tugboat, formed in the future. Pledging and secured transaction registration will be completed according to regulations before the first disbursement. Within 01 month after the vessel is handed over and put into use, the customer shall hand over the Registration of the Azimuth vessel and pledge in accordance with the provisions of law and Vietcombank.*
* *Interest rate:*

*First year: Is the fixed interest rate for the first 12 months from the disbursement date and is applied to all disbursements within 12 months from the first disbursement date. Fixed interest rate is determined on the first disbursement date with a value equal to the base interest rate + margin of 2.0%/year.*

*Interest rate from the 2nd year onwards; Floating interest rate, adjusted every 3 months, determined by base interest rate + margin. In which:*

*+ Margin from the 2nd to the 5th year: 2.3% per year.*

*+ Margin from the 6th to the 10th year: 2.5% per year.*

*(Base interest rate is the average interest rate for 12-month savings deposit of individual customers of 04 banks: Vietcombank, Vietinbank, BIDV and Agribank. The type of interest rate: interest paid in arrears)*

* *Early repayment fee: No fee, unless the source of early repayment is from loans from other credit institutions: Debt repayment fees are applied according to Vietcombank's regulations.*
* *Other fees related to lending activities: None.*

*2. Assign the Board of Directors of the Company to direct:*

*- Take the next steps in accordance with current regulations;*

*- Negotiate loan contracts and pledge contracts with banks to ensure the Company's rights.*

Article 13. The General Meeting of Shareholders assigned the Board of Directors, the Supervisory Board, and the Manager of Haiphong Port Tugboat and Transport Joint Stock Company to organize and supervise the implementation of the Annual General Mandate 2024.

This General Mandate was approved in full by the Annual General Meeting of Shareholders 2024 of Haiphong Port Tugboat and Transport Joint Stock Company at the General Meeting.