**SCL: Annual General Mandate 2024**

On April 22, 2024, Song Da Cao Cuong JSC announced General Mandate No. 336/NQ-DHDCD as follows:

‎‎Article 1. Approve the Company's report on operations in 2023 and plans for 2024 in Report No. 245/BC-HDQT and Report No. 246/BC-SCL dated March 30, 2024; (attached reports).

1. *2023 Audited Results*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| *No.* | *Content/Targets* | *Unit* | *Plan 2023* | *Result 2023* | *Result/Plan**2023(%)* |
| *I* | *Production and consumption output* |  |  |  |
| *1* | *Wet fly ash produced* | *Tons* | *235,714* | *275,171* | *117* |
| *2* | *Dry fly ash produced* | *Tons* | *330,000* | *284,964* | *86.3* |
| *3* | *Recovered coal* | *Tons* | *80,000* | *94,793* | *118* |
| *4* | *Dry mortar produced* | *Tons* | *80,000* | *303,790* | *378* |
| *5* | *Tile adhesive produced* | *Tons* | *12,000* | *6,215* | *52* |
| *6* | *AAC lightweight bricks produced* | *M3* | *25,000* | *34,927* | *139* |
| *7* | *Panel slabs produced* | *M3* | *45,000* | *12,387* | *27.3* |
| *II* | *Financial results* |  |  |  |
| *1* | *Total revenue* | *Billion VND* | *401.9* | *476.1* | *120* |
| *2* | *Profit before tax* | *Billion VND* | *34.48* | *55.71* | *161* |
| *3* | *Corporate income tax expense* | *Billion VND* | *5.44* | *11.82* | *217* |
| *4* | *Profit after tax* | *Billion VND* | *29* | *43.88* | *151* |
| *III* | *Investment* | *Billion VND* | *278* | *157.6* | *56* |
| *IV* | *Bank guarantee* | *Billion VND* | *10* | *8.48* | *85* |
| *V* | *Labor, average wages* |  |  |  |  |
| *1* | *Average labor* | *Person* | *220* | *251* | *114* |
| *2* | *Payments for labor* | *Billion VND* | *31.7* | *39.1* | *123* |
| *3* | *Average income/person/month* | *Million VND* | *12* | *12.98* | *108* |
| *4* | *General Manager's annual salary* | *(Million VND/year)* | *319.43* | *549.23* | *172* |

1. *Plan 2024*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| *No.* | *Content/Targets* | *Units* | *Result 2023* | *Plan 2024* | *Plan/Results**2023 (%)* |
| *I* | *Production and consumption output* |  |  |  |
| *1* | *Wet fly ash produced* | *Tons* | *275,171* | *350,000* | *127* |
| *2* | *Dry fly ash produced* | *Tons* | *284,964* | *300,000* | *105* |
| *3* | *Recovered coal* | *Tons* | *94,793* | *130,000* | *137* |
| *4* | *Dry mortar produced* | *Tons* | *303,790* | *900,000* | *297* |
| *5* | *Tile adhesive produced* | *Tons* | *6,215* | *18,000* | *290* |
| *6* | *AAC lightweight bricks produced* | *M3* | *34,927* | *105,000* | *301* |
| *7* | *Panel slabs produced* | *M3* | *12,387* | *15,000* | *122* |
| *II* | *Financial results* |  |  |  |
| *1* | *Total revenue* | *Billion VND* | *476.19* | *865.7* | *182* |
| *2* | *Profit before tax* | *Billion VND* | *55.71* | *80.6* | *145* |
| *3* | *Corporate income tax expense* | *Billion VND* | *11.82* | *16.1* | *136* |
| *4* | *Profit after tax* | *Billion VND* | *43.88* | *64.4* | *147* |
| *5* | *Retained earnings from previous year* | *Billion VND* | *5.69* |  |  |
| *6* | *Total cumulative profit after tax* | *Billion VND* | *49.57* |  |  |
| *III* | *Investment* | *Billion VND* | *157.6* | *215* | *136* |
| *IV* | *Bank guarantee* | *Billion VND* | *8.48* | *40* | *471* |
| *V* | *Labor, average wages* |  |  |  |  |
| *1* | *Average labor* | *Person* | *251* | *300* | *119* |
| *2* | *Payments for labor* | *Billion VND* | *39.1* | *55.8* | *143* |
| *3* | *Average income/person/month* | *Million VND* | *13* | *15.5* | *119* |
| *4* | *General Manager's annual salary* | *(Million VND/year)* | *549.23* | *720* | *131* |

‎‎Article 2. Approve the audited Financial Statements 2023 as presented to the General Meeting

‎‎Article 3. Approve the 2023 operation report of the Supervisory Board and the 2024 operation plan of the Supervisory Board

‎‎Article 4. Approve remuneration for the Board of Directors, Supervisory Board, and Company Secretary as follows:

* Remuneration paid in 2023 was VND 960 million and the payment plan for 2024 is:
* Executive Chair of the Board of Directors: VND 60,000,000 /month
* Members of the Board of Directors: VND 8,000,000/person/month;
* Executive Chief of the Supervisory Board VND 25,000,000/month
* Members of the Supervisory Board, Company Secretariat: VND 4,000,000/person/month;

‎‎Article 5. Approve the profit distribution plan in 2023 as follows:

* 1. Profit after tax 2023 to be distributed is VND 43,887,554,527
	2. Appropriation for funds, in which:
* Production development investment fund 5%: VND 2,194,000,000
* Welfare fund 10%: VND 4,388,000,000
* Reward fund 5%: VND 2,194,000,000
* Executive Board bonus 7%: VND 3,072,000,000
* Remaining 2023 profit: VND 32,039,554,527
* Retained earnings from previous year: VND 5,691,707,791
* Total profit available for dividend: VND 37,731,262,318
	1. Dividend payment rate:
* Dividend payment rate: Dividend payout rate: 20% of current charter capital
* Methods: Dividend payment by shares

Accordingly, the dividend amount for 2023 is VND 37,321,790,000 on the current charter capital of VND 186,608,950,000, equivalent to 20% at this time; when dividends are distributed, if the charter capital changes, the rate changes but the payment amount remains the same.

Authorize the Board of Directors to implement the plan to issue shares to pay dividends, ensuring shareholders' rights and benefits and complying with current regulations.

* 1. Undistributed remaining profit VND 409,472,318.

‎‎Article 6. Article 6. Authorize the Board of Directors to proactively select one of the qualified audit companies according to current regulations to audit the Company in 2024.

‎‎Article 7. Article 7. The General Meeting of Shareholders allows using a sufficient amount of the Company's assets (at the request of credit institutions) in the latest Financial Statements to mortgage loans at credit institutions, in order to serve the Company's production and business. Assign the Board of Directors to proactively select credit institutions for mortgaging loans, setting appropriate loan limits, and at the same time directing the Executive Board to organize the implementation of borrowing and using capital effectively and in compliance with current regulations.

‎‎Article 8. Article 8. Approve the amendment of the charter according to Proposal No. 250/TTr-HDQT dated March 30, 2024 submitted at the General Meeting (the Proposal is attached).

‎‎Article 9. Article 9. Approve the securities listing program according to Proposal No. 248/TTr-HDQT dated March 30, 2024 submitted at the General Meeting (the Proposal is attached).

‎‎Article 10. Approve Proposal No. 255/TTr-HDQT dated March 30, 2024 on the Report on the use of capital from the most recent offering, the Report on the results of capital increase implementation in 2023 and the implementation of the plan to increase capital according to General Mandate No. 861/NQ-DHDCD dated December 11, 2023 (the Proposal is attached).

1. Report on the use of capital from the most recent offering:

*According to Extraordinary General Mandate 2021 No. 542/NQ-DHDCD dated December 19, 2021 , the plan to issue shares to increase charter capital was approved.*

*The total expected proceeds of VND 20 billion from offering 1.5 million shares to existing shareholders and 500,000 shares under the ESOP will be used to supplement the Company's working capital, specifically:*

|  |  |  |
| --- | --- | --- |
| *No.* | *Purpose* | *Expected proceeds (VND)* |
| *1* | *Purchasing raw materials for production:* | *10,000,000,000* |
| *2* | *Repaying the Company's loans:*  | *10,000,000,000* |
| *Total* | *20,000,000,000* |

*However, during the actual implementation process, the time to receive approval for the share offering to existing shareholders and the time to carry out other procedures related to the offering took longer than planned, affecting the capital disbursement timeline. Therefore, the Board of Directors decided to change the plan for using capital as authorized by the General Meeting of Shareholders in General Mandate No. 542/NQ-DHDCD dated December 19, 2021 to suit the actual operating situation of the Company.*

*Specifically, on February 26, 2022, the Company issued Resolution No. 86/NQ-HDQT on approving the detailed plan for using the amount of money obtained from the offering as follows:*

*The total expected proceeds from the offering of 1,500,000 shares to existing shareholders and the issuance of 500,000 shares under the ESOP is VND 20,000,000,000, which will be used to supplement the Company's working capital, specifically:*

1. *Purchase raw materials for production, amounting to VND 10,000,000,000. Details of capital use according to the contract:*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| *No.* | *Capital use purpose:* | *Attached documents* | *Amount (VND)* | *Expected disbursement time* |
| *1* | *Payment for freight charges under Contract No. 252/2020/HDVC/SCL-HT* | *VAT invoice No. 0010695 dated February 28, 2022 and VAT invoice No. 0010299 dated January 27, 2022 \**  | *7,798,971,000* | *In Q2 and Q3/2022* |
| *2* | *Payment for freight charges under Contract No. 25/06/2021/HDVC/SCL-TX* | *VAT invoice No. 0000050 dated February 26, 2022 \** | *1,209,575,052* | *In Q2 and Q3/2022* |
| *3* | *Payment for ash and slag purchase under contract No. 05/HDKT/SCL-DTL* | *VAT invoice No. 0001198 dated February 28, 2022 \** | *838,677,996* | *In Q2 and Q3/2022* |
| *4* | *Payment for ash and slag purchase under contract No. 01/HDKT/2020/SCL-TS* | *VAT invoice No. 0000021 dated February 28, 2022* | *152,775,952* | *In Q2 and Q3/2022* |
| *Total* | *10,000,000,000* |  |

1. *Repayment of the Company's loans: VND 10,000,000,000. Details of loan repayment:*

|  |  |  |  |
| --- | --- | --- | --- |
| *No.* | *No. Loan agreement number* | *Repayment amount (VND)* | *Expected debt repayment time* |
| *1* | *46182001226376* | *7169100199* | *July 2022* |
| *2* | *46182001223687* | *2830899801* | *July 2022* |
| *Total* | *10000000000* |  |

*Thus, the Company has changed the details of capital use from paying for raw materials for production and business to paying for transportation costs for sales amounting to VND 9,008,546,052.*

*The Board of Directors would like to report to the General Meeting of Shareholders on the change in the detailed plan for using capital from the issuance of 500,000 shares to employees and the offering of 1,500,000 shares to existing shareholders as above.*

‎‎Article 11. Approve the share issuance plans presented at the General Meeting:

As of the time of voting, the number of shareholders and authorized representatives attending the General Meeting is 73 people, representing 12,285,316 shares out of a total of 18,660,895 voting shares, accounting for 65.8%. The General Meeting has voted to approve:

1. Issuance of shares to pay dividends for the year 2023 according to Proposal No. 256/TTr-HDQT dated March 30, 2024; (see attached Proposal).
2. *Purposes of the issuance*

*Based on the business results of 2023, the Company will issue shares to pay dividends for 2023 to shareholders.*

1. *Share issuance plan*

|  |  |
| --- | --- |
| *Shares name:* | *: Share of Song Da Cao Cuong JSC*  |
| *Share type:* | *: Common share* |
| *Par value:* | *: VND 10,000/share.* |
| *Total number of outstanding shares:* | *: 18,660,895 shares.* |
| *Number of shares expected to be issued* | *: 3,732,179 shares* |
| *Total issuance value at par value* | *: VND 37,321,790,000.* |
| *Subjects of the issuance* | *: Existing shareholders of SCL with names on the list as of the record date for rights allocation.* |
| *Issuance rate (The expected number of shares to be issued/Total number of outstanding shares)* | *: Estimated 20%**In case at the time of recording the list of shareholders for rights allocation, the number of outstanding shares changes (the Company is implementing the additional share offering to existing shareholders according to General Mandate No. 861/NQ-DHDCD dated December 11, 2023, if the additional public offering of shares to existing shareholders is completed before the record date for shareholders entitled to receive share dividends, the number of outstanding shares at that time will change, leading to a change in the issuance rate), the General Meeting of Shareholders authorizes the Board of Directors to recalculate the issuance rate to ensure the volume of shares expected to be issued for dividend payment to shareholders is 3,732,179 shares (equivalent to VND 37,321,790,000) and ensure fairness for all shareholders.* |
| *Right exercise rate:* | *Exercise rate: Expected to be 100:20 (at the record date for rights exercise, shareholders owning 01 share will receive 01 right and for every 100 rights, they will receive an additional 20 newly issued shares according to the principle of rounding down to the unit).**In case at the time of recording the list of shareholders for rights allocation, the number of outstanding shares changes (due to the Company completing the additional share offering to existing shareholders), leading to a change in the issuance rate and exercise rate, to ensure the volume of shares expected to be issued is 3,732,179 shares (equivalent to VND 37,321,790,000), the General Meeting of Shareholders authorizes the Board of Directors to recalculate the issuance rate to suit the actual situation.* |
| *Capital source for implementation* | *: From the undistributed profit after tax of 2023 according to the audited Financial Statements 2023.* |
| *Issuance purpose* | *: Dividend payment of 2023* |
| *Plan for rounding and handling of fractional shares arising (if any):* | *: the number of shares issued to pay dividends to existing shareholders is rounded down to the unit. The number of fractional share (if any) due to rounding down will be removed.**For example: At the record date for rights exercise, Mr. Nguyen Van A owns 6,212 shares. The number of shares Mr. Nguyen Van A will receive in this share issuance for dividend payment is 1,242 shares (6,212x20/100= 1,242.4 rounded to 1,242). The 0.4 fractional shares will be canceled.* |
| *Transfer restrictions* | *: Shares issued to pay dividends to existing shareholders are not restricted to transfer.* |
| *The execution time* | *: Expected in Q2/2024, after being approved by the General Meeting of Shareholders and the State Securities Commission notifies in writing about the receipt of complete issuance reporting documents.* |

1. *DEPOSITORY AND ADDITIONAL TRADING REGISTRATION*

*Approve the additional registration of securities at the Vietnam Securities Depository and Clearing Corporation and the additional trading registration of securities at the Hanoi Stock Exchange for the number of newly issued shares.*

1. *AMENDMENT OF CHARTER AND CHANGE OF BUSINESS REGISTRATION*

*The General Meeting of Shareholders authorizes the Board of Directors to carry out work related to amending the charter capital in the Company's Charter based on the results of the share issuance for dividend payment and to carry out procedures for changing business registration in accordance with the provisions of law.*

1. Issuance of shares under the ESOP of the Company according to Proposal No. 257/TTr-HDQT dated March 30, 2024; (Proposal attached).

*Content of separating voting ballots of persons with related interests*

*According to the provisions of Decree No. 155/2020/ND-CP, those with interests related to the issuance of shares under the ESOP are not allowed to participate in voting to approve the content of the ESOP share issuance; Therefore, the Company separates the voting ballots of attending shareholders who are subjects in the plan that may be allocated to purchase shares under the ESOP as follows:*

* *The total number of shares of attending shareholders participating in voting who are subjects that may be purchased shares under the ESOP is 4,083,856 shares (list attached).*
* *The total remaining shares participating in the meeting are: 8,201,460 share*

*The voting results after separating the ballots (excluding the ballots of related persons who are not allowed to vote to approve the content of share issuance under the ESOP) are as follows:*

* *Agree: 8,201,460 shares, accounting for 100% of the total shares participating in voting at the Meeting.*
* *Disagree: 0 shares, accounting for 0% of the total shares participating in voting at the Meeting.*
* *No opinion: 0 shares, accounting for 0% of the total shares participating in voting at the Meeting.*
1. *Issuance of shares to existing shareholders according to Proposal No. 258/TTr-HDQT dated March 30, 2024 (Proposal attached).*

*Content of separating voting ballots of persons with related interests*

*According to the provisions of Decree No. 155/2020/ND-CP, those with related interests (the list to be further distributed according to the provisions of Article 42 of Decree 155/2020/ND-CP is attached to Proposal No. 258/TTr-HDQT dated March 30, 2024) are not allowed to participate in voting; Therefore, the Company separates the voting ballots of those named in the list participating in the redistribution according to Proposal No. 258/TTr-HDQT.*

* *The total number of shares of persons on the list attached to Proposal No. 258/TTr-HDQT dated March 30, 2024, participating in the meeting is 3,528,597 shares (list attached).*
* *The total remaining shares participating in the meeting are: 8,756,719 share*
* *The total remaining shares participating in the meeting are: 8,756,719 shares. The voting results after separating the ballots (excluding the ballots of those on the list attached to Proposal No. 258/TTr-HDQT dated March 30, 2024) are as follows:*
* *Agree: 8,756,719 shares, accounting for 100% of the total shares participating in voting at the Meeting.*
* *Disagree: 0 shares, accounting for 0% of the total shares participating in voting at the Meeting.*
* *No opinion: 0 shares, accounting for 0% of the total shares participating in voting at the Meeting.*

‎‎Article 11. Unanimously authorize the Board of Directors and the Supervisory Board of the Company to implement all the contents that the General Meeting has unanimously voted to approve.

‎‎Article 12. Terms enforcement:

This General Mandate takes effect from April 22, 2024

Members of the Board of Directors, the Supervisory Board, and the Board of Management of the Company are responsible for implementing this General Mandate and organizing the implementation in accordance with their operational functions in compliance with the provisions of law and the Company's Charter.