**QNC: Annual General Mandate 2024**

On June 4, 2024, Quang Ninh Construction and Cement JSC announced General Mandate No. 1073/NQ-DHCD as follows:

‎‎Article 1. Approve the following specific contents:

Content 1:

Approve the production and business results 2023 with the following main targets:

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Contents | Unit | Quantity |
| I | Production volume |  |  |
| 1 | Clinker burning | Tons | 914,919 |
| 2 | Cement crushing of all kinds | Tons | 1,511,247 |
| II | Consumption output |  |  |
| 1 | Cement of all kinds | Tons | 1,506,887 |
| 2 | Clinker | Tons | 27,506 |
| III | Consolidated business results |  |  |
| + | Total revenue | Billion VND | 1,476.7 |
| + | Total profit before tax | Billion VND | 98.4 |
| + | Profit after tax of shareholders of the Holding Company | Billion VND | 78.5 |
| IV | Business results of the Holding company | Billion VND |  |
| + | Total revenue | Billion VND | 1,472.1 |
| + | Profit before tax | Billion VND | 94.7 |
| + | Profit after tax | Billion VND | 74.8 |
| V | Payable to the State budget (independent report) | Billion VND | 97.1 |
| VI | Dividend 2023(\*) | % | 0 |

(\*) Profit from production and business activities 2023 according to the Self-made Consolidated Financial Statements by the Company reached VND 72.5 billion, and undistributed profits are VND 33.75 billion, corresponding to basic earnings per share of VND 563. But with the production and business activities 2024 which was forecasted to be very challenging for the construction materials industry, especially cement production, the Company decided not to pay dividends in 2023, all undistributed profit after tax is retained to supplement working capital to serve production and business.

Content 2:

Approve the Report of the Board of Directors and the Board of Management on the operational results in 2023; the orientation and tasks of production and business activities for 2024.

Content 3:

Approve the Report of the Supervisory Board on the operational results in 2023, the orientation and tasks in 2024; Propose the selection of an audit company for the Financial Statements 2024.

Content 4:

Approve the contents of the Board Resolution of the Company in 2023 on the implementation of the Annual General Mandate 2023; the Board Resolution 2023 and related contents serving production and business activities of the Company.

Assign the Board of Directors and the Executive Board of the Company to continue implementing the contents of the General Mandate and the Board Resolutions in accordance with regulations.

Content 5:

Approve the production and business plan 2024 with the following main contents:

1. Main production and business targets 2024:

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Contents | Unit | Plan 2024 |
| I | Output plan |  |  |
| 1 | Clinker production | Tons | 1,087,200 |
| 2 | Production of cement of all kinds | Tons | 1,600,000 |
| II | Consumption plan |  |  |
| 1 | Clinker consumption | Tons | 60,000 |
| 2 | Cement consumption of all kinds | Tons | 1,600,000 |
| III | Plan on value, revenue, and profit |  |  |
| 1 | Total revenue | Billion VND | 1,697 |
| 2 | Payable to the State Budget | Billion VND | 80 |
| 3 | Average income | Million VND | 11 |
| 4 | Profit after tax | Billion VND | 33.7 |
| 5 | Dividends 2024 (dividend payment: In cash or by shares) | % | Expected minimum 5% |

1. Other plans/tasks: According to contents in the Reports of the Board of Directors, the Board of Management and the Supervisory Board on the operation and task in 2024.

Content 6:

1. Approve additional registration contents of the Company's business lines, including:

|  |  |  |
| --- | --- | --- |
| No. | Business name | Business code |
| 1 | Shipbuilding and marine engineering | 3011 |
| 2 | Shipbuilding, sport, and entertaining boat building | 3012 |
| 3 | Manufacture of other items that are not classified elsewhere | 3290 |
| 4 | Maintenance and repair of transport vehicles | 3315 |
| 5 | Maintenance and repair of cars and other motor vehicles | 4520 |
| 6 | Retailing motor fuel in specialized stores | 4730 |

Agree to amend/supplement Clause 1, Article 4 of the Company's Charter (on the content of the Company's business fields)

Agree to authorize and assign the General Manager to implement procedures for additional registration of business lines according to regulations.

1. Approve the operational Charter of the Company (amended additionally according to the additional content of business lines).

Content 7:

Approve the Financial Statements 2023 audited by AASC Auditing Firm Company Limited signed on March 29, 2024, including Separate Financial Statements No. 290324.004/BCTC.KT5, and Consolidated Financial Statements No. 290324.005/BCTC.KT5

Content 8:

Approve the signing of contracts and transactions between Quang Ninh Construction and Cement JSC and affiliated parties incurring in 2024, including the following contents:

1. Approve the signing of contracts and transactions between Quang Ninh Construction and Cement JSC and affiliated parties incurring in 2024 according to the provisions of the Company's Charter and relevant legal documents, the value of each of these transactions is under the authority of the Board of Directors and the General Meeting of Shareholders according to the provisions of the Company’s Charter based on fairness, without causing any inconvenience and ensureing safety for the Company, types of contracts and transactions include:

* Borrow/ lend, loan guarantees, and other loan security measures (pledge/ mortgage).
* Lease of assets, buying and selling of assets; buying and selling products, supplies, goods, raw materials, etc.
* Service/service provision contract; construction/installation contracts and other contracts serving the production and business activities of the Company.
* Contracts and other transactions under the authority of the Board of Directors/the General Meeting of Shareholders in accordance with the provisions of the Law on Enterprise and the Company’s Charter.

1. The implementation time is from January 1, 2024 until the Annual General Meeting of Shareholders of the next year.
2. List of units signed with Quang Ninh Construction and Cement JSC include:

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Company name | Tax Identification Number/Head office address | Contents |
| 1 | Tam Van Ha Long Joint - Stock Company; | Noi Hoang Dong Village, Hoang Que Commune, Dong Trieu, Quang Ninh | Buy and sell materials, goods, services, etc. |
| 2 | Cai Lan Industrial Joint Stock Company- QNC | Cai Lan Industrial Park, Gieng Day Ward, Ha Long City, Quang Ninh | Provide services |
| 3 | Nam Phuong Investment and Trading Company Limited | Nam Phuong Supermarket, Floor 3, 154 Tran Hung Dao Street, Binh Chuong Street, Ninh Khanh Ward, Ninh Binh City, Ninh Binh Province | Buy and sell, provision services and petroleum |
| 4 | Nam Phuong Export Company Limited | Nam Phuong Supermarket, Floor 3, 154 Tran Hung Dao Street, Binh Chuong Street, Ninh Khanh Ward, Ninh Binh City, Ninh Binh Province | Buy and sell cement, clinker, coal, provision of goods, and other services. |
| 5 | Omanco Material Viet Nam Company Limited | No.16, Road 17, Pham The Hien Street, Group 4, Tran Hung Dao Ward, Thai Binh City, Thai Binh Province | Buy and sell cement, clinker, coal, gypsum, provision of goods and other services. |
| 6 | Vawaz Viet Nam Investment Company Limited | Floor 2, Viettel Thai Binh Building, 431 Tran Hung Dao Street, Tran Hung Dao Ward, Thai Binh City. | Buy and sell cement, clinker, coal, gypsum, provision of goods and other services. |
| 7 | Uong Bi Coal Enterprise Joint Stock Company | Cua Ngan Area, Phuong Dong Ward; Uong Bi City; Quang Ninh Province | Buy and sell coal, materials, other services |

1. Agree to authorize the General Manager to negotiate, sign, and implement contracts and transactions with the above-affiliated parties (including but not limited to cancellation, termination, liquidation, etc.) according to the regulations of the Company and the provisions of law; based on the actual situation of the Company; on the principle of ensuring the benefits of the Company and shareholders.

Content 9:

Approve the following contents:

1. Establish a branch under Quang Ninh Construction and Cement JSC, specifically:

* Branch name: Branch of Quang Ninh Construction and Cement JSC- Center for design consulting, supervision, and construction project management.
* Abbreviated branch name: Center for design consulting, supervision, and construction project management
* Address: Hop Thanh Area, Phuong Nam Ward, Uong Bi City, Quang Ninh City (the Company's Headquarters).

1. Approve the project to renovate and upgrade line 2 - Lam Thach 2 Cement Plant
2. Approve adjusting the investment project and adjusting Investment Certificate No. 22.121.000.040 issued by the People's Committee of Quang Ninh Province on January 22, 2008; issued the first change of registration certificate on September 10, 2010; issued a certificate of change for the second time on April 13, 2011 and the Management Board of economic zones of Quang Ninh Province issued a certificate of change for the third time with project code 0871046555, dated November 8, 2022 - Investment project to increase capacity Lam Thach Cement Plant
3. Approve the final settlement of the project to complete the Project to renovate and upgrade line 2- Lam Thach 2 Cement Plan, borrow capital, and use assets as security at BIDV Tay Nam Quang Ninh.

Content 10:

Approve the remuneration plan for the Board of Directors and the Supervisory Board of the Company in 2023:

According to the General Mandate 2023, the Company plans to pay remuneration to members of the Board of Directors and the Supervisory Board of the Company at a rate of 1.5% of profit after tax, although in 2023 the results have been profitable, but accumulated until the end of the year, the undistributed profit is VND 33.5 billion, while the business and production situation in 2024 still has many difficulties, especially in the field of construction materials production. Therefore, the General Meeting agreed not to pay remuneration 2023 to the Board of Directors and the Supervisory Board of the Company.

Content 11:

Approve contents related to the production and business activities of the Company approved by the Board of Directors, including:

1. Approve selecting Omanco Material Viet Nam Company Limited as the main strategic partner consuming the export products of the Company, and at the same time the main supplier of raw materials and input materials in the cement production process in 2024 and the following years.
2. Approve all contents of the Board Resolution 2023 and 2024 related to the production and business activities of the Company; assign the Board of Directors and General Manager of the Company to organize the implementation.

Content 12:

Approve the transactions between affiliated parties expected to incur in 2024.

In 2023, transactions with affiliated parties implemented in accordance with the Board Resolution and General Mandate will be fully reported in the Footnotes of Audited Financial Statements 2023.

To save costs and ensure the timeliness in managing the the production and business activities in 2024 of the Company, the General Meeting of Shareholders authorized the Board of Directors/the General Manager to consider and decide:

* Contracts and transactions incurring under the authority of the General Meeting of Shareholders includeing: borrowing, lending, advances of other contracts, and transactions between the Company and affiliated entities.
* Contracts and transactions incurring with other affiliated entities in accordance with the Law on Enterprises and the Company's Charter under the authority of the General Meeting of Shareholders.
* Valid time: From the time of approval of the General Meeting of Shareholders to the next Annual General Meeting of Shareholders.
* Transactions with affiliated parties that incur in reality will be fully reported in the Footnotes of Self-Made Financial Statements and the Semi-annual Reviewed Statements and annual Audited Statements.

Content 13:

Approve the proposed list of the Supervisory Board on selecting one of the following audit companies to audit the Financial Statements 2024 as follows:

1. AASC Auditing Firm Company Limited. Head office: No. 1 Le Phung Hieu, Hoan Kiem District, Hanoi City.
2. Vietnam Auditing and Valuation Company Limited (AVA). Head office: 14th Floor, SUDICO Building, Me Tri Street, My Dinh 1 Ward, Nam Tu Liem District, Hanoi City.
3. RSM Vietnam Auditing & Consulting Limited – Ha Noi Branch, Head office: Cau Giay District, Hanoi City.
4. Deloitte Vietnam Company Limited, Head office: Floor 15, Vinaconex Building, 34 Lang Ha Street, Lang Ha Ward, Dong Da District, Hanoi City.

With criteria:

* Be approved to conduct audits for entities with public interest in 2024.
* Be honest and uphold professional ethics, and have a good reputation in the audit industry.
* Have reasonable audit costs.

The General Meeting of Shareholders authorized the Board of Directors to select one of the above audit companies to audit the Financial Statements 2024 in accordance with the law.

Content 14:

Approve authorizing the Board of Directors and the Executive Board to:

1. Continue to review and evaluate all of the assets of the Company, natural resources, minerals, infrastructure projects, etc. of the Company, capital contributions, investment of the Company in subsidiaries, and financial investments. Decide to implement plans such as investment, sale, liquidation, transfer, business cooperation, lease, transfer (divestment), etc. to increase finance for production and business activities, bringing economic efficiency to the Company.
2. Implement consolidation, arrangement, and rearrangement of the organizational apparatus and personnel at all levels to ensure leanness, efficiency, and suitability with the actual production and business model and requirements of the Company.

Content 15:

Approve the dividend distribution plan 2024 as follows:

Expected dividend payment rate: Minimum 5% in cash or by shares.

Approve authorizing the Board of Directors to:

* Consider and decide on specific payment methods and rates depending on the production and business status.
* Develop a share issuance plan to pay/prepay dividends and implement other necessary procedures to successfully implement the issuance.
* Register the increase of charter capital and, at the same time amend the Company's Charter and handle related issues to ensure compliance with the provisions of law.
* Register for depository and additional listing of all additional issued shares according to regulations.
* Carry out other works to complete the share issuance to pay dividends in 2024 according to regulations.
* Depending on each specific case, the Board of Directors authorized the General Manager to implement tasks related to the dividend payment 2024 mentioned above.

Content 16:

Approve the remuneration for members of the Board of Directors and the Supervisory Board in 2024, not exceeding 1.5% of profit after tax.

Content 17:

Approve investing in project business, or joint venture cooperation, establishing a subsidiary to implement the project or transfer the project to a capable and experienced partner at land lots DVHH-1 and DVHH-2 belonging to detail plan at a rate of 1/500, Dong Yen Thanh Residential Area in Yen Thanh Ward, Uong Bi City was approved by the Provincial People's Committee in Decision No. 44/QD-UBND dated January 7, 2011, corrected at Decision No. 3932/QD-UBND dated December 14, 2011. Decision No. 872/QD-UBND dated April 2, 2015, adjusting investment approval in Decision No. 4906/QD-UBND dated December 31, 2020 (Total land use area 39,309.4 m2), land allocation in Decision No. 3981/QD-UBND dated October 24, 2017 (Total land use area 39,309.4 m2, of which 8,047 m2 is for implementing mixed service business projects).

The General Meeting of Shareholders authorized the Board of Directors to choose the form of project investment, joint venture cooperation, or transfer rights to qualified partners, ensuring the rights and benefits of the Company.

Content 18:

Approve authorizing and assigning the Board of Directors, the Executive Board, and the Supervisory Board of the Company to continue to request relevant units and individuals to handle and resolve problems related to the production and business activities of the Company according to the content of the General Mandate and the Board Resolution/ Decision/ Request from 2020 to 2023 according to the Company's regulations and current laws.

Content 19:

Approve on authorizing the Board of Directors of the Company and the Executive Board, on behalf of the General Meeting of Shareholders, to decide and implement other contents within the authority of the General Meeting of Shareholders during the period between two terms of the Annual General Meeting to promptly respond to the business activities of the Company (implementation contents will be reported at the nearest General Meeting of Shareholders).

‎‎Article 2. This General Mandate takes effect on the date of its signing.

Article 3. Members of the Board of Directors, the Supervisory Board, the Board of Management, the Heads of relevant departments, units, and individuals are responsible for implementing this General Mandate./.