

**REPORT ON THE ACTIVITIES OF THE BOARD OF DIRECTORS**  
**2025 Annual General Meeting of Shareholders**

**A. THE FORMATION AND DEVELOPMENT PROCESS OF THE COMPANY**

**I. GENERAL INTRODUCTION:**

Song Da Cao Cuong Joint Stock Company is a science and technology enterprise, established and operating under Business Registration Certificate No. 0800376530 issued by the Hai Duong Department of Planning and Investment for the first time on April 17, 2007, amended and re-issued for the 16th time on January 2, 2024; with the main business lines: Exploitation, production and trading of additives for concrete and cement; Production and trading of construction materials; Research, training, application and technology transfer in the field of production of additives for concrete, cement and construction materials; Transport of goods by car and ship; Mechanical processing and steel structures in construction; Consulting, design, manufacturing, technology transfer of technological lines on: Environmental treatment, production of construction materials, ...; Is a public company that has listed shares on the Hanoi Stock Exchange since 2010, now trading on the UPCOM, including individual and legal entities shareholders; The legal representative of the Company is Mr. Vu Van Chien - General Director of the Company.

Charter capital: VND 223.928.390.000

Total number of shares: 22.392.839 shares

Par value of shares: VND 10,000/share

**II. DEVELOPMENT PROCESS**

**1. Formation and development**

Through many years of construction and development, from having only one factory producing one type of product, fly ash, up to now, the Company has become a science and technology enterprise and is always a pioneer in the treatment of industrial waste to create useful products. The Company has many national-level topics and projects for self-research, design, manufacture, installation, and operation of technological lines for treating ash, slag, and gypsum of coal-fired thermal power plants and chemical fertilizers to make construction materials. Currently, the Company



has a new construction materials production complex, with factories producing many new materials such as fly ash, unburnt lightweight materials (AAC autoclaved lightweight blocks, ALC autoclaved lightweight panels); dry mortar; tile adhesive; grout, skim-coat, etc. Up to now, the Company's total assets are VND 623.7 billion.

## **2. Company's goals and orientation:**

- Develop stably and sustainably, becoming a leading large enterprise in the field of technology and production of new, high-quality construction materials, using raw materials mainly from industrial waste; while constantly enhance the reputation and brand of the Company in the market, preserve and develop shareholders' capital, complete the production and business plan targets approved by the General Meeting of Shareholders, ensure the value of shares, shareholders' dividends and workers' income.

- Search, exploit and develop international markets to export products such as fly ash, unburnt lightweight materials (AAC autoclaved lightweight blocks, ALC autoclaved lightweight panels), dry mortar, tile adhesive, grout, skim-coat...; seize investment and business opportunities to bring high efficiency to the Company.

- Strengthen joint ventures and cooperation with domestic and foreign organizations, individuals, and scientific research institutes to expand the scale of investment in both breadth and depth in areas with great potential, especially in the treatment of solid waste from coal-fired thermal power plants and chemical fertilizer factories to produce new and useful construction materials, saving resources for the country.

- Pay attention to recruiting and attracting talents, strengthen on-site training and training to improve management, expertise and skills for staff, and arrange labor reasonably so that workers can maximize their potential.

- Promote brand promotion activities to enhance product and brand recognition of the Company in domestic and international markets. Increasing the Company's level of recognition will help the Company reach more potential customers, thereby boosting sales, expanding strategic cooperation opportunities and creating a solid foundation for sustainable business development.

## **III. STRUCTURE AND ORGANIZATION.**

### **1. The current Board of Directors consists of:**

- Mr Kieu Van Mat	Chairman of the Board of Directors
- Mr Nguyen Hong Quyen	Member of the Board of Directors
- Mr Nguyen Anh Dung	Member of the Board of Directors
- Mr Kieu Quang Vong	Member of the Board of Directors



- Mr Nguyen Anh Hong                      Member of the Board of Directors

- The Board of Directors of the Company operates according to the resolutions of the General Meeting of Shareholders, according to the Charter and regulations, rules of the Company, in compliance with the provisions of current law; The Board of Directors of the Company is the organization that manages and decides on development orientation policies, production and business and investment plan targets. At the same time, it directly implements a number of contents under its authority.

## **2. Board of Management**

- Mr. Vu Van Chien                      General Director
- Mr. Pham Van Thu                      Deputy General Director

The Board of Management organizes the implementation of policies, resolutions and decisions of the Board of Directors and the General Meeting of Shareholders in accordance with the provisions of law.

## **3. Departments, offices and affiliated units include:**

- 3.1. Finance and Accounting Department.
- 3.2. Organization and Administration Department.
- 3.3. Business Department.
- 3.4. Technical Department
- 3.5. Technology Department
- 3.6. Production complex includes:

- Pha Lai Fly Ash Production Plant: including Fly Ash Selection Workshop, Fly Ash Drying Workshop
- Construction Mortar Production Plant
- Tile Adhesive Production Plant
- Autoclaved Aerated Concrete Plant
- Equipment Manufacturing Plant: including Mechanical Manufacturing - Electrical Workshop and Mechanical Workshop
- Office of manufacturing plants.
- Lab Room

- 3.7. Vinh Tan Ash and Slag Treatment Plant Project Management Board.

The subordinate departments operate according to the Company's hierarchy, under the direct direction of the Board of Management.

## **4. Associated companies:**



- Dinh Vu Gypsum Joint Stock Company: On January 15, 2024, the Board of Directors of Song Da Cao Cuong Joint Stock Company approved the decision to withdraw all capital from Dinh Vu Gypsum Joint Stock Company. Accordingly, as of December 31, 2024, Dinh Vu Gypsum Joint Stock Company is no longer an associated company of Song Da Cao Cuong Joint Stock Company.

- Vinh Tan Concrete Joint Stock Company: On June 21, 2024, the General Meeting of Shareholders of Vinh Tan Concrete Joint Stock Company approved the decision to dissolve Vinh Tan Concrete Joint Stock Company. By December 27, 2024, Vinh Tan Concrete Joint Stock Company had completed the dissolution. Accordingly, as of December 31, 2024, Vinh Tan Concrete Joint Stock Company is no longer an associated company of Song Da Cao Cuong Joint Stock Company.

#### **5. Party and mass organizations:**

Along with the process of construction and development, the Company also develops organizations such as the Party, Trade Union, Youth Union; the above organizations operate according to current regulations and the legitimate aspirations of the workforce.

### **B. ACTIVITIES OF THE BOARD OF DIRECTORS IN 2024 AND WORK PROGRAM IN 2025**

#### **1. Development situation**

- Regarding production capacity and products: Through the process of investment in construction, renovation and technological innovation, up to now, the Company has a complex of closed-loop factories, producing products with many outstanding features and advantages in the construction field such as: fly ash, AAC lightweight blocks, ALC lightweight panels, tile adhesive, dry mortar, skim-coat, grout, ... with increasingly improved quality, large output, competitive prices, ensuring the requirements of contracts signed with domestic and international partners and customers.

- Regarding the market: From only producing fly ash to supply domestic hydropower projects, up to now, the company has researched, produced and developed AAC lightweight blocks, ALC lightweight panels, tile adhesive, dry mortar, skim-coat, grout to supply the market. In 2024, the Company opened a representative office in Ho Chi Minh City and Hanoi thereby contribute to expanding the market for products nationwide and exporting to Southeast Asian countries, building an increasingly good reputation and brand in the market, signing contracts with domestic and foreign partners with large output, long term to ensure investment in expanding production



scale, economic efficiency and sustainable development, towards export as the main source of revenue.

- Regarding science and technology: The company has a team of dedicated workers and scientists, with in-depth expertise, mastering production technology. Recognizing the importance of science and technology, the role of the value content of science and technology in determining the price and quality of products, determining the competitiveness and longevity of products, together with the scientific staff of the Company, in 2024, the Company cooperated with domestic and foreign scientists and established the Science and Technology Board to serve the needs of research, development and application of science and technology in production and business, thereby creating new products with better quality, better prices, meeting the increasingly high and diverse needs of the market and saving production and management costs for the Company.

- Some main indicators of production and business performance results in 2024:

No	Content/Indicators	Unit	Plan 2024 <sup>1</sup>	Implementation 2024	Plan/Implementation 2024 (%)
<b>I</b>	<b>Production and consumption output</b>				
1	Wet fly ash production	Ton	200.000	192.220	96,1
2	Dry fly ash production	Ton	170.000	251.299	147,8
3	Recovered coal	Ton	62.000	65.954	106,4
4	Dry mortar production	Ton	318.000	311.671	98
5	Block and stone adhesive production	Ton	8.000	7.166	89,6
6	AAC lightweight block	M3	70.000	65.503	93,6
7	Panel	M3	25.000	26.347	105,4
<b>II</b>	<b>Financial results</b>				
1	Total Revenue	Billion Đ	<b>408,96</b>	<b>431,07</b>	105,4
2	Profit Before Tax	Billion Đ	31,59	33,60	106,4
3	Corporate Income Tax Expense	Billion Đ	6,32	7,04	111,4
4	Profit After Tax	Billion Đ	25,27	26,57	105,1

<sup>1</sup> Amendment plan



No	Content/Indicators	Unit	Plan 2024 <sup>1</sup>	Implementation 2024	Plan/Implementation 2024 (%)
III	<b>Investment</b>	Billion Đ	215,00	325,45	151,4
IV	<b>Bank Guarantee</b>	Billion Đ	40	22,52	56,3
V	<b>Labor, Salary Average</b>				
1	Total number of employees in the whole Company	Person	334	336	100,6
2	Payments for employees	Billion Đ	54,1	55,6	102,8
3	Average income/person/month	Million Đ	13,5	13,8	102,2

## 2. Some key features of 2024

- Maintain and promote the unified leadership in the Company, the dynamism, creativity and determination of the Board of Directors, the Board of Management, and the staff of the entire Company who have united and strived to overcome difficulties;

- Regarding the Company's production complex in Pha Lai: The Company has invested in purchasing a number of machines and equipment to ensure production and business services and invested in building additional canteens for employees, renovating offices for departments. The Company has built a number of accommodation and resting rooms for staff so that the sales team and key workers living far away can work with peace of mind, contributing to reducing the cost of renting accommodation and attracting workers to the Company. The Company has also invested in building a sports facility for staff to practice sports outside of working hours.

- Regarding the investment in the silo system and ash pump at Vinh Tan International Port: This is an important investment item, demonstrating the Company's capacity, which has been put into good operation and pumped out many shipments in 2024.

- Regarding the implementation of the construction of the temporary ash and slag separation line in Vinh Tan, Binh Thuan: During the investment and construction process, the Company adjusted and supplemented technology and equipment for some items to suit the reality, such as partially adjusting the technology of the flap dryer to the rotary dryer; adding a mixing station and internal road system items from the aggregate road to the concrete road and the connecting road to the slag dump center of



Vinh Tan Thermal Power Plant. Up to now, the Company has basically completed the construction of the temporary ash and slag separation line to implement the treatment and consumption of ash and slag in the Vinh Tan Thermal Power Plant cluster, Binh Thuan. Currently, the line is in the process of trial operation and waiting for environmental license. After officially coming into operation, the Company will deploy the treatment of ash and slag from the Vinh Tan Thermal Power Plant Complex, Binh Thuan to produce construction materials for the Southern market and for export.

- With the current development speed of the Company, the Company's officers and employees need to make more efforts, constantly learn and develop themselves to meet the requirements of the job, thereby contributing to the construction and development of the Company. Currently, the Company is still increasing the recruitment of technical staff, business, information technology engineers to improve production capacity, expand the market, enhance competitiveness and carry out the digital transformation revolution.

### **3. Board of Directors Activities in 2024**

3.1. Organizing the Annual General Meeting of Shareholders: Successfully organized the 2024 Annual General Meeting of Shareholders in April 2024 and basically completed the contents of the Meeting according to the provisions of the Charter and the Law on Enterprises.

3.2. Directing the issuance of shares:

- The offering of 3 million shares to existing shareholders as per Resolution No. 861/NQ-ĐHĐCĐ, approved by the General Meeting on December 11, 2023: This offering is prioritized over all other capital increase issuance plans for 2024 to raise funds for investment in the ... project (the purpose of this offering). However, due to various objective factors related to documentation, legal regulations on the timeline for supplementing documents, etc., the application for this offering has been delayed in obtaining approval. To ensure the interests of shareholders, the Board of Directors has decided to temporarily suspend these offerings and prioritize the implementation of the plan to issue shares to pay the 2023 dividends.

- The offering of 5 million shares to existing shareholders as per Resolution No. 336/NQ-ĐHĐCĐ, approved by the General Meeting on April 22, 2024: Since the Company cannot conduct two share offerings to existing shareholders simultaneously, the Board of Directors has decided to carry out the offering of 5 million shares in the final phase, after completing the issuance of 3 million shares to existing shareholders, the issuance of shares to pay dividends, and the ESOP issuance. However, due to



delays in the aforementioned issuances, the implementation of the 5 million share offering has not yet been executed.

- The issuance of shares under the Employee Stock Ownership Plan (ESOP): According to the plan, the issuance of shares under the ESOP program, as per Resolution No. 336/NQ-ĐHĐCĐ approved by the General Meeting on April 22, 2024, was scheduled to be implemented after completing the issuance of shares to pay the 2023 dividends. However, as the prior share issuances have not been completed, the ESOP share issuance plan has not yet been carried out.

- The issuance of shares to pay the 2023 dividends: The issuance of 3,732,179 shares to pay the 2023 dividends, as per Resolution No. 336/NQ-ĐHĐCĐ approved by the General Meeting on April 22, 2024 (attached with the Proposal Document), is currently being implemented. On March 11, 2025, the Company received Document No. 125/UBCK-QLCB dated March 11, 2025, from the State Securities Commission confirming receipt of the Company's report on the issuance of shares to pay dividends. The record date for determining the allocation of rights to existing shareholders is March 26, 2025. After receiving the list of shareholders entitled to receive dividend shares, the Company will proceed with the following tasks: reporting the results to the State Securities Commission, registering the additional issued shares with the Vietnam Securities Depository and Clearing Corporation, the Hanoi Stock Exchange, and carrying out amendments to the business registration and company charter in accordance with regulations. For shareholders who have not yet deposited their shares, the Company will issue Certificates of Ownership for the additional issued shares.

The Board of Directors report at the 2025 Annual General Meeting of Shareholders on the implementation status of the plans approved at the General Meeting. For plans that have not been implemented, the Board of Directors will submit to the General Meeting for approval the cancellation of the old plans and their replacement with new plans that are suitable to the current situation.

3.3. The Board of Directors held 10 meetings, promptly and legally issued resolutions and decisions; proposed specific policies and measures and made appropriate decisions to meet the Company's share issuance, investment and production and business activities; resolved issues related to operating capital, legal representatives and the management of the Board of Management; regularly inspected and supervised the implementation of resolutions and decisions, thereby making appropriate adjustments to meet the Company's operational requirements.

3.4. Regarding policies and directions for technological innovation:



- For the production line of mortar and tile adhesive, it has been basically renovated with new technology, including automatic bag loading and unloading equipment (robots) to replace workers to improve productivity and output.

- For the production line of lightweight blocks: Regularly improve equipment, including finished product separator, boiler, stirring tank, etc.; have been researching and working with experts to adjust autoclaving technology, batching, increase the rate of finished products, ready to produce a variety of products according to customer needs.

### 3.5. Urge and direct the Executive Board to deploy:

- Implement the 2024 plan targets and implement the ash and slag treatment project in Vinh Tan, Binh Thuan; remove difficulties and obstacles in project construction.

- Recover capital; increase credit limit and prepare sufficient capital to promptly serve the Company's operations.

- Check and analyze production and business activities to promptly overcome difficulties and obstacles in management and operation.

- Thoroughly implement the Cultural Institution and apply it widely throughout the Company, helping employees to have a more correct and adequate understanding of the company's culture and have positive changes.

- Direct the research and production of new products to meet market demand.

- Establish many important relationships with ministries, government agencies, and major domestic and international economic corporations, creating opportunities for the Company to access production technologies and product consumption markets..

## **4. The Board of Directors' next action plan.**

4.1. Organize a meeting to analyze and evaluate the results of production, business and investment activities in 2024, review existing problems and propose solutions; focus on directing the development of production, business and investment plans for 2025, submit them to the General Meeting of Shareholders for approval, along with implementation solutions.

4.2. Organize the 2025 Annual General Meeting of Shareholders immediately after meeting all conditions as prescribed in the Company Charter.

4.3. Continue to direct the implementation of the issuance of shares:

- Stop implementing the plan to issue shares under the Company's employee stock option program (ESOP) according to Resolution No. 336/NQ-DHDCD approved by



the General Meeting on April 22, 2024 and report and seek opinions at the 2025 Annual General Meeting of Shareholders.

- Stop implementing the plan to issue 03 million shares to existing shareholders according to Resolution No. 861/ND- DHDCD approved by the General Meeting of Shareholders on December 11, 2023 and report and seek opinions at the 2025 Annual General Meeting of Shareholders.

- Stop implementing the plan to issue 05 million shares to existing shareholders according to Resolution No. 336/ND- DHDCD approved by the General Meeting of Shareholders on April 22, 2024 and report and seek opinions at the 2025 Annual General Meeting of Shareholders. opinions of the 2025 Annual General Meeting of Shareholders.

- Propose that the General Meeting approve and assign the Board of Directors to issue additional shares to increase charter capital, including: issuing 08 million shares to existing shareholders; issuing shares to pay dividends in 2024; issuing shares under the employee stock option program (ESOP). The above-mentioned share issuance will be implemented according to the new issuance plan in 2025.

4.4. Amend the content of the Company's Charter related to business lines to attract foreign investors.

4.5. Continue to direct the implementation of listing SCL shares from UPCOM on the Ho Chi Minh City Stock Exchange (HOSE) when eligible.

4.6. Dismiss members of the Board of Supervisors and elect additional members of the Board of Supervisors for the remaining term of 2022-2027.

4.7. Submit to the General Meeting of Shareholders for consideration and approval to assign/authorize the Board of Directors to approve contracts and transactions between the Company and insiders, related persons of insiders or related persons of the Company, including contracts and transactions beyond the authority of the Board of Directors.

4.8. Regarding investment for 2025 and the following years:

- In Vinh Tan, Binh Thuan:

- + To enjoy preferential investment policies in Binh Thuan according to regulations, the General Meeting is requested to approve the capital contribution to establish a company in Binh Thuan to manage the temporary project of the Company's ash and slag separation line here. Accordingly, the company model is expected to be a joint stock company.



+ Continue to invest in phase 2: build a complex of construction materials production including mortar, tile adhesive, green cement, precast concrete components, AAC lightweight blocks; ALC panels, rooftop solar power ...;

- In Hai Duong: At Bac Binh Giang lake (the Company's old fly ash production project) in Pha Lai ward, Chi Linh, Hai Duong, the Company will invest in a supplementary project on the production of ALC panels, mortar, tile adhesive; concrete mixing station, cement block and aggregate production line, colored tiles and crushing line of leaves and branches of all kinds to have wood sawdust as fuel for the Company's production.

4.9. Continue to review and supplement the Company's regulations and rules to be consistent with current regulations of the State and the actual situation to ensure transparency for the Company. Continue to supplement and perfect the management and operation mechanism, ensuring that affiliated units proactively perform their tasks, and individuals are responsible for the results of their tasks.

4.10. Organize regular and irregular Board of Directors meetings when necessary, to promptly resolve, direct and manage the Company's activities.

4.11. Direct the Board of Management to:

- Promote production to provide sufficient and timely products, ensuring quality, quantity and progress according to the signed contract. Promote the development of new markets, especially exports of products such as: Fly ash, lightweight blocks, panels, dry mortar, tile adhesives, etc. to countries around the world.

- Open representative offices, promote trade and consumption of the Company's products in Southeast Asian countries, open a representative office in Da Nang.

- Improve machinery and equipment to improve production capacity, quality and product prices to meet the requirements of domestic and international customers.

- Strengthen implementation in all aspects, remove difficulties and obstacles to ensure the progress of implementation of bidding packages, ash and slag separation and treatment projects in Vinh Tan, Binh Thuan to transfer the production of fly ash, concrete components, to serve the southern market and export, ensuring sustainable and effective development.

- Maintain and promote relationships with ministries, branches, economic groups, organizations and individuals at home and abroad to expand investment and product consumption.

- Strengthen debt collection and use capital reasonably to ensure the completion of the 2025 plan.



- Review to supplement and complete management processes, regularly review and improve the organization of leadership, management and other positions in the Company.

- Continue to contact consulting organizations, construction and installation organizations to bring products into works and projects right from the design consultation stage, especially in the construction of large projects.

- Access information from specialized ministries to corporations, general companies, and enterprises on planning and strategies for using new materials. Continue and strengthen cooperation with specialized institutes and domestic and foreign scientists to conduct scientific research, deploy the application of fly ash products, lightweight blocks, aerated concrete, mortar, tile adhesive, etc.; to have suitable solutions for the Company's long-term investment and development orientation.

- Continue to propose the Government, Ministries to apply the Prime Minister's decisions widely and usefully to waste treatment enterprises such as the Company, and continue to work with ministries, departments, institutes and associations to promulgate and supplement material standards and create mechanisms to support technology, product consumption, and reduce input ash and slag prices.

The above is the summary report of the Board of Directors in 2024, the work program in 2025, submitted to the General Meeting for consideration and comments; On this occasion, on behalf of the Board of Directors of the Company, I would like to express my sincere thanks to all delegates, Party leaders, authorities at all levels, ministries and branches, domestic and foreign customers and partners, credit institutions, research institutes, scientists, shareholders, and all officers and employees of the Company; I wish you all good health, happiness and success.

Best regards./.

**Recipients:**

- BOD, BOM.
- BOS.
- Shareholders (Report).
- Save office./.

**ON BEHALF OF THE BOD  
CHAIRMAN**



**Kieu Van Mat**