

No.: 395/TTr-HĐQT

Hai Duong, March 31, 2025

PROPOSAL
On the plan to issue shares to pay dividends in 2024

To: 2025 Annual General Meeting of Shareholders
Song Da Cao Cuong Joint Stock Company

*Pursuant to the Law on Enterprises No. 59/2020/QH14 passed on June 17, 2020;
Pursuant to the Law on Securities No. 54/2019/QH14 passed on November 26, 2019;*

Pursuant to the Law No. 56/2024/QH15 passed on November 29, 2024 on the Law amending and supplementing a number of articles of the Law on Securities, the Law on Accounting, the Law on Independent Auditing, the Law on State Budget, the Law on Management and Use of Public Assets, the Law on Tax Administration, the Law on Personal Income Tax, the Law on National Reserves, the Law on Handling of Administrative Violations;

Pursuant to Decree 155/2020/ND-CP dated December 31, 2020 of the Government detailing the implementation of a number of articles of the Law on Securities.

Pursuant to Circular 118/2020/TT-BTC dated December 31, 2020 of the Ministry of Finance guiding a number of contents on offering, issuing securities, public offering, repurchasing shares, registering public companies and canceling public company status;

Pursuant to the Charter of organization and operation of Song Da Cao Cuong Joint Stock Company;

Pursuant to production and business results and actual situation.

Based on the Company's 2024 business results, the Board of Directors (BOD) of Song Da Cao Cuong Joint Stock Company (SCL) respectfully submits to the 2025 Annual General Meeting of Shareholders for approval of the plan to issue shares to pay dividends in 2024 (the detailed plan is attached to this Proposal).

Respectfully submit to the General Meeting of Shareholders for consideration and approval

Sincerely thank you./.

Recipients:

- Shareholders;
- Office archive./.

**ON BEHALF OF THE BOD
CHAIRMAN**



Kieu Van Mat

SONG DA CAO CUONG JOINT STOCK COMPANY

**PLAN FOR ISSUING SHARES TO PAY
2024 DIVIDENDS**

(Attached to Proposal No. 395/TTr-HĐQT dated March 31, 2025)

Hai Duong, March 2025

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I. BASIC INFORMATION ABOUT THE ISSUING ORGANIZATION

Name of the issuing organization : **SONG DA CAO CUONG JOINT STOCK COMPANY**

Stock code : SCL

Trading floor : UPCOM

English name : SONG DA CAO CUONG JOINT STOCK COMPANY

Abbreviation : SONGDA CAOCUONG., JSC

Head office : Km 28 + 100m, National Highway 18, Pha Lai Ward, Chi Linh City, Hai Duong Province, Vietnam

Tel. : (0220) 358 0414

Website : www.songdacaocuong.vn

Charter capital (as of: **VND 186,608,950,000**
December 31, 2024)

II. LEGAL BASIS FOR ISSUANCE

Pursuant to:

- Law on Enterprise No. 59/2020/QH14 passed on June 17, 2020 and documents guiding the implementation of the Enterprise Law;
- Law on Securities No. 54/2019/QH14 passed on November 26, 2019 and documents guiding the implementation of the Securities Law;
- Law No. 56/2024/QH15 passed on November 29, 2024 on the Law amending and supplementing a number of articles of the Law on Securities, the Law on Accounting, the Law on Independent Auditing, the Law on State Budget, the Law on Management and Use of Public Assets, the Law on Tax Administration, the Law on Personal Income Tax, the Law on National Reserves, and the Law on Handling of Administrative Violations;
- Decree No. 155/2020/ND-CP dated December 31, 2020 of the Government detailing the implementation of a number of articles of the Law on Securities;
- Circular No. 118/2020/TT-BTC dated December 31, 2020 of the Ministry of Finance guiding a number of contents on offering, issuing securities, public

offering, repurchasing shares, registering public companies and canceling public company status;

- Charter of Song Da Cao Cuong Joint Stock Company;
- Business performance results of Song Da Cao Cuong Joint Stock Company in 2024.

III. PURPOSE OF RELEASE

Based on the business results in 2024, the Company will issue shares to pay dividends in 2024 to shareholders.

IV. PLAN FOR ISSUING SHARES

Stock name : Shares of Song Da Cao Cuong Joint Stock Company

Stock type : Common shares

Share price : VND 10,000/share

Total Outstanding Shares as of : 18,660,895 shares
December 31, 2024

Number of Shares Planned for : **2,015,355** shares
Issuance

Total Issuance Value at Par : VND **20,153,550,000**
Value

Target Recipients : Existing shareholders of SCL listed on the shareholder register as of the record date for rights allocation.

Issuance Ratio (Number of shares planned for issuance / number of outstanding shares as of March 26, 2025 is 22,392,839 shares) : Approximately 9%. If the issuance for dividend payment occurs after the issuance of 8,000,000 shares to existing shareholders and/or issuance under the Employee Stock Ownership Plan (ESOP), this ratio will be adjusted accordingly.

In case the number of outstanding shares changes at the time of dividend share issuance compared to March 26, 2025 due to the completion of other issuances, the issuance ratio will be adjusted based on the actual number of outstanding shares. Therefore, the General Meeting of Shareholders (GMS) authorizes the Board of Directors (BOD) to

	recalculate the issuance ratio to ensure the planned issuance volume of 2,015,355 shares (equivalent to VND 20,153,550,000) and fairness for shareholders.
Rights Exercise Ratio	<p>Expected to be 100:9 (on the record date for rights exercise, shareholders owning 1 share will receive 1 right, and every 100 rights will entitle the holder to 9 newly issued shares, rounded down to the nearest whole number). This ratio is calculated based on the outstanding shares after completing the 2023 dividend share issuance, which is 22,392,839 shares.</p> <p>If the number of outstanding shares changes at the time of rights allocation, leading to changes in the issuance and rights exercise ratios, the GMS authorizes the BOD to recalculate the rights exercise ratio to align with the actual situation, ensuring the planned issuance volume of 2,015,355 shares (equivalent to 20,153,550,000 VND). If the rights exercise ratio results in a non-integer number, leading to fewer than 2,015,355 shares issued, the fractional shares will be canceled.</p>
Implementation capital Source	From the undistributed after-tax profit of 2024, as per the audited 2024 financial statements.
Purpose of Issuance	: To pay the 2024 dividend.
Rounding and Handling of Fractional Shares (if any):	<p>: The number of shares issued for dividend payment to existing shareholders will be rounded down to the nearest whole number. Any fractional shares arising from rounding will be canceled.</p> <p><i>For example</i> : On 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 dividend share issuance is 1,242 shares ($6,212 \times 20/100 = 1,242.4$, rounded down to 1,242). The fractional 0.4 share will be canceled.</p>
Transfer restrictions	: Shares issued for dividend payment to existing shareholders are not subject to transfer restrictions.
Implementation Timeline	: Expected in 2025, after approval by the GMS and written notification from the State Securities

Commission (SSC) confirming receipt of complete issuance reporting documents.

V. DEPOSITORY AND ADDITIONAL TRADING REGISTRATION

Approval for registering additional securities with the Vietnam Securities Depository and Clearing Corporation and registering additional securities trading with the Hanoi Stock Exchange for the newly issued shares.

VI. AMENDMENT OF CHARTER AND BUSINESS REGISTRATION

The GMS authorizes the BOD to handle matters related to amending the charter capital in the Company's Charter of Organization and Operation based on the results of the dividend share issuance and to carry out procedures for amending the business registration in accordance with legal regulations.

VII. AUTHORIZATION

The GMS authorizes the BOD and/or the Chairman of the BOD to decide on all matters related to the issuance of shares for the 2024 dividend payment, including but not limited to the following contents:

1. Determining the specific timing and sequence of the Company's issuances in 2025.
2. Developing and implementing a detailed issuance plan and conducting necessary procedures for the issuance, including recalculating the issuance and rights exercise ratios if the number of outstanding shares changes to ensure the planned issuance volume of 2,015,355 shares (equivalent to VND 20,153,550,000).
3. Conducting necessary procedures to report to the SSC and amending or supplementing documents as required by the SSC (if needed).
4. Deciding and performing tasks and procedures related to the issuance and reporting results to the SSC.
5. Amending provisions related to charter capital, shares, and stocks in the Company's Charter of Organization and Operation after completing the issuance.
6. Deciding on all necessary matters to complete the registration of the charter capital change and amending the Enterprise Registration Certificate at the Department of Planning and Investment after the SSC confirms receipt of the issuance result report.
7. Conducting necessary procedures to register the depository and additional trading of all newly issued shares with the Vietnam Securities Depository and Clearing Corporation and the Hanoi Stock Exchange.