

No.: 396/TTr-HĐQT

*Hai Duong, March 31, 2025*

**PROPOSAL  
On the plan to issue shares  
under the Employee Stock Option Program (ESOP)**

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;*

*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 the status of public companies;*

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

*Pursuant to the actual situation.*

In recognition of the efforts of key members who have contributed to the Company's business investment efficiency and committed to continuing to accompany the Company for a long time and attracting and retaining high-quality, qualified and experienced human resources, the Board of Directors respectfully submits to the General Meeting of Shareholders for approval of the plan to issue shares under the Employee Stock Ownership Plan (ESOP). (Details of the plan are attached to this submission).

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**



*Mr. Kieu Van Mat*

SONG DA CAO CUONG JOINT STOCK COMPANY

**PLAN FOR ISSUING SHARES UNDER THE  
EMPLOYEE STOCK OWNERSHIP PLAN  
(ESOP)**

*(Attached to Proposal No. 396/TTr-HĐQT dated March 31, 2025)*

Hai Duong, March 2025

800  
NG T  
PH  
NG Đ  
CƯ  
ẢI D

## **TABLE OF CONTENTS**

<b>I. BASIC INFORMATION ABOUT THE ISSUING ORGANIZATION .....</b>	<b>1</b>
<b>II. LEGAL BASIS FOR ISSUANCE .....</b>	<b>1</b>
<b>III. PURPOSE OF THE ISSUANCE .....</b>	<b>2</b>
<b>IV. PLAN FOR ISSUING SHARES .....</b>	<b>2</b>
<b>V. CAPITAL USAGE PLAN.....</b>	<b>3</b>
<b>VI. DEPOSITORY AND ADDITIONAL TRADING REGISTRATION .....</b>	<b>3</b>
<b>VII. AMENDMENT OF CHARTER AND BUSINESS REGISTRATION.....</b>	<b>4</b>
<b>VIII. AUTHORIZATION .....</b>	<b>4</b>



## **I. BASIC INFORMATION ABOUT THE ISSUING ORGANIZATION**

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

Stock code : SCL

Stock Exchange : UPCOM

English name : SONG DA CAO CUONG JOINT STOCK COMPANY

Abbreviated Name : 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](http://www.songdacaocuong.vn)

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

## **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;
- The Company's production and business results in 2024;
- The Company's actual capital needs.

### III. PURPOSE OF RELEASE

---

The Company issues shares under the Employee Stock Ownership Program (ESOP) to recognize the efforts of key members who have contributed to the Company's business and investment performance, encourage their long-term commitment to the Company, and attract and retain high-quality, experienced human resources.

### IV. PLAN FOR ISSUING SHARES

---

Stock name	: Shares of Song Da Cao Cuong Joint Stock Company
Stock type	: Common stock
Share price	: VND 10,000 /share
Total Outstanding Shares as of 31/12/2024	: 18,660,895 shares .
Number of Shares Planned for Issuance	: The General Meeting of Shareholders (GMS) authorizes the Board of Directors (BOD) to determine the specific number of shares to be issued, not exceeding 5% of the Company's outstanding shares at the time of issuance.
Issuance ratio (Number of shares planned for issuance/number of outstanding shares)	The General Meeting of Shareholders authorizes the Board of Directors to decide on the issuance ratio but not exceeding 5% of outstanding shares.
Offering Price	: VND 12,500/share
Issuance Method	: Offering shares under the ESOP.
Target Recipients	: Members of the BOD, Supervisory Board, General Director's Board, management levels, and employees who have made significant contributions to the Company's development and commit to long-



term engagement with the Company. The GMS authorizes the BOD to decide the detailed list of eligible recipients, the principles for determining the number of shares allocated to each recipient, and the implementation timeline.

Eligibility Criteria for Employees : The GMS authorizes the BOD to determine the eligibility criteria for employees participating in the program

Foreign ownership ratio : The GMS authorizes the BOD to approve a plan ensuring the share issuance complies with regulations on foreign ownership ratios.

Handling of Unsubscribed Shares : In case employees waive their rights to purchase part or all of the shares allocated under the ESOP, the GMS authorizes the BOD to offer the remaining shares to employees, members of the Board of Directors, Supervisory Board, or other eligible entities in accordance with legal regulations.

Transfer restrictions : ESOP shares are restricted from transfer for one year from the completion date of the offering.

Transfer of purchase rights : Employees entitled to purchase ESOP shares are not allowed to transfer their purchase rights to others.

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. CAPITAL USAGE PLAN**

The proceeds from the offering will be used to supplement the Company's working capital.

## **VI. DEPOSITORY AND ADDITIONAL TRADING REGISTRATION**

All additional issued shares will be registered for depository with the Vietnam Securities Depository and Clearing Corporation (VSDC) and for additional trading with the Hanoi Stock Exchange (HNX) in accordance with legal regulations.



## **VII. 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 ESOP share issuance and to carry out procedures for amending the business registration in accordance with legal regulations.

## **VIII. AUTHORITY**

---

The GMS authorizes the BOD to handle matters related to the ESOP share issuance, including but not limited to:

1. Determining the specific timing and sequence of the Company's issuances in 2025.
2. Issuing regulations for the ESOP share issuance; approving the list of employees eligible for the ESOP, the principles for determining the price (if needed), the principles for allocating shares to each recipient, and the implementation timeline.
3. Proactively deciding and implementing other tasks (if any) to ensure the success of the issuance.
4. Conducting necessary procedures to register the ESOP share issuance with the SSC and amending or supplementing documents as required by the SSC (if needed).
5. Deciding on amendments, supplements, or adjustments to the issuance plan approved by the GMS, preparing, revising, and explaining all related documents and procedures as required by regulatory authorities (if any) and in compliance with relevant legal regulations.
6. Deciding on the repurchase and use of shares when an eligible ESOP participant leaves the Company.
7. Approving a plan to ensure the share issuance complies with foreign ownership ratio regulations.
8. Amending provisions related to charter capital, shares, and stocks in the Company's Charter of Organization and Operation after completing the issuance.
9. 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.
10. 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.