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No : 02/ĐHCĐ/TT-HĐQT

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Quang Nam, May 16, 2025

PROPOSAL

*Re: Issuance of Shares for Dividend Payment in 2024 and
Public Offering Plan for Additional Shares*

**To: The Annual General Meeting of Shareholders 2025
Quang Nam Mineral Industry Corporation**

Pursuant to:

- *The Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;*
- *The Law on Securities No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019;*
- *The Charter on the organization and operation of Quang Nam Mineral Industry Joint Stock Company approved on June 29, 2021;*
- *The business performance results in 2024 and the Consolidated Financial Statements audited by Deloitte Vietnam Co., Ltd*

The Board of Directors of Quang Nam Mineral Industry Corporation respectfully submits to the Annual General Meeting of Shareholders 2025 for approval of the plan to issue shares for the purpose of paying dividends for 2024 and Public Offering Plan for Additional Shares as follows:

I. Plan for Issuance of Shares to Pay Dividends for 2024

1. Share name: Share of Quang Nam Mineral Industry Corporation
2. Type of shares: Common shares
3. Par value of shares: VND 10,000 per share.
4. Number of outstanding shares: 5,544,946 shares.
5. Number of treasury shares: 30,325 shares.
6. Issuance ratio for dividend payment: 55% of the total outstanding shares at the time of issuance, equivalent to a ratio of 100:55 (for every 1 share held, shareholders will receive 1 right; for every 100 rights, shareholders will receive 55 additional shares issued for dividend payment).
7. Estimated number of shares to be issued for dividend payment: Up to 3,049,720 shares.
8. Total estimated issuance value at par value: VND 30,497,200,000
9. Rounding principle and handling of fractional shares: The number of shares issued will be rounded down to the nearest whole number. Any fractional shares (if any) arising from the issuance will be canceled. Treasury shares are not entitled to rights.

Example: On the record date, shareholder Nguyen Van A holds 96 shares. The number of new shares Nguyen Van A will receive is calculated as $(96/100) \times 55 = 52.8$ shares. Following the rounding principle, Nguyen Van A will receive 52 shares, and the remaining 0.8 fractional shares will be canceled.



10. Source of issuance: From undistributed after-tax profit as shown in the audited consolidated financial statements of 2024.
11. Purpose of issuance: To pay dividends for 2024.
12. Eligible participants: Existing shareholders whose names are recorded on the final list of shareholders entitled to receive dividends for 2024. Treasury shares (if any) are not entitled to receive dividends.
13. Implementation method: Existing shareholders will receive the additional shares based on their entitlements. These rights are non-transferable.
14. Transfer restriction: Shares currently under transfer restriction (if any) are still entitled to receive additional shares. Shares issued for dividend payment will not be subject to transfer restriction.
15. Expected issuance time: Within 2025, immediately after receiving confirmation of the report on the issuance from the State Securities Commission of Vietnam (SSC), in compliance with legal regulations.
16. Distribution method: Shares will be distributed directly to existing shareholders whose names are recorded on the final list on the record date.
17. Registering Depository and Additional Listing of Issued Shares: The Company shall complete the procedures for depository registration and the additional listing of the successfully issued shares with the Vietnam Securities Depository and Clearing Corporation (VSDC) and the Hanoi Stock Exchange (HNX) in accordance with applicable laws.

II. Approval of the Public Offering Plan for Additional Shares

1. Name of the Issuer: Quang Nam Mineral Industrial Joint Stock Company
2. Name of the Offered Shares: Shares of Quang Nam Mineral Industrial Joint Stock Company
3. Stock Code: MIC
4. Type of Shares Offered: Common shares
5. Par Value: VND 10,000 per share
6. Offering Method: Public offering of additional shares to existing shareholders
7. Current Charter Capital: VND 55,449,460,000
8. Current Outstanding Shares: 5,544,946 shares, including:
 - Common shares: 5,514,521 shares
 - Preferred shares: 0 shares
 - Treasury shares: 30,325 shares
9. Estimated Outstanding Shares Before Offering: 8,594,666 shares (following issuance of shares for dividend payment). Expected charter capital after the above issuance: VND 85,946,660,000
10. Maximum Number of Shares to Be Offered: 50,000,000 shares
11. Total Par Value of the Offering: VND 500,000,000,000
12. Eligible Subscribers: Existing shareholders whose names appear on the shareholder list on the record date as announced by the Board of Directors (BOD)
13. Offering Price: VND 10,000 per share
14. Principles for Determining Offering Price:

The offering price is decided by the General Meeting of Shareholders (GMS) based on a comparison of book value, market price, and aimed at balancing the interests of shareholders and the company, as well as ensuring offering success.

- Book value as of 31/12/2024 (audited): VND 16,658/share
- Average market price (last 10 trading sessions from 16/04/2025 to 29/04/2025): VND 19,150/share.

→ Final offering price: VND 10,000/share

15. Rights Execution Ratio: 100:581 (for each share held, a shareholder will receive one right, and one hundred right entitles the holder to purchase 581 new shares). Treasury shares are not entitled to rights. The BOD is authorized to determine the final ratio to ensure the offered shares do not exceed the registered amount.
16. Transfer of Subscription Rights:
 - Subscription rights may be transferred only once. The transferee is not allowed to transfer the rights further to a third party.
 - Subscription rights may be divided and transferred to multiple investors based on the agreement between the parties.
 - The transfer of subscription rights to foreign investors must ensure that the foreign ownership ratio complies with the applicable regulations
17. Handling of Odd Shares Arising, Shares Not Subscribed by Shareholders (if any):
 - Shares offered to existing shareholders by the subscription rights method shall be rounded down to the nearest whole unit.
 - Any odd shares arising (if any) and shares not subscribed by shareholders or transferees of subscription rights may be offered for sale to other subjects under the condition that the offering terms are not more favorable than those offered to existing shareholders (including the offering price not lower than the price offered to existing shareholders).
 - The offering to other subjects as above must comply with the cross-ownership regulations in Clause 2, Article 195 of the Law on Enterprises No. 59/2020/QH14 and other relevant laws.
 - Remaining shares not fully distributed to existing shareholders after being offered to other investors as decided by the Board of Directors shall be subject to a transfer restriction for 01 year from the end date of the offering period.
 - Handling of remaining shares not fully distributed to existing shareholders must comply with the provisions of Article 42 of Decree No. 155/2020/ND-CP dated December 31, 2020, and meet other conditions as stipulated in Clause 2, Article 195 of the Law on Enterprises and other relevant current regulations.
 - In case the distribution period expires according to the law (including any extension period, if any), and shares remain undistributed, these remaining shares shall be canceled, except in cases where the offering is under a guaranteed issuance contract as prescribed.
18. Transfer Restrictions:
 - Shares offered to the public are not subject to transfer restrictions;

- Remaining shares not fully distributed to existing shareholders when offered to other investors as decided by the Board of Directors shall be subject to a transfer restriction for 01 year from the end date of the offering period, except for shares purchased under a guarantee issuance contract (if any)
19. Expected Dilution: Authorize the Board of Directors to assess the dilution of the share price, earnings per share dilution, book value dilution, etc., at the time of the offering implementation and disclose this information in the Prospectus.
 20. Expected Timeline: Within 2025, after receiving approval from the State Securities Commission. The appropriate timing shall be authorized to the Board of Directors to decide.
 21. Foreign Ownership Limit Compliance: The BOD is authorized to develop a share allocation plan ensuring compliance with foreign ownership limits.
 22. Charter Capital Adjustment: Approved to amend the charter capital in the Company Charter and update the Business Registration Certificate upon SSC's confirmation of offering results.
 23. Registration for Depository and Listing: The Company will carry out depository and additional listing of successfully issued shares in accordance with applicable laws.
 24. Underwriting: The General Meeting of Shareholders authorizes the Company's Board of Directors to select and sign a contract with a financially and professionally qualified organization to perform the underwriting role for the 2025 offering of shares to existing shareholders of Quang Nam Minerals Industry Joint Stock Company.

III. Plan for Use of Proceeds from the Offering

1. Purpose of the Offering: to raise capital for:

- (i) Purchase shares/capital contributions of companies with business lines similar to the Company's main operating activities;
- (ii) Investing in a mineral road to serve the Company's production and business operations;
- (iii) Environmental restoration deposit;
- (iv) Supplement working capital of the Company.

2. Plan for Use of Proceeds from the Offering:

The total estimated amount to be raised from the offering to existing shareholders is VND 500,000,000,000 (Five hundred billion Vietnamese Dong), which Quang Nam Minerals Industry Joint Stock Company plans to use as follows:

No	Use of Proceeds from the Offering	Amount (Estimated) (VND)
1	Purchase shares/capital contributions of companies with business lines similar to the Company's main operating activities	455,500,000,000
2	Investment in mineral roads serving production and business	9,000,000,000
3	Environmental restoration deposit	6,000,000,000
4	Supplement working capital of the Company	29,500,000,000

In the event that the amount raised from the additional public offering of shares is insufficient to cover all the purposes above, the order of priority for the use of proceeds will be applied in descending order as follows:

- Priority 1: Purchase shares/capital contributions of companies with business lines similar to the Company's main operating activities;
- Priority 2: Investment in the mineral road to serve production and business operations;
- Priority 3: Environmental recovery deposit;
- Priority 4: Supplement working capital of the Company.

2.1. Purchase shares/capital contributions of companies with business lines similar to the Company's main operating activities Company

a. Objective:

Through purchasing shares/capital contributions in the target company to:

- Increase ownership of sand mines with good reserves and raw material quality.
- Expand the scale of operations and increase the Company's market share in the field of sand mining and production of sand-related products.

b. Criteria for selecting the target company

- Own sand mines aligned with Minco's development orientation, with a minimum reserve of 5 million tons.
- Priority given to target enterprises that have sand processing plants.
- Charter capital of over 100 billion VND.
- Effective business operations with a minimum ROE of 5% based on the latest audited financial statements.

c. Plan for purchasing shares/capital contributions

Purchase shares/capital contributions from existing shareholders or through a share issuance of the target company under the following conditions:

- Ownership ratio after the transaction: at least 51% of the paid-up charter capital
- Maximum purchase value: 480,000,000,000 VND (*four hundred eighty billion dong*)

d. Authorization Content

To ensure the effective purchase of shares/capital contributions of the target company(ies), the General Meeting of Shareholders authorizes the Board of Directors to proactively select target enterprises, negotiate the terms and conditions of purchasing shares/capital contributions, and approve the signing of share/capital contribution purchase agreements with the shareholders of the target company(ies) and/or the target company(ies) themselves. Any purchase of shares/capital contributions issued by the target company must comply with the information disclosure regulations applicable to public companies and be reported at the next General Meeting of Shareholders (after the transaction).

The General Meeting of Shareholders authorizes the Board of Directors to approve and implement a new investment plan with a maximum value of VND 480,000,000,000 (*four hundred eighty billion Vietnamese dong*) through the acquisition of shares/equity interests from existing shareholders or through a capital issuance by the target enterprise.

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2.2. Investment in the mineral road to serve production and business operations

The investment amount for the mineral road is VND 9,000,000,000 (*nine billion dong*).

2.3. Environmental restoration deposit

The environmental restoration deposit amount is VND 6,000,000,000 (*six billion dong*).

2.4. Working Capital Supplement for the Company

The proceeds from the additional share offering to existing shareholders are expected to be used for the following purposes, in order of priority:

No	Expense Items	Estimated Amount (VND)	Disbursement Timeline
I	Supplement working capital for production and business	21,500,000,000	Expected after the offering until the end of 2025
1	Natural resource tax for mineral exploitation	8,000,000,000	
2	Environmental protection fee	1,000,000,000	
3	Fees for exploitation rights of mines, groundwater, surface water	3,000,000,000	
4	Land rent	3,000,000,000	
5	Transportation and loading/unloading costs	6,500,000,000	
II	Red soil for land rehabilitation	8,000,000,000	
Tổng cộng		29,500,000,000	

IV. The General Meeting of Shareholders Delegates and Authorizes the Board of Directors

The General Meeting of Shareholders hereby authorizes the Board of Directors to perform the following tasks:

1. Complete procedures for distributing shares as stock dividends; calculate and determine the exact number of shares to be issued based on the issuance ratio and rounding principles, handle fractional shares as approved by the General Meeting; and report the issuance results to the State Securities Commission of Vietnam.
2. Decide on amendments, supplements, or adjustments to the charter capital increase plan approved by the General Meeting; prepare, revise, and explain all dossiers and procedures related to the offering as required by regulatory authorities (if any), in order to implement the offering plan with maximum efficiency, in conformity with MINCO's actual business operations, relevant legal provisions, MINCO's Charter, and the rights of the Company's shareholders.
3. Determine the timing for implementing the offering plan, the record date for finalizing the list of shareholders entitled to rights, and the timing and schedule for the share offering to increase charter capital, ensuring the interests of shareholders.
4. Develop and approve criteria for selecting investors to whom fractional shares and shares of shareholders who decline to subscribe will be allocated; proactively negotiate with and select

- investors to allocate these shares in accordance with the offering plan.
5. Develop and approve a plan to ensure the maximum foreign ownership ratio in the Company.
 6. Develop and approve a financial backstop plan in case of a funding shortfall.
 7. Decide on engaging underwriting services, and approve the underwriting agreement with the selected underwriter to ensure a successful and effective offering.
 8. Based on actual offering results, decide the actual number of shares offered and the actual increase in charter capital; proactively carry out post-offering legal procedures, including amending the Enterprise Registration Certificate, adjusting the charter capital section of the Charter, and other legal documents as required by law.
 9. Complete necessary procedures to register the shares with the Vietnam Securities Depository and Clearing Corporation and list the additional shares on the Hanoi Stock Exchange.
 10. Implement and adjust the plan for using the proceeds in accordance with the offering's objectives, ensuring the interests of shareholders and the Company, compliance with legal regulations, and report to the General Meeting at its next session.
 11. Proactively select and approve (or delegate approval of) contracts with advisors, underwriters, or issuing agents, and other financial partners to ensure a legally compliant and successful offering.
 12. Proactively decide upon and carry out any additional tasks (if they arise) necessary to ensure a successful offering.
 13. In specific cases, the Board of Directors may authorize the Chief Executive Officer to perform one or more of the above tasks.

Recipients:

- As above;
- Archives: Office, Secretary.

ON BEHALF OF THE BOARD OF
DIRECTORS
CHAIRWOMAN



Le Thi Thu Huong

