



Ho Chi Minh City, *March 22nd, 2023*

No.: **13/2023/TTĐH-HĐQT-TCD**

PROPOSAL

*V/v: Report on bonus share issuance under ESOP 2022
and bonus share issuance under ESOP 2023*

To: Shareholders of TRACODI

- Pursuant to the Law No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on Enterprise on 17 June 2020;
- Pursuant to the Law No. 54/2019/QH14 passed by the National Assembly on 26 November 2019 on Securities;
- Pursuant to the Charter of Transport and Industry Development Investment Joint Stock Company (TRACODI) approved by BOD on 6 October 2022 – according to the authorization by the General Meeting of Shareholder 2021 (which was amended and supplemented at its 22nd session);
- Pursuant to the Proposal 17/2022/TTĐH-HĐQT-TCD dated March 24th, 2022 approved by the AGM 2022 via Resolution 04/2022/NQ-ĐHĐCĐ-TCD dated April 14th, 2022;
- Pursuant to the Audited Consolidated Financial Statement 2022 of Transport and Industry Development Investment Joint Stock Company (TRACODI) which has been audited by Southern Auditing and Accounting Financial Consultancy Services Company Limited (AASCS);

To encourage and reward members of BOD, SB, BOM for their efforts in bringing good business results and gaining benefits for shareholders, TRACODI kindly proposes shareholders to approve the Employee Stock Ownership Plan (ESOP) as follows:

I. Report on bonus share issuance under ESOP based on performance in 2022:

- Pursuant to the Report 17/2022/TTĐH-HĐQT-TCD dated March 24th, 2022 approved by the General Meeting of Shareholders via Resolution 04/2022/NQ-ĐHĐCĐ-TCD dated April 14th, 2022 with *conditions to issue bonus shares under ESOP 2022 which is the Company must hit or exceed profit after tax approved by the Annual General Meeting of Shareholders in 2022.*
- Consolidated profit after tax in 2022: **VND 333,850,837,731** which reaching 65.8% of the plan approved by the Annual General Meeting of Shareholders 2022. Therefore, the Company has not met the target to issue bonus shares under ESOP.

II. Bonus share issuance under Employee Stock Ownership Plan 2023 (ESOP):

- Share name: Transport and Industry Development Investment Joint Stock Company Share

- Type of share: ordinary share
- Par value per share: VND 10,000
- Conditions for bonus share issuance under ESOP: The Company must achieve or exceed the financial target approved by shareholders at the Annual General Meeting 2023. In which, if the Company achieves the financial target, each member shall receive the target bonus of 5% of target profit after tax, and if the Company achieves beyond its target, each member will receive additional 30% of beyond amount of actual profit after tax.

For example: the target consolidated profit after tax in 2023 is VND 100 billion:

- *If the Company earns VND 100 billion in the actual consolidated profit after tax in 2023. The value of bonus shares under ESOP will be: $5\% \times \text{VN } 100 \text{ billion} = \text{VND } 5 \text{ billion}$.*
- *If the Company exceed its target and earns VND 120 billion in the actual consolidated profit after tax. The value of bonus shares under ESOP will be: $(5\% \times 100) + (120-100) \times 30\% = \text{VND } 5 \text{ billion} + \text{VND } 6 \text{ billion} = \text{VND } 11 \text{ billion}$.*
- Maximum number of shares issued: 4,000,000, the specific number of shares will be based on the consolidated profit after tax 2023 (in the audited consolidated financial statements 2023) and the Board of Directors will be authorized to decide.
- Issuance ratio (shares to be issued per outstanding shares): not exceeding 2,5% of number of outstanding shares at as December 31st, 2023.
- Form of issuance: bonus share issuance under the employee stock option program.
- Capital: undistributed profit after tax specified in the audited consolidated financial statements 2023 as at 31 December 2023.
- Time of issuance: after the consolidated financial statements 2023 has been audited.
- Beneficiary: ESOP shall apply for members of BOD, SB, BOM, and staffs decided by BOD.
- Purpose of issuance: bonus share issuance under ESOP and increase of the Charter Capital.
- Criteria of selection and distribution: decided by the BOD.
- Transfer restriction: 2 years from the issuance has been done.
- Total numbers of add-on shares issued will be additionally listed in Hochiminh Stock Exchange.

III. To approve and authorize the BOD as follows:

Shareholders approve and authorize BOD to make decisions on following issues:

1. To build regulation on share issuance under ESOP and specific share issuance plan which specify clearly criteria and members of BOD, SB and BOM who are eligible to join ESOP, share price, time of issue and terms and conditions on time of transfer and other requirements, rights and obligations in relation with shares under ESOP, issues and how to solve issues in relation with ESOP, and amendment to changes of the plan (if any) in accordance with the laws;

2. To amend, adjust or supplement the plan to register at the State Securities Commission or with other related agent in compliance with the laws (if any);
3. To prepare and submit issuance documents to the State Securities Commission;
4. To carry out necessary procedure of business registration with Department of Planning and Investment of Ho Chi Minh City after the issuance has been done;
5. To amend, adjust or supplement articles in Charter of the Company in relation with changes in the Charter Capital after share issuance;
6. To make additional registration and depository at the Vietnam Securities Depository in Ho Chi Minh City and list on the Hochiminh Stock Exchange for all of additional ordinary shares issued which approved by shareholders.

Kindly submit to shareholders for consideration and approval.

Kind Regards,

Recipients:

- The AGM;
- Archived: BOD, BS Dept

**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS
CHAIRMAN**

(Signed & sealed)

Nguyen Thanh Hung