

**TRANSPORT AND INDUSTRY DEVELOPMENT INVESTMENT  
JOINT STOCK COMPANY**



**REPORT**  
**BUSINESS PERFORMANCE 2023**  
**ORIENTATION AND PLAN FOR PERIOD**  
**2024-2028**

*Ho Chi Minh City, March 2024*



*Ho Chi Minh City, March 27<sup>th</sup>, 2024*

No.: **01/2024/BCĐH-HĐQT-TCD**

# **REPORT**

## **On BUSINESS PERFORMANCE 2023, ORIENTATION AND PLAN FOR PERIOD 2024-2028**

### **SECTION ONE**

#### **BUSINESS PERFORMANCE 2023**

##### **1. MACROECONOMIC SETTING IN 2023**

Amidst a complicated and unpredictable global economy, the year 2023 was distinguished by significant hurdles as interest rates and inflation soar to levels not seen in decades, resulting in a continued decline in the global GDP growth rate. Social conflicts and instability have been persisting in numerous regions, including Europe and the Middle East, presenting substantial challenges.

As of early 2024, the International Monetary Fund (IMF) has revised its forecast to reflect a more positive outlook, anticipating global GDP growth to reach 3.1%, marking a 0.2 percentage point increase compared to the forecast made in October of the previous year. In Vietnam, despite the Government's persistent endeavors to allocate public investment funds and address challenges hindering sizable projects, the country's GDP growth rate for 2023 stood at only 5.05%, falling short of the initial target set at the beginning of the year.

Reflecting on 2023, while numerous challenges had been still anticipated, it's undeniable that Tracodi's primary business sectors held promising prospects. In 2023, social investment experienced a remarkable surge of 6.2%, with particularly noteworthy recognition being the unprecedentedly high influx of Foreign Direct Investment (FDI) into Vietnam, amounting to \$23.2 billion USD, marking a remarkable increase of 32.1%. These remarkable figures have helped elucidate the outlook for the industrial park real estate market, which is expected to sustain its growth trajectory alongside the ongoing influx of Foreign Direct Investment (FDI).

Conversely, the financial market has been buoyed by several positive indicators, notably the stability in the interest rates of the US Federal Reserve, which have remained unchanged recently and are anticipated to gradually decrease in 2024. These developments are poised to foster favorable conditions for business and investment growth in Vietnam. However, for the construction sector, there are increasingly



emerging challenges such as the State Bank tightening the issuance of bonds, creating difficulties for the corporate bond market, or unresolved obstacles in public investment and ongoing construction projects.

Confronting the aforementioned challenges, Vietnam is persistently striving to address limitations and boost public investment, particularly in pivotal transportation infrastructure projects, aiming for growth in the sector. This effort is targeted at benefiting infrastructure construction firms involved in public investment projects and companies dealing in construction materials.

Given such context, a critical aspect that demands attention is the infrastructure investment blueprint for the 2021-2025 timeframe, particularly in the southern region, where the transportation infrastructure has been lacking adequate focus in recent years. The effectiveness of these endeavors hinges not just on prompt solutions but also on the management of costs and material procurement, particularly amid the present circumstances, including risks associated with sand scarcity or elevated diesel prices.

Taking an overarching view, while 2024 may not paint a rosy socio-economic landscape, optimism is kindled by specific advantages inherent in Tracodi's core business sectors.

## 2. EVALUATION ON BUSINESS PERFORMANCE 2023

In 2023, Tracodi experienced a significant milestone as we navigated through financial and economic challenges, much like a skilled boatman steering through turbulent waters despite policy and legal obstacles. Sensing the rigors of the corporate world, where each choice holds the potential to impact numerous individuals, we have valued every action and decision taken, not solely for their outcomes, but also for the resilience, patience, and unyielding enthusiasm displayed throughout.

Despite encountering numerous challenges, Tracodi's manner of surmounting them stood as a striking testament to their relentless pursuit of enhancement. Thanks to the steadfast guidance of our Board of Directors and the dedication of our passionate team, our reputation and brand remained unshakable in the face of transient challenges.

Based on the approved Business Production Plan, following are the detailed outcomes of the business production endeavors in 2023:

### 2.1 TRACODI Separate Income statement for the year 2023

*Unit: Million dong*

No.	Targets	Planned 2023	Actual 2023	Percentage (%) (Actual/Planned)*
1	Net Revenue	2,618,495	997,677	38.10%
2	Cost of goods sold	2,453,600	942,425	38.41%
3	Gross profit	164,895	55,251	33.51%
4	Financial income	388,172	474,850	122.33%
5	Financial expenses	212,722	333,096	156.59%

No.	Targets	Planned 2023	Actual 2023	Percentage (%) (Actual/Planned)*
6	Selling expenses	-	-	
7	General and administrative expenses	65,400	78,439	119.94%
8	Operating profit	274,945	118,566	43.12%
9	Other profit	2,595	1,173	45.20%
<b>10</b>	<b>Profit before tax</b>	<b>277,540</b>	<b>119,739</b>	<b>43.14%</b>
<b>11</b>	<b>Profit after tax</b>	<b>226,063</b>	<b>101,194</b>	<b>44.76%</b>

\*: Actual 2023 vs. Planned 2023

Tracodi's revenue in 2023 only reached 38.1% of the plan, making the total absolute value lower than VND2,618 billion. Significantly, by breaking down revenue, civil construction activities accounted for VND394 billion, transportation infrastructure contributed VND178 billion, and renewable energy construction contributed VND225 billion. This indicates that the Company's key business sectors encountered considerable challenges in sustaining revenue.

Throughout the pursuit of our 2023 objectives, our company faced numerous hurdles. More directly, the revenue from several strategic projects hasn't been recognized as expected, significantly impacting the overall business outcomes. Specifically, projects like Malibu Hoi An were short of VND319 billion VND, the estimated deficit for the King Crown Infinity project in Thu Duc was VND288 billion, the shortfall for Hoi An D'or project amounted to VND186 billion, along with rooftop solar projects missing VND183 billion and wind power projects which would contribute VND655 billion to the expected total revenue, have all failed to achieve the expected results this year.

Moreover, challenges arose from the unpredictable fluctuations in the real estate and energy markets, which were anticipated to pose significant difficulties. The changes in the policies of the State Bank also brought considerable pressure, necessitating continuous updates and modifications to our plans to align with these changes.

Nevertheless, it's unavoidable to acknowledge the advancements made by Tracodi. By strategically restructuring and managing costs, we effectively decreased capital expenses by leveraging reduced interest rates. Coupled with rigorous control over input expenses, this has enabled the company to enhance its gross profit margin. Our commitment was further evidenced by our strong performance in collecting debts and reducing outstanding bank loans. Alongside that, streamlining the organizational structure and implementing disciplined manpower allocation have significantly reduced the company's monthly payroll expenses.

With this, we hope to convey to you a comprehensive view, from the challenges we have been currently facing to the proud achievements the company attained. Despite all



difficulties, we are still steadily overcoming obstacles and aiming for even greater goals in the future.

In response to market fluctuations, TRACODI has consistently endeavored to tightly manage expenses in order to overcome challenges. But not stopping there, the company has undertaken a comprehensive financial restructuring, a potent strategy to optimize business efficiency.

The crux of the restructuring lies in careful policy-making and proactive efforts to recover investment partnerships, with the clear objective of repaying various liabilities, spanning from loans to bonds. This serves as a crucial tool to mitigate risks, particularly amidst ongoing market fluctuations.

Look at the figures reflecting this positive change: Liabilities/Equity ratio significantly decreased, from 4.00 in 2021 to 1.72 by the end of 2022, and further dropped to 1.42 by December 31, 2023. But that's not all, the Debt-to-Equity ratio has also decreased to only 0.55 times, a much lower ratio compared to the industry average.

Through the comprehensive overview of Tracodi's stability and development, we had chance to witness resolute determination and intelligent, flexible steps. By maintaining a reasonable debt-to-equity ratio and conducting financial restructuring in a systematic manner, the company not only preserves its capital but also solidifies its position in the market.

Looking at the 2023 figures, Tracodi's business operations were approximately 20% lower than the company's actual capacity. This raises a noteworthy issue: the necessity of reassessing the business strategy and seeking ways to maximize the utilization of available capacity.

In terms of profitability, the Company only attained 44.76% of the targeted profit after tax, primarily attributed to a decline in revenue from civil construction. Additionally, the net profit after tax (NPAT) from this sector constituted a significant portion of the Company's profit composition, resulting in a substantial impact on its overall business performance.

Moreover, the profit after tax to equity was only about 3%, a remarkably low figure compared to the average level of previous years. The disparity between the rate of capital growth and the rate of revenue growth - or even a decline in revenue - is the primary factor affecting this ratio.

In terms of utilization capacity based on the revenue value of 2021 or the plan until 2025, Tracodi's current activities only reach 45% of the Company's total capacity. Once again, this underscores the importance of enhancing resource utilization efficiency and optimizing capacity.

Furthermore, the highest degree of financial leverage during the year accounted for approximately 42.7% of the annual revenue, a significant ratio that impacted the company's cash flow throughout the year and resulted in a high cost management and financial expense ratio relative to revenue.



Based on the broader perspective, it's clearly required that Tracodi reassess its financial and business strategies to conform to the prevailing market trends. Introducing measures for enhancement and innovation will not just enhance efficiency in production and business operations but also lay the groundwork for sustainable development in the future.

## 2.2 Consolidated Income Statement for the year 2023

*Unit: Million dong*

No.	Targets	Planned 2023	Actual 2023	Percentage (%) (Actual/ Planned)*
1	<b>Net Revenue</b>	<b>3,316,911</b>	<b>1,784,498</b>	<b>53.80%</b>
2	Cost of goods sold	2,955,698	1,458,897	49.36%
3	Gross profit	361,213	325,601	90.14%
4	Financial income	368,172	448,035	121.69%
5	Financial expenses	215,261	328,107	152.42%
6	Profits (Losses) on Affiliates	10,000	(581)	(5.81%)
7	Selling expenses	86,907	82,658	95.11%
8	General and administrative expenses	105,830	147,286	139.17%
9	Operating profit	331,388	215,004	64.88%
10	Other profit	2,595	8,543	329.21%
11	<b>Profit before tax</b>	<b>333,983</b>	<b>223,547</b>	<b>66.93%</b>
12	<b>Profit after tax</b>	<b>267,440</b>	<b>175,423</b>	<b>65.59%</b>

\*: *Actual 2023 vs. Planned 2023*

Tracodi's consolidated revenue in 2023 only reached 53.8% of the plan. In particular, the remaining revenue from construction operations amounted to VND997 billion, whereas earnings from mining and construction materials activities stood at VND753 billion. Upon careful examination of these figures, it becomes evident that Tracodi requires a substantial shift in its business strategies to revitalize and improve its production and business endeavors.

Reflecting on the past two consecutive years, 2022 and 2023, it's apparent that Tracodi operated at approximately 30% below its actual capacity. This variance underscores the pressing need to implement technical and managerial reforms aimed at enhancing operational efficiency.

The consolidated profit after tax figure halted at a concerning level, reaching only 65.59% of the plan, reflecting a decline in construction revenue significantly affecting the overall company's consolidated results. This serves as a clear warning, highlighting how the underperformance of a single segment can impact the overall operations of the entire company.



The return on average equity was at a low rate of 4.63%, which is also noteworthy, especially considering the rapid increase in capital but not matching the growth rate of revenue.

In terms of capacity utilization, Tracodi's operations fell short, achieving only 45% of the anticipated level. This underscores the necessity to reevaluate resource allocation and production planning.

When delving deeper into the financial situation, the highest debt value throughout the year amounted to 36.58% of the total revenue, a significant ratio concerning the debt structure and the Company's liquidity. This indicates that the company faced numerous obstacles with its cash flow throughout the year, and when debt accounted for a significant portion, the ratio of managerial and financial expenses to revenue will impose an additional burden.

### 2.3 Revenue by segments 2023

*Unit: Million dong*

No.	Targets	Actual 2023	Planned 2023	Percentage (%) (Actual/Planned)*	Proportion (%)
1	Construction	996,795	2,618,495	38.07%	55.86%
2	Quarrying and construction materials	752,891	686,416	109.68%	42.19%
4	Financial investments	34,811	12,000	290.09%	1.95%
I	<b>Total Net Revenue</b>	1,784,497	3,316,911	53.80%	
II	<b>Profit after tax</b>	175,423	267,440	65.59%	

\*: *Actual 2023 vs. Planned 2023*

To begin with, it's crucial to acknowledge that the construction sector inevitably experiences the repercussions of the real estate market stagnation and the abrupt rise in credit interest rates. These two factors have caused Tracodi's business activities in the construction segment to only reach 38.07% of the year's plan, accounting for 55.86% of the company's consolidated revenue. A deeper analysis reveals that changes in monetary policies and the slowdown in the real estate market have multidimensional impacts on project implementation as well as the Company financial situation.

In addition, the sector of quarrying and construction materials, amidst challenging economic conditions, has demonstrated strong and remarkable superiority. Revenue reaching 109.68% of the plan, accounting for 42.19% of the total consolidated revenue, demonstrated a significant growth. Examining patterns across the last three years reaffirms the consistent uptrend in both revenue and profit within this sector, illustrating Tracodi's ability to adjust and remain flexible amidst market fluctuations.

Every business decision over the past year reflected a consideration between challenges and opportunities. Tracodi has consistently sought out, innovated, and capitalized on every available opportunity to adapt to the market, innovate new products, and maximize



profits. This not only showcases strategic managerial prowess but also underscores the significance of acquiring market insights and monitoring development trends to foster expansion.

### 3. DETAILED REPORT ON OPERATIONAL SECTORS

#### 3.1 Construction

##### 3.1.1 At Tracodi

Amidst the challenging financial landscape of 2023, Tracodi encountered numerous hurdles as policy constraints and legal processes impacted two crucial sectors: construction and real estate. However, leveraging its extensive track record of past successes and a well-established reputation, coupled with the ongoing dedication of its staff and decisive leadership from the Board of Directors, Tracodi has managed to navigate through challenges and achieve notable accomplishments this year.

Despite being supported by favorable policies, Tracodi's infrastructure construction sector still could not escape the negative impacts of macroeconomic factors such as high inflation and prices of raw materials being at peak. Therefore, Tracodi re-evaluated and revised its business operations, focusing on core business areas to optimize efficiency and profitability. In the realm of construction, the Company prioritized the execution of key projects like King Crown Infinity in Ho Chi Minh City, Hoi An D'Or, and Malibu in Quang Nam Province. These projects made substantial contributions to the overall revenue and profit of the company, while also upholding its pivotal role and long-term objectives. Given the challenging circumstances, the decrease in revenue from the construction segment compared to 2022 serves as a reminder of the issues that Tracodi needs to address.

The situation of projects that Tracodi has been implementing in 2023 could be summarized as follows:

- **Hoi An D'Or Project:** This project has garnered attention with a contract value of VND772.4 billion, covering a large area of 24.5 hectares. Tracodi has set the overall goal of completing 202 Shophouse units by June 30, 2024, and is scheduled to complete the Phase 1 internal infrastructure by September 30, 2024. These figures not only reflect commitments but also demonstrate Tracodi's project management capabilities.
- **King Crown Infinity Thu Duc Project:** With a total contract value of VND3,113.3 billion, this project promises to deliver a modern complex comprising 30 above-ground floors and 5 basement levels on an area of 1.2 hectares. Tracodi set a milestone to complete the main structure by March 30, 2025, and to hand over the project in the fourth quarter of 2025, which is a challenging schedule for any construction unit.
- **Malibu Hoi An Project:** The large entertainment and resort project, consisting of 96 villas, 675 apartments, and commercial areas, which has been shaped with a total contract value of VND2,811 billion, is set to be completed this year, signaling not only the strength of Tracodi but also the entire tourism and resort industry.





- **Phan Thiet Airport Project:** With a construction output totaling VND223 billion, which accounted for 91.5% of the contract value, this project demonstrated consistent advancement as per the schedule, significantly contributing to the connectivity and development of the surrounding area.
- **Balancing Lake Project:** Currently, 97.5% of the contract value has been completed with VND30.8 billion and is in the process of site clearance.
- **Dong Anh (Ha Noi) Project:** Continuing implementation with the remaining value of VND57 billion, VND9.1 billion has been executed, achieving 14.2% of the contract value.

As evidenced by the aforementioned projects, Tracodi serves not only as a construction contractor but also as a catalyst for transforming urban infrastructure and architecture, ushering in a new era. Project progress also reflected positive trends in plan implementation and readiness to face challenges.

In terms of construction organization, while operational activities, quality management, and progress have largely met requirements, Tracodi should aim to increase proactiveness and streamline costs even more. Passivity in the management mechanism from the implementing levels is an area that needs improvement. Furthermore, acceptance procedures, final settlements, and related procedures are currently being carried out slowly, affecting business efficiency and cash flow liquidity.

For organizational development, Tracodi is currently implementing improvements, strengthening its strategic system and processes in a consistent manner. The Company continues to carry out planning, restructuring, expansion, or downsizing at various levels to serve the established business objectives. Administrative and logistical activities are also gradually being more tightly controlled, aiming to enhance quality and efficiency.

Concerning the internal management information system, it's evident that numerous challenges persist. Present data related to strategy and operations remains fragmented and inadequately aggregated. Tracodi requires additional tools to expedite and enhance the accuracy of data collection and analysis, aiding unit heads in making more informed decisions. The restructuring of periodic reports and planning meetings is also necessary to align more effectively with the scale and diversity of the business, enhancing efficiency and minimizing time wastage.

Apart from the outcomes and internal initiatives mentioned earlier, Tracodi consistently received recognition for its accomplishments from both the community and experts throughout 2023. Prestigious awards such as being ranked "Top 50 Fastest Growing Enterprises in Vietnam in 2023" (Link: <https://www.tracodi.com.vn/tin-tuc/tracodi-xep-thu-9-in-top-50-business-nghiep-tang-truong-xuat-sac-nhat-viet-nam-2023>), honored as "Top Asian Enterprise" (Link: <https://www.tracodi.com.vn/tin-tuc/bamboo-capital-va-tracodi-nhan-giai-doanh-nghiep-xuat-sac-chau-a-2023>), in the "Top 10 enterprises with the best corporate governance scores in the category of mid-cap enterprises" (Link: <https://www.tracodi.com.vn/tin-tuc/tracodi-vao-top-10-doanh-nghiep-co-diem-quan-tri-cong-ty-cao-nhat-nhom-doanh-nghiep-quy-mo-von-hoa-vualin>), being ranked in the "Top 500 Largest Enterprises in Vietnam" for the 7th consecutive year (Link: <https://www.tracodi.com.vn/tin-tuc/bamboo-capital-va-tracodi-cung-tang-bac-trong-top>



500-doanh-nghiep-lon-nhat-viet-nam-nam-2023) are all testaments to the strong resilience and winning spirit of the entire Tracodi team.

### 3.1.2 At Tracodi E&C

The Board of Directors and Management of Tracodi E&C Company has carried out a number of important activities as follows:

On October 17, 2023, the Company obtained a class 3 construction competency certificate, marking a significant advancement towards enhancing quality and competitiveness within the industry.

For the equipment and material supply sector, Tracodi E&C executed several contracts for equipment and materials with Clients such as Company 368, Cienco 4, Cienco 1, 873, Binh Doan 11, and is nearing completion of 80-90% of other material supply packages, including Long Thanh Airport, marking a solid development in current preparatory work.

In the civil and industrial sector, Tracodi E&C received personnel and project management transferred from the parent company, including the Hoi An D'Or Project, the Kingcrown Infinity Project, and the Casa2 Project. This reception helped enhance management capability and prepares for upcoming projects in a stronger and more efficient manner.

Finally, the restructuring and streamlining of the workforce since November 2023 have been another crucial step towards optimizing the company's labor and resources.

These activities not only demonstrate transparency and innovation in management but also affirm the sustainable development of Tracodi E&C Company.

## 3.2 Quarrying and construction materials

### 3.2.1 At Antraco Joint Venture

Production and business results in 2023 of Antraco Joint Venture Company are as follows:

No.	Targets	Unit	Planned 2023	Actual 2023	Percentage (%) (Actual/Planned)*
1	Total revenue	Million dong	686,416	752,891	109.68%
2	Profit before tax	Million dong	60,009	130,977	218.26%
3	Profit after tax	Million dong	48,007	100,950	210.28%
4	Production output	m <sup>3</sup>	2,175,000	2,872,873	108.41%
5	Sales volume	m <sup>3</sup>	2,645,400	2,789,831	105.28%
6	Volume of quarrying	m <sup>3</sup>	2,175,000	2,283,836	105.00%
7	Average salary	Thousand dong/month	13,300	14,950	106.79%

No.	Targets	Unit	Planned 2023	Actual 2023	Percentage (%) (Actual/Planned)*
8	Average Income	Thousand dong/month	15,200	17,737	110.86%

\*: Actual 2023 vs. Planned 2023

In the year 2023, Antraco Company conducted highly successful management and production operations. Here are some key highlights to consider:

In its operational management, Antraco Company focused on implementing cost-saving solutions including material fixed quotas, electricity norms, crushing and screening, off-peak hour activities, fuel sensor installations, and rational labor utilization.

In production operations, Antraco Company consistently enhanced processing capacity at the Screening and Crushing Workshop, with current processing capability reaching 9,000 – 10,000m<sup>3</sup> of raw stone per day. This has assisted in steering the production model away from peak periods, cutting down on electricity expenses, and fostering an environment conducive to prioritizing maintenance, repairs, and minimizing minor malfunctions. The total production output in 2023 reached 2,872,873 m<sup>3</sup>, marking a 3.88% increase compared to 2022 and surpassing the full-year 2023 plan by 8.41%. Moreover, Antraco Company has been consistently involved in exploring product variety, enhancing technology, and devising logical production methods, all while embracing a proactive maintenance strategy.

### 3.3 Financial investment segment

#### 3.3.1 At TCD Plus Joint Stock Company

TCD Plus Joint Stock Company has been very active since its establishment in early 2022. With a charter capital of VND250 billion, the Company operates in various sectors such as landfill, construction, infrastructure, toll collection, etc. Throughout the year 2023, this company achieved notable successes in its business operations.

We'll outline a few accomplishments of TCD Plus Joint Stock Company in 2023, such as successful investment and progress in construction projects, landfill, and infrastructure development, as well as endeavors in toll collection and transportation infrastructure upkeep, which greatly contribute to enhancing the living environment and socio-economic growth.

In 2023, Tracodi Plus Joint Stock Company achieved the following business production results:

<i>Unit: Million dong</i>					
No.	Targets	Planned 2023	Actual 2023	Percentage (%) (Actual/Planned)*	
1	Net Revenue	11,856	11,545	97.38%	
2	Cost of goods sold	6,905	7,003	101.42%	
3	Gross profit	4,950	4,542	91.76%	

No.	Targets	Planned 2023	Actual 2023	Percentage (%) (Actual/ Planned)*
4	Financial income	-	625	
5	Financial expenses			
6	Selling expenses			
7	General and administrative expenses	4,279	3,912	91.42%
8	Operating profit	672	630	93.75%
9	Other profit		-1	
<b>10</b>	<b>Profit before tax</b>	<b>672</b>	<b>629</b>	<b>93.60%</b>
<b>11</b>	<b>Profit after tax</b>	<b>537</b>	<b>501</b>	<b>93.30%</b>

In addition to the aforementioned results, the Board of Management of Tracodi Plus Company also carried out the following activities:

- Carrying out toll collection at 02 toll stations, Duc Hoa and Ben Luc, ensuring a smooth 24/24 process to support the transportation needs of the public and contribute to socio-economic development.
- Collaborating with BOT 830 Company to address any issues arising during operation and toll collection processes, ensuring convenience for the public and users of transportation infrastructure.
- Rolling out electronic toll collection (ETC) cards for customers without interruption, fostering favorable circumstances and ease of use for users when engaging with toll collection services.
- Daily reporting on MTC revenue, facilitating transparent and accurate toll management and operations.
- Carrying out ETC revenue reconciliation with the operating unit – VETC Automatic Toll Collection Company Limited, ensuring transparency and fairness in the toll collection process.
- Transferring daily toll fees to the BOT Company after completing revenue reconciliation with VETC Automatic Toll Collection Company Limited, demonstrating Tracodi Plus' commitment and responsibility to partners and the community.

These activities demonstrate the dedication, diligence, and continuous development efforts of Tracodi Plus Company, contributing positively to the development and modernization in the transportation sector.

### 3.3.2 Passenger transportation At Vinataxi Joint Venture

Under the adept leadership of the Management, unified management alongside the dedication of our staff and drivers, coupled with the Company's vehicle attraction policy, Vinataxi's revenue and profit in 2023 achieved significant strides as follows:



Unit: Million dong

No.	Targets	Actual 2022	Actual 2023	Change (%)
1	<b>Net Revenue</b>	<b>24,335</b>	<b>31,354</b>	<b>128.84%</b>
2	Financial income	137	2,406	1,756.20%
3	Other income	3,638	7,006	192.58%
4	<b>Profit before tax</b>	<b>4,979</b>	<b>6,856</b>	<b>137.70%</b>
5	Assets	110,314	129,914	117.77%

The vehicle fleet of Vinataxi Company has continuously improved their quality and convenience to provide the best experience for customers. Despite facing numerous challenges amidst the current socio-economic landscape, Vinataxi Company has managed to maintain stability with 128 contracted vehicles, 77 CPP vehicles, 7 SPP vehicles, 8 FC vehicles, and 263 drivers.

In 2023, Vinataxi continued to promote technology investment and enhance its services. In particular, the Company has refined the utilization of driver arrangement applications, membership cards, payment options through Smart POS machines, credit cards, bank cards, and more, offering customers convenient payment options while also improving transparency and management in the vehicle queuing process at airports and passenger pickup locations. The primary goal is to promptly and effectively address all customer concerns and complaints.

These continuous efforts by Vinataxi Company help enhance service quality and contribute to creating a wonderful travel experience for passengers.

### 3.4 Other remarkable activities during the year:

- a. Successfully organizing the Annual General Meeting of Shareholders for the year 2023 in a spirit of openness and transparency.
- b. Information disclosure initiatives involve consistently updating news regarding the parent company and its subsidiaries on the regularly refreshed website. This ensures the dissemination of news aligning with the enterprise values, accurately representing its activities, and aiding investors and shareholders in gaining a deeper understanding of the Company's operations.
- c. Carrying out information disclosure as per regulations, addressing inquiries from investors interested in the Company's operation.
- d. Actively participating in seminars, training programs organized by the State Securities Commission, Stock Exchange, VCCI to improve the company's governance activities.
- e. Coordinating with the Committee of Education, Culture, Sports, and Lifestyle to successfully organize and participate in programs and events such as:
  - i. International Women's Day Event (Cooking Contest) on March 8, 2023, at Helios Office Building (25 Xuan Thuy, Thao Dien Ward, Thu Duc City, Ho Chi Minh City);



- ii. The annual sports festival in 2023 (from July 14th to July 15, 2023) were held at Ho Xuan Huong Sports Club, Lam Son Sports Complex, and Ky Hoa 2 Tennis Court;
- iii. The Mid-Autumn Festival program took place on September 29, 2023, at the Tracodi Office, 89 Cach Mang Thang Tam Street, Ward Ben Thanh, District 1, Ho Chi Minh City;
- iv. Vietnam Women's Day Event (Flower Arranging Contest) on October 16, 2023 , at Helios Office Building (25 Xuan Thuy, Thao Dien Ward, Thu Duc City, Ho Chi Minh City).

Through these events and programs, the Company has improved the mental well-being and physical health of its staff, fostered relationships outside of work with members within the Group.

- f. Building the image, reputation, and brand of Tracodi among management agencies, partners, financial organizations, and investors both domestically and internationally. Maintaining the Company's brand and reputation within the investor community. Specifically, in 2023, Tracodi achieved the following accolades:
  - i. On May 17, 2023, Vietnam Report, in collaboration with VietNamNet Newspaper, organized the FAST500 Ranking Ceremony in Hanoi. For the sixth year in a row, Tracodi Investment and Development Corporation (TRACODI - TCD) has secured a position among Vietnam's Top 500 Fastest-Growing Enterprises and for the fifth consecutive year, it has been recognized as one of the Top 50 Excellent Growth Enterprises in the country.
  - ii. On October 5, 2023, at the Asia Pacific Enterprise Awards (APEA) 2023 ceremony, Tracodi Investment and Development JSC received the Asia Outstanding Enterprise award for the second consecutive time.
  - iii. On December 15, 2023, at the ceremony announcing and honoring businesses awarded in the 2023 listed company vote, Tracodi Investment and Development JSC had the honor of being among the "Top 10 companies with the highest Corporate Governance scores in the mid-cap group." The voting was organized by the Ho Chi Minh City Stock Exchange, the Hanoi Stock Exchange, and the Investment Newspaper, sponsored by Dragon Capital Vietnam Investment Fund Management Joint Stock Company.

### **3.5 Social welfare work, community engagement**

In 2023, Tracodi Company collaborated with the Cultural, Sports, and Social Affairs Committee to implement the “Góp nâng Xuân” program for 2024. The program involved distributing gifts in the Southern and Central provinces, with each gift package valued at VND600,000, comprising cash and items such as rice, cooking oil, soy sauce, etc.

Specifically, Tracodi Company participated in gift distribution in the following provinces and cities:

No.	Province/City	District/City	Ward/ Commune	Location of awarding	Time of awarding	Number of gift sets
1	Ho Chi Minh City	Tan Phu	Tan Phu	Tan Phu People's Committee	02/02/2024	100
2		Binh Tan	Binh Tan	Binh Tan's People's Committee	01/02/2024	100
3	Long An	Can Duoc	Can Duoc	Can Duoc People's Committee	27/01/2024	100
4		Thanh Hoa	Thach An	Thach An Commune's Committee	30/01/2024	50
5			Tan Tay	Tan Tay Communal Cultural Center	30/01/2024	50
6	Ben Tre	Giong Tom	Tan Loi Thanh	Tan Loi Thanh People's Committee	03/02/2024	100
7			Phuoc Long	Phuoc Long Commune's People's Committee	03/02/2024	100
8	Tra Vinh	Tra Vinh	Tan Hiep	Tan Hiep Commune People's Committee	05/02/2024	50
9			Tan Son	Tan Son Commune People's Committee	05/02/2024	50
10			Duyen Hai	Dong Hai	Dong Hai Commune People's Committee	05/02/2024
11	Vinh Long	Vung Liem	Trung Nghia	Trung Nghia Commune People's Committee	02/02/2024	200
12	Soc Trang	Vinh Chau	Vinh Hai	Vinh Hai Commune People's Committee	31/01/2024	400
13	Ca Mau	Cai Nuoc	Tan Hung Dong	Tan Hung Dong Communal Cultural Center	06/02/2024	100
14		Ca Mau	Ward 6	Ward 6 People's Committee	06/02/2024	50

No.	Province/City	District/City	Ward/ Commune	Location of awarding	Time of awarding	Number of gift sets
15		Ngoc Hien	Dat Mui	Khai Long Wind Power Office	06/02/2024	100
16		Dam Doi	Dam Doi Town	Dam Doi District Fatherland Front Committee	06/02/2024	250

#### 4. INNOVATING, UPGRADING ORGANIZATION AND MANAGEMENT IN BUSINESS OPERATIONS

Our Board of Management diligently carried out the tasks assigned by the Board of Directors in restructuring the Company's operations according to the new strategic direction. Over the past year, while actively overseeing operations and business activities, the Board of Management has also enhanced the organizational structure and established guidelines for cost and financial management, which aims at upgrading the Company's productivity and efficiency.

Such improvements are critical steps in our development. We commit to continue striving to deliver the best value for the Company and to foster sustainable growth together in the future.

##### 4.1 Operational Administration and management

- a. Newly setting up Tracodi E&C Company Limited
- b. Updating and issuing several key regulations (Organization and Operation Regulations, Financial Regulations, Information Disclosure Regulations, Salary, Bonus, and Welfare Regulations), moving towards updating and standardizing regulations across member companies.
- c. Building and gradually implementing a data storage system on NAS.
- d. Building and gradually implementing departmental operation budget

##### 4.2 Staffing, training, legal, and welfare

Our company values enhancing the quality of our workforce by attracting experienced personnel through improving salary policies, welfare packages, and benefits for employees. We ensure that this will serve as a driving force for efficient business operations and keeping pace with market trends. In particular, we covered our employees with AAA health insurance for employees beyond the mandatory health insurance scheme, as well as evaluating and rewarding based on KPIs.

The commendation and reward work were carried out in accordance with the guidelines and general regulations issued by the Group, aiming for diversity and encouraging both teams and individuals to excel in their tasks across all fields. Every year, we held a year-end evaluation meeting, vote, and reward achievements for our employees.

## CONCLUSION





In 2023, the global economy faced numerous challenges, including high inflation rates and delays in production growth, particularly in industries reliant on steel. In the real estate and construction sector, construction activities have even stalled, and the Country has not seen many new projects starting due to difficulties in approval and implementation of construction.

However, with the flexibility and determined efforts from the Board of Directors, along with the unity and dedication of all employees, Tracodi achieved significant results. This has laid the groundwork for the Company to overcome the challenges in 2024.

The resilience and unity of the staff team are crucial factors that help Tracodi advance in such challenging circumstances.

## **SECTION TWO**

### **BUSINESS PLAN AND ORIENTATION FOR ACTION PROGRAM IN 2024**

#### **1. GENERAL CONTEXT**

In 2024, prospects for the real estate industry in Vietnam indicate substantial enhancements ahead. This stems from the forecasted decrease in the operating interest rate to 4.25%, creating attractive conditions for foreign investors. Additionally, legal issues have been addressed through the passage of Land Law, reducing liquidity risks in the industry.

According to the resolution of the 13th Party Congress, Vietnam has set a target to have at least 3,000 kilometers of expressways by 2025 and 5,000 kilometers by 2030. However, the supply of construction materials has become scarce, creating significant opportunities for businesses that own quarries, especially in the implementation of new expressway projects.

Tracodi, guided by the strategic direction of the Board of Directors, has focused resources to drive business production activities and affirm its position as a leading construction conglomerate in Vietnam. This encompasses not only civil and industrial construction but also includes material quarrying and financial investment.

In 2024, the Ministry of Transport will continue to invest in and commence construction on 14 expressway projects. Additionally, the "mega-project" of the North-South high-speed railway, with an investment capital exceeding USD70 billion, has also been approved for investment consideration. This will be a significant opportunity for reputable and capable construction companies.

Therefore, based on Tracodi's transformation and development plan, along with the market situation projected for 2024, Tracodi is confident in developing construction, mining, building materials, and financial investment sectors in a sustainable manner and in line with development trends.



## 2. BUSINESS AND PRODUCTION PLAN FOR THE YEAR 2024 AND THE PERIOD 2024-2028

The planned output and revenue values for 2024 have been determined based on analyzing input factors such as market demand and the existing project pipeline. The revenue proportion has stabilized and is expected to have a high level of certainty, contributing to the establishment of a robust foundation. Overall assessment with a more favorable socio-economic situation, the production and revenue plans are reliable and feasible. With favorable conditions from certain sectors, the company may exceed the set plans.

Prudence, decisiveness, and detailed planning will assist the company in operating efficiently and achieving its objectives in a volatile business environment. Flexibility and dedication in plan implementation are also crucial factors contributing to opportunities and success.

### 2.1 Major financial targets set for the year 2024

*Unit: Million dong*

No.	Targets	Actual 2023	Planned 2024	% change from 2023
<b>I Net Revenue</b>				
1	Company consolidated targets	1,784,498	1,920,359	107.61%
2	Parent company	997,677	1,045,600	104.80%
<b>II Profit after tax</b>				
1	Company consolidated targets	175,423	185,651	105.83%
2	Parent company	101,194	149,157	147.40%
<b>III Owner's equity</b>				
1	Company consolidated targets	3,787,022	6,627,361	175.00%
2	Parent company			
<b>IV Profit after tax/Net Revenue</b>				
1	Company consolidated targets	9.83%	9.67%	
2	Parent company	10.14%	14.27%	
<b>V Profit after tax/Owner's Equity</b>				
1	Company consolidated targets	4.63%	2.80%	
2	Parent company			
<b>VI Dividends</b>				

The Company's planned net revenue is showing a noticeable growth trend, particularly within the consolidated structure of the entire Company, with a 7.61% increase



compared to 2023. Profit after tax also increased by 47.4% at the parent company and by 105.83% at the consolidated Company.

The profit after tax margin compared to net revenue has increased, which may indicate an improvement in the Company's profitability.

In the Company's 2024 plan, we observe that the setout targets are higher than those of 2023, by up to 7.61%. This partially indicates the challenging circumstances confronting the Company, and unless there are significant shifts in market conditions, the likelihood of achieving the plan could decline to as low as 85% by 2024.

## Consolidated Business Plan for the year 2024

*Unit: Million dong*

No.	Targets	Actual 2023	Planned 2024	Percentage (%) (Planned/Actual)*
1	<b>Net Revenue</b>	1,784,498	1,920,359	107.61%
2	Cost of goods sold	1,458,897	1,596,798	109.45%
3	Gross profit	325,601	323,561	99.37%
4	<b>Profit before tax</b>	<b>223,547</b>	<b>230,584</b>	<b>103.15%</b>
5	<b>Profit after tax</b>	<b>175,423</b>	<b>185,651</b>	<b>105.83%</b>

\*: *Planned 2024 vs. Actual 2023*

## 2.2 Revenues and Profits targets set for the year 2024 by segments

*Unit: Million dong*

No.	TARGETS	Actual 2023	Planned 2024	Percentage (%) (Planned/Actual)*
1	Construction	996,795	1,125,600	112.92%
2	Quarrying and construction materials	752,891	747,559	99.29%
3	Financial investments	34,811	47,200	135.59%
I	<b>Total Net Revenue</b>	<b>1,784,497</b>	<b>1,920,359</b>	<b>107.61%</b>
II	<b>Profit after tax</b>	<b>175,423</b>	<b>185,651</b>	<b>105.83%</b>

\*: *Planned 2024 vs. Actual 2023*

In the construction segment, the Company has set a 2024 plan for a 12.92% increase compared to 2023 performance. The main reason for this is the Company's successful development and completion of the tender preparation procedures for several large-scale civil and transportation infrastructure projects in 2024.

Overall, the construction company has shown positive growth in both the construction and materials quarrying. However, there has been a significant decline in the financial investment sector. Nonetheless, both net revenue and post-tax profits have seen an impressive increase in 2024 compared to 2023.



### 2.3 The plan to increase capital for business expansion in 2024

In the vast landscape of the economy, each business is like a unique brushstroke contributing to diversity and richness. Recognizing the importance of enhancing capital capacity for sustainable development, our company has developed and implemented a decisive financial plan for 2024.

With the aim of supplementing business capital, the company has set forth three specific development directions, each conveying its own message and synergizing strongly with the spirit of innovation and growth. For a more detailed perspective, please join us in observing the dissemination of each of these new capital lines.

Firstly, we aim to issue shares to pay dividends for the year 2023, with a significant quantity of 22,614,464 shares, totaling up to VND226 billion. This not only demonstrates gratitude towards our esteemed shareholders but also serves as a solid stepping stone for the company to expand its operational scale.

Secondly, to increase capital stock from internal sources of capital, the Company has decided to issue an additional 30,529,526 new shares, corresponding to a total increased value of VND305 billion. We can envision each new share as a brick, linked together to build a stronger foundation for the future.

Finally, the issuance of private shares holds significant importance, with a strong anticipated offering of 170 million shares, generating a capital injection of VND1,700 billion which represents a powerful boost, stimulating growth and investment, and illuminating the future development of the Company.

After a successful issuance, the Company's charter capital is expected to reach VND5.058 trillion.

For your convenience in tracking and keeping abreast of information, the following summary table will illustrate the issuance forms that the Company is aiming for:

No.	Form of implementation	Amount of increase
1	Issuing shares to pay dividend	VND226 billion
2	Issuing to increase the Charter Capital from the Owner's equity	VND305 billion
3	Private placement	VND1,700 billion
	<b>Total</b>	<b>VND2,231 billion</b>



Through this report, the Company aims for each of our esteemed shareholders and investors to gain a thorough understanding of the plan and to join us on the path of expansion and development. Your support and trust are the driving force that greatly helps our company write new, promising, and successful chapters.

We want to ensure that our existing capabilities are commensurate with the total value of assets currently owned by the Company. This will help ensure financial stability and create opportunities for expansion and growth.

Additionally, supplementing capital will meet the financial needs for our business production activities, by which this, we can ensure that every business strategy is executed effectively and sustainably.

#### 2.4 Expected business and production targets for the period 2024-2028

*Unit: Million dong*

No.	Targets	Actual 2023	Planned 2024	Planned 2025	Planned 2026	Planned 2027	Planned 2028
1	<b>Net Revenue</b>	1,784,498	1,920,359	2,208,413	2,650,095	3,180,114	3,816,137
2	Cost of goods sold	1,458,897	1,596,798	1,799,592	2,105,522	2,505,571	2,981,630
3	Gross profit	325,601	323,561	408,821	544,573	674,543	834,507
4	Gross profit/Net revenue	18.25%	16.85%	18.51%	20.55%	21.21%	21.87%
5	Profit before tax	223,547	230,584	262,520	315,024	359,127	409,405
6	<b>Profit after tax</b>	175,423	185,651	213,954	252,019	298,075	347,994
7	Profit after tax y-o-y growth rate (%)	53%	106%	115%	118%	118%	117%
8	ROS	9.83%	9.67%	9.69%	9.51%	9.37%	9.12%
9	ROA	1.91%	1.72%	1.90%	2.13%	2.40%	2.65%
10	ROE	4.63%	3.54%	3.91%	4.36%	4.89%	5.41%
11	Charter capital	2,826,808	5,058,248	5,260,578	5,523,607	5,799,787	6,089,776
12	<b>Owner's equity</b>	3,787,022	5,243,899	5,474,531	5,775,626	6,097,862	6,437,770
13	<b>Total assets</b>	9,181,299	10,823,827	11,268,413	11,821,526	12,441,838	13,129,740



### **3. GUIDANCE FOR EXECUTING PIVOTAL ACTION PLANS FOR THE YEAR 2024**

#### **3.1 The Group model transformation plan**

In the context of an ever-changing market and escalating competition, Tracodi's Parent Company has recognized that applying an effective and flexible financial management strategy is the key to determining its survival and sustainable development. This is demonstrated through the issuance of the new Financial Regulations, where financial management principles have been specified, helping to shape a more transparent and secure financial operation approach for each member company under Tracodi's management model.

Through the adoption of the group model, Tracodi paves the way to proactively prepare for and capitalize on opportunities stemming from scale expansion, international collaboration, and diversified business ventures. Revamping the operational model also aids the company in optimizing resources, enhancing operational efficiency, and facing new business challenges with confidence.

Through restructuring and transformation, Tracodi believes it will exemplify flexibility and innovation in the new era, taking confident strides towards the future, creating new and sustainable values for the community, partners, and shareholders.

As part of the group model transformation program, Tracodi's Board of Management has proposed a company name change plan (with a separate proposal), outlined as follows:

- Company existing name: CÔNG TY CỔ PHẦN ĐẦU TƯ PHÁT TRIỂN CÔNG NGHIỆP VÀ VẬN TẢI
- Company name proposed to be changed: CÔNG TY CỔ PHẦN TẬP ĐOÀN XÂY DỰNG TRACODI
- Before change:
  - + Legal Company Name in Vietnamese: CÔNG TY CỔ PHẦN ĐẦU TƯ PHÁT TRIỂN CÔNG NGHIỆP VÀ VẬN TẢI
  - + Company name in English: “TRANSPORT AND INDUSTRY DEVELOPMENT INVESTMENT JOINT STOCK COMPANY”.
  - + Abbreviated name: “TRACODI”.
- After change:
  - + Legal Company Name in Vietnamese: “CÔNG TY CỔ PHẦN TẬP ĐOÀN XÂY DỰNG TRACODI”.
  - + Company name in English: “TRACODI CONSTRUCTION GROUP JOINT STOCK COMPANY”.
  - + Abbreviated name: “TRACODI”.



The Board of Management proposes rename the Company based on the following main reasons:

- Add the word "Group" to the company name to align with the group management model, as well as to facilitate communication and promote the Company's image.
- Change the phrase "Transport and Industry Development Investment" to "Tracodi Construction" to highlight the group's core business sector as construction and related fields (such as mining, trading construction materials, financial investment in companies related to construction), while also directly incorporating the acronym "Tracodi" into the company name to enhance brand recognition and continue leveraging the strong brand identity built over more than 30 years.

The name "TRACODI CONSTRUCTION GROUP JOINT STOCK COMPANY" is not merely a dry phrase on paper; it encapsulates a profound message and a grand vision. "Joint Stock Company" reflects the sharing of capital structure from multiple individuals and institutional investors, demonstrating community spirit and collaboration. "The Group" conjures an image of a powerful organization, diverse in sectors, deeply interconnected across fields and member units, emphasizing the company's scale and ability to expand in projects and investments. "Construction" not only represents the company's primary business sector but also embodies our commitment to dependable and unwavering craftsmanship across all our projects and endeavors. "TRACODI" is the distinctive hallmark, a unique and unparalleled name, affirming the company's brand and reputation in the market for over three decades.

Each word combined forms an elegant appearance: "TRACODI CONSTRUCTION GROUP JOINT STOCK COMPANY" not only signifies an economic entity but also conveys aspirations for development and expansion, affirming a pioneering position in the construction industry as well as within the community and among investors.

When transforming to the group model, Tracodi Company will operate in the following main business sectors:

**Engineering and Construction:** the core business activity of the Group, Tracodi E&C's business operation involves executing construction projects. Tracodi E&C will develop robust construction execution capabilities (including personnel, machinery, equipment) as a construction contractor.

**Quarrying segment:** we maintain our partnership with Antraco while pursuing ventures. This involves acquiring and merging stone quarries, expanding sand mining operations, and concurrently innovating to produce eco-friendly lightweight materials like lightweight components (such as lightweight concrete) for construction purposes. Additionally, we're actively exploring collaborations with foreign partners to manufacture components through joint ventures.

**Financial Investment:** We invest in Tracodi's ecosystem, which includes maintaining current investments and expanding into new investment areas such as furniture manufacturing plants (supporting the civil construction sector).



Furthermore, the Parent Company (TRACODI) has also issued Financial Regulations to specify the principles of financial management outlined in the Company's Charter. This helps adjust activities in capital management, asset management, financial accounting, and investment of TRACODI's subsidiary companies. The comprehensive restructuring of Tracodi Company's operational apparatus, encompassing both organizational structure and personnel, has also been carried out.

## **3.2 Board of Management's operational plan**

### **3.2.1 Strategy**

We are resolutely committed to strengthening the reputable Tracodi brand, with a focus on closely adhering to the strategic goals set for the period 2024-2028. At the same time, we are carefully crafting comprehensive investment blueprints for civil projects, transportation infrastructure, and material mines, adjusting our investment portfolio accordingly.

### **3.2.2 Human resource**

We are committed to building and implementing a high-quality human resources development strategy to meet the objectives of serving the strategic goals for the 2024-2028 period.

At the same time, we align our organizational structures with growth, improve operational policies, and streamline processes. Member units optimize their apparatus and boost their competitiveness. Additionally, we foster a corporate culture that permeates throughout the entire Group.

### **3.2.3 Finance**

We monitor cash flow in real-time, while also arranging and managing capital periods to ensure key objectives are met.

Regarding the adjustment of financial structure, we will consider restructuring current debts to reduce interest rates and improve cash flow, which will help decrease borrowing costs and optimize capital utilization for business activities.

### **3.2.4 Applying digital technologies**

We have successfully applied the operational cost management platform on NAS to enhance efficiency and productivity.

### **3.2.5 Risk management**

In response to fluctuations, we aim to broaden our investment portfolio and explore stable investment avenues, while also instituting preventative measures and adaptively addressing any potential risks.

### **3.2.6 Building TCD E&C bidding capacity**

As a newly established entity, the unit begins by gradually building a comprehensive capability profile covering financial, human resources, quality, and project progress to gradually participate in independent bidding processes.

Specific solutions:





- Through subcontracting agreements or forming consortia with member companies or external entities.
- Regarding human resources, we request the Construction Management Division and the Bidding Supply Department to send a list of technical personnel's profiles to construction projects for certification of project execution.
- Striving to set a goal by 2025 for the unit to independently bid on several packages.

### 3.3 Construction

#### 3.3.1 At Tracodi

In 2024, Tracodi Company focuses its resources on participating in and executing the following projects:

Civil and Industrial construction:

- **Kingcrown Infinity project:** Revenue is expected to reach VND230 billion.
- **Malibu Hoi An Project:** Revenue is expected to reach VND100 billion.
- **Hoian D'Or Project:** Revenue is expected to reach VND110 billion.

Traffic infrastructure:

- **Phan Thiet Airport Project:** Revenue is expected to reach VND67 billion.
- **Component project 4 of the Chau Doc - Can Tho - Soc Trang Expressway road construction investment project phase 1:** Tracodi Company is engaged in Package No. 12, involving the construction and installation from Km174+000 to Km189+666.65, inclusive of surveying and construction drawing design. The project commences at Km174+000, situated within Vien An Commune, Tran De District, Soc Trang Province, and concludes at Km189+666.65 in Trung Binh Commune, Tran De District, Soc Trang Province. The entire route spans 15.666 kilometers across Tran De district. Anticipated revenue is estimated at VND37 billion.
- **Project of Road connecting old National Highway 3 to Vo Nguyen Giap Street:** The path begins at the junction of National Highway 3 and ends at the intersection of Vo Nguyen Giap Street, situated in Dong Anh District, Hanoi City, spanning approximately 2.42 kilometers. Revenue is estimated at VND40 billion.
- **Duc Thinh Residential Area:** Tracodi Company is involved in Package No. 06, which involves constructing and installing Duc Thinh Residential Area in Thang Town, Hiep Hoa District. The project is located in Hiep Hoa District, Bac Giang Province, with anticipated revenue reaching VND23 billion.
- **Renovation of the upgrade and expansion project of DT830 and DDT824 from An Thanh Bridge to Duc Hoa Town:** VND17 billion.

#### 3.3.2 At Tracodi E&C

In 2024, Tracodi E&C Company will focus its resources on participating in and executing the following projects:

**Civil and Industrial construction:**



We will continue to carry out projects transferred by Tracodi Company, including the Kingcrown Infinity Project, the Hoi An D'Or Project, and the Malibu Project.

Furthermore, we will renovate and build fresh transaction facilities for Eximbank, PGbank, and similar institutions, alongside our pursuit and execution of novel projects.

**Traffic infrastructure:**

We will proceed with the execution of projects handed over by Tracodi Company, comprising Project XL10 - Phan Thiet Airport, the Hiệp Hoà Residential Area Project in Bắc Giang, and the road connecting from the old National Highway 3 to Võ Nguyên Giáp Road.

Furthermore, we will proceed with the implementation of new projects, including the Province Road 830 Maintenance Project, Duc Thinh Residential Area Project (VND5 billion), and the Chau Doc - Can Tho - Soc Trang Expressway - Component 4 Project (VND30 billion).

The specific production and business activities plan for Tracodi E&C in 2024 is as follows:

*Unit: Million dong*

No.	Targets	Actual 2023	Planned 2024
1	Net Revenue	1,328	160,000
2	Cost of goods sold	914	149,500
3	Gross profit	415	10,500
4	Profit before tax	(9,040)	3,928
5	Profit after tax	(9,040)	3,143

**3.4 Quarrying and construction materials**

**At Antraco Joint Venture**

**a. Business and production plan for the year 2024**

Based on the performance of Antraco Joint Venture Company in 2023, we conducted market surveys and evaluated customer registration demands, along with assessing current capacities and existing challenges.

Keeping this in perspective, we persist in nurturing strong ties with our longstanding clientele while actively engaging with potential customers to uncover fresh supply channels. Here, we outline the production and business plan for 2024, focusing on several key objectives:

No.	Targets	UNIT	Actual 2023	Planned 2024	Percentage (%) (Planned/Actual)*
1	Total revenue	Million dong	752,891	707,559	93.97%

No	Targets	UNIT	Actual 2023	Planned 2024	Percentage (%) (Planned/Actual)*
2	Profit before tax	Million dong	130,977	75,257	57.46%
3	Profit after tax	Million dong	100,950	60,206	59.64%
4	Production output	m <sup>3</sup>	2,872,873	2,715,000	95.72%
5	Sales volume	m <sup>3</sup>	2,789,831	2,715,000	97.31%
6	Average salary	Thousand dong/month	14,950	15,000	100.33%
7	Average Income	Thousand dong/month	17,737	17,500	98.66%

\*: *Planned 2024 vs. Actual 2023*

#### **b. Business and production orientation in 2024**

In 2024, Antraco Joint Venture Company will continue to focus on three key objectives:

##### **i. Administration and Management:**

- Establishing the objective of cost optimization and maximizing labor efficiency by enhancing organizational structure and management practices.
- Enhancing production inspection and supervision to ensure compliance with reality, as well as research and apply information technology to management tasks.

##### **ii. Production - Business activities**

- Concentrating on the processing of sought-after and valuable products while reducing stockpile quantities.
- Enhancing cost management and adapting sales policies to ensure competitiveness within the market.

##### **iii. Finance**

- Modifying and implementing updated financial regulations tailored to production and business operations.
- Conducting timely and regular evaluations and assessments of results after each phase of implementation.

#### **New quarry developing**

We are currently undertaking a promising project, with the collaboration of experienced investors.



The project encompasses a vast area spanning 45 hectares, land bank of a quarry with abundant mineral reserves, boasting over 22 million cubic meters of construction stone and more than 2 million cubic meters of covering soil. This not only serves as a valuable resource for the construction sector but also holds significant economic potential, poised to generate stable profits and growth annually once the mine commences operations in July 2024.

Implemented through open-pit mining, this project will have the capability to produce stone at an impressive capacity: half a million cubic meters per year. Alongside this, an ambitious plan has been devised with a total investment of VND150 billion, a substantial figure but one that is justified by the immense potential that this quarry promises to deliver.

The projected profit after tax is expected to increase each year, starting from a modest level of 0.8 billion dong in the first year, then growing substantially to VND4.3 billion in 2025, accelerating to VND7.9 billion in 2026, and ultimately flourishing to VND11.7 billion in 2027.

### 3.5 Financial investment segment

#### 3.5.1 At TCD Plus Joint Stock Company

In 2024, the Management of TCD Plus Company strives to accomplish the following objectives and key activities:

- a. Continue to implement the directives of the Board of Directors regarding toll operation at the BOT Ben Luc and Duc Hoa stations.
- b. The projected revenue is expected to reach VND12.7 billion, with an anticipated profit of VND0.56 billion.
- c. Carrying out toll collection at 02 toll stations, Duc Hoa and Ben Luc, ensuring a smooth 24/24 process.
- d. Collaborating with BOT 830 Company to address any issues arising during operation and toll collection processes.

#### 3.5.2 Passenger transportation At Vinataxi Joint Venture

In 2024, the Management of Vinataxi Company has set a target to strive to achieve revenue of VND34.5 billion and a profit target of VND7.6 billion. At the same time, we also have plans to develop our existing fleet, increasing the total number to 250 vehicles. Below are detailed tables for these important targets.

Revenue target for the year 2024

*Unit: Million dong*

No.	Targets	Actual 2023	Planned 2024	Percentage (%) (Planned/Actual)*
1	Contracted vehicles	26,334	28,649	109%
2	CPP vehicles	5,020	5,851	117%
<b>Total</b>		<b>31,354</b>	<b>34,500</b>	<b>110%</b>

\*: *Planned 2024 vs. Actual 2023*



Expected profit in 2024:

*Unit: Million dong*

No.	Targets	Actual 2023	Planned 2024	Percentage (%) (Planned/Actual)*
1	Transportation	4,456	5,200	116%
2	Other services	2,400	2,400	100%
<b>Total</b>		<b>6,856</b>	<b>7,600</b>	<b>110%</b>

\*: *Planned 2024 vs. Actual 2023*

Development plan of vehicle fleet for the year 2024

*Unit: Vehicle*

No.	Targets	Actual 2023	Planned 2024	Percentage (%) (Planned/Actual)*
1	Contracted vehicles	135	150	111%
2	CPP vehicles	84	100	119%
<b>Total</b>		<b>219</b>	<b>250</b>	<b>114%</b>

\*: *Planned 2024 vs. Actual 2023*

Because of changes in the situation in 2023, the plan to collaborate in establishing a new vehicle inspection company has been temporarily postponed. This is to ensure oversight and evaluation of the legal regulations governing this regulated business sector. In addition, in 2024, the Management of Vinataxi Company will actively seek other business collaboration opportunities to efficiently utilize the current premises (by rearranging space, offices, warehouses to create additional clean space), specifically focusing on services such as warehouse rental, logistics, aimed at increasing revenue and profit.

### 3.6 The Company's other activities

#### 3.6.1 Finance - Accounting

We commit to carrying out and managing financial and accounting tasks in accordance with state regulations, ensuring timely and adequate funding for business operations, and utilizing accounting software to organize management tasks, consolidate reports with subsidiaries; and establish financial management regulations for subsidiaries.

#### 3.6.2 Organization, Staffing, and Policies

In the coming year, our company will continue to strive to enhance digital management efforts by implementing advanced management systems such as HiStaff, E-office, Nas, and HRM into operations, cost management, and personnel management, which is aimed at improving management efficiency and meeting international integration requirements.

We are dedicated to improving staff quality by increasing recruitment efforts, implementing training programs, and cultivating a vibrant corporate culture that fosters unity and supports the growth of every individual within the organization.



Furthermore, we will persist in bolstering the organizational framework and workforce, ensuring personnel are allocated according to their aptitudes and competencies, while also restraining unnecessary staff expansion. Furthermore, we will develop and implement appropriate policy mechanisms to ensure income stability, fairness, and enhance the productivity and effectiveness of staff members.

### **3.6.3 Investor relations and communication**

In information disclosure activities, we commit to regularly updating news about the activities of the parent company and its subsidiaries on the website, providing accurate and engaging information to help investors and shareholders gain a deeper understanding of the Company's operations. We prioritize organizing Investor Meetings to enable direct interaction with investors and analysts, while also ensuring adherence to disclosure regulations and promptly addressing queries from interested investors.

Moreover, we engage proactively in workshops and training initiatives hosted by regulatory bodies such as the State Securities Commission, Stock Exchange, and Securities Depository Center. This aims to refine corporate governance standards and elevate Tracodi's standing, credibility, and brand perception among regulatory bodies, partners, financial entities, and investors, both locally and globally. We also commit to continue accompanying the Group in social welfare activities, fulfilling social responsibilities, and contributing to enhancing Tracodi's position and brand.

The above information provides essential insights into the overview of production and business operations in 2023, the business plan, and the action program direction for 2024, along with the period spanning from 2024 to 2028 for Tracodi Company, during which business activities will undergo professionalization. The parent company, Tracodi, remains aligned with the Management's guidance, prioritizing robust growth in key business sectors, notably construction (encompassing civil, industrial, infrastructure, and transportation), while also seeking to raise funds to capitalize on opportunities in the flourishing real estate and public investment sectors.

As Tracodi Company begins executing its 2024 business plan, it pledges to capitalize on past accomplishments, foster innovative growth to enhance resilience, attain predetermined objectives, optimize operational efficiency, and generate enduring value for shareholders, partners, employees, and the community.

***Recipients:***

- *The AGM;*
- *Archived: BOD, BS Dept.*

**ON BEHALF OF BOARD OF DIRECTORS  
CHAIRMAN**

*(Signed & sealed)*

**Nguyen Thanh Hung**