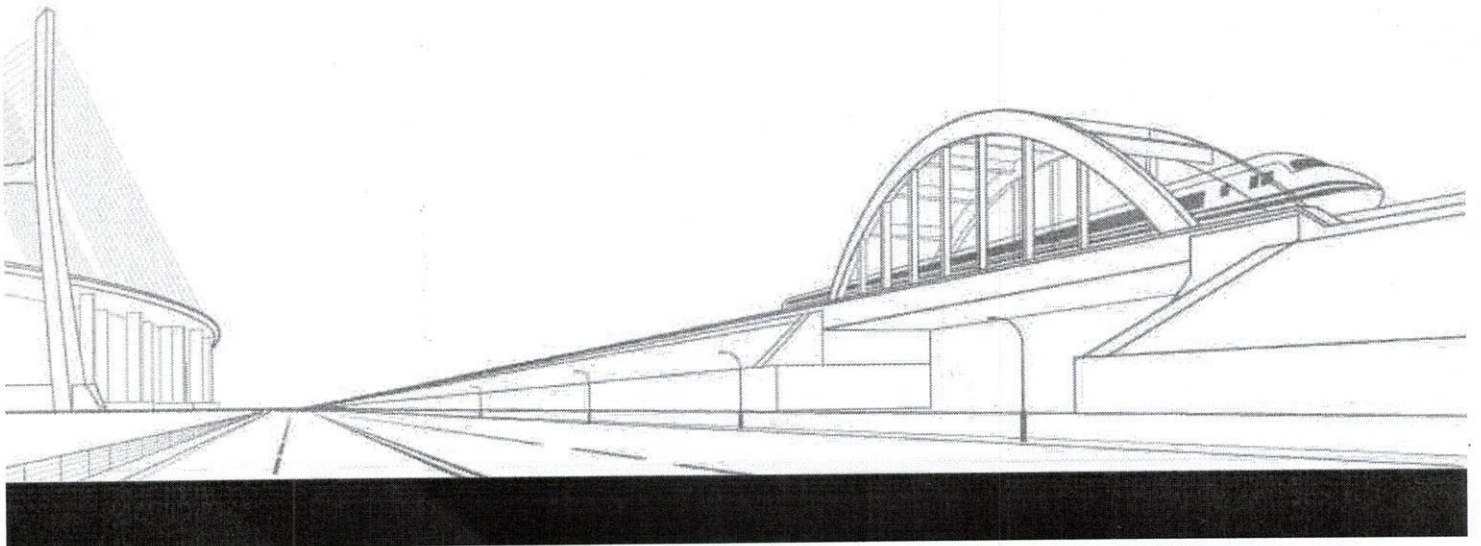


# ANNUAL REPORT 2024



## **ANNUAL REPORT**

**Public company name:** Railway Construction Corporation Joint Stock Company.  
**Reporting Year:** 2024

### **I. GENERAL INFORMATION**

#### **1. General information**

Trading name: **Railway Construction Corporation Joint Stock Company .**

Abbreviation: Railway Construction Corporation

Name deliver pandemic English: Railway Construction Corporation Joint - Stock Company.

Write turn off RCC., JSC.

**Stock code:** RCC

Charter capital: 320,647,490,000 VND

Land only: Court home No. 33, Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Hanoi City, Vietnam.

Electricity Phone : 0 24.35145.715 Fax: 0 24.35145.671

[E-mail]: [contact@rccgroup.vn](mailto:contact@rccgroup.vn) ;

Website: [rccgroup.vn](http://rccgroup.vn)

Logo:



Decision to establish a state-owned enterprise: No. 22565QD/TC of Set Chief Ministry of Transport, November 5, 1973;

Decision determine transfer Change to JSC: No. 3745/QD-BGTVT of Ministry of Transport February 7, 2004 Business Registration Certificate of the Joint Stock Company: No. 0103008002 issued by the Department Plan plan and Head private wall Hanoi street grant give post sign time head May 25, 2005, replaced change post sign time rank two ten three (24) days 04/07/2024.

**Code number tax:** 3300101075

**Legal representative:** The corporation has 02 representatives.

- Chairman of the Board of Directors

- General Director

**Formation and development process:** The predecessor was called the bridge team, road, architecture, Signal Information was established under Decision No. 2565QD/TC of the Minister of Transport dated November 5, 1973 on the establishment of the Railway Construction Joint Stock Enterprise headquartered in Ngoc Khanh Ward - Ba Dinh District - Hanoi City. The unit officially came into operation in November 1974 with 11 member companies including: Bridge, Road, Architecture, Signal Information, with nearly 10,000 employees, operating on 5 railway lines with the mission: Restoring and ensuring railway traffic, contributing to the construction of Socialism in the North and serving the cause of liberating the South and unifying the country.

- In October 1975, the company headquarters moved to 131 Thach Han Street, Thuan Hoa Ward, Hue City, Thua Thien Hue Province to carry out the task of restoring the North-South unified railway.

- On March 20, 2003, the Ministry of Transport issued Decision No. 734/2003/QD-GTVT on changing the name of the Railway Construction Company to the Railway Construction Company.

- In July 2003, due to production and business requirements, the unit moved its headquarters to 09 Lang Ha Street - Thanh Cong Ward - Ba Dinh District - Hanoi.

- On February 7, 2004, the Ministry of Transport issued Decision No. 3745/QD-BGTVT on converting state-owned enterprises into joint stock companies.

- On May 25, 2005, Railway Construction Company officially operated as a joint stock company and changed its name to Railway Construction Joint Stock Company.

- On August 5, 2008, the Ministry of Transport issued Decision No. 2396/QD-BGTVT on re-determining the value of the state capital contribution at the time of conversion to a joint stock company of the Railway Construction Joint Stock Company, and attached the minutes of handover of assets, capital and labor between Vietnam Railway Corporation and the Railway Construction Joint Stock Company dated September 30, 2008.

- On April 1, 2011, Railway Construction Joint Stock Company changed its name to Railway Construction Corporation Joint Stock Company (abbreviated as the Corporation).

## **2. Industry and business location:**

### **Business sector:**

Serial	Industry name	Industry code
1	Railway freight transport	4912
2	Coastal and ocean freight transport	5012



3	Afforestation and forest care	5022
4	Planting and caring for forests	0210
5	Electrical installation <i>Details: Construction of information, signal and electrical works.</i>	4321
6	Direct support service activities for railway and road transport. <i>Details: Railway ticket sales service agents</i>	5221
7	Manufacture of concrete and products from cement and plaster <i>Detail:</i> - <i>Production of concrete products.</i> - <i>Production of precast concrete panels, pipes, concrete columns, reinforced concrete piles .</i>	2395
8	Manufacture of other products of wood; manufacture of products of bamboo, cork, straw and plaiting materials.	1629
9	Wholesale of other machinery, equipment and spare parts. <i>Detail:</i> - <i>Import and export of materials, machinery and equipment for the transportation industry.</i> - <i>Import and export of materials, machinery, equipment, spare parts and accessories specialized for the railway industry.</i>	4659
10	Wholesale of solid, liquid, gaseous fuels and related products. <i>Detail:</i> - <i>Import and export: lubricants, machine grease, coal, plastic granules and plastic products.</i> - <i>Buying and selling other fuels used in engines (liquefied petroleum gas).</i> - <i>Buy and sell lubricants and engine cleaners.</i>	4661
11	Wholesale of metals and metal ores. <i>Details: Import and export of all kinds of iron and steel</i>	4662
12	Wholesale of other construction materials and installation equipment. <i>Detail:</i> - <i>Import and export of construction materials</i> - <i>Buying and selling construction materials</i>	4663
13	Other specialized wholesale is not yet available. <i>Detail:</i> - <i>Buying and selling waste and scrap goods (except scrap prohibited by the State).</i> - <i>Import and export of concrete products.</i> - <i>Import and export of wood products (except for types of wood prohibited by the State).</i> - <i>Buying and selling means of transport, machinery, equipment, spare parts for the transport and industrial sectors.</i>	4669
14	Sauna, massage and similar health-promoting services (except sports	9610



	activities). <i>Details: Steam bath, massage, physical therapy services (excluding acupressure, acupressure and steam bath with traditional medicine)</i>	
15	Support services related to tourism promotion and organization. <i>Details: Domestic and international travel business and tourist services (excluding dance halls, bars, karaoke rooms).</i>	7920
16	Other road passenger transport. <i>Details: Passenger transport by contract.</i>	4932
17	Manufacture of metal components. <i>Details: Production of steel components: steel bridge beams, house frames, forging, stamping, pressing, cutting to form products.</i>	2511
18	Architectural activities and related technical consultancy <i>Details: Surveying and mapping services.</i>	7110
19	Renting of machinery, equipment and other tangible goods. <i>Details: Rental of means of transport, machinery, equipment, spare parts for the transportation and industrial sectors.</i>	7730
20	Construction of other civil engineering works. <i>Details: Construction of traffic, industrial, civil and irrigation works.</i>	4290
21	Demolition	4311
22	Site preparation. <i>Details: Clearing and creating construction site (leveling the ground).</i>	4312
23	Management consulting activities. <i>Detail:</i> - Construction supervision of works: bridges, roads, civil and industrial. - Consulting on investment in construction of civil, traffic, industrial and technical infrastructure works (excluding construction design)	7020
24	Transport of goods by road.	4933
25	Quarrying of stone, sand, gravel, clay. <i>Details: Exploitation of stone, sand, gravel, clay and kaolin.</i>	0810
26	Short term accommodation services. <i>Details of business services of guest houses, motels, and food services</i>	5510
27	Technical testing and analysis. <i>Details: testing and inspection of construction materials; testing and inspection of mechanical strength of concrete and structures.</i>	7120
28	Real estate business, land use rights owned or leased. <i>Details: Real estate business with ownership or lease.</i>	6810
29	Specialized design activities. <i>Detail:</i> - Design of traffic works. - Structural design of civil and construction works industrial.	7410

	- <i>Construction architecture services.</i>	
30	Installation of water supply, drainage, heating and air conditioning systems <i>Details: Construction, pipelines, water supply and drainage</i>	4322
31	Agent, broker, auction. <i>Details: Purchase and sale of goods</i>	4610
32	Warehousing and storage of goods <i>Details: loading and unloading of goods, warehouse operations.</i>	5210
33	Other remaining business support service activities not elsewhere classified . <i>Details: Investment in civil, industrial, transportation and irrigation works. (For conditional business lines, Enterprises only conduct business when they meet all conditions as prescribed by law)</i>	8299
34	Construction of railway and road works	421
35	Other education not elsewhere classified <i>Details: Education and training services, occupational safety and hygiene training</i>	8559
36	Renting other personal and household goods	7729
37	Cleaning houses and other buildings	8129
38	Laundry, cleaning of textile and fur products	9620
39	Photocopying, document preparation and other specialized office support activities	8219
40	Lease car Have dynamic muscle	7710
41	Restaurants and mobile food services	5610
42	Providing catering services under irregular contracts with customers (serving parties, meetings, weddings, etc.)	5621
43	Road passenger transport within the city and suburbs (except transport by bus)	4931

**Production and business location:** The Corporation is a multi-industry production and business unit, mainly in the field of bridge and road construction nationwide. The production of industrial products, construction of civil works, road and railway traffic plays a key role in the development plan of the Corporation and has also been the main product of the Corporation since its establishment.

Currently, the Corporation is focusing on construction works and production of precast concrete components as follows:



- Package No. 11A: Construction of tunnels No. 1, No. 2, No. 3, Phu Cu, Chi Thanh, Vung Ro 1, Vung Ro 4 and Bai Gio under the project of reinforcing weak tunnels combined with opening new stations and renovating the upper-floor architecture of the Vinh - Nha Trang section, Hanoi - Ho Chi Minh City railway line;

- Package XL2: Construction of section Km708+350-Km740+884.83 (including survey and design of construction drawings) of the Van Ninh - Cam Lo section of the North - South Expressway Construction Project, Eastern phase 2021-2025;

- Package 11XL: Construction of section Km0+200 - Km19+800 (including survey and design of construction drawings) of the Quy Nhon - Chi Thanh section of the North - South Expressway Construction Project, Eastern phase 2021 - 2025;

- Package XL-VNT2-03: Renovation and upgrading of section Km1241+990 to Km1314+930 in Khanh Hoa province; Project: Renovation and upgrading of Vinh - Nha Trang section of the Hanoi - Ho Chi Minh City railway line;

- Package XL-VNT2-01A: Upgrading section Km319+020 – Km622+181 in Nghe An, Ha Tinh, Quang Binh, Quang Tri provinces under the project to upgrade the Vinh – Nha Trang section on the Hanoi – Ho Chi Minh City railway line;

- Package XL-HNV2-03A: Upgrading section Km140+478 – Km293+950, Cambridge Km300+161 (in Thanh Hoa and Nghe An provinces) Project: Upgrading the Hanoi – Vinh section, Hanoi – Ho Chi Minh City railway line;

- Package XL-CD-01: Construction of Duong railway bridge; Project: Upgrading the Duong river waterway (Duong railway bridge);

- Package XL – 02: Construction of bridges, railways, signal information and other works. Project: Railway renovation in Khe Net Pass area, Hanoi - Ho Chi Minh Railway line;

- Partially implement Package No. 8: Construction of new Phong Chau Bridge Investment project to build new Phong Chau Bridge on National Highway 32C, Phu Tho province according to the urgent construction order.

- Production of precast concrete components including TN1, TN1P concrete sleepers at Hoang Mai Stone Joint Stock Company, Nghe An province and at Da Nang Railway Materials Company Limited, Lien Chieu District - Da Nang, to serve the Railway Project and provide to the Management Companies under the Vietnam Railway Corporation for regular maintenance and repair of the North-South railway line.

- The Corporation is exploiting stone at Hoang Mai quarry with a total area of over 192,100 m<sup>2</sup> to supply the Railway, road and other civil construction projects. On the other hand, the advantage of exploiting stone at this quarry helps the Corporation partly reduce input costs for production and business and increase initiative in construction projects in the Central region..

**3. Information on governance model, business organization and management apparatus**

**3.1. Management model: The corporation operates according to the model**

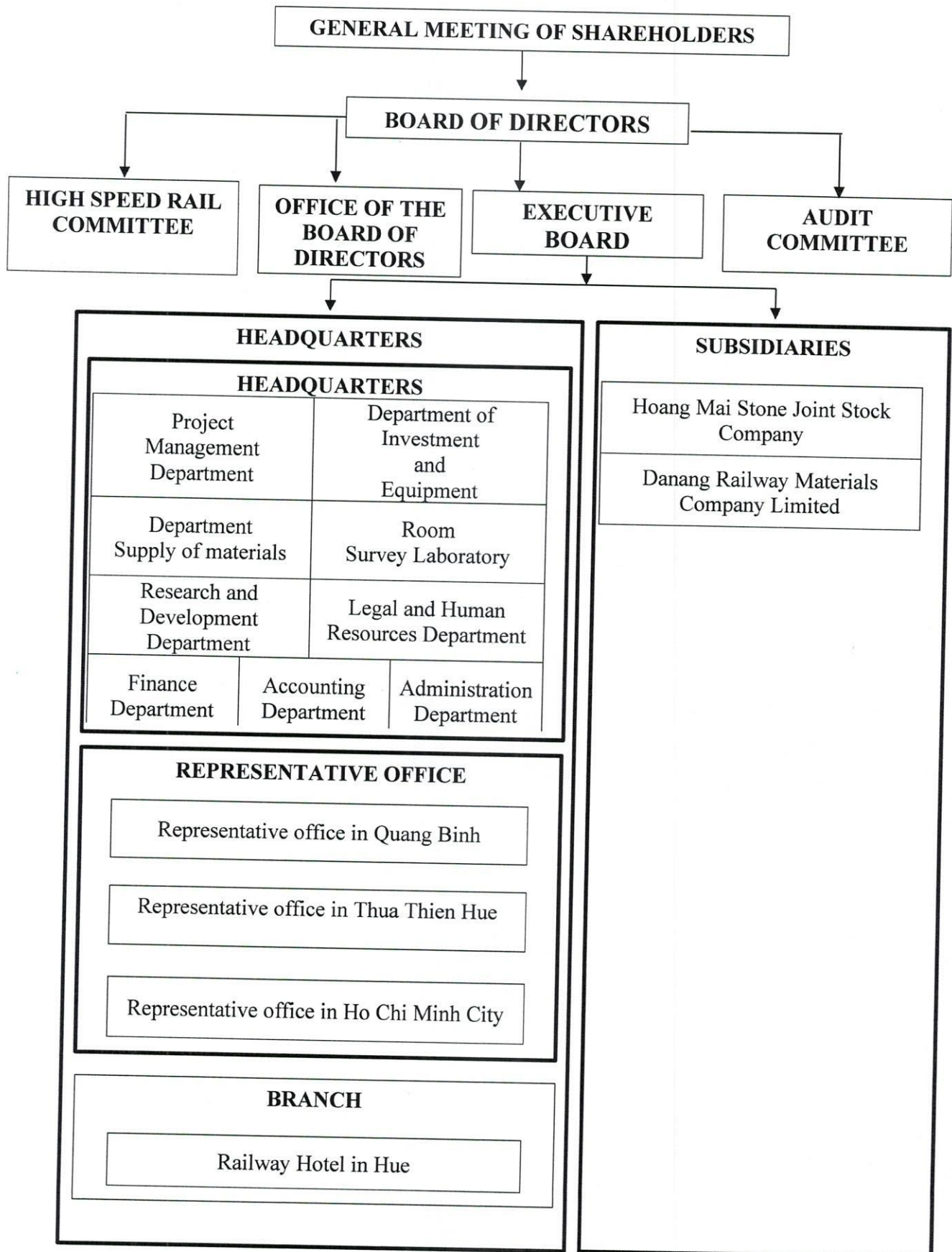
- Shareholders meeting.
- The Board of Directors has an Audit Committee under it.
- General Director Board.
- Departments, subsidiaries.

**3.2. Management structure**



# ORGANIZATION CHART

## RAILWAY CONSTRUCTION CORPORATION



- The Corporation has 01 affiliated accounting unit: Branch of Railway Construction Corporation - Railway Hotel.

- The Corporation directly owns the following Subsidiaries:

TT	Name company	Equity ownersh p ratio	Address
1	Hoang Mai Stone Joint Stock Company	50.33%	Quynh Thien Ward, Hoang Mai Town, Nghe An Province
2	Danang Transport Company Limited	100.00%	No. 61 - Nguyen Van Cu , Lien Chieu District, Da Nang City

- Affiliated companies

TT	Name company	Equity ownersh p ratio	Address
1	Construction Joint Stock Company No 791	18.85%	Nghe An
2	792 Construction JSC	18.00%	Quang Binh
3	793 Construction JSC	12.47%	Quang Tri
4	796 Railway Construction JSC	10.00%	Ho Chi Minh City
5	798 Machanical Excution Construction JSC	10.28%	Hanoi
6	878 Mechainical and Construction JSC	10.78%	Thua Thien Hue
7	879 Construction JSC	17.40%	Thua Thien Hue
8	875 Construction JSC	10.25%	Da Da Nang
9	Saigon Railway Transport Joint Stock Company	8.00%	Ho Chi Minh City
10	Neo Floor Joint Stock Company	18.33%	Hai Phong City



#### **4. Development orientation**

- General orientation: Maintain the brand as a leading enterprise in the field of railway and road infrastructure construction. At the same time, expand investment in other fields suitable to the Corporation's capacity.

- Orientation in 2025: The Board of Directors and the General Director of the Corporation are constantly approaching Project Management Boards, Investors, etc. to learn and grasp information related to investment preparation for domestic and international capital projects to participate in bidding or participate in PT, PPP projects. In addition, the Board of Directors is preparing steps to anticipate the large high-speed railway project in the future: Lao Cai - Hanoi Hai Phong High-speed Railway. Striving for the value of newly signed construction contracts to reach over 750 billion VND, the output value to reach over 1,000 billion VND, net revenue to reach 900 billion VND, pre-tax profit to reach nearly 20 billion VND

- At the same time, fully implement the regime with employees to ensure no salary and social insurance arrears, pay average income to employees in 2025 to reach 12.5 million VND/person/month or more, with the target of increasing by at least 5% compared to the previous year; fully perform tax payment obligations to the State Budget;

- Strive to ensure safety in all aspects, focusing on ensuring labor safety, construction safety, traffic safety, train safety, fire safety and social order and security.

#### **5. Risks**

##### **5.1. Risks in the business environment**

The global economy entering 2025 is expected to face challenges compared to 2024. The risk of economic recession and trade wars still exists due to geopolitical conflicts, disruptions in the supply chain of many basic goods, fluctuations in raw material prices and new tariff policies. Global growth is expected to be only 3.3% , inflation rate 4.4% in 2025 (According to the Global Economic Prospects report of the International Monetary Fund IMF).

Vietnam's economic growth is forecast at 6.1% in 2025, down 0.99% compared to the previous year. However, advantages, difficulties and challenges are still intertwined due to the forecast of many fluctuations in the global economic context, geopolitical tensions, weak consumer demand, etc.

##### **5.2. Specific risks of traffic construction**

The business results obtained from the Corporation's basic construction projects are affected by the instability of input material prices, the State's economic policies in developing the basic construction industry, the ability to allocate State budget capital for

construction projects and the involvement of other departments and branches in the construction of infrastructure projects.

Construction of traffic works is a special industry, requiring the use of specialized, modern machinery and long-term, high-quality human resources. Therefore, technological backwardness or inadequacies in policies and regimes for workers are also considered risks of concern for the Corporation. Strict conditions on techniques, construction processes and project acceptance are always applied by the Corporation to ensure quality and aesthetics. This can be considered a potential risk in the production and business activities of the Corporation.

In addition, the increasing number of domestic and foreign construction enterprises will lead to fierce competition. The Corporation will have to face many difficulties to maintain and expand its market share, as well as affirm the Corporation's position in and outside the railway industry.

### **5.3. Legal Risks**

The legal guidance documents are not really complete and lack updates, leading to many shortcomings in the application of the law in practice and also affecting the long-term development strategy planning of the Corporation.

The Corporation's production and business activities are mainly regulated by the Enterprise Law, Investment Law, Construction Law, Economic Law, Land Law and other related laws. At the same time, the Corporation is also affected by the Securities Law and the policies and development strategies of the industry. Therefore, any changes in relevant laws or policies will affect the Corporation's business activities.

To limit this risk, the Corporation always focuses on researching and mastering the regulations of the Government, the Ministry of Construction and related ministries and branches to develop appropriate production and business development strategies.



## **II. Operational situation in 2024**

### **1. Production and business situation**

#### **1.1. Audited business performance results for the year:**

<b>Target</b>	<b>Plan</b>	<b>Perform</b>	<b>%TH/KH</b>
New contract value (billion VND )	500	175	35%
Actual output value (billion VND)	1,091	807	73.69%
Net revenue (billion VND)	989.8	776.6	78.5%
Profit before tax (billion VND)	24.74	9.5	38.4%
Dividend (%)	5%	-	-

#### **1.2. Evaluate implementation status compared to plan:**

The price of input materials fluctuated strongly in 2024 and only stabilized at the end of the year, greatly affecting businesses, especially construction and installation businesses. In addition, the slow progress of local site clearance and slow disbursement of public investment capital affected the implementation of construction projects. In addition, 2024 was affected by many natural disasters, floods and unfavorable weather, causing difficulties for construction progress.

In that context, the results of the Corporation's business targets were not achieved as planned:

Construction output value: 807 billion VND, net revenue: 776.6 billion VND, equivalent to 73.69% and 78.5% of the plan. The reason is that some construction projects are behind schedule due to lack of construction sites. At the same time, the acceptance and payment with the investor still encountered some difficulties in the capital allocation stage, leading to revenue not reaching the plan.

Profit before tax: 9.5 billion VND, reaching 38.4% of the plan. Partly due to output and revenue not reaching expectations. At the same time, high prices of raw materials and bank interest rates also greatly affected the company's profits.

The signing of new contracts reached 35% of the plan. In 2024, the main focus will be on implementing old approved packages and new projects that are under proposal but have not yet been widely bid. The construction industry is facing great competition, with contractors willing to reduce prices sharply to receive new projects.

### **2. Organization and personnel**

#### **List of Board of Directors:**

- |                         |   |
|-------------------------|---|
| (1). Mr. Vo Van Phuc    | Position: Member of Board of Directors - General Director |
| (2). Ms. Vu Thi Hai Yen | Position: Permanent Deputy General Director               |
| (3). Mr. Kieu Nghi      | Position: Deputy General Director                         |

## 2.1. Summary of personal profiles in the Board of Directors

❖ **Vo Van Phuc** **Position: Member of Board of Directors - General Director**

**Date of birth:** January 6, 1966 **Place of birth:** Quang Ngai

**Nationality:** Vietnamese **Ethnicity:** Kinh **Religion:** None

**CCCD Number:** 051066011154 **Date of issue:** August 9, 2021 **At:** Department Chief Department of Administrative Police on Social Order

**Permanent residence:** Number 145 Thach Han - Thuan Hoa Ward - Hue City - Thua Thien Hue Province

**Current residence:** No. 145 Thach Han - Thuan Hoa Ward - Hue City - Thua Thien Hue Province

**Place of work:** Railway Construction Corporation Joint Stock Company

**Position:** Member of Board of Directors - General Director of the Corporation

**Participating organizations** ( *Party members, Union members* ): Party members

**Education:** University

**Professional qualification:** Bridge and tunnel engineer - University of Transport

**Study and work process** ( *from after graduating from high school or equivalent to present* ):

Month, Year	Study or work something	Where
1986 - 1988	Technician of Construction Enterprise 798	Nam Ly - Dong Hoi - Quang Binh
1989 - 1998	Technician, Technical Department of the Railway Construction Joint Stock Company	131 Thach Han – Thua Thien Hue
1998 - 2000	Deputy Head of Technical Department, Technical Department, Railway Construction Joint Stock Enterprise	131 Thach Han – Thua Thien Hue
2000 - 2001	Deputy Director of Construction Enterprise 878	Huong Thuy - Phu Article - Thua Thien Hue
2001 - 2005	Director of Construction Enterprise 878	Huong Thuy - Phu Article - Thua Thien Hue
2005 – 2008	Member of Board of Directors, Deputy General Director and Director of Factory 793	Le Duan - Dong Ha - Quang Tri



2008 – March 2010	Deputy Board Member Total supervisor Governor cum Supervisor Director XN 793	No. 09 Lang Ha - Ba Dinh - Hanoi Le Duan - Dong Ha - Quang Tri
March 2010 – November 2016	Board Member and Deputy General Director	131 Thach Han – Thuan Hoa – Hue City
December 2016 – present	Member of Board of Directors and General Director of the Corporation	No. 33 Lang Ha - Ba Dinh - Hanoi

**Current position (stated in other organizations):**

STT	Name company	Position service
1	Construction Joint Stock Company 875	Owner Chairman of the Board

**Behavior violation France Law: No**

**The items in debt opposite to with Total Company: No**

**Interest pattern conflict with profit benefit Total Company: No**

**Number of shares owned at the Corporation** (calculated) arrive time point April 2 , 2025): 102,640 shares part, accounting for 0.32% of charter capital:

+ Ownership Representative: share, ratio charter capital  
+ Individual ownership: 102,640 shares part, accounting for 0.32% of  
charter capital



❖ **Vu Thi Hai Yen**  
**Director**

**Position: Permanent Deputy General**

**Appointed date:** 05/04/2021

**Date of birth:** July 19, 1979      **Born:** Viet Tri - Phu Tho

**Nationality:** Vietnamese      **Citizen Race:** Kinh      **Religion:** None

**CCCD Number:** 025179011047      **Date Issued on:** July 10, 2021      **At:**

Department Chief Department of Administrative Police on Social Order

**Permanent residence:** Residential Group No. 8, Dinh Thon, My Dinh 1 Ward, Nam Tu Liem District, Hanoi

**Current residence:** Residential Group No. 8, Dinh Thon, My Dinh 1 Ward, Nam Tu Liem District, Hanoi

**Workplace:** Railway Construction Corporation Joint Stock Company

**Position:** Deputy Total supervisor Governor often direct

**Participating organizations** (Party members, Union members): No

**Education:** University

**Professional level:** Foreign economics.

**Education and work history** (*from high school graduation or equivalent to present*):

Month, Year	Study or work something	Where
August 1997 – August 2001	Foreign Trade University	91 Street Lang Pagoda, Lang Thuong, Dong Da, Hanoi
August 2002 – May 2016	In charge of management team - Equipment Management Department at Honda Vietnam Company	Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province
May 2016 – August 2017	Deputy Manager in charge of corporate governance at Honda Vietnam Company	Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province
August 2017 – September 2018	Assistant - Secretary of General Director, Deputy Head of Career Planning at Honda VN Company	Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province
September 2018 – July 2019	Deputy Head of Information Technology Department at Honda Vietnam Company	Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province
Jul 2019 – May 4, 2021	Head of Control Board at Railway Construction	No. 33 Lang Ha - Thanh Cong Ward - Ba Dinh District - Hanoi

	Corporation	City
May 2021 – present	Permanent Deputy General Director at Railway Construction Corporation	No. 33 Lang Ha - Thanh Cong Ward - Ba Dinh District - Hanoi City

**Current position (stated in other organizations):**

No	Name company	Position service
1	Construction Joint Stock Company 879	Chairman of the Board
2	Construction Joint Stock Company muscle world 798	Chairman of the Board
3	Hoang Mai Stone Joint Stock Company	Board Member
4	Construction Joint Stock Company 791	Board Member

**Illegal behavior:** No

**Debts to the Corporation :** No

**Interests conflict with the interests of the Corporation:** No

**Number of shares owned at the Corporation (calculated) arrive time point April 2, 2025):** 94,414 shares part, accounting for 0.3% of charter capital:

+ Ownership Representative: 0 shares, ratio 0% of charter capital

+ Individual ownership: 94,414 shares, ratio 0.3 % of charter capital



❖ Kieu Nghi

**Position Deputy Total supervisor Governor**

**Date of birth:** March 12, 1969 **Born:** Hanoi

**Nationality:** Vietnamese **Citizen Race:** Kinh **Religion:** None

**Number:** 191761762 **Date Issued:** October 9, 2007 **At:** Thua Thien Hue

**Permanent residence:** Group 15 – area Area 5 - An Cuu Ward - Hue City

**Current residence:** Group 15 – area Area 5 - An Cuu Ward - Hue City

**Position:** Railway Construction Corporation Joint Stock Company

**Position case:** Deputy Total supervisor Governor Total company

**Participating organizations (Party members, Union members):** Party member

**Cultural level:** University

**Professional qualification:** Railway Engineer - Hanoi University of Transport.

**Study and work process** (from high school graduation or equivalent to present):

Month, Year	Study or work something	Where
1987 - 1991	Jacking Worker - Railway Construction Joint Enterprise	Bao Quoc - TT Hue
1991 - 1994	Study at the College of Transport	Quang Nam – Da Nang Da Nang
1994 - 2000	Technician of Construction Material Factory 879 Railway Construction Joint Enterprise	Bao Quoc - TT Hue
2000 – 2002	Deputy Technical Construction Material Factory 879 Railway Construction Joint Enterprise	Bao Quoc - TT Hue
2002 – 2005	Vice president Construction Material Factory 879 Railway Construction Joint Enterprise	Bao Quoc - TT Hue
2005- 2006	Director Construction Material Factory 879 Railway Construction Joint Enterprise.	Bao Quoc - TT Hue
2006-2009	Director Construction Material Factory 879 Railway Construction Joint Enterprise.	Bao Quoc - TT Hue
2009- 2012	University of Transport	Da Nang
2011-2013	Chairman of the Board of Directors - Director - CT 879 LLC	Bao Quoc - TT Hue

2013-Jun/2014	Deputy General Director of Railway Construction Corporation and Chairman of the Board of Directors - Director - CT 879 LLC	Bao Quoc - TT Hue
June 2014 - present	Deputy General Director of Railway Construction Corporation Joint - Stock Company	131 Thach Han – Hue City

**Current position (specify at other organizations):**

No	Name company	Position
1	Construction Joint Stock Company 879	Member of Board of Directors and General Director

**Illegal behavior:** No

**Debts to the Corporation:** No

**Interests conflict with the interests of the Corporation:** No

**Number of shares owned at the Corporation** (calculated arrive time point April 2, 2025): 333 shares part, accounting for 0.001% of charter capital:

+ Ownership Representative: Share, Ratio 0% of charter capital

+ Individual ownership: 333 shares, Ratio 0.001 % of charter capital



## **2.2. Policy towards employees:**

### **Labor management**

Total total number of employees Total company to December 31, 2024: 181 people

Average income of employees in 2024: 12,100,000 VND / person / month.

### **Training policy**

The Corporation always considers human resource development as the most important and decisive factor for the sustainable development of the Corporation. Therefore, the Corporation has continuously strengthened and improved the quality and quantity of human resources to meet the human resource requirements in the process of operation and development.

All employees in the Corporation are fully trained. For newly recruited workers who have completed basic training, the Corporation annually sends them for retraining to improve their skills and grasp new technical technologies . For managers, they are sent to attend training courses organized by the Ministry of Construction, Vietnam Railway Corporation and other State ministries and branches, etc. to improve their skills and grasp new policies of the State.

### **Reward system**

The reward regime for employees of the Corporation is linked to the business performance and labor productivity of each person, for each product or the results of each product stage and project. According to the regulations, the Corporation has the following basic regimes:

- Each year, employees receive a minimum of 13 months of salary;
- Rewards for units and individuals with outstanding achievements in the year, rewards for technical innovations that benefit the Corporation;
- Rewards on national holidays and the anniversary of the Corporation's establishment.

### **Implement policies and regimes (social insurance, health insurance, unemployment insurance) for employees:**

All employees of the Corporation are covered by insurance and enjoy social benefits in accordance with the Labor Law. In addition, employees also receive allowances according to the regime such as hazardous allowance, mobility allowance, professional responsibility allowance, etc.

### **Group activities and other policies**

At the Corporation, organizations such as the Trade Union, Party Committee and Youth Union are organized and operate according to the provisions of law and have regulations on coordination between mass and professional organizations. The Corporation pays attention to mass activities to create a joyful and friendly atmosphere for all employees .

Every year, organize vacations for employees and organize periodic health check-ups.

The Corporation pays special attention to organizing social relief and charity activities, nurturing Vietnamese heroic mothers, etc. Thereby building a spirit of support and mutual assistance among the Corporation's staff and with society.

### **3. Investment situation**

#### **3.1. Investment situation at member companies in 2024 :**

<b>No</b>	<b>Unit</b>	<b>Charter capital</b>	<b>Revenue pure</b>	<b>Profit before tax</b>
1	Hoang Mai Stone Joint Stock Company	56,124,440,000	52,996,318,288	7,889,277,565
2	Danang Railway Materials Company Limited	16,771,500,000	13,764,664,169	117,279,653

#### **3.2. Investment situation in affiliated companies in 2024:**

<b>No</b>	<b>Unit</b>	<b>Charter capital</b>	<b>Revenue pure</b>	<b>Profit before tax</b>
1	Construction Joint Stock Company No 791	30,934,340,000	11,622,737,473	(648,940,009)
2	792 Construction JSC	35,000,000,000	22,244,342,594	(8,023,743,955)
3	793 Construction JSC	36,500,000,000	22,685,334,237	(2,926,057,157)
4	796 Railway Construction JSC	25,000,000,000	32,706,578,505	45,551,539
5	798 Machanical Excution Construction JSC	38,000,000,000	49,624,769,857	(8,580,429,183)
6	878 Mechainical and Construction JSC	45,000,000,000	11,637,101,424	(3,851,977,151)



7	879 Construction JSC	36,500,000,000	10,159,446,119	(2,628,471,837)
8	875 Construction JSC	45,000,000,000	16,770,269,380	74,100,690
9	Neo Floor Joint Stock Company	600,000,000,000	1,902,674,301,276	226.440.366.192

### **3.3. Investment situation in machinery and equipment in 2024:**

In 2024 , the Corporation invested in purchasing machinery and equipment to serve production and business with a value of 5.7 billion VND.

#### 4. Financial situation

##### a. Financial situation

No	Indicator	2023	2024	% Increase (decrease)
1	Total asset value	1,197,376,263,258	1,046,555,453,749	-12.60%
2	Net revenue	839.968.366.132	776.639.692.661	-7.54%
3	Net revenue from sale of goods and rendering of service	38,406,874,169	10,802,918,350	-71.87%
4	Other profits	309,336,733	(1,340,881,915)	-533%
5	Profit before tax	38,716,210,902	9,462,036,435	-75.56%
6	Profit after tax	30,083,671,279	3,745,801,930	-87.55%
7	Dividend yield ratio	0	0	0%

##### b. Key financial indicators

Indicator	Unit	2023	2024
<b>Liquidity Indicator</b>			
Current Ratio:	Times	1.39	1.19
Quick Ratio:	Times	1.08	0.9
<b>Capital structure indicators</b>			
Debt to Total Assets Ratio	%	66%	61%
Debt to Equity Ratio	%	194%	154%
<b>Activity Efficiency Indicator</b>			
Inventory Turnover	Times	3.50	3.30
Total asset turnover	Times	0.82	0.69
<b>Profitability ratio</b>			
Profit after tax/Net revenue	%	3.6%	0.5%
Return on Equity (ROE)	%	7.6%	0.9%
Return on Assets (ROA)	%	2.9%	0.3%
Operating profit ratio/Net revenue	%	4.6%	1.2%

##### Liquidity indicators

The company's quick and short-term payment ratios in 2024 have decreased compared to 2023. The short-term payment ratio in 2024 is 1.19, the company still ensures to pay short-term debts. The quick payment ratio is 0.9, showing that the ability to pay quickly is not really guaranteed. The company needs to focus on balancing debts to avoid the situation where debts are due at the same time.

##### Capital structure indicators

Debt/Equity ratio and Debt/Total assets ratio in 2024 both decreased compared to 2023. The company reduced its payables in 2023 mainly due to the fact that in 2024, the company accelerated construction of projects to reduce the payables to sellers (debts to

suppliers of materials, goods, services) and prepayments to buyers (advance payments from investors to construct projects). However, this level is also the average level compared to businesses in the same industry, showing that the business has used its resources in a balanced way to finance production and business activities.

#### **Operating capacity indicators**

The inventory turnover index decreased slightly compared to 2023 from 3.5 rounds to 3.3 rounds, showing that inventory turnover in 2024 continued to be high, showing that the enterprise's business operations were effective. All completed construction items were promptly accepted and paid by the investor, so the value of unfinished construction was low.

The asset turnover index decreased compared to 2023 to 0.69 rounds, the enterprise is still within the average level of the construction industry.

#### **Profitability indicators**

The sharp decrease in profitability coefficients compared to 2023 reflects the general situation of the construction industry in 2024, such as high input material prices, fierce competition among enterprises in the same industry in public bidding for projects, forcing enterprises to reduce the estimated profits of projects to reduce bidding prices, etc., which has dragged down the profits of enterprises.

### **5. Shareholder structure, change in owner's equity**

#### **a. Shares:**

- Total number of shares: 32,064,749 shares (equivalent to 320,647,490,000 VND)
- Outstanding shares: Common shares.
- Shareholder structure: As of April 2, 2025, the Corporation's shareholder structure is as follows:

No	Shareholders	Number of shareholders	Number of shares	Ratio rate
<b>I</b>	<b>Major shareholders, minor shareholders</b>			
1	Major shareholders (5% or more)	5	16,100,625	50.21%
2	Shareholders under 5%	367	15,964,124	49.79%
<b>II</b>	<b>Domestic and foreign shareholders</b>			
<b>1</b>	<b>Domestic shareholders</b>	<b>367</b>	<b>32,046,545</b>	<b>99.94%</b>
a	Domestic organization	2	3,105,797	
b	Domestic individuals	365	28,940,748	
<b>2</b>	<b>Foreign shareholders</b>	<b>4</b>	<b>18,204</b>	
a	Foreign organization	0	-	0
b	Foreign individuals	4	18,204	0.06%
<b>Total add</b>		<b>372</b>	<b>32,064,749</b>	<b>100%</b>

#### **b. Changes in owner's investment capital**



In 2024, there will be no changes in owner's investment capital.

**c. Treasury stock trading**

Currently, the Corporation has no treasury stock so there is no transaction.

**6. Report on the company's environmental and social impacts**

**6.1. Environmental impact report:**

- In 2024 and previous years, the Railway Construction Corporation always strictly complies with environmental laws.
- Save the amount of materials used in construction, make efforts to use a part of recycled materials. As a business operating mainly in the field of construction, resource exploitation and production of precast concrete components, the Corporation annually uses a large amount of different raw materials. Therefore, to ensure the lowest impact on the environment, the company always applies optimal construction methods, uses new, more economical materials, uses recycled materials, etc.
- Saving energy is also one of the main goals of the enterprise to reduce construction costs.
- Use water resources effectively and economically. In the Corporation's projects, we always implement solutions to ensure effective and economical use of water.
- Minimize the impact on the environment during the implementation of projects. Find and sign contracts with partners who have the capacity to handle construction waste, do not dump untreated waste into the outside environment.

**6.2. Reports relating to responsibility towards local communities:**

Continue to fulfill corporate social responsibility. Following the tradition of "Helping each other" of the nation, the Corporation always focuses on community activities, such as adopting and organizing visits to heroic Vietnamese mothers, contributing to funds to support people in difficult circumstances due to floods and storms, burning incense to commemorate heroic martyrs, etc.

### **III. Report and assessment of the Board of Directors**

#### **1. Evaluation of production and business performance**

It can be said that 2024 is a year when the Corporation faces many challenges in production and business activities and job search, financial indicators have decreased compared to 2023. In general, the production and business results have not met the Resolution of the General Meeting of Shareholders in 2024.

In addition to positive factors that contribute to promoting development such as: The Government implements macroeconomic regulation policies as well as issues specific policies, promptly supports and removes difficulties for businesses; Ministries, branches, Vietnam Railway Corporation, investors support the disbursement, adjust the capital allocation plan for works, projects and timely payment of capital according to the completed volume... but there are still some objective factors that make the progress of the project not guaranteed according to the original plan such as the delay in site clearance.... However, with the spirit of not being afraid of difficulties, the Board of Directors of the Corporation has made efforts, proactively coordinated with investors, supervision consultants to promptly remove difficulties and problems, and organize the acceptance of completed items. Organize inspections and online meetings to direct the progress of each project, direct the timely payment and recovery of capital to serve production and business.

In 2024, there are still some problems in the management of production and business activities such as: job search does not meet targets, some groups of workers are locally unemployed; The organizational structure work has not been carried out, leading to the management apparatus not operating effectively...

#### **What the Corporation has achieved:**

- Regarding social life: Regularly take care of eating, living and working conditions, maintain and ensure the material and spiritual life of workers at construction sites.

Pay salaries and other income to employees fully and in accordance with policies.

- Production and business planning:

Always proactively approach and seek jobs, focus on solving core issues at each economic time, gradually apply and mobilize sufficient capital to serve production and business effectively, most typically: Producing all kinds of concrete sleepers, steel beams and other industrial products to promptly meet market demand in the construction sector, at the same time quickly deploy construction of projects with sufficient capital arrangement, pay attention to the work of preparing payment records to collect capital promptly.

- Technical, technological and quality work:



+ Maintain and improve the quality management system according to ISO 9001-2015 standards. All projects and products ensure quality, progress and are recognized by investors;

+ Continue to apply new technology in construction and manufacturing of industrial products such as: technology for manufacturing prestressed reinforced concrete sleepers for railway crossings.

+ Always research and study suitable construction methods for each bidding package and each project item to bring the highest efficiency in construction approved by the supervising consultant and the investor.

- Materials and equipment work:

+ The Corporation has a scientific internal management regulation for exploitation, repair and maintenance of equipment, suitable to the reality of the Corporation. Timely mobilize and transfer equipment and means of construction. Regularly and promptly monitor, inspect and repair equipment to improve efficiency.

+ Direct and regularly organize the inventory of iron and steel materials in stock in warehouses to have an effective usage plan to avoid capital backlog.

- Financial and accounting work:

The Corporation performs accounting in accordance with the Standards. squid plan maths Vietnamese Male, Che degree plan maths business career Vietnamese Male and relevant legal regulations, and accurately reflect economic indicators, report promptly so that the Corporation's leaders can make the right decisions. Timely resolve investment capital for projects, purchase supplies and construction materials for works. The Corporation always ensures reasonable bank loans to reduce financial costs.

Complete the audit of the 2024 Financial Statements and fulfill the obligation to disclose information in accordance with regulations.

- Administrative organization work:

Always pay attention to the appropriate labor organization structure in each period to flexibly use the existing labor resources of the enterprise, ensuring appropriate arrangement of labor for each job position to bring the highest efficiency to the enterprise.

There is a system to circulate, manage and process documents promptly and accurately to the appropriate departments, shortening administrative processing time to bring the best work efficiency.

## **2. Financial situation**

### **a. Asset :**



Code	ASSETS	Note	31/12/2024	01/01/2024 (Adjusted)
			VND	VND
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>743,854,633,170</b>	<b>1,086,780,305,558</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>3</b>	<b>11,626,302,864</b>	<b>324,709,503,614</b>
111	1. Cash		9,956,133,329	303,282,503,614
112	2. Cash Equivalents		1,670,169,535	21,427,000,000
<b>130</b>	<b>II. Short-term receivables</b>		<b>524,820,488,614</b>	<b>486,195,427,802</b>
131	1. Short-term trade receivables	4	329,729,503,172	412,749,367,316
132	2. Short-term prepayments to suppliers	5	197,214,050,617	78,656,215,979
136	3. Other short-term receivables	6	14,292,489,427	10,297,541,363
137	4. Provision for short-term doubtful debts		(16,415,554,602)	(15,507,696,856)
<b>140</b>	<b>III. Inventories</b>	<b>8</b>	<b>178,736,264,575</b>	<b>245,917,649,523</b>
141	1. Inventories		185,076,498,594	256,552,606,828
149	2. Provision for devaluation of inventories		(6,340,234,019)	(10,634,957,305)
<b>150</b>	<b>IV. Other short-term assets</b>		<b>28,671,577,117</b>	<b>29,957,724,619</b>
151	1. Short-term prepaid expenses	9	1,852,148,224	1,478,386,742
152	2. Deductible VAT		25,209,329,638	27,282,933,386
153	3. Taxes and other receivables from State budget	16	1,610,099,255	1,196,404,491
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>302,700,820,579</b>	<b>110,308,128,180</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>2,381,574,681</b>	<b>2,144,625,148</b>
216	1. Other long-term receivables	6	2,381,574,681	2,144,625,148
<b>220</b>	<b>II. Fixed assets</b>		<b>72,137,748,241</b>	<b>84,356,082,967</b>
221	1. Tangible fixed assets	10	68,441,462,563	80,523,192,449
222	- Historical cost		295,509,906,916	296,891,832,680
223	- Accumulated depreciation		(227,068,444,353)	(216,368,640,231)
227	2. Intangible fixed assets	11	3,696,285,678	3,832,890,518
228	- Historical cost		5,022,375,400	5,022,375,400
229	- Accumulated depreciation		(1,326,089,722)	(1,189,484,882)
<b>230</b>	<b>III. Investment properties</b>	<b>12</b>	<b>2,994,275,698</b>	<b>3,090,865,234</b>
231	- Historical cost		5,686,065,091	5,686,065,091
232	- Accumulated depreciation		(2,691,789,393)	(2,595,199,857)
<b>240</b>	<b>IV. Long-term assets in progress</b>		<b>-</b>	<b>1,201,818,182</b>
242	1. Long-term work in progress		-	1,201,818,182
<b>250</b>	<b>V. Long-term investments</b>	<b>13</b>	<b>217,527,641,230</b>	<b>6,760,125,208</b>
253	1. Equity investments in other entities		253,389,860,000	38,889,860,000
254	2. Provision for devaluation of long-term investments		(35,862,218,770)	(32,129,734,792)
<b>260</b>	<b>VI. Other long-term assets</b>		<b>7,659,580,729</b>	<b>12,754,611,441</b>
261	1. Long-term prepaid expenses	9	6,831,886,588	11,842,251,659
262	2. Deferred income tax assets	32	827,694,141	912,359,782
<b>270</b>	<b>TOTAL ASSETS</b>		<b>1,046,555,453,749</b>	<b>1,197,088,433,738</b>

Total assets as of December 31, 2024 decreased by -12.57% compared to the same period in 2024.

Specifically:

- The value of short-term assets at the end of the year recorded VND 743,854 million, down more than 31% compared to the previous year, mainly due to:

- + Short-term receivables from customers increased by 7.94% compared to the same period, partly because the construction works have reached the final stage or are in the warranty period, so the receivables from investors will increase, partly because the company has sold materials to some subcontractors for construction works but has not yet collected money.

- + Cash and cash equivalents decreased sharply by -96.42%, other short-term receivables increased correspondingly compared to the beginning of the period because the company used idle money to invest in buying 11 million shares of Neo Floor Joint Stock Company with a total value of VND 214.5 billion. On the other hand, as of December 31, 2024, the Company has not yet collected payment for construction volume from investors.

- The value of long-term assets at the end of the year recorded VND 302,700 million, an increase of 174.41% over the same period, mainly due to depreciation of fixed assets, increased provisions and increased capital investment in other units during the year.



## b. Capital

Code	CAPITAL	Note	31/12/2024	01/01/2024 (Adjusted)
			VND	VND
<b>300</b>	<b>C. LIABILITIES</b>		<b>635,331,217,332</b>	<b>792,195,575,986</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>627,255,963,897</b>	<b>782,521,127,051</b>
311	1. Short-term trade payables	14	195,428,209,696	157,620,675,905
312	2. Short-term prepayments from customers	15	34,672,805,891	272,564,205,301
313	3. Taxes and other payables to State budget	16	13,262,842,111	19,021,510,641
314	4. Payables to employees		5,037,245,169	6,018,880,549
315	5. Short-term accrued expenses	17	31,046,892,559	38,939,320,294
318	6. Short-term unearned revenue	18	763,636,368	763,636,368
319	7. Other short-term payables	19	5,227,143,910	7,095,917,416
320	8. Short-term borrowings and finance lease liabilities	20	340,645,759,416	279,398,582,567
322	9. Bonus and welfare fund		1,171,428,777	1,098,398,010
<b>330</b>	<b>II. Non-current liabilities</b>		<b>8,075,253,435</b>	<b>9,674,448,935</b>
333	1. Long-term trade payables	17	371,018,012	800,866,644
336	2. Long-term unearned revenue	18	5,854,545,423	6,618,181,791
337	3. Long-term accrued expenses	19	158,000,000	164,000,000
338	4. Long-term borrowings and finance lease liabilities	20	320,000,000	1,405,555,500
342	5. Provisions for long-term payables		1,371,690,000	685,845,000
<b>400</b>	<b>D. OWNER'S EQUITY</b>		<b>411,224,236,417</b>	<b>404,892,857,752</b>
<b>410</b>	<b>I. Owner's equity</b>	<b>21</b>	<b>411,224,236,417</b>	<b>404,892,857,752</b>
411	1. Contributed capital		320,647,490,000	320,647,490,000
411a	- Ordinary shares with voting rights		320,647,490,000	320,647,490,000
412	2. Share Premium		4,471,159,235	5,332,962,934
414	3. Other capital		1,296,421,018	1,296,421,018
421	4. Retained earnings		46,262,639,263	46,439,064,706
421a	- Retained earnings accumulated to previous year		46,104,863,861	18,019,341,260
421b	- Retained earnings of the current year		157,775,402	28,419,723,446
429	5. Non - Controlling Interests		38,546,526,901	31,176,919,094
<b>440</b>	<b>TOTAL CAPITAL</b>		<b>1,046,555,453,749</b>	<b>1,197,088,433,738</b>

Regarding payables:

- Short-term debt decreased by -19.84% from VND 782,521 million to VND 627,255 million mainly due to:

+ Payables to sellers increased from VND 157,620 million to VND 195,428 million, equivalent to an increase of 24% times because during the year, the enterprise was in the process of constructing many projects at high progress, so it had to import many materials in advance for construction.

+ Prepayment from buyers decreased from VND 272,564 million to VND 34,672 million, equivalent to an increase of about 2 times, this is mainly the amount of money advanced by the investor to construct the project according to signed contracts.



+ Borrowings and financial leasing debts increased slightly from VND 279,398 million to VND 340,645 million, mainly due to an increase in short-term loans at BIDV Dong Do Bank to compensate for the shortage of working capital.

- Long-term debt decreased slightly compared to the previous year, equivalent to about 16.53%.

Equity increased by 1.56% due to the company recording non-controlling shareholder interests of: VND 6.33 billion due to the divestment of Hoang Mai Stone Company's shares.

### **3. Improvements in organizational structure, policy, management**

Human resources work has generally met the general requirements of the company and the work. The organizational structure is divided according to the management level, enhancing the management role and responsibility of the heads of departments/units.

The company applies a management model without a Board of Control instead of an Audit Committee. That meets the advanced management model, helping the organization operate more compactly and reduce management costs for the company.

Continuously invest in advanced equipment, improve technology, and improve human resources to meet the conditions for participating in bidding and implementing highly difficult packages.

#### **IV. Board of Directors' assessment of the Corporation's operations**

##### **1. Board of Directors' assessment of the Corporation's operations**

The world economic environment in 2024 had some notable developments: global economic growth in 2024 was adjusted by international organizations compared to previous forecasts, but most forecasts were less optimistic. variable more dynamic than the growth rate in 2023. According to the International Monetary Fund-IMF, world output is estimated to increase by 3.4 % in 2024 , up slightly from 3.1 % in 2023 ; global merchandise trade continued to decline; global inflation trended downward in 2024 ; financial conditions tightened in most major economies, reflecting the cumulative impact of past interest rate hikes and quantitative tightening; Labor markets in developed economies show signs of stabilization.

2024 World Economic Outlook report , the IMF said that Vietnam's growth in 2024 slowed down due to strong headwinds hitting the economy in late 2024 and the first half of 2025. Financial stress in real estate businesses emerged due to tighter lending conditions, regulatory barriers and slowing sales, while the corporate bond market froze. The economy continued to be impacted by demand. bridge serve return slow since the end of 2023 , with increased exports light 14.3 % in 2024. According to the General Statistics Office, GDP in 2024 is estimated to increase by 4-4.5 % over the previous year, just higher than the growth rates of 2.87% and 2.55% in 2020 and 2021.

With the main activity of constructing and installing railway and road infrastructure, the Corporation is greatly affected by public investment activities. In 2024 , the infrastructure construction sector disbursed from the state budget reached 72.9 % of the total capital of 752,476.4 trillion VND. Of which, for many Road project with 14 highway projects and much attend sentence road Iron . Budgetary funds have created many jobs for businesses building transport infrastructure. However, the level of competition is very high among businesses in the industry.

In that context, the results of the Corporation's business targets have shown positive developments.

Specific performance results are as follows:

##### **Business performance results**

<b>Target</b>	<b>Plan</b>	<b>Result</b>	<b>% Plan / Result</b>
New contract value ( billion VND )	500	175	35%
Actual output value (billion VND)	1,091	807	73.69%



Profit before tax (billion VND)	24.74	9.5	38.4%
Dividend (%)	5%	-	-

### Financial indicators

Unit: billion VND

No	Indicators	Perform
1	Net revenue from sales of good and rendering of services	776.6
2	Total net profit before tax	9.5
3	Profit after corporate income tax	3.7
	<i>Profit after tax of parent company</i>	1.4
4	Basic earnings per share (VND/share)	41
5	<b>TOTAL ASSETS</b>	<b>1,046.5</b>
5.1	Current assets	743.8
5.2	Non-Current Assets	302.7
6	<b>TOTAL CAPITAL</b>	<b>1,046.5</b>
6.1	Liabilities	635.3
6.2	Owner's Equity	411.2

### Implementation status of the resolution of the 2024 Annual General Meeting of Shareholders

In addition to the business targets, the Board of Directors has directed the Executive Board to implement the contents set forth in the resolution of the General Meeting of Shareholders dated April 26, 2024. The specific results are as follows:

- The fund allocation and profit distribution, remuneration and allowances of the Board of Directors have been implemented according to the plan approved by the General Meeting of Shareholders.

- The Board of Directors has selected AASC as an auditing unit on the list of auditing organizations approved by the State Securities Commission.

- Listing of shares: The listing dossier is in the implementation stage to meet the listing conditions according to the provisions of law and the Stock Exchange.

### Implement medium and long term goals:

- In order to maintain the No. 1 position in the railway construction industry, gradually expanding to road projects, the Board of Directors has continued to direct and participate in approaching and signing contracts for the Khe Net Pass Railway Renovation Project and the demolition of the old Phong Chau Bridge.

- Building a team of high-quality human resources with good professional skills and management skills, the Board of Directors has directed the implementation of new recruitment and appointment of personnel in the system to take on professional positions in the Finance Department, Accounting Department, Project Management and Operation Department and establishing the High-speed Railway Board.

- Regarding governance, the Board of Directors has considered reorganizing professional departments to meet the requirements of the construction industry in general and transport infrastructure in particular, along with re-planning of key companies.

- In the past year, in addition to maintaining relationships with project management boards of the Ministry of Construction and Vietnam Railways Corporation, the Corporation established relationships with a number of large private contractors and foreign contractors. Specifically, the Corporation formed a joint venture with the Korean contractor ILSUNG in the Khe Net package, and signed cooperation agreements with a number of companies in China to lead the High-speed Railway project.

## **2. Board of Directors' assessment of the performance of Board of General Directors**

2024 is a year with many difficulties and fluctuations in production and business activities. The Board of Directors acknowledges the efforts of the Board of General Directors in directing production and business activities, enhancing construction efficiency, and reducing costs to ensure profitable production and business activities of the Corporation.

However, in addition to the achieved results, there are still some shortcomings in the management of production and business activities such as job search not achieving the set plan, construction direction is sometimes still slow in resolving problems at the project, affecting progress. Financial management is not good, the completion of acceptance records - payment and capital recovery is slow, leading to local capital shortages. Executive Board needs to take more drastic measures in 2025.



### **3. Plans and orientations of the Board of Directors in 2025**

#### **Key planning targets:**

- Total output value: 1,000 billion VND
- Revenue: 900 billion VND
- Contract value: 750 billion VND
- Profit before tax: 20 billion VND
- Fully perform tax payment obligations to the State Budget;
- Average income of employees reaches 12.5 million VND/person/month. Fully implement policies for employees, ensure no salary or social insurance arrears.
- Strive to ensure safety in all aspects such as quality, progress, construction safety, focusing on ensuring labor safety, fire safety and social security and order.

#### **Development orientation in 2025**

In 2025, Vietnam plans to start 19 key transport projects, including 14 projects chaired by the Ministry of Transport (MOT) and 5 projects managed by localities. At the same time, 50 other transport projects will be completed, contributing to achieving the target of 3,000 km of expressway by the end of 2025 as directed by the Government. Specifically, expanding the Ho Chi Minh City - Trung Luong - My Thuan expressway, expanding the Ho Chi Minh City - Long Thanh expressway, Cam Lo - La Son expressway, La Son - Tuy Loan expressway, Cho Moi - Bac Kan expressway, My An - Cao Lanh expressway (phase 1), Cam Ly railway bridge (Bac Giang) Upgrading and expanding bridges and tunnels on National Highway 1 (Xuong Giang, Gianh, Quan Hauu bridges and Deo Ngang tunnel), the route connecting the Noi Bai - Lao Cai expressway with the Tuyen Quang - Phu Tho expressway.

Therefore, the Corporation's orientation in 2025 is still to closely follow the bidding progress of key transport projects. From there, research plans, submit bidding documents, especially for railway packages. At the same time, speed up the progress of projects under construction to complete on schedule as committed to the investor.

## V. Corporate Governance

### 1. Board of Directors

#### a. Board of Directors members and structure

Members: The Board of Directors of the Corporation consists of 5 members:

1. Mr. Mai Thanh Phuong - Chairman
2. Mr. Ta Huu Dien - Vice Chairman
3. Mr. Vo Van Phuc - Member of Board of Directors and General Director
4. Mr. Pham Hong Thang - Independent member of the Board of Directors, Chairman of the Audit Committee
5. Mr. Pham Ngoc Quoc Cuong - Member of Board of Directors, member of Inspection Committee

*In which: There are 02 non-executive board member*

1. Mr. Pham Hong Thang - Independent member of the Board of Directors, Chairman of the Audit Committee
2. Mr. Pham Ngoc Quoc Cuong - Member of Board of Directors, member of Inspection Committee

#### b. Board of Directors' capital structure

TT	Full name	Position	Owning shares	Rate
1	2	3	4	5
1	Mai Thanh Phuong	Chairman	952,430	2.97%
2	Ta Huu Dien	Vice Chairman	6,241,075	19.46%
3	Pham Ngoc Quoc Cuong	Member	1,504,010	4.69%
4	Pham Hong Thang	Member	0	0.00%
5	Vo Van Phuc	Member	102,640	0.32%

*According to the list of securities owners as of April 2, 2025 issued by the Vietnam Securities Depository and Clearing Corporation.*

#### c. Subcommittees of the Board of Directors and their operations

The Secretary of the Board of Directors consists of 01 member, participating in Board of Directors meetings, responsible for taking notes, drafting meeting minutes and Board of Directors resolutions.

#### d. Activities of the Board of Directors



In 2024, the Board of Directors held regular and extraordinary meetings to consider and decide on matters under the authority of the Board of Directors. All meetings were attended by all members of the Board of Directors and the decisions of the Board of Directors were implemented in accordance with the principle of majority voting and in accordance with the provisions of the Company's Charter.

Resolutions passed by the Board of Directors:

No	Resolution/Decision No.	Date	Content
1	01/2024/NQ-CTĐS-ĐHĐCĐ	26/04/2024	Through issues within the authority of the General Meeting of Shareholders
2	01A/2024/NQ-CTĐS-HĐQT	02/01/2024	Advance payment to continue procedures for acquiring the quarry in Thanh Hoa and continue investing in the Muong Hoa - Hoa Binh Ecological Housing Project
3	02/2024/NQ-HĐQT	20/02/2024	Convening the 2024 Annual General Meeting of Shareholders
4	03/2024/QĐ-HĐQT	07/03/2024	Establishing the organizing committee for the 2024 Annual General Meeting of Shareholders
5	05/2024/NQ-HĐQT	13/03/2024	Adjusting the plan for the 2024 Annual General Meeting of Shareholders
6	06/2024/QĐ-HĐQT	29/03/2024	Capital increase of Danang Railway Materials Company
7	07/2024/QĐ-HĐQT	29/03/2024	Issuing the charter of Da Nang Railway Materials Company
8	09/2024/NQ-HĐQT	26/04/2024	Issue regulations on corporate governance
9	10/2024/NQ-HĐQT	26/04/2024	Issue regulations on the operation of the Board of Directors
10	11/2024/QĐ-HĐQT	14/05/2024	Liquidation of equipment and materials
11	12/2024/QĐ-HĐQT	03/06/2024	Investment and selection of supplier for 320KVA transformer station
12	14/2024/QĐ-HĐQT	14/06/2024	Select an independent auditing company to conduct the audit and review of financial statements.
13	15/2024/NQ-HĐQT	19/06/2024	Reassignment within the Board of Directors
14	16/2024/QĐ-HĐQT	22/06/2024	Investing and selecting suppliers for production and business
15	17/2024/NQ-CTĐS-HĐQT	01/07/2024	Continue Investing in Muong Hoa Ecological Housing Project - Hoa Binh
16	18/2024/TB-HĐQT	16/07/2024	Notice on the first 6 months summary report
17	19/2024/QĐ-HĐQT	19/07/2024	Organize and rearrange the management apparatus of the Corporation.
18	39/2024/NQ-CTĐS-HĐQT	19/07/2024	Issue regulations on the operation of the Board of General Directors
19	40/QĐ-CTĐS-HĐQT	19/07/2024	Issuance of approval authority of the Board of General Directors
20	41/PCCV-CTĐS-HĐQT	19/07/2024	Board of General Directors job assignment table
21	138/2024/NQ-	13/08/2024	Through the policy of borrowing capital for



	HĐQT		production and business
22	238/2024/QĐ-HĐQT	23/08/2024	Liquidation of 250 KVA transformer station Package XL02 - Van Ninh - Cam Lo Expressway
23	42/2024/NQ-HĐQT	26/08/2024	Divestment at HMR
24	43/2024/NQ-HĐQT	26/08/2024	Appointment of Deputy Director in charge of technology at Hoang Mai Stone Joint Stock Company
25	239/2024/NQ-HĐQT	23/09/2024	Trading at securities company
26	44/2024/QĐ-HĐQT	02/10/2024	Adjusting RCC stock listing plan
27	45/2024/QĐ-HĐQT	02/10/2024	Approval of listing RCC shares on Hanoi Stock Exchange
28	46/2024/QĐ-HĐQT	02/10/2024	Through the application for listing shares at Hanoi Stock Exchange
29	47/2024/QĐ-HĐQT	02/10/2024	List of major shareholders and strategic shareholders
30	48/2024/QĐ-HĐQT	04/10/2024	Retirement benefits for Mr. Nguyen Thanh Binh (Da Nang Railway Materials Company)
31	50/2024/QĐ-HĐQT	09/10/2024	Issuing Regulations on Salary, Bonus and Benefits
32	55/2024/QĐ-HĐQT	25/10/2024	Issuing Regulations on business expenses
33	57/2024/NQ-HĐQT	31/10/2024	Equipment liquidation and equipment investment plan Q1/2025
34	61/2024/NQ-HĐQT	31/10/2024	Approval of report of Construction Joint Stock Company 879
35	66/2024/QĐ-HĐQT	16/12/2024	Liquidation of SK 200 - 6E crawler excavator equipment
36	67/2024/NQ-HĐQT	30/12/2024	Adjust investment plan

- Directing the disclosure of information in accordance with the provisions of law and the Company's Charter.

- Implementing the Corporation's administration in accordance with the functions, tasks and powers prescribed by law and the Company's Charter.

- Supervising and directing the General Director and other managers to operate daily production and business activities in the process of implementing resolutions of the General Meeting of Shareholders, resolutions and decisions of the Board of Directors.

- Cooperating with the Audit Committee and the General Director to administer and operate the Corporation's production and business activities in accordance with the provisions of law and the Company's Charter.

#### **e. Activities of independent non-executive Board members**

The Board of Directors works in a collective manner, members participate in regular or extraordinary meetings of the Board of Directors when necessary, for the benefit of the Corporation or urgent issues that need to be discussed under the authority of the Board of Directors;



- Participate in the annual General Meeting of Shareholders;
- Vote or give opinions to resolve and handle arising work or difficult issues affecting the operations of the Corporation;
- Other issues as assigned by the Board of Directors as stipulated in the Charter and Working Regulations of the Board of Directors.

## **2. Audit Committee**

### **a. Members and structure of the Audit Committee**

\* Member: Audit Committee consists of 02 members

1. Mr. Pham Hong Thang - Chairman
2. Mr. Pham Ngoc Quoc Cuong – Member

### **b. Audit Committee Activities in 2024**

- Monitor and evaluate the implementation of the business plan compared to the plan approved by the General Meeting of Shareholders (GMS) of the Corporation and its member companies. 2024 has many difficulties in the operations of the Corporation. The Corporation participated in bidding for many projects, but the number of newly signed contracts has not reached the set target, although many construction projects have been implemented to meet the progress of investors, the stable price level of materials and goods has contributed to the positive business results of the entire Corporation. The Corporation has grown strongly in construction output, actual revenue, and ensured jobs for employees. However, the main indicators such as revenue and profit of the Corporation have not reached the plan set by the GMS at the beginning of the year.

- Supervising the preparation of Financial Statements: The Corporation and its member units have prepared and published periodic Financial Statements in accordance with the regulations applicable to public companies. The 2024 semi-annual financial statements were reviewed and audited by AASC Auditing Company with an unqualified audit opinion. The 2024 full-year financial statements were reviewed with an unqualified opinion.

- Evaluation of internal control system:

The Corporation's internal regulations in 2024 have ensured the effectiveness of the internal control system. On the one hand, it improves efficiency and quality of work, on the other hand, it monitors and minimizes risks in the business activities of the Corporation and its member units.

- The Audit Committee has reviewed and submitted for approval the decisions on dismissal and appointment of personnel of the Internal Audit Board. The Audit Committee has directed and supervised the Internal Audit Board to carry out internal audit activities in accordance with the Corporation's charter and regulations and the 2024 internal audit plan approved by the Board of Directors.

- Members of the Audit Committee fully participated in the meetings of the Board of Directors, promptly reported to the Board of Directors the activities of the Audit Committee and related recommendations of the Audit Committee. Participated in many meetings with the Board of Directors to contribute ideas for establishing and evaluating the implementation of the goals and operational plans of the Corporation during the year.

**c. Results of supervision of the Board of Directors and the General Directorate**

- Results of monitoring the activities of the Board of Directors: The Board of Directors has seriously and actively implemented the Resolutions of the 2024 General Meeting of Shareholders. Well performed the function of orienting the development of the Corporation, through continuing to restructure the financial system of the entire Corporation. Focused resources on finding new construction contracts, while looking for other opportunities to increase operational efficiency. The activities of the Board of Directors have complied with state laws and the Corporation's charter.

- Monitoring results with the Board of Directors: The Board of Directors has seriously implemented the Resolutions of the Board of Directors and performed well its operational management functions in accordance with the provisions of law and the Company's Charter. Advised the Board of Directors to issue policies on the Corporation's business operations; Regularly monitored the operations of the Corporation and its member companies to handle, report and propose opinions to the Board of Directors periodically.

**d. Results of the assessment of the coordination of activities between the Audit Committee, the Board of Directors, the General Director and shareholders**

As in previous years of the term, in 2024, the Audit Committee received close coordination and favorable conditions to perform its duties from the Board of Directors, the Board of General Directors and the management staff of the Corporation, through being provided with full reports and documents related to the



Corporation's governance situation, business activities and financial situation of the Corporation.

### 3. Transactions, remuneration, and benefits of the Board of Directors and the Board of Supervisors

#### a. Salaries, remuneration and benefits paid in 2024

No	Full Name	Position	Total income received
1	Mai Thanh Phuong	Chairman	111,000,000
2	Ta Huu Dien	Vice Chairman	954,660,000
3	Vo Van Phuc	Member of Board of Directors – General Director	566,862,800
4	Pham Hong Thang	Independent Member	33,300,000
5	Pham Ngoc Quoc Cuong	Board Member	111,000,000

#### b. Related party transactions and balances:

In addition to the information with related parties presented in the above Notes, during the year, the Company has transactions with related parties as follows:

	Year 2024 VND	Year 2023 VND
<b>Sales of Goods and Rendering of Services</b>	<b>14,880,304,928</b>	<b>37,884,357,091</b>
Construction JSC NO. 791	532,547,600	95,049,643
792 Construction JSC	4,249,690,255	1,658,180,592
793 Construction JSC	2,132,746,091	2,854,935,413
796 Railway Construction JSC	3,212,895,849	3,034,082,969
798 Mechanical Excution Construction JSC	988,367,540	17,781,516,769
Construction JSC NO. 875	1,506,926,095	8,728,288,235
878 Mechanical and Construction JSC	1,549,926,414	1,242,463,546
879 Construction JSC	200,831,757	2,003,056,751
Thanhnam Land Investment and Development JSC	146,569,691	216,930,446
Sai Gon - Ha Noi Securities JSC	359,803,636	269,852,727

<b>Purchases of Goods and Services</b>	<b>133,169,646,437</b>	<b>193,678,147,014</b>
Construction JSC NO. 791	9,282,060,708	8,964,686,941
792 Construction JSC	20,930,946,297	33,334,356,935
793 Construction JSC	18,936,560,164	16,021,912,393
796 Railway Construction JSC	29,537,664,867	25,090,536,075
798 Mechanical Excution Construction JSC	18,040,620,283	50,394,488,493
Construction JSC NO. 875	16,352,006,963	36,249,476,809
878 Mechanical and Construction JSC	10,491,195,487	13,315,063,957
879 Construction JSC	9,598,591,668	10,307,625,411
<b>Gain from liquidation, disposal of fixed assets</b>	<b>178,602,144</b>	-
Construction JSC NO. 875	178,602,144	-
<b>General and Administrative Expenses</b>	<b>448,000,000</b>	<b>513,000,000</b>
878 Mechanical and Construction JSC	168,000,000	168,000,000
Sai Gon - Ha Noi Securities JSC	100,000,000	165,000,000
An Ngoc Investment and Co., Ltd	180,000,000	180,000,000
<b>Purchases of Fixed assets</b>	<b>277,777,778</b>	-
Construction JSC NO. 791	277,777,778	-
<b>Interest expenses</b>	<b>1,585,289,644</b>	-
Mr. Nguyen Hai Duy	1,585,289,644	-

**c. Implementation of regulations on corporate governance:**

The General Administration of the Corporation always ensures compliance with current legal regulations.



## **VI. Audit Opinion and Disclosure**

### **1. Audit opinion**

- **Auditing unit:** AASC Auditing Company Limited
- **Address :** No. 1 Le Phung Hieu, Trang Tien, Hoan Kiem, Hanoi.
- **Electricity Phone :** (84.24) 3824 1990 Fax: (84.24) 3825 3973
- **Website:** aasc@aasc.com.vn

No: 300325.006/BCTC.KT5

### **INDEPENDENT AUDITOR'S REPORT**

**To: Shareholders, Board of Directors and Board of Management  
Railway Construction Corporation Joint - Stock Company**

We have audited the accompanying Consolidated Financial Statements of Railway Construction Corporation Joint - Stock Company ("The Corporation") prepared on 30 March 2025, from page 06 to page 46, including: Consolidated Statement of Financial position as at 31 December 2024, Consolidated Statement of Income, Consolidated Statement of Cash flows and Notes to Consolidated Financial Statements for the fiscal year ended as at 31 December 2024.

#### **Board of Management' Responsibility**

The Board of Management is responsible for the preparation and presentation of Consolidated Financial Statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Financial Statements and for such internal control as directors determines is necessary to enable the preparation and presentation of Financial Statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with standards and ethical requirements; plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk

assessments, the auditor considers internal control relevant to the entity's preparation and presentation of Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of Management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

#### Basis for Qualified Opinion

As presented in Note 38 of the Consolidated Financial Statements, during the year, the Corporation engaged in advance payment transactions and subsequent recoveries with related parties for investment participation in the Muong Hoa Eco-Tourism Area (Hoa Binh Province) and the acquisition of a stone quarry at Go Truong Mountain (Thanh Hoa Province). These projects were discontinued pursuant to Resolution No. 67/NQ-CTDS-HĐQT dated 30 December 2024, issued by the Board of Directors, and the Corporation has recovered the advanced amounts. We have been unable to obtain sufficient appropriate audit evidence regarding the nature of these transactions and their impact on the accompanying Consolidated Financial Statements for the financial year ended 31 December 2024.

As presented in Note 13 of the Consolidated Financial Statements, the Corporation acquired 11 million shares in Neo Floor Joint Stock Company pursuant to Resolution No. 67/NQ-CTDS-HĐQT dated 30 December 2024, issued by the Board of Directors, with a total value of VND 214.5 billion. As of the issuance date of this Independent Audit Report, we have not been able to obtain complete documentation related to this share acquisition transaction. Therefore, we are unable to determine the necessary adjustments (if any) to the accompanying Consolidated Financial Statements concerning this long-term financial investment.

#### Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion" paragraph, the Consolidated Financial Statements give a true and fair view, in all material respects, of the Financial Position of Railway Construction Corporation Joint - Stock Company as at 31 December 2024, its operating results and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Financial Statements.

#### Specifically:

- Website of the Corporation at: [rccgroup.vn](http://rccgroup.vn);
- Hanoi Stock Exchange.



**Recipient:**

- State Securities Commission;
- Hanoi Stock Exchange;
- Board of Directors, Audit Committee (report);
- General Company Website;
- Save TCKT .

**LEGAL REPRESENTATIVE  
GENERAL DIRECTOR**



**Võ Văn Phúc**