

**DEO CA TRAFFIC INFRASTRUCTURE INVESTMENT  
JOINT STOCK COMPANY**

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**REPORT  
ON THE BUSINESS PERFORMANCE IN 2024,  
THE BUSINESS AND PRODUCTION PLAN FOR 2025**

*Da Nang, March 2025*

# **REPORT**

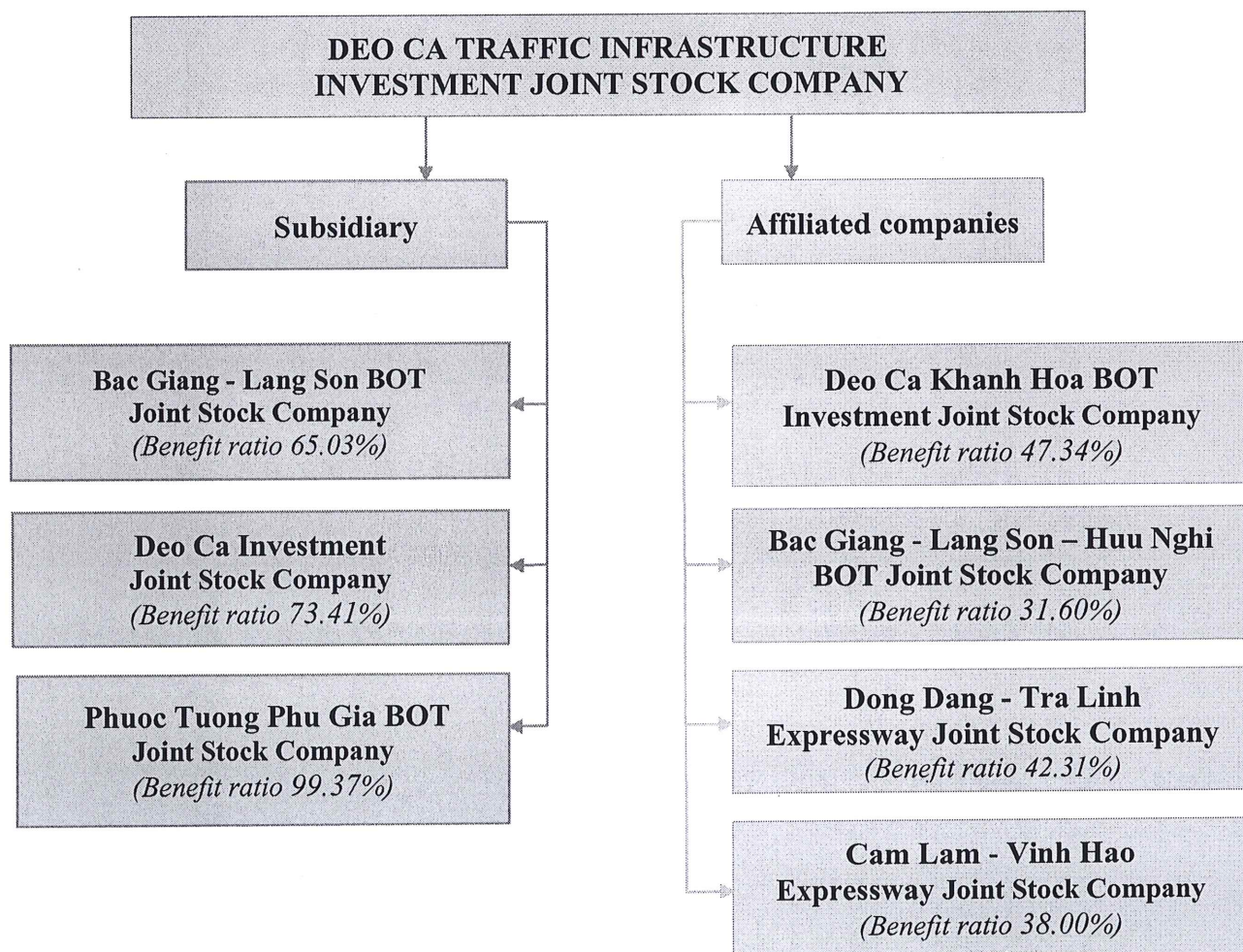
## **ON THE BUSINESS PERFORMANCE IN 2024, THE BUSINESS AND PRODUCTION PLAN FOR 2025**

**Dear: General meeting of shareholders**

The Board of Directors of Deo Ca Traffic Infrastructure Investment Joint Stock Company ("**Company/HHV**") reports the Company's production and business results in 2024 and the business plan for 2025 with the following specific contents:

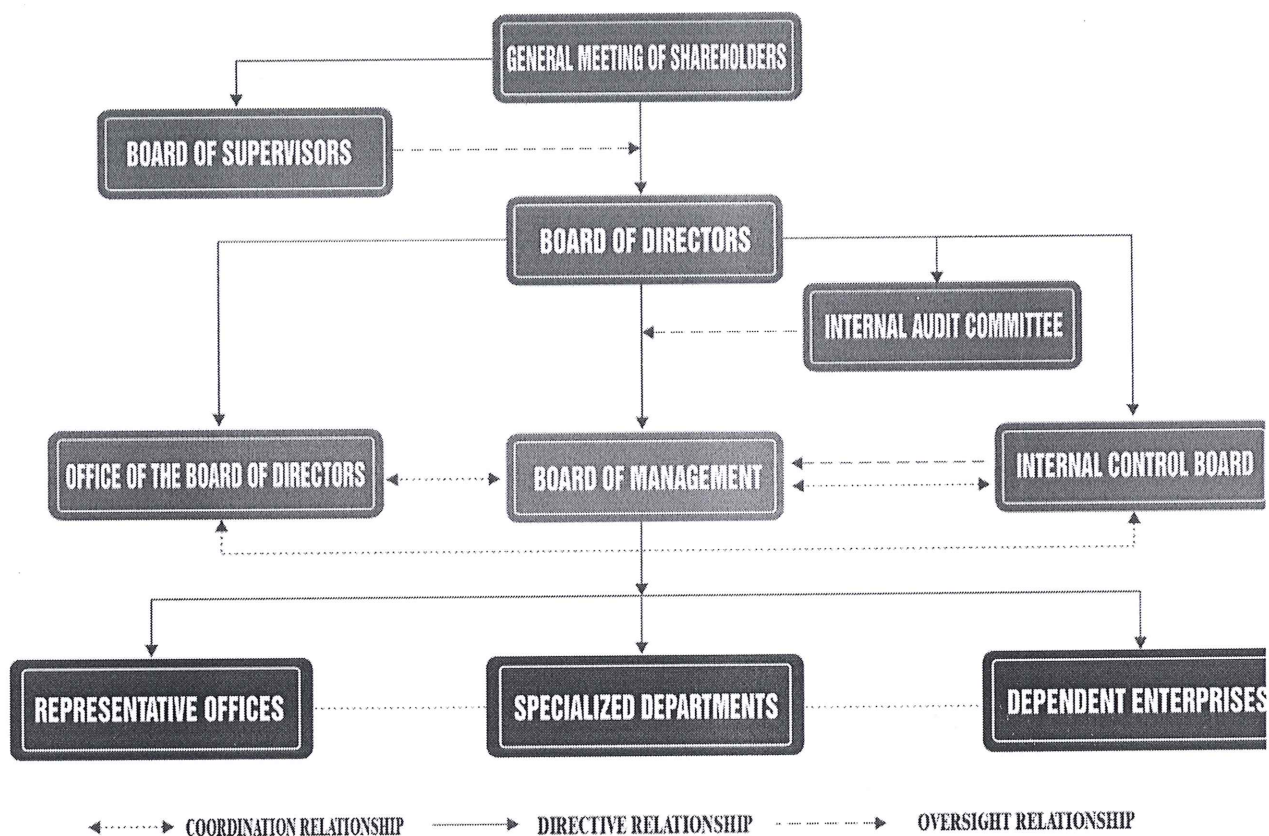
### **PART I: COMPANY INFORMATION**

#### **1. Business structure:**



## 2. Company management structure chart:

### ORGANIZATIONAL STRUCTURE OF THE COMPANY





## PART II

### PRODUCTION AND BUSINESS ACTIVITY RESULT IN 2024

#### I. MAIN IMPLEMENTED WORKS:

##### 1. Toll collection:

- Toll collection at the Projects is well organized and implemented in accordance with prescribed procedures, with regular investment in upgrading facilities and appropriate personnel arrangement.
- At the end of 2023, Deo Ca, Cu Mong, An Dan, and Ninh Loc toll stations increased their road service fees, contributing to increasing the Company's toll revenue in 2024. At the same time, traffic through toll stations also had good growth compared to last year, specifically:

No.	Management and operation of Toll Stations	2023		2024		Growth rate	
		Traffic	Revenue	Traffic	Revenue	Traffic	Revenue
		(Vehicles)	(billion VND)	(Vehicles)	(billion VND)		
<b>I</b>	<b>Toll stations of HHV subsidiaries</b>	<b>14.904.915</b>	<b>1,573</b>	<b>16,239,456</b>	<b>1.909</b>	<b>8%</b>	<b>21,4%</b>
1	Cu Mong	1.345.032	157,15	1.458.732	193,41	8%	23%
2	Deo Ca	2.694.704	359,28	2.969.602	475,2	10%	32%
3	Bac Hai Van	3.010.884	426,40	3.131.000	497,78	4%	17%
4	An Dan	3.205.112	233,30	3.530.489	291,84	10%	25%
5	Bac Giang - Lang Son Expressway	2.238.141	248,40	2.547.969	288,86	14%	16%
6	Km93+160 National Road 1 Bac Giang - Lang Son	2.411.042	148,88	2.601.664	165,76	8%	11%
<b>II</b>	<b>Toll station belongs to HHV's affiliated company</b>	<b>5.503.187</b>	<b>316</b>	<b>7.662.341</b>	<b>654</b>	<b>39%</b>	<b>107%</b>
1	Ninh Loc	5.503.187	316,21	5.993.635	370,92	9%	17%
2	Cam Lam - Vinh Hao Expressway	Not yet in operation		1.668.000	282,86		
	<b>Total</b>	<b>20.408.102</b>	<b>1,890</b>	<b>33.889.091</b>	<b>2,567</b>	<b>66%</b>	<b>36%</b>

- HHV's toll revenue in 2024 will reach **VND 1,909 billion**, an increase of **21.4%** compared to 2023.

##### 2. Tunnel and highway operation and management:

- Operation management (O&M) and regular maintenance of transport infrastructure projects are HHV's strengths with experience and capacity recognized through a series of large projects such as Hai Van - Deo Ca - Co Ma - Cu Mong road tunnel, Bac Giang - Lang Son expressway, Trung Luong - My Thuan expressway, ...



- In 2024, the Company won the bid and signed 03 new contracts: (i) Tam Diep - Thung Thi - Truong Vinh tunnel management (part of Mai Son - National Highway 45 and Nghi Son - Dien Chau expressways); (ii) My Thuan - Can Tho expressway management; (iii) Cam Lam - Vinh Hao expressway management (including Nui Vung tunnel) with Cam Lam - Vinh Hao Expressway JSC.
- Revenue from O&M activities in 2024 reached **VND 393 billion**, an increase of VND 73 billion (+23%) compared to 2023.

### 3. Construction:

- HHV's construction output in 2024 reached **VND 1,195 billion**, an increase of 14% compared to 2023. Construction revenue is mainly recorded in the bid packages of Cam Lam - Vinh Hao Expressway Project, Quang Ngai - Hoai Nhon Expressway Project, Binh Dinh Province Coastal Road Project, Lien Chieu Port Coastal Road Project (City). Da Nang), My Thuan - Can Tho Expressway Project, reaching 1,162 billion VND, an increase of 05% compared to 2023.
- Some major projects that contributed to HHV's construction revenue in 2024:

No.	Project	Revenue (Billion VND)
1	Cam Lam - Vinh Hao Expressway	154,94
2	Quang Ngai - Hoai Nhon Expressway	872,36
3	Coastal road of Binh Dinh province	70,83
4	Coastal road connecting Lien Chieu Port	43,74
	<b>Total</b>	<b>1.142</b>

### 4. Other service and commercial activities:

- In 2024, HHV effectively carried out transit operations and other services, with revenue increasing significantly compared to previous years.
- Thanks to investment in machinery, equipment and flexible application of product contracting mechanism, the operation of the Mechanical Workshop is maintained stably, the output and quality of processed products meet the requirements of the Quang Ngai - Hoai Nhon Expressway Project, Lien Chieu Port Connection Road, ... and serve other activities of the Company.

### 5. Investment activities, capital increase in 2024:

#### 5.1. Investment activities:

- HHV's financial investments as of December 31, 2024:

No.	Investment company	Investment value as of 12/31/2023 (billion VND)	Investment increased during the year (billion VND)	Investment value as of 12/31/2024 (billion VND)	Benefit ratio as of 12/31/2024
1	Bac Giang - Lang Son BOT JSC	1.124,31	33,51	1.157,82	65,03%
2	Deo Ca Investment JSC	1.566,37	108,24	1.674,61	73,41%
3	Phuoc Tuong Phu Gia BOT JSC	272,33	22,12	294,45	99,37%
4	Cam Lam - Vinh Hao Expressway JSC (equity contribution)	-	391,40	391,40	38,00%
5	Cam Lam - Vinh Hao Expressway JSC (BCC)	61.750	452.338	514.088	-
5	Dong Dang - Tra Linh Expressway JSC	-	20,00	20,00	42,31%
6	ICV Vietnam Investment and Construction JSC	13,50	114,00	127,50	15,37%

(Source: HHV's audited separated financial statements for 2024)

- In 2024, HHV accompanied project enterprises to resolve existing problems in the project and initially achieved positive results, specifically:
  - ✓ The Ministry of Transport has disbursed 1,180 billion VND of the State budget capital committed to the Deo Ca Road Tunnel Project.
  - ✓ The Ministry of Transport has submitted to the Government plan to resolve difficulties and obstacles in a number of BOT traffic projects, including a proposal to allocate VND 2,280 billion to replace the revenue from La Son - Tuy Loan toll station for the Deo Ca road tunnel project and a proposal to allocate VND 4,600 billion from the state budget to support the Bac Giang - Lang Son expressway project. In Conclusion Notice No. 43/TB-VPCP dated February 13, 2025, the Prime Minister directed the Ministry of Transport to urgently review existing problems and obstacles in a number of BOT transport projects to submit to the Government for submission to the National Assembly at the earliest session (expected in June 2025).
  - ✓ The Dong Dang - Tra Linh Expressway project's investment policy was approved for adjustment, increasing the proportion of state budget capital participating in the project to 70% according to Decision No. 1436/QĐ-TTg dated November 20, 2024 of the Prime Minister. The state budget capital participating in the project is expected to be 9,800 billion VND.



### **5.2. Dividend payment:**

HHV has issued shares to pay dividends in 2023 according to the plan approved by the 2024 Annual General Meeting of Shareholders in Resolution No. 02/2024/NQ-DHDCD dated May 31, 2024 with a payout ratio of **5%**. Total value of dividends paid is 205,753,590,000 VND.

### **5.3. Capital mobilization:**

- In early 2024, the Company completed the plan to offer shares to existing shareholders in 2023, raising nearly VND 830 billion. The Company's charter capital increased from VND 3,293 billion to VND 4,116 billion. The proceeds from the offering were used by the Company to invest in capital contributions, business cooperation in project enterprises, invest in machinery and equipment and supplement capital for production and business activities according to the Resolution of the General Meeting of Shareholders.
- On November 8, 2024, the Board of Directors of the Company implemented the Plan to offer individual shares to increase charter capital according to Resolution of the Annual General Meeting of Shareholders No. 03/2024/NQ-DHDCD dated May 31, 2024. Expected issuance value is 415 billion VND. Currently, the Company is carrying out procedures with the State Securities Commission to get approval for the issuance plan.

### **6. Other activities:**

- Promote training activities to improve human resource quality, ensuring to meet the increased workload. Outstanding training programs implemented during the year include: corporate governance, corporate culture, behavioral culture and soft skills, training in operational management certificates (tunnels, bridges and roads), fire prevention and fighting, first aid, etc.
- Cooperate with prestigious universities/colleges and vocational schools to organize training courses to grant degrees, certificates, and improve professional skills in new fields such as railways, metro, technology, etc. In 2024, the Company cooperated with Deo Ca Group JSC (parent company) to organize a training program for PhD students for members of the Board of Directors and the Board of Management; Master's degree in Construction Project Management for the Middle Management group (department heads, etc.); training for University Diploma 2 in High-speed Railway and Urban Railway for the Engineering group.
- Organize/participate in social activities, charity, community activities, environmental protection, activities of Party organizations, grassroots trade unions, Women's Union, Youth Union.

## **II. BUSINESS RESULTS IN 2024:**

### **1. Business results of the parent company:**

Unit: billion VND

No.	Target	2023	Plan in 2024	Results in 2024	Growth rate compared to 2023	Plan completion level in 2024
1	Net revenue	1.465,52	1.732,40	1.733,04	+18%	100%
2	Profit after tax	173,92	161,8	197,45	+14%	122%

- The parent company's full-year revenue reached **VND 1,733.04 billion**, up 18% compared to 2023, achieving the annual plan. Revenue growth is mainly due to construction and installation activities. Construction revenue is mainly recorded in the bidding packages of Cam Lam - Vinh Hao Expressway Project, Quang Ngai - Hoai Nhon Expressway Project, Binh Dinh Province Coastal Road Project, Lien Chieu Port Coastal Road Project, My Thuan - Can Tho Expressway Project.
- Profit after tax (PAT) of the parent company reached **VND 197.45 billion**, up 14% compared to 2023.

## 2. Consolidated business results:

Unit: billion VND

No.	Target	2023	2024 Plan	2024 Results	Growth rate compared to 2023	Plan completion level in 2024
1	Net revenue	2.685,54	3.146,40	3.308,25	+23%	105%
2	Profit after tax	364,46	404,1	495,1	+36%	123%

- HHV's consolidated revenue reached **VND 3,308.25 billion**, up 23% compared to 2023, exceeding the plan by 5%. Consolidated revenue mainly comes from BOT toll collection activities (accounting for 59% of total revenue) and construction and installation activities (accounting for 39% of total revenue).
- Thanks to revenue growth, consolidated after-tax profit also witnessed corresponding growth, reaching **VND 495.1 billion**, up 36% over the same period last year, exceeding the approved plan by 23%.



## PART III

### THE BUSINESS AND PRODUCTION PLAN FOR 2025

#### I. Action plan for 2025:

##### 1. Bidding and development of new projects and jobs:

##### 1.1. Investment and business cooperation in projects under the public - private partnership method (PPP projects):

- In 2025, HHV will continue to contribute equity capital to infrastructure PPP projects, expected as follows:

*Unit: billion VND*

Project enterprise receiving investment	Present Capital contribution value	Plan to contribute additional capital in 2025
Deo Ca Investment JSC	1.674,61	77,9
Bac Giang - Lang Son BOT JSC	1.157,82	17,3
Dong Dang - Tra Linh Expressway JSC	20	236

- For the Bac Giang - Lang Son Expressway Project and the Deo Ca Road Tunnel Project, the Company will continue to work with project enterprises to closely monitor the progress of handling existing problems and obstacles of competent State agencies.
- In addition, HHV will also seek business cooperation opportunities and invest in other potential transport infrastructure projects such as: Ho Chi Minh City - Trung Luong - My Thuan Expressway Project Phase 2, Tan Phu - Bao Loc Expressway Project, Dong Dang - Tra Linh expressway project phase 2...

##### 1.2. Construction organization of new projects:

In 2025, HHV will continue to implement signed construction contracts, in which the packages of the Quang Ngai - Hoai Nhon and Dong Dang - Tra Linh Expressway Projects will contribute the majority of construction revenue. At the same time, the Company develops plans to implement new projects/packages such as the Ho Chi Minh City - Thu Dau Mot - Chon Thanh Expressway, etc..

*Unit: Billion VND*

No.	Project name	Planned output	Planned revenue
1	Coastal road of Binh Dinh province	185	177
2	Quang Ngai - Hoai Nhon Expressway	747	794
3	Coastal road connecting Lien Chieu Port - Da Nang City	67,1	66,8
4	Dong Dang - Tra Linh Expressway	230	212
5	Ho Chi Minh City - Thu Dau Mot - Chon Thanh Expressway	20,4	16,9
6	Other projects	136,8	125,8
	<b>Total</b>	<b>1,386.3</b>	<b>1,392.5</b>

### **1.3. Bidding for Operation and Management packages:**

- In the period of 2023 - 2025, the Ministry of Transport will resolutely direct the construction of a series of new road infrastructure projects to complete the planning of the North - South expressway system on time, aiming to have 3,000 km of expressway nationwide by 2025; this will be a great opportunity for HHV to continue developing, participating in the management, exploitation and regular maintenance of thousands of km of expressway after being put into use from 2023 to 2025.
- With the capacity and experience in operation management proven through a series of large transport infrastructure projects, HHV will continue to participate in the bidding for the management and operation of public investment transport infrastructure projects and expressway projects completed in 2025.

## **2. Other works:**

- Training:
  - ✓ Continue to promote internal training activities, make full use of Deo Ca Practical Training Center to serve the development of the quality of human resources. At the same time, strengthen cooperation with Universities/Colleges, international partners to organize human resource training programs, ready to welcome projects in new fields such as high-speed railways, metro, etc.
  - ✓ Training plan for 2025: continue to maintain internal training programs, provide training and issue related practice certificates for personnel in the field of traffic infrastructure project management; ensure the quality and progress of training programs in conjunction with Universities/Colleges (training of doctoral students, Diploma 2 in railway, metro, etc.)
- Maintain good environmental protection in all activities of the Company; promote social programs and activities for the community. At the same time, continue to facilitate the activities of Party organizations, grassroots trade unions, and Youth Unions.

## **II. Business plan for 2025:**

### **1. Parent company's production and business plan:**

*Unit: billion VND*

No.	Target	2024	2025	Growth rate
1	Output	1.786,95	1.913,52	+7%
2	Net revenue	1.733,04	1.937,64	+12%
3	Profit after tax	197,45	217,55	+10%

### **2. Consolidated business production plan:**

*Unit: billion VND*

No.	Target	2024	2025	Growth rate
1	Total revenue	3.308,25	3.584,98	+8%
2	Profit after tax	495,10	555,62	+12%



### 3. Capital raising plan:

The company plans to continue to mobilize capital to ensure resources for investment in new projects and expansion of production and business activities, through the following options:

- Implement and complete the Plan for private offering of shares to increase charter capital according to Resolution of the Annual General Meeting of Shareholders No. 03/2024/NQ-DHCD dated May 31, 2024. The issuance value is 415 billion VND.
- Offering additional shares to existing shareholders: 497.4 billion VND.

Above is the Report on production and business results in 2024 and production and business plan in 2025 of Deo Ca Traffic Infrastructure Investment Joint Stock Company. The Executive Board respectfully submits to the General Meeting of Shareholders for consideration and approval./.

**Sent to:**

- As above;
- Board of Directors;
- Board of Supervisors;
- Saved: Administration Office, Planning and Technical Department.

**PP. GENDERAL DIRECTOR  
DEPUTY GENERAL MANAGER**



**Ngo Truong Nam**