

REPORT

Business Performance in 2025 and Business Plan for 2026 of Saigon Traffic Construction Joint Stock Company (For the 2026 Annual General Meeting of Shareholders)

Pursuant to the Resolution of the 2025 Annual General Meeting of Shareholders of Saigon Traffic Construction Joint Stock Company No. 01/2025/NQ-ĐHĐCĐ-CTGTSG dated April 25, 2025;

Pursuant to the implementation of the 2025 business performance tasks of Saigon Traffic Construction Joint Stock Company;

Saigon Traffic Construction Joint Stock Company hereby reports its business performance in 2025 and Business Plan for 2026 as follows:

A. BUSINESS PERFORMANCE IN 2025:

I. Results of business performance in 2025:

1. Estimated implementation results of financial and business performance targets:

Based on revenue targets and financial performance results of the Company in 2025 as follows:

Unit: billion VND

No.	Percentage	2025 Plan	2025 Actual (Estimated)	Completion Percentage (%)
(1)	(2)	(3)	(4)	(5)=(4)/(3)
1	Revenue	1,010.000	2,471.863	244.74%
2	Profit (after tax)	23.806	45.601	191.55%
3	Dividend (% x Charter Capital)	7.0%	12.0%	171.43%

(Note: According to the 2025 audited consolidated financial statements)

(*) Expected 2025 dividend to be presented to the General Meeting of Shareholders

2. Analysis and assessment of production and business performance and achieved results:

In 2025, the Company exerted efforts to exceed the set targets. Specifically as follows:

2.1. Regarding financial targets:

a. Revenue:

The leadership and employees of the Company made their best efforts in production and business to successfully fulfill the assigned tasks. The revenue achieved in 2025 was 2,471.8 billion VND, reaching 244.74% compared to the plan assigned by the General Meeting of Shareholders for 2025.

b. Profit after tax: The construction business had to offer deep discounts to win bids in a highly competitive market, where contractors heavily discounted bid packages; scarce and constantly fluctuating material costs increased input expenses (stone, sand). However, the Company made efforts to increase construction business revenue, received additional funding from the Project Owner for road maintenance management contracts, and proactively cut costs to achieve a profit of 45.601 billion VND, reaching 191.55% compared to the 2025 plan. The profit-to-revenue ratio achieved in 2025 was 1.84%.

c. Tax and state budget contributions: The Company fulfilled its obligations to the state budget according to regulations.

2.2 General comments and assessment:

a. Field of road traffic infrastructure management and maintenance services:

*** Achievements:**

The Company proactively and effectively managed and maintained road traffic infrastructure according to signed contracts, fulfilling the volumes assigned by the Project Owner. In 2025, the Company received additional funding from the Project Owner in Ho Chi Minh City and the former Binh Duong province area, which significantly increased revenue in this sector.

Patrolling, patching potholes, and ensuring traffic safety were performed well by the Company. Along with investing in modern machinery and equipment, tailored to the city's traffic conditions, the Company ensured roads remained clean and tidy while maintaining environmental hygiene.

*** Regarding difficulties and limitations:**

The Company pre-financed the construction volume of variation orders to ensure timely traffic safety, but the Project Owner made late payments, extending the Company's capital recovery period; transportation costs for materials were paid by the Project Owner at a rate much lower than reality, which affected the Company's profit target.

Certain maintenance and repair tasks are paid by the Project Owner based on basic construction unit prices that do not align with actual costs.

b. Field of construction business:

*** Achievements:**

The Government continued to promote public investment disbursement, creating favorable conditions for revenue growth in construction business during the year.

The Company participated in bidding and signed many high-value construction business contracts. Construction was carried out ensuring progress and quality, earning high evaluations from Project Owners.

The Company participated in bidding for many cold in-place recycling pavement projects, helping to exploit available machinery resources.

Additionally, divisions made efforts in the settlement and finalization work to record large revenue values during the year.

*** Regarding difficulties and limitations:**

Supply materials were scarce, and material prices increased significantly (stone, sand, hot-mix asphalt), leading to a lack of supplies for the implementation of certain projects.

Many projects faced land clearance issues that prevented implementation, or had to be halted, resulting in passivity and failure to meet progress expectations in some projects.

Resolution 198/2025/QH15 was passed by the National Assembly on May 17, 2025, concerning specific mechanisms and policies for private sector economic development, which prevents the Company from directly participating in bidding for projects funded by the state budget valued at under 20 billion VND, causing a decrease in revenue.

c. Field of construction materials production and business:

*** Achievements:**

The production of hot asphalt concrete and asphalt emulsion continued to help the Company proactively meet internal needs, even during times of market material scarcity.

The production of construction materials contributed to the quality and timely completion of the City's key projects and prompt supply for routine repairs and road traffic safety assurance within the scope of public utility products and services.

Additionally, the Company increased external sales of construction materials, contributing to revenue and profit in this sector exceeding the 2025 plan.

*** Regarding difficulties and limitations:**

Input material costs like sand and stone fluctuated continuously upwards, creating significant difficulties for production; hot asphalt concrete transportation costs increased while transportation fees paid by the project owner were low; fierce competition in the hot asphalt concrete market reduced revenue in this sector significantly.

The hot asphalt concrete production line invested by the company a long time ago uses outdated technology and carries high production costs, making production inefficient and reducing the business's competitiveness. In Q4 2025, the Company invested in a new asphalt production line, expected to be operational from early 2026.

d. Investment activities:

*** Achievements:**

The Company continued to accelerate investment in machinery and equipment for construction purposes to enhance production capacity, implement mechanization measures in production to meet the needs of environmental sanitation, street cleaning, improvement of urban aesthetics, and ensure traffic and occupational safety.

In 2025, the Company completed the investment of 17 pieces of machinery and equipment, contributing to increased mechanization to promptly serve the Company's construction projects.

Completed the project "Investment in a 240 tph hot asphalt concrete production line to replace the old line" and it is currently undergoing testing for operation.

Continuing to implement investments for W150F and W200F road milling machines; road marking machines, road line removal machines; and investing in tractor heads, trucks, asphalt pavers, etc., to serve production and business.

II. Labor and salary management:

1. Labor management:

The Company has always prioritized improving the material and spiritual life of its employees. It implements all policies, performs mandatory social insurance, health insurance, and unemployment insurance contributions for employees fully and in a timely manner in accordance with State regulations.

2. Legal affairs and occupational safety:

The Company places special emphasis on ensuring occupational safety for employees, providing proper and full protective gear, and providing compensation for harmful conditions to laborers. Furthermore, the company purchased personal accident insurance for all employees.

The Company frequently conducts health and safety inspections at construction units.

Maintenance of security, order, and fire prevention at the Company's offices and warehouses was carried out effectively, with no incidents occurring in 2025.

B. PRODUCTION AND BUSINESS DIRECTIONS FOR 2026:

I. Assessment of the 2026 situation:

1. Advantages:

- The year 2026 brings many advantages and opportunities for the company. Ho Chi Minh City continues to implement its breakthrough programs and development tasks up to 2030, with a vision to 2045; the Government continues to push for public investment disbursement; the implementation of Resolution 98/2023/QH15 regarding the pilot of specific mechanisms and policies for the development of Ho Chi Minh City; and infrastructure development capital is diverse and distributed among many Project Owners.

- Over the past few years, the Company has continued to implement construction projects ensuring progress, quality, and urban aesthetics, earning high appreciation from Project Owners and increasingly enhancing the Company's reputation in the market of Ho Chi Minh City and neighboring provinces. This serves as an advantage helping the company seek more construction work in 2026 and subsequent years.

- The changes in administrative boundaries with the merger of the (former) Binh Duong and (former) Ba Ria – Vung Tau provinces into the City have helped expand the urban space, and increased demand for infrastructure connectivity opens up many opportunities for the company in bridge, road, and traffic infrastructure construction.

- Road traffic infrastructure management and maintenance service contracts for the 2025-2027 period will help the Company record revenue in 2026.

- Some carry-over contracts for business projects extending into 2026 will help the Company proactively execute work to recognize revenue in 2026.

2. Challenges:

Beside the aforementioned advantages, there are currently challenges that the Company has faced, is facing, and will encounter as follows:

- The world political situation is unstable, with significant volatility causing disruptions in global transport, reduced supply, and fluctuations in prices of materials such as oil and asphalt, leading to increased costs and reduced profits.

- Funding for road traffic infrastructure management and maintenance service contracts in 2026 has decreased due to: A reduction in the assigned capital value for 2026, stemming from a 10% saving for salary reform and 10% for social security as per Resolution No. 245/2025/QH15; and a reduction in the contract value of the former Thu Duc Center package due to the handover of assets to wards according to Decision No. 684/QĐ-SXD-BTKT dated February 13, 2026.

- The market is increasingly competitive, with contractors offering high discount rates on bids, causing significant difficulties for the Company in securing construction projects.

- Transportation costs for hot asphalt concrete have risen, and production plants are located at long distances from project sites, while the transportation costs paid by the Project Owner remain low.

II. Production and Business Direction for 2026:

Based on the production and business results achieved in 2025 and forecasts for 2026, Saigon Traffic Construction Joint Stock Company establishes the production and business direction for 2026 as follows:

1. Objectives:

- Complete the financial targets for 2026 as assigned by the General Meeting of Shareholders.

- Preserve and grow the enterprise's capital.

- Maintain the brand, ensure stability in production and business operations, and ensure sustainable development.

- Effectively utilize the Company's existing system of machinery and equipment. Invest in efficient projects.

- Care for and improve the quality of life for employees; implement policies and benefits for employees effectively, and ensure employee income.

2. Specific task implementation solutions:

a. Sector of road traffic infrastructure management and maintenance services:

- Complete, with guaranteed quality and schedule, the work volume for 2026 assigned by the Project Owner for road traffic infrastructure management and maintenance service contracts.

- Proactively connect with, approach, and participate in road maintenance, technical infrastructure construction, and drainage projects in Ho Chi Minh City and neighboring provinces.

- Strengthen patrolling and inspection of the road traffic system under the Company's management to ensure timely and accurate detection and reporting of incidents, and rapidly resolve incidents to ensure traffic safety. Focus on road surface cleaning and the modernization/mechanization of construction.

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- Expedite the preparation of finalization documents and settlements to recover capital for the Company early and meet the Project Owner's disbursement schedule.
- Research and apply science, technology, and new materials in the management and maintenance of the road system to meet increasingly high requirements in the new era.

b. The project implementation for the business:

- Retain the Company's brand, focus on exploiting the market of Project Owners with non-budget capital, and entities investing in infrastructure in Ho Chi Minh City and neighboring provinces;
- Exploit the waterway project sector; continue to participate in bridge, lighting, and landscaping sectors, etc.
- Enhance the Company's capacity and experience to be ready to participate in large-scale, complex investment projects.
 - Strengthen marketing and brand-building activities.
 - Research and develop appropriate financial management mechanisms to support and improve business efficiency for individual divisions and the Company as a whole.
 - Promote the role and responsibility of heads of subordinate units in searching for and implementing construction projects.
 - Participate in bidding and construction for electrical, telecommunications, and water supply projects to increase experience and capability in these fields.
 - Accelerate progress, ensure construction quality, and focus on the acceptance, settlement, and finalization of completed work volume to recognize revenue and recover capital.
- Organize a conference to deploy production and business tasks for 2026 and sign agreements on production and business targets for 2026.

c. Construction materials business:

- Effectively carry out production and supply of asphalt concrete and asphalt emulsion to serve internal construction work.
- Production units to intensify efforts to find more markets and partners; allocate competent personnel for management and marketing.
- Effectively exploit the newly invested asphalt concrete production plant with a capacity of 320 tph; focus on ensuring and improving product quality; build a reasonable cost structure to increase competitiveness.

d. Trading and operating the machinery and equipment system:

- Perform effective management and maintenance of the machinery and equipment system.
- Coordinate machinery and equipment to ensure the Company's production and business needs are met. Simultaneously, expand the market for external rentals.
- Exploit existing machinery and equipment most efficiently.

e. Regarding labor, salary, and human resource development:

- Strive to care for and improve employee income, and effectively implement policies and benefits for employees.
- Research and build policies to attract high-quality human resources and training plans for on-site staff to be ready to assume all projects according to the

Company's needs, not just for 2026 but in the long term, especially project managers.

- Organize training classes to improve personnel qualifications and build a high-quality workforce.

f. Occupational safety and security/order:

- Ensure safety for employees, and provide adequate and proper protective gear according to regulations. Regularly organize occupational health and safety inspections at the construction sites of the performing units.

- Ensure traffic safety by fully arranging barricades, warning signs, traffic guides, etc., throughout the construction process.

- Ensure order, security, and fire prevention at the Company's offices and warehouses, preventing any security breaches, fires, or explosions.

g. Regarding machinery and equipment investment:

- Focus on investing in machinery and equipment for construction to enhance production capacity and implement mechanization measures to meet environmental sanitation, street cleaning, traffic safety, and urban aesthetics needs, contributing to increased revenue and capital preservation, etc.

- Expedite the investment of high-tech machinery and equipment such as the new W150F and W200F milling machines to put them into operation soon.

- Regularly review the machinery and equipment system, liquidate heavy-damaged equipment that has fully depreciated or is inefficient, while studying new investments in specialized machinery and equipment for construction to enhance capacity and expand business markets (excavators, road rollers, asphalt pavers, trucks, road marking machines, etc.)

3. Financial and revenue targets for 2026:

Unit: billion VND

No.	Percentage	2025 Plan	2026 Plan	2026 Plan / 2025 Plan Percentage (%)
	(1)	(2)	(3)	(4)=(3)/(2)
1	Revenue	1,010.000	1,111.000	110.00%
2	Profit (after tax)	23.806	26.281	110.40%
3	Dividend (% x Charter Capital)	7.0%	7.7%	110.00%

(Note: Profit after tax has been deducted for the Science and Technology Fund)

Explanation of targets:

- For the revenue target of 1,111.00 billion VND in 2026, it is based on the capital scale and the socio-economic forecast for 2026. Specifically:

- + For the sector of road traffic infrastructure management and maintenance services: In 2026, the company will execute contracts for the 2025-2027 period with a value lower than in 2025; revenue for this sector will decrease due to the Ho Chi Minh City People's Committee's policy on decentralizing some routes to ward and

commune management; the 10% saving policy for salary reform and 10% for social security as per Resolution No. 245/2025/QH15; and increased input material costs and high transportation costs while the Project Owner's payments remain lower.

+ In the business projects sector: The market is highly competitive, with contractors offering high discount rates on bids, making it increasingly difficult to find construction projects. Many projects face land clearance obstacles and material shortages (sand, stone, etc.), making it difficult to commence construction or causing slow progress. However, the Company will strive to complete the planned objectives.

+ For the construction materials business sector: Currently, the construction materials business market faces competition from many manufacturers, and input material prices (oil, asphalt, sand, stone, etc.) fluctuate on an upward trend due to world political instability. In addition to producing construction materials for internal construction, the Company is stepping up external sales to increase revenue from this sector.

- Regarding the profit-after-tax target for 2026: Built according to production and business forecasts for 2026. The Company aims for an estimated profit after tax of 26.281 billion VND for 2026.

- Regarding dividend payout: Depending on the 2026 business results, Saigon Traffic Construction Joint Stock Company will strive to ensure the dividend payout ratio is not lower than 7.7% of the Company's charter capital.

The above are the production and business results for 2025 and the production and business direction for 2026 of Saigon Traffic Construction Joint Stock Company.

Sincerely./.

Recipients:

- Board of Directors;
- General Director;
- Board of Supervisors;
- Departments;
- Archive: Admin Office.



GENERAL DIRECTOR

Hoang Anh Giao