

DHC's 2025 Annual General Meeting (AGM)

The AGM 2024 of Dong Hai JSC of Ben Tre (HOSE: DHC) took place on April 09, 2025, covering the following key topics:

- 2025 Business plan:** Net sales is expected to reach VNDbn 3,275 (-6.8% YoY). Net profit after tax is estimated at VNDbn 242, equivalent to 2024. The detailed revenue from each factory is as follows:

	2024	2025 Plan	% YoY
Net sales	3,513	3,275	-6.8%
Giao Long Paper Factory - PM1	566	522	-7.7%
Giao Long Paper Factory - PM2	2,268	2,048	-9.7%
Packaging Factory	348	355	2.0%
Ben Tre Packaging Factory	331	350	5.8%
Net profit after tax	242	242	0.0%

- 2024 Profit distribution:** Dividends will be distributed to shareholders at a rate of 30% of charter capital from undistributed retained earnings as of 31/12/2024, of which 10% will be paid in cash (equivalent to VNDbn 80.5) and 20% in shares (equivalent to VNDbn 160.1).
- CAPEX:** The total investment capital for Giao Long Paper Mill 3 will be adjusted to increase from VNDbn 1,800 to VNDbn 2,250 (+25%), with a design capacity of 390,000 tons/year. Construction is expected to commence in Q4/2025 and begin commercial operations in Q2/2028.
- Quick comment:** We assess DHC's growth outlook as neutral due to the following challenges:
 - (1) OCC paper – accounting for over 70% of production costs and mainly imported from the U.S., EU, and Japan – is heavily impacted by fluctuations in exchange rates and transportation costs, which could increase input costs and put pressure on gross profit margins.
 - (2) Paper demand may be affected as DHC's key customers are export-oriented businesses targeting major markets such as China, the U.S., and the EU, which are currently facing risks from new tariff policies.
 - (3) Competitive pressure in the industry is intensifying, especially from domestic and FDI enterprises, making DHC's market share and selling prices unstable.

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