



GEMADEPT CORPORATION

30 YEARS  
1990-2020  
ANNIVERSARY

BÁO CÁO THƯỜNG NIÊN  
Annual Report  
**2019**



**30 NĂM - ĐỒNG HÀNH VÀ PHÁT TRIỂN**  
**30 YEARS - PARTNERSHIP AND DEVELOPMENT**



## GEMADEPT CORPORATION



**Company Name** : Gemadept Corporation

**Stoke code** : GMD

**Business Registration & Tax code** : 0301116791

**Charter Capital** : 2.969.249.570.000 VND

**Head office** : No. 06 Le Thanh Ton Street,  
Ben Nghe Ward, District 1, Ho Chi Minh City

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## CHAIRMAN'S MESSAGE

**Dear shareholders, customers, partners and stakeholders,**

First of all, on behalf of the Board of Management, the Board of Directors and all staffs of Gemadept Corporation, I would like to express sincere gratitude to all shareholders, customers, partners and stakeholders for your valuable support and partnership with GMD so far.

With that support and partnership, GMD has really "transformed" from a small business, which accompanied the country in starting-up efforts since the 90s, to become a big public company, reaching the position of Vietnam's leading port and logistics operator and aiming at regional expansion.

Looking back on the journey, in 2019, the global economy fell into a series of deceleration and potential risks due to the negative effects of the prolonged trade wars and geo-politics tensions. Overcoming these challenges, the Board of Management and all staffs of GMD with the highest determination and efforts did not discourage shareholders by, once again, fulfilling the profit target assigned by the General Meeting of Shareholders.

Particularly, in Port operation, the Company recorded the total port throughput of over 2 million TEUs in 2019, the highest throughput so far. In addition to expanding existing ports to raise capacity, GMD has resumed the construction of Gemalink deep-sea port project, which will contribute to solving the problem of serious congestion at the current deep-sea ports in Cai Mep area. The project is in line with GMD's port development strategy. In Logistics sector, GMD has integrated its strengths to provide new services including comprehensive Logistics solution consultancy, optimizing the supply chain of businesses, thereby supporting them to minimize Logistics costs and improve competitiveness in the market.

With the determination to change to be the best, GMD has implemented centralized management throughout the Company, maximizing resources, business efficiency, cutting costs and building the professional and happy working environment.

The year 2020 began with a historic event namely Covid-19, which has threatened the world, caused unpredictable disturbances to social life and the economy, putting the business community in front of unprecedented risks and challenges. In the context of responding to the crisis caused by the pandemic, GMD proposed urgent measures for immediate implementation: cutting cost strictly and thoroughly as well as seizing every opportunity to increase revenue. These measures are ordinances, which are the central and mandatory targets in order to preserve business efficiency.

Over the past 3 decades, we together have overcome the global crises, I strongly believe that with the support and partnership of esteemed customers, partners and stakeholders along with the utmost determination and efforts of all staffs, GMD will once again overcome the "epicenter" of the Covid-19 pandemic and continue to develop firmly, contributing to the common prosperity of the nation.

On behalf of the Board of Management, the Board of Directors, I would like to wish you and your family good health, happiness and success!

**Chairman of the Board of Management  
Do Van Nhan**



# CORE VALUES

## NATIONAL

Being proud to be a Vietnamese brand that can vigorously compete with global ones presenting in Vietnam.  
Light up the flame of faith and aspiration to contribute to a bright future for Partners and the Country.

## PIONEERS

GMD - "Gen Mở Đường" (roughly translated "Gene of the Pioneers"): affirming the capacity of each Gemadept person who dares to think about what no one has ever thought, dares to do what no one has ever done, pioneers in opening new paths and constantly challenges their own limits.

## RESPONSIBILITY

Taking responsibility and using all authorized resources to overcome challenges. Being responsible for the Company, customers, partners and the community.

## INTEGRITY

Being straightforward and honest with both others and the self. Being upright and consistent from thinking to action.  
Doing what has been claimed. Say less and do more.

## PROGRESSIVE

Never rest on laurels, but always keep moving forward, relentlessly seeking for better solutions, and setting higher goals for the Company and individuals.

## CONNECTING

Gemadept's strength is made from close and strong connection between members and the Company; and between the Company and customers, partners and stakeholders.  
Mutual cooperation, synergy and connection for sustainable development.

## MISSION

To foster economic flows, raise added value for the Country, enterprises and partners through its integrated service chains and outstanding solutions.

## VISION

To become a leading corporation in the industry of Port and Logistics in Vietnam and the Region.

## VALUES FOR CUSTOMERS AND PARTNERS

Excellence - Pioneer - Partnership and development.



## ABOUT GEMADEPT CORPORATION



be put into operation. Looking forward to the year 2022, GMD's total port capacity will be equivalent to 5 million TEUs per year, better meeting the diverse needs of customers and always being the first choice of world leading shipping lines.

In Logistics sector, GMD owns and operates a network of modern distribution centers covering key economic regions with hundreds of thousands of square meters, handling millions of tons of cargo each year. Currently, GMD is the sole enterprise in Vietnam to provide comprehensive supply chain management services and solutions with the Logistics system covering 6 different areas: Air cargo terminal, distribution centers, OOG cargo transport, shipping, cold chain logistics center and auto logistics centers.

In addition to the progressive business plan, 2019 marked other positive changes of GMD in the process of comprehensive reform, change to be the best, through the centralized management policy, develop service chains and build up the professional and happy working environment. All have affirmed the strong will of GMD in constantly renewing itself, steadily and unanimously developing towards balanced, comprehensive and lasting development.

With the scale, ability, reputation and growth results, GMD successfully maintained its leading position in the list of "Top 10 Reputable Transport and Logistics Companies in 2019 – Category of Logistics, Warehouse and Express delivery". Moreover, with its stable development results, Gemadept has been honored in VNR500 rankings for many years - Top 500 Largest Enterprises in Vietnam, Top 50 Best Listed Companies in Vietnam chosen by Forbes, Top 50 Enterprises having the most effective business, Top 1000 Enterprises having the largest contribution of corporate income tax to the national budget, etc. ... The objective evaluation from reputable organizations, experts, customers and partners is an important evidence confirming the role and position of GMD in the market.

Entering 2020, the world is facing unpredictable changes in the economy and risks from the prolonged pandemic, GMD continues to actively respond to the situation, thoroughly cut costs, boost revenue and implement its projects in line with the plans.

## TOP 50 Best Vietnamese Listed companies by Forbes

Established in the 90s of the last century, when the country just started to open its economy for trading with the world, GMD became the pioneer to introduce container services to Vietnam, connecting the first maritime routes to bring Vietnamese products to people all over the world.

The pioneer footsteps of GMD in the deployment of container shipping services, Inland Clearance Depot - ICD, Mid-stream transport, reefer container service ... have joined the country's maritime industry with new rhythms of modernization.

The year 1993 opened a new stage of development for GMD when the Company became one of the first three pilot enterprises to be privatized. The next milestone was marked by the official listing of GMD shares on Vietnam's stock market in 2002.

With strong will and firm belief, GMD has always been consistent in the ups and downs of the economy during development process to realize its vision of becoming a leading enterprise in Vietnam and the region in Port and Logistics operation. Today, talking about GMD means mentioning the most modern and large-scale Port and Logistics network located at the strategic locations of many provinces and cities nationwide and reaching to other countries in the region. Even more proudly, talking about GMD means mentioning a reliable companion of thousands of local and foreign customers and partners.

In Port operation, GMD is the unique listed company that owns and operates a network of ports from the North to the South with a chain of 8 ports including Gemalink- the largest deep-sea port of Vietnam, which will soon





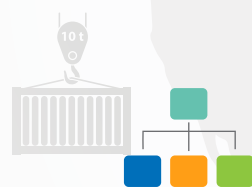
# SIGNIFICANT MILESTONES

30 YEARS  
1990-2020



**1991**

Launched the first container shipping service.



**1993**

Pioneered in equitization.



**1997**

Opened the first container shipping routes on the Mekong River.



**2002**

Listed in the stock market.



**2008**

Put into operation four important projects: Gemadept Tower, Schenker - Gemadept Logistics and 2 ports in Dung Quat and Hai Phong.



**2011**

Launched Logistics strategy, taking the South as a development cradle with large and modern Logistics Center clusters, and expanding from there to other provinces and cities in the Country.



**2016**

Launched the first joint venture of Automotive Logistics in Vietnam.

**2019**

Resumed construction of Gemalink deep-sea port project in Cai Mep, BRVT; Expanded Binh Duong port; Put into operation phase 2 of the Auto Logistics Center (KGL) in Long Hau IZ, Long An province.



1990 - 1991

**1990**

Established under Vietnam Maritime Bureau.



1993 - 1995

**1995**

Launched the first inland port in Vietnam - Phuoc Long ICD.



1997 - 2002

**2000**

Achieved 2<sup>nd</sup> ranking in container handling volume nationwide.



**2004**

Expanding to the region; Establishing overseas subsidiaries.

2004 - 2008

**2007**

Purchased three seagoing vessels, launching 4 container liner service lanes, establishment of three joint ventures with reliable international partners.



**2010**

Increased charter capital to VND 1,000 billion; Launched Tan Son Nhat Air Cargo Terminal; Acquired 99.98% of shares of Nam Hai Port Joint Stock Company.

2009 - 2014

**2009**

Executed strategy of expanding business to the North of Vietnam - Opened Nam Hai Port in Hai Phong.

**2015**

Put into operation the cold chain logistics center in the Mekong Delta - the largest pure cold storage in Southeast Asia; Opened Nam Hai ICD - Logistics in the North.



**2014**

Opened Nam Hai Dinh Vu Port, a significant event in the northern port market; Upgraded the capacity of Gemadept Dung Quat International Port to 70,000DWT.



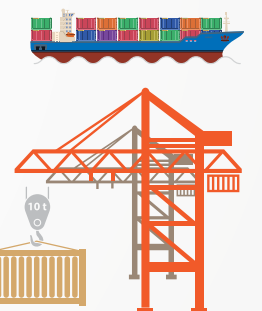
**2017**

Strategically cooperated with CJ Group, a Korean leading logistics partner.



**2018**

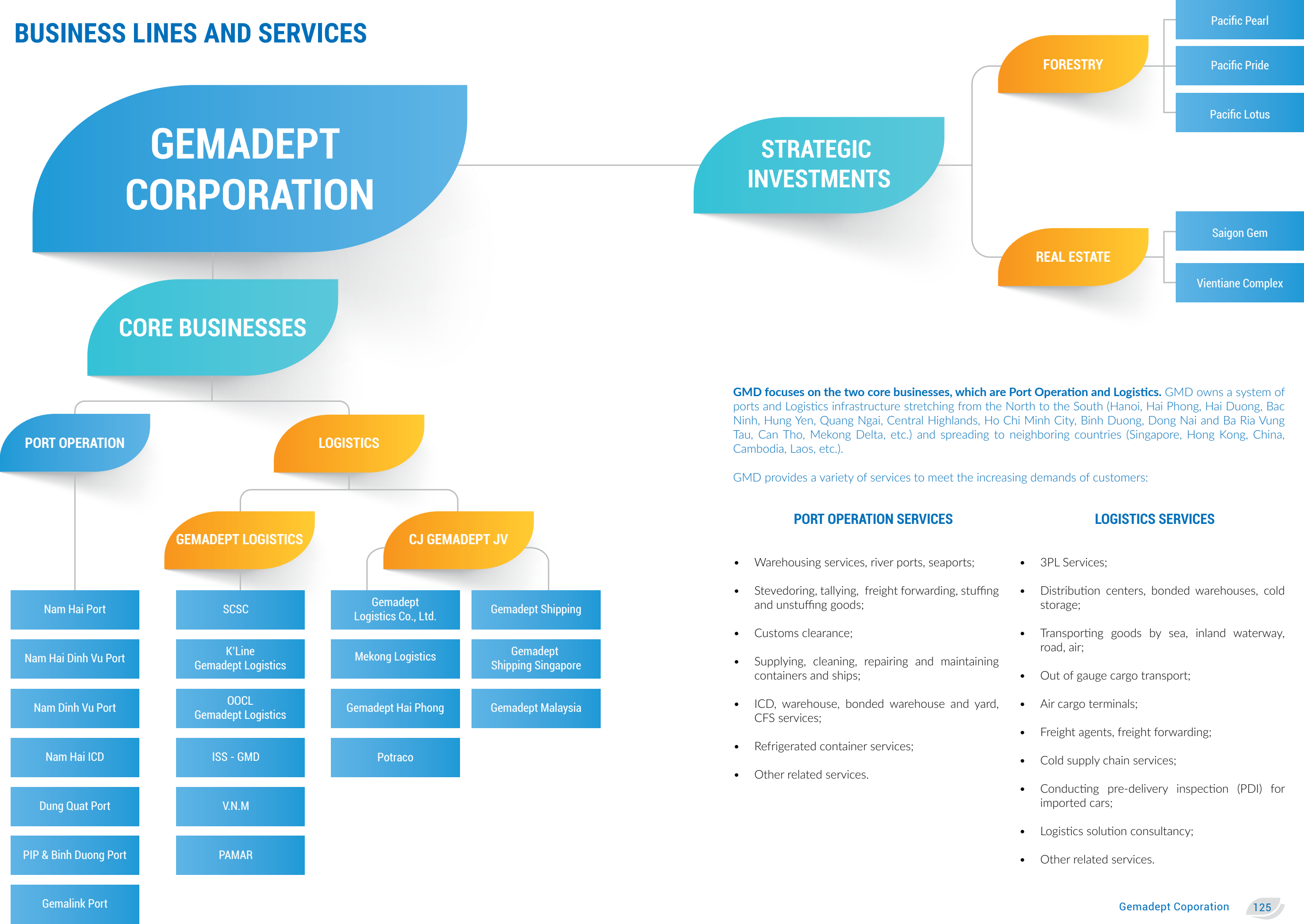
Opened Nam Dinh Vu Port cluster - Phase 1, becoming the leading port operator in the North; SCSC was officially listed on HOSE with the stock code of SCS.



2018 - 2019



BUSINESS LINES AND SERVICES





# SUBSIDIARIES - ASSOCIATED COMPANIES, JOINT VENTURES

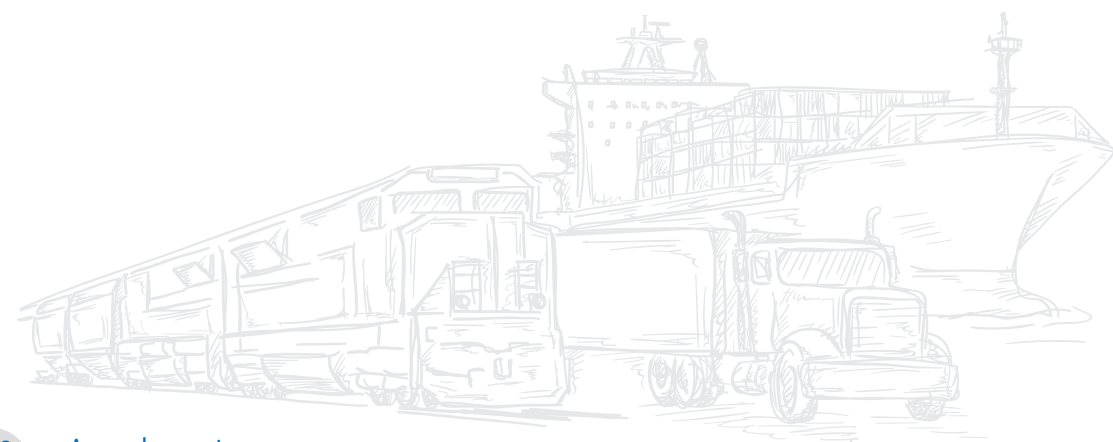


## List of subsidiaries to be consolidated

Subsidiaries	Address	Benefit rate		Voting right	
		Ending balance	Beginning balance	Ending balance	Beginning balance
Nam Dinh Vu Port Joint Stock Company	Lot CA1, Nam Dinh Vu Industrial Park, Dong Hai 2 Ward, Hai An District, Hai Phong City, Vietnam	60.00%	60.00%	60.00%	60.00%
Nam Hai Dinh Vu Port J.S.C.	Km No. 6, Dinh Vu Street, Dong Hai 2 Ward, Hai An District, Hai Phong City, Vietnam	84.66%	84.66%	84.66%	84.66%
Nam Hai Port Corporation Joint Stock Company	No. 201, Ngo Quyen Street, May Chai Ward, Ngo Quyen District, Hai Phong City, Vietnam	99.98%	99.98%	99.98%	99.98%
Nam Hai ICD Joint Stock Company	Lot CN3, MP Dinh Vu Industrial Park, Dong Hai 2 Ward, Hai An District, Hai Phong City, Vietnam	65.00%	65.00%	65.00%	65.00%
Gemadept Dung Quat International Port J.S.C.	Port No. 1 – Dung Quat Port, Binh Thuan Commune, Binh Son District, Quang Ngai Province, Vietnam	80.40%	80.40%	80.40%	80.40%
Phuoc Long Port Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100%	100%	100%	100%
Truong Tho Transportation Services Corporation (i)	Quarter 7, Truong Tho Ward, Thu Duc District, Ho Chi Minh City, Vietnam	46.00%	46.00%	54.00%	54.00%
Pacific Marine Equipment and Service Company Limited	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100%	100%	100%	100%
ISS - Gemadept Co., Ltd.	No. 45 Vo Thi Sau Street, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam	51.00%	51.00%	51.00%	51.00%
Pacific Marine Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100%	100%	100%	100%
Pacific Rubber Industry Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100%	100%	100%	100%

Subsidiaries	Address	Benefit rate		Voting right	
		Ending balance	Beginning balance	Ending balance	Beginning balance
Pacific Pearl Joint Stock Company Limited	61 Road No. 468, Toul Tumpoung 2 Ward, Chamkarmon District, Phnom Penh City, Cambodia	100%	100%	100%	100%
Pacific Lotus Joint Stock Company Limited	18B Road No. 500, Phsar Deum Thkov Ward, Chamkarmon District, Phnom Penh City, Cambodia	100%	100%	100%	100%
Pacific Pride Joint Stock Company Limited	947 Por Prok Khang Tbong Hamlet, Kar Karb Ward, Po Sen Chey District, Phnom Penh City, Cambodia	100%	100%	100%	100%
V.N.M General Transportation Service Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100%	100%	100%	100%
Gemadept Construction Infrastructure Investment and Development Corporation	No. 147 Nguyen Thai Binh Street, Ward 3, Tan An City, Long An Province, Vietnam	50.00%	50.00%	50.00%	50.00%
Gemadept – Vung Tau Corporation	No. 1/1A Pham Hong Thai Street, Ward 7, Vung Tau City, Ba Ria – Vung Tau Province, Vietnam	70.00%	70.00%	70.00%	70.00%
Gemadept Nhon Hoi International Port J.S.C.	No. 98 Pham Hung Street, Ly Thuong Kiet Ward, Quy Nhon City, Binh Dinh Province, Vietnam	53.20%	53.20%	53.20%	53.20%
Binh Duong Port Corporation	Land Lot No. 712, Map No. 8.BT.B, Group 5, Quyet Thang Quarter, Binh Thang Ward, Di An City, Binh Duong Province, Vietnam	80.09%	-	80.09%	-

(i) The Group has taken control over Truong Tho Transportation Services Corporation since it has been authorized by some shareholders to reach the voting right rate of 54% at the General Meetings of Shareholders.

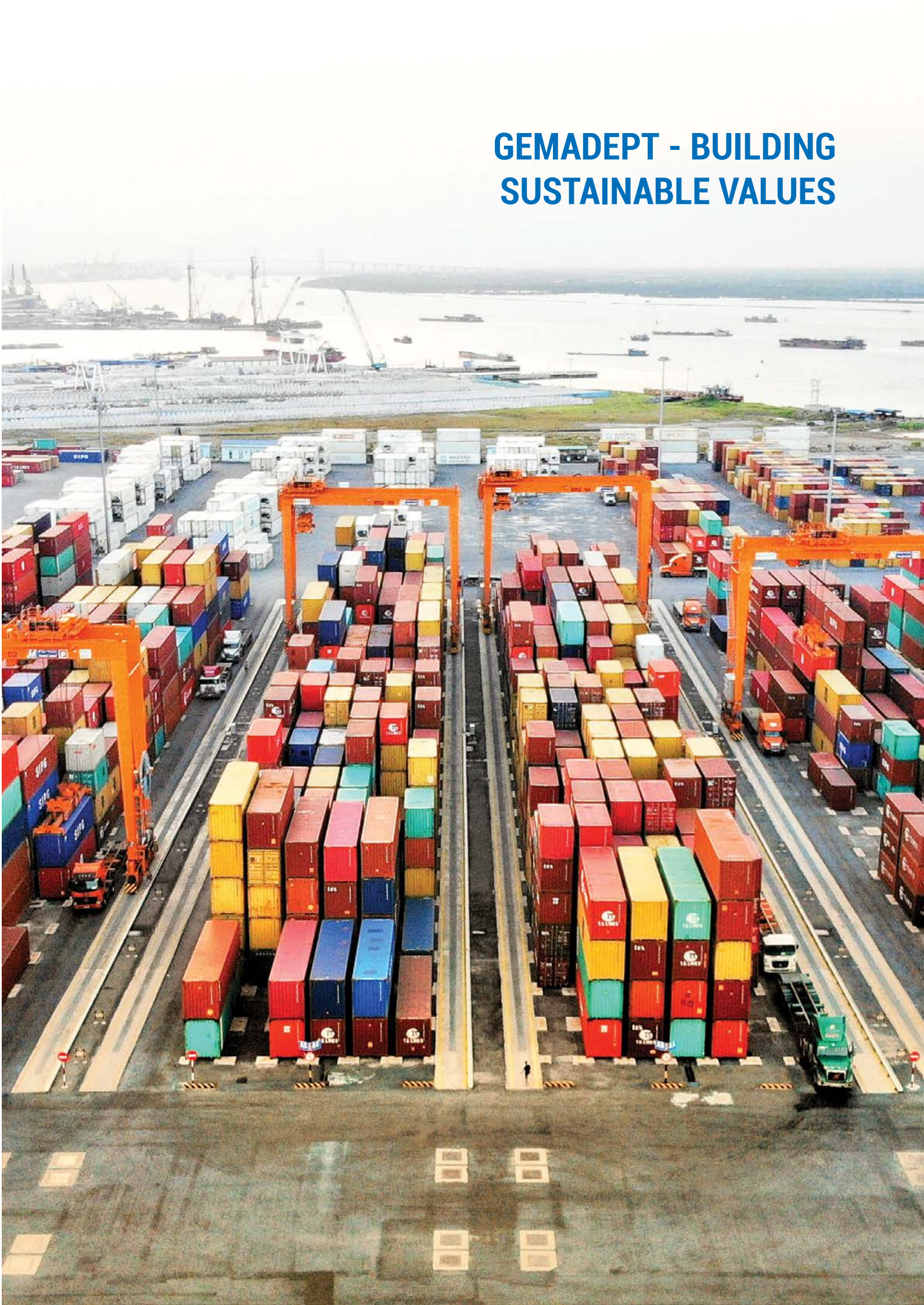




List of joint ventures, associates reflected in the Consolidated Financial Statements in accordance with the equity method

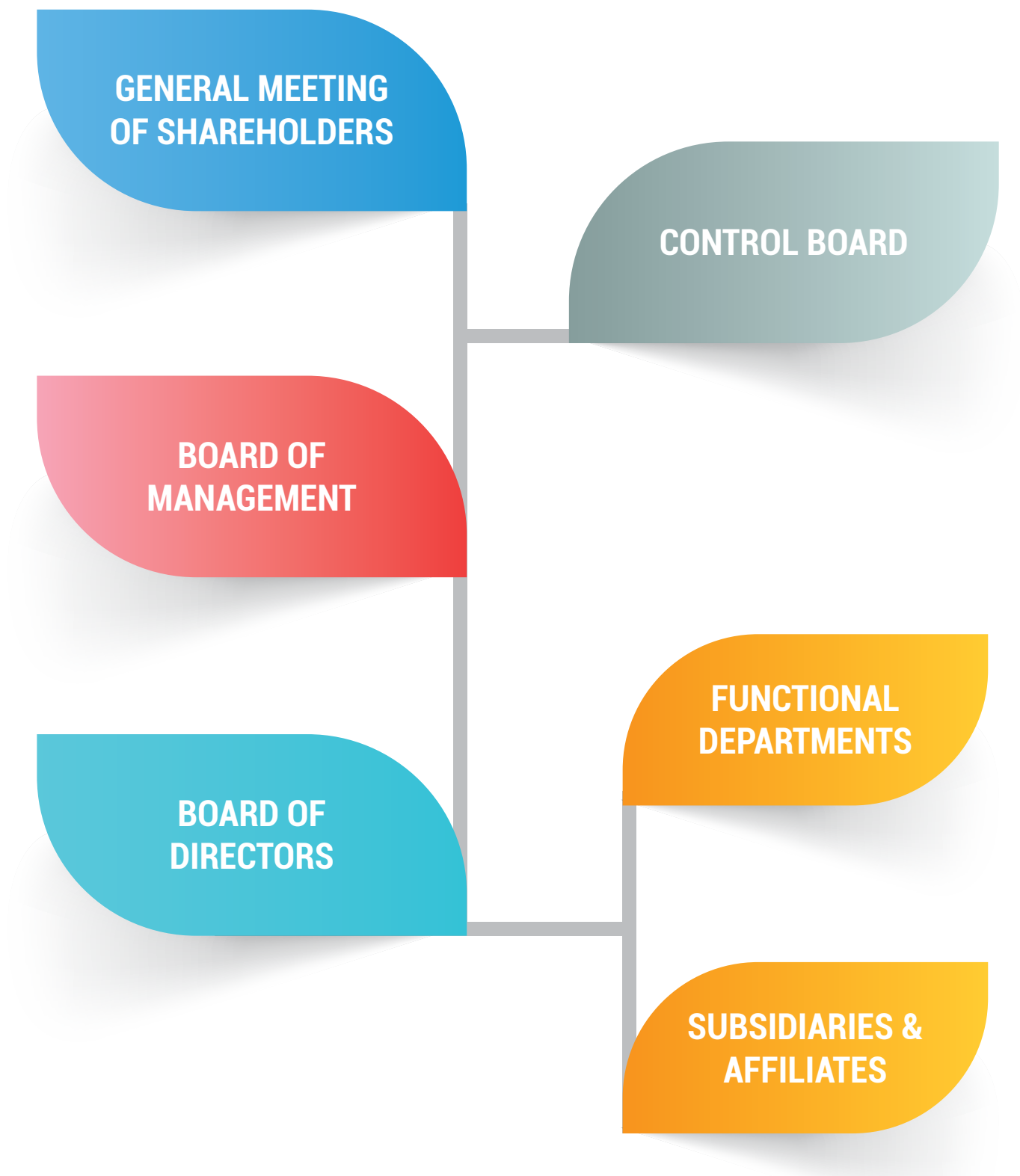
Company	Address	Benefit rate		Voting right	
		Ending balance	Beginning balance	Ending balance	Beginning balance
CJ Gemadept Logistics Holdings Company Limited	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	49.10%	49.10%	49.10%	49.10%
Gemadept Logistics One Member Company Limited	Lot J1, Road No. 8, Song Than 1 Industrial Zone, Di An Ward, Di An Town, Binh Duong Province, Vietnam	49.10%	49.10%	49.10%	49.10%
Mekong Logistics Company	Song Hau Industrial Park, Dong Phu Commune, Chau Thanh District, Hau Giang Province, Vietnam	25.02%	25.02%	25.02%	25.02%
Gemadept Hai Phong One Member Company Limited	6 <sup>th</sup> Floor, Lot 20A, TD Plaza Business Center, Le Hong Phong Street, Dong Khe Ward, Ngo Quyen District, Hai Phong City, Vietnam	49.10%	49.10%	49.10%	49.10%
CJ Gemadept Shipping Holdings Company Limited	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	51.00%	51.00%	50.00%	50.00%
Gemadept Shipping Limited Company	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	51.00%	51.00%	50.00%	50.00%
Gemadept Shipping Singapore Pte. Ltd.	63 Market Street #05 – 01A Bank of Singapore Centre, Singapore, 048942	51.00%	51.00%	50.00%	50.00%
Gemadept (Malaysia) Sdn. Bhd.	No.68B, Jalan Batai Laut 4, Taman Intan, 41300 Klang, Selangor Darul Ehsan, Malaysia	51.00%	51.00%	50.00%	50.00%
Gemadept - Terminal Link Cai Mep Terminal J.S.C. (i)	Tan Loc Hamlet, Phuoc Hoa Ward, Phu My Town, Ba Ria – Vung Tau Province, Vietnam	65.13%	65.13%	50.00%	50.00%
Saigon Cargo Service Corporation (SCSC Corp.)	No. 30, Phan Thuc Duyen Street, Ward 4, Tan Binh District, Ho Chi Minh City, Vietnam	34.97%	36.43%	34.97%	36.43%
K'Line - Gemadept Logistics Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	50.00%	50.00%	50.00%	50.00%
Golden Globe Co., Ltd.	Sibunhuong Village, Chanthabouly District, Vientiane, Laos	40.00%	40.00%	40.00%	40.00%
Golden Globe Trading Co., Ltd.	No. 117 Le Loi Street, Ben Thanh Ward, District 1, Ho Chi Minh City, Vietnam	45.00%	45.00%	45.00%	45.00%
Foodstuff Combina Torial Joint Stock Company	No. 267 Quang Trung Street, Quang Trung Ward, Ha Dong District, Hanoi City, Vietnam	26.56%	26.56%	26.56%	26.56%
Minh Dam Tourism J.S.C.	Cau Tum, Hai Tan Quarter, Phuoc Hai Town, Dat Do District, Ba Ria-Vung Tau Province, Vietnam	40.00%	40.00%	40.00%	40.00%
Vung Tau Commercial Port J.S.C. (VCP)	No. 973, 30/4 Street, Ward 11, Vung Tau City, Ba Ria – Vung Tau Province, Vietnam	26.78%	26.78%	26.78%	26.78%
OOCL Logistics (Vietnam) Co., Ltd.	13 <sup>th</sup> Floor, Saigon Trade Center Building, No. 37 Ton Duc Thang Street, District 1, Ho Chi Minh City, Vietnam	49.00%	49.00%	49.00%	49.00%

GEMADEPT - BUILDING SUSTAINABLE VALUES





ORGANIZATION CHART &  
MANAGEMENT STRUCTURE



BOARD OF MANAGEMENT  
CONTROL BOARD  
BOARD OF DIRECTORS

The Board of Management consists of 11 members; the Control Board consists of 5 members and the Board of Directors consists of 5 members.

BOARD OF MANAGEMENT	
Mr. Do Van Nhan	Chairman
Mr. Chu Duc Khang	Vice chairman
Mr. Phan Thanh Loc	Vice chairman
Mr. Do Van Minh	Member
Ms. Bui Thi Thu Huong	Member
Ms. Nguyen Minh Nguyet	Member
Mr. Vu Ninh	Member
Mr. Bolat Duisenov	Member
Mr. David Do	Member
Ms. Ha Thu Hien	Member
Mr. Tsuyoshi Kato	Member

CONTROL BOARD	
Mr. Luu Tuong Giai	Chief of the Board
Ms. Vu Thi Hoang Bac	Member
Mr. Tran Duc Thuan	Member
Ms. Phan Cam Ly	Member
Ms. Tran Hoang Ngoc Uyen	Member

BOARD OF DIRECTORS	
Mr. Do Van Minh	General Director
Mr. Pham Quoc Long	Deputy General Director
Mr. Nguyen Thanh Binh	Deputy General Director
Mr. Do Cong Khanh	Deputy General Director
Mr. Nguyen The Dung	Deputy General Director



## INFORMATION ON SHARE CAPITAL AND SHAREHOLDERS

Seq.	Shareholder	Number of shares	Ratio (%)	Number of shareholders	Shareholder structure	
					Organization	Private
1	State shareholders	-	0.00%	-	-	-
	Founding shareholders / FDI shareholders	-	0.00%	-	-	-
2	- Local	-	0.00%	-	-	-
	- Foreign	-	0.00%	-	-	-
	Major shareholders (owning from 5% of share capital)	72,558,280	24.44%	2	2	-
3	- Local	-	0.00%	-	-	-
	- Foreign	72,558,280	24.44%	2	2	-
	Labour union	-	0.00%	-	-	-
4	- Local	-	0.00%	-	-	-
	- Foreign	-	0.00%	-	-	-
5	Treasury shares	-	0.00%	-	-	-
6	Shareholders owning preferred shares (if any)	-	0.00%	-	-	-
	Other shareholders	224,366,677	75.56%	7,807	162	7,645
7	- Local	152,100,714	51.23%	7,388	90	7,298
	- Foreign	72,265,963	24.33%	419	72	347
	<b>TOTAL</b>	<b>296,924,957</b>	<b>100.00%</b>	<b>7,809</b>	<b>164</b>	<b>7,645</b>
In which :	- Local	152,100,714	51.23%	7,389	91	7,298
	- Foreign	144,824,243	48.77%	420	73	347

## STOCK TRANSACTIONS OF INTERNAL PERSONS AND RELATED PERSONS IN 2019:

Seq.	Transactor	Relationship with internal shareholder	No. of shares owned at the beginning of the year		No. of shares owned at the end of the year		Reason for increasing or decreasing (purchase, transfer, bonus, etc.)
			Number of shares	Ratio %	Number of shares	Ratio %	
1	Do Van Minh	General Director	503,000	0.17%	1,003,000	0.34%	Purchase of shares
2	Le Thuy Huong	Member of BOM	21,237,451	7.15%	6,000,000	2.02%	Sale of shares. No longer strategic/internal shareholder
3	Luu Tuong Giai	Chief of the Control Board	169,660	0.06%	119,660	0.04%	Sale of shares
4	Pham Thi Anh Tuyet	Related person of Mr. Pham Quoc Long – Deputy General Director	237,945	0.08%	5	0.00%	Sale of shares
5	Luu Tuong Bach	Related person of Mr. Luu Tuong Giai – Chief of the Control Board	1,540	0.00%	0	0.00%	Sale of shares



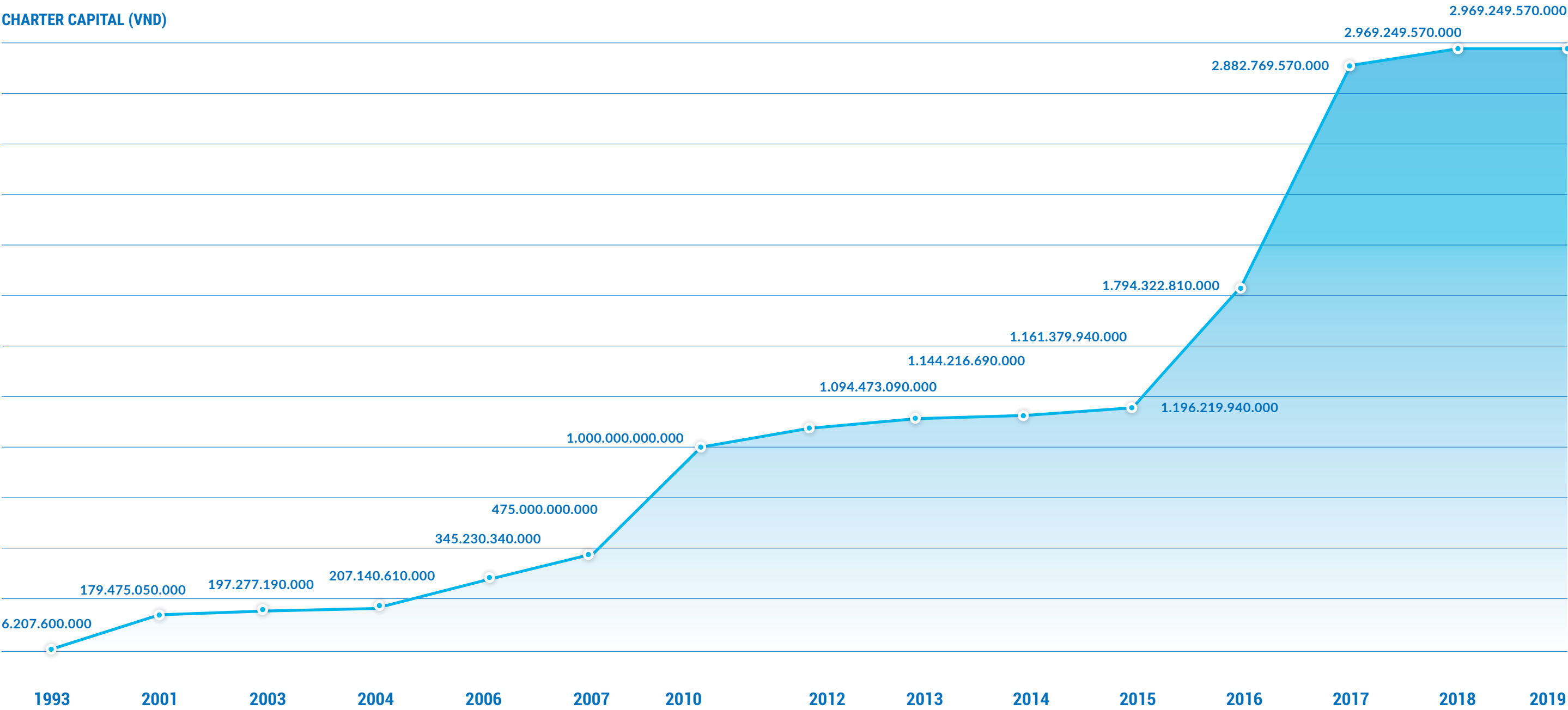
## RATIO OF SHARE OWNERSHIP WITH VOTING RIGHTS OF EACH MEMBER OF THE BOM, THE GENERAL DIRECTOR, THE DEPUTY GENERAL DIRECTORS, THE CHIEF ACCOUNTANT AND OTHER MANAGEMENT STAFFS:

Seg.	Full name	Position	Number of shares	Ratio (%)
<b>The Board of Management</b>			<b>4,778,690</b>	<b>1.61%</b>
1	Do Van Nhan	- Chairman	1,459,924	0.49%
2	Chu Duc Khang	- Vice Chairman	742,437	0.25%
3	Phan Thanh Loc	- Vice Chairman	-	0.00%
4	Do Van Minh	- Member of the BOM	1,003,000	0.34%
5	Bui Thi Thu Huong	- Member of the BOM	322,518	0.11%
6	Nguyen Minh Nguyet	- Member of the BOM/ Chief Accountant	605,012	0.20%
7	Vu Ninh	- Member of the BOM	645,799	0.22%
8	Bolat Duisenov	- Member of the BOM	-	0.00%
9	David Do	- Member of the BOM	-	0.00%
10	Tsuyoshi Kato	- Member of the BOM	-	0.00%
11	Ha Thu Hien	- Member of the BOM	-	0.00%
<b>The Board of Directors</b>			<b>1,052,756</b>	<b>0.35%</b>
1	Do Van Minh	- General Director (as above)		
2	Pham Quoc Long	- Deputy General Director	186,500	0.06%
3	Nguyen Thanh Binh	- Deputy General Director	426,750	0.14%
4	Nguyen The Dung	- Deputy General Director	371,504	0.13%
5	Do Cong Khanh	- Deputy General Director	68,002	0.02%
<b>The Control Board</b>			<b>438,194</b>	<b>0.15%</b>
1	Luu Tuong Giai	- Chief of the Control Board	119,670	0.04%
2	Vu Thi Hoang Bac	- Member of the Control Board	88,510	0.03%
3	Phan Cam Ly	- Member of the Control Board	-	0.00%
4	Tran Duc Thuan	- Member of the Control Board	230,014	0.08%
5	Tran Hoang Ngoc Uyen	- Member of the Control Board	-	0.00%
<b>Total</b>			<b>6,269,640</b>	<b>2.11%</b>





# PROCESS OF SHARE CAPITAL INCREASE SINCE ESTABLISHMENT



# REPORT OF THE BOARD OF MANAGEMENT

## 1. MEMBERS AND STRUCTURE OF THE BOARD OF MANAGEMENT:

The Board of Management for the five-year tenure from 2018 to 2023 with 11 members was elected by the General Meeting of Shareholders on May 30th, 2018. At the General Meeting of Shareholders on May 16th, 2019, Mr. Tsuyoshi Kato was elected to substitute Ms. Le Thuy Huong who resigned.

**Board structure:**

The Board of Management by end of 2019 consists of 11 members, including:

- 6/11 members are working for GMD.
- 5/11 members are from investment organizations.
- 4/11 members have foreign nationality.
- 3/11 members are female.

**Assignment and appointment:**

The Board of Management assigned key duties for members since May 2018. In 2019, there was no change in the assignment of duties in the Board, of which:

- Chairman of the Board : Mr. Do Van Nhan
- Vice Chairman of the Board : Mr. Chu Duc Khang
- Vice Chairman of the Board : Mr. Phan Thanh Loc
- General Director : Mr. Do Van Minh
- Person in charge of corporate governance: Mr. Vu Ninh

List of Board of Management, position and number of shares owned at the end of the management report of 2019 as follows:

Seg	Member of the Board	Title	Ending balance	Ratio
1	Mr. Do Van Nhan	Chairman	1,459,924	0.49%
2	Mr. Chu Duc Khang	Vice Chairman	742,437	0.25%
3	Mr. Phan Thanh Loc	Vice Chairman	-	-
4	Mr. Do Van Minh	Member	1,003,000	0.34%
5	Ms. Bui Thi Thu Huong	Member	322,518	0.11%
6	Ms. Nguyen Minh Nguyet	Member	605,012	0.20%
7	Mr. Vu Ninh	Member	645,799	0.22%
8	Mr. Bolat Duisenov	Member	-	-
9	Mr. David Do	Member	-	-
10	Mr. Tsuyoshi Kato	Member	-	-
11	Ms. Ha Thu Hien	Member	-	-

**Note:** Mr. Phan Thanh Loc, Mr. David Do, Mr. Tsuyoshi Kato and Ms. Ha Thu Hien are representatives of organizations, do not own GMD shares. (Source: Report on corporate governance which was publicly announced, posted on GMD website)



## 2. NON-EXECUTIVE MEMBERS OF THE BOM:

The current Board of Management has 5 members who are not involved in managing and operating business of Gemadept:

Seq	Member of the Board	Title
1	Mr. Phan Thanh Loc	Vice Chairman
2	Mr. Bolat Duisenov	Member
3	Mr. David Do	Member
4	Mr. Tsuyoshi Kato	Member
5	Mrs. Ha Thu Hien	Member

## 3. ASSESSMENT OF ACTIVITIES OF THE BOM NON-EXECUTIVE MEMBERS:

Non-executive members GMD’s Board of Management are experts with high experience in various fields.

In 2019, the aforementioned members contributed many important comments on the Company’s development strategies, investment, finance, banking, shareholder relations, coordinated to look for partners, customers and improved the quality management, internal control system, connection with Sumitomo Corporation to implement the program "Gemadept - Sumitomo Synergy Generation".

In addition to attending the Board meetings, the big events of GMD, the members also had other working sessions directly on different topics and task groups. GMD’s management also regularly consulted with these non-executive members.





4. MEETINGS OF THE BOARD:

Based on the Company's management regulations and business activities, in 2019, the Board of Management conducted 7 meetings and got written opinions on important issues.

The number of members attending the meetings ensured the regulated ratio prescribed in the charter.

1 member elected from May 2019 for the second half of the year; other members attended 100% of the sessions.

In 2019, the Board of Management issued 23 minutes and resolutions on the following groups of issues:

- Approval of the guarantee for loans
- Approval of mortgage of shares to secure loans
- Appointing the representatives of capital contribution
- Appointing and dismissing the position of Deputy General Director of the Company
- Dissolution of branch companies
- Borrowing capital to develop business activities
- Adjusting the progress of capital contribution to the projects

Date, list of participants, agenda and resolutions of each meetings are stated in the "Report of company management in 2019", which is posted on the Company website [www.gemadept.com.vn](http://www.gemadept.com.vn)

Seq	Member of the BOM	Title	The start / end date of the BOM's term	Number of official meetings and getting options	Ratio	Reason for not attending
1	Mr. Do Van Nhan	Chairman	29/05/2013	07	100%	
2	Mr. Chu Duc Khang	Vice Chairman	29/05/2013	07	100%	
3	Mr. Phan Thanh Loc	Vice Chairman	29/05/2013	07	100%	
4	Mr. Do Van Minh	Member	29/05/2013	07	100%	
5	Ms. Bui Thi Thu Huong	Member	29/05/2013	07	100%	
6	Ms. Nguyen Minh Nguyet	Member	29/05/2013	07	100%	
7	Mr. Vu Ninh	Member	29/05/2013	07	100%	
8	Mr. Bolat Duisenov	Member	29/05/2013	07	100%	
9	Mr. David Do	Member	30/05/2018	07	100%	
10	Ms. Ha Thu Hien	Member	30/05/2018	07	100%	
11	Ms. Le Thuy Huong	Member	30/05/2018	05	71%	Resigned as Member of the BOM on 16/05/2019
12	Mr. Tsuyoshi Kato	Member	16/05/2019	02	28%	Appointed as Member of the BOM on 16/05/2019

5. BOM'S ASSESSMENT OF THE COMPANY'S ACTIVITIES:

With the slogan of "Change to be the best", in 2019, Gemadept Corporation implemented many measures related to business activities, management and achieved positive results on many aspects:

**Regarding business activities:** In 2019, the domestic production, trade and service environment was relatively stable. However, the world politics and economy were highly volatile, heavily influenced by the US-China trade war that led to negative impacts on the global shipping, seaport and logistics industries in general and caused difficulties to some activities of GMD. In Vietnam, a big concern in 2019 was the handling of imported waste materials that caused serious congestion at most ports; the issue of channel dredging in Hai Phong, which existed for many years and was not completely solved, directly affecting GMD's port operation.

In such a situation, GMD's Board of Management has applied many flexible measures to achieve the two important financial targets: revenue and profit. Assessment of the two core business:

- **In port operation:** Phuoc Long ICD Port, Binh Duong Port and Dung Quat Port achieved good results, exceeding the plan in both throughput and revenue. The cluster of ports in Hai Phong including Nam Dinh Vu Port, Nam Hai Dinh Vu Port, Nam Hai ICD and Nam Hai Port in 2019 had a slight decline in throughput because of objective causes including garbage congestion, shallow channel.
- **In Logistics:** As the shipping market still faced with difficulties, GMD was the rare company to have profit far exceeding the business plan in shipping activities. The typical activities of GMD Logistics in 2019 included expansion of integrated services, promotion of information technology application, developing new customers, investment in expansion of warehouses and means of transport, etc. GMD synergized the strengths of Logistics chain, launching new services including comprehensive logistics solution consultancy service, contributing to optimize the supply chain of customers, thereby helping them minimize Logistics costs, improve competitiveness in the market.

**Regarding the progress of projects:** In 2019, GMD had further investments to expand its business activities and improve operation capacity: upgrading the CY and office of Nam Hai Port; upgrading the CY and install 8 RTG cranes at Nam Hai Dinh Vu port; expanding area and installing equipment at Binh Duong Port; building one more S1 ship with the largest size in the country... These investments were necessary basis for GMD to increase its port capacity and to boost revenue and

profit in the coming years.

Regarding new investments, most notably in February 2019, GMD and CMA-CGM organized the groundbreaking ceremony of Gemalink port. This will be the largest deep-water port in Vietnam, capable to receive Megaship - the largest generation of container ship in the world - serving leading maritime alliances with direct services to Europe, Japan, the USA... By the end of 2019, the port's construction items were proceeded synchronously, on schedule. As planned, the port will come into test run period in the fourth quarter of 2020. In Hai Phong, in November 2019, GMD and Sao Do Group started the construction of Nam Dinh Vu Port phase 2. This is the next step of the Nam Dinh Vu port cluster project, which is ensured of implementation in line with the investment schedule committed to the Government and Hai Phong City. This will be the largest port cluster of GMD in the North.

6. EVALUATION OF THE BOARD OF MANAGEMENT ON THE ACTIVITIES OF THE BOARD OF DIRECTORS IN 2019:

In 2019, the Board of Directors operated with 5 members including the General Director and 4 Deputy General Directors (2 new members were appointed from 2019).

The General Director consulted the Board of Management and assigned tasks to the members of the Board of Directors according to each sector in charge. This helped improve the efficiency of business directions, allow full authority and responsibility for them to deal with issues arising in the business process.

The Board of Directors regularly held extended meetings with the participation of a number of specialized Board members to promote collective intelligence, take advantage of the capacity and experience of these experts.

In 2019, the Board of Directors conducted interrogation and supervision activities at regular meetings; Organized 3 visits to inspect and control in Hai Phong and other provinces. Through checking, supervising and coordinating, the Board of Management made positive assessments on the management of the Board of Directors on all three aspects of business results, project implementation and internal management in 2019.

7. VISION, STRATEGY, PLAN & ORIENTATION OF THE BOARD OF MANAGEMENT IN 2020:

The year 2020 is the final year in GMD's Vision 2020 - the 5-year plan from 2016 - The Board of Management defined the key tasks of next year as the determination to accomplish the goals of Vision 2020 with the following main directions:

- **Regarding business activities:** From the beginning of the first quarter of 2020, to find all measures and develop scenarios to deal with the consequences and negative impacts from the COVID-19 pandemic, minimizing the losses caused by lower cargo volume through ports, impacted inland and international transport due to the omit of services to many countries.
- **Regarding financial targets:** The Board of Management considers and submits to the General Meeting of Shareholders about the negative and direct impacts to set up appropriate revenue and profit targets. On that basis, the Company will maintain good business performance; focus on cutting costs; increase revenues and profits; have appropriate 2020 dividend proposal to submit to the General Meeting of Shareholders for approval.
- The Board will review of all practical lessons in the past 30 years; evaluate the 5-year results of Vision 2020; Prepare step by step to complete GMD's development strategy for the period 2021-2025 with a vision to 2030.

#### 8. COMPLIANCE WITH REGULATIONS ON CORPORATE GOVERNANCE:

Since May 2018, the Board of Management appointed a person in charge of corporate governance to support GMD management, ensuring all missions carried out effectively. In 2019, GMD strictly complied with the regulations for listed companies such as:

- Organizing the General Meeting of Shareholders in accordance with regulations, strictly complying with the provisions of the charter and AGM regulations;
- Organizing periodic meetings of the Board of Management.
- Completing in time the 6-month and 1-year management reports according to the regulations of the SSC; completing the annual report and the sustainable development report.
- Implementing internal control regulations, preventing risks, promoting HSSE, labor safety, environmental sanitation in the whole corporation.
- The information announcement was carried out fully, accurately and promptly to relevant authorities and shareholders. GMD's website has been regularly updated with news and articles reflecting the situation of the Company's business activities.

#### 9. CHANGES AND IMPROVEMENTS IN MANAGEMENT POLICIES OF THE COMPANY IN 2019:

Since the business conference in March 2019, GMD has made many changes with the slogan of "Change to be the best". Specifically:

- Promote the centralized management of important functions such as finance, procurement, human resources, information technology, legal and marketing. These changes have promoted management efficiency, reduced costs, increased the efficiency of procurement, investment and promoted the strength of the GMD brandname.
- Applying the results from management projects such as BSC/KPI, job description, salary structure, cultural projects, 7S evaluation, 5S, etc... from the headoffice to all units in the Company to create positive change in every staff's awareness and action.

#### 10. TRAINING ON CORPORATE GOVERNANCE:

- For training courses on corporate governance organized by the State Securities Commission and Ho Chi Minh Stock Exchange..., the Board of Management assigned members of the Board of Management, members of the Control Board, members of the Board of Directors and other managers to join the courses.
- In May 2019, the Board of Management cooperated with the Southern office of State Securities Commission to open a 3-session training course for members of the Board of Management, directors of units, organizing board of the General Meeting of Shareholders, information disclosure officers and representatives of GMD's capital in subsidiaries... The content of the training course was "Corporate Governance" including the provisions of laws and practices from Foreign companies, instructions to organize the General Meeting of Shareholders, E-voting, information about penalizing of administrative violations in the securities sector...

#### 11. PLANS TO INCREASE EFFECTIVENESS IN MANAGEMENT ACTIVITIES IN THE COMING TIME:

In 2020, GMD continues to implement management projects with the goal of changing to be the best and better serve customers. Specifically, GMD will strengthen activities related to corporate governance in 2020 such as:

- Confront the lasting pandemic situation, probably until end of Q2, the Company will apply urgent management measures, transfer personnels, deploy online and offline alternative working; arrange labor to ensure smooth operation at ports, logistics centers...
- Continue to deploy more deeply the BSC / KPIs project. Set up individual KPI goals for each board member, key staffs at H.O and the units.
- Strengthen inspection and supervision of the implementation of the resolutions of the Business Conference in 2020 and the monthly resolutions of the Board of Directors...
- Promote the efficiency of centralized management functions of marketing; procurement; cutting costs, etc.
- Promote the completion of construction projects, ensuring the schedule, especially Gemalink project.
- Effectively implement management projects on the new salary system, capacity framework, succession plan; cultural projects, etc.

#### 12. CHANGES IN THE BOARD OF DIRECTORS IN 2019:

In 2019, the Company had a change in the personnels of the Board of General Directors, specifically:

- Appointed Mr. Nguyen The Dung, born in 1971 - Bachelor of banking, Director of Phuoc Long Port Co., Ltd. as the Deputy General Director of Gemadept Corporation.
- Appointed Mr. Do Cong Khanh, born in 1977 - Bachelor of maritime transport economics, Director of Gemadept Infrastructure Development Investment Joint Stock Company as the Deputy General Director of Gemadept Corporation.
- Dismissed the position of Deputy General Director of the Company of Mr. Chu Duc Khang according to personal wishes to focus on the duties of the Board of Management.

The General Director of the Company assigns the duties of the Deputy General Directors.

The Company posted the above information on its website since May 9, 2019.





# REPORT OF THE CONTROL BOARD

In 2019, Vietnam's economy continued to maintain a stable growth despite being negatively affected by the US-China trade war, high public debt ratio and large budget deficit. In such a situation, Gemadept Corporation (GMD) has made great efforts to achieve business results according to its business plan through upgrading and supplementing management software, enhancing risk control, cutting costs, restructuring business activities to complete the supply chain, meeting the needs of customers.

## 1. ACTIVITIES OF THE CONTROL BOARD:

In 2019, the Control Board consists of five members, which were elected by the General Meeting of Shareholders in 2018. The Control Board performed its functions and duties in accordance with the laws and the Company's Charter.

In 2019, with the close coordination of the Board of Management and Board of Directors, the Control Board inspected and supervised the Company's compliance with laws and internal regulations on business activities, the issuance of internal documents, the progress of projects. On the other hand, the Control Board made recommendations to strengthen risk management and improve the quality of corporate governance.

In 2019, the Control Board had business trips to Hai Phong and Da Nang to supervise the operation of the subsidiaries and branches in the region. The Control Board evaluated the progress of business plan completion, reminded the compliance with regulations, evaluated achievements and recommended solutions to enhance business performance as well as financial management of the Company. The Control Board reflected the advantages and difficulties and proposed to the Board of Management and the Board of Directors for consideration.

The Control Board carried out the evaluation of the Financial Statements in 2019 quarterly and annually. The Control Board agreed with the Company's 2019 Financial Statements, which were audited by A&C Auditing and Consulting Co., Ltd.

- Performance indicators, solvency and financial structure were at high levels.
- Consolidated profit before tax exceeded the approved target of the General Meeting of Shareholders in 2019.

## 2. MEETINGS OF THE CONTROL BOARD:

In 2019, the Control Board held 04 meetings as follows:

Date	Number of Members attended	Contents
06/05/2019	5/5	<ul style="list-style-type: none"><li>• Summary of activities of the Control Board in 2018 and orientation of 2019.</li><li>• Appraisal of the 2018 financial statements of the Company.</li><li>• Appraisal of the financial statements of the Company in Q.1/2019.</li><li>• Assessment of compliance with laws and the Company's Charter in 2018.</li><li>• Adoption of the Control Board's draft report at 2019 Annual General Meeting of Shareholders.</li></ul>
28/06/2019	5/5	<ul style="list-style-type: none"><li>• Preliminary review of the Control Board' activities in the first 6 months of 2019 and orientation for the last 6 months.</li><li>• Assessment of the Company's activities in the first 6 months of 2019.</li></ul>
15/11/2019	5/5	<ul style="list-style-type: none"><li>• Appraisal of financial statements, business activities in the first 9 months of 2019.</li><li>• Review and evaluation of the implementation of the Resolution of the 2019 General Meeting of Shareholders.</li><li>• Assessment of Gemadept Da Nang Branch.</li></ul>
25/12/2019	5/5	<ul style="list-style-type: none"><li>• Review of the activities of the Control Board in 11 months of 2019.</li><li>• Assessment of the implementation of the Company's projects.</li><li>• Approval of the activitiy plan of the Control Board in 2020.</li></ul>

## 3. REMUNERATION AND EXPENSES FOR THE CONTROL BOARD:

The General Meeting of Shareholders dated May 16, 2019 approved the remuneration for the Board of Management and the Control Board in 2019.

## 4. SUPERVISION OF THE IMPLEMENTATION OF THE RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS 2019:

In 2019, the Control Board focused on reviewing and evaluating the activities of the Board of Management related to the implementation of the financial and operational plan in 2019 which was approved by the General Meeting of Shareholders, supervising the compliance with the laws and the charter of the Company.

The Company implemented the Resolution of the General Meeting of Shareholders:

- Profit distribution and fund allocation in 2018: Done.
- Business results in 2019: Although the economic situation in 2019 recorded certain improvements, the shipping industry still faced many difficulties. However, according to the audited Financial Statements in 2019, GMD achieved 94% of the revenue plan and 101% of profit before tax plan.

## 5. PLAN FOR ACTIVITIES OF THE CONTROL BOARD IN 2019:

In 2020, the Control Board will continue to improve the working processes, enhance the inspection of compliance with laws and internal regulations of the Company. The Control Board assessed quarterly and annual financial statements to ensure the accurate and transparent evaluation of the Company's business results. The Board also coordinated with Risk Management Department and the internal audit to strengthen risk management for the Company. The members of the Board of Control, based on their assignment, will inspect and evaluate the relevant departments to ensure the improvement of management capacity, the ability to build and seize opportunities for the Company to continue sustainable development.

Ho Chi Minh City, February 25, 2020



CHIEF OF THE CONTROL BOARD

Luu Tuong Giai

# REPORT OF THE BOARD OF DIRECTORS

## I. 2019 BUSINESS PERFORMANCE:

### 1. Evaluation of 2019 Business Performance, Economic situation, Markets and Industries:

2019 was an important year in Gemadept Corporation's 5-year development plan for the period of 2016-2020, preparing for the realization of the Vision 2020. Accordingly, two core business activities including Port operation and Logistics achieved encouraging results, showing the great efforts of GMD.

Logistics as a key industry has been changing a lot in the trend of the global trade development. Great development in technology, international trade volatility, new trends in e-commerce and new requirements on environmental protection and climate change prevention are making changes to viewpoints and development orientation of many businesses. GMD has quickly caught up with the trend, accompanied with partners to continue expanding new value-added services across the country, applying many technological solutions into governance and operation, creating the clear positive changes of Vietnamese Logistics enterprises.

In the seaport sector, Vietnam has quite good convergence of favorable conditions of economic development and geographical location. In 2019, inflation increased at the lowest rate in the past 3 years. Also, import-export turnover reached USD 500 billion for the first time, and Vietnam was ranked among the highest growth economies in the world with the highest GDP growth in 11 years, reaching 7.02%. Along with the trend of shifting factory systems from China due to trade tensions between the United States and the country, Vietnam is considered a "magnet" that continues to attract strong foreign direct investment.

### 2. Breakdown of Revenue, Costs and Profit:

#### Net revenue

Unit: billion VND

Core businesses	2017		2018		2019	
	Value	%	Value	%	Value	%
Port operation	1,829	45,9%	2,279	84,2%	2,338	88,5%
Logistics	2,155	54,1%	429	15,8%	305	11,5%
<b>TOTAL NET REVENUE</b>	<b>3,984</b>	<b>100,0%</b>	<b>2,708</b>	<b>100,0%</b>	<b>2,643</b>	<b>100,0%</b>



### RESUME THE CONTRUCTION OF THE LARGEST DEEP-SEA PORT PROJECT IN VIETNAM

## GEMALINK

In its 2019 report, the shipping consulting firm Drewry forecast that container throughput across the global port system would have an average annual growth rate of 4.4% per annum for the period of 2019-2023, in which, Asia accounts for nearly 56% of the global throughput. In addition, the size of container vessels has also increased sharply over the past two decades, up to 250,000 DWT.

Being consistent with the goal of long-term sustainable development, in 2019, GMD resumed the construction of the largest deep-sea port project in Vietnam - Gemalink in the South; at the same time, the Company celebrated the groundbreaking ceremony for the second phase of the Nam Dinh Vu port project in the North. With the effectively operating port and logistics projects across the country, as well as the two new port projects to be completed and put into operation, GMD will possess a momentous change to have an important contribution to the development of Vietnam's seaport industry and economy.

In summary of 2019, although the challenges were not small, with the orientation of the General Meeting of Shareholders, the Board of Management, the timely and flexible direction in the management, on the basis of unanimity, consistence and the determination to overcome all obstacles of the whole staff, GMD successfully completed the important goals assigned by the General Meeting of Shareholders. The Company is confident and ready for the challenging year of 2020.

In 2019, GMD generated VND 2,643 billion in revenue, of which Port operation accounted for 88.5% and Logistics accounted for 11.5%.

GMD's revenue from Port operation reached VND 2,338 billion. Port operation maintained stable growth and significantly contributed to the overall business performance. For GMD's Northern port group, thanks to the management model of resources optimization in all sectors from operation, technique to marketing, GMD achieved encouraging business results. Meanwhile, GMD's ports in Central and Southern parts continued to maintain positive growth with high productivity thanks to the development of flexible and diversified services.

GMD's revenue from Logistics sector was VND 305 billion, down from the previous year, mainly due to the transfer of a part of contributed capital of affiliates in Logistics; thus, the revenue from the sector was not consolidated in the business results of GMD. The transfer brought positive results when the profit from Logistics activities of these affiliates grew well over the same period.

#### Cost

Unit: billion VND

Accounts	2017	2018	2019
Net sales	3,984	2,708	2,643
Cost of goods sold	2,955	1,739	1,630
Selling expense	87	102	138
General and administrative expense	344	321	331
Interest expense	144	129	145
Financial expense excluding interest expense	2	(85)	1
<b>Ratio of net sales</b>			
Net sales	100.0%	100.0%	100.0%
Cost of goods sold	74.2%	64.2%	61.7%
Selling expense	2.2%	3.8%	5.2%
General and administrative expense	8.6%	11.9%	12.5%
Interest expense	3.6%	4.8%	5.5%
Financial expense excluding interest expense	0.1%	-3.1%	0.0%

- Cost of goods sold / net sales ratio decreased by 2.5%, leading to a corresponding increase in gross profit margin thanks to strong revenue growth and stable port operation.

- Selling expense / net sales ratio increased by 1.5% in line with the trend of supporting revenue growth in a competitive and fluctuating business environment.

- General and administrative expense / net sales ratio just slightly increased by 0.7% compared to the previous year mainly thanks to cost optimization to maximize business results.

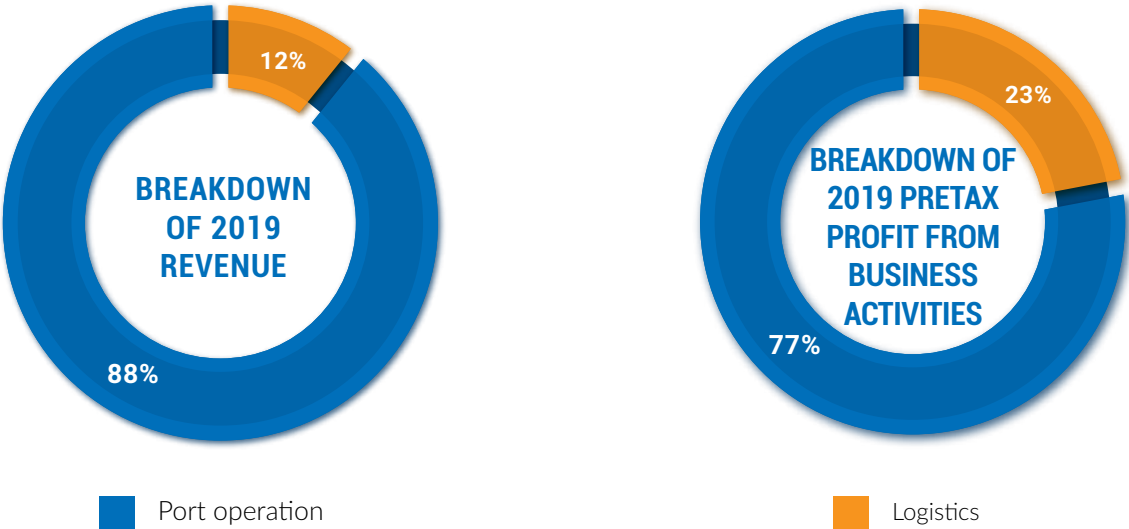
- Interest expense / net sales ratio increased just slightly by 0.7%, mainly from investment in key projects of GMD. GMD's loan interest rate is always good compared to the market because it is always granted good credit ratings by prestigious financial institutions and GMD owns safe assets.

- Financial expense excluding interest expense / net sales ratio increased slightly due to the reversal of provision for financial investments.



Profit

With positive business results in 2019, GMD's subsidiaries and affiliates in Logistics made a positive contribution to the Company's profit. In particular, Port operation and Logistics accounted for 77% and 23% respectively in 2019 pretax profit breakdown.



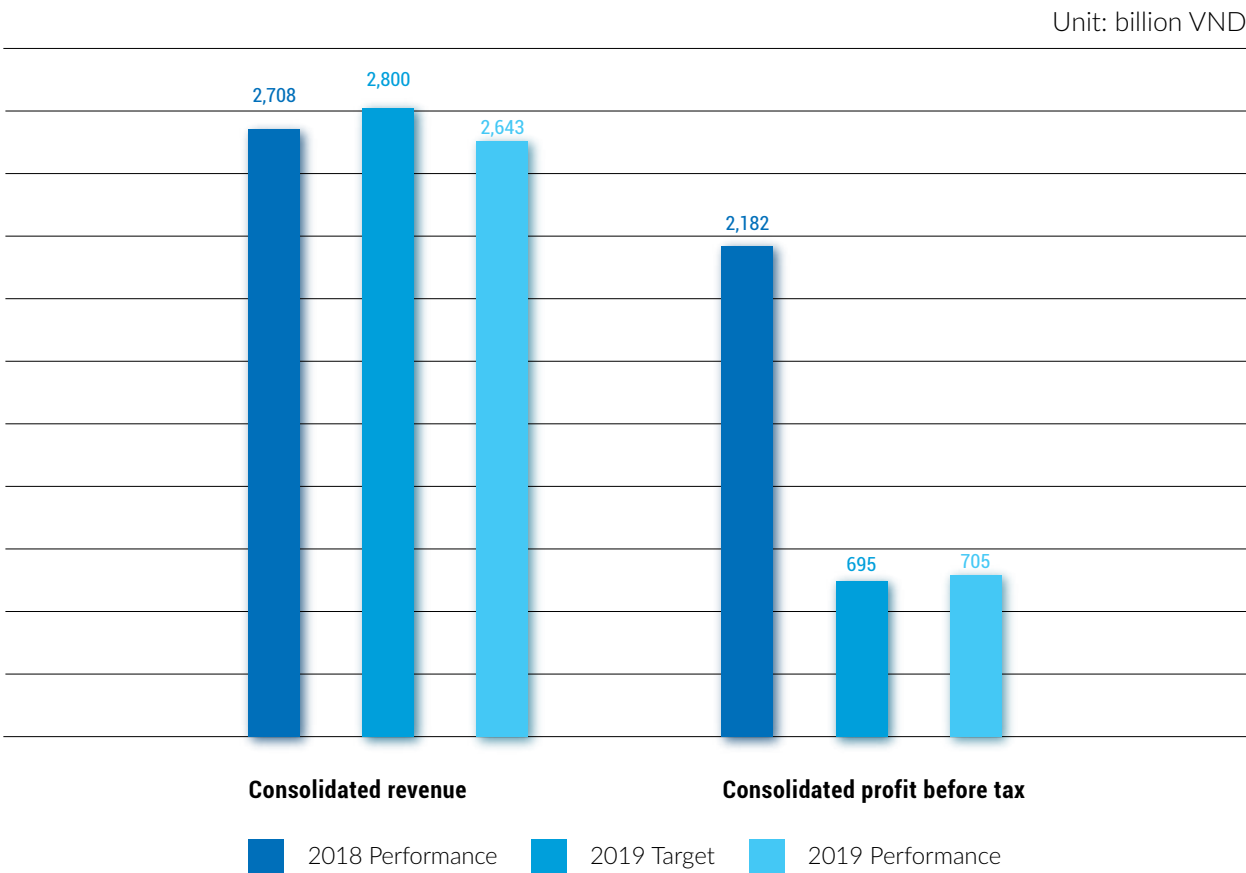
3. Analysis of business performance in comparison with 2019 business plan and 2018 performance:

Gemadep's net revenue reached VND 2,643 billion, which accounted for 94% of the business plan. The net revenue from port operation increased in comparison with 2018 resulting from the stable business performance of the current ports as well as the outstanding operational efficiency of Nam Dinh Vu Phase 1. Revenue from Logistics segment almost reached the business plan.

GMD attained the profit before tax of VND 705 billion VND, up 1.4% in comparison with the business plan. Noticeably, the Company did not record gains from share transfer. Last year, with proper and determined strategies in all business aspects, from management to operation, GMD achieved good progress in profit before tax from ordinary business activities in terms of both absolute values and relative values with a two-digit growth rate, up 17% compared to 2018. Details are as follows:



Business results	Performance 2018	Target 2019	Actual Performance 2019	Performance 2019 / Performance 2018	Performance 2019/ Target 2018
Revenue	2,708	2,800	2,643	98%	94%
Profit before tax	2,182	695	705	32%	101%



4. Significant changes in business strategy, transaction and cooperation:

It can be said that 2019 was a year full of economic turbulence in the world economy in general and in Vietnam economy in particular. As a part of the globalization, Vietnam's imports and exports was negatively affected by the changes in trade policies of the United States and China; the enhanced trade protection of key trading partners and the excess supply of some agricultural products led to the sharp decrease of price. According to General Statistics of Vietnam, 2019 total export value was USD 263.4 billion, increased by 8.1% compared to 2018. As for import, total value was USD 253.5 billion, up 7% in comparison with the previous year. Consequently, the trade surplus was USD 9.9 billion.

Challenges always come with opportunities. In late 2019, Bloomberg Intelligence made official calculations, in accordingly the growth rate of container transportation capacity should be doubled compared to the rate of 10-12% of the past decade in order to meet the demand which is projected to significantly increase. As such, a country where production is developing fast like Vietnam would definitely need substantial investments for the business enhancement and asset optimization of the port sector. It means that there is a large room for port development in the future and GMD – as a leading port operator – has lot opportunities to meet the investment demand that Bloomberg Intelligence and



the Government recognized. Also, GMD is a leading company in Vietnam capable of providing Logistics solution consultancy services (4PL) to customers and partners.

Currently, GMD owns and operates an 8-port system with different scales accommodating various vessel sizes in major economic zones. In Hai Phong, GMD owns and operates a network of 4 ports (Nam Hai, Nam Hai Dinh Vu, Nam Dinh Vu and Nam Hai ICD). GMD is the leading port and ICD operator in this area. The complete development of Nam Dinh Vu port cluster will significantly raise GMD's market share in Northern

Vietnam. With the goal to become the leading port and logistics operator, in 2019, GMD started construction of two mega projects including Nam Dinh Vu Phase 2 and Gemalink - the largest deep-sea port of Vietnam.

Realizing the 2020 Vision, together with the partnership and support of big partners including CJ Logistics, Sumitomo..., especially when the port projects with modern technology being completed and put into operation, GMD's leading position in port operation and logistics will reach a new development level in harmony with the development era of the region and the world.

**5. Asset investment projects in 2019, progress; reasons for achieving/not achieving schedule (solutions in case of not achieving schedule):**

In 2019, GMD made disbursements to the following projects:

Unit: VND billion

Seq	Projects	Disbursement	Total project capital	% performance
1	Project of upgrading CY equipment for Nam Hai Dinh Vu Port	132	132	100%
2	Project of upgrading CY equipment for Binh Duong Port	165	165	100%
3	Project of upgrading CY equipment for Nam Dinh Vu Port – Phase 1	164	164	100%
4	Project of investment 1 more river ship namely Phuoc Long 12	20	20	100%
5	Gemalink Deep-sea Port Project	928	7,700	12.05%
TOTAL		1,409	8,181	17%

**6. Evaluation of the performance of subsidiaries and affiliates:**

GMD's subsidiaries continued to perform well and achieve good development.

GMD's total capital contribution to joint ventures and affiliates by end of 2019 was VND 2,482 billion, a slight increase compared to 2018.

Profits from the subsidiaries and affiliates significantly contributed to the consolidated profit of GMD. In fact, the profit of VND 236.2 billion, up 72% compared to last year, was recorded from these companies, mainly thanks to the profit contribution from Saigon Cargo Service Corporation (SCSC) (up 46% compared to 2018) and the Logistics and Shipping Holdings (contributing 19% of the total profit of joint ventures and affiliates, 6.9 times as much as that of 2018).

**7. Evaluation of asset utilization:**

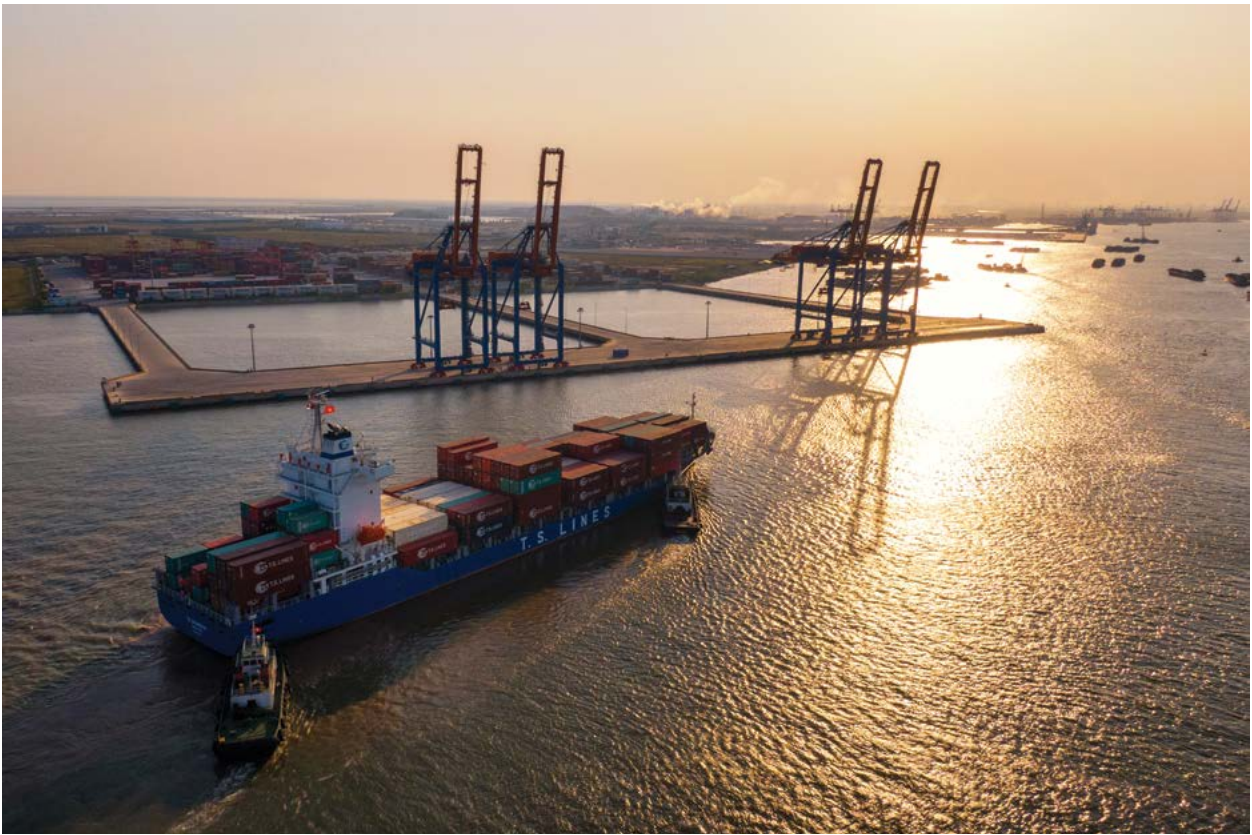
Despite all challenges of 2019, GMD continued maintain the stable and sustainable development. The Company's total asset was VND 10,120 billion, up 1.4% compared to 2018, mainly due to the asset investment of subsidiaries and the increase of goodwill via M&A deals of subsidiaries in port sector.

In 2019, GMD brought recovery of account receivables into sharp focus. Thus, accounts receivable turnover was higher compared to 2018 and number of days of accounts receivable was shortened to 16 days.

Ratios	2019	2018	Change
Accounts receivable turnover	6.76	5.23	1.53
Net revenue (VND billion)	2.643	2.708	(64.64)
Accounts receivable (VND billion)	391	518	(126.49)
Days of accounts receivable	54.03	69.79	(15.76)

**8. Evaluation of the impacts of bad liabilities/bad receivables/bad assets (if any) on business performance:**

In 2019, GMD did not record any bad liabilities/bad receivables/bad assets that have impacts on business performance.



9. Current liabilities/changes in liabilities:

Unit: VND billion

Accounts	2019	2018
Current liabilities	1,828	1,564
Short-term debts	652	675
Non-current liabilities	1,724	1,891
Total liabilities	3,553	3,455
Total assets	10,120	9,984
Owner's equity	6,567	6,529
Debt/Total assets	0.35	0.35
Leverage (Total assets/Total equity)	1.54	1.53

In the past years, GMD always maintained healthy financial situation through stable and safe debt ratios.

10. Impacts of interest rate difference on the Company's business performance:

Unit: VND billion

Ratios	2019	2018
Interest expense	145	129
Earnings before interest and taxes (EBIT)	850	2,311
Interest coverage ratio	5.85	17.94

In 2019, GMD's business performance guaranteed an interest coverage ratio of 5.85 times.

11. Improvements in organizational structure – management and administration policies:

Constantly innovating to become the leading enterprise in Vietnam in logistics solutions and port operation, GMD has identified human resources as a key factor in determining the Company's success and development. Accordingly, plans to improve and complete the organizational structure, management and administration policies for production optimization and business efficiency have been studied, actively implemented and these plans have brought about positive results. GMD's strategies are deeply and largely implemented by all subsidiaries, joint ventures and affiliates.

Below is a list of key changes related to GMD's organizational structure, management and administration in 2019:

In organizational structure:

In line with the Resolution of the General Meeting of Shareholders dated May 16, 2019, GMD actively implemented the following tasks:

- Developing policies on building good human resources to meet the development of projects through organizing human resource programs and projects; optimizing the existing resources and holding training programs for key staffs and experts.

- Continuing to strongly and deeply implement the centralized management policy at GMD for functional activities supporting business operation including finance, human resources, risk management, procurement, legal, information technology and Sales / Marketing. The model has promoted efficiency through centralized management, utilizing resources, creating synergy as well as enabling business units to focus on the main tasks.

Management and administration policies:

- Information technology:** Continuing to focus on the development of information technology applications in production and business activities through the implementation of softwares under the strategic project namely the General Information Technology Development such as E-invoice, human resource management software, E-Office phase 1, port/logistics/shipping software upgrade...for subsidiaries and integrated at Corporation level.
- Human resource training and development program:** Human resource is the most valuable asset of every business. Therefore, in 2019, GMD focused on improving the quality of the elite labor force of GMD through training programs such as the Intensive Psychological Coaching Workshop, training program for middle managers at CJ Gemadept Logistics, Phuoc Long port, Binh Duong port and Hai Phong port cluster; 'Train the Trainer' training program for the Company's internal experts; training programs on soft skills such as customer services for business units; legal training seminar; workshops on problem solving skills, etc. The programs have been useful and highly effective, helping foster and improve skills and expertise for GMD's employees.
- Labor productivity improvement:** The Company has come up with various solutions to the sustainable development of human resources. These solutions are based on a combination of material and non-material factors. The main principle is that income must be linked to work efficiency. Besides, other solutions include restructuring of human resources, replacing unskilled labor with outsourced labor to ensure the best income for workers, etc. In addition, GMD has also applied proper welfare and insurance policies to attract and retain high quality, skillful and enthusiastic human resource to contribute to the overall development of GMD.

The motto of GMD in management is to benefit the country, the employees' families, the Company, shareholders and the society.

12. Key projects of Gemadept in 2019-2020:

GMD's future projects:

Gemalink deep-sea port project – Phase 1:

- Location:** Located at the mouth of Cai Mep River - the gateway to Cai Mep-Thi Vai - Ba Ria Vung Tau port cluster.
- Partner:** The world's fourth-largest shipping company - CMA CGM; the cargo source for the project is ensured not only by CMA CGM but also by other members in CMA CGM's Ocean Alliance and GMD's long-term partners.





- **Scale:**

- Total area: more than 72 ha.
- Length of main berths for mother vessels: 1,150m
- Length of berth for feeders and barges: 370m
- Total capacity: 2.4 million Teu

- **Phase 1:**

- Area: 33ha
- Length of main berths for mother ships: 800m
- Length of berths for feeders and barges: 260m
- Modern equipment: 6QCs and 21RTGs
- Total investment capital: USD 330 million
- Capacity of Phase 1: 1.5 million TEUs

- **Outstanding features:**

- The only port in Vietnam capable to receive the world's largest vessels, up to 200,000 DWT;
- The largest and most modern deep-sea port in Vietnam;
- The port with the longest berth and the only one in the area that can receive 3 mother vessels at the same time;
- The only port in the port cluster with dedicated berths for feeders, handling mother vessels and feeders at the same time.

- **Progress:** Resumed construction on February 20, 2019 and planned to be put into operation from Q.4/2020.

### Nam Dinh Vu port project – Phase 2:

- **Location:** Lot CA1, Non-tariff Zone and Nam Dinh Vu Industrial Park, Hai Phong City.

- **Scale:**

- Total area: more than 66 ha.
- Length of main berths for mother vessels: 1,500 m (6-7 berths in total)
- Vessel size up to: 40,000 DWT
- Capacity: 1.5 million TEUs and 3 million tons

- **Phase 1:**

- Area: more than 20ha
- Total investment capital: VND 1,700 billion
- Capacity: 500,000 TEUs/year
- Progress: Put into operation on 04 February 2018.

- **Phase 2:** same scale as Phase 1, started construction since November 2019. However, due to the impacts of the Covid-19 pandemic, the project will be adjusted and put into operation at an appropriate time.

- **Outstanding features:**

- The project is under the port development plan of the Government and has a prime location right at the nearest seaport gateway compared to other ports in the region, having deep draft and wide turning basin, capable of accommodating vessels up to 40,000 DWT.
- Nam Dinh Vu Port project will play the role of connecting commodity trade with the world of not only Hai Phong but also the Northern key economic region in the future.

- The introduction of Nam Dinh Vu Port is expected to create a new turning point and a new image for GMD in further enhancing its position as a leading Port and Logistics operator in Vietnam.

### 13. Plans for future development:

2020 is the last year to complete the Vision goal for the period of 2016-2020; therefore, GMD's Board of Directors has set out an action plan to achieve the 5-year vision as follows:

**Overall growth:** The targeted average growth rate is 15% per year at the minimum, mainly from the two core businesses including Port operation and Logistics.

**Business operation:** In response to the complicated developments and the negative effects of the Covid-19 pandemic, GMD has identified the urgent and central tasks of drastically implementing all measures to increase revenue and cut costs. All employees are united and are encouraged to be proactive and creative to take every opportunity in crisis to boost business operation. At the same time, we are strictly complying with pandemic prevention policies for employees and stakeholders, ensuring the Company's smooth operation.

Additionally, the Company strengthens research, investment, cooperation in both breadth and depth through connecting and integrating the entire service chain of the corporation, studying and developing new services, new markets as well as optimizing costs; studying related industries to bring efficiency to GMD's development direction.

**Governance:** Flexible management, company restructure into core businesses and strategic investments; reinforcement of centralized management of functional departments and advantages of chain services.

**Human resources:** Building a strong and professional personnel resource; completing human resource programs and policies in order to develop and attract high quality human resources that are qualified for GMD's projects, fully understand and apply GMD's 9 cultural principles; standardizing professional and foreign languages. Those are associated with completing KPIs, being strictly disciplined and highly responsible.

**Technology:** Enhancing the deployment and application of technology in all activities from integration and online administration to the operation of Ports and Logistics.

**Financial resources:** Integrating, restructuring and optimizing assets, continuing to study and provide solutions to the divestment of investment areas that have not been effective and do not belong to the core businesses.

### Plans of business operation by geographic areas:

- **Domestic market:**

- **In the North:**

- Effectively operating the system of 4 ports: Nam Hai Port, Nam Hai Dinh Vu Port, Nam Hai ICD and Nam Dinh Vu Port (phase 1).
- Constructing and putting into operation on schedule Nam Dinh Vu Port (phase 2).
- Increasing number of new customers; Customer development and retention will be strongly implemented.
- Backyard extension, pushing up throughput and market share.
- Enhancing Logistics activities.
- M&A of ports / depots in the area under favorable conditions.

- **In the Central:**

- Effectively operating Gemadept Dung Quat International Port and expanding business in this area.
- Aiming to FDI projects in the region.
- Enhancing network expansion and connecting Logistics services.
- Investing in more equipment, expanding infrastructure, networks and services.

- **In the South & Mekong Delta:**

- Putting into operation on schedule the largest deep-sea port project of Gemalink in Vietnam (phase 1).
- Maximizing the efficiency of Phuoc Long Port, Binh Duong Port and logistics projects.
- Investing and effectively developing SCSC Air-cargo Terminal and strengthening Logistics chain services.
- Investing in ICD / River Port.
- Investing more transport means and equipment.

- **Indochina and Southeast Asia markets:**

- Strengthening cooperation with major partners with capacity, scale and global network to expand the scope of activities, diversify supply services as well as develop a solid customer system.
- Enhancing Gemadept's position in the Logistics and Port operation market in the region.



## II. FINANCIAL ANALYSIS:

### 1. Analysis of financial indicators (Total asset, net revenue, operating profit, other income, etc.):

#### Analysis of financial indicators:

In 2019, despite the difficulties and unpredictable fluctuations in the global economy, the GMD team achieved quite good results when successfully reaching the profit before tax target in 2019 and completing the business plan approved by the General Meeting of Shareholders. In 2018, GMD transferred a portion of its investment capital to Holdings companies in Logistics and Shipping. After excluding the ad hoc revenue factor from this transfer, the profit before tax in 2019 increased by 17% compared to 2018.

Unit: VND billion

Indicators	2019 Plan (1)	2019 Performance (2)	2018 Performance (3)	% (2)/(3)	% (2)/(1)
Total asset		10,120	9,984	101%	
Net revenue	2,800	2,643	2,708	98%	94%
Operating profit		741	2,260	33%	
Other income		(37)	(78)	47%	
Profit before tax	695	705	2,182	32%	101%
Profit after tax		614	1,900	32%	
Dividend payout ratio			15%		

#### Business performance:

Unit: VND billion

Indicators	2018 (1)	2019 (2)	% (2)/(1)
Net revenue	2,708	2,643	98%
Profit before tax	2,182	705	32%
Profit after tax	1,900	614	32%
Total asset	9,984	10,120	101%
Owner's equity	6,529	6,567	101%
Share equity	2,969	2,969	100%
Total liabilities	3,455	3,553	103%

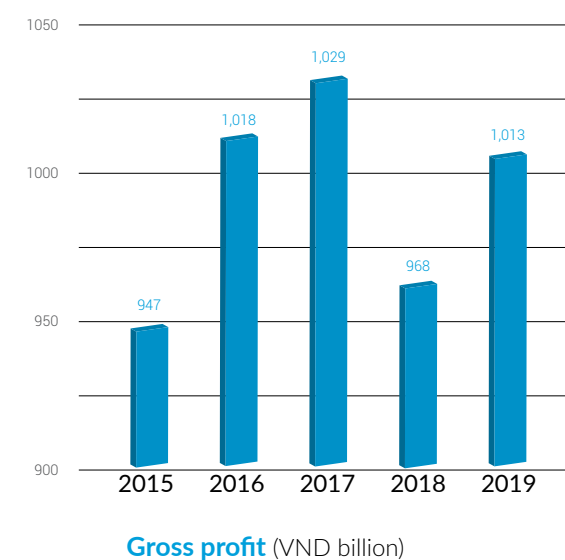
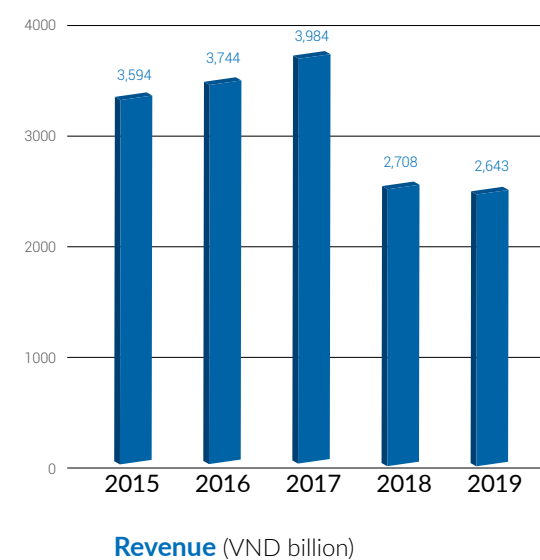
The Company continued to maintain stable business activities in 2019 in all financial indicators with profit before tax increased by 17%. Total liabilities increased by 3% over the same period, mainly due to an increase in short-term liabilities when short-term prepayments from customers increased sharply over the same period. Total assets increased by 1.4%.

### Business performance in the last 5 years:

Unit: VND billion

BUSINESS PERFORMANCE	2015	2016	2017	2018	2019
Revenue	3,594	3,744	3,984	2,708	2,643
Net revenue	3,586	3,742	3,984	2,708	2,643
Cost of goods sold	2,640	2,723	2,955	1,739	1,630
Gross profit	947	1,018	1,029	968	1,013
Gross margin	26%	27%	26%	36%	38%

In 2019, GMD's gross profit reached VND 997 billion. GMD's gross margin in 2019 was 38%, an increase of 2% compared to previous years due to the main contribution from port operation.



**2. Key financial ratios:** As a result of good business performance and financial management, GMD maintained stable and safe financial ratios:

1. Liquidity ratios	2018	2019	Notes
+ Current ratio	0.89	0.65	times
+ Quick ratio	0.85	0.61	times
2. Leverage ratios	Năm 2018	Năm 2019	
+ Debt/Total assets	35%	35%	
+ Debt/Equity	53%	54%	
3. Efficiency ratios	Năm 2018	Năm 2019	
Inventory turnover	20.1	22.7	times
Net revenue/Total asset	0.35	0.27	times
4. Profitability ratio	Năm 2018	Năm 2019	
Returns on sales (Profit after tax/net revenue)	70.2%	23.2%	
Returns on Asset (Profit after tax/total assets)	17.9%	6.1%	
Returns on Equity (Profit after tax/Equity)	27.9%	9.4%	
Operating profit/Net revenue	83%	28%	



# SALARY, BONUS, REMUNERATION, AND OTHER BENEFITS OF KEY MANAGEMENT

## Remuneration policy of the Company:

The salary department surveys, reviews and recommends to the BOM suitable and competitive remuneration policy. The determination of remuneration for each key management member is approved through a transparent process; none of the member is free to decide his/her salary/remuneration.

## Salary, remuneration and salary structure:

The remuneration and salary levels must be appropriate to attract, retain and encourage members of key management for successful corporate administration. Part of the salary will be based on the Corporation's business results and each individual's performance.

On determining remuneration and salary levels, the Corporation has always considered factors on salary and employment in the industry, compared to other companies in similar size and scopes of operation and based on the Company's business results as well as each individual's performance.



## Structure of remuneration and benefits of Board of Management, Control Board and Board of Directors in 2019:

	Full name	Title	Salary	Bonus	Remuneration	Total
<b>BOARD OF MANAGEMENT</b>						
1	Mr. Do Van Nhan	Chairman	78%	19%	3%	100%
2	Mr. Chu Duc Khang	Vice Chairman - Nonexecutive member	77%	19%	4%	100%
3	Mr. Phan Thanh Loc	Vice Chairman			100%	100%
4	Mr. Do Van Minh	Member	78%	19%	3%	100%
5	Ms. Bui Thi Thu Huong	Member	71%	23%	6%	100%
6	Ms. Nguyen Minh Nguyet	Member	71%	23%	6%	100%
7	Mr. Vu Ninh	Member	72%	19%	9%	100%
8	Mr. Bolat Duisenov	Nonexecutive Member			100%	100%
9	Mr. David Do	Nonexecutive Member			100%	100%
10	Ms. Ha Thu Hien	Nonexecutive Member			100%	100%
11	Mr. Tsuyoshi Kato	Nonexecutive Member			100%	100%
<b>CONTROL BOARD</b>						
1	Mr. Luu Tuong Giai	Chief			100%	100%
2	Ms. Vu Thi Hoang Bac	Member	74%	19%	7%	100%
3	Mr. Tran Duc Thuan	Member	73%	14%	13%	100%
4	Ms. Phan Cam Ly	Member			100%	100%
5	Ms. Tran Hoang Ngoc Uyen	Member			100%	100%
<b>BOARD OF DIRECTORS</b>						
1	Mr. Do Van Minh	General Director (as above)	78%	19%	3%	100%
2	Mr. Pham Quoc Long	Deputy General Director	78%	22%		100%
3	Mr. Nguyen Thanh Binh	Deputy General Director	77%	23%		100%
4	Mr. Do Cong Khanh	Deputy General Director	86%	14%		100%
5	Mr. Nguyen The Dung	Deputy General Director	85%	15%		100%



# REPORT ON RISK MANAGEMENT



## 1. THE COMPANY'S RISK MANAGEMENT SYSTEM:

The Company's Risk Management System continued to maintain and improve according to the Company's changes, development and expansion to ensure safe, stable and attainable operations for achieving set targets.

The three levels of protection have close coordination with the ability to be independent and to be crosschecked. The first level of protection is carried out at the business units. The unit is responsible for modifying and completing the procedures, regulations, especially those on operation, HSSE to closely control and minimize risks arising daily during the operation process, promptly and fully reporting when detecting risks. The second level of protection is organized at functional departments including the Risk Management department and centralized management departments of the Company: The functional departments are responsible for modifying and completing the policies and regulations in centralized management for each area (administration, human resources, legislation, technology, finance and accounting, procurement and risk management), adding centralized management for MKT-BD in order to coordinate and enhance the efficiency of human resources of the Company. The third level of protection is carried out through internal audit or thematic audit programs: The annual audit plan is based on the list of key risks identified on the basis of the business plan targets of the Company during the year. These are in-depth assessments and

reviews aimed at analyzing and assessing the actual situation of each unit, thereby timely recognizing and improving its operations to ensure that all the units in the Company are operating effectively according to the set goals.

In compliance with Decree 05/2019 / ND-CP dated January 22, 2019 of the Government on internal audit, the Company will complete and supplement regulations, processes and conduct internal audit accordingly. The internal audit division will strengthen the third level of protection, conducting independent monitoring to ensure the compliance and appropriateness of the internal control system.



## 2. RISK MANAGEMENT PERFORMANCE IN 2019:

In 2019, the world global situation was complicated and included many unfavorable factors. The US-China trade war was unpredictable; the Brexit did not reach an agreement and policy instability increased globally; crude oil prices fluctuated; economies of Asian countries such as Japan and South Korea; China showed signs of continuing to decline; Hong Kong's economy fell into recession and negative growth as protests spreaded widely.

Within Vietnam, although the macroeconomy was stable, the country faced with many difficulties such as complicated weather and slow-down growth of some key export items. However, 2019 was a "breakthrough year" of Vietnam's economy; GDP in 2019 achieved impressive results; economic growth in 2019 reached 7.02%; trade activities, services continued to grow stably with fairly good performance; inflation was controlled at the lowest level in the past 3 years.

In the context of difficulties and advantages of the local and foreign economy, GMD took advantage and opportunities to overcome difficulties, continued to maintain stable operation and growth; the Company resumed the construction of Gemalink deep-sea port project and Nam Dinh Vu port phase 2.

In 2019, the Risk Management Department well performed the following tasks:

- Monitoring the implementation of the 2019 business plan targets;
- Monitoring and evaluating the performance of each unit, warning the factors affecting the ability to fulfill the targets so that the units could quickly improve the situation.
- Implementing the plan of inspection and review to have early warning, preventing and minimizing risks.
- Coordinating to analyse as well as assess the potential risks of each business project to select the appropriate and effective ones.
- Participating in the implementation of corporate governance projects (in terms of personnel management, administration, strategy development and evaluation based on the BSC-KPI...), as a measurement tool and assessment of effective management.
- Monitoring and evaluating the synergy effectiveness from CJ-Gemadep cooperation and other associates, joint ventures.
- Reviewing and supplementing policies, modifying processes and regulations to suit the production and business activities of the units.
- Preparing and implementing the internal inspection, control and policy compliance.
- Reporting on evaluation and monitoring the implementation.

In 2019, the Company completed the plan; the weaknesses and shortcomings of the units in the year were detected and dealt with promptly, without affecting overall performance of the Company. GMD continued to maintain its high position in Top 10 most prestigious Transport and Logistics Enterprises in Vietnam (published by Vietnam Report).



3. RISK MANAGEMENT PLAN IN 2020:

In 2020, the global economy is forecast to decline when suffering the consequences of COVID-19 pandemic at the beginning of the year and time of ending is still unknown, policies to strengthen trade protection, non-tariff barriers, the complicated US-China trade war... In which, the free trade agreements such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), the Regional Comprehensive Economic Partnership (RCEP) and the Vietnam – EU Free Trade Agreement (EVFTA) ... are expected to support pushing up trade and investment as well as domestic market growth.

In 2020, the Company will continue to invest in developing and expanding Logistics service supply chain, completing and putting into operation the Gemalink deep-sea port, promoting the strengths from cooperation and joint ventures ... However, the Company will be affected by the global economic situation and the decreasing cargo volume.

Identifying both internal and external difficulties and advantages, based on the overall goals of the Company and of each unit, in 2020, the Company identified 11 key risk groups as follows:

LIST OF MAJOR RISKS IN 2020	
1	Risk of prolonged and widespread COVID-19 pandemic will affect the Company's business activities.
2	Risks of rapid fluctuation of global and Vietnamese economic situation while the business plans of the units are not timely adapted to.
3	Risk of shortage of personnel, failure to recruit sufficient numbers of employees during the mandatory period, vacancy of important positions.
4	Risk of losing important customers affecting the performance, revenue and profit of the units.
5	Risk of not expanding, developing good partners and new customers according to the planned goals - affecting the revenue and profit growth targets.
6	Competitive risks; competitors develop faster or have outstanding advantages.
7	Risk of fluctuations in suppliers, prices of input goods and services increases faster than the selling price.
8	Risks of network security, confidential information leakage, system disruption.
9	Risk of incidents during operation (procedures are not tight and complete, lack of compliance ...).
10	Risks of asset management (maintenance and repair, HSSE procedures...).
11	Influences from external, environmental factors (storms, floods, droughts, crops, climate change, epidemics ...).

Accordingly, risk management in 2020 will focus on the following main tasks:

- Update the progress of COVID-19 pandemic situation, the Risk Management Department together with the units assess the impact level, have a plan for prevention, response and promote development as soon as the pandemic ends.
- Develop a risk management plan, focusing on key risks.
- Supervise the implementation of business plans, cut costs in 2020 at the units, have warnings about the factors affecting the ability to fulfill the planned targets.
- Monitor, internally control to timely detect, have early warnings to remedy the errors in time.
- Promote the effectiveness of CJ-Gemadept cooperation and other joint ventures.
- Continue to promote the strength of centralized management, strengthen the risk management role in each field, well support activities of the units.
- Continue to implement the Company's projects on human resource management, technology ...
- Monitor the implementation of remedies and improvements afterwards.
- Summary of evaluation report on risk management control system.
- Supplement, complete regulations, process of internal audit in accordance with regulations; coordinate in inspection and have independent evaluation.

In the context of constant socio-economic changes, risk management continues to affirm its role as an integral part of the Company's operations, contributing to ensure the implementation of business plan objectives and to guarantee benefits for investors and shareholders.



# REPORT ON INVESTOR RELATIONS ACTIVITIES



As a leading listed company and among largest ones in the industries, GMD pays special attention to communication to shareholders and investors. The Investor Relations Department of the Company regularly updates information on the business situation, the progress of implementing projects, orientations, development strategies of the Company ... under the close guidance of the Board of Directors to ensure timely and transparent information provision to all stakeholders.

GMD regularly organizes meetings and discussions, especially after announcing quarterly and yearly business results, as well as participates in forums and seminars held by securities companies and organizations such as SSI's Vietnam Access Day, C-Suite events organized by HSC, Business France in Logistics, Ban Viet's investor conference, etc. Thereby, representatives of the Company have direct contact and answers to all concerns and questions of investors.

In 2019, GMD's Investor Relations Department welcomed more than 90 delegations of local and

foreign businesses, investment funds, organizations and individual investors such as SSI, HSC, Dragon Capital, Vina Capital, PYN Elite, Maybank, Pureheart, Credit Suisse.... In addition, the Investor Relations Department regularly updates information on the Company's website. Furthermore, the Investor Relations Department acts as a connecting bridge, reflecting the investors' relevant suggestions and recommendations to the Management of GMD as well as related departments for consideration and timely feedbacks.

In the spirit of creating highest access to the Company's information for investors, for those who are unable to meet face-to-face, the Investor Relations Department arranges telephone exchanges and online meetings, contact via emails ... At the same time, to help investors have experience and practical evaluation of all aspects of the Company's operations, the Investor Relations Department regularly organizes site visits to the ports, distribution centers, air cargo terminal, etc. in Gemadept's network from the North to the South. Via these activities, investors can witness and have better understanding of the Company's business activities.



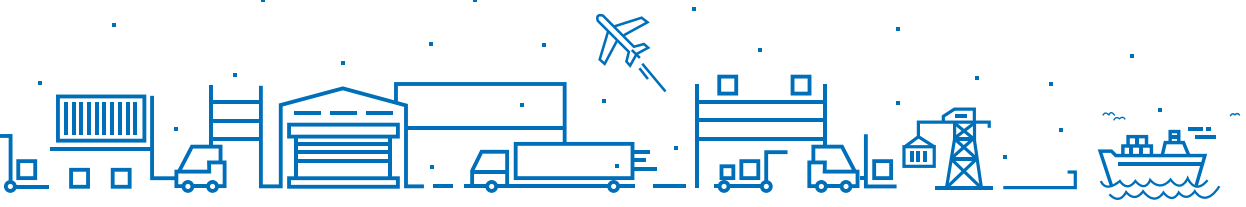
With its efforts in investor relations, GMD was honored in the Top 50 listed companies with the best IR activities for consecutive years. Moreover, the annual report and the Sustainable Development Report of GMD have reached the top 50 best reports. Good PR-IR is an effective tool to optimize business value and be a bridge between the Company and shareholders and investors. In the coming time, Gemadept will continue to strengthen investor relations activities to better meet the expectations of shareholders, partners and stakeholders.

TOP 50

Best Vietnamese

Listed companies

by Forbes





# LEADING IN PORT OPERATION AND LOGISTICS

## THE CLUSTER OF PHUOC LONG PORT AND BINH DUONG PORT



Being established in 1995, Phuoc Long Port is a proud pioneer of Gemadept in the industry of port operation in Vietnam. Up to now, after nearly a quarter of a century of resilience in development, Phuoc Long Port continues to demonstrate its outstanding operational efficiency with the following year's performance always higher than the previous year.

With the advantage of 02 CYs (Container Yard) with berths, including CY ICD3 (Truong Tho Port) and CY Binh Duong Port, combined with transport resources that are well invested, proactiveness and professionalism, the cluster of Phuoc Long Port and Binh Duong Port has met not only the needs of shipping lines but also brings convenience to importers and exporters when using the Port's services.

In 2019, the cluster of Phuoc Long Port and Binh Duong Port successfully exceeded all targets and planned tasks with a higher growth compared to the same period in 2018, deserving one of the excellent subsidiaries of GMD. Specifically, the total throughput reached 840,000 TEUs, increasing by 14% compared to 2018.

By the end of the third quarter of 2019, Phuoc Long Port put another Liebherr crane in use; a part of the berth was extended toward the upstream and CY Binh Duong Port was extended more than one hectare to meet the increasing cargo volume, especially cargo source from Binh Duong to Cai Mep deep-sea port cluster and vice versa.

THE TOTAL THROUGHPUT REACHED

# 840,000 TEUs

COMPARED TO 2018 INCREASING

# 14%

In 2020, the cluster of Phuoc Long Port and Binh Duong Port will continue to implement management solutions to optimize efficiency and labor productivity. By the end of the Q.3/2020, the unit will deploy the investment and installation of 6 RTG cranes at Binh Duong port, standardizing CY infrastructure, getting ready to play the role of the satellite ports for Gemalink Deep-sea Port, which is expected to be in operation from Q4 of 2020. At the same time, the ports will keep improving service quality.

Regarding the business plan of 2020, promoting the role of the most senior port in Gemadept's network, the cluster of Phuoc Long Port and Binh Duong Port continue to set growth targets in terms of volume, revenue and profit, with the main focus on high-profit margin cargo sources.



## NAM HAI PORT

ANNIVERSARY CELEBRATION

# 10 Years

Nam Hai Port marked the first step of GMD in the "Northward" strategy, promoting the development of the Company's port network to the booming market. After 10 years of operation, Nam Hai Port has achieved impressive results. The throughputs of the Port has always reached and exceeded the designed capacity, creating a solid basis for GMD to invest in other projects in Hai Phong, including Nam Hai Dinh Vu Port and Nam Dinh Vu Port cluster with larger scales, meeting the growth of import and export at the Northern gateway.

2019 was a challenging year for Nam Hai Port in particular and for all the ports in the region in general because of the fluctuations in the shipping industry. Besides, Bach Dang Bridge in Hai Phong officially came into operation with the limited air draft while foreign shipping lines tended to upgrade the ship size to cut operating costs. The factors led to the cargo movement towards downstream ports. In addition, the cargo volume via Hai Phong cluster did not grow last year; reefer cargo decreased strongly; as such Nam Hai Port only operated domestic ships. The cargo throughput of Nam Hai Port reached 90% of the port capacity.

Also in the last year, with the attention of the Head office and the consensus of the Port's Management and staffs, from May to July of 2019, Nam Hai Port carried out the yard upgrading, office renovating, along with other improvement activities, which created a new spacious image of the Port in the eyes



of customers. The Port has constantly improved the operation procedure in line with the standard one in order to improve the efficiency and quality of services provided to customers.

Entering 2020, Nam Hai Port is determined to take competitive advantages along with human resources optimization, marketing and especially cost-cutting activities to ensure the business targets, productivity, service quality improvement and provision of integrated services and added values to customers. Furthermore, the Port continues to seek new customers, improve management efficiency and control costs well to ensure business effectiveness.



## NAM HAI DINH VU PORT



Nam Hai Dinh Vu Port is Gemadept's second seaport in Hai Phong. The Port was put into operation in 2015, tripling the size of Nam Hai Port. The Port became an important traffic hub between Highway No.5 with Dinh Vu Industrial Zone and Dinh Vu Port cluster. Since going into operation, the Port has affirmed its position as a large, modern and most effective port in the region.

In 2019, the port market in Hai Phong still faced many difficulties due to fluctuations in the structure and cargo volume via the ports. China had restrictive policy for cargo temporarily imported for re-export into the mainland; the volume of such kind of cargo did decrease.

Additionally, the fierce competition among the ports and the introduction of new ports also posed many challenges. Meanwhile, maintenance and dredging of the navigational channels was slow; the reduced navigational depth directly affected the cargo volume on each ship. Besides, last year, GMD continued to have further investment in upgrading handling equipment to increase port productivity, including

INVESTMENT IN ADDITIONAL

# 8 RTG Cranes

the investment in 8 additional RTG cranes for Nam Hai Dinh Vu Port. The construction and installation process had certain effect on the operation of the Port in short term. For the whole year, the port reached 90% of the designed capacity.

From 2020, the operating capacity of Nam Hai Dinh Vu Port is expected to increase thanks to the modernization of cargo handling equipment, infrastructure upgrading, IT application enhancement and service quality improvement.

In terms of management, the Port continues to improve its management ability, strengthen its professionalism, manage expenses well to ensure efficiency in business and fulfill the annual business targets assigned by the Company.



# NAM DINH VU PORT



The introduction of Nam Dinh Vu Port cluster phase 1 once again affirmed the role and position of GMD as the leading port operator while providing partners with an additional choice of seaport at the Northern gateway with outstanding advantages including convenient location, the capacity to receive the largest vessel size into Dinh Vu area (up to 40,000 DWT), modern equipment, fast vessel despatch capacity, high commitment and solid logistics system with a large-scaled adjacent ICD.

As a new port, which was put into operation in mid-2018, in the situation of high competition and slowing cargo growth, Nam Dinh Vu port made remarkable efforts with total throughput of 2019 reaching 70% of the Port's designed capacity, fulfilling the annual targets for volume; the revenue and profit exceeded 10% and 9% respectively compared to the plan.

In 2020, Nam Dinh Vu Port phase 1 will try to increase cargo volume. The Company recognized the potentials in the coming years, with the trend of relocating Logistics centers, manufacturing plants to Vietnam, the cargo volume via Hai Phong area will increase. GMD's port throughputs via the area

in general and at Nam Dinh Vu Port in particular are expected to grow in line with GMD's port development strategy.

In order to meet the market demand in the medium and long term, especially the actual needs of partner shipping lines, GMD is preparing for the construction of the phase 2 of Nam Dinh Vu Port cluster and will put it into operation at a favorable time.

## THE REVENUE EXCEEDED

10%

## THE PROFIT EXCEEDED

9%

# NAM HAI ICD



## COMPARED TO 2018, THE OUTPUT EXCEEDED

28%

As a new ICD that has been in operation for four years with the largest scale in Hai Phong (total area of over 21 hectares), the geographical advantage of being located in MP Dinh Vu Industrial Zone, directly connected with the main roads and being adjacent to the port system in the region, in 2019, Nam Hai ICD continued to play the role of a solid backyard, easing the pressure of GMD's port network in Hai Phong. The Port also played an active role in connecting customer network to GMD's Port-Logistics supply chain services.

The year 2019 ended with many advantages and challenges for Nam Hai ICD in particular and the Northern market in general. On the favorable side, firstly, the trend of joint ventures in depot services among shipping lines did increase, creating a basis for expanding cooperation with customers. In addition, the market for imported cars actively developed while the capacity

for receiving and storing of the ports was limited. This created an opportunity for Nam Hai ICD to expand into a new type of service, flexibly meeting the market demand. During the year, in addition to retaining existing customers, Nam Hai ICD signed additional contracts with more shipping lines, expanding its customer list. The difficulties that the ICD faced last year included the slow-down of cargo growth rate in Hai Phong compared to the previous years; shipping lines increasingly focused on cutting costs; the introduction of new ICDs and the tightening regulations on waste cargo, etc.

Making the most of favorable conditions and proactively overcoming difficulties and challenges, Nam Hai ICD has completed and exceeded the targets for volume, revenue and profit as planned. In particular, the output exceeded 28% compared to 2018.

Entering 2020, under the increasing trend of joint ventures between shipping lines and depots, the impact of the COVID-19 pandemic, etc., Nam Hai ICD, with the spirit of initiative, flexibility and sensitivity to capture business opportunities, is determined to complete its business plan, continue to bring more values to customers and partners.



# DUNG QUAT PORT

Located right in Dung Quat Bay, serving as the gateway for Dung Quat Economic Zone and Central provinces of Vietnam, Gemadept Dung Quat International Port celebrated its 10 years of operation (2009-2019), 10 years deeply marked with quiet and persistent efforts of Gemadept people on the windy and sunny land.

2019 was a challenging year in the region as well as for the seaport industry in Dung Quat, Quang Ngai. However, with the outstanding service quality, the trust of head-office, the commitment of support from the customer-base, Gemadept Dung Quat once again excellently completed the set targets. The Port's cargo throughput reached 2.1 million tons, fulfilling the business plan at the beginning of the year. The revenue increased by 10% and the profit increased by 27% compared to 2018, the highest within 10 years of operation. In which, Project logistics and added-value services played an important role in the Port's increase of revenue and profit. Those sectors were focused for development in addition to the main revenue from woodchips.

To ensure the highest service quality, last year, the Port continued to improve the infrastructure, develop CY and warehouse to optimize the import-export package services in Dung Quat. The Port focused on continual improvement of its service quality, commitment to serving customers effectively and enhancement of competitiveness in Logistics sector, especially Project Logistics.

THE REVENUE  
INCREASED

10%

THE PROFIT  
INCREASED

27%

In 2020, due to the impact of the pandemic, the Port will strongly implement the planned targets, focus on further investment of transport facilities, gradually establish the infrastructure network closely connected with Port services, increase integrated services, seek new customers and expand the market.

In the next period, the Port continues to aim at building the first Eco-Port in the Central region, contributing to raising public awareness about environmental protection, safety and energy-saving. The Directorate for Standards, Metrology and Quality - Vietnam Certification Centre (QUACERT) officially certified the Port with the Certificate of Occupational Safety Management System and Occupational Health Management System according to ISO 45001:2018 and Environmental Management System according to ISO 14001:2015 at the end of 2019. This was the first step for the Port's sustainable development plan with the slogan of **"Eco-Port - Values for the future"**.



# GEMALINK DEEP-SEA PORT



While Nam Dinh Vu Port cluster in Nam Dinh Vu Non-tariff Zone and Industrial Zone plays the role of the most important hub for international and domestic cargo transport in the North, Gemadept Dung Quat International Port is the gateway to the Central region of the country, Gemalink Deep-sea Port in Cai Mep will once again put Gemadept onto the world maritime map as the most modern gateway in South Vietnam.

Gemalink Port is the largest port project in the Cai Mep - Thi Vai, Ba Ria - Vung Tau deep-water port group, with an area of up to 72 hectares. The Port was invested by the two leading corporations in shipping and port operation - Gemadept (75%) and CMA-CGM (25%).

Gemalink Port has an important competitive advantage over other ports in the region such as prime location (located right at the river mouth with the deepest draft, convenient for vessel manoeuvring); Gemalink also has the longest main berth that can accommodate three mother vessels at the same time. On the other hand, this is the only deep-water port in Cai Mep - Thi Vai area having a dedicated berths for feeders and barges connecting Ho Chi Minh City and the Mekong Delta. The Port has modern equipment and was designed to accommodate the world's largest mother vessels of up to 200,000 DWT. The Port's capacity in the first phase is 1,5 million TEUs and the full phase is 2,4 million TEUs with the estimated investment of USD 330 million for the first phase.

After actively preparing the related procedures, on February 20, 2019, Gemadept officially started the construction of phase 1 of the project right in the new spring with 800m of berth for the mothership and 260m of berth for feeders on an area of 33 hectares.

THE LARGEST

DEEP-SEA PORT

OF VIETNAM

TO ACCOMMODATE THE WORLD'S LARGEST  
MOTHER VESSELS OF UP TO

200,000 DWT

Deploying this important strategic project, Gemadept signed contracts with leading construction contractor and supervision consultant, who are highly experienced for construction of deep-sea ports in Vietnam and the world.

Currently, all of the construction items have been carried out on schedule. The project will be ready to be put into operation in Q4/2020. The cargo commitment from the partners shipping line Gemadept and CMA-CGM, members of the Ocean Alliance and other leading shipping lines that have accompanied Gemadept during the past years will ensure Gemalink operates at maximum capacity right in the early years. At the same time, Gemalink will contribute significantly to double the total port capacity of Gemadept in the time to come, strengthening GMD's position and turning the Company into the leading Port and Logistics operator of Vietnam.





## LOGISTICS



Exploring the potential land of the Logistics market, Gemadept has invested and achieved fruitful achievements. From a company providing separated services, nowadays, Gemadept has grown to become the number one provider of integrated supply chain services and comprehensive Logistics solutions of the country. Within 10 years, Gemadept has created a Vietnamese Logistics brandname that can fairly compete with global ones in the Vietnamese market.

The journey of the last decade has marked the enduring efforts and strong will of Gemadept people, especially in the highly competitive industry requiring high investment in infrastructure, manpower, technology, solutions and grey matter, etc. With the highly aggressive strategy, Gemadept has established a network of dozens of large and modern distribution centers and warehouses along with the port system, invested in road and waterway transport facilities to meet all diversified needs and applied advanced management software to bring many utilities to

customers and partners. Moreover, along with the comprehensive supply chain covering six different areas, Gemadept provides outstanding services and solutions to help businesses significantly reduce the total Logistics cost, thereby improving the competitiveness of Vietnamese commodities in the domestic and international markets.

Being highly appreciated and recognized as a leading Logistics company in Vietnam, Gemadept together with many local Logistics enterprises are contributing to set up the Logistics ecosystem and the healthy competitive environment, including competition to optimize costs and improve service quality.

Looking back at the industry picture in 2019, the global Logistics market was affected by major factors including major technological advances, international trade fluctuation, new trends in e-commerce; The development of commerce and global electronic payment platforms such as Alibaba, Amazon and



# TOP 10

PRESTIGIOUS TRANSPORTATION AND  
LOGISTICS COMPANIES





e-Bay; The trend of automation is changing global production as well as Logistics...

The development rhythm of the Logistics industry is far more dynamic than ever, and this is also proportional to the competitive nature of the market. Overcoming those challenges, last year, Gemadept Logistics made great efforts and strives to complete the business plans with relatively good growth in throughput and revenue; specifically, the Logistics revenue increased by 23% over the same period.

Typical activities of Gemadept Logistics in 2019 included expanding chain services, promoting the application of information technology, developing new customers, investing in warehouse expansion and trucks, etc.

Gemadept's effort and positive contributions to

promote Vietnam's Logistics ecosystem have been highly appreciated by the market. In 2019, Gemadept was named the "Top 100 Most Trusted Brand in Asia" enterprise at the World Economic Forum on ASEAN and the Asia Awards 2019. Especially, Gemadept maintained its leading position in the "Top 10 Prestigious Companies in Transportation and Logistics in Vietnam", forwarding, warehousing and delivery industry.

In 2020, Gemadept Logistics aims to continue developing its network of distribution centers, expanding services both in width and depth, increasing customers using chain services, developing new services, applying modern technology, optimizing operating costs and improving service quality. In particular, the Company consolidates all resources needed to meet the market demand, which is forecast to increase strongly after the pandemic being well controlled.



## INTERNATIONAL AND DOMESTIC CONTAINER SHIPPING

In 2019, the world shipping market is more stable after some shipping lines merged and restructured in previous years. Vietnam's shipping after a long time facing many difficulties began to show signs of prosperity with growth in the vessel fleet and the volume of cargo compared to 2018. Oil prices were relatively stable, which was also a bright factor for the shipping industry in the past year.

Gemadept Shipping continued to promote the effectiveness of the reforms implemented in 2018 including restructuring of services, routes, proactively cooperating with partners to maintain its position and minimize risks as well as focus on cost optimization while restructure the organization, improve the quality of human resources and apply information technology in management and administration. In addition, the company negotiated and maintained good cooperation with partner shipping lines, saved fuel costs for ships and barges, increased freights, developed domestic cargo; controlled operating costs well ...

Combining the aforementioned comprehensive solutions, GMD's shipping business exceeded the profit target. GMD was the rare company that recorded profits far exceeding its plan in shipping activities. Especially, GMD held the second largest market share in the market on domestic transport routes. The total volume reached 280,000 TEUs.

Promoting the encouraging achievements, Gemadept Shipping continues to be proactive, creative and highly determined to overcome the challenges of 2020, develop new partners, research and develop new services and structure the services reasonably, have good control of costs, further enhance sales and marketing, improve service quality, and contribute to maintaining a good supply chain of GMD services.

**TOTAL VOLUME REACHED**  
**280,000 TEUs**





# OUT-OF-GAUGE CARGO TRANSPORT



Being one of the top 2 project cargo solution providers in Vietnam, GMD is proud to participate in national key projects as well as to serve projects of neighbouring countries. From hydropower, thermal power, wind power projects to cement, oil refineries and steel plants ... all bear the brandname of GMD.

In 2019, aiming to develop renewable energy to help ensure energy security, reducing the dependence on imported fossil fuels, mitigating environmental pollution, contributing to combating climate change and protecting community's health, the Government issued preferential policies to create favorable conditions for the development of this very potential field. Accordingly, the year 2019 marked the beginning of the booming in renewable energy industry.

Since the end of 2018, GMD has prepared all the necessary resources and solutions to be able to implement a series of projects. With the best quality of service and effective coordination plans to minimize costs, GMD ensured the success of the equipment transport for timely serving the construction of plants, meeting customer requirements.

In 2019, GMD's Out-of-gauge cargo Transport Division implemented many solar power projects in the central region. The simultaneous implementation of the projects was a significant challenge to the Division. Each staff of the Division participated in implementing the projects with high determination, responsibility and dedication,

**TOP 2**  
**PROJECT CARGO SOLUTION PROVIDERS IN VIETNAM**

being ready to take on all assigned tasks, trying to overcome all difficulties and hardships to complete the projects, highly meeting the requirements of customers and partners. The close support and coordination at work created a bond that connected all members together and built up a strong and united team. With that will and spiritual motivation, the Division turned the impossible into reality, being proactive and creative in offering bold and effective solutions.

Besides local projects, the Division was in charge of many projects in the region. The revenue from these projects contributed to the Division's fulfillment of 102% of the annual revenue plan.

The year 2020 has opened with many great challenges along with opportunities in the field of out-of-gauge cargo transport; the Division sets itself in strong determination, aiming at growth targets, maintaining its leading position in the challenging and potential industry.

# SHIPPING AGENCY



Shipping agency is a traditional service of GMD and is a chain in the Company's integrated services network. Last year, there were many disadvantages in the market; competition increased sharply and unexpectedly from newly established local and foreign private agents; the ports provided the same type of services as added value to attract and retain customers ... the Shipping Agency Division made great efforts, proactively and flexibly carried on the business to fulfill the targets assigned by the Company.

The unit successfully maintained the support of long-term customers and partners as well as attracted new customers, ship owners and implemented cost-cutting effectively.

In 2019, the Division exceeded the revenue and profit targets compared to the plan. Specifically, the unit recorded 111% of revenue and 105% of profit, contributing to the fulfillment of Gemadept's overall targets.

**THE REVENUE EXCEEDED**  
**11%**

**THE PROFIT EXCEEDED**  
**5%**

It is forecast that in 2020, the market will continue to have many challenges from fierce competition and own issues of the industry. Small agents will continue to dump, seriously affecting the general market. The number of shipping agents is constantly increasing, affecting the market share...

However, overcoming these challenges, GMD's shipping agency division will continue to make every effort to secure new customers, provide additional services through proactively setting appropriate policies for each type of customers in the most flexible way, implementing a number of value added services to increase revenue and profit effectively for the Company.





## VESSEL FLEET INVESTMENT AND MANAGEMENT

After a long difficult period, in 2019, the shipping market showed signs of recovery. The shipping industry maintained good growth momentum; the fleet was improved significantly – larger in number and younger in vessel age. In addition, the fleet was specialized to meet the demand of domestic shipping.

However, Vietnam's shipping still faced fierce competition with international shipping lines, while the fuel market fluctuated frequently. The leading shipping lines kept opening new services while cargo volume increased not much, leading to the over supply. Small shipping lines faced the risk of being merged or acquired when large vessels were put into operation. Therefore, Vietnam's shipping market could not make strong recovery during the year. It is expected that by 2020, the supply-demand imbalance of the container vessel market will not be completely improved.

GMD owns and operates 4 ocean-going vessels, including 2 newly-invested ones with the average age of 10 years, having good equipment, low fuel consumption. The vessels have high transport capacity and competitive advantages. In addition to the ocean-going vessel fleet, the Company also owns a strong river ship fleet, which is the largest in the market currently.

### THE LARGEST RIVER SHIP FLEET OF VIETNAM

Although the shipping industry has not been fully recovered, with its own capacity, experience and appropriate development plan, along with a strong fleet of river and ocean vessels, GMD continued to affirm its sustainable development position in the market. The team of experienced ship managers always has timely proposals to ensure the effectiveness and safety of ship management in complicated weather fluctuations as well as to save costs and operate the vessels in line with assigned targets.

With the policy of saving costs while ensuring absolute safety, the ship management team has close monitoring of each vessel, constantly following each voyage, each leg, raising responsibility from office staff to crew members on board in order to operate vessels safely and economically. As a result, in 2019, GMD's vessel fleet management reached its target and properly met the market's demand.



## SCSC AIR CARGO TERMINAL



## TOP 50

### BEST VIETNAMESE LISTED COMPANIES

Being put into operation in 2010, SCSC has brought to the market the first international air cargo terminal at the gateway to Tan Son Nhat International Airport, meeting the strictest requirements of the aviation industry and of the clients who are the world leading airlines.

SCSC Air-cargo Terminal is located at the South West Terminal of Tan Son Nhat International Airport with the area of 143,000 sqm, including three main areas:

- Apron area: 52,421 sqm, accommodating 3 large B747Fs or 5 A321s at the same time.
- Terminal area: 26,670 sqm with the design capacity of 200,000 tons of goods (phase 1) and 350,000 tons of goods (phase 2).
- Warehouses, parking lots, roads, auxiliary facilities and a modern office building of 64,000 sqm.

In April 2011, SCSC officially became a member of the Ground Handling Council (IGHC) under the International Air Transport Association (IATA).

Subsequently, SCSC obtained the certification of ground service safety standard ISAGO of IATA, TAPA A certification of the Transported Asset Protection Association and the certification of cargo security requirements into Europe RA3. All of these have demonstrated the effort, constant striving, knowledge and technology improvement of SCSC to ensure safety and security in cargo handling, providing customers with the best quality services and the most competitive prices.

After seven years of operation, on August 3, 2018, the Ho Chi Minh City Stock Exchange (HOSE) held a ceremony to announce the listing and celebrate the official trading of shares of Saigon Cargo Service Corporation (SCSC) with the stock code of SCS. The event of SCS official listing on HOSE continued to enhance the strong confidence among investors, creating favorable conditions for SCSC to attract more capital for stable and sustainable development in the future.





In 2019, the total throughput of SCSC increased 6.6% compared to 2018. Financial indicators recorded the growth rate in revenue and profit of 10.8% and 15% respectively compared to 2018.

The positive business results, while the market was in chaos, were the hard work of SCSC's management and staffs.

Also in 2019, SCSC was proud to be the one-year enterprise on HOSE being ranked in Top 50 Best Listed Companies of Vietnam by Forbes.

SCSC always aims to be a model air cargo terminal in Vietnam and the region, being the first choice for air cargo service requirements in Vietnam. In 2020, SCSC continues to set growth targets, striving

to bring more and more benefits to employees, shareholders, customers, partners, contributing to the community and the development of the country.

**THE REVENUE EXCEEDED**

**10.8%**

**THE PROFIT EXCEEDED**

**15%**

## MEKONG LOGISTICS

In 2016, GMD together with its partner "King of Shrimp" - Minh Phu Seafood Corporation - put into operation the Mekong Logistics Center in Chau Thanh, Hau Giang. This is the largest modern pure cold storage in Southeast Asia and also the first cold logistics center of Gemadept, opening a new chain in the integrated supply chain of the Company.

The project has a 15ha area, in which the cold storage, serving seafood, food, frozen materials - was designed with an area of 4.8 ha and can accommodate up to 50,000 pallets. Mekong Logistics Center was invested with advanced technology; designed with optimal solutions, low energy consumption, meeting the most stringent standards for storing frozen seafood and agricultural products.

Regarding the market situation in 2019, the country's seafood export reached over 8.6 billion USD, down 2.3% compared to 2018. Among key products, only tuna maintained positive growth with nearly 12%, other items decreased: shrimp down nearly 5%, catfish down nearly 12%, squid, octopus down 13%. Exports to major markets such as the EU, Japan, Korea and ASEAN all decreased, while only slightly increasing in the US and double-digit growth in China and Australia.

Last year, Mekong Logistics faced many difficulties from the strong decrease in inventory of big customers since the beginning of the year due to lack of raw materials, competitive pressure from the introduction of new warehouses in the region, incurred high repair costs, lack and changes in manpower, etc.

**COMPARED TO 2018, THE REVENUE REACHED**

**109%**

**COMPARED TO 2018, THE PROFIT REACHED**

**238%**

However, overcoming these challenges, Mekong Logistics made great efforts in sales and marketing, securing new customers, increasing warehouse rental prices, cutting costs efficiently, using internal services, improving production procedures, applying advanced technology and developing brandname. These were remarkable achievements of the unit, contributing to the positive overall business results not only for 2019 but also creating a basis for business development in the coming years.

Specifically, for the business results in 2019, Mekong Logistics performed 109% in revenue and 238% in profit compared to 2018.

In addition to fulfilling the revenue target and far exceeding the profit target, the company implemented many synchronous solutions to reduce water consumption; saving electricity and fuel, installing environmentally friendly solar power systems, coordinating with experts from Korea for better measures to save electricity and ensure safety for workers.





# K'LINE GEMADEPT

## AUTOMATIVE LOGISTICS (KGL)

2019 was a quite favorable year for the automobile industry in general and the automobile imports in particular. The volume of imported cars for the whole year reached 142,000 vehicles, up 71% compared to 2018.

KGL renewed the contracts with some traditional customers such as Isuzu, Mitsubishi and served new clients such as Mercedes, Subaru, Toyota and Hino... In addition, KGL invested and completed the construction of the factory serving Mercedes. Besides the common services such as warehousing, maintenance and repair, pre-delivery inspection, KGL cooperated with Phuoc Long Port to promote services of customs clearance, registry, emissions inspection and safety check for model cars, contributing to promote GMD's internal services.

In terms of costs, in 2019 the cost increased higher than in 2018 because KGL had to invest more machines, equipment, build factories, rent more warehouses as well as

recruit more personnel to meet customer requirements. For construction of the factory, KGL used the project supervision consultancy service provided by Gemadept Infrastructure Development Construction JSC. The unanimous and consistent coordination in project implementation will ensure the schedule and quality of construction, while minimizing costs, promoting the investment efficiency of the project.

In 2019, KGL far exceeded the plan in terms of both revenue and profit; concretely, the revenue was 5 times bigger and the profit before tax was 2.3 times bigger compared to 2018. It is expected that in 2020, customers such as Mercedes, Mitsubishi, Subaru will continue to increase import volume, so the PDI revenue from these customers will be quite stable. In addition, for the Mercedes project, KGL will always have the minimum revenue as agreed with the customer so the revenue from this project will also be stable.

THE REVENUE  
WAS BIGGER

5 Times

THE PROFIT BEFORE TAX  
WAS BIGGER

2.3 Times



# FORESTRY

## FORESTRY PROJECT

PERFORMED IN LINE  
WITH THE COMPANY'S PLAN

In 2019, the forestry project performed in line with the Company's plan. After years of planting and taking care of the forest in line with technical requirements, by the end of 2019, the rubber forest grew equally. Some rubber trees have reached the diameter of more than 50-55cm and are qualified to be exploited. However, as the latex price is still in the low cycle, in 2019, the Company did not exploit the latex but focused on taking care of the plantation in line with the minimum care standards of Vietnam's rubber industry.

In order to fully exploit the land stock of the project, besides the planted area, the Project Committee is studying and seeking for other suitable crops.

According to the analysis and assessment of prestigious international organizations, latex price tends to increase steadily over the next 10 years. Taking into account the relevant factors, the Company expects to conduct the pilot tapping of rubber if the market is favorable.

In order to promote the effectiveness of the project in the future, the Company is looking for a partner in

the field of industrial crops. The parties will deploy a number of pilot cooperation programs on the remaining land stock. This will open up new potential development opportunities for the project.

Regarding the project management, in 2019, the Company implemented centralized management under the general policy of GMD. From 2020, the project will apply centralized management in accounting, finance, materials and procurement.

The Company continues to maintain good relationships with local authorities at all levels; focusing on recruitment and training of local human resources; creating favorable conditions for employees to feel comfortable in their work and well perform the assigned tasks.







FOCUS ON BENEFITS OF  
STAKEHOLDERS AND CSR

GOLDEN LAND

AT PRIME LOCATIONS



Real estate is one of strategic investment activities of Gemadept. Following the success of Gemadept Tower project, which was transferred to partners in 2017, Gemadept is completing necessary procedures to implement two projects of Saigon Gem and Vientiane - Laos complex.

Saigon Gem project is located in the golden land of Ho Chi Minh City with a total area of 3,640 m<sup>2</sup>. This is a complex building project with a commercial center and class-A offices. The project was granted Land Use Right Certificate and is in the process of completing legal procedures to start the construction. We are working with Gensler - a leading design company in the world and Nagecco - a leading design company in Vietnam to deploy modern, high-class architectural plans and meet the requirements of architectural planning criteria of local authorities.

For the real estate project in Vientiane, this is a 6,715 m<sup>2</sup> project located in a favorable position right at Lane Xang Avenue of Laos. The five-star hotel project is designed with 7 floors and 1 basement with the total floor area of 21,329 m<sup>2</sup>. Currently, the project is in the construction phase of mass piles, diaphragm piles and basements. Once completed, the project will provide Vientiane Capital with 231 five-star hotel rooms.

With an extremely privileged position, Gemadept's two real estate projects promise to become symbolic buildings in the two busiest commercial and economic centers of both Vietnam and Laos.





# 1. OVERVIEW OF GEMADEPT'S SUSTAINABLE DEVELOPMENT ACTIVITES



The year of 2019 marked the utmost efforts of all Gemadept Corporation's (GMD) management and staffs with important achievements, contributing to the country's economic growth and the social community while opening up new horizons for the Company's development in the future.

In addition to fulfilling business targets, ensuring the rights of relevant parties and implementing key investment projects, the Company focused on undertaking several internal management reforms including the centralized management model from the head quarter to all subsidiaries and associates; deployment of E-office system; setting up Balance Scorecard (BSC) and KPIs to measure business performance; offereing training programs and enhancing corporate social responsibilities.

GMD has been progressively expanding business scale and improving internal capability so as to adapt to the rapidly changing business environment, gradually realizing the Company's vision to become the leading conglomerate in Vietnam's and South East Asia's Port and Logistics Industry.

Moreover, GMD is determined to build a professional and happy working environment where each employee feel comfortable to work, enhancing their responsibility, initiation, creativity and willingness to share the Company's corporate social responsibilities for the sake of the community and environment. GMD always integrates the economic growth targets with the social and environmental benefits as well as our stakeholders' interests. This harmonious and balanced integration promotes the quality and sustainability of the Company. It can be said that sustainable development is a major guideline for GMD's operation.

The 2019 Sustainable Development Report presents GMD's achievements of its important targets as follows:

- Policies and management mechanism are unified from the Head office to all subsidiaries and affiliates, optimizing manpower and synergizing the strengths of the entire corporation.
- The business activities of subsidiaries and affiliates are voluntarily associated with the social and environmental responsibilities, strictly and methodically following national regulations and international standards.

## 2. MATERIALS USED FOR REFERENCE AND EVALUATION OF THE SUSTAINABLE DEVELOPMENT REPORT

- This report is based partly on the GRI (Sustainable Reporting Standards) – 2016 by Global Reporting Initiatives.
- 17 sustainable development goals until 2030 by the United Nations.
- 17 Vietnam sustainable development goals until 2030.
- Guidelines on building sustainable reports by IFC and the Vietnam State Securities Commission (SSC).
- 2030 Agenda for Sustainable Development under the Prime Minister's Decision No. 622 / QD-TTg dated May 10, 2017.
- Circular No. 155/2015/TT-BTC by the Ministry of Finance requesting listed companies to disclose information on sustainable development.

# 3. PRINCIPLES FOR DEFINING REPORT CONTENTS

1 - Related Party inclusiveness

- Governmental authorities
- Shareholders - Investors
- Customers - Partners
- Employees
- Community - Society
- Subsidiaries and affiliates

2 - Sustainability context

- Climate change and natural disaster occur in a more severe and unpredictable way, which directly has negative impacts on the sustainable development of the economy and the society.
- Spiritual and material life standards are getting higher in developing counties generally and in Vietnam particularly.
- Trade wars take place in a complex manner between many countries and across many industries.

3 - Materiality

IMPACT ON RELATED PARTIES' EVALUATION AND DECISION MAKING	High	Macroeconomic effects	Business performance
			Professional and happy working environment for employees
	Low	Social responsibilities	Education and training
		Environmental issues	
		Fights against corruption	Centralized management
		Low	High
IMPORTANCE LEVEL TO GMD			

4 - Completeness

- All information in the report are collected from the Corporation and all of its subsidiaries and affiliates.

## 4. PRINCIPLES FOR DEFINING REPORT QUALITY

- Accuracy
- Balance
- Clarity
- Comparability
- Reliability
- Timeliness



## 5. SUSTAINABLE DEVELOPMENT POLICIES

For nearly 30 years of establishment and development, GMD has always been pursuing the goals of sustainable development based on developing human resources, improving organizational structure and management model to better adapt to the change of the market and the growth of the economy.

Corporate social responsibility is always associated with the policy of sustainable development, which is the guideline for all business activities of GMD. GMD's sustainable development policy has been implemented through timely, practical and long-term actions.

Specifically, Gemadept has been and will continue to focus on promoting the sustainable development policy in the following areas:

- **Working environment:** Continue building an open, transparent, and fair working environment to attract and retain good employees.
- **Gemadept's culture:** The spirit of nationalism and pioneering is always highly appreciated in

the culture of the Company. Gemadept consists of people who are responsible for themselves, their families, the company and the society. They are also always upright, progressive, and actively connecting with colleagues, partners, customers and companions.

- **Remuneration and welfare regime:** GMD continues to build a highly competitive remuneration and welfare regime, which helps attract, retain and develop high-quality human resources. The Company also encourages creativity and personal competence to create a foundation for collective strength to overcome all challenges and achieve the Company's goals and visions.
- **Social responsibility:** Paying attention to environmental protection factors and maintaining a green – clean – beautiful landscape, ensuring energy saving, creating more jobs for the local people, and implementing voluntary works through charity programs that help orphans, people with mental illness and disadvantaged children, etc.

## 6. CORPORATE TRANSPARENCY AND MECHANISM FOR RECEIVING RECOMMENDATIONS FROM STAKEHOLDERS

Gemadept always pays attention to complying with the information disclosure requirements by the State Securities Commission, the Stock Exchange and other stakeholders. Besides, Gemadept promptly and fully updates its Shareholders and investors on its business performance, market information and cooperation opportunities via different channels such as the Annual General Meeting of Shareholders, seminars, conferences, the Company's website, media, face-to-face meetings, online meetings, emails, letters, etc.

Besides, one of the important activities of investor relations is organizing field trips. Gemadept's air cargo terminals, ports and distribution centers spreading all across the country have always been the most attractive destinations for shareholders and investors.

GMD always pays attention to customer services via constantly upgrading facilities, establishing a convenient communication system connecting to all

departments, units and people in charge, etc. As a result, GMD's customer services have always been highly appreciated by customers. GMD always listens and promptly responds to all comments, suggestions and requests made by customers.

For GMD, people are the most important factor to decide the success and create the distinction for GMD. Therefore, GMD is always ready to listen to the employees' desires and suggestions by having open communication and conducting widespread surveys to collect opinions of the employees, thereby making appropriate adjustments to existing policies. The Company's Labor Union has been fulfilling its responsibility as an important bridge connecting the employees and the Company's management. All optimal solutions are given based on the high consensus, helping employees feel secured in their work, be more dedicated and motivated for self-development, creating sustainable values for their families, the Company and the society.

## 7. COMMITMENTS TO STAKEHOLDERS



### • TO THE GOVERNMENT:

- Promoting the spirit of nationalism and pioneering to become a model enterprise in the industry of Port operation and Logistics in Vietnam;
- Complying with the laws, policies and regulations of the Government relating to the Company's businesses;
- Developing the business to contribute to the State budget;
- Contributing to the socio-economic development of the country;
- Reporting fully as prescribed by the laws.

### • TO SHAREHOLDERS - INVESTORS:

- Guaranteeing legitimate rights of and increasing sustainable values for shareholders and investors;
- Providing timely, transparent and complete information;
- Creating favorable conditions for shareholders and investors to learn about the Company's business activities.

### • TO CUSTOMERS - PARTNERS:

- Focusing on the service quality to develop business;
- Providing customers and partners with the most effective and excellent solutions;
- Maintaining commitments to customers and partners for developing together.

### • TO THE EMPLOYEES:

- Improving policies of salary, bonus and welfare...; encouraging the development of high-quality human resources, who are successful in their work and happy in life;
- Developing competent successors for all levels to prepare for the Company's acceleration in sustainable development in the coming years.

### • TO THE COMMUNITY AND SOCIETY:

- Fulfilling corporate social responsibilities;
- Contributing to the benefits of the community;
- Contributing to environmental protection;
- Creating more jobs for local people and contributing to building the country.



## 8. TYPICAL AWARDS AND RECOGNITIONS

Gemadept has been recognized and honored by the government, local and foreign organizations for its positive contributions to the society, community, and for its remarkable achievements.

The titles, awards, and certificates of merits which Gemadept has achieved in the recent years are briefly summarized as follows:



**TOP 10 PRESTIGIOUS TRANSPORTATION  
AND LOGISTICS COMPANIES IN 2019  
- LOGISTICS AND WAREHOUSE GROUP**

Awards by the Vietnam Report  
and VietnamNet



**TOP 500 LARGEST ENTERPRISES  
IN VIETNAM VNR 500**

Awarded by Vietnam Report  
and VietnamNet



**TOP 500 MOST PROFITABLE  
ENTERPRISES IN 2019  
(PROFIT500)**

Awarded by the Vietnam Report  
and VietnamNet



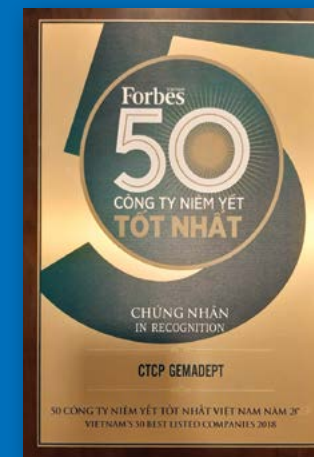
**TOP 50  
BEST ANNUAL REPORTS**

Awarded by the Ho Chi Minh  
Stock Exchange (HOSE), Securities  
Investment Newspaper and Dragon  
Capital Management Company



**TOP 100  
MOST TRUSTED ASIA BRANDS IN 2019**

At Asia International Economic Forum  
and Asia Awards



**TOP 50 BEST LISTED COMPANIES  
IN VIETNAM IN 2018**

Awarded by Forbes Vietnam



**TOP 1,000 ENTERPRISES WITH THE LARGEST CONTRIBUTION  
OF CORPORATE INCOME TAX TO THE NATIONAL BUDGET (V1000)**

Awarded by the Vietnam Report, VietnamNet and Taxation  
Newspaper - General Department of Taxation



**TOP 100 ENTERPRISES ACHIEVING  
THE BEST FINANCIAL MANAGEMENT**

**CAPACITY INDEX IN 2018**

Awarded by the Vietnam Chamber  
of Commerce and Industry (VCCI) in  
coordination with related units



**TOP 50 ENTERPRISES  
HAD THE MOST EFFECTIVE  
BUSINESS IN 2017**

Awarded by  
Nhip cau dau tu Magazine  
and Thien Viet Securities JSC

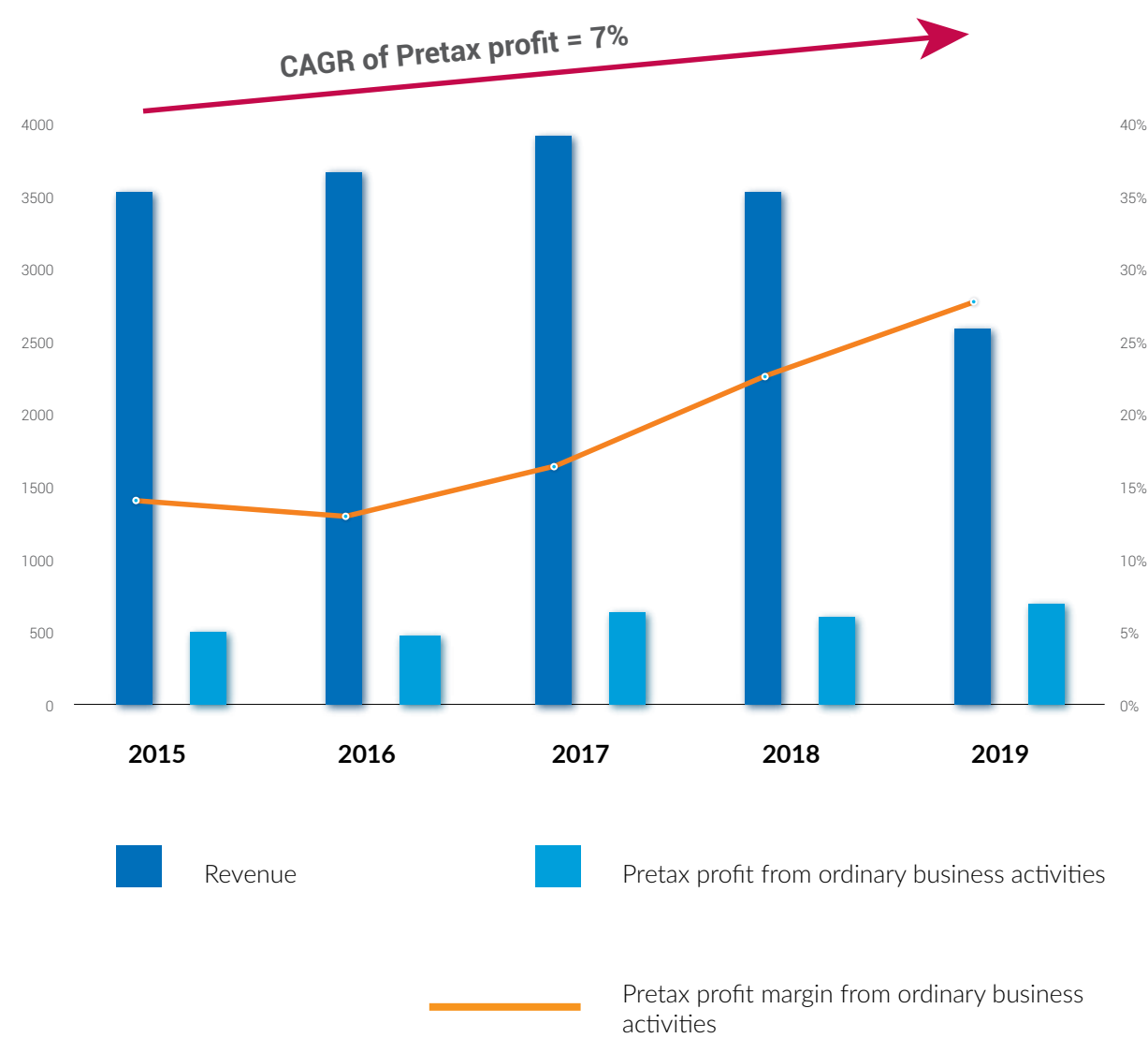


# 9. ECONOMIC IMPACTS

## Direct economic impacts

### GMD creates values of sustainable development for shareholders and investors

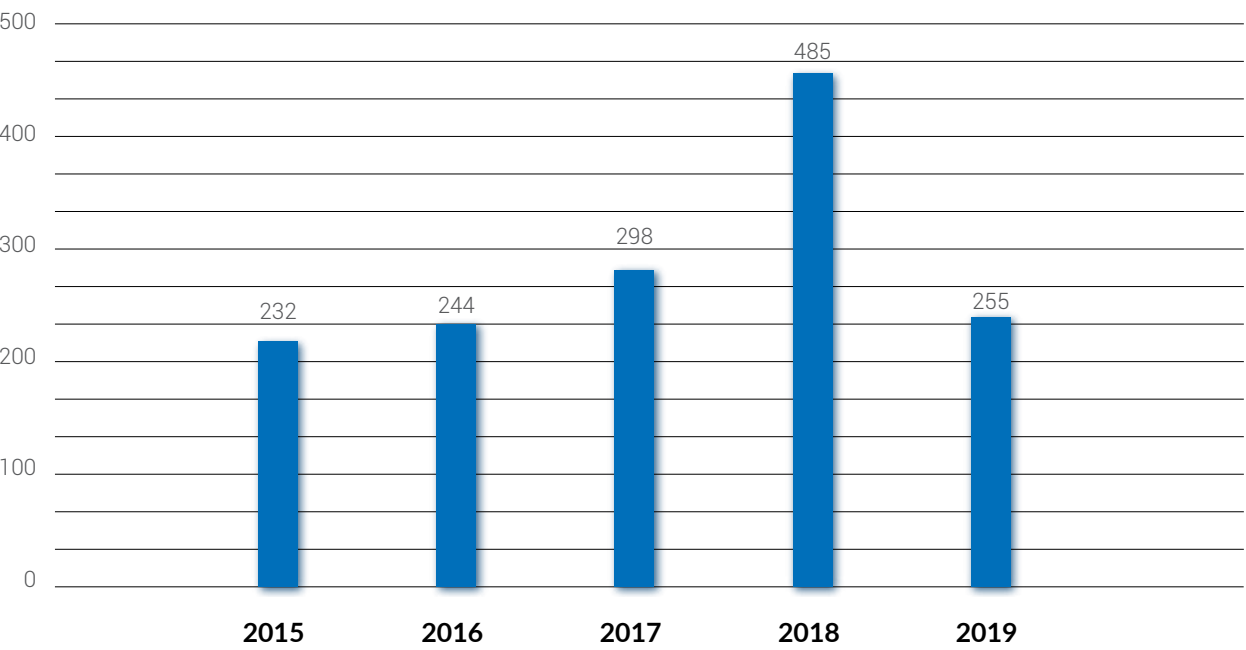
In 2019, the US-China trade war had certain influences on the world economy, creating both advantages and drawbacks for the market and industries, especially tourism, agriculture, transportation and logistics. Despite the global complicated context, GMD continued to keep a positive growth rate and generated the profit before tax (PBT) of VND 705 billion, completing 101% of the business plan and reflecting 17% increase compared to PBT in 2018. Especially, the profit margin from core businesses increased from 22% (2018) to 27% (2019).



Total dividend in cash paid to shareholders in 2017 – 2019 was VND 2,917 billion. GMD has made dividend payments to its shareholders in a professional and timely manner according to Resolutions of the Annual General Meeting of Shareholders.

## GMD ensures compliance with government policies in regard to macroeconomy and the industries

GMD's Contribution to the State's Budget (Consolidated) Unit: VND billion



GMD has been ranked in Vietnam's Top 1,000 Firms Contributing to State Budget for several years. **In 2018, tax amounts were the highest among recent years due to gains from partly share transfer in subsidiaries.** As for 2019 tax amounts, GMD made payment for tax liabilities up to VND 255 billion.

As one of the leading companies in the industry, GMD also plays a leading role in implementing government policies related to the macroeconomy and the industries of port operation, transportation and logistics... Particularly in 2019, documents, such as Circulars, Decisions, Announcements regarding tariffs at Vietnam ports and guidance of the Ministry of Transportation regarding IMO 2020, were strictly implemented at GMD's operating units as well as thoroughly supervised and managed at the headquarter. We are committed to full compliance with the government policies and regulations and we take full responsibility for transparency.

### Indirect Economic Impacts

#### Enhance the position and role of Vietnam port operation, maritime and logistics industries in the world market

GMD owns a system of 8 ports along the coastline – including Nam Hai Port, Nam Hai Dinh Vu, Nam Dinh Vu and Nam Hai ICD in the North, Gemadept Dung Quat at the central gateway and the cluster of Phuoc Long ICD, Binh Duong Port and Gemalink Deep-sea Port Project in the South, a network of distribution

centers located in big cities and provinces in Vietnam and the air cargo terminal (SCSC) at Tan Son Nhat International Airport. We are proud to be the only logistics company that can serve all kinds of cargo, from container cargo to bulk cargo, from reefer container to automobiles, from consumer goods at supermarkets to out-of-gauge cargo. Additionally, GMD contributes to the business relationship evolution between Vietnam and the rest of the world through our partnership with French, Japanese, Singaporean, South Korean, Chinese, Lao and Cambodian partners...

GMD has been establishing mutual-benefit business relations for almost 30 years with more than 20 leading shipping lines worldwide. Besides, as a responsible active member of associations such as Vietnam Logistics Association (VLA), Vietnam Ship Agents and Brokers Association (VISABA), Vietnam Chamber of Commerce and Industry (VCCI) and so on, GMD has provided Ministries and Departments with comprehensive evaluation and constructive recommendations as for logistics business improvement and economy growth.

#### Contribute to develop local infrastructure and economy

With the development and expansion of business activities, GMD has created jobs for thousands of labors, strongly accelerated domestic trade and local suppliers' growth, thus contributed to local authorities' budget.



10. HUMAN RESOURCES DEVELOPMENT

Labor structure

Gemadep identifies human resources as a factor promoting sustainability and is the key to success in every strategy step. In the past years, Gemadep's personnel management has always focused on the main goals, including: creating a professional and happy working environment, attracting and fostering talents, assessing competency fairly, offering fair remuneration policies, benefits, and transparency associated with the core values and corporate culture.

As of December 31, 2019, the total number of employees of Gemadep was 1,482 employees, an increase of 3% compared to 2018, of which employees with university and postgraduate degrees accounted for 40% and the working age range from 30 to 40 accounted for 45%. Also, with a low resignation rate of about 7.7% (compared to the market average of 21.4%), this is a bright spot for stable human resources, creating a premise for the Company's development strategy in the coming years.

Assuring the rights of employees, safety and occupational health

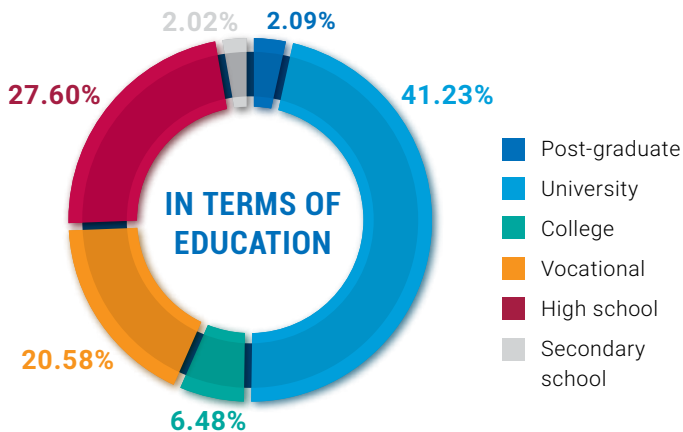
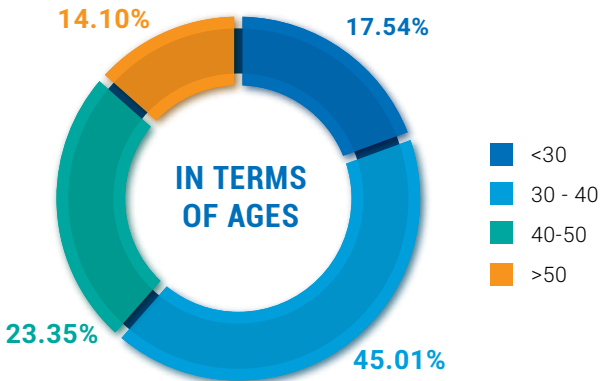
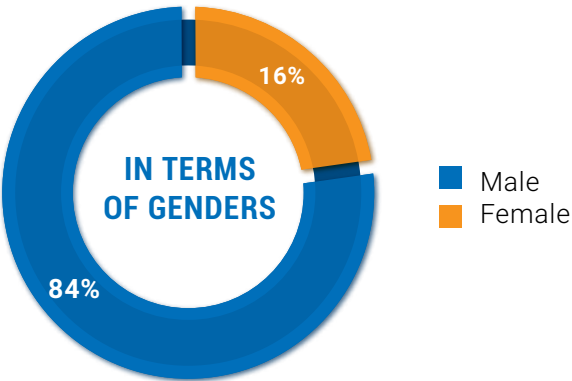
Labor relations:

- All employees of the Company have signed employment agreements, in which their legitimate rights are protected under the Labor Code of Vietnam.
- The Company's collective labor agreement, internal labor regulations and salary scale are duly registered with the labor management agency and updated upon change of regulations.
- Child labor and forced labor are strictly prohibited.

**Labor Union:** Gemadep's Labor Union organization was established in 1998. Since its establishment, Gemadep Labor Union has been a bridge between employees and the Company Management to ensure the legitimate rights of employees as well as to contribute to better care of employee's spiritual life.

**Working conditions:** Workers are well equipped with working tools and protective equipment. They are also trained of occupational safety to work safely and efficiently.

**Insurance for employees:** Gemadep fully pays premiums of social, health and unemployment insurance as prescribed by the laws. The total insurance premiums for employees in 2019 were over VND 41 billion. In 2019, Gemadep continues the comprehensive health insurance program for employees. That encouraged employees to take better care of their own and their families by taking advantage of good insurance conditions provided.



Care for the life of employees

**Employees' income:** VThe policy of paying according to labor productivity motivates employees to work more efficiently and pushing creativity. As a result, the business performance of 2019 had positive growth. The average income of Gemadep employees in 2019 increased in line with the positive business results and the total salary of the Company increased by 10% compared to 2018.

**Employee stock purchase plan (ESPP):** Aside from salary, managers and employees that have excellent achievements and have contributed to the development of the Company also benefit from the ESPP. This is an important tool not only help the Company attract and retain talents but also help employees increase their income and ownership in the Company. The close relationship guarantees Gemadep's sustainable development.

**Health care and tourism:** Employees receive annual health check-ups at high-class medical facilities at a fee of about 1,500,000 VND/employee. The Company also organizes a kitchen to serve lunch for employees ensuring nutrition and food safety. This ensures better health for employees to work better. Moreover, every year, employees have three days of fully paid vacation and are supported with travel expenses according to working seniority norms.

**Other benefits:** In addition to the policies mentioned above, Gemadep also takes care of employee's lives through gifts on holidays such as Tet, family special events, illness visits and support to employees with difficulties. For female employees, the Company gifts and celebrates on the occasions of March 8 and October 20. Moreover, the Company Management also shows deep concern through the gifts for employees' children on the occasion for the International Children's Day on June 1.

~ 4,000 hours  
Total training hours in 2019

Education and training

Human is the extremely essential resource determining the success of GMD. Therefore, the Company always focuses on developing the team of dynamic and enthusiastic employees that are willing to dedicate to the Company. In particular, education and training are the focus and long-term strategy of the Company in order to meet the changes of technology, the higher requirements of customers in terms of service quality and the needs of personal development of every staff.

With the goal to equip the middle management team with most updated management tools and skills, encourage their potentials to exceed their own limits, support key staffs in changing their behaviors to adapt to Gemadep's culture and to achieve breakthrough development goals, the Company organized the 'Intensive Psychological Coaching' course for directors of units, managers and deputy managers, team leaders, etc...; the "Train the Trainers" course for internal training committee to enhance training efficiency and save costs; the "Customer Services" course was taught by internal experts; the "Basic business legal training" course for all employees working in Gemadep; "Workshop of problem-solving skills" for the business development teams of shipping, logistics... and other education, training programs.

In 2019, the Company implemented the project of salary structure to foster labor efficiency and increase the efficiency of human resource management throughout the Company. In 2020, aside from continuing the implementation of the next phases of KPIs under BSC project, the salary structure project and the internal specialist project, the Company will complete the key resources with Gemadep inherited team development project and the Capacity Framework Project.

11. SOCIAL DEVELOPMENT - SHARING THE LOVE



Gemadep associates the efficiency of production and business activities with sustainable values that the Company contributes to the community and society. Accordingly, the Company contributes to the sustainable development of the society by identifying the main goals, encouraging the participation of employees. Specifically, Gemadep always focuses on corporate social responsibility through policies and programs such as:





- Investing in education and supporting the comprehensive development of the younger generation.
- Supporting those in difficult circumstances, studious students with difficulties, orphans, etc.
- Joining hands to overcome the consequences of natural disasters.

In 2019, GMD actively invested into social services. In which, the Company's remarkable investment to education and young generation was the gold sponsorship package for the G-Logistics contest, organized by the University of Economics under the content consultancy of Vietnam Logistics and Aviation School (VILAS). The program attracted the participation of thousands of students, aiming to create a useful playground for students who have nurtured the passion of Logistics in particular and Supply Chain in general to challenge themselves,



helping the students gain practical experience of the profession that is considered the "pillar" of the country.

Regarding activities to support those in difficult circumstances, poor studious students, orphans, etc. GMD organized visits to provide basic supplies, meaningful gifts and serve nutritious lunch to 800 people at the Social Protection Centre in Binh Phuoc Province. In addition to the gifts from the Company, there were also contributions from the employees. Furthermore, GMD's subsidiaries also cooperated with the local authorities to carry out charity programs, visited and donated gifts to poor students, supported facilities, teaching and learning materials for the students in remote areas. The traditional cultural beauty of GMD continues to be promoted and spread through charitable programs with profound human values, all for a better society.

## 12. LINKING BUSINESS ACTIVITIES WITH ENVIROMENTAL CONCERN

Facing the challenges of climate change and the impact of business and human activities on the environment, all of Gemadept's projects, from deep-sea ports, air cargo terminal, distribution centers to other activities have been strictly assessed on their environmental impact, being designed and built towards green standards, space optimization, energy saving and minimizing harm to the surrounding environment.

In particular, in 2019, the Company has gradually built Gemadept Dung Quat port - an important gateway of the Central region - to become an "Eco-port" in the future. The port will focus on green economic growth with a long-term plan, meeting current and future needs. Eco-port is built with the goal of protecting the community from negative environmental impacts of port operation; the role of the port in the field of environment is clearly defined; promoting sustainability, applying advanced technology to combat or to reduce negative impacts on the environment...

Some activities in building Gemadept Dung Quat Eco-port model include:

- Training to raise employees' awareness about environmental protection, sustainable port development through the application of ISO 45001-2018 and ISO 14001-2015;
- Renovating equipment and operation methods, having solutions to minimize dust in the air, reduce noise, save energy, build a system for waste classification and collection, having special wastewater treatment;
- Expanding the area of greenery around the port, at gates and CY as well as internal roads to create a beautiful landscape for the port as well as to improve the surrounding environment;
- Cooperate with local authorities to organize action programs on environmental protection, watering, dusting, collecting garbage along the roads in front of the port.

On December 20, 2019, Gemadept Dung Quat International Port was officially granted the **Certificate of Occupational Health and Safety Management System according to ISO 45001-2018 and the Environmental Management System according to ISO 14001:2015** by General Department of Quality Measurement - Quacert Conformity Certification Center.

However, this was only the beginning of a sustainable development plan for the future. The Company management and all staffs will keep striving to maintain the achievements, constantly improving the service quality, enhancing reputation and trust among the Company's customers and partners in Dung Quat area as well as in the Central region; all for the goal of **"Eco-port - Values for the future"**.

GMD will continue to focus on Eco-port, Ecologistics, Smartport and Smartlogistics models in the coming time.

More details about the Smartport and Smartlogistics projects that GMD and partners are studying to implement: These are projects using automation and creative technology including Artificial Intelligence (AI), Big Data, Internet of Things (IoT) and Blockchain to improve port performance without negatively affecting the environment ("go green"), helping to optimize costs (cost-effective manner) and creating values for sustainable development of port enterprises (Corporate sustainability). The impacts of Smartport and Smartlogistics on the environment are as follows:

- Reduce energy consumption and greenhouse gas emissions;
- Using resources, fuel and electricity efficiently and without harming the environment;
- Creating a beautiful green environment for the vicinity of the port;
- Handling air quality, water and noise pollution;
- Consensus on metrics across the transport and logistics supply chain, in line with the policies of nations, regions and international organizations such as the International Maritime Organization (IMO) and the European Union (EU).

### 1. Solutions of energy and fuel management and saving in operation:

In operation, safety and cutting costs are very important. Therefore, controlling and reducing fuel consumption is a prioritized task to help reduce costs, increase operational efficiency and contribute to protecting the environment and natural resources.

GMD regularly and continuously controls the consumption of fuel and energy in every aspect of business via various ways, including but not limited to:

- Complying with requirements of water and electricity suppliers.

- Investing in installing modern electric equipment with high stability and replacing old equipment in order to reduce unnecessary energy consumption.
- Installing transformer stations to reduce fuel consumption for running generators.
- Using container management software at CYs (Container Yards) and Depot, optimizing operations and limiting container shifting to reduce fuel consumption for equipment such as forklifts, RTGs, QCs.
- Applying advanced softwares for fuel consumption management for equipment and facilities.
- Carrying out periodical maintenance, repairing and upgrading of equipment in accordance with standards instructed by manufacturers.
- Improving power efficiency by installing capacitor banks for RTG systems.
- Introducing the policy of restricting container shifting to reduce the need to use diesel for forklifts but still be effective for the job.
- Replacing filament bulbs and compact bulbs with LED bulbs to help increase brightness, improve durability and save energy.
- Daily checking of electricity meters in each area to control the consumption of electricity and prevent malfunction (if any).
- Using clear roofs for natural light to reduce the use of daytime lightning, using natural ventilation systems and insulation panels to ensure ventilation inside the buildings.
- Controlling software systems such as the fire protection system, BMS system, I-Manager, X-WEB3000, wastewater treatment system, etc... to optimize energy saving.
- Maintaining machinery and equipment in accordance with the approved annual maintenance plan and the manufacturer's instructions to ensure smooth and stable operation of machines, reduce malfunction and increase durability.
- Adjusting the schedule of closing/interrupting air-conditioning systems, lights, ventilation fans, energy-consuming equipment through systems of centralized management such as BMS system, I-Manager system, X-WEB, etc.
- Using Inverter technology to save energy for air-conditioning system.
- Separating lights lines and fan lines, having suitable planning of functional areas and programming of lights and fans control in some functional areas to optimize the use of electricity.
- Monitoring electricity meters daily to control activities of all areas and promptly handling any problems.
- Using electrical forklifts and specialized vehicles at the ports, distribution centers, warehouses and air cargo terminals to prevent pollution.
- Following guidance of the Board of Directors and the Management and improving employees' consciousness of energy saving.



- In 2019, the Company continued to deploy the savings of fuel consumption for vessel fleet, road transport and assessment of fuel levels.
- Regularly checking and monitoring the 5S application, reminding each department and employee of electricity saving and turning off the power when leaving or when not in use.
- Encouraging business units to have space for greenery and keep the working environment clean.

## 2. System of water supply and waste water treatment:

- Monitoring water meters daily to prevent and promptly handling any problem.
- Inspecting all pipelines in the Port to find any leakage and repair immediately.
- Rainwater is drained to the underground pools of fire fighting and prevention system to serve the system and to water plants.
- Replacing and use toilets that have two flush functions and adjusting water consumption.
- Wastewater and sewage treatment are strictly done in compliance with the law on environment protection and regulations of relevant authorities.
- For the good operation of the systems, the cleaning and dredging of sewerages are periodically done as planned.
- Entering into contracts with professional companies in collection and treatment of liquid sewage mixed with oil in accordance with regulations of relevant authorities.

## 3. Environment protection - Industrial safety - Security - Fire prevention and fighting:

- The Company has set up a mechanism of inspection and control managed by the Risk Management Department and functional departments at each business unit to supervise the compliance with regulations on industrial safety, port operation, sea navigation, fire fighting and prevention, wastewater and sewage treatment following regulations, saving energy and fuel during operation, vessel handling, etc. The Company also highly encourages planting more green trees to create a green, clean and beautiful view of the project sites.
- Hiring professional companies to clean the yards and warehouses, collecting and gathering waste into separate areas. Classifying and labelling domestic and hazardous waste for easy collection and treatment in accordance with regulations.
- Regularly working with the Center of Sea environment observation to study, measure and analyze the environmental parameters and make reports of the environmental observation periodically. Indicators of the air environment and water environment of the Company are within permitted limits. The systems of management and treatment of exhaust gas, wastewater and

solid waste at the Company operate relatively stable, ensuring that the quality of wastewater and exhaust gas after the treatment meets the environmental standards.

- Establishing the HSSE Board (Health, Safety, Security and Environment) at the Company and each business unit for regular checks, instructions and warnings in order to guarantee the implementation of the regulations on health, safety, security and environment. Besides, GMD also set up 5S Team who is responsible for supervising the implementation of 5S in the whole system.
- Using services provided by professional companies for oil spill response.
- Selecting professional companies to collect liquid waste mixed with oil.
- Complying with regulations of environment protection in business operation.
- Continuing to build green ports (Eco-Port) in the up coming years.
- Effectively utilizing the assets, minimizing waste, standardizing operating procedures (SOP) and key performance indicators (KPI).
- SCSC has achieved many international certificates including certification of IATA safety audit for ground operations (ISAGO), TAPA certificate of facility security (Class A- the highest class) applicable to air cargo terminal and the Certificate of Aviation Security Standards applicable in European Union countries (RA 3).
- Being proactive in fire prevention and fighting; Setting up automatic and mobile fire protection systems.
- In terms of occupational safety and health (OSH), the Company arranged personnel in charge of occupational safety at each unit. The OSH officer is responsible for checking, supervising, reminding and speeding up the implementation of internal labor regulations and labor safety and hygiene regulations issued by the Company and making monthly report on OSH.
- Organizing periodical health checks and buying health insurance for all employees.
- Annually providing protective equipment and uniforms pursuant to regulations.
- Organizing annual and demand-based training on OSH for employees.
- Making general reports on the situation of labor accidents to the governmental authority according to applicable regulations.
- Issuing procedures to prevent and minimize labor accidents and occupational diseases.
- Organizing activities to analyze unsafe behaviors of employees and providing preventive control measures to raise awareness of employees and prevent labor accidents.
- Organizing the "Safety Day" to commend units/ individuals that performed well in managing OSH and to raise employees' awareness about OSH during working process.

# ENHANCE CORPORATE VALUE





# STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Gemadept Corporation (hereinafter referred to as “the Corporation”) presents this statement together with the Consolidated Financial Statements for the fiscal year ended 31 December 2019 including the Financial Statements of the Corporation and those of its subsidiaries (hereinafter collectively referred to as “the Group”).

<b>Business highlights:</b>	<b>Head office</b>
Gemadept Corporation has been operating under the Business Registration Certificate No. 0301116791, registered for the 1st time on 01 November 1993 and amended for the 24th time on 04 June 2019, granted by Ho Chi Minh City Department of Planning and Investment.	<b>Address :</b> No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam. <b>Tel :</b> (84-28) 38 236 236 <b>Fax :</b> (84-28) 38 235 2366

The Corporation has been consistent with its strategy to develop core businesses and to selectively diversify business sectors. The business scopes of the Corporation include port operation, logistics, forestry and real estate.

- **Port operation:** Operating a port system stretching from the North to the South, in big cities and at major industrial zones: Phuoc Long Port, Nam Hai Port, Nam Hai Dinh Vu Port, Nam Dinh Vu Port, Dung Quat Port, Binh Duong Port, Nam Hai ICD and investing in the projects of Gemalink Cai Mep Deep-sea Container Port;
- **Logistics:** Distribution centers; container liner services; project cargo transport; multi-modal transport, ship and crew management; shipping agency and freight forwarding services; air-cargo terminal, etc.
- **Forestry:** Planting, caring, exploiting and processing rubber trees and other industrial crops in Cambodia;
- **Real estate:** Building and operating commercial centers, hotels, office buildings in big cities of Vietnam and Indochina including Saigon Gem Mixed-use Development project and Gemadept Mixed-use Development project in Vientiane- Laos.

### Board of Management and Executive Officers

The Board of Management and the Executive Officers of the Corporation during the year and as of the date of this statement include:

THE BOARD OF MANAGEMENT	
Full name	Position
Mr. Do Van Nhan	Chairman
Mr. Chu Duc Khang	Vice Chairman
Mr. Phan Thanh Loc	Vice Chairman
Mr. Do Van Minh	Member
Mr. Vu Ninh	Member
Ms. Nguyen Minh Nguyet	Member
Ms. Bui Thi Thu Huong	Member
Mr. Bolat Duisenov	Member
Mr. David Do	Member
Ms. Ha Thu Hien	Member
Ms. Le Thuy Huong	Member (resigned)
Mr. Tsuyoshi Kato	Member (additionally elected)

THE CONTROL BOARD	
Full name	Position
Mr. Luu Tuong Giai	Chief of the Board
Ms. Vu Thi Hoang Bac	Member
Mr. Tran Duc Thuan	Member
Ms. Phan Cam Ly	Member
Ms. Tran Hoang Ngoc Uyen	Member

THE BOARD OF DIRECTORS	
Full name	Position
Mr. Do Van Minh	General Director
Mr. Pham Quoc Long	Deputy General Director
Mr. Nguyen Thanh Binh	Deputy General Director
Mr. Nguyen The Dung	Deputy General Director
Mr. Do Cong Khanh	Deputy General Director
Mr. Chu Duc Khang	Deputy General Director (resigned)

### Legal Representative

The Corporation’s legal representative during the year and as of the date of this statement is Mr. Do Van Minh – General Director (reappointed on 08 June 2018).

### Auditors

A&C Auditing and Consulting Co., Ltd. has been appointed to perform the audit on the Group’s Consolidated Financial Statements for the fiscal year ended 31 December 2019.

### Responsibilities of the Board of Directors

The Board of Directors of the Corporation is responsible for the preparation of the Consolidated Financial Statements to give a true and fair view of the consolidated financial position, the consolidated financial performance and the consolidated cash flows of the Group during the year. In order to prepare these Consolidated Financial Statements, the Board of Directors must:

- Select appropriate accounting policies and apply them consistently;
- Make judgments and estimates prudently;
- State clearly whether the accounting standards applied to the Group are followed or not, and all the material differences from these standards are disclosed and explained in the Consolidated Financial Statements;
- Prepare the Consolidated Financial Statements of the Group on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate;
- Design and implement effectively the internal control system in order to ensure that the preparation and presentation of the Consolidated Financial Statements are free from material misstatements due to frauds or errors.



The Board of Directors hereby ensures that all the accounting books have been fully recorded and can fairly reflect the financial position of the Group at any time, and that all the accounting books have been prepared in compliance with the applicable Accounting System. The Board of Directors is also responsible for managing the Group's assets and consequently has taken appropriate measures to prevent and detect frauds and other irregularities.

BThe Board of Directors hereby commits to the compliance with the aforementioned requirements in preparation of the Consolidated Financial Statements.

Approval of the Financial Statements

The Board of Directors of the Corporation hereby approves the accompanying Consolidated Financial Statements, which give a true and fair view of the consolidated financial position of the Group as of 31 December 2019, its consolidated financial performance and its consolidated cash flows for the fiscal year then ended in conformity with the Vietnamese Accounting Standards and System and other legal regulations related to the preparation and presentation of the Consolidated Financial Statements.

Ho Chi Minh City, 06 April, 2020  
For and on behalf of the Board of Directors,



Do Van Minh  
General Director

No. 1.0943/20/TC-AC

INDEPENDENT AUDITOR'S REPORT

To: THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND  
THE BOARD OF DIRECTORS GEMADEPT CORPORATION

We have audited the accompanying Consolidated Financial Statements of Gemadept Corporation (hereinafter referred to as "the Corporation") and its subsidiaries (hereinafter collectively called "the Group"), which were prepared on 06 April 2020 (from page 05 to page 55), including the Consolidated Balance Sheet as of 31 December 2019, the Consolidated Income Statement, the Consolidated Cash Flow Statement for the fiscal year then ended and the Notes to the Consolidated Financial Statements.

Responsibility of the Board of Directors

The Corporation's Board of Directors is responsible for the preparation, true and fair presentation of the Consolidated Financial Statements of the Group in accordance with the Vietnamese Accounting Standards and System as well as the legal regulations related to the preparation and presentation of the Consolidated Financial Statements; and responsible for the internal control as the Board of Directors determines necessary to enable the preparation and presentation of the Consolidated Financial Statements to be free from material misstatement due to fraud or error.

Responsibility of Auditors

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 ethical standards and requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements of the Group 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 Group's preparation and true and fair presentation of the Consolidated Financial Statements 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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion.

Opinion of Auditors

In our opinion, the Consolidated Financial Statements referred to above give a true and fair view, in all material respects, of the consolidated financial position as of 31 December 2019, the consolidated financial performance and the consolidated cash flows for the fiscal year then ended of the Group in conformity with the Vietnamese Accounting Standards and System as well as legal regulations related the preparation and presentation of Consolidated Financial Statements.

For and on behalf of  
A&C Auditing and Consulting Co., Ltd.



Nguyen Minh Tri  
Deputy General Director

Audit Practice Registration Certificate  
No. 0089-2018-008-1

Ho Chi Minh City, 06 April, 2020



Hoang Thai Vuong  
Auditor

Audit Practice Registration Certificate  
No. 2129-2018-008-1



# CONSOLIDATED BALANCE SHEET

For the fiscal year ended 31 December 2019

Unit: VND

ITEMS	CODE	NOTE	ENDING BALANCE	BEGINNING BALANCE
<b>A CURRENT ASSETS</b>	<b>100</b>		<b>1,187,770,152,906</b>	<b>1,391,476,968,171</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>185,545,788,383</b>	<b>172,567,048,493</b>
1. Cash	111		181,545,788,383	152,567,048,493
2. Cash equivalents	112		4,000,000,000	20,000,000,000
<b>II. Short-term financial investments</b>	<b>120</b>		<b>44,267,969,361</b>	<b>112,264,578,609</b>
1. Trading securities	121	V.2a	83,409,810,665	140,694,265,680
2. Provisions for devaluation of trading securities	122	V.2a	(42,841,841,304)	(61,529,687,071)
3. Held-to-maturity investments	123	V.2b	3,700,000,000	33,100,000,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>787,249,150,460</b>	<b>948,717,189,064</b>
1. Short-term trade receivables	131	V.3	366,913,853,716	415,572,537,439
2. Short-term prepayments to suppliers	132	V.4a	150,628,682,211	313,407,557,232
3. Short-term inter-company receivables	133		-	-
4. Receivable according to the progress of construction contract	134		-	-
5. Receivables for short-term loans	135	V.5	29,890,000,000	25,110,000,000
6. Other short-term receivables	136	V.6a	248,569,466,319	204,403,043,787
7. Allowance for short-term doubtful debts	137	V.7	(8,752,851,786)	(9,775,949,394)
8. Deficit assets for treatment	139		-	-
<b>IV. Inventories</b>	<b>140</b>		<b>78,380,973,226</b>	<b>65,547,974,159</b>
1. Inventories	141	V.8	81,502,181,686	68,666,483,779
2. Allowance for inventories	149	V.8	(3,121,208,460)	(3,118,509,620)
<b>V. Other current assets</b>	<b>150</b>		<b>92,326,271,476</b>	<b>92,380,177,846</b>
1. Short-term prepaid expenses	151	V.9a	10,084,640,619	18,685,914,248
2. Deductible VAT	152		77,345,950,952	67,247,820,601
3. Taxes and other receivables from the State	153	V.18	4,895,679,905	6,446,442,997
4. Trading Government bonds	154		-	-
5. Other current assets	155		-	-

ITEMS	CODE	NOTE	ENDING BALANCE	BEGINNING BALANCE
<b>B - NON-CURRENT ASSETS</b>	<b>200</b>		<b>8,932,136,744,096</b>	<b>8,592,586,275,948</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>35,083,378,013</b>	<b>54,548,228,370</b>
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212	V.4b	358,000,000	358,000,000
3. Working capital in affiliates	213		-	-
4. Long-term inter-company receivables	214		-	-
5. Receivables for long-term loans	215		-	-
6. Other long-term receivables	216	V.6b	34,725,378,013	54,190,228,370
7. Allowance for long-term doubtful debts	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>3,345,274,223,419</b>	<b>3,404,108,820,531</b>
1. Tangible fixed assets	221	V.10	2,916,128,041,718	2,919,498,474,108
- Historical cost	222		4,832,622,857,685	4,493,007,287,938
- Accumulated depreciation	223		(-1,916,494,815,967)	(-1,573,508,813,830)
2. Financial leased assets	224	V.11	159,869,253,562	203,471,422,418
- Historical cost	225		259,738,889,560	259,292,255,153
- Accumulated depreciation	226		(99,869,635,998)	(55,820,832,735)
3. Intangible fixed assets	227	V.12	269,276,928,139	281,138,924,005
- Initial cost	228		347,724,397,901	346,696,893,881
- Accumulated amortization	229		(78,447,469,762)	(65,557,969,876)
<b>III. Investment property</b>	<b>230</b>		<b>-</b>	<b>-</b>
- Historical costs	231		-	-
- Accumulated depreciation	232		-	-
<b>IV. Long-term assets in process</b>	<b>240</b>		<b>1,799,802,914,004</b>	<b>1,707,554,353,910</b>
1. Long-term work in process	241		-	-
2. Construction-in-progress	242	V.13	1,799,802,914,004	1,707,554,353,910
<b>V. Long-term financial investments</b>	<b>250</b>		<b>2,684,481,348,160</b>	<b>2,631,526,440,205</b>
1. Investments in subsidiaries	251		-	-
2. Investments in joint ventures and associates	252	V.2c	2,481,007,591,207	2,408,854,342,493
3. Investments in other entities	253	V.2d	206,581,032,000	238,333,032,000
4. Provisions for devaluation of long-term financial investments	254	V.2d	(3,107,275,047)	(15,660,934,288)
5. Held-to-maturity investments	255		-	-
<b>VI. Other non-current assets</b>	<b>260</b>		<b>1,067,494,880,500</b>	<b>794,848,432,932</b>
1. Long-term prepaid expenses	261	V.9b	676,460,835,521	709,062,974,706
2. Deferred income tax assets	262	V.14	94,280,850,909	30,485,029,379
3. Long-term components and spare parts	263		-	-
4. Other non-current assets	268		-	-
5. Goodwill	269	V.15	296,753,194,070	55,300,428,847
<b>TOTAL ASSETS</b>	<b>270</b>		<b>10,119,906,897,002</b>	<b>9,984,063,244,119</b>



# CONSOLIDATED BALANCE SHEET

(Cont.)

For the fiscal year ended 31 December 2019

Unit: VND

	ITEMS	CODE	NOTE	ENDING BALANCE	BEGINNING BALANCE
<b>C -</b>	<b>LIABILITIES</b>	<b>300</b>		<b>3,552,650,031,380</b>	<b>3,455,080,797,582</b>
<b>I.</b>	<b>Current liabilities</b>	<b>310</b>		<b>1,828,483,009,231</b>	<b>1,564,164,959,918</b>
1.	Short-term trade payables	311	V.16	422,801,324,306	403,579,649,960
2.	Short-term advances from customers	312	V.17	131,371,902,987	4,780,274,288
3.	Taxes and other obligations to the State Budget	313	V.18	84,738,031,413	31,037,822,817
4.	Payables to employees	314	V.19	54,637,591,528	64,434,393,519
5.	Short-term accrued expenses	315	V.20	168,100,913,409	167,617,217,603
6.	Short-term inter-company payables	316		-	-
7.	Payable according to the progress of construction contracts	317		-	-
8.	Short-term unearned revenue	318	V.21a	5,234,940,031	-
9.	Other short-term payables	319	V.22a	179,612,613,672	108,740,670,393
10.	Short-term borrowings and financial leases	320	V.23a	651,869,390,233	675,007,320,722
11.	Provisions for short-term payables	321	V.24	68,156,661,011	66,507,460,107
12.	Bonus and welfare funds	322	V.25	61,959,640,641	42,460,150,509
13.	Price stabilization fund	323		-	-
14.	Trading Government bonds	324		-	-
<b>II.</b>	<b>Non-current liabilities</b>	<b>330</b>		<b>1,724,167,022,149</b>	<b>1,890,915,837,664</b>
1.	Long-term trade payables	331		-	-
2.	Long-term advances from customers	332		-	-
3.	Long-term accrued expenses	333		-	-
4.	Inter-company payables for working capital	334		-	-
5.	Long-term inter-company payables	335		-	-
6.	Long-term unearned revenue	336	V.21b	223,677,508,700	230,488,858,099
7.	Other long-term payables	337	V.22b	74,872,092,260	68,333,658,840
8.	Long-term borrowings and financial leases	338	V.23b	1,425,617,421,189	1,591,981,449,040
9.	Convertible bonds	339		-	-
10.	Preferred shares	340		-	-
11.	Deferred income tax liability	341	V.26	-	111,871,685
12.	Provisions for long-term payables	342		-	-
13.	Science and technology development fund	343		-	-

# CONSOLIDATED BALANCE SHEET

(Cont.)

For the fiscal year ended 31 December 2019

Unit: VND

	ITEMS	CODE	NOTE	ENDING BALANCE	BEGINNING BALANCE
<b>D -</b>	<b>Owner's equity</b>	<b>400</b>		<b>6,567,256,865,622</b>	<b>6,528,982,446,537</b>
<b>I.</b>	<b>Owner's equity</b>	<b>410</b>		<b>6,567,256,865,622</b>	<b>6,528,982,446,537</b>
1.	Capital	411	V.27	2,969,249,570,000	2,969,249,570,000
-	Ordinary shares carrying voting rights	411a		2,969,249,570,000	2,969,249,570,000
-	Preferred shares	411b		-	-
2.	Share premiums	412	V.27	1,941,832,197,040	1,941,832,197,040
3.	Bond conversion options	413		-	-
4.	Other sources of capital	414	V.27	71,797,775,902	71,797,775,902
5.	Treasury stocks	415		-	-
6.	Differences on asset revaluation	416		-	-
7.	Foreign exchange differences	417	V.27	96,692,165,949	88,120,738,511
8.	Investment and development fund	418	V.27	152,636,937,352	140,506,685,321
9.	Business arrangement supporting fund	419		-	-
10.	Other funds	420	V.27	138,163,837,156	127,122,474,017
11.	Retained earnings	421	V.27	505,387,726,304	541,644,403,653
-	Retained earnings accumulated to the end of the previous period	421a		-	541,644,403,653
-	Retained earnings of the current period	421b		505,387,726,304	-
12.	Construction investment fund	422		-	-
13.	Benefits of non-controlling shareholders	429	V.27	691,496,655,919	648,708,602,093
<b>II.</b>	<b>Other sources and funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
1.	Sources of expenditure	431		-	-
2.	Fund to form fixed assets	432		-	-
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>		<b>440</b>		<b>10,119,906,897,002</b>	<b>9,984,063,244,119</b>

Ho Chi Minh City, 06 April, 2020

**Pham Quang Huy**  
Preparer

**Nguyen Minh Nguyet**  
Chief Accountant



**Do Van Minh**  
General Director



# CONSOLIDATED INCOME STATEMENT

For the fiscal year ended 31 December 2019

Unit: VND

ITEMS	CODE	NOTE	CURRENT YEAR	PREVIOUS YEAR
1. Sales	01	VI.1	2,642,913,926,204	2,707,556,390,735
2. Sales deductions	02		-	-
3. Net sales	10		2,642,913,926,204	2,707,556,390,735
4. Cost of sales	11	VI.2	1,630,141,018,915	1,739,451,058,619
5. Gross profit	20		1,012,772,907,289	968,105,332,116
6. Financial income	21	VI.3	107,487,686,417	1,625,363,701,675
7. Financial expenses	22	VI.4	146,510,028,288	43,698,716,269
<i>In which: Loan interest expenses</i>	23		145,399,814,157	128,796,150,372
8. Gain or loss in joint ventures, associates	24	V.2c	236,158,202,752	132,537,689,049
9. Selling expenses	25	VI.5	137,995,085,033	102,006,248,164
10. General and administration expenses	26	VI.6	330,636,183,944	320,526,194,092
11. Net operating profit	30		741,277,499,193	2,259,775,564,315
12. Other income	31	VI.7	18,959,361,175	29,311,992,257
13. Other expenses	32	VI.8	55,606,456,559	106,947,870,911
14. Other profit/ (loss)	40		(36,647,095,384)	(77,635,878,654)
15. Total accounting profit before tax	50		704,630,403,809	2,182,139,685,661
16. Current income tax	51	V.18	154,969,045,025	285,761,875,411
17. Deferred income tax	52	VI.9	(63,907,693,215)	(3,872,615,152)
18. Profit after tax	60		613,569,051,999	1,900,250,425,402
19. Profit after tax of the Parent Company	61		517,028,616,025	1,847,718,123,862
20. Profit after tax of non-controlling shareholders	62		96,540,435,974	52,532,301,540
21. Basic earnings per share	70	VI.10	1,602	6,207
22. Diluted earnings per share	71	VI.10	1,602	6,207

Ho Chi Minh City, 06 April, 2020

Pham Quang Huy  
Preparer

Nguyen Minh Nguyet  
Chief Accountant



Do Van Minh  
General Director

# CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

For the fiscal year ended 31 December 2019

Unit: VND

ITEMS	CODE	NOTE	CURRENT YEAR	PREVIOUS YEAR
<b>I. Cash flows from operating activities</b>				
1. Profit before tax	01		704,630,403,809	2,182,139,685,661
<b>2. Adjustments</b>				
- Depreciation of fixed assets and investment properties	02		366,059,069,169	335,232,703,722
- Provisions and allowances	03	V.2; V.7	(22,694,937,043)	(122,892,338,839)
- Exchange gain/ (loss) due to revaluation of monetary items in foreign currencies	04	VI.3; VI.4	(1,763,485,602)	17,639,944,462
- Gain/ (loss) from investing activities	05	"V.2c; VI.3; VI.4; VI.7; VI.8"	(278,102,500,172)	(1,523,621,758,771)
- Interest expenses	06	VI.4	145,399,814,157	128,796,150,372
- Others	07		-	-
3. Operating profit before changes of working capital	08		913,528,364,318	1,017,294,386,607
- Increase/ (decrease) of receivables	09		133,530,475,472	12,097,650,902
- Increase/ (decrease) of inventories	10		(12,835,697,907)	15,577,001,482
- Increase/ (decrease) of payables	11		211,911,993,712	(16,602,255,057)
- Increase/ (decrease) of prepaid expenses	12		30,326,050,313	(48,506,138,875)
- Increase/ (decrease) of trading securities	13	V.2a	57,284,455,015	-
- Interests paid	14	V.20; VI.4	(143,807,600,246)	(131,292,119,030)
- Corporate income tax paid	15	V.18	(100,596,252,515)	(273,268,027,773)
- Other cash inflows	16		-	-
- Other cash outflows	17		(31,901,906,146)	(30,015,000,134)
Net cash flows from operating activities	20		1,057,439,882,016	545,285,498,122



CONSOLIDATED CASH FLOW STATEMENT (Cont.)

For the fiscal year ended 31 December 2019 Unit: VND

ITEMS	CODE	NOTE	CURRENT YEAR	PREVIOUS YEAR
II. Cash flows from investing activities				
1. Purchases and construction of fixed assets and other non-current assets	21		(379,341,317,317)	(875,894,805,990)
2. Proceeds from disposals of fixed assets and other non-current assets	22		13,307,005,560	23,738,902,504
3. Cash outflow for lending, buying debt instruments of other entities	23		(21,165,460,000)	(180,657,840,992)
4. Cash recovered from lending, selling debt instruments of other entities	24		14,185,460,000	187,092,840,992
5. Investments into other entities	25		(299,916,547,913)	(238,367,453,817)
6. Withdrawals of investments in other entities	26		151,629,726,540	1,875,037,192,464
7. Interest earned, dividends and profits received	27	V.2c; V.6; VI.3	144,692,516,098	217,066,104,801
Net cash flows from investing activities	30		(376,608,617,032)	1,008,014,939,962

CONSOLIDATED CASH FLOW STATEMENT (Cont.)

For the fiscal year ended 31 December 2019 Unit: VND

ITEMS	CODE	NOTE	CURRENT YEAR	PREVIOUS YEAR
III. Cash flows from financing activities				
1. Proceeds from issuing stocks and capital contributions from owners	31	V.27	-	86,480,000,000
2. Repayment for capital contributions and re-purchases of stocks already issued	32			
3. Proceeds from borrowings	33		826,032,123,593	1,245,028,811,235
4. Repayment for loan principal	34		(959,141,196,295)	(618,723,219,047)
5. Payments for financial leased assets	35		(55,979,121,000)	(31,919,524,446)
6. Dividends and profit paid to the owners	36		(478,420,835,105)	(2,840,778,555,486)
Net cash flows from financing activities	40		(667,509,028,807)	(2,159,912,487,744)
Net cash flows during the year	50		13,322,236,177	(606,612,049,660)
Beginning cash and cash equivalents	60	V.1	172,567,048,493	779,802,200,597
Effects of fluctuations in foreign exchange rates	61		(343,496,287)	(623,102,444)
Ending cash and cash equivalents	70	V.1	185,545,788,383	172,567,048,493

Ho Chi Minh City, 06 April, 2020

Pham Quang Huy  
Preparer

Nguyen Minh Nguyet  
Chief Accountant

Do Van Minh  
General Director

# APPENDIX 01: THE OWNERSHIP OF THE GROUP IN JOINT-VENTURES, ASSOCIATES

For the fiscal year ended 31 December 2019

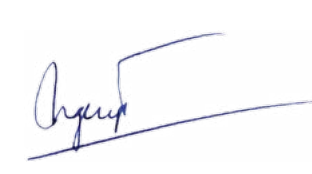
Unit: VND

	Beginning value of the ownership	Capital increase	Decrease due to transfer of capital	Gain or loss during the year	Dividends shared during the year	Appropriation for bonus and welfare funds during the year	Other decrease	Ending value of the ownership
Gemadept – Terminal Link Cai Mep Terminal J.S.C.	1,354,304,784,563	-	-	(18,931,757,638)	-	-	-	1,335,373,026,925
Saigon Cargo Service Corporation (SCSC Corp.)	492,213,575,143	-	(17,432,119,486)	204,060,608,774	(137,476,845,500)	(10,601,076,095)	-	530,764,142,836
CJ Gemadept Logistics Holdings Company Limited	160,025,850,670	-	-	29,505,900,121	-	(1,637,931,153)	-	187,893,819,638
K'Line – Gemadept Logistics Co., Ltd.	111,614,774,743	-	-	4,729,808,045	-	-	-	116,344,582,788
CJ Gemadept Shipping Holdings Company Limited	91,497,243,877	-	-	14,346,385,724	-	(1,977,999,057)	-	103,865,630,544
Golden Globe Co., Ltd.	94,595,584,086	8,831,725,000	-	(626,945,298)	-	-	-	102,800,363,788
Golden Globe Trading Co., Ltd.	64,013,045,442	-	-	3,914,738,711	-	-	(2,858,233,528)	65,069,550,625
Foodstuff Combina Torial Joint Stock Company	29,448,958,352	-	-	(2,210,225,609)	-	-	-	27,238,732,743
Other joint-ventures, associates	11,140,525,617	-	-	1,369,689,922	(674,940,000)	(177,534,219)	-	11,657,741,320
<b>Total</b>	<b>2,408,854,342,493</b>	<b>8,831,725,000</b>	<b>(17,432,119,486)</b>	<b>236,158,202,752</b>	<b>(138,151,785,500)</b>	<b>(14,394,540,524)</b>	<b>(2,858,233,528)</b>	<b>2,481,007,591,207</b>

Ho Chi Minh City, 06 April, 2020



**Pham Quang Huy**  
Preparer



**Nguyen Minh Nguyet**  
Chief Accountant



**Do Van Minh**  
General Director



## APPENDIX 02: INCREASES/ (DECREASES) OF CONSTRUCTION-IN-PROGRESS

For the fiscal year ended 31 December 2019

Unit: VND

	Beginning balance	Increase due to combination	Increase during the year	Inclusion into fixed assets during the year	Other increase/decrease	Ending balance
<b>Acquisition of fixed assets</b>	<b>67,895,408,765</b>	<b>-</b>	<b>64,122,952,618</b>	<b>(81,194,022,998)</b>	<b>-</b>	<b>50,824,338,385</b>
<b>Construction-in-progress</b>	<b>1,639,658,945,145</b>	<b>17,823,894,242</b>	<b>155,075,758,659</b>	<b>(15,233,815,454)</b>	<b>(48,346,206,973)</b>	<b>1,748,978,575,619</b>
Rach Chiec Residential Area	51,165,085,825	-	-	-	-	51,165,085,825
Pacific Pride Rubber Trees	741,938,068,630	-	41,743,975,440	-	(31,318,586,680)	752,363,457,390
Pacific Pearl Rubber Trees	381,155,471,670	-	25,780,657,735	-	277,027,024	407,213,156,429
Pacific Lotus Rubber Trees	465,400,319,020	-	19,103,196,808	-	(17,304,647,317)	467,198,868,511
Nam Dinh Vu Port	-	-	58,526,036,987	-	-	58,526,036,987
Renovation for base and yard of Binh An oil factory	-	17,823,894,242	5,052,728,927	(15,233,815,454)	-	7,642,807,715
Other projects	-	-	4,869,162,762	-	-	4,869,162,762
<b>Total</b>	<b>1,707,554,353,910</b>	<b>17,823,894,242</b>	<b>219,198,711,277</b>	<b>(96,427,838,452)</b>	<b>(48,346,206,973)</b>	<b>1,799,802,914,004</b>

Ho Chi Minh City, 06 April, 2020



**Pham Quang Huy**  
Preparer



**Nguyen Minh Nguyet**  
Chief Accountant



**Do Van Minh**  
General Director

# APPENDIX 03: STATEMENT OF FLUCTUATION IN OWNER'S EQUITY

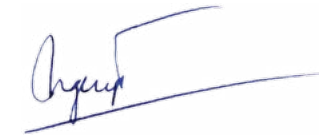
For the fiscal year ended 31 December 2019

Unit: VND

	Capital	Share premiums	Other sources of capital	Exchange difference	Investment and development fund	Other funds	Retained earnings	Benefits of non-controlling shareholders	Total
Beginning balance of the previous year	2,882,769,570,000	1,941,832,197,040	71,797,775,902	65,512,288,857	140,506,685,321	128,055,807,347	1,113,091,207,224	750,971,550,398	7,094,537,082,089
Capital increased during the year	86,480,000,000	-	-	-	-	-	-	-	86,480,000,000
Profit during the year	-	-	-	-	-	-	1,847,718,123,862	52,532,301,540	1,900,250,425,402
Appropriation for funds during the year	-	-	-	-	-	-	(40,962,084,068)	(388,962,045)	(41,351,046,113)
Dividends shared during the year	-	-	-	-	-	-	(2,319,187,656,000)	(48,102,644,561)	(2,367,290,300,561)
Disbursement during the year	-	-	-	-	-	(933,333,330)	-	-	(933,333,330)
Transfer and dissolution of subsidiaries	-	-	-	-	-	-	(39,411,599,353)	(106,303,643,239)	(145,715,242,592)
Other increases/ (decreases)	-	-	-	22,608,449,654	-	-	(19,603,588,012)	-	3,004,861,642
<b>Ending balance of the previous year</b>	<b>2,969,249,570,000</b>	<b>1,941,832,197,040</b>	<b>71,797,775,902</b>	<b>88,120,738,511</b>	<b>140,506,685,321</b>	<b>127,122,474,017</b>	<b>541,644,403,653</b>	<b>648,708,602,093</b>	<b>6,528,982,446,537</b>
Beginning balance of the current year	2,969,249,570,000	1,941,832,197,040	71,797,775,902	88,120,738,511	140,506,685,321	127,122,474,017	541,644,403,653	648,708,602,093	6,528,982,446,537
Receipt of contribution capital during the year	-	-	-	-	-	-	-	14,000,000,000	14,000,000,000
Profit during the year	-	-	-	-	-	-	517,028,616,025	96,540,435,974	613,569,051,999
Appropriation for funds belonging to owner's equity	-	-	-	-	12,130,252,031	12,130,252,031	(24,260,504,062)	-	-
Appropriation for bonus and welfare funds	-	-	-	-	-	-	(55,313,269,900)	(2,614,260,774)	(57,927,530,674)
Dividends shared during the year	-	-	-	-	-	-	(445,387,435,500)	(60,078,040,980)	(505,465,476,480)
Disbursement during the year	-	-	-	-	-	(1,088,888,892)	-	-	(1,088,888,892)
Decrease due to combination	-	-	-	-	-	-	(20,338,264,126)	(5,060,080,394)	(25,398,344,520)
Decrease due to dissolution of subsidiaries	-	-	-	-	-	-	(1,292,789,450)	-	(1,292,789,450)
Other increases/ (decreases)	-	-	-	8,571,427,438	-	-	(6,693,030,336)	-	1,878,397,102
<b>Ending balance of the current year</b>	<b>2,969,249,570,000</b>	<b>1,941,832,197,040</b>	<b>71,797,775,902</b>	<b>96,692,165,949</b>	<b>152,636,937,352</b>	<b>138,163,837,156</b>	<b>505,387,726,304</b>	<b>691,496,655,919</b>	<b>6,567,256,865,622</b>



Pham Quang Huy  
Preparer



Nguyen Minh Nguyen  
Chief Accountant



Do Van Minh  
General Director



## APPENDIX 04: SEGMENT INFORMATION ACCORDING TO THE BUSINESS SEGMENTS

For the fiscal year ended 31 December 2019

Unit: VND

	Port operation	Logistic services	Trading real estate	Planting rubber trees	Deductions	Total
<b>Current year</b>						
Net external sales	2,338,039,480,007	303,409,172,942	1,465,273,255	-		2,642,913,926,204
Net inter-segment sales	313,807,116,779	106,385,281,138	-		(420,192,397,917)	-
<b>Total net sales</b>	<b>2,651,846,596,786</b>	<b>409,794,454,080</b>	<b>1,465,273,255</b>	<b>-</b>	<b>(420,192,397,917)</b>	<b>2,642,913,926,204</b>
Segment financial performance	633,023,280,692	(41,704,988,949)	1,465,273,255	(14,154,111,766)	95,393,983	578,724,847,215
Expenses not attributable to segments						(34,583,208,903)
Operating profit						544,141,638,312
Financial income						107,487,686,417
Financial expenses						(146,510,028,288)
Other income						18,959,361,175
Other expenses						(55,606,456,559)
Gain or loss in associates and joint ventures	(18,931,757,638)	251,802,166,977	3,287,793,413	-	-	236,158,202,752
Current income tax						(154,969,045,025)
Deferred income tax						63,907,693,215
<b>Profit after tax</b>						<b>613,569,051,999</b>
<b>Total expenses on acquisition of fixed assets and other non-current assets</b>	<b>267,780,324,758</b>	<b>69,065,453,840</b>	<b>-</b>	<b>62,860,022,235</b>	<b>-</b>	<b>399,705,800,833</b>
<b>Total depreciation/ (amortization) and allocation of long-term prepayments</b>	<b>256,275,798,733</b>	<b>122,941,835,332</b>	<b>-</b>	<b>594,484,854</b>	<b>-</b>	<b>379,812,118,919</b>
<b>Total remarkable non-cash expenses (except for depreciation/ (amortization) and allocation of long-term prepayments)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## APPENDIX 04: SEGMENT INFORMATION

### ACCORDING TO THE BUSINESS SEGMENTS (Cont.)

For the fiscal year ended 31 December 2019

Unit: VND

	Port operation	Logistic services	Trading real estate	Planting rubber trees	Deductions	Total
<b>Previous year</b>						
Net external sales	2,278,542,369,971	426,235,946,792	2,778,073,972	-		2,707,556,390,735
Net inter-segment sales	317,433,578,169	244,811,202,530	-		(562,244,780,699)	-
<b>Total net sales</b>	<b>2,595,975,948,140</b>	<b>671,047,149,322</b>	<b>2,778,073,972</b>	<b>-</b>	<b>(562,244,780,699)</b>	<b>2,707,556,390,735</b>
Segment financial performance	629,757,965,276	(31,334,112,873)	2,778,073,972	(13,883,051,946)	(11,387,644,376)	575,931,230,053
Expenses not attributable to segments						(30,358,340,193)
Operating profit						545,572,889,860
Financial income						1,625,363,701,675
Financial expenses						(43,698,716,269)
Other income						29,311,992,257
Other expenses						(106,947,870,911)
Gain or loss in associates and joint ventures	(12,820,960,675)	141,951,389,423	3,407,260,301	-	-	132,537,689,049
Current income tax						(285,761,875,411)
Deferred income tax						3,872,615,152
<b>Profit after tax</b>						<b>1,900,250,425,402</b>
<b>Total expenses on acquisition of fixed assets and other non-current assets</b>	<b>256,706,399,752</b>	<b>489,152,996,461</b>	<b>-</b>	<b>86,082,049,713</b>	<b>-</b>	<b>831,941,445,926</b>
<b>Total depreciation/ (amortization) and allocation of long-term prepayments</b>	<b>262,850,649,592</b>	<b>90,044,811,936</b>	<b>-</b>	<b>781,352,054</b>	<b>-</b>	<b>353,676,813,582</b>
<b>Total remarkable non-cash expenses (except for depreciation/ (amortization) and allocation of long-term prepayments)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## APPENDIX 04: SEGMENT INFORMATION

### ACCORDING TO THE BUSINESS SEGMENTS (Cont.)

For the fiscal year ended 31 December 2019

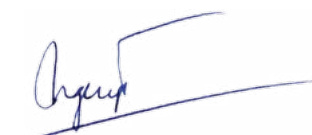
Unit: VND

	Port operation	Logistic services	Trading real estate	Planting rubber trees	Deductions	Total
<b>Ending balance</b>						
Direct assets of segment	4,954,402,181,998	2,240,748,340,482	164,807,887,558	2,459,822,409,549	-	9,819,780,819,587
Unallocated assets						300,126,077,415
<b>Total assets</b>						<b>10,119,906,897,002</b>
Direct liabilities of segment	1,519,241,616,566	1,037,378,177,011	-	963,585,165,353	-	3,520,204,958,930
Unallocated liabilities						32,445,072,450
<b>Total liabilities</b>						<b>3,552,650,031,380</b>
<b>Beginning balance</b>						
Direct assets of segment	4,737,958,643,540	2,348,721,447,578	156,904,086,989	2,493,378,341,067		9,736,962,519,174
Unallocated assets						247,100,724,945
<b>Total assets</b>						<b>9,984,063,244,119</b>
Direct liabilities of segment	1,482,684,176,733	943,792,575,558	-	1,002,576,950,853	-	3,429,053,703,144
Unallocated liabilities						26,027,094,438
<b>Total liabilities</b>						<b>3,455,080,797,582</b>

Ho Chi Minh City, 06 April, 2020



**Pham Quang Huy**  
Preparer



**Nguyen Minh Nguyet**  
Chief Accountant



**Do Van Minh**  
General Director



GEMADEPT CORPORATION

**30 NĂM - ĐỒNG HÀNH VÀ PHÁT TRIỂN**  
**30 YEARS - PARTNERSHIP AND DEVELOPMENT**





**GEMADEPT CORPORATION**

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