



THE WAY FORWARD



IR Newsletter

Q2 - 2023



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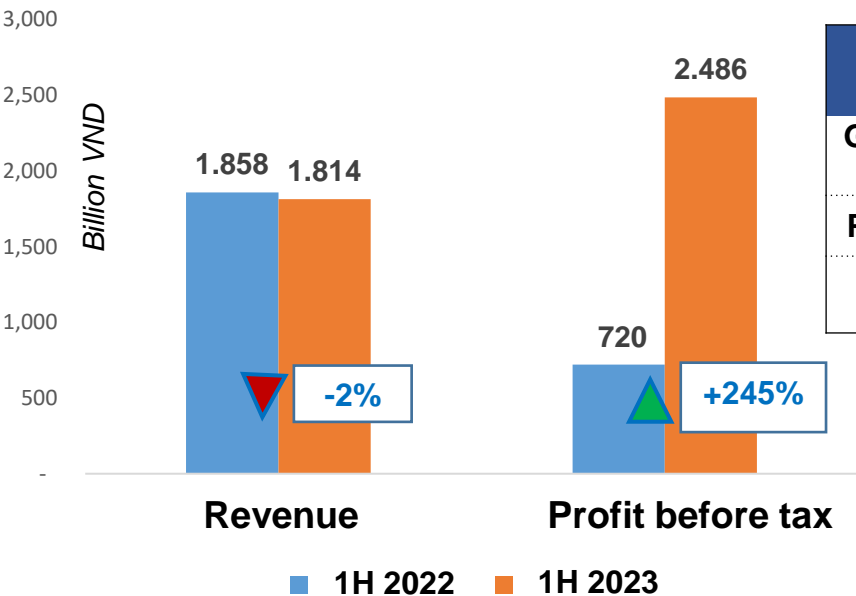


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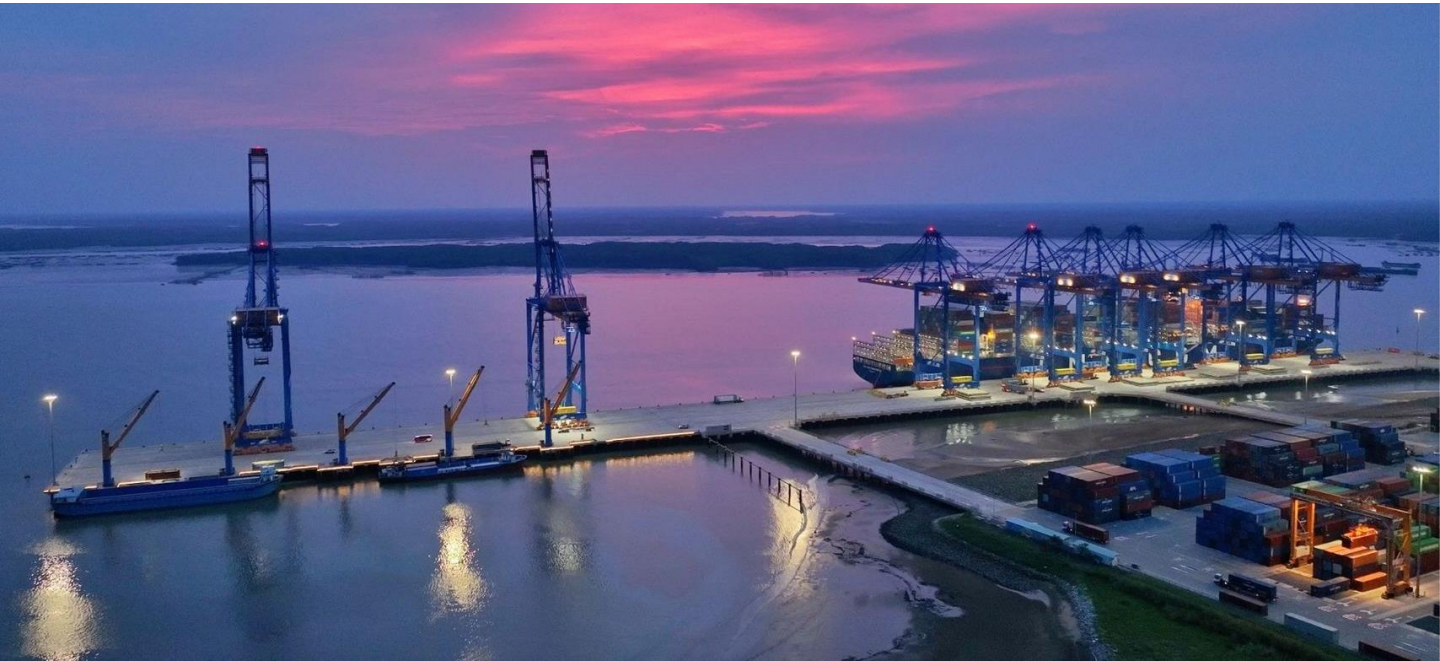
GEMADEPT BUSINESS RESULTS IN 1H/2023 PERSISTENTLY MOVING FORWARD



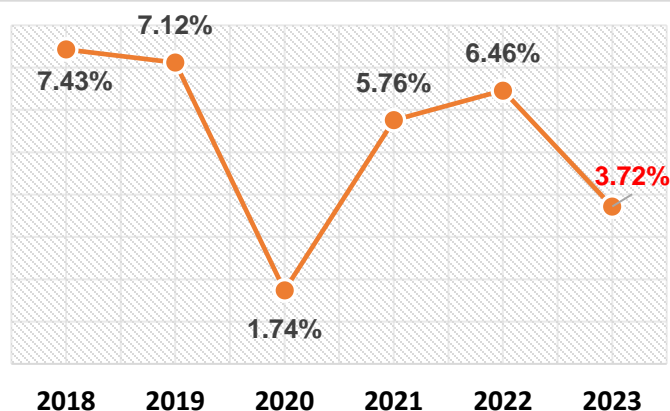
	1H 2023	1H 2022
Gross Profit Margin	47%	42%
PBT Margin	137%	39%
EBITDA Margin	151%	52%

TOWARDS THE FUTURE

Overcoming the first months of 2023 with many difficulties and challenges, the market's positive signals have been witnessed from the end of Q2 along with expectations for the last 6 months of the year. By recognizing the situation of the market, together with great efforts, GMD has found solutions to manage, operate, and overcome all obstacles, get ready to seize opportunities from the market's prosperity in the coming period.



VIETNAM'S GDP GROWTH IN 1H/2023

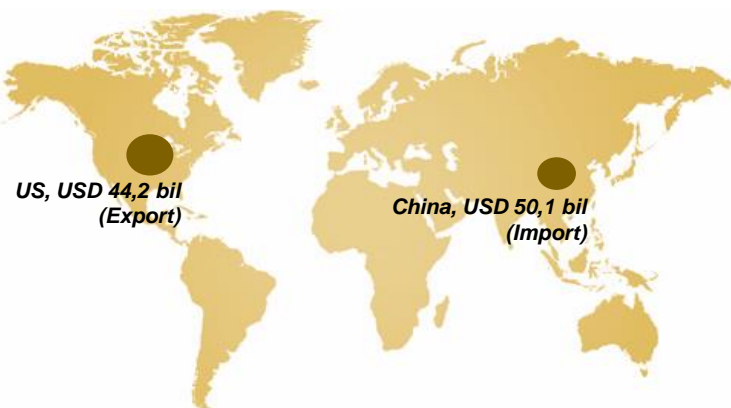


The Gross Domestic Product (GDP) in 1H/2023 increased by **3.72%** compared to the same period in 2022, which is the second lowest growth rate during the period 2011–2022.

The socio-economic situation in the 1H/2023 faced numerous difficulties, the Russia-Ukraine War dragging on, global inflation cooled down but remained high. Central banks of many countries still pursue tight monetary policies, which strongly affects economic growth, investment, consumption, etc.

Source: GSO

IMPORT & EXPORT OF GOODS



The total imports and exports in the 1H/2023 reached **USD 316.65 billion**, decreased by **15.15%** compared to the same period in 2022.

USD 152.2 Bil

Import

- 18,2%

USD 164.45 Bil

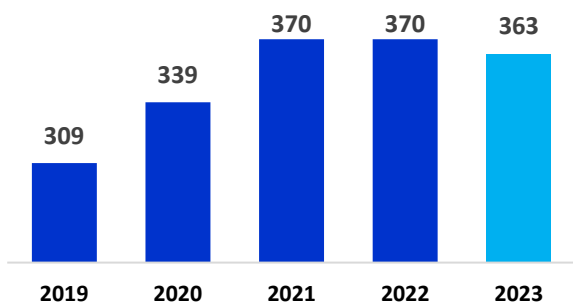
Export

- 12,1%

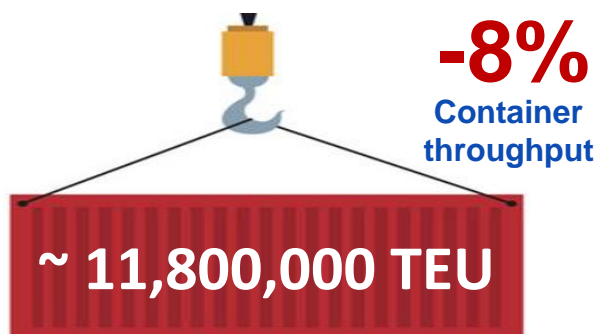
Source: GSO

The 2 largest import-export markets of Vietnam in 1H/2023

CARGO THROUGHPUT VIA VIETNAM'S PORTS



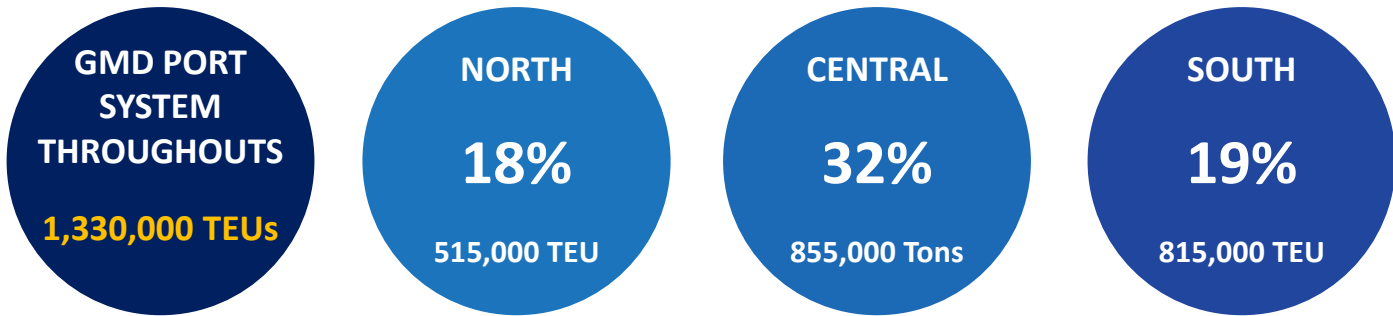
The total volume of port throughput in 1H during the period 2019 – 2023 (million tons)



In the 1H/2023, the estimated total volume of port throughput reached **362.7 million** tons, down by **2%** compared to the same period in 2022. Container cargo throughput reached **11.8 million** TEUs, down by **8%** over the same period.

Source: Vietnam Maritime Administration

GEMADEPT PORT SYSTEM'S THROUGHPUTS & MARKET SHARE IN 1H/2023



GEMADEPT OVERCAME CHALLENGES TO FACE THE FUTURE

- In the first 6 months of 2023, the picture of the global economy continued to be bleak. Inflation was not under control, leading to interest rate hiked in many countries. Monetary policy also stayed tight, credit conditions were less favorable, the labor market was weak, and energy prices were still high. Even though China has "reopened", it was still not enough to "improve the global economic context". According to the World Bank, global growth will slow to 2.1% in 2023, reflecting a marked deceleration in advanced economies.
- Vietnam's economy was also negatively affected. Import and export dropped sharply, GDP growth was only ½ of the same period in 2022, and cargo volume throughput through Vietnam's ports was less prosperous. Accordingly, the cargo volume through the Gemadept port system was also affected. However, the Company's result was still better than others in the region.
- The throughput of containers through the Gemadept port system reached more than **1,330,000 TEUs** in the first 6 months of the year. The volume of containers in Q2 noticeably had a good recovery compared to Q1/2023, reflecting the Company's efforts to surpass the general difficulties of the market.
- Also in Q2/2023, Gemadept held the **opening ceremony of Nam Dinh Vu Port Cluster phase 2 and successfully completed the transfer of Nam Hai Dinh Vu Port** in Hai Phong. Towards the future, the Company will accelerate the investment in phase 3 of Nam Dinh Vu Port Cluster, which is planned to be put into operation in 2025 and, when completed, will become the largest river port cluster in the North, able to receive feeder vessels and the largest Intra-Asia vessels in the river port area.



GEMADEPT INAUGURATES PHASE 2 OF NAM DINH VU PORT CLUSTER

On May 24, Gemadept held the opening ceremony of Phase 2 of Nam Dinh Vu Port Cluster. With an area of 42 hectares of two phases, a berth length of 880m, and a capacity of 1.2 million Teus/year, NDV can receive feeder vessels and the largest intra-Asia vessels in the river port area. Noticeably, the Port can accommodate 3-4 feeders at the same time.



After phase 2, phase 3 will continue to be developed, realizing the goal of making Nam Dinh Vu Port the largest river port cluster in the North, meeting the needs of the market, and promoting the strengths of the port system of Gemadept.

It is expected that phase 3 will be put into operation in 2025, raising the total capacity of Nam Dinh Vu Port to 2 million Teus/year. It will include 7 berths with a total length of up to 1.5 km. Accordingly, the Port and Logistics ecosystem of the Company is developed towards a larger, more modern and efficient scale, which will bring more and more outstanding values to customers, partners and contribute to the economy.

GEMALINK WELCOMED THE OOCL PIRAEUS TO VIETNAM

On June 22, 2023, Gemalink port was honored to welcome the mega-vessel OOCL PIRAEUS to Vietnam, safely operating cargo in favorable weather and draft conditions.

Following in the footsteps of the OOCL SPAIN, the OOCL PIRAEUS vessel is the second of twelve container vessels with a capacity of 24,188 TEUs that OOCL has ordered to build since 2020.

OOCL choosing Gemalink Port as a reliable point on its service route once again affirms Gemalink's ability to receive the world's largest generation of container vessels. The Port is able to meet the strict requirements of international shipping lines on transcontinental maritime routes. At the same time, this marks a new development step of Vietnam's maritime industry.

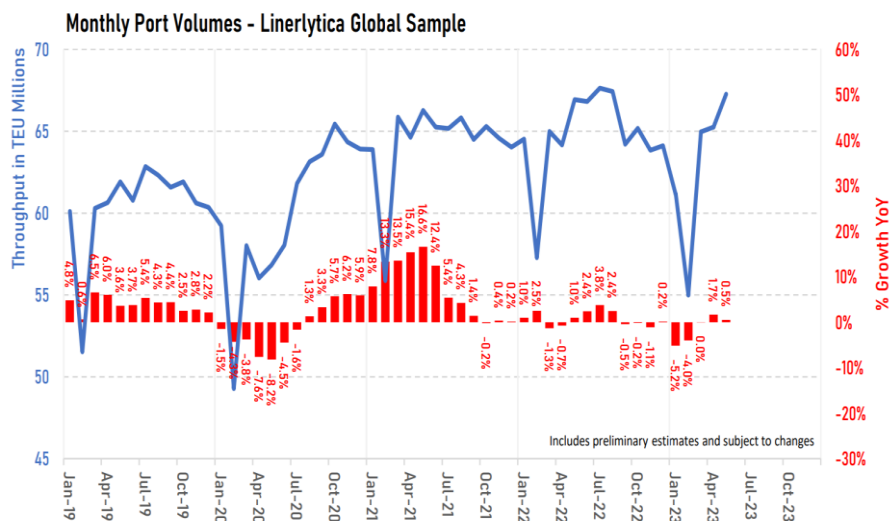
NAM DINH VU PORT OPTIMIZES OPERATION AFTER OFFICIAL LAUNCHING OF PHASE 2

Nam Dinh Vu Port is built and invested synchronously in terms of infrastructure, equipment, and technology according to international standards, being most state-of-the-art and environmentally friendly.

With a sustainable development approach and optimizing operational efficiency, Gemadept is developing the Nam Dinh Vu Port Cluster as well as other ports in Gemadept's ecosystem towards being 'Smarter & Greener'.

On June 12, 2023, Nam Dinh Vu Port received 4 container vessels at the same time and the vessels were released safely and on schedule. The utilization of the Port Cluster after Phase 2 launching is constantly increasing. The Port is expected to reach the maximum utilization for both phases right in this year.

- Global port throughput increased again in Q2, after a steady decline in Q1. However, the increase was modest.
- Global rates have yet to recover. On June 30, Drewry's World Container Index reached \$1,535/FEU, down 78.9% YoY and down 13% QoQ, respectively.
- Global schedule reliability decreases, but was on the trend to increase steadily monthly, from over 50% to nearly 70% in 1H.
- The abandonment rate was gradually decreasing, remaining at a low level of 5% in Q2/2023.



- Newly built vessel capacity delivered in Q2/2023 reached a new record with 632 thousand TEUs. In the 1H/2023, 995 thousand TEUs were handed over, up 34% YoY.
- The trend of building large vessels continued, with 73% of new capacity built in sizes larger than 12,000 TEUs.

PERFORMANCE OF GEMADEPT LOGISTICS

- The shipping market went through a quiet period with freight rates continuously decreased after the record "fever" has passed. For GMD's Logistics, vessel chartering and cold storage operations still achieved positive results, continuing to make a major contribution to the profit of the Company's Logistics sector.
- In a difficult and volatile period, effectiveness in operation and management is always the top priority of GMD. The Company continued to be proactive and flexible to optimally respond to operations and ensure the best service quality and solutions for customers.



CJ GEMADEPT HONORED WITH THE VALUE DRIVER AWARD – SUNTORY PEPSICO VIETNAM'S PARTNER OF 2023

On April 11, 2023, CJ Gemadept Logistics was honored with the Value Driver Award - Partner of the Year at the "Sustainable Development Partners" conference organized by Suntory Pepsico Viet Nam (SPVB). This award recognizes the company's relentless efforts throughout the collaboration and service provision to SPVB in the Mekong Delta and Central Vietnam regions.

The award recognizes the Company's relentless dedication throughout the process of cooperation and service provision for SPVB.



Becoming one of the top partners providing logistics solutions for Suntory PepsiCo, the number 1 beverage brand in Vietnam, is a pride of CJ Gemadept Logistics. That spirit has been expressed by the Company through a series of projects to digitalize processes and improve operational productivity from 2019 until now.

GEMADEPT AND SCSC CONTINUED TO BE HONORED IN THE TOP 50 LISTED COMPANIES 2023 BY FORBES VIETNAM

On June 5, 2023, Forbes Vietnam announced the "Top 50 Listed Companies" in 2023 for the 11th time. With impressive business results, Gemadept Corporation was honored to be in the list for the 7th time.

Gemadept's honor was doubled when SCSC, an affiliate in Gemadept's logistics ecosystem, is honored for the third consecutive year in the list of Top 50 listed companies. In 2022, SCSC continued to achieve positive business results with profit before tax increasing by 15% compared to the same period in 2021.

SCSC is continuing to invest in expanding capacity from 200,000 tons/year to 350,000 tons/year, eager to meet the needs of customers.

DISCOVER MAPLE TREE DC – THE MOST MODERN AND CONVENIENT WAREHOUSE IN THE NORTH

Being one of the distribution centers of the Northern branch of CJ Gemadept Logistics, Maple Tree DC is one of the most professional and convenient DCs, fully meeting the requirements of warehouse operations. Maple Tree has an area of up to 14,000 sqm, a height of up to nearly 11m, a capacity of approximately 20,000 cbm, spacious warehouse doors big enough for container trucks to come in and out.

In addition, Maple Tree is fully equipped with awning system facilities, electric forklift charger, lights, automatic fire protection system, warehouse offices, etc.

Thus, Maple Tree Warehouse can meet all the needs of customers for storing, preserving and transporting goods.

GEMALINK PORTS AND THE POSITIVE DRIVES

➤ WELCOMING PIL'S KOTA CANTIK TO GEMALINK INTERNATIONAL PORT

On July 18, 2023, Gemalink Port was honored to welcome the first vessel of PIL to call at the Port – the KOTA CANTIK on SWS service. With a constant effort to bring the safest and most effective services, Gemalink is a reliable partner of customers, leading shipping lines, having a record of fast and safe release of vessels and cargo management. In the coming time, Gemalink will continue to attract new service routes to call at the port.

➤ HONORED TO WELCOME DELEGATION OF THE ALLIANCE

On the morning of May 24, 2023, Gemalink Port was pleased to welcome the Global Terminal Committee (GTC) delegation including senior managers of THE Alliance (Hapag-Lloyd, ONE, HMM, Yang Ming) to visit and work at Gemalink Port. The delegation received useful information about the operation capacity of Gemalink and the potential of Gemadept Corporation for the next generation of larger container vessels. With competency, experience, and efficient operation, Gemalink is a potential partner of THE Alliance in the near future.

➤ GEMALINK PORT OFFICIALLY LICENSED TO RECEIVE VESSELS WITH DRAFT OF MORE THAN 16 METERS

Gemalink in May was officially licensed by the Maritime Administration - Ministry of Transport to receive vessels with a draft of more than 16m. This further strengthens its position as the leading seaport in the region and allows Gemalink to take on even larger vessels, improving efficiency and reducing transportation costs for customers.

➤ GIVING “WINGS” FOR THE YOUNG GENERATION

Gemalink Port was honored to welcome a group of Gemadept scholarship students on May 29, 2023, and lecturers and students of the Institute of International Education and Training - School of Transport (IEC) in Ho Chi Minh City on June 16, 2023. The visits has helped them increase their knowledge of activities related to the operation of large tonnage container vessels going in and out of the Port. Gemadept is always ready to accompany and share knowledge and experience to help nurture the young generations who will become future owners of the country.



GEMALINK PHASE 2

- Gemalink Port continues to complete the procedures for implementing the construction permit of Gemalink Port's phase 2, ready to put into operation in 2024 & 2025, meeting the market's and partner shipping lines' growing demand.
- Phase 2 of Gemalink continues to invest in research in stages in line with the growth of the market and optimizes resources to develop the most modern and efficient Gemalink Deep-sea Port in the region.
- On December 19, 2022, the Southern Vietnam Maritime Safety Corporation announced the technical specifications of the water area in front of Gemalink Deep-sea Port phase 1 reaching a depth of -16.5 meters. In Q1/2023 Gemalink has successfully operated the world's biggest mega vessels, including the OOCL Spain - 24,188 TEUs.



NAM DINH VU PHASE 2

- The scale of Phase 1 & 2 has an area of 22 - 44ha, 440-1,100m of berth and has a capacity of 900k – 1,200k TEUs;
- Phase 2 of Nam Dinh Vu Port was officially opened and put into operation from May 2023, doubling the capacity of the port cluster.
- Gemadept continues to complete the preparation to start construction and put into operation Phase 3 of Nam Dinh Vu Port. Once completed, Nam Dinh Vu Port Cluster will become the largest river port in the Northern region.



GEMADEPT GENERAL MEETING OF SHAREHOLDERS 2023: CONTINUE THE PLAN TO EXPAND GEMALINK PORT AND NAM DINH VU PORT

On the morning of June 9, 2023, Gemadept successfully held the Annual General Meeting of Shareholders 2023. Shareholders congratulated the Board of Management for the term of 2018-2023 and continued to trust the new Board of Management in 2023-2028 to push up the development of Gemadept as a leading enterprise in Port and Logistics.

In 2023, Gemadept set the business plan with revenue of VND 3,920 billion, and expected profit before tax of VND 1,136 billion.

Regarding business orientation in 2023, Gemadept said that it will continue to implement key projects such as Phase 2 of Gemalink Deep-sea Port and Phase 3 of Nam Dinh Vu Port Cluster to expand its scale and create a premise for long-term growth plans for the period 2021-2025, with a vision to 2030.

Gemadept also shared its M&A plan, its divestment of real estate projects and afforestation project in Cambodia for potential partners, thereby ensuring the focus of resources and cash flow for projects in the Company's core businesses.



GEMADEPT PARTICIPATED IN THE 44TH ASEAN MARITIME TRANSPORT WORKING GROUP CONFERENCE

On May 9, 2023, the Vietnam Maritime Administration (Ministry of Transport) in collaboration with the ASEAN Secretariat, inaugurated the 44th ASEAN Maritime Transport Working Group Conference (MTWG 44) held in Da Nang city.

Representatives from Gemadept Corporation attended the conference and delivered presentations on maritime security, the sustainable development of green ports, and ongoing process of Gemadept port cluster.

In the coming time, Gemadept will continue to join hands with the business community and the Government of Vietnam in the investment and development of the sea port system to improve capacity, ensure maritime security and protect the environment.

GEMADEPT SUCCESSFULLY ORGANIZED THE 6TH TERM OF TRADE UNION CONFERENCE

(2023 – 2028)

Gemadept's core values of "Nationalism - Pioneer - Responsibility - Integrity - Innovation - Connection" was one of the goals of the VI Congress of Trade Union of Gemadept Corporation held on June 29 in Ho Chi Minh City.

The Company's efforts in recent years have been recognized and appreciated by Mr. Pham Van Hai - Vice Chairman of the Trade Union of Vietnam Maritime Corporation. In the coming time, Gemadept will continue to strive to contribute to the development of the maritime industry in particular, as well as to promote the flow of trading and the development of the country's economy in general.

INVESTORS AND SHAREHOLDERS CONTINUE TO SUPPORT GEMADEPT'S VISION

In the first 6 months of 2023, Gemadept's Investor Relations Department has actively coordinated with reputable organizations and securities companies such as SSI, HSC, VCSC, JP Morgan, Ban Viet, etc. to organize meetings and investment conferences, attracting the attendance of many shareholders and investors locally and from around the world. Some important investor conferences in the first 6 months of 2023 that the Company's representatives attended are:

- SSI's C-Suite on February 6, 2023
- Viet Capital's Vietnam Access Day on February 28, 2023
- VietCap's VAD 2023 in Thailand on June 01, 2023
- HSC Emerging Vietnam 2023 on June 15, 2023

With the unpredictable fluctuations of the economy and the recent decline of the global commodity market, it has had a significant impact on Vietnamese businesses. However, the Vietnamese business community is always ready to have solutions to deal with the 'headwind' of the world economy. Investors and representatives of financial funds were especially interested in how enterprises cope with the economic volatility.

At the events, representatives of the Company's Board of Directors and the Investor Relations Department shared and discussed with investors and financial fund representatives about the performance results of the 1H/2023 and the strategies and efforts to complete the business plan of 2023. They also updated on the process key projects of the Company, such as the implementation of Phase 2 & 3 of Nam Dinh Vu Port, Gemalink Deep-sea Port Phase 2, the successful capital divestment of Nam Hai Dinh Vu Port, etc. At the same time, the Company's Board of Directors shared Gemadept's development orientation to overcome the current difficulties of the World's and Vietnam's economies, as well as the roadmap to realize the goal of becoming the leading enterprise in Vietnam in the field of Port and Logistics Integrated Ecosystem.

During the exchanges, many major shareholders, individual and institutional investors expressed their confidence in the vision of the Company's Management as well as the development potential of Gemadept in the coming time.



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