



THE WAY FORWARD



# IR Newsletter

## Q4 - 2023



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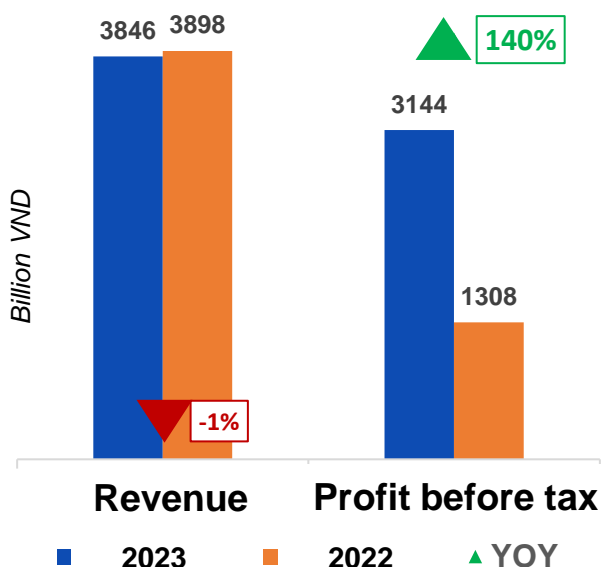


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## GEMADEPT'S BUSINESS RESULT IN 2023



	2023	2022
Gross Profit Margin	46%	44%
PBT Margin	82%	34%
EBITDA Margin	96%	47%

Targets	2023 Plan	Completion rate registered for the AGM
Profit	3.920	98%
PBT	1.136	277%
PBT (Abnormal PBT not included)		115%

Unit: Billion VND

## FORWARDING WITH STEADY STEPS

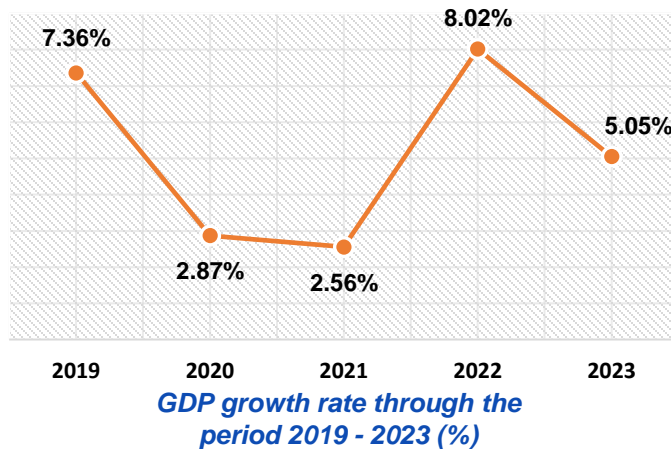
Facing the headwinds of the market and the world in 2023, **Gemadept** proactively adopted innovative and timely solutions. This allows Gemadept to **successfully fulfill** the profit before tax plan registered with the 2023 General Meeting of Shareholders.

Continuing to maintain the mindset of "Overcoming obstacles", Gemadept continues to move forward in 2024, aiming to become a leading force in Vietnam's maritime industry.





## VIETNAM'S GDP GROWTH IN 2023



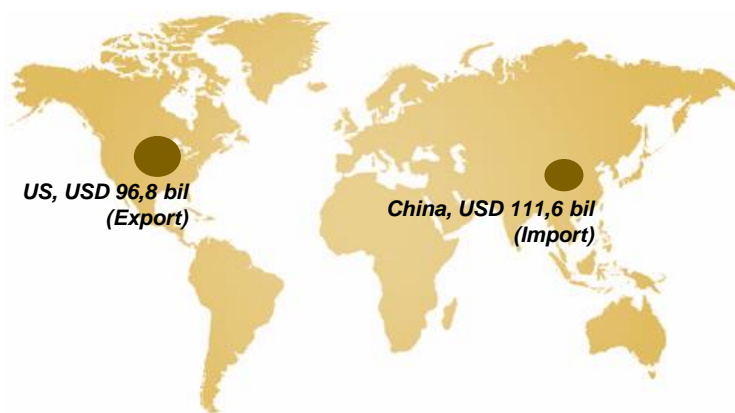
The Gross Domestic Product (GDP) in 2023 increased by **5,05%** compared to the previous year, which is a **fairly low growth rate** in the period 2011-2023.

The socio-economy in 2023 was gravely affected by the decline in global commodity trade, high inflation, political instability and conflicts in many countries and regions, and the ineffective recovery from major economies like China, etc.

Despite these challenges, Vietnam's socio-economy made continuous efforts in 2023, recording GDP growth results in the next quarter that are higher than the previous quarter..

Source: GSO

## IMPORT & EXPORT OF GOODS



The total imports and exports in 2023 reached **USD 683 bil**, decreased by **6,6%** compared to 2022.

**USD 327,5 bil**

**Import**

**- 8.9%**

**USD 355,5 bil**

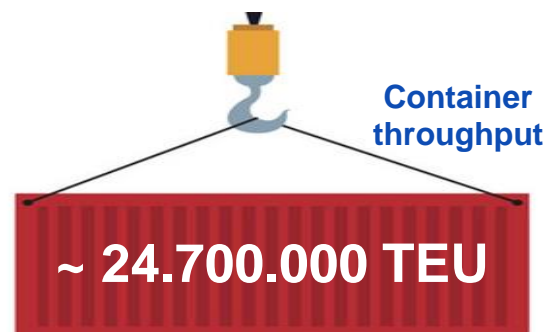
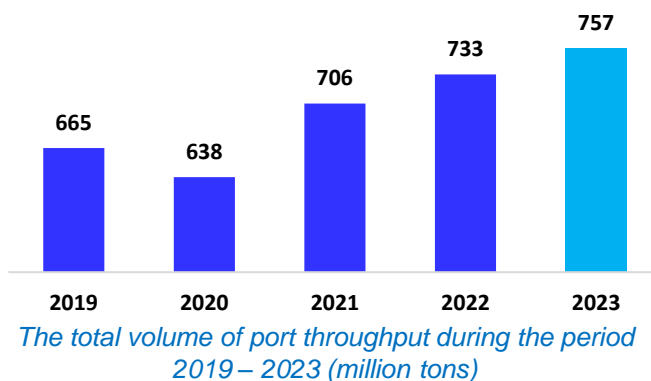
**Export**

**- 4.4%**

The 2 largest import - export markets of Vietnam in 2023

Source: GSO

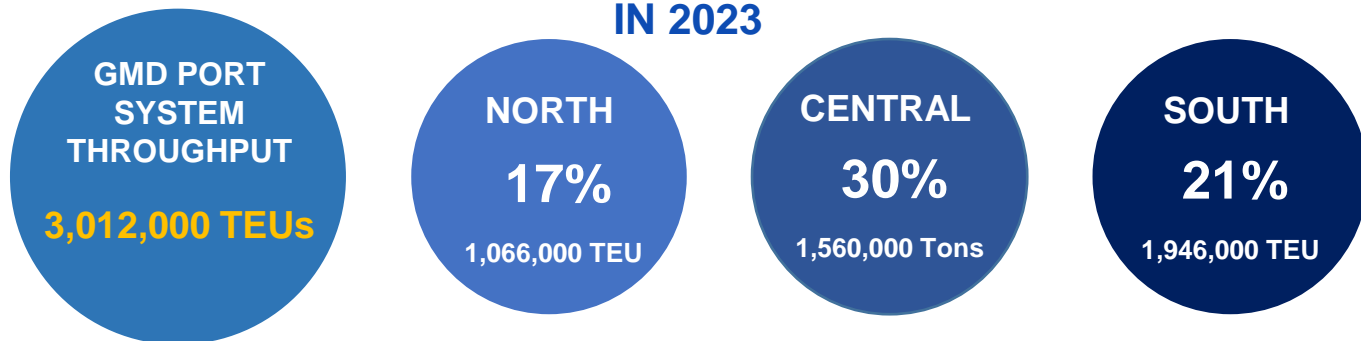
## CARGO THROUGHPUT VIA VIETNAM'S PORTS



In the 2023, the estimated total volume of port throughput reached **756.8 million tons**, up by **5%** compared to 2022. Container cargo throughput reached **24.7 million TEUs**, equivalent compared to the same period.

Source: Vietnam Maritime Administration

## GEMADEPT PORT SYSTEM'S THROUGHPUTS & MARKET SHARE IN 2023



## GEMADEPT – A YEAR OF CHALLENGES AND SUCCESSES

- In 2023, the global economic recovery was weak and uneven, particularly among major developed economies. Manufacturing activity declined, political instability in several regions increased, and most central banks continued to tighten monetary policy. The World Bank forecast that global economic growth in 2023 would reach 2.1%, lower than the 3.1% increase in 2022.
- Vietnam's economy recorded efforts to overcome difficulties showed when the general trend of most indicators witnessed a gradual upward trend towards the end of the year. The output through Vietnam's seaport system, after a period of decline, reached its 2022 level in the final months
- Despite facing market challenges, Gemadept's efforts to overcome obstacles brought impressive results. Container throughput through the Gemadept port system reached over **3 million TEU** in 2023. Each quarter saw steady increases in container output, especially the fourth quarter of 2023, which has recorded an increase in output of nearly 20% compared to the third quarter. Additionally, Gemadept's market share in the Central and Southern regions increased. These achievements demonstrate Gemadept's proactive spirit and commitment to finding innovative strategies that continuously improve service quality, maximize customer value, and contribute to the industry's development.
- In Q4/2023, Gemalink proudly hosted the mega vessel MANILA EXPRESS (length: 400m; carrying capacity: 23,660 TEU) sailing on THE Alliance's FE3 service line. Another Hapag-Lloyd vessel, Hanoi Capital, operating on the same service line, also plans to call at Gemalink Port in January 2024.
- In addition, Gemadept was also honored in the list of "Forbes Asia's Best Under A Billion 2023".



## GEMADEPT DUNG QUAT PIONEERS IN DEVELOPING AND IMPLEMENTING THE GREEN PORT STANDARDS

Gemadep Dung Quat Port partnered with BSI (British Standards Institute) to undergo an independent assessment for **Green Port certification under the TCCS 02:2022 CHVN standards**.

Green Port Standards include requirements on environmental management, energy efficiency, emissions reduction and increased labor safety. The Port has demonstrated continuous improvement by establishing a systematic management system aligned with international standards ISO 14001 and ISO 45001. The Port has also reinforced training, communication, technology application, and infrastructure renovation and upgrading activities to achieve the Standard's requirements.

Gemadep Dung Quat takes pride in being the pioneer in adopting the Green Port Standards in accordance with TCCS 02:2022 CHVN, not only within the Company but also across the industry. The Port believes that this initiative will serve as an inspiration for the Company's Units, as well as other businesses in the industry, to move towards a sustainable future, promoting Green Port practices and ESG principles in Vietnam



## NAM DINH VU PORT FOR THE FIRST TIME OPERATED 5 VESSELS AT THE SAME TIME

On November 20, 2023, Nam Dinh Vu Port safely received and completed operating on five container ships named MILD TUNE (SJJ), WARNOV CHIEF (COSCO), MAKHA BHUM (RCL), PACIFIC EXPRESS (GSC), and VIMC DIAMOND (ASL).

With Phase 2 officially came into operation, allowing the 880m berth extension to expand Nam Dinh Vu Port's capacity to handle vessels up to 48,000 DWT. This solidifies its position in Hai Phong, positioning itself for further growth and establishing the North as a strategic logistics hub connecting key industries in the country's supply chain.

## GEMALINK WELCOMED ANOTHER AUE SERVICE FROM EVERGREEN SHIPPING LINE

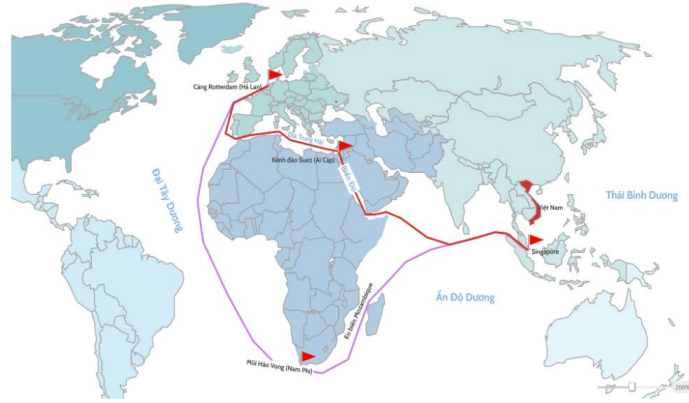
On November 5, 2023, Gemalink Port welcomed two impressive vessels: the TAIPEI TRIUMPH, deploying the AUE service route, and the CMA CGM J.MADISON, sailing on the SUEZ service line. Welcoming Both vessels with impressive capacities (14,000 and 14,360 TEU, respectively) showcased Gemalink's ability to handle large container ships.

Marking a milestone in Vietnamese port operations, Gemalink achieved the successful reception and operation of two 366m container ships within 800m of its berth length. This achievement highlights its ongoing commitment to enhancing reception and operation capacity, ultimately providing optimal service experiences for customers.



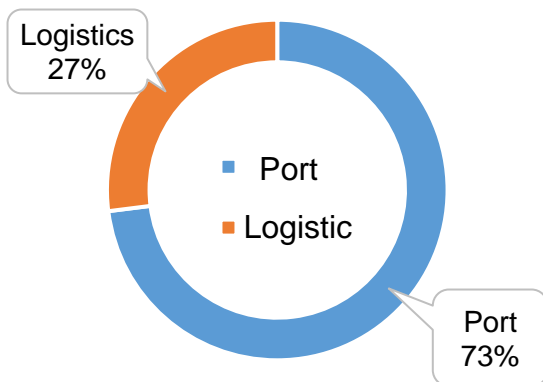
## LOGISTICS MARKET IN Q4/2023

- The escalating Red Sea crisis in late 2023 forced shipping companies to reroute through the Cape of Good Hope instead of the Suez Canal to ensure transport safety. This longer route resulted in increased travel times, fuel consumption, and shipping rates, significantly raising carbon emissions.
- Fleet growth in 2023 reached 8% due to record number of vessel deliveries.
- The rate of no-shows and no-ships remained at an average level of 9% in Q4, focusing on the Eastbound trans-Pacific route and the Asia-North Europe and Middle East routes. Among Alliances, OCEAN Alliance had the highest cancellation rate, while 2M had the lowest.
- Driven by high demand leading up to the Lunar New Year and Red Sea uncertainties, global freight rates recovered and rose steadily for weeks. Drewry's composite World Container Index (TEU) increased for 3 consecutive weeks, reaching USD 1,661 in the last week of December 2023. While still down 22% compared to the same period last year, this price is 17% higher than the pre-pandemic average.



## GEMADEPT'S LOGISTICS ACTIVITIES

### PBT FROM CORE BUSINESS ACTIVITIES IN 2023



### BUSINESS RESULTS IN 2023

Logistics and Shipping activities have contributed about **27%** to PBT of the business activities of Gemadept.

- Despite facing market challenges, Gemadept's logistics activities continue to record **positive growth**, thanks to its ability to find flexible solutions and deliver effective customer service.
- In summary, in 2023, the profit before tax of Logistic activities **increased by 12%** over the same period.

## 2023: A BRILLIANT AND MEMORABLE YEAR FOR CJ GEMADEPT-LOGISTICS

Through 365 days full of difficulties and challenges, CJ - Gemadept Logistics overcame obstacles with determination and closed out 2023 on a high note. The Year-End Party was a vibrant celebration, allowing all employees to gather, share joyful moments, and celebrate their achievements.

The Board of Directors expressed their sincere gratitude to all employees who united, worked hard, and demonstrated unwavering dedication throughout the past year of 2023.

CJ-Gemadept Logistics prioritizes its unwavering commitment to continuous development to deliver exceptional service to customers and partners



### BONDED WAREHOUSE STORAGE SOLUTIONS FOR OVER-SIZED GOODS

CJ-Gemadept Logistics has finalized its Bonded Warehouse Project, which is specially designed for the safe storage of oversized goods. It offers a secure and reliable solution for customers' high-value and oversized cargo, ensuring that the goods are always in good hands.

In addition to regular items that need to be stored in warehouses, CJ-Gemadept Logistics can also meet the demand for renting bonded warehouse to store oversized goods (equipment, machinery, production line systems, vehicles, etc.).

CJ Gemadept Logistics offers professional multi-modal transport solutions for all customers' needs, with CJ Gemadept Logistics' vast fleet ensures efficient and reliable delivery tailored to your specific requirements.

### MANAGEMENT TRAINING PROGRAM

GLC's Next Gen 2023 went beyond training, igniting a journey to inspire future logistics talents. From hundreds of applicants, only the most dedicated navigated challenging assessments and interviews, proving their exceptional potential. These top finalists has proven themselves to be the worthiest trainees.

Following a 6-month training program, trainees got to deliver impactful presentations to the Board of Directors and BU leaders. Here, they openly share about their new knowledge, their achievements and their own self-analyzation of themselves through the SWOT model. They also openly discussed their experiences, challenges, and career aspirations, shaping their future path at CJ Gemadept.



## 2023 AND GEMALINK'S MILESTONES

### ➤ GEMALINK ACHIEVED THE RECORD OF OPERATING 2 VESSELS AT THE SAME TIME

On October 10, 2023, the two vessels CMA CGM CHENNAI and CMA CGM CHILE left Gemalink Port after safely docking and setting a new record of handling 30 thousand TEUs with an average operation productivity of 127.5 moves per hour. This is the highest level of loading and unloading output in Vietnam, and only Gemalink currently has the capacity to load and unload two large tonnage vessels simultaneously. Since going into operation, Gemalink has focused on investing in modern equipment, limiting emissions, applying advanced technology, promoting renewable energy, launching reforestation projects, and cleaning the marine environment. With these practical steps and actions, Gemalink is confident in welcoming the world's largest vessels and seizing opportunities from establishing a green shipping corridor between Vietnam's potential seaports and international ports such as Long Beach and Los Angeles.

### ➤ GEMALINK WELCOMED THE "FULL PINK" MEGA VESSEL ONE INTELLIGENCE

On January 10, 2024, Gemalink and the ONE VIETNAM team welcomed the mega vessel ONE INTELLIGENCE (Length: 400m; Carrying capacity: 24,136 TEU, Tonnage: 223,200 DWT). Operating large and modern vessels is a difficult problem and Gemalink Port has been fulfilling its role in releasing ships quickly and safely. Gemalink remains committed to being a reliable connection point in global trade routes and continue to welcome the largest generation of container vessels in the world today.

### ➤ GEMALINK WELCOMED HAPAG-LOID'S MEGA VESSEL NAMED AFTER THE CAPITAL HANOI

The Hanoi Express, a giant container vessel operated by Hapag-Lloyd, made a grand arrival at Gemalink Port on January 17, 2024. This 400-meter-long vessel boasts a massive cargo capacity of 23,660 TEU, making it one of the largest container ships in the world. The Hanoi Express is also equipped with state-of-the-art technology, including dual fuel capability, which allows it to run on both conventional oil and environmentally friendly LNG. As the largest deep-sea port in Vietnam, Gemalink is honored to welcome this prestigious vessel on its Asia-Europe voyage.





## GEMALINK DEEP-SEA PORT PHASE 2

- Gemalink is completing related procedures and securing capital to commence construction, aiming to put phase 2 into operation from 2024 & 2025, meeting the growing needs of the market and partner shipping lines.
- Phase 2 of Gemalink Port is committed to continuous research and investment in line with market growth. By optimizing resources, Gemadept aims to develop Gemalink into the most modern and efficient deep-sea port in the region.
- The Southern Vietnam Maritime Safety Corporation has announced the technical specifications of the water area in front of Gemalink Deep-sea port phase 1, reaching a depth of -16.5m. In Q1/2023 Gemalink successfully received the world's largest container vessels, including the OOCL Spain, with a tonnage of 24,188 TEU.



## NAM DINH VU PORT PHASE 3

- 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 3 of Nam Dinh Vu Port has an area of 23ha, 660m of berth, and once completed will increase the total design capacity to equivalent to 2,000,000 TEU/year.
- 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 WAS HONORED 3 PRESTIGIOUS AWARDS AT THE VIETNAM LISTED COMPANY AWARDS 2023

On December 15, 2023, the **16th Vietnam Listed Company Awards** were held in Cam Ranh City, with the participation of heads of the State Securities Commission - Stock Exchanges - Vietnam Securities Depository and Clearing Corporation, and representatives of nearly 300 listed companies, securities companies, fund management companies, and major financial institutions in the market.



After rigorous evaluation by the Securities Commission and leading financial experts, the Organizing Committee commended Gemadept for its commitment to transparent reporting and its leadership in inspiring other companies to embrace environmental responsibility. Gemadept's dedication aligns with Vietnam's national goal of achieving net-zero greenhouse gas emissions by 2050. In a testament to its outstanding achievements, Gemadept was one of the few listed companies to receive three prestigious awards: **Top 20 Enterprises with the Best Annual Reports in the non-financial category**, **Enterprises with the Most Reliable Sustainable Development Reports**, and **Sustainable Development Reports with Outstanding Progress**.

## INVESTING IN HOPE: GEMADEPT JOINED HANDS IN THE “BEAUTIFUL SCHOOL FOR CHILDREN” IN LAI CHAU

On January 16, 2024, the Tam Duong District Youth Union, in collaboration with the Lai Chau Provincial Youth Union, the Vietnam Volunteer Resources Information Center, the Strength 2000 Project and Gemadept Corporation jointly organized the inauguration of the **"Beautiful School for Children"** project at the Rung Oi Kheo Thau village school in Ho Thau commune, Tam Duong district, Lai Chau province.

The program continues its legacy of love, carried by the Gemadept community, sharing love and compassion in remote places of the country. This helps thread a brighter Spring for Vietnam, woven with hopes and dreams.



## GEMADEPT AND GEMALINK BOTH HONORED IN THE TOP 10 PRESTIGIOUS LOGISTICS COMPANIES 2023

On January 18, 2024, Gemadept Corporation and Gemalink Deep-sea Port were both honored in the Top 10 prestigious companies in the Port and Logistics industry in 2023 organized by Vietnam Report in collaboration with VietnamNet newspaper at the Announcement ceremony of VNR500 and Top 10 prestigious companies in industry groups 2023.

This year, the joy is doubled when Gemadept and Gemalink Deep-sea Port were both honored in the Top 10 prestigious companies in two categories, **“International freight forwarding, Warehousing, Third-party and fourth-party logistics services”** and **“Port operations within the Logistics industry”**.

Gemadept is committed to providing exceptional services to customers and helps the country's economy overcome challenging times and emerge even stronger.



## INVESTORS APPLAUD GEMADEPT'S RESILIENCE

Gemadep (GMD) participated in the 6th Vietnam C-Suite Forum 2024 Investor Conference, co-hosted by SSI Securities and Citi in Hanoi on January 2nd, 2024.

The conference gathered many senior leaders from leading domestic companies, global institutional investors, and renowned economists to discuss key economic issues, current challenges facing industries and businesses, and potential solutions.

At the conference, Gemadep representatives actively engaged in discussions with investors and shareholders, discussing about the challenges of the Port and Logistics industry in the context of geopolitical and world economic events.

Gemadep representatives also provided an update on the Company's 2023 performance, highlighting key achievements, outlined Gemadep's development plans for the coming year, and updates on the progress of major projects

Attending events like the Vietnam C-Suite Forum is a key component of Gemadep's investor relations strategy. The Company places great importance on building strong, trustworthy relationships with investors to create a solid foundation for sustainable business growth.

Through the conference, Gemadep garnered significant attention and support from shareholders and investors. The Company commits to further enhancing its competitiveness, delivering lasting value to all stakeholders, and playing a leading role in propelling Vietnam's economic growth.



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