



GEMADEPT CORPORATION



IR Newsletter

Q3 - 2021



GEMADEPT.COM.VN



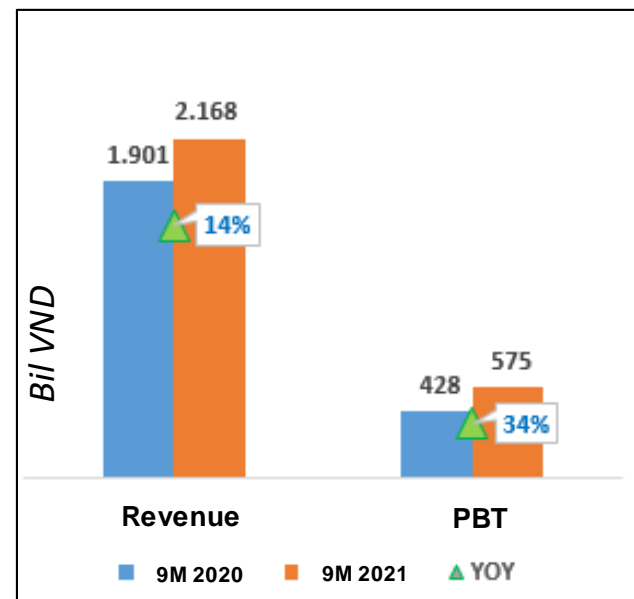
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GEMADEPT'S BUSINESS RESULTS IN 9M2021

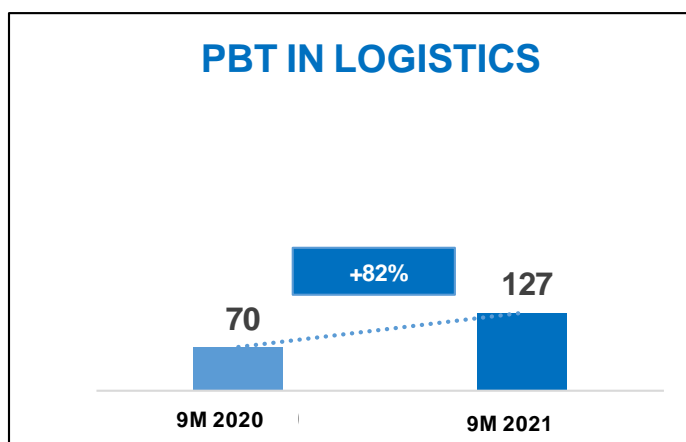
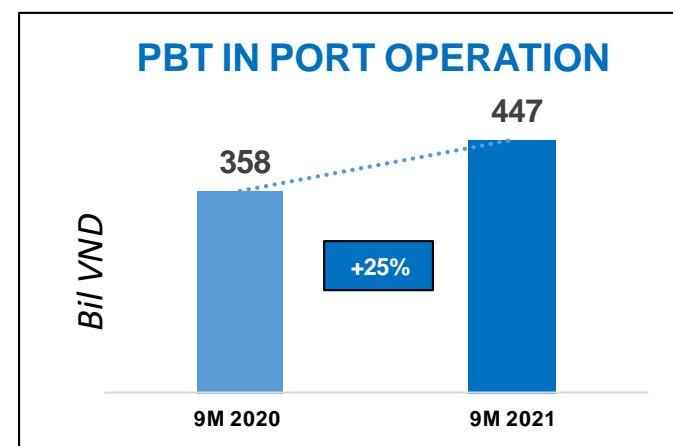
PBT INCREASED REMARKABLY AROUND 34% YOY



	9M 2021	9M 2020
Gross Profit Margin	39%	40%
PBT Margin	27%	23%
EBITDA Margin	44%	44%

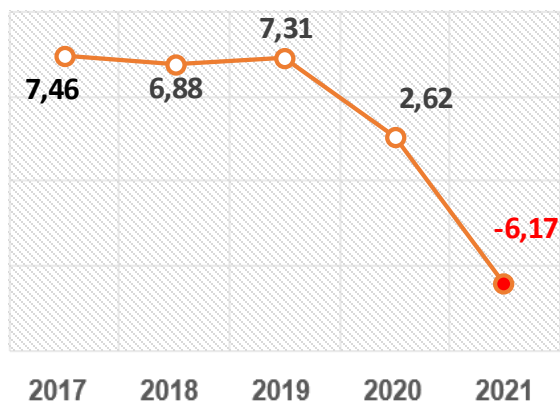
Targets	9M 2021	% completion of scenario 1	% completion of scenario 2
Revenue	2,168	77%	80%
PBT	575	82%	91%

STRONG GROWTH IN THE LOGISTICS SECTOR



The refrigerated container for the transportation of temperature sensitive cargo

GDP GROWTH IN 9M/2021

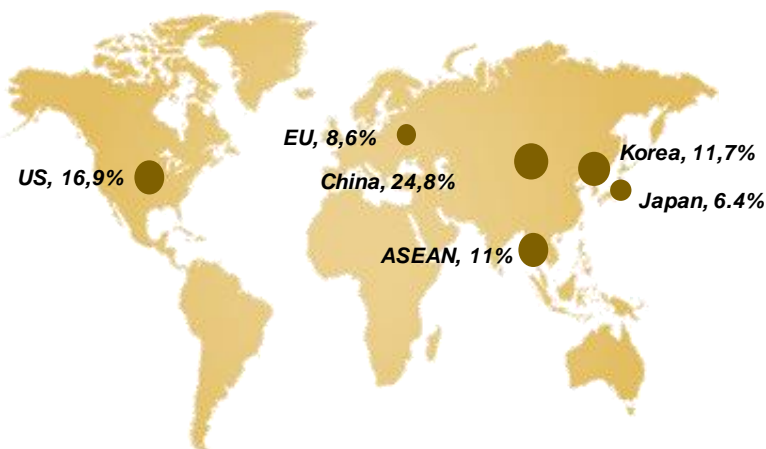


GDP growth rate for 9M in the period 2017 – 2021 (%)

The gross domestic product (GDP) in Q3 of 2021 was estimated to decrease **by 6.17%** compared to the same period in 2020, the deepest decline ever recorded so far. This is a clear reflection of how the Covid-19 pandemic has affected on the global trade and the supply chains. Accumulated in 9M 2021, the whole Vietnamese economy only **grew by 1,42%** over the same period in 2020. In that context, the areas of agriculture, forestry, fisheries, and the construction industry continued to be the highlights of the economy's growth during this period while in some service industries recorded negative growth and reduced the overall growth rate compared to the same period in 2020.

Source: GSO

IMPORT AND EXPORT OF CARGO



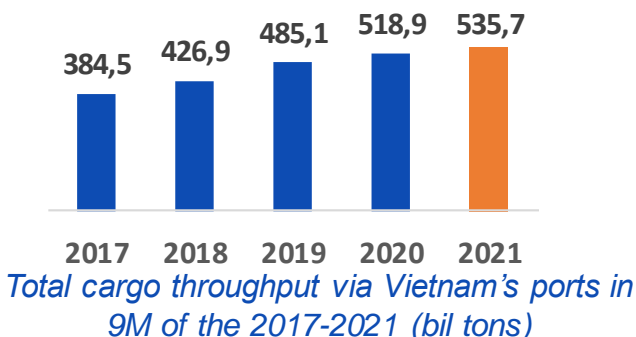
The total import and export value of cargo in 9M/2021 reached **483.17 bil USD**, up by **24,4%** over the same period in 2020. Source: GSO

242,65 Bil USD
Import
+ 30,5%

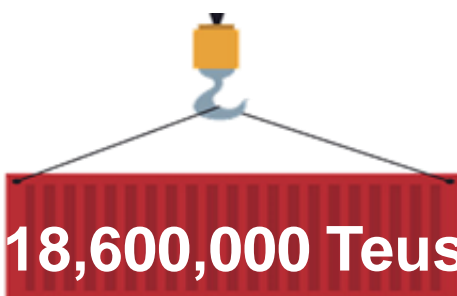
240,52 Bil USD
Export
+ 18,8%

Proportion of Vietnam's main import-export markets

CARGO THROUGHPUT VIA VIETNAM'S PORTS



Total cargo throughput via Vietnam's ports in 9M of the 2017-2021 (bil tons)



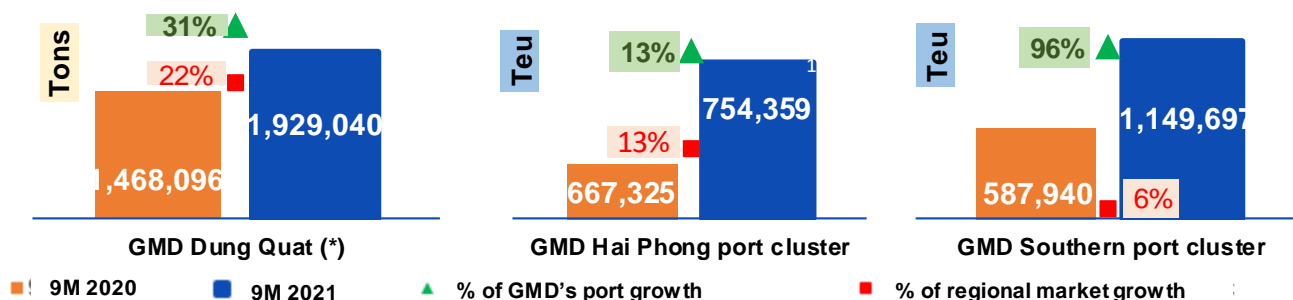
+15%

Container
volume

The total cargo throughput of Vietnam's seaports in 9M/2021 reached over **535.7 million tons**, up by **3%** over the same period in 2020. The container cargo especially reached to almost 18.6 million TEUs, an increase of 15% over the same period last year.

Source: Vietnam Maritime Administration

GEMADEPT'S PORT SYSTEM FLEXIBLY ADAPT TO THE PANDEMIC



“Overcoming obstacles” Gemadept’s port throughput maintained a growth momentum of over 52%

- The port industry and the domestic and international cargo supply chain have experienced a challenging quarter due to the heavy influence of the Covid-19 pandemic. With great efforts and determination, Gemadept has achieved a throughput of more than 1.9 million TEUs in 9M/2021, a strong growth of 52% over the same period in 2020
- The growth rate of Gemadept’s ports in all 3 regions, namely Hai Phong, Dung Quat and the Southern port groups, are 13%, 31%, and 96% respectively. The average growth rate of the whole Gemadept port cluster reached nearly 46,7%, much higher than the average growth rate of the regions in the country, recorded at 13.7%
- The Southern ports output of 9M/2021 increased by 96% thanks to the huge contribution from Gemalink deep-sea Port. The new Gemalink Port came into operation since the beginning of Spring 2021, currently contributing 46% of the total throughput via the Company’s Southern port cluster.
- Actively and flexibly responding to the pandemic and the market changes, Gemadept has achieved positive throughput growth through the port chain system. Along with the recovery of cargo volume through Vietnam’s seaport and the global trade after the pandemic, Gemadept confidently entered the promising last 3 months of the year.

+52%

Container volume via Gemadept port network



■ Highlight events from Gemadept in Q.III/2021

- **Early July/2021**, Gemalink Port put into operation 5 FCC cranes. The cranes have a safe lifting capacity of up to 40 tons, belonging to the new generation, and manufactured by Macgregor. The FCC cranes are used to serve river ships and feeders. Thus, with synchronous investment in the infrastructure, Gemalink Port provides services with outstanding advantages to handle cargo for 2 mother vessels along with river ships and feeders.
- **August/2021**: Nam Hai Port has officially deployed the port operation software V-TOS, which is used to replace the CMS software. At the same time, Nam Hai Port also completed and officially put into operation the Smartport application, synchronizing with the entire port system of Gemadept in Hai Phong.
- **September/2021**: Nam Dinh Vu Port (NDV) has simultaneously operated 2 vessels M/V TG ATHENA and M/V HAI AN WEST. With significant advances in port operation capacity, geographical advantages as well as modern equipment, NDV provides the best service in the region, meeting the needs of customers. international shipping lines, and import-export customers in the market.

GEMALINK PORT WELCOMES ONE OF THE WORLD'S LARGEST MEGASHIP – M/V MERETE MAERSK



On 28 October 2021, Gemalink Port warmly welcomed the M/V Merete Maersk.

M/V Merete Maersk is one of the largest container ships in the world today, this megaship has a huge size with a full length (LOA) of up to 399m and a tonnage of 214,121 DWT, equivalent to more than 18,200 TEUs. M/V Merete Maersk is not only the largest vessel in size to call at Gemalink Port since the Port started operating at the beginning of this year, but it is also one of the two container ships with the largest

tonnage and size so far to call at Vietnam port.

With the most convenient location in the Cai Mep port cluster, as well as the investment in the most modern equipment and outstanding operating capacity, Gemalink Port is proud to be the leading deep-sea port in Vietnam capable of receiving megaships in the world.

Entering the peak season at the end of the year along with the recovery of the global economy, Gemalink Port is ready with necessary resources to consecutively welcome megaships with outstanding operating quality to bring satisfaction to customers, continue to attract major carriers in the world, and catching every opportunity to fill up Phase 1 capacity and create momentum to deploy Phase 2 of the project right next year.

NAM DINH VU PORT OPERATES THE BIGGEST VESSEL EVER

On 18 October 2021, Nam Dinh Vu Port welcomed and successfully handled the largest vessel ever to call at the Port - the M/V MSC CORDELIA III with a tonnage of 40,000 DWT and a LOA of 223m. After only 15 hours of loading and unloading, with the highest productivity recorded at the Port of 70 moves/hour, Nam Dinh Vu Port has completed the safe, quick and efficient release of the cargo for the vessel.

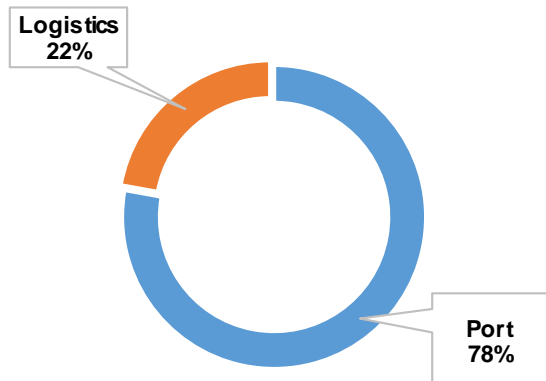
Together with the 3 ports of Gemadept's port system in Hai Phong including Nam Hai Port, Nam Hai Dinh Vu port and Nam Hai ICD, with a prominent location right at the river mouth, and a modern investment in infrastructure system such as making online connection via SmartPort software, Nam Dinh Vu Port's Phase 1 came into operation from 2018, creating a resonance connecting the entire port chain system, improving the total operation capacity, and affirming the leading market position of Gemadept's port network in this trading gateway area.

Towards the Vision of 2025, Gemadept Corporation is pushing up the construction plan of Phase 2 of the Nam Dinh Vu Port cluster project at the end of this year to be ready to put the Phase 2 into operation from 2023, catching the opportunities from the cargo movement from upstream area, together with the increase in import and export demand, and the strong investment attraction of the entire Northern key economic region in the future.



LOGISTICS SECTOR CONTINUES TO GROW

PBT from normal business activities in 9M 2021



In 9M 2021:

- Logistics and Shipping contributed about **22%** of PBT in normal business activities of Gemadept

- With the impact of the pandemic, the growth momentum has cooled down compared to the first half of the year. However, the Logistics sector continued to record a double-digit increase. **Specifically, the increase in revenue and accumulative PBT of 9M/2021 was 21% and 16%, respectively.** In which, GMD Hai Phong achieved impressive results with accumulated revenue reaching 77% of the plan and accumulated PBT exceeding 16% of the plan. In addition, the transportation services (VATD) and ocean freight services (DFF) both attract new customers. Transport modes are focused on diversifying in order to adapt to the pandemic conditions and the “new normal”.
- Following the uptrend since the beginning of the year, Shipping activities recorded a spectacular growth in PBT exceeding **418%** over the same period. Besides, by the end of Q3, Shipping activities have steadily “overcoming the storm” by completing the PBT target. With a wide network of routes, Shipping continues to be an important link connecting GMD's Port - Logistics system with neighboring areas and territories.



GEMALINK DEEP-SEA PORT CONFIDENTLY CATCHING NEW OPPORTUNITIES

- Following the regulations of the local government in pandemic prevention and control, in Q3/2021, Gemalink Port has deployed the “3 on-the-spot operation” to ensure safety in operation and maintaining good productivity, meeting the needs of shipping lines and import-export customers.
- At the same time, Gemalink continued to invest in 6 more modern RTG cranes manufactured by Sweden's Konecranes Group and ordered 2 more STS shore cranes manufactured by Doosan contractor. The investment in these cranes is part of Gemalink's goal to increase cargo handling capacity in the Cai Mep - Thi Vai area, contributing to timely solving the serious congestion happening in the area as well as aiming to create a modern green port model.
- With the high growth of cargo volume in the Cai Mep area and the positive impacts from FTAs, GMD is quickly to carry out procedures to start construction of Phase 2 of the project in 2022. The goal is to put Phase 2 into operation from 2023 with an additional capacity of 900,000 TEUs, bringing Gemalink's total capacity up to 2.4 million TEUs.



GEMALINK PHASE 2

- Currently, Gemalink is in the process of implementing procedures and arranging capital to deploy phase 2 in 2022.
- **With a scale of 39 ha, 350m of berth, and a capacity of up to 900,000, the completion of this phase 2 will open up many new opportunities for Gemalink deep-sea port**
- The investment capital for the project is around VND 4,200 billion.



NAM DINH VU PHASE 2

- Nam Dinh Vu Port project phase 2 is currently carrying out procedures and arranging capital to accelerate the implementation progress in 2021 and is expected to be put into operation in 2023.
- **The scale of the project includes an area of 22- 44ha, 440-1,100m of berth, and has a capacity of 600,000 - 1,200,000 Teus.**
- **The investment capital for the project is around VND 1,700-4,500 billion.**
- Currently, Gemadept is continuing to work to select suitable investors for Phases 2 and 3 of the project.



GEMALINK DEEP-SEA PORT IS HONORED TO WIN THE GLOBAL BEST PROJECT AWARD



On 27 September 2021, the Engineering News Record (ENR) announced the list of **Global Best Projects Awards** of 2021. In which, Gemalink Deep-sea Port is the only seaport project to

represent Vietnam and is one of the two projects in the world to be honored in the category of Civil Marine Works.

This is the 9th time the Global Best Projects competition is organized by ENR, a prestigious magazine providing news, data analysis and opinions for the construction industry worldwide. Similar to ENR's famous competitions in the United States and the region, the Global Best Projects competition aims to identify and honor the most outstanding and representative construction projects of the year, as well as honor the Companies that designed and built these works.

After a period of careful research, analysis, and appraisal, the judging panel of veteran experts has selected the winners of this season. In which, Gemalink Deep-sea Port is the only seaport project representing Vietnam and one of two projects in the world honored in the category of Civil Marine Works. This is a great honor for Gemalink Deep-sea Port when proudly putting Vietnam's name on the list of seaport construction projects that are honored and highly appreciated by the world.

GEMADEPT – THE THEME COMPANY FOR CFA INSTITUTE RESEARCH CHALLENGE 2021

The CFA Institute Research Challenge is a global investment analysis competition organized by the CFA Institute every year. The contest created a useful and exciting playground for a large number of students majoring in economics, finance, banking, etc. of famous universities. In the 10 years of organizing the CFA Institute Research Challenge in Vietnam, the theme company are always familiar enterprises in the Vietnamese economy in general and being the representative for the industry in particular.



This year, Gemadept, a leading port and logistics company in Vietnam, is honored to be selected by CFA students as the Theme Company for the 2021-2022 season. On 29 September 2021, CFA Academy and Gemadept successfully organized the "Meeting with Theme Company" event.

Honored to be the Theme Company this year, Gemadept wishes to accompany the CFA Academy and CFA Community in Vietnam to help bring a truly challenging, thrilling, exciting and rewarding playground for all the participating teams, and through it, selecting worthy talents to continue the tradition of contributing to businesses and the community, inspiring and motivating the young generation to continue writing new chapters for the Vietnamese business community.

GEMADEPT DONATED ADVANCED ANESTHESIA MACHINE AND PATIENT MONITORS TO THONG NHAT HOSPITAL, HCMC



Overcoming challenges when the whole country is fighting against the Covid-19 pandemic, Gemadept Corporation (Gemadept) took on a series of concrete and practical actions to join hands with everyone to push back the pandemic. At the same time, the Company provides physical and spiritual motivation for the frontline hospitals in the fight to save patients from Covid-19. Continuing the donation to the Vaccine Fund, purchasing medical equipment for hospitals, awarding scholarships to children of

doctors and nurses and more, on the morning of August 18, 2021, representatives of Gemadept donated the advanced Anesthesia machine and patient monitors to Thong Nhat Hospital, Ho Chi Minh City.

In addition, Gemadept gave 2 Patient Monitors with optimal features for monitoring adults, children, and newborn patients in the operating room and emergency resuscitation.

Speaking at the meeting, Assoc. Dr. Le Dinh Thanh, Director of Thong Nhat Hospital expressed his appreciation for Gemadept's contributions, which not only allowing the hospital to have more modern equipment but also creating more motivation and strength for the doctors working there.

As a responsible enterprise to the community, with a noble and humane tradition, Gemadept has always joining hands with the country to build a better society. Contributing to a better life for each Vietnamese person is one of the noble and sacred missions of the Company throughout the process of establishment and development over the past three decades.

GEMADEPT RETURNS TO THE NEW NORMAL STATUS WITH THE CITY AFTER THE LOCKDOWN

From the beginning of June 2021, at the request of the leaders of Ho Chi Minh City, Gemadept has directed all employees of the HCM office to work from home in order to join hands with the community to reduce the number of Covid-19 cases, step by step pushing back the pandemic.

From 1 November 2021, when the city returned to the "new normal", all Gemadept employees in the HCM office has finally returned to the office while still ensure strict compliance with the requirements of pandemic prevention such as doing medical declaration, wearing masks, keeping distance, disinfecting, etc.

GEMADEPT DONATED MONITORS TO THE MEDICAL & PHARMACEUTICAL UNIVERSITY HOSPITAL

Faced with the urgent needs of the Covid-19 Intensive Care Center, which requires modern resuscitation machines, ventilators, oxygen tanks, dialysis machines, etc., the sooner the machines are available, the more people will be saved, Gemadept has promptly assisted by donating 7 Patient Monitors to the Center.

Adding another destination to where the business has reached out to share the difficulties with, Gemadept members now have a better understanding of the gifts they have given - specialized medical equipment that greatly contributes to the treatment of Covid-19 patients.

CONTINUE TO BE THE CONNECTING BRIDGE BETWEEN THE COMPANY AND INVESTORS

- In the first 9 months of 2021, although the Covid-19 pandemic is still complicated, leading to the minimizing of direct contact to ensure everyone's safety, GMD's IR activities still actively promote their role as the connecting bridge between the Company and domestic and foreign investors who are interested in the Company's business activities.
- Gemadept is always ready to cooperate with reputable securities companies and organizations such as SSI, VCSC, HSC, Rong Viet, Maybank KimEng, etc. Acting as a bridge with investors through organizing seminars, online meetings and investment conferences to assist investors in understanding more about the company's operations as well as a way for the Company to receive ideas so the business operations can become more efficient.
- Meetings between GMD and investors are fully compliant with regulations on safety and prevention of the pandemic, implemented through online applications.
- Through online meetings, investors expressed interest in Gemadept's business activities, its development plans, project progresses and the impact of the Covid-19 pandemic, the scarcity of empty containers, raising the price of seaport floor tariff, etc. Investors especially pay close attention to Gemalink Deep-sea Port and the implementation plan of projects in the coming time such as phase 2 of Gemalink Deep-sea Port and phase 2 of Nam Dinh Vu port cluster.





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