



THE WAY FORWARD

GEMADEPT NEWS

"Docking for Information"

AUGUST 2024



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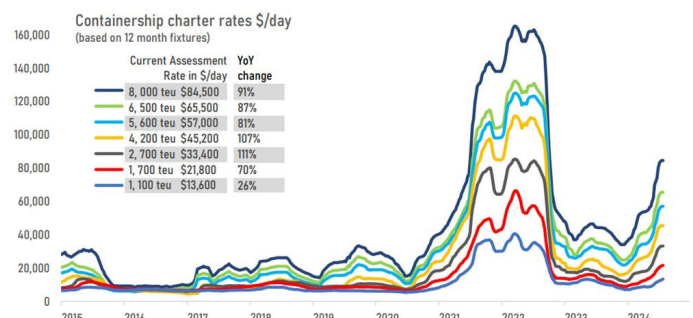
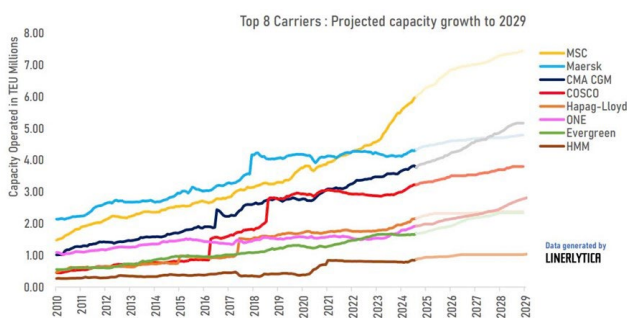
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MARITIME MARKET BRIEF



US recession fears dominate the market recently, with the SCFI dropping for the 4th consecutive week. Rates to the US West Coast have registered the sharpest drops and even though carriers are still pushing for a mid-August transpacific rate hike, market sentiment continues to weaken. Rates to North Europe are holding up relatively better, with capacity still constrained by both Red Sea diversions and the recent rise in port congestion that has affected ports in the Asia-Europe corridor more severely.

Tensions in the Middle East continues to escalate, Houthi newly attack on a containership despite having no Israeli connections. The active containership fleet continues to be constrained by port congestion and diversions to the Cape route with the number of ships in drydock also rising. Effective capacity has remained below 26m teu since the beginning of this year despite the addition of 1.9m teu of new capacity.



Port congestion has picked up noticeably, with Shanghai and Ningbo the most badly affected with berthing delays of up to 4 days due to adverse weather and vessels bunching causing significant bottlenecks. Transshipment volumes have also increased materially at these Chinese ports in the last 2 months, including cargo diverted from Southeast Asia and North Asia hubs. Elsewhere, the protests at Bangladesh that has brought down the government on 5 August continues to plague port operations at Chittagong, with berthing delays and some ships waiting for up to 7 days. Mexican ports are also experiencing severe delays with Manzanillo and Lazaro Cardenas seeing delays of up to 6 days.

Charter market activity has slowed down with very no new fixtures in the large sizes of above 4,000 teu. Demand has cooled noticeably since then, but with very limited vessel availability the charter rate indices are still holding. Rates for smaller sizes of 1,100 teu and 1,700 teu are still rising with uncovered demand still prevailing in Asia.



THE GLOBAL CONTAINER FLEET GREW 10.6%

The top 10 carriers continue to dominate the container shipping market. As of end July, they collectively represented 83.9% of the operated fleet, a small decline on the 84.0% a year ago. Recent expansion by mid-tier carriers like Wan Hai, PIL, X-Press Feeders, Sinokor, TS Lines, and lesser extent SITC, KMTC and Unifeeder in the 7-14,000 teu segment will not challenge the top 10.

With the addition of around 400,000 teu so far this year, MSC's market share reached 19.8% at end July, marking the highest ever figure recorded by a carrier.

In addition to MSC, three carriers increased their market share compared to a year ago: ZIM moved ahead of Yang Ming for the first time since 2011 after grabbing an extra 0.2% of market share, bringing its participation to 2.4%. Although ZIM's fleet has fallen in number of units from the middle of last year (139 to 128 ships), the delivery of significantly larger vessels has increased its teu capacity by nearly 20% in just twelve months.

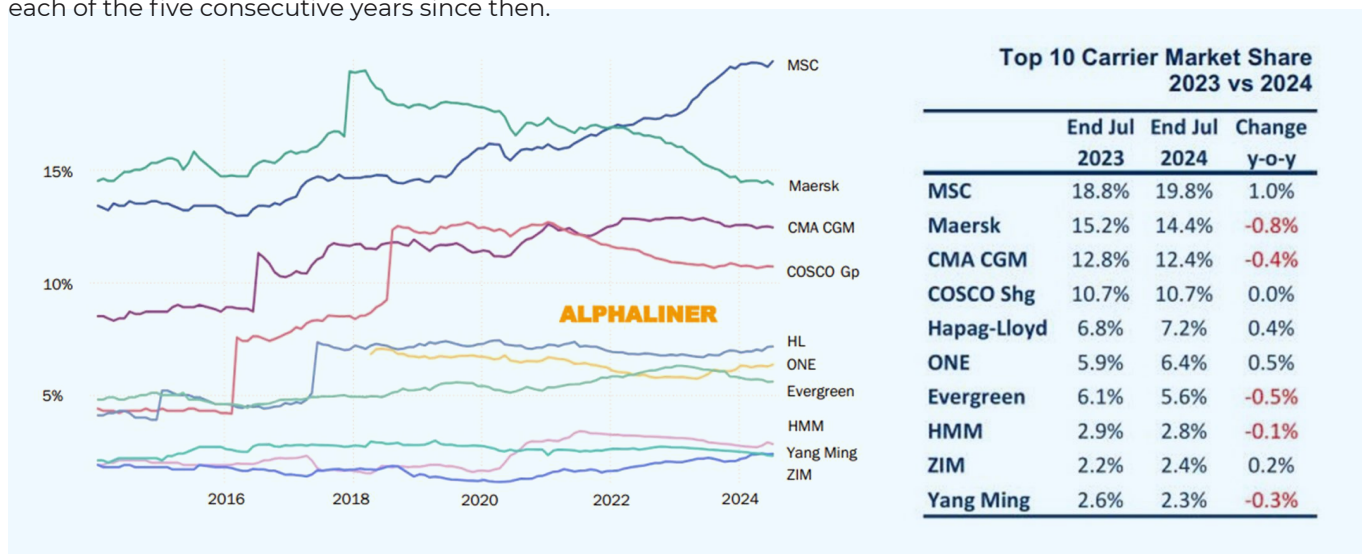
Ocean Network Express increased its market share from 5.9% to 6.4% year-on-year, while Hapag-Lloyd saw a rise from 6.8% to 7.2%.

On the contrary, after reaching a peak market share of 19.4% in 2018, Maersk's market participation decline in each of the five consecutive years since then.

The delivery of 25 newbuildings including 75,000 teu of methanol/ methanol enabled neo - Panamax temporarily halted the company's slide in the first half of the year, but the trend down resumed in July. Maersk, which has opted to cap fleet size in favour of non-shipping growth, reiterated in April it intends to remain in a target fleet range of 4.1-4.3 Mteu. This will inevitably curb its market share at a time of rapid growth by competitors, notably MSC and CMA CGM. Five top 10 carriers now have orderbooks bigger than Maersk's.

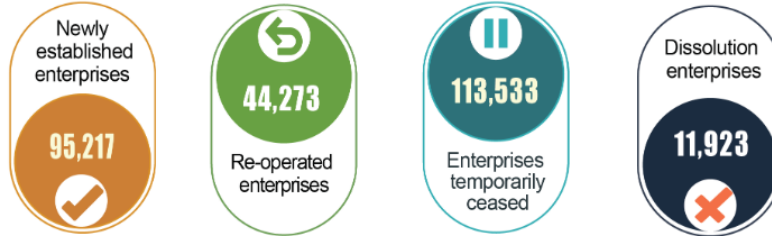
Elsewhere, CMA CGM and HMM recorded small decreases in market share relative to their size while Evergreen and Yang Ming saw a little bit larger declines.

Taiwan's second larger container carrier Yang Ming has replaced its senior management team, and will turn its attention to more new building orders in order to maintain scale and counter a rankings drop. Kuen-Rong Pai, previously senior executive vice president, will replace Shu-Chin Tu as President and General Manager as from 1 August after the latter's term expired. Meanwhile, former chairman Cheng Cheng-Mount was dismissed and replaced by Tsai Feng-ming, Professor and Chair of the department of Shipping & Transportation Management at the National Taiwan Ocean University.

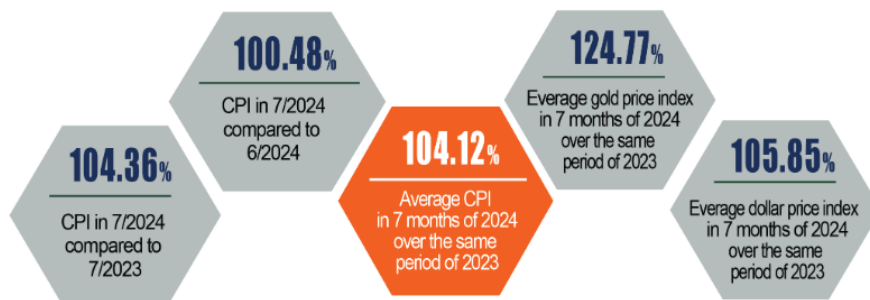


IMPORT – EXPORT FIGURES FOR THE FIRST 7 MONTH OF 2024

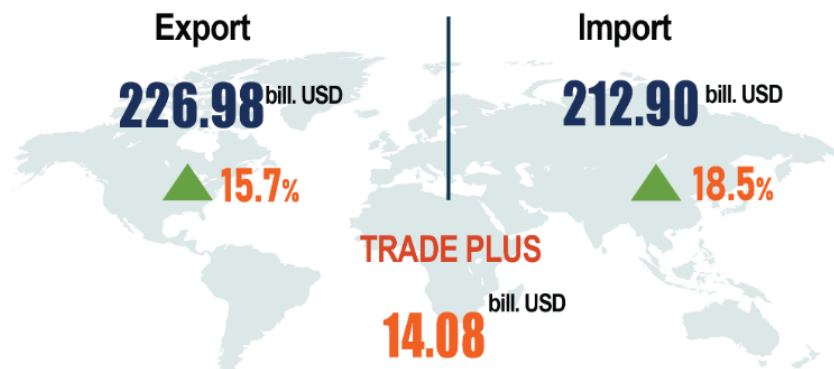
ENTERPRISE REGISTRATION STATUS IN 7 MONTHS OF 2024



PRICE INDEX



EXPORT AND IMPORT OF GOODS IN 7 MONTHS OF 2024



INVESTMENT

Investment capital from the State budget in 7 months of 2024

TOTAL
301.5 trillion VND

▲ 2.3%

51.9 trillion VND

Central capital

▼ 3.7%

249.6 trillion VND

Local capital

▲ 3.6%

Foreign investment (FDI) from 1/1 to 20/7/2024

Total registered capital

18.00 bill USD

▲ 10.9%

Total implemented capital

12.55 bill USD

▲ 8.4%

FOREIGN DIRECT INVESTMENT (FDI) IN THE FIRST 7 MONTH OF 2024

FOREIGN INVESTMENT

- Total registered capital: New registered capital, capital adjustment, and capital contribution by foreign investors reached over 18 billion USD, a 10.9% increase compared to the same period in 2023.
- Registered capital and disbursed capital: Both continued to rise year-on-year, with increases of 10.9% and 8.4%, respectively.
- Disbursed capital: Exceeded 12.55 billion USD, up 8.4% compared to the same period last year.

INVESTMENT PARTNERS

- Singapore: Remained the largest investor in Vietnam, contributing nearly 36.2% of total investment.

LOCALITIES ATTRACTING INVESTMENT

- Bac Ninh: Attracted nearly 3.2 billion USD, accounting for 17.8% of total investment, more than triple the investment compared to the same period last year.

IMPORT-EXPORT ACTIVITIES

- Exports: Reached 226.98 billion USD, a 15.7% increase year-on-year.
- Imports: Reached 212.9 billion USD, a 18.5% increase.

The FDI sector recorded a trade surplus of over 14 billion USD in the first seven months of the year.

NAM DINH VU PORT OFFICIALLY COMPLETES THE HAI PHONG MARITIME CHANNEL UPGRADE PROJECT

In the sunny and windy last days of July, the Hai Phong maritime channel, a crucial global maritime trade route, has officially been upgraded, promising to transform the appearance of Hai Phong port and the entire northern region.

The project “Upgrading Hai Phong Maritime Channel from Hai Phong International Container Terminal (HICT) to the Nam Dinh Vu Port,” invested in by Nam Dinh Vu Port – a member of Gemadept Corporation, has been completed after five months as committed with the Ministry of Transport and the Vietnam Maritime Administration.

Despite the challenges of natural conditions during construction, on July 27, 2024, Northern Vietnam Maritime Safety Corporation (VMS North) issued a maritime notice recording a new depth of -8.5m at chart datum(as per Maritime Notice No. 225/2024/TBHH-TCTBĐATHHMB).

For details, please visit: <https://shorturl.at/sAJLq>

This official announcement marks a milestone for Hai Phong port cluster, enhancing its competitive capacity in regional maritime transport. It allows large vessels up to 48,000 DWT to fully load, bringing numerous economic benefits, attracting development and investment, and providing impetus for industries, manufacturing, logistics services, and port operations in Hai Phong and the northern region.

Upholding the responsibility as a leading company in the national maritime sector, Gemadept Corporation, with the Hai Phong maritime channel upgrade project, once again asserts the position, reputation, and outstanding capabilities in the market, contributing to the development and prosperity of the country.



GEMADEPT PORT SYSTEM'S SERVICES SURVEY PROGRAM

Aiming to always listen and accompany customers who have trusted Gemadept's Port Ecosystem services, during the weeks from June 28 to July 10, 2024 and from July 24 to July 30, 2024, Gemadept has completed the implementation of "Service Quality Survey Week" for all customers using Gemadept Port system nationwide services.

Being organized via both online and offline channels simultaneously, the program has been warmly welcomed by customers, including dispatchers, forwarders, operators, drivers, etc, those who have experienced Gemadept's port system services from North to South and able to give the most exactly judgments. Thankfully, a lot of frank and sincere comments has been submitted, this will be a valuable source of information to support Gemadept on its journey of constantly improving and improving service quality in all aspects, bringing customers more and more satisfying experiences.



FIATA WORLD CONGRESS (FWC) – The World Congress of the International Federation of Freight Forwarders Associations – is the world's largest and most important event in the field of freight forwarding. Held annually in FIATA member countries, the organization was founded in 1926 and currently represents nearly 200 national associations and more than 6,000 individual members in more than 150 countries and territories.

The “FIATA World Congress 2025 Theme Creation Contest” organized in Hanoi, Vietnam is an important highlight in the event series, aiming to encourage creative and innovative ideas, connecting the global logistics community.



Nguyen Xuan Thao, a Representative of Gemadept and a Member of the Standing Committee of the VLA Association, awarded the FIATA World Congress 2025 Theme Creation Contest



GEMADEPT
PARTNERS WITH
THEME
CREATION CONTEST

FIATA
WORLD CONGRESS
2025

After nearly a month of launching the contest and almost the same amount of time spent reviewing and evaluating each theme, the Organizing Committee and Jury have determined 7 outstanding themes to award prizes, including 1 Special Prize, 1 First Prize and 5 Creative Prizes.

The Organizing Committee received 67 entries from 67 authors across the country. Each entry showcased unique perspectives and innovative ideas, enriching the FWC 2025 event. The authors mostly focused on themes such as green and smart supply chains, enhancing the adaptability of supply chains, and fostering sustainable supply chains through collaboration, demonstrating their keen interest and deep understanding of global freight forwarding industry trends.

Being honored to be a part of the “FIATA World Congress 2025 Theme Creation Contest”. Gemadept is committed to continuing active role in promoting the sustainable and prosperous development of the Vietnamese and global logistics industry.

TOP 10 REPUTABLE AND EFFECTIVE PUBLIC COMPANIES IN 2024

On May 22, 2024, Vietnam Report Joint Stock Company (Vietnam Report) officially announced the VIX50 Ranking - Top 50 Reputable and Effective Public Companies in 2024. This is the result of scientific, objective, and independent research, published in both domestic and international media. With prestige and impressive achievements, Gemadept Corporation (Gemadept) is honored to be in the Top 10 of this ranking.

Building on previous rankings, Vietnam Report has researched, developed, and announced the Top 50 Reputable and Effective Public Companies in 2024 (VIX50) to honor public companies with strong financial foundations, notable achievements in providing products and services to customers, and impressive reputations among the public and investors.



With a clear methodology, the companies in the Top 50 Reputable and Effective Public Companies in 2024 ranking are selected from public companies in the top 100 lists based on four indices: revenue, profit, assets, and market capitalization. These companies are ensured to be well-managed and effective, with positive profits over the past three years.

In addition, Vietnam Report cooperates with a group of industry experts to evaluate factors such as growth potential, level of sustainable development, quality of management, and position in the industry of each business.



KICK OFF GEMADEPT RUN - THE WAY FORWARD PIONEERING STEPS TO THE 3RD SEASON

GEMADEPT RUN
THE WAY FORWARD

BƯỚC CHẠY TIỀN PHONG

#BUOCCHAY
TIENPHONG

The most anticipated sporting event in the maritime industry is back for its third season, promising even more excitement and engagement in both scale and organization.

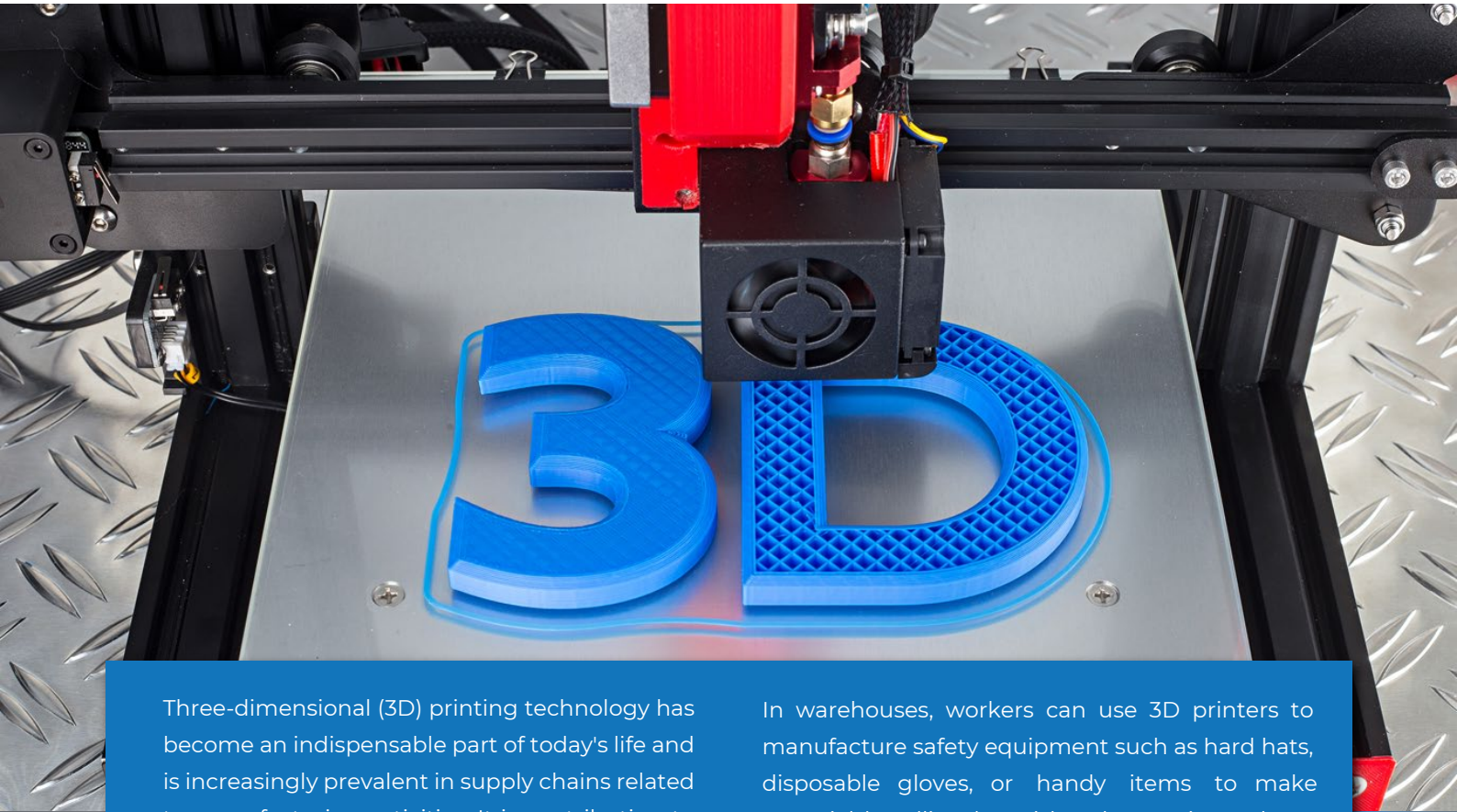
This event not only marks **PIONEERING STEPS** in promoting health awareness within the business community but also spreads a meaningful message: "Pioneering for Future Generations." 100% of the proceeds from ticket sales will be dedicated to charity, supporting educational projects in underprivileged regions of the country, managed by the Ecosystem Nuôi Em – National Volunteer Center (VVC).

More than just a sports race, this is a journey to create better versions of ourselves and foster lasting values for the community and society. Join the Gemadept Run and become a unique piece of these **PIONEERING STEPS**.



LOGISTICS SPOTLIGHT

HOW 3D PRINTING IS IMPACTING THE SUPPLY CHAIN?



Three-dimensional (3D) printing technology has become an indispensable part of today's life and is increasingly prevalent in supply chains related to manufacturing activities. It is contributing to changing the way traditional supply chains operate by providing flexibility, efficiency, and cost savings.

In practical applications, manufacturers use 3D printing to shift from mass production to on-demand production. For example, medical device manufacturers use it to create custom-designed parts for patients, thereby reducing inventory and increasing customer satisfaction.

3D printers use filaments, powders, plastics, or liquids to transform computer-aided design (CAD) files stored in the cloud or on local storage systems into finished products. Consequently, this technology helps reduce reliance on external suppliers by enabling companies to produce parts and components in-house.

In warehouses, workers can use 3D printers to manufacture safety equipment such as hard hats, disposable gloves, or handy items to make material handling less risky. These printers have been integrated into most personal protective equipment fields because they are quick, accurate, and do not require human contact.

3D printing technology also helps reduce material waste compared to traditional manufacturing methods. Excess material can be reused for future projects, making it cost-effective and sustainable. Research shows that this technology can reduce the carbon footprint of the supply chain as it consumes less energy than traditional manufacturing processes.

In the logistics field, the penetration rate of 3D printing is very high, with its global market value expected to reach \$35.6 billion by 2024, growing at a compound annual growth rate of 22.5% from 2020 to 2024.

\$35.6 BILLION

22,5%



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