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Subject: Update on the US's new tariffs and  
information regarding Gemadept Corporation

Ho Chi Minh City, April 8, 2025

**To: Shareholders, Investors and related Parties**

First of all, the Board of Directors of Gemadept Corporation would like to respectfully greet and sincerely thank Shareholders, Investors and related Parties for always trusting, supporting and accompanying the Company over the years!

We would like to send you some updates on the US announcement of new tariffs and the Company's assessments and orientations during this period, specifically as follows:

**1) Summary of the US announcement of new tariffs and possible impact on the economy and industry:**

On April 2, 2025, US President Donald Trump announced new tariffs, which are expected to impact global trade, including Vietnam. Accordingly, the US will impose a basic 10% tariff on imports from all countries and territories worldwide, effective from April 5th. Additionally, the US will apply varying levels of reciprocal tariffs to each trading partner from April 9th. According to the published chart, Vietnam will face a 46% reciprocal tariff.

This round of tariffs does not apply to certain products such as gold, copper, pharmaceuticals, wooden furniture, semiconductors, and other types of energy and minerals not found in the US. Meanwhile, aluminum, steel, automobiles, and auto parts will continue to be subject to the previously imposed 25% tariffs.

According to some initial assessments, the tariff increase may lead US businesses to seek alternative supply sources, disrupting the current supply chains of Vietnamese businesses.

Immediately following President Trump's announcement, the Vietnamese government swiftly implemented negotiation efforts, established a special task force, closely monitored the situation, and introduced timely response measures to minimize negative impacts on the economy. Vietnam has actively contacted and negotiated with US officials to seek solutions to reduce the tariff levels, with the goal of persuading the US to reconsider the 46% reciprocal tariff and make more appropriate adjustments.

On April 4, 2025, General Secretary To Lam had a phone call with the US President about bilateral relations. The two leaders discussed measures to continue promoting trade, in which General Secretary To Lam affirmed that Vietnam is ready to negotiate with the US to reduce import tariffs to 0% for cargo imported from this country, and at the same time proposed that the US apply similar tariffs to cargo imported from Vietnam, to create favorable conditions for US companies to further increase investment in Vietnam. The two leaders affirmed that they will discuss soon to sign a bilateral agreement between the two countries to concretize the above commitments.

Next, on April 7, 2025, Vietnamese Government proposed that the US temporarily postpone the imposition of reciprocal tariffs on Vietnam for at least 45 days serving the negotiation, preparation and status



transition. Through this, Vietnam can approach and negotiate with the US to reach a bilateral agreement, moving towards a sustainable trade balance that benefits both sides, without affecting Vietnam's international commitments.

These specific steps and actions reflect the Government's timely and flexible intervention, and demonstrate Vietnam's compliance with a consistent foreign policy based on the principles of respect, dialogue, seeking peaceful solutions and building trust.

## **2) Gemadept's information, assessment and updates:**

### **a) Company's overview:**

Over the past 35 years of development, Gemadept has always remained steadfast in its goal of becoming Vietnam's leading enterprise in the Integrated Port and Logistics Ecosystem, with a chain of 6 ports from North to South, and a Logistics network spanning 6 sectors: Air Cargo Terminal, Distribution Centers, OOG Cargo Transportation, Inland Waterway Transportation, Cold Chain Logistics, and Auto-Logistics.

Gemadept's Port and Logistics Ecosystem serves millions of TEUs and Tons of cargo annually, connecting trade between Vietnam and ASEAN, the entire Intra-Asia region, Europe, America and Africa.

### **b) Assessment of the possible Impact of the US's new tariffs:**

With Gemadept's diverse and extensive Port and Logistics ecosystem, serving numerous markets, countries, and territories, the impact from the new tariff policies on Vietnamese goods exported to the US will have a certain effect on the Company's operations. The company assesses the level of impact as follows:

- **For the Nam Dinh Vu Port Cluster** in Hai Phong, since being put into operation up to now, Nam Dinh Vu Port has primarily served Intra-Asia markets. **Cargo volume destined for the US accounts for only less than 10%** of the Port's total throughput. Recognizing the growth potential of Intra-Asia trade, especially as the new US tariff policy is expected to further boost intra-Asian trade as countries look for alternative markets and build stronger regional supply chains, Gemadept is currently pushing up the completion of Phase 3 construction of the Nam Dinh Vu Port Cluster, expected to be completed and put into operation in Q4/2025, raising the total capacity of the port cluster up to **2 million TEUs** (in 2024, Nam Dinh Vu's throughput reached over 1.3 million TEUs, exceeding its designed capacity). The Nam Dinh Vu Port Cluster possesses numerous outstanding advantages, being able to receive 7 feeder vessels simultaneously upon completion, becoming the largest river port in the North; coupled with the benefits from the upgraded Ha Nam channel, allowing vessels up to 50,000 DWT to call.
- **For Gemalink Deep-sea Port** in Cai Mep-BRVT Province, in 2024, the throughput reached over 1.75 million TEUs, exceeding its designed capacity. Gemalink has set new handling productivity records in the history of Vietnam's port operation industry, contributing to enhancing the competitiveness of the Cai Mep port cluster, paving the way for the implementation of Gemalink Phase 2 in the near future, raising the port's total capacity to **3 million TEUs**.

In 2024, the Cai Mep port cluster continued to affirm its position as its operational efficiency ranking rose to the **Top 7 globally** (according to the World Bank), aiming to become a leading Transshipment Hub in Asia, with Gemalink Port playing a significant role.



The cargo volume destined for the US at Gemalink in 2024 and Q1/2025 accounted for less than 32%, with the remaining cargo being destined for Europe, Intra-Asia, etc. Notably, with its outstanding advantages, Gemalink port successfully attracted **4 new service routes** to Africa, Europe, Canada, and Brazil in April 2025 alone, significantly reducing the proportion of US-bound cargo via Gemalink to approximately 20%.

In addition, in contrast to the export flow, the import flow from the US may not be affected, and even has the potential to grow, thanks to proactive policies from Vietnam, including the proposal of 0% import tariff and increase purchases of strategic cargo that the US has strengths in and that Vietnam has demand for, such as renewable energy equipment, semiconductor technology, pharmaceuticals, high-tech machinery, raw materials, etc. This creates an opportunity for Gemalink to increase cargo volume from US imports.

At the same time, the US imposition of new tariffs has the potential to lead to a significant shift in global cargo flows, particularly an increase in intra-Asia trade, reducing dependence on the US market.

The Asian region has a large population, rapidly developing economies, and increasing consumer demand. Free Trade Agreements such as the Regional Comprehensive Economic Partnership (RCEP) facilitate Intra-Asia trade. The Intra-Asia market has significant purchasing power and the ability to consume cargo that was previously exported to the US. The growth of Intra-Asia trade, combined with increased domestic consumption, brings many opportunities for Gemadept and its Port and Logistics supply chain activities to continue serving this large and highly potential market effectively.

**c) Gemadept is flexibly responding and proactively seizing opportunities:**

With the unique advantage of the Integrated Port and Logistics Ecosystem, which is one of the key pillars of the economy, both now and in the future, Gemadept continues to flexibly respond to market changes and the new US tariff policy. Simultaneously, it is proactively seizing opportunities during this period, **continuing to expand its network of cooperation partners, enriching the Port and Logistics Ecosystem, and seeking investment opportunities in national projects** such as the Nam Do Son port project, the Cai Mep Ha Logistics Hub, and **other related development projects**.

Flexibly responding to the new situation, the Company has been and is engaging with shipping lines and import-export customers to expedite early export orders, closely monitoring market developments; coordinating with government agencies and departments to provide solutions to protect import-export businesses and customers; approaching customers that are less affected by the US Tariff Policy; leveraging the advantages of Gemadept's Port and Logistics Ecosystem to offer the best service packages to customers.

**3) Maintaining the Mindset to Overcome Obstacles:**

Quoting from the Government's Information Page: *"Vietnam's economic history has experienced many shocks – from embargoes, financial crises, natural disasters, and epidemics to unexpected policy changes from major partners... Prime Minister Pham Minh Chinh emphasized the spirit of maintaining calmness, courage, and having proactive, flexible, timely, and effective countermeasures for all developments to continue overcoming difficulties, obstacles, and external shocks as done in recent years. Tariffs may be a temporary barrier, but they cannot hinder the creativity, adaptability, and aspiration of the Vietnamese people. The world is still vast, opportunities remain abundant – and with the unity of the*

*government, businesses, and people... Vietnam will overcome this challenging period with the posture of a nation and an economy that is increasingly mature, courageous, and responsible."*

Standing alongside the Government and the business community, Gemadept Corporation, with steadfast determination and firm belief, continues to strive to deliver more values to Customers, Partners, and Stakeholders, contributing to the community and the society, and accompanying the Nation on its development path.

Accompanying the Government and the Business community, Gemadept, with its steadfast will and strong belief, continues to make every effort together with esteemed Customers, Partners, and Shareholders, to stand firm and join forces to overcome this difficult period to accompany the Country on the path of development.

The Company will continue to closely monitor the next developments in the Government's tariff negotiation process with the US side to take quick, flexible and timely actions. We will continue to update Shareholders, Investors, and related Parties through announcements, meetings, direct discussions, etc.

Again, we would like to express our deepest thankfulness to all Shareholders, Investors, and related Parties.

Yours sincerely,

**For and on behalf of Gemadept Corporation**

**CEO**



**Nguyen Thanh Binh**

