

No: /BC-HDQT

Ho Chi Minh City, [Date] 2025

DRAFT

**REPORT OF THE BOARD OF DIRECTORS
PRESENTED TO THE 2025 ANNUAL GENERAL MEETING OF
SHAREHOLDERS**

**To: The General Meeting of Shareholders
Sai Gon Port Joint Stock Company**

In accordance with the responsibilities approved by the General Meeting of Shareholders, the Board of Directors (hereinafter referred to as the “BOD”) of Sai Gon Port Joint Stock Company (hereinafter referred to as the “Company” or “Sai Gon Port”) hereby reports on the business performance in 2024 and the operational plan for 2025 as follows:

I. BUSINESS PERFORMANCE IN 2024

1. BOD Personnel:

Information on BOD members::

No.	BOD Member	Position	Start/End Date as BOD Member	
			Appointment Date	Dismissal Date
01	Mr. Huynh Van Cuong	Chairman of the BOD	26/4/2021	
02	Mr. Vo Hoang Giang	Vice Chairman of the BOD	26/4/2021	28/3/2024
03	Mr. Nguyen Ngoc Toi	Non-Executive BOD Member	26/4/2021	
04	Mr. Ly Quang Thai	Non-Executive BOD Member	26/4/2021	
05	Mr. Nguyen Van Phuong	Non-Executive BOD Member	22/4/2022	
06	Ms. Do Thi Minh	Non-Executive BOD Member	26/4/2021	
07	Mr. Phan Tuan Linh	Non-Executive BOD Member	26/5/2023	28/3/2024
08	Ms. Trinh Thi Ngoc Bien	Non-Executive BOD Member	28/3/2024	
09	Mr. Vu Phuoc Long	Non-Executive BOD Member	28/3/2024	
10	Ms. Do Thi Thanh Thuy	Non-Executive BOD Member	26/5/2023	
11	Ms. Ho Thi Thu Hien	Non-Executive BOD Member	26/5/2023	

2. Opportunities and Challenges:

a) Opportunities

2024 was a challenging year with significant macroeconomic fluctuations globally and in Vietnam, negatively impacting the economy, including the Company. However, external factors such as anti-dumping policies on steel, real estate construction demand, and fertilizer tax adjustments helped drive import-export demand. Throughout these challenges, Sai Gon Port received strong support from regulatory authorities and Vietnam Maritime Corporation.

Sai Gon Port's branches also adapted well. Tan Thuan Port leveraged strong relationships with major clients to handle increased steel shipments. The Ba Ria - Vung Tau branch successfully renewed its lease agreement with Southern Steel Company for five years, ensuring operational stability. Joint ventures in the Cai Mep - Thi Vai region expanded services, enhancing business efficiency.

b) Challenges:

2024 posed significant business challenges, including increased port infrastructure fees, negatively impacting key cargo segments such as steel, fertilizer, animal feed, and container shipments. Intensified regional port competition, with rivals investing in infrastructure and service expansions. The newly operational Phuoc An Port, featuring modern facilities and strategic advantages, added competitive pressure. Potential long-term impact from the planned Thu Thiem Bridge, which raised client concerns regarding logistics viability at Tan Thuan Port. Sharp declines in cargo throughput, reflecting broader market downturns.

3. Financial Performance in 2024:

The Board of Directors of Sai Gon Port, in compliance with the resolutions of the 2024 General Meeting of Shareholders, has executed its activities in accordance with the Company's Charter, the Law on Enterprises, and prevailing regulations. Accordingly, regarding key indicators of volume, revenue, and profit:

- Total cargo volume (Parent Company) in 2024: 9,972,242 tons, achieving 115% of the previous year (equivalent to an increase of 1.323 million tons) and 110% of the approved plan.

- Revenue in 2024: VND 1,275.743 billion, reaching 137% of the previous year and 131% of the annual plan; of which, revenue from core business operations accounted for 76%.

- Profit in 2024 (Parent Company): VND 337.788 billion, achieving 87% of the previous year and 142% of the plan. Consolidated profit was VND 224.537 billion, achieving 95% of the plan. The 2024 consolidated profit was impacted by land lease expenses from 2010 and 2018, as well as non-agricultural land tax from 2012-2018, totaling VND 52.366.535.788, which was reflected in the financial results of Sai Gon Port - Hiep Phuoc, increasing Sai Gon Port's provisioning costs.

- Tax obligations in 2024: Sai Gon Port fulfilled its statutory tax obligations, with total tax payments amounting to VND 175 billion.

4. Report on the management, utilization, and preservation of Owners' Equity:

4.1. Investment and capital mobilization for fixed asset formation and construction projects:

The implementation of investment projects related to procurement and basic construction in 2024 is as follows:

Unit: VND million

Project Category	2024 Plan		2024 Execution		Execution Rate (%)	
	Investment	Repairs	Investment	Repairs	Investment	Repairs
Equipment Procurement	104.490	68.242	4.407	54.297	04%	80%
Construction Projects	99.698	56.269	48.190	30.802	48%	55%
Total	204.188	124.511	52.597	85.099		

4.2. Capital mobilization and utilization; bond issuance:

In 2024, Sai Gon Port did not raise additional capital or issue bonds. However, the Company coordinated with Vietnam Maritime Corporation to engage with joint venture ports in the Cai Mep - Thi Vai area to restructure financial obligations related to joint venture loans.

4.3. Capital preservation and growth:

Equity as of December 31, 2023: VND 2,844 billion

Equity as of December 31, 2024: VND 2,877 billion

The Company successfully preserved and grew its equity.

4.4. Debt Repayment Capacity, Debt-to-Equity Ratio, and Capital Preservation Ratio in 2024:

Debt repayment capacity: 2,00

Debt-to-equity ratio: 1,00

Capital preservation ratio: 1,16

Sai Gon Port effectively optimized its financial resources to enhance operational efficiency and business performance.

5. Compliance with State Budget Obligations:

The Company complied with tax declaration and budget contribution regulations, including periodic audits of invoice issuance and utilization by its subsidiaries. In 2024, Sai Gon Port contributed a total of VND 175 billion in taxes in full compliance with national regulations.

6. Report on business operations and exploitation activities:

- Container Cargo:

+ Total container throughput reached 248,000 TEUs, achieving 107% of the previous year's figure (an increase of nearly 18,000 TEUs) and 131% of the 2024 plan, driven by rising domestic transportation demand in the final months of the year.

- Fertilizer Cargo:

+ The total volume of imported fertilizer handled at Sai Gon Port reached 522,000 tons (across both Ho Chi Minh City and Hiep Phuoc areas), achieving 96% of the previous year's volume.

- Steel Cargo:

+ Steel import-export volume at Tan Thuan Port reached 2.1 million tons, achieving 139% of the previous year's volume, reflecting an increase of 600,000 tons, with a market share of 39%.

+ Domestic steel volume handled through Sai Gon Port reached 1.7 million tons, achieving 115% of the previous year's volume, reflecting an increase of 230,000 tons, with a market share of 100%.

- Joint Venture Port Operations in the Cai Mep - Thi Vai Area (2024):

In 2024, joint venture ports performed well, exceeding planned targets. Key highlights:

+ SP-PSA Joint Venture (a partnership between VIMC, CSG, and PSA - Singapore): Due to the declining container market, SP-PSA transitioned to focus on bulk cargo handling, liquidating its container-handling equipment. Profit reached VND 74.945 million, exceeding 655% of the plan.

+ SSIT Joint Venture (a partnership between VIMC, CSG, and SSA - USA): In 2024, a new service was received from MSC, contributing to a profit of VND 202.977 million, achieving 129% of the plan.

+ CMIT Joint Venture (a partnership between VIMC, CSG, and APMT - Denmark): Achieved strong operational efficiency in the last six months of 2024, resulting in a profit of VND 134.186 million, reaching 202% of the plan.

- Relocation and Functional Transformation of Nha Rong - Khanh Hoi Area:

The relocation of Nha Rong - Khanh Hoi Port is being carried out in accordance with Decision No. 46/2010/QĐ-TTg of the Prime Minister and is currently awaiting resolution from the relevant authorities.

- Outstanding issues related to land and tax matters during the privatization process:

Sai Gon Port's land-use rights in Ba Ria - Vung Tau (4 properties) and Lam Dong (1 property) were approved for continued use after privatization, and the Company has completed updates and re-registration of its ownership in land-use certificates. However, one property in Ba Ria - Vung Tau is pending a renewed land lease contract.

Sai Gon Port's land-use rights in Ho Chi Minh City have yet to receive final approval from the relevant authorities for continued usage since its conversion to a joint-stock company in October 2015. This delay stems from the People's Committee of Ho Chi Minh City not issuing an official position regarding the restructuring plan for land and real estate assets under Decree No. 03/2025/ND-CP, effective January 1, 2025.

- Workforce Training and Development: In 2024, Sai Gon Port enrolled employees in various online training programs organized by Vietnam Maritime Corporation, covering topics such as: Leadership and Management Skills, Smart Port & Logistics, Internal Auditing, Customer-Centric Approach, E-learning, Business Planning, Goal Management using BSC, KPI, and OKR, Corporate Culture Development and Transparency Enhancement.

- Selection of an Audit Firm for 2024 Financial Statements:

Following the authorization of the General Meeting of Shareholders, the Board of Directors selected UHY Auditing and Consulting Co., Ltd. as the audit firm for Sai Gon Port's 2024 financial statements. UHY was chosen for its reputation, high-quality service,

experience, and qualifications to audit public companies. UHY has successfully audited and issued both separate and consolidated financial statements for Sai Gon Port in 2024.

Sai Gon Port has publicly disclosed its financial reports for 2024 in compliance with regulations for large-scale public companies.

7. Corporate Restructuring and Business Reorganization:

In line with the directives of the State Capital Owner (Vietnam Maritime Corporation, the major shareholder of Sai Gon Port), the Company undertook restructuring efforts involving its departments, branches, and affiliated companies. In 2024, the major shareholder, Vietnam Maritime Corporation, held 15 meetings with the Board of Directors and Executive Management of Sai Gon Port regarding the restructuring process. Based on these discussions, the Board of Directors of Sai Gon Port issued 33 resolutions and decisions, along with 15 official directives instructing the CEO and Executive Management to implement the restructuring, reorganize the organizational structure, labor policies, and business operations.

7.1. Reorganization of Departments and Branches of Sai Gon Port:

The Board of Directors approved a restructuring plan that defined the functions, responsibilities, and organizational structure of the following departments: Internal Audit Department; Finance and Accounting Department; Human Resources Department; Business Department; General Affairs Department; Information Technology Department; Engineering and Infrastructure Department; Project Management Department.

7.2. Reorganization of Branches of Sai Gon Port:

a) Closure of the following branches of Sai Gon Port Joint Stock Company: Maritime Service Center of Sai Gon Port; Hiep Phuoc Port; Marine Tugboat Enterprise; Sai Gon Port Branch in Ba Ria - Vung Tau.

b) Establishment of new operational management centers in key areas: Nha Rong - Khanh Hoi Operations Management Center; Tan Thuan Operations Management Center; Ba Ria - Vung Tau Operations Management Center; Tugboat Operations Management Center under Sai Gon Port.

7.3. Divestment from Subsidiaries and Other Investments: Sai Gon Port executed divestment from controlled entities and other investments in accordance with Resolution No. 226/NQ-DHDCD-CSG dated March 28, 2024.

7.4. Business Reorganization at Sai Gon Port - Hiep Phuoc:

- Organizational restructuring: The Board of Directors restructured the leadership team at Sai Gon Port - Hiep Phuoc (including Chairman, Board Members, and Executive Management) to align with the Company's operational strategy at Hiep Phuoc Terminal.

- Infrastructure investment and equipment leasing: The Company undertook the leasing of equipment and synchronized infrastructure investments to support efficient operations at Sai Gon Port - Hiep Phuoc.

7.5. Network Expansion and Strategic Logistics Development: Integration of logistics networks to optimize supply chain efficiency. Development of infrastructure for joint venture ports and subsidiaries to leverage synergies and enhance overall business performance.

II. ACTIVITIES OF THE BOARD OF DIRECTORS

In compliance with the 2024 General Meeting of Shareholders (GMS) resolutions, the Board of Directors (BOD) of Sai Gon Port executed its responsibilities in accordance with the Company's Charter, the Law on Enterprises, and prevailing legal regulations.

1. Summary of BOD Meetings, Resolutions, and Decisions:

The BOD assessed that 2024 was a year marked by significant risks and uncertainties, stemming from global market fluctuations and economic volatility, particularly the prolonged impacts of the Russia-Ukraine conflict. Given these challenges, the BOD prioritized corporate governance enhancements, strategic risk management, and operational oversight, ensuring effective business execution.

The BOD of Sai Gon Port consisted of nine members, including four full-time members. In 2024, two BOD members were replaced. Throughout the year, the BOD fulfilled its duties and exercised its powers in strict compliance with the Company's Charter, internal governance regulations, and legal requirements. On March 28, 2024, the BOD successfully convened the 2024 Annual General Meeting of Shareholders (AGM). Subsequently, the GMS issued Resolution No. 226/NQ-DHDCD-CSG, assigning the BOD and the Board of Supervisors the responsibility to implement key initiatives. On December 10, 2024, Sai Gon Port conducted a written consultation with shareholders, seeking approval to adjust the allocation to the Development Investment Fund, which had been previously approved at the 2024 AGM. This adjustment was formally ratified through Resolution No. 1314/NQ-DHDCD-CSG dated December 31, 2024.

Throughout 2024, the BOD upheld governance principles and regulatory compliance by: Holding six (06) official meetings (both in-person and online); Issuing 170 consultations via voting procedures on investment strategies, business operations, and corporate management; Passing 136 Resolutions and 84 Decisions, ensuring compliance with the Company's Charter and legal regulations. Conducting all meetings in accordance with corporate governance standards, with participation from the CEO, Head of the Board of Supervisors, and Chief Accountant/Head of Finance & Accounting Department.

Beyond general governance responsibilities, the BOD and its members actively fulfilled their respective roles and responsibilities.

The Chairman of the BOD ensured compliance with the Law on Enterprises, the Company's Charter, and BOD operational regulations. He was responsible for developing and executing the annual work program, assigning duties to BOD members, organizing meetings, consultations, and voting procedures, issuing Resolutions, Decisions, and Directives, and overseeing the Executive Management Team.

The BOD members made valuable contributions to the revision, development, and enhancement of corporate governance policies. They also played a key role in supervising and managing business operations, ensuring the successful completion of the targets set by the General Meeting of Shareholders (GMS).

2. Report on the Activities of Independent Board Members and Their Assessment of the BOD's Performance:

Sai Gon Port does not have independent Board members.

3. Report on transactions between the company, subsidiaries, and entities controlled by the company (holding more than 50% of charter capital) with BOD members and their related parties; transactions between the company and entities where a BOD member was a founding shareholder or business executive within the past three years:

Sai Gon Port did not engage in any transactions falling under this category in 2024.

4. Report on Compensation, Operational Expenses, and Other Benefits of the Board of Directors and Its Members:

All compensation, operational expenses, and benefits were processed in compliance with the Company's Charter, Circular 28/2016/TT-BLĐTBXH, and other applicable regulations.

Total salary fund for full-time BOD members in 2024: VND 5,922,684,000.

Total remuneration fund for non-executive BOD members in 2024: VND 1,832,000,000.

5. Report on the Activities of the BOD's Committees:

The Board of Directors (BOD) established several committees to support strategic planning and corporate governance, including:

- Steering Committee for the Development and Implementation of the Sai Gon International Transshipment Port Project in Can Gio: The committee is currently advising the Board of Directors (BOD) on the implementation of the Sai Gon International Transshipment Port Project in Can Gio, ensuring compliance with regulatory requirements while operating on a part-time basis.

- Steering Committee and Task Force for the Merger of Sai Gon Port - Hiep Phuoc into Sai Gon Port Joint Stock Company: The committee is overseeing merger-related activities, which are currently in progress, and operates on a part-time basis.

- Steering Committee for the Implementation of the Divestment Plan and Other Investment Transactions of Sai Gon Port: The committee is actively executing the divestment plan and investment restructuring efforts, operating on a part-time basis.

- Subcommittee for Amending and Supplementing the Charter of Sai Gon Port Joint Stock Company: The amendment and revision process has been completed.

- Steering Committee for Organizing the 2024 Annual General Meeting of Shareholders (AGM): The committee has successfully completed its responsibilities.

III. OVERSIGHT AND SUPPORT OF THE EXECUTIVE MANAGEMENT BY THE BOARD OF DIRECTORS

Based on the Company's Charter and Internal Corporate Governance Regulations, the Board of Directors (BOD) exercised oversight over the Executive Management through: Regular evaluations and inquiries regarding business performance at periodic meetings; Monitoring multiple operational activities and enhancing corporate governance practices; Providing direct and timely guidance to the Executive Management, ensuring the full and accurate implementation of General Meeting of Shareholders (GMS) resolutions, BOD resolutions, and decisions; Developing and executing the Company's business and investment plans for 2024.

The BOD also directed the Executive Management to conduct and complete the 2024 financial audit, ensuring compliance with legal disclosure requirements.

The BOD timely address and resolve operational challenges and other matters within its authority



Collaborate closely with the Board of Supervisors and Executive Management to promptly resolve business challenges and support the CEO in optimizing business performance, ensuring overall operational efficiency at Sai Gon Port.

General Assessment: The Executive Management Team and key managerial personnel demonstrated high competence, accountability, and professionalism. They effectively implemented all resolutions of the General Meeting of Shareholders (GMS) and BOD directives, directed and managed business operations in alignment with the approved production and business plans, Executed investment and development strategies in accordance with the resolutions of the 2024 Annual General Meeting of Shareholders (AGM).

IV. 2025 OPERATIONAL PLAN OF THE BOARD OF DIRECTORS

1. 2025 Market Forecast:

In 2025, Sai Gon Port will continue to face various external challenges, including operational impacts from joint ventures, regulatory and policy adjustments; The construction of Thu Thiem 4 Bridge, which is scheduled to commence in 2025 and may affect customer sentiment; reduced operational capacity at Tan Thuan Port due to limited handling space and decreased vessel reception capacity; Relocation of the Nha Rong - Khanh Hoi area, leading to disruptions in port operations. Despite these challenges, Sai Gon Port will make continuous efforts to expand customer base; strengthen operations in alternative areas, such as Hiep Phuoc, Tan Thuan 2, and Ba Ria - Vung Tau; develop value-added services to offset revenue losses from market constraints.

2. Business Plan Targets for 2025:

For the Parent Company:

- Cargo volume: 9,500,000 tons.
- Revenue: VND 1,000 billion.
- Profit: VND 310 billion.

For Consolidated Targets:

- Cargo volume: 10,000,000 tons.
- Revenue: VND 1,214 billion.
- Profit: VND 316 billion.

3. Implementation Strategies:

3.1. Port Operations:

- Develop customer care policies and strategies to retain existing customers and maintain competitiveness with other regional ports amid anticipated economic difficulties in 2025. Special incentives for major steel customers (both domestic and import-export).

- Maximize operational capacity at Tan Thuan Port; upgrade and renovate yards at Tan Thuan 1 and Tan Thuan 2 to improve vessel reception and increase yard stacking capacity.

- Accelerate the leasing of equipment and infrastructure development at Sai Gon Port - Hiep Phuoc to support existing cargo operations, RORO cargo, and container services, ensuring efficient port operations.

- Maintain strong business relationships with Southern Steel Company to continue lease agreements at the Steel Port. Strengthen collaborations with joint ventures and the Sai Gon Port branch in Ba Ria - Vung Tau to expand operations in the Cai Mep - Thi Vai area.
- Transform the Nha Rong - Khanh Hoi area into a cultural and historical tourism port. Expand warehouse leasing, passenger vessel services, and establish a commercial and service hub attractive to the city.
- Execute the Sai Gon International Transshipment Port Project in Can Gio and other strategic collaborations.
- Optimize the utilization of existing mooring buoys; intensify marketing efforts to attract new cargo sources beyond coal and clinker; introduce new transshipment services for large vessels.
- Strengthen logistics network integration; invest in joint venture port infrastructure and member units to maximize synergies.
- Enhance marketing and communication efforts through multiple channels. Continuously assess and optimize website and social media engagement based on analytics and customer interaction data.
- Improve operational processes and service quality to meet customer demands and enhance business efficiency.

3.2. Financial and Compensation Strategies:

+ Financial Strategy:

- Develop capital allocation plans for the Sai Gon International Transshipment Port Project in Can Gio and other infrastructure projects, ensuring financial stability and liquidity.
- Plan for investment restructuring to optimize the performance of Sai Gon Port's subsidiaries and affiliates, aligning with the Company's long-term strategic objectives.
- Strengthen debt collection efforts to maintain stable cash flow, supporting working capital needs.
- Ensure compliance with government regulations on procurement and capital investment, preventing financial mismanagement or inefficiencies.
- Implement cost-saving initiatives by applying Kaizen principles to enhance operational efficiency.

+ Compensation and HR Strategy:

- Address HR and legal issues related to joint ventures and affiliated companies.
- Organize training programs to improve employee knowledge and awareness of port operations and management.

3.3. Infrastructure and Equipment Investment:

- Key Projects in 2025:

- + Preparation for the Sai Gon International Transshipment Port in Can Gio (Feasibility Study, Environmental Impact Assessment, Investor Selection).
- + Upgrading and expanding the access bridge at Tan Thuan 2 Port.
- + Administrative procedures for the development of the Nha Rong - Khanh Hoi International Passenger Port.



4. Dividend Policy for 2025:

The Board of Directors (BOD) will propose dividend distribution for 2025 at the Annual General Meeting of Shareholders (AGM), depending on business performance.

The BOD highly appreciates the efforts of the Executive Management and the entire workforce of Sai Gon Port, which enabled the Company to overcome challenges in 2024. Moving forward, the BOD and Executive Management will continue to enhance corporate strategy, expand business operations, mitigate risks, and implement the 2025 business plan presented at the 2025 AGM.

The Board of Directors of Sai Gon Port Joint Stock Company respectfully submits this report and wishes the Annual General Meeting great success../.

Recipients:

- As above;
- Sai Gon Port Board of Directors;
- Sai Gon Port Board of Supervisors;
- Sai Gon Port Executive Management;
- Published on Sai Gon Port's website;
- Archived: Administrative Office, BOD, Corporate Governance Officer.

**ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN**

Huynh Van Cuong