



PROPOSAL

Regarding the approval of the policy of not divesting the capital of Saigon Port Joint Stock Company in enterprises with controlling capital contributions

To: **General Meeting of Shareholders
Saigon Port Joint Stock Company**

Pursuant to the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020;

Pursuant to the Charter of Saigon Port Joint Stock Company;

The Board of Directors of Saigon Port Joint Stock Company respectfully submits to the General Meeting of Shareholders of Saigon Port Joint Stock Company for approval the policy of not divesting the capital of Saigon Port Joint Stock Company (Saigon Port) in enterprises with controlling capital contributions as follows:

1. Summary of information regarding enterprises with controlling capital contributions of Saigon Port:

Except for Saigon Port - Hiep Phuoc Joint Stock Company (now Saigon Port Gateway Joint Stock Company), which was established to implement the Saigon Port - Hiep Phuoc Project to serve the relocation of the Nha Rong - Khanh Hoi port area, Saigon Port Joint Stock Company (Saigon Port) is currently investing and holds controlling capital contributions in the following 04 enterprises:

- Saigon Port Stevedoring and Services Joint Stock Company (capital contribution percentage 51.43%, charter capital 40.5 Billion VND);
- Saigon Port Logistics Joint Stock Company (capital contribution percentage 74.13%, charter capital 15 Billion VND);
- Saigon Port Technical Trading and Services Joint Stock Company (capital contribution percentage 63.31%, charter capital 19.98 Billion VND);
- Saigon Port Maritime Transport and Services Joint Stock Company (capital contribution percentage 51%, charter capital 32.8 Billion VND).

These enterprises were formerly branches of Saigon Port that underwent equitization, operating primarily in fields auxiliary to the core business of Saigon Port, such as: stevedoring labor supply, cargo handling, mechanical repair, technical trading, transport, logistics services, vocational training, etc.

2. Results of implementing the divestment policy at subsidiaries and other investments:

Pursuant to Resolution No. 226/NQ-DHDCD-CSG dated March 28, 2024, of the General Meeting of Shareholders of Saigon Port regarding the policy and plan for divestment at enterprises with capital contributions and other investments of Saigon Port, Saigon Port has successfully implemented the divestment of its capital in VIMC Logistics

Joint Stock Company, Maritime Commercial Joint Stock Bank, and SP-SPAM Towage Company Limited with a total amount of **109,408,843,490 VND**.

Regarding the entities: Saigon Port Technical Trading and Services Joint Stock Company (Tecserco), Saigon Port Maritime Transport and Services Joint Stock Company (SPT), Saigon Port Stevedoring and Services Joint Stock Company (Sasteco), and Saigon Port Logistics Joint Stock Company (SPL), they are currently in the process of valuation and assessment of the impact on business operations following the divestment of Saigon Port's capital in these enterprises, in the context of a complex economic situation.

3. Necessity of not divesting from the following companies: Tecserco, Sasteco, and SPT:

- Regarding finance:

If all the aforementioned companies were divested, Saigon Port would only receive a one-time amount of approximately 66.7 Billion VND, whereas according to the audited financial statements of the joint stock companies with controlling capital contributions of Saigon Port: in 2024, the 03 companies Tecserco, Sasteco, and SPT are generating over 160 Billion VND in consolidated revenue; in 2025, revenue is expected to reach over 188 Billion VND. Retaining these 03 companies (Tecserco, Sasteco, and SPT) will ensure a stable long-term source of revenue and dividends.

- Regarding the ecosystem:

Currently, Sasteco and Tecserco are "core services"; if control is lost, these services would have to be outsourced at high costs and with quality risks. SPT has the potential to develop logistics associated with the port land fund.

- Regarding governance:

Restructuring the 03 companies Tecserco, Sasteco, and SPT will improve efficiency, reduce costs, strengthen competitive power, and enhance control over the port service value chain, focusing on:

- ✓ Improving operational efficiency;
- ✓ Controlling core service quality;
- ✓ Ensuring consolidated revenue contribution to Saigon Port;
- ✓ Being ready for joint ventures and associations to expand services.

4. Proposal:

To ensure a stable and sustainable source of revenue and dividends in the long term; while simultaneously promoting the potential for logistics service development associated with the port land fund and limiting dependence on outsourcing core services at high costs with potential quality risks, the Board of Directors respectfully submits to the General Meeting of Shareholders of Saigon Port for approval the policy of not divesting the capital of Saigon Port in the 03 companies with controlling capital contributions, including:

- Saigon Port Stevedoring and Services Joint Stock Company;
- Saigon Port Technical Trading and Services Joint Stock Company;

- Saigon Port Maritime Transport and Services Joint Stock Company.

At the same time, Saigon Port will direct the Capital Representatives at the aforementioned companies to implement comprehensive restructuring solutions regarding personnel and finance, aiming to improve operational efficiency, ensure the quality of services provided, and expand the service ecosystem of Saigon Port; simultaneously, they will proactively seek and promote opportunities for joint ventures and associations with partners to provide services for Saigon Port's development projects, thereby increasing profits and enhancing dividend value for shareholders.

Hereby submitted./.

Recipients:

- As above;
- SGP Shareholders;
- SGP Board of Directors;
- SGP Board of Supervisors;
- SGP Board of Management;
- Posted on SGP website;
- Archived: Administration Dept, Person in charge of Corporate Governance, Board of Directors.

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

Huynh Van Cuong