

Hai Phong, March ..., 2025

DRAFT

REPORT
OF THE BOARD OF DIRECTORS
On the Business Operations Management in 2024, the Business Plan for 2025,
and Governance Work presented at the 2025 Annual General Meeting of
Shareholders

PART I
SUMMARY OF BUSINESS OPERATIONS IN 2024

I. GENERAL SITUATION

In 2024, the global and Asian economic and political landscape experienced complex developments. The global economic recovery remained unstable and faced numerous risks. Instabilities affected production and the circulation of goods worldwide, while crude oil prices, basic commodities, and transportation services fluctuated significantly, etc.

Changes in certain port operation management regulations by State authorities, along with depth limitations in the Bach Dang channel (-7m), have posed challenges in receiving and operating large-tonnage vessels. This has increased pressure on the Company's Executive Board, requiring them to handle numerous arising issues.

The regional market has experienced significant fluctuations, and intense competition among enterprises operating in the seaport and warehousing services sector has adversely affected the Company's implementation of its business plan.

Typhoon No. 3 – Yagi made landfall in Hai Phong on September 7, 2024, causing damage to equipment, facilities, and infrastructure of seaport enterprises in the Dinh Vu area. The Company also suffered losses, as two STS gantry cranes had to be taken out of operation, making it difficult to arrange berths, receive, and handle vessels in the post-storm period (late 2024).

However, with the support of partners, customers, and shareholders, along with the guidance of the Board of Directors and the achievements attained in 2024, the Company was able to overcome challenges and difficulties.

II. EVALUATION OF BUSINESS MANAGEMENT ACTIVITIES

Despite facing many difficulties and challenges, thanks to the unity and high consensus in the Board of Directors' leadership, the flexibility and dynamism in production management of the Executive Board, and the efforts of all employees, the Company has successfully achieved two (02) key business targets assigned by the General Meeting of Shareholders for 2024: revenue and profit before tax, specifically:

1. Business Performance Results

No.	Indicator	Unit	2024 Plan	2024 Actual	Comparison with the 2024 Plan (%)	Comparison with 2023 (%)
1	Throughput	Teu	599,900	573,124	95.54	116.5
2	Total Revenue	Billion VND	700	848.45	121.21	101.04
3	Profit Before Tax	Billion VND	345	403.03	116.82	101.15

The cargo throughput target at the Port reached 95.54% of the 2024 plan. The reason was the depth limitation of the Bach Dang channel leading to the Port (-7m). As a result, in August 2024, the Company's customer relocated one service route to be operated to a port outside the Ha Nam canal, which has a depth of -8.5m. Although the cargo throughput did not meet the planned target, thanks to the efforts of the Executive Board and the Company's employees, the Company achieved and significantly exceeded the revenue and profit targets in 2024. Of which, the most important business performance indicator assigned by the General Meeting of Shareholders, pre-tax profit, reached 116.8% of the plan and exceeded the same period in 2023 by 1.15%.

2. Titles achieved by the Company in 2024

No.	Title	Awarding Authority	Decision Number
1	Certificate of Merit for Compliance with Tax Policies and Laws in 2024	Department of Taxation of Hai Phong City	Decision No. 3460/QD-CTHHP dated October 2, 2024
2	Top 500 Most Profitable Companies in Vietnam 2024 (PROFIT500)	Vietnam Report Joint Stock Company	Certificate No. 261/PROFIT-2024 dated October 24, 2024
3	Top 50 Outstandingly Profitable Companies in Vietnam 2024	Vietnam Report Joint Stock Company	Certificate No. 261/PROFIT-2024 dated October 24, 2024
4	Certificate of Merit for Outstanding Achievements and Positive Contributions to the Socio-Economic Development of Hai	Chairperson of the People's Committee of Hai Phong City	Decision No. 130/QD-UBND dated January 15, 2025

	Phong City in 2024		
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3. Business Operations Management Situation

3.1 Production Management

The on-duty Dispatch Force closely monitors the field, coordinating with other forces to strictly follow the production plan, maintain labor discipline, comply with labor safety regulations, and loading and unloading procedures.

Closely coordinate with shipping lines and the two adjacent ports to regulate vessel operations reasonably, maximizing berth utilization. Coordinate well with Tan Vu Port Branch to handle vessel operations using STS gantry cranes, ensuring that vessels departed the berth as scheduled in accordance with the requirements of agents and SITC shipping line.

3.2 Business and Marketing Operations

Closely monitor market fluctuations, adjust pricing policies appropriately, and diversify services to increase revenue and meet customer demands.

Perform good customer care, strengthen and tighten relationships with partners and traditional customers to maintain stability.

Marketing activities are carried out regularly, and the Company has closely followed and received support from the shipping lines. In 2024, the Company successfully marketed two new service routes for operations at the Port.

Establish direct connections with customers handling large cargo volumes through the Port to support shipping lines, strengthen the connection and gain customer support.

The Company has actively implemented marketing activities to find sources of goods for the Yard. Customers and shipping lines support bringing cargo and empty containers to the Yard, increasing the turnover of import/export cargo and empty containers to operate, maintain the Yard's volume and revenue, and stabilize production.

3.3 Cargo Handling Operations

The cargo handling and management process is strict and scientific, with warehouse and yard arrangements planned to meet production requirements. The time for vessel entry/exit and yard entry/exit meets the requirements of shipping lines and customers.

3.4 Technical Operations

Inspection, maintenance, and repair of equipment are carried out by relevant units in compliance with regulations, minimizing breakdowns and extending equipment lifespan. Unexpected incidents are promptly addressed to meet production demands.

3.5 Occupational Safety, Environmental Sanitation, and Fire Prevention

The Company prioritizes occupational safety: training, occupational safety education, and on-site occupational safety inspections. Full personal protective equipment is provided, and a clean environment is maintained to ensure a safe and favorable working environment for employees.

3.6 Security Operations

The Security Department closely coordinates with functional forces, directs and supervises security forces to ensure security and order and protect the safety of assets and goods.

3.7 Organization and Salary Management

Training is given attention and focus. The Company regularly organizes training courses to improve professional qualifications and skills for employees.

The Company always cares about and ensures stable employment and income for employees: Average income reaches over 25 million VND/person/month.

In collaboration with the Trade Union Executive Committee, the Company organizes cultural, sports, women's affairs programs, sightseeing trips, and vacations, etc. to create motivation and excitement, and encourage the working spirit of employees.

3.8 Other Management Operations

Maintain comprehensive quality management under the ISO 9001:2015 quality management system and effectively apply the environmental management system in accordance with TCVN ISO 14001:2015 standards.

Conducting internal audits: The Company has signed an internal audit contract with UHY Auditing and Consulting Company Limited, which has issued the internal audit report for the fiscal year 2024.

Effectively manage costs of: electricity, water, fuel, and raw materials, etc. while maintaining effectively control over revenue and expenditures.

3.9 Operation of the 2,000 TEU Container Depot – Minh Phuong Industrial Park (Dinh Vu Port Container Depot)

Production activities at the Dinh Vu Port Container Depot remain stable, providing jobs and income for employees. The revenue reached 48.4 billion VND, contributing to the Company's total revenue, reflecting a 6.9% increase compared to 2023.

4. Performance results of business targets in 2024 of SITC-Dinh Vu Logistics Company Limited (Joint Venture Company)

- Revenue: 634.49 billion VND – an increase of 31.14% compared to 2023.
- Pre-tax Profit: 168.98 billion VND – an increase of 9.13% compared to 2023.

5. Investment Activities

In 2024, the Board of Directors directed the Executive Board to implement investment activities in accordance with the Resolution of the 2024 Annual General Meeting of Shareholders and other relevant Resolutions of the Board of Directors, ensuring compliance with legal regulations and the Company's Charter. Specifically:

5.1 Completed Projects (1)

- Investment in three 45T container reach stackers: Handed over and put into operation in April 2024.
- Investment in one 7-seater MPV car: Handed over and put into operation in July 2024.
- Real-time container management and operation software at Dinh Vu Port Container Depot: Completed in July 2024.
- Several small and urgent projects: Investment in an LED display system for the Company's hall, industrial computers for two 45-ton reach stackers, and air conditioners for the canteen.

5.2 Ongoing Projects (2)

- Automatic fire protection system for the warehouse at Dinh Vu Port: Currently in the contract execution phase, expected to be completed and put into operation in June 2025.

- Human resources and payroll management software integrated with the container operation management software at the Port: Put into use in December 2024 and scheduled for final acceptance in Q2 2025.

5.3 Approved but Not Yet Implemented Projects in 2024 (3)

Due to objective factors, some projects that were not implemented in 2024 will be continued in 2025, including the following projects: Investment in a warehouse and yard in the Lach Huyen area; Investment in a Backup Automatic Crane Frame for RTG gantry cranes (for RTG cranes No. 01, 02, 03, 04); Investment in Upgrading IT Infrastructure for the server room at Dinh Vu Port. Investment in an automatic fire protection system for the warehouse at Dinh Vu Port.

*** Total investment capital disbursed by the Company in 2024:** (1) + (2) = 50,053,222,000 VND (including unexpected minor projects).

*** Disbursed capital for ongoing and unimplemented projects in 2024 carried over to 2025:** (2) + (3) = 642,867,069,000 VND.

6. Financial Operations

Strictly comply with the State regulations and the Company's financial regulations on finance and taxation. Paid VND 85.4 billion in taxes to the State budget in 2024.

Debt collection: Regularly urge and closely monitor to take effective measures for debt collection. Ensure capital for production, fulfill obligations to the State, pay dividends to shareholders, and reinvest.

Effectively utilize idle capital for financial investment to increase the Company's revenue. Financial revenue in 2024 reached 127.97 billion VND, including: dividends recorded from SITC-Dinh Vu Logistics Company Limited at 70.39 billion VND, deposit interest at 49.59 billion VND, etc.

According to Resolution No. 01/2024/SITC/NQ-HDTV dated April 17, 2024, of SITC-Dinh Vu Logistics Company Limited, SITC-Dinh Vu Logistics Company Limited reduced part of its contributed capital by 2,000,000 USD to refund capital contributors proportion to their respective shares. On May 7, 2024, Dinh Vu Port recovered its contributed capital from SITC-Dinh Vu Logistics Company Limited, amounting to VND 24.79 billion.

The basic earnings per share in 2024 reached 8,406 VND, an increase of 1.68% compared to 2023.

III. EVALUATION OF THE BOARD OF DIRECTORS' ACTIVITIES

1. Evaluation of the Board of Directors on the Company's Operations and Governance Work

With the guidance and direction of the Board of Directors, along with the dynamism, agility, and ability to seize opportunities of the Executive Board, as well the diligent, dedicated working spirit of the Company's employees, the Company successfully exceeded the business plan targets assigned by the General Meeting of Shareholders in terms of revenue and profit in 2024.

The Board of Directors consistently adhered to the Law on Enterprises, the Company's Charter, Internal Governance Regulations, and other relevant legal

provisions to manage and direct the Executive Board in organizing business operations, making investments, and expanding production.

Direct the Executive Board to strengthen management over the Company's business operations, closely monitor revenue and expenditures, implement cost-saving measures, reduce expenses, and enhance business efficiency. Investments are made in modern equipment with a high degree of specialization to ensure stable long-term growth, laying the foundation for the development of post-port services to enhance port operation capacity and improve service quality.

During the year, the Board of Directors strictly implemented the Resolutions of the Annual General Meeting of Shareholders, as well as the Resolutions and Decisions of the Board of Directors. The Company's Board of Directors also fulfilled its responsibilities and obligations in accordance with regulations, approved Resolutions and Decisions on investment plans, finalized investment project settlements, and addressed matters within its authority as stipulated in the Company's Charter and the Law on Enterprises.

The Board of Directors has effectively carried out its supervisory and directive role over the Board of General Directors, working closely to support the Board of General Directors in directing and managing business operations efficiently in the context of the world and domestic economy still facing many difficulties and challenges;

The Company distributed a 70% cash dividend for 2023, ensuring shareholder benefits and compliance with securities regulations.

The Chairperson of the Board of Directors is a full-time member and therefore regularly urges and directs the General Director to implement investment projects approved by the General Meeting of Shareholders and the Board of Directors. Collaborate with the Executive Board to strengthen marketing efforts, customer service, and improve service quality. In addition to retaining major and traditional customers, the Company has successfully attracted new customers to use the services of Dinh Vu Port.

Direct the General Director to inspect and reassess all company regulations and policies to amend and supplement them to ensure compliance with legal provisions, the Company's charter, and actual operational conditions.

The Company has conducted internal audits in accordance with legal regulations and securities laws.

Direct the Executive Board to strengthen on-site inspections, with a particular focus on occupational safety, security and order at the Port.

Consistently urge the Executive Board to pay attention to the working environment for employees and keep the port clean, green and beautiful. Comply with environmental protection measures according to the law, maintain and effectively implement the environmental management system according to ISO14001:2015;

Direct and request the General Director of the Company to implement regulations according to securities law for listed companies;

In 2024, the Board of Directors regularly held periodic and extraordinary meetings, as well as and quarterly summaries to properly perform its functions and promptly direct investment and production operations. Along with on-site inspections, the Board of Directors closely monitored business activities and

investments to implement timely necessary adjustments and directives aimed at enhancing operational efficiency. It ensured strict compliance with investment procedures while strengthening management of all aspects of the Company's activities.

2. Evaluation of the Board of Directors on the Operations of the Board of General Directors of the Company

The Board of Directors highly appreciates the efforts, dedication, and agility of the Board of General Directors. In the context of fierce competition in the commodity market, the Board of General Directors has had timely strategies and policies to retain traditional customers and stabilize production;

In 2024, maritime transport companies still faced many challenges, with port access channels and road traffic routes still limited, especially with the Russia-Ukraine conflict directly impacting the economy and the global supply chain, etc. However, the Board of General Directors closely monitored the market, focused on customer service, and improved service quality, leading the Company to exceed its business targets for 2024 in terms of revenue and profit.

The Board of General Directors has complied with and operated in accordance with the Law on Enterprises, the Company's Charter on organization and operation, the Corporate Governance Regulations, and related legal documents. It has effectively performed its functions in managing and operating the Company.

The management of business operations closely followed the resolutions of the 2024 General Meeting of Shareholders, the resolutions of the Board of Directors, the financial management regulations, salary regulations, and other internal regulations of the Company.

Has carried out capital construction investment promptly and within its authority, ensuring that the invested equipment is modern, highly specialized in technology, and maximizing the savings of the approved investment capital;

The General Director, being a member of the Board of Directors, attends all the meetings of Board of Directors; therefore, the work of collecting and receiving information from the Board of Directors is timely and addressed quickly;

The periodic reporting by the Board of General Directors has helped the Board of Directors address and provide timely guidance on directing and planning business strategies;

The General Director is required to seek written approval from the Board of Directors for investment and financial matters within its approval authority.

The projects invested in 2024 are aligned with the plan and comply with the Company's regulations on bidding, investment, and equipment procurement.

The Company continues to improve service quality, build strong and sustainable relationships with traditional customers, and actively seek new customers to ensure the operational efficiency of handling equipment.

The Company prioritizes labor quality, excels in training efforts, attracts high-quality human resources that meet job requirements and are capable of operating advanced, modern equipment.

The Company's 2024 financial statements have fully and fairly reflected the Company's business operations in accordance with accounting standards issued by the Ministry of Finance.

The Company's 2024 financial statements have been audited in compliance with regulations. AASC Auditing Firm Company Limited was selected to audit the Company's 2024 financial statements in accordance with the resolution of the 2024 General Meeting of Shareholders.

In financial management, the Company has complied with regulations on capital management and financial management regulations.

In addition to business operations, the Company has actively engaged in social welfare activities, sponsoring and supporting charitable programs, etc. The Company has also organized sightseeing and tourism trips for its employees, enhancing their spiritual well-being to encourage motivation, strengthen cohesion, and foster dedication to the Company.

The remuneration of the Board of Directors and the Supervisory Board was implemented in accordance with the resolution of the 2024 Annual General Meeting of Shareholders, as detailed below:

The remuneration for the Board of Directors and the Supervisory Board (including the non-specialized Corporate Governance Officer) for 2024, as approved by the 2024 Annual General Meeting of Shareholders: 2,000,000,000 VND;

- Total remuneration disbursed in 2024: 2,000,000,000 VND.

IV. GENERAL ASSESSMENT

Overall, despite facing numerous difficulties and challenges, with the efforts of the Board of Directors, the Executive Board, and all employees, the Company basically achieved its key business targets set by the General Meeting of Shareholders in 2024. Both revenue and pre-tax profit significantly exceeded the planned targets. The Company consistently ensured and exceeded the dividend payment targets for shareholders as stipulated in the General Meeting of Shareholders' Resolution, with a projected dividend payout of 80% of charter capital in 2024. The Company effectively managed and utilized its capital, ensuring its preservation and growth over time.

Additionally, the Company has performed well in all aspects of management, with investment and maintenance receiving due attention to ensure timely support for production. Work discipline is maintained, service quality is enhanced, and the material and spiritual well-being of employees is ensured. Customer and partner relationships are sustained and strengthened.

PART II

BUSINESS PLAN FOR 2025

I. DEVELOPMENT STRATEGY

Continue in-depth investments and improvements to transform Dinh Vu Port into a modern port with advanced management, strong market competitiveness, and stable, sustainable, and environmentally friendly development.

Implement a flexible policy in customer relations based on mutual benefit and shared development to maintain existing customers and attract new ones. At the same time, enhance service quality and adopt technological innovations to stabilize cargo sources, ensure revenue, profitability, and dividends.

Preserve and develop capital, attract investment capital from strategic investors, prioritize partners who are enterprises that benefit from port operation services.

Focus on investing in and developing the IT system toward modernization, providing customers with greater utilities and conveniences in using port services. Establish IT as the backbone of port management and operations, creating a competitive advantage for the Company.

Prepare investment resources to expand production in the Lach Huyen - Cat Hai area, extend logistics services, and business methods to support core operations, increase revenue and profit for the Company, and create more job opportunities for employees.

Focus on human resources, organize training and attract high-quality human resources, and have plans to rejuvenate human resources.

II. BUSINESS PLAN FOR 2025

Entering 2025, the global economy is expected to maintain its growth momentum. However, it will be affected by strategic competition among major countries, supply chain shifts, and instability in certain regions, posing significant risks to the world economy. Additionally, U.S. tariff policies present barriers for goods from Asian countries, including China and Vietnam, when exporting to this market, etc.

Competition among ports in the Hai Phong area is becoming increasingly intense. In Q1/2025, berths 5 and 6 of Hateco Port and berths 3 and 4 of Hai Phong Port in the Lach Huyen - Cat Hai area will begin operations. Several ports in the region have advantages such as a channel depth of -8.5m, depth before berth of -9.5m, with synchronous investment equipment for container handling, etc. These factors will attract service routes of shipping lines currently using services at inner-area ports such as Tan Vu Port and Dinh Vu Port. The Hai Phong market will undergo a restructuring and redistribution of container cargo handling market share. This poses significant challenges and competitive risks for Dinh Vu Port in 2025.

The Bach Dang channel, from the upstream area of Nam Dinh Vu Port to Dinh Vu Port, is expected to be dredged to a depth of -8.5m by the end of June 2025 (with a possibility of extension).

Given these challenges and market fluctuations in the near future, the Company has developed its 2025 business plan as follows:

1. Business Plan Targets

- Throughput : 650,000 TEUs.
- Revenue : 950 billion VND.
- Pre-tax profit : 475 billion VND.
- Projected dividend : at least 60% of charter capital.

2. Capital Construction Investment Plan

2.1. Continue implementing projects approved by the General Meeting of Shareholders and those approved by the Board of Directors. The expected disbursement for 2025 is 642.867 billion VND.

2.2. Execute new investment projects in 2025. The expected disbursement for 2025 is 166.990 billion VND.

Based on the investment items and plans, the total projected investment capital to be disbursed in 2025 is 809.857 billion VND.

3. Implementation Solutions

Continuously improve service quality, strengthen market development, and build the brand to maintain and expand the Company's market share.

Enhance marketing efforts, customer care, and develop flexible, reasonable policies to attract more customers and service routes. Strengthen long-term, cooperative relationships with strategic customers to ensure a stable supply of goods. Expand and diversify services, including RoRo vessel handling and general cargo handling services.

Accelerate the progress of in-depth investment projects such as upgrading and renovating wharfs, investing in gantry crane equipment, and dredging the maritime channel into the port. These efforts aim to improve service quality, maintain service routes, ensure a stable supply of goods, and stabilize the Company's business operations.

Organize and effectively implement maintenance, servicing, and repair work on equipment to meet production requirements in a timely manner.

Strengthen management efforts, control costs effectively, and practice savings.

Maintain labor discipline, enhance responsibility awareness among employees. Strengthen measures to ensure security, order, labor safety, and fire prevention at the port. Ensure a safe, healthy, and professional environment.

Pay attention to the material and spiritual well-being of employees. Increase efforts in communication and education to promote proactivity, creativity, enthusiasm for work, and enhance responsibility in job tasks among employees.

Fully comply with the regulations set by the State for listed companies.

Dear Esteemed Shareholders,

We acknowledge that 2024 continues to be a particularly difficult and challenging year. However, with the achievements the Company has made in 2024, along with the determination of the Board of Directors, Executive Board, and all employees, we are confident that in 2025, the Company will strive to meet the set targets and ensure that shareholders' rights are maintained and stable.

On this occasion, on behalf of the Board of Directors, the Executive Board, and all employees of the Company, I would like to express our sincere gratitude to the State management agencies, local authorities, partners, customers, and especially to Port of Hai Phong Joint Stock Company for their support and assistance to the Company over the past time. Wishing all esteemed shareholders good health, happiness, and success!

Wishing the General Meeting a great success.

Sincerely thank you!

**ON BEHALF OF
THE BOARD OF DIRECTORS
Chairperson**

Vu Tuan Duong