



REPORT OF THE INSPECTION COMMITTEE

AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS IN 2022

Dear all shareholders of Vietnam Container shipping joint stock company,

- Pursuant to the functions and duties of the Inspection committee as stipulated in the Law on Enterprises and the Charter of Vietnam Container Shipping Joint Stock Company;

- Pursuant to the audit report of PwC Vietnam Company Limited; the performance, reports and documents of Vietnam Container Shipping Joint Stock Company in the fiscal year 2021;

The Inspection committee would like to report the following contents:

I/ OPERATION OF THE INSPECTION COMMITTEE

- The Inspection Committee develops a specific plan of activities, assigns tasks to each member, conducts inspection, monitors and evaluates the results.

- To supervise the Board of Directors, the General Director in the management and administration of the Company;

- Appraise the completeness, legitimacy and truthfulness of the business report, audited financial statement, report on management evaluation of the Board of Directors; Reviewing books, accounting records and other documents of the Company when necessary;

- Check the reasonableness, legality, prudence in business management and administration, and the systematic, consistent and appropriateness of accounting work and preparation of financial statements;

- Review transactions with related people under the approval authority of the Board of Directors or the General Meeting of Shareholders;

- The Inspection Committee performs other rights and duties as prescribed.

II/ SUPERVISION RESULTS ON BUSINESS ACTIVITIES, ADMINISTRATION OF THE BOARD OF DIRECTORS AND GENERAL DIRECTOR

1. Financial Statement appraisal:

Despite the great impact of the Covid-19 epidemic, the volume of goods through Vietnam's seaports in 2021 will reach 706.3 million tons, up 2% compared to 2020, of which container cargo will reach 24 million Teus, an increase 7%. Particularly in Hai Phong, container goods increased by 11% (from 5.2 million Teus to 5.8 million Teus) over the same period. Viconship has tried to overcome difficulties, maintained and developed well production and business activities.

The consolidated financial statements of VSC have truthfully and reasonably reflect on key aspects of the financial situation, business results, cash flow, audited by PwC Vietnam Co., Ltd., Hanoi Branch in accordance with the Vietnamese Accounting Standards and System along with related legal regulations.

Some major items are as follows:



SEQ	Items	Unit	Plan in 2021	Performed in 2021	Performed in 2020	Ratio (%)	Ratio (%)
1	2	3	4	5	6	5/4	5/6
1	Revenue from sales and service provision	Billion VND	1.700	1.892,13	1.688,86	111,30	112,04
2	Profit before tax	Billion VND	335	482,69	335,88	144,08	143,70
3	Profit after corporate tax	Billion VND		413,80	296,40		139,60
4	Basic interest on share	VND		5.733	3.913		146,51

In 2020, the total handling throughput VSC seaport reached 1.08 million TEU, increased 4.36%, depot stevedore reached 1.02 million TEUs, increase 11.06% compared to the same period. The output of loading and unloading warehouses, transporting cars, and container dealers all increased, but the volume of logs decreased.

Total revenue increased 12.04% compared to the previous same period mainly due to the increase in cargo volume on board despite the Covid-19 epidemic.

Gross profit margin increased from 26.6% in 2020 to 31.83% in 2021 due to increased output of VSC, decreased outsourcing, good control of costs of fuel procurement, materials and spare parts, improved labor productivity, service quality, especially operation and exploitation rationally and scientifically, drastically reducing the number of ships having to change ports.

Profit before tax in 2021 exceeded 44.08% of the plan, exceeded 8.46% of the plan after adjustment of the Board of Directors (based on the results of business activities in the first 9 months of the year and the actual situation of the market, the Board of Directors adjusted the profit before tax plan to 445 billion dong), increasing 43.7% over the same period. In the first 6 months of the year, despite many difficulties, VSC still achieved revenue increased by 13.81%, profit before tax increased by 34.4% over the same period due to a significant recovery in Vietnam's imports in general, increased port throughput, increased CFS warehousing and transportation operations. In the third quarter, revenue increased by 10.41% but pre-tax profit increased by 73.41% due to continued growth in port throughput and key services, a decrease in the number of ships moving from port to port, cost savings, and improved labor productivity and other profits increased. Quarter 4-2021 revenue increased by 10.45% and profit before tax increased by 32.21% over the same period last year due to decrease in production and business expenses, management and sales expenses, and improved labor efficiency.

Profit after tax increased by 39.60% compared to same period. During the year, the total CIT incentives and reductions from VGR, GLC, GIC, the mother company is 33.79 billion, incurs an expense of 15.52 billion VGR's non-deductible VAT from previous years to pay and other income 13.37 billion.

Basic earnings per share reached 5.733 VND / share, increase 46.51% over the same period.

Regarding the investment plan, Viconship bought 36% stake in VIMC Dinh Vu port and will participate in the Board of Directors, the Board of Management to soon put the port into operation. VSC continues to implement the deep-water port project in Hai Phong, research and invest in deep-



water ports in Da Nang and Vung Tau along with potential logistics, in order to expand the core business segment (VGR, GP ports have been opened. reaching maximum capacity), meeting the requirements of customers and the development trend of the market as well as the orientation of Vietnam's port planning.

During the year, VSC implemented the investment plan approved by the General Meeting of Shareholders: purchased 02 new RTG VGR forklifts, dredged in front of the wharf, upgraded the port yards, upgraded the GLC yard foundation, repaired the GIC cargo yard, purchased 2 tractors, Qui Nhon CN trailers...with a total investment of 128.11 billion. Projects to upgrade vehicles, equipment, yard infrastructure, improve loading and unloading capacity have been promptly put into operation and use, bringing efficiency to business activities.

The company advances the first dividend of 2021 in cash, at the rate of 5% of par value, paid on November 18, 2021. VSC has offered to sell 55,122,798 additional shares, ratio 1:1, price 10,000 VND/share to existing shareholders to increase charter capital and facilitate current and future investment projects. With the growth in output of goods and core services, Viconship exceeded pre-tax profit, high profitability ratios, and eased dilution pressure due to capital increase.

The company has maintained the market, improved the quality of supply chain services, implemented Value-Added Services (VAS) in the direction of technology application, bringing more benefits to customers, increasing the business influence. VSC does a good job of financial management, exploitation, tight cost management, reasonable production management, regularly reviewing and amending norms, regulations and processes in accordance with current laws and regulations. practice and follow the reality of business activities. The company always focuses on training and developing human resources, encouraging employees to promote creativity in their work, actively learning to improve their professional qualifications. The company ensures jobs for 1,187 employees with stable income, an average of 17.85 million VND/person-month.

2. Results on supervision of Board of Directors and General Director:

The management and administration activities of the Board of Directors, General Director of the company in 2021 must comply with the provisions of the Enterprise Law, the company's charter and law provisions.

During the year, VSC's leadership fluctuated strongly with the change of General Director and some members of the Board of Directors. The new leadership quickly integrated and stabilized the organization, maintained and developed production and business activities. The Board of Directors has directed and supervised the General Director and other managers of the Company in the implementation of resolutions, business and investment plans of the General Meeting of Shareholders 2021. Approving the targets, Orientation, appraisal and approval of non-contraceptive procurement projects, adjust guidelines, policies, organizational structure to suit the actual situation. The close, drastic and timely direction has brought safety and efficiency to business activities.

The General Director and managers have deployed and made great efforts to implement the resolutions and decisions of the General Meeting of Shareholders, the Board of Directors of the Company. The Board of Directors has developed, expanded the market, and offered timely solutions suitable to each specific condition. In addition to directing, urging and supervising production and business activities regularly and continuously, the Board of Directors focuses on management, cost saving, maximizing the capacity of basic development, improving labor

productivity, ensuring that the production and business activities and the financial situation of the Company are controlled well.

III/ ASSESSMENT ON COORDINATION OF OPERATION BETWEEN THE INSPECTION COMMITTEE AND BOARD OF DIRECTORS, GENERAL DIRECTOR, SHAREHOLDERS

The Inspection Committee coordinates well with the Board of Directors, General Director and other managers of the Company in the course of implementing the duties.

The Inspection Committee is provided fully and promptly information and documents on the management, administration and business activities of the Company, and has the right to access related documents of the Company.

The Inspection Committee is allowed to attend, participate in discussions at the meetings of the Board of Directors and some other meetings of the Company. The recommendations and proposals of the Supervisory Board are considered and seriously implemented by the Board of Directors, the Board of Management.

The Inspection Committee performs duties when there is a reasonable request from shareholders according to the provisions of the Company Charter and the Enterprise Law.

IV/ CONCLUSION AND REQUEST

Viconship overcame the challenge of complicated developments of the Covid-19 epidemic, fierce competition in the region and fluctuations in production and business activities in 2021. With the close direction of the Board of Directors, the drastic of the Board of Management and the efforts of all employees to overcome difficulties, VSC exceeded the production and business plan approved at the General Meeting of Shareholders, the adjustment plan of the Board of Directors and achieved the highest efficiency.

The company maintains and exploits existing advantages, builds effective marketing strategies to expand markets, attracts and trains high-quality human resources, applies smart technology, and improves support infrastructure Support, promote the spirit of initiative and creativity in order to improve service quality, competitiveness, management and administration capacity, towards the goal of becoming a leading seaport and logistics service provider.

Respectfully submitted.

Recipients :

- AGM;
- BOD, Executive Board;
- Inspection committee.

**ON BEHALF OF INSPECTION
COMMITTEE
HEAD OF INSPECTION COMMITTEE**

Nguyen Thi Kim Nha