



REPORT OF THE INSPECTION COMMITTEE AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS IN 2023

- Pursuant to the functions and duties of the Inspection committee as stipulated in the Law on Enterprises and the Charter of Vietnam Container Shipping JSC;
 - Pursuant to the audit report of PwC Vietnam Company Limited; the performance, reports and documents of Vietnam Container Shipping JSC in the fiscal year 2022;
- The Inspection committee would like to report the following contents:

I/ OPERATION OF THE INSPECTION COMMITTEE

The Supervisory Board has performed the functions and duties as prescribed:

- Perform the supervision of the BOM, the General Director in the management and administration of the Company, in the accounting, statistics and financial statements to ensure the truthfulness, reasonableness, and legality, systematic according to the provisions of law and resolutions of the General Meeting of Shareholders of the Company;
- Conduct the appraisal of business reports, audited financial statements, reports on management evaluation of the BOM; examine and review the Company's internal control system;
- Timely capture of operational information for the purpose of ensuring that the Company's activities are appropriate and meet the interests of shareholders;
- Reviewing books, accounting records and other documents of the Company when necessary;
- Exercise other rights and duties.

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

1. Financial Statement appraisal:

In 2022, the growth of goods through Vietnam's seaports was low because the production, import and export activities of domestic enterprises have not really recovered and China's Zero Covid policy has also affected more or less. In which the volume of container cargo through the seaport is estimated at 25.09 million Teus. Viconship's ports operate with increased capacity, coordinate with warehousing and transportation units in the system, increasing competitive advantage and achieving good results.

The consolidated financial statements of VSC, which were audited by PwC (Vietnam) Co., Ltd., give a true and fair view in all material respects of the Company's financial position as well as the results of its production and business activities for the year 2022.

Some major items are as follows:



SE Q	Items	Unit	Plan in 2022	Performed in 2022	Performed in 2021	Ratio (%)	Ratio (%) eu
1	2	3	4	5	6	5/4	5/6
1	Revenue from sales and service provision	Billion VND	1.900	2.007,39	1.892,13	105,65	106,09
2	Profit before tax	Billion VND	500	476,91	482,69	95,38	98,80
3	Profit after corporate tax	Billion VND		393,14	413,80		
4	Basic interest on share	VND		2.494	5.392		

Throughput through VSC seaports reached 1,002 million Teus, up 0.23% of the plan and down 7.42% over the same period. Loading and unloading at the depots reached 0.76 million Teus, down 25.2%, the volume of car transportation, container dealers decreased, loading and unloading warehouses, logs increased over the same period.

Total revenue exceeded 5.65% of the plan, increased by 6.09% over the same period mainly due to the increased volume of VSC handling port loading and unloading warehouses and logs.

Gross profit margin increased from 31.83% in 2021 to 32.81% in 2022 due to improved efficiency of Green and Vip Green ports thanks to integration with warehousing, logistics and reasonable operation and exploitation systems. reduce the number of port transfers, well control the cost of fuel procurement, spare parts, details, improve labor productivity and service quality

Pre-tax profit in 2022 decreased by 4.62% compared to the plan assigned by the General Meeting of Shareholders, down 1.2% over the same period. In the first six months of the year, despite many difficulties, container throughput through seaports grew slowly, only about 2%, but VSC still achieved a revenue increase of 7.55%, profit before tax increased by 28.97% compared to the same period last year. over the same period due to VSC's increase in yard operation ratio, decrease in number of port transfers and a sharp increase in financial income from bank deposits. In the third quarter, revenue increased by 7.11%, but pre-tax profit decreased by 19.83% and in the fourth quarter, revenue increased by 2.64% but profit before tax decreased by 26.62% over the same period due to the company's loss in investment in associates, the price of oil and many kinds of raw materials and fuel continued to increase sharply, selling and administrative expenses increased.

Profit after CIT in 2022 decreased by 5% over the same period.

Basic earnings per share reached 2,494 VND/share, down from the same period last year.

In 2022, Viconship deploys and implements many investment projects. VIMC Dinh Vu Port (VSC holds 36% stake from the previous year) has been put into operation with a designed



capacity of about 500,000 Teus/year. Although VIMC will make a loss this year, it is expected to contribute to VSC's profit from 2023 when the Ministry of Transport approves the policy of piloting container handling and receiving ships up to 40,000 tons to reduce the load later when arranging adequate loading and unloading equipment, warehouses and port facilities to ensure suitability. The Viconship Green ICD yard, which was put into operation in the third quarter, also suffered a loss in the year, but it is expected that together with VSC's existing container yard system, it will increase the efficiency of ports in the system. The company approved the investment and business cooperation of two subsidiaries GP and GLC in the Hyatt Place hotel project in the center of Hai Phong city. The transfer project with the dominant rate of seaport enterprises, suitable for medium and large tonnage ships, with large container yards is being carried out by VSC's management.

The company implements an investment plan to upgrade equipment and infrastructure of yards and yards approved by the 2022 General Meeting of Shareholders, in which the highlights are: purchase of 03 45T forklifts, 1 Hyster forklift, dredging Wharf, drainage system at VGR, buy 01 45T forklift, dredge in front of wharf, compensate for low lying, upgrade yard and drainage for GP, buy 2 oil forklifts, upgrade racking system to store imported goods at the warehouse, system Fire protection system for GLC container yard, construction of drainage, compensation for GIC dump, investment in 15 tractors and trailers at GSL, 5 heads and trailers in Da Nang, 11 heads and 7 trailers in Qui Nhon, the parent company bought 01 vehicle Lifting new goods, compensate for low lying, renovating VGI office buildings... The projects were promptly put into operation and used, bringing efficiency to business activities.

Viconship is constantly expanding its production scale through capital contribution to new projects, completing a leading maritime logistics system with a chain of services including seaports, ICDs, depots, CFS warehouses, and transportation. , logs, repair cont., ... The company continues to research investment in deep-water ports and potential logistics areas. Because the company has issued shares to increase capital and paid stock dividends in the past two years to get sources for the development of projects, the shares are diluted.

The company has issued shares to pay the dividend in 2021 at the rate of 10:1, the last registration date is June 30, 2022 and the first payment of the 2022 dividend in cash at the rate of 10:1, the date of payment is October 18, 2022.

In 2022, in addition to holding the Annual General Meeting of Shareholders on March 24, the Company held an Extraordinary General Meeting of Shareholders on September 9 to seek shareholders' opinions on a number of issues within the authority of the meeting. as well as organize to collect written opinions of the General Meeting of Shareholders with the closing date of the list of shareholders on October 21 and December 28.

The company has maintained the market, improved the quality of supply chain services, implemented value-added services in the direction of technology application, bringing more benefits to customers, increasing the influence of the company. VSC does a good job of operating, exploiting, strictly managing production costs, reviewing and amending technical and labor norms, regulations and processes to closely follow the actual business activities. The



focus on human resource development, encouraging employees to improve their professional qualifications, promoting initiative and creativity in work contributes to improving labor productivity and business efficiency.

The company ensures jobs for 1,236 employees with stable income, an average of 18.79 million VND/person-month.

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

The management and administration activities of the Board of Directors, General Director of the company in 2022 must comply with the provisions of the Enterprise Law, the company's charter and law provisions.

Last year, Viconship experienced a drastic change in senior personnel with resignation from 05 members and the election of 03 additional members of the BOM. The new leadership team with solid expertise and long-term experience in the Company's field of operation, with a high sense of responsibility, quickly stabilized the organization, maintained and developed production and business activities. The BOM has closely supervised and oriented the activities of the General Director and other managers of the Company in the implementation of resolutions, business and investment plans approved by the General Meeting of Shareholders. . Many meetings by mail or in person of the BOM and the Executive Board were conducted during the year. The close and drastic direction of the BOM through deciding strategies, development plans, business plans, investment plans within its competence and limitations, deciding on market solutions, technology, adjust guidelines, policies and organizational structure for the whole system of the Company to ensure the effective production and business activities of the Company and comply with the provisions of law.

The General Director and other managers have implemented and tried to fully implement the orientations and directions of the BOM through resolutions, decisions and regular and extraordinary meetings between the BOM and the Board of Directors. The BOM has planned, orientated the strategy, operated and is responsible for all activities of the Company. In addition to keeping customers and developing markets, directing and operating production in a reasonable and scientific manner, providing suitable solutions for each specific condition, the Board of Directors does a good job of managing and saving money. reduce the cost of raw materials, reduce services purchased from outside, exploit the means and equipment well, improve labor efficiency. The BOM identifies challenges and opportunities from the market, assesses the risks the enterprise may face to ensure that the Company's business operations and financial position are well controlled.

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

The IC cooperates with the BOM, the General Director, other managers and employees of the internal control system in the process of performing its duties on the

principle that it is in the interests of the enterprise, shareholders and comply with the provisions of the law, the company's charter and regulations.

In addition to receiving at the same time and method as with members of the BOM notices, opinion forms or resolutions, meeting minutes, the IC has access to the Company's files and documents on the management, administration and business activities of the Company.

The IC attended and participated in discussions at meetings of the BOM and some other meetings of the Company. The recommendations and proposals of the IC are considered and direct the relevant units to implement by the BOM and the Executive Board.

Between the two annual general meetings in 2022-2023, the IC did not receive any recommendations from shareholders. The IC performs its duties when receive request of shareholders in accordance with regulations.

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 2022. With the close direction of the BOM, the drastic of the BOD and the efforts of all employees to overcome difficulties, VSC exceeded the production and business plan approved at the General Meeting of Shareholders.

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;*
- *BOM, Executive Board;*
- *Inspection committee.*

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

Nguyen Thi Kim Nha