



VIETNAM DAILY NEWS



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Table of content

Table of content

- 1. Shares decline on strong selling forces**
- 2. Consumer price index up 3.15% in 2022**
- 3. Anticipated GDP growth rate for 2022 hits 8.02 per cent**
- 4. Steel sector anticipates brighter prospects in 2023**
- 5. Foreign investment rapidly rebounds with record-breaking disbursement**
- 6. 5G to accelerate Vietnam's digital transformation**
- 7. Viet Nam sets new record in agro-forestry-fishery exports this year**
- 8. GMD: BOD resolution dated December 27, 2022**
- 9. VJC: Vietjet plans to fully resume its flight network to China next year**

Market Analysis

1. Shares decline on strong selling forces

Risk aversion dominated markets yesterday as stocks across all sectors witnessed a strong sell-off.

On the Hồ Chí Minh Stock Exchange, the VN-Index decreased by 0.63 per cent to close at 1,009.29 points.

The index had increased 1.10 per cent to close Wednesday at 1,015.66 points.

Investors' wariness showed in low liquidity, with just 462.7 million shares worth more than VND8.2 trillion (US\$346.6 million) being traded.

The 30 biggest stocks tracker, VN30-Index posted a loss of 0.56 per cent, to finish at 1,008.30 points. Of the VN30 basket, six stocks climbed, while 26 declined and three ended flat.

Đỗ Bảo Ngọc, Deputy Director of Kiến Thiết Securities Joint Stock Company, said that the New Year holiday is the main reason why liquidity tends to decrease.

While institutional investors are under pressure to sell shares, individual investors flock to withdraw money in preparation for holidays or become cautious because of the lack of supporting information.

He said that liquidity would improve after the Lunar New Year, and institutional and individual investors would be more motivated to buy stocks.

Ngọc forecasted that the market would be bolstered by many supporting information such as the lift over their foreign ownership limit in; China

reopening its economy; promotion disbursement of public investment capital; real estate market support solutions.

Many large-cap stocks such as Viglacera (VGC), Hòa Phát Group (HPG), Sabeco (SAB), lender BIDV (BID), PV Gas (GAS), Eximbank (EIB), insurer Bảo Việt Holdings (BVH), VPBank (VPB), Asia Commercial Bank (ACB) and FPT Corp (FPT) slumped, pulling down the market.

On the bright side, Khang Điền House (KDH) growth, which increased by 3.3 per cent, became the biggest market puller. Other contributors included Masan Group (MSN), Vingroup (VIC), Vinhomes (VHM), Vietcombank (VCB), and Nova land (NVL).

On a sector basis, 16 out of 25 indices on the stock market lost ground, including wholesale, logistics, agriculture, real estate, retail, seafood production, construction materials, securities, plastic and chemical production, banking, oil and gas, IT, food and beverage.

Meanwhile, gainers were insurance, rubber production, construction, and healthcare.

On the Hà Nội Stock Exchange, the HNX-Index rose 0.24 per cent to end Thursday at 206.54 points.

It had risen 2.34 per cent to close Wednesday at 203.14 points.

Liquidity fell sharply when just 41 million shares worth VND591 billion were traded.

Macro & Policies

2. Consumer price index up 3.15% in 2022

Vietnam recorded year-on-year growth of 3.15% in the 2022 consumer price index (CPI) while core inflation increased 2.59%, the General Statistics Office (GSO) said on December 29.

The Vietnamese economy has recovered in 2022. Surging production demand to serve consumption and export, added with soaring global commodity prices, has fueled prices of goods and essential services, but prices are basically still under control, GSO General Director Nguyen Thi Huong told a press briefing in Hanoi.

Pointing out some contributors to the CPI growth, the GSO said domestic petrol and oil prices have been adjusted for 34 times, increasing 28.01% from a year earlier, while gas prices were up 11.49%.

Rice prices have fluctuated in line with export prices and market demand to go up 1.22% from 2021. Foodstuff price also increased 1.62%. Besides, housing and construction material prices climbed up 3.11%.

Meanwhile, there are also some factors curbing the CPI uptrend, including pork prices down 10.68% thanks to the African swine fever containment and guaranteed supply, house rent down 1.83% due to the COVID-19 pandemic in the first months of 2022, and prices of postal and telecommunications services down 0.37% as a result of lower mobile phone prices.

This year's core inflation increased 2.59% from 2021, lower than the CPI growth of 3.15%, showing that changes in consumer prices have been driven mainly by food, petrol, oil, and gas prices, according to the GSO.

The office added domestic gold prices have seen mixed changes in line with the global market, rising 5.75% this year. Prices of the US dollar also hiked 2.09% from 2021.

In December alone, CPI dropped slightly, by 0.01% month on month, but still grew 4.55% from December 2021. While two of the 11 categories of main consumer goods and services witnessed month-on-month price declines, nine experienced higher prices.

The December core inflation inched up 0.33% from November and 4.99% from the same period last year.

General Director Huong said to actively cope with surging inflationary pressure, the Government has ordered ministries, sectors, and localities to issue many timely policies and implement concerted measures to minimise adverse impacts on socio-economic development.

Appropriate policies and drastic moves in governance have considerably helped ease pressure on prices and stabilise production and business activities and people's life, she added.

3. Anticipated GDP growth rate for 2022 hits 8.02 per cent

The General Statistics Office (GSO) has revealed that the GDP growth of the Vietnamese economy in 2022 is anticipated to be 8.02 per cent compared to the previous year.

This is the greatest rise since 2010. According to the GSO, the GDP growth rates for the years 2011 through 2021 stood at 6.41 per cent, 5.50 per cent, 5.55 per cent, 6.42 per cent, 6.99 per cent, 6.69 per

cent, 6.94 per cent, 7.47 per cent, 7.36 per cent, 2.87 per cent, and 2.55 per cent respectively.

Thus, despite the problems faced by the global economy, the Vietnamese economy has witnessed a robust rebound after the pandemic's devastating effects thanks to decisive and effective actions and orientations.

According to the GSO, the agriculture, forestry, and fisheries sectors increased by 3.36 per cent, contributing 5.11 per cent to the total added value of the entire economy. The industry and construction sectors climbed by 7.78 per cent, making up 38.24 per cent of the total, and the service sector grew by 9.99 per cent, accounting for 56.65 per cent.

Director general of the GSO Nguyen Thi Huong said, "The agriculture, forestry, and fisheries sectors continue to assist the economy."

Specifically, the agricultural sector grew by 2.88 per cent, contributing 0.27 percentage points to the growth rate of total added value for the entire economy. The forestry sector rose by 6.13 per cent, adding 0.03 percentage points, and the fisheries sector increased by 4.43 per cent, making up 0.12 percentage points.

In the industry and construction sectors, the processing and manufacturing industries remained the growth engine of the whole economy, adding 2.09 percentage points to the total value added. The construction sector contributed 0.59 percentage points to the rise.

The service sector saw the best recovery and development among the three economic sectors, with a growth rate of 9.99 per cent in 2022, the highest over the 2011-2022 period.

Specifically, a number of market service sectors grew rapidly, adding significantly to the rate of expansion of total added value.

In particular, the wholesale and retail sectors rose by 10.15 per cent over the previous year, providing 0.97 percentage points, and the transportation and storage sectors increased by 11.9 per cent, adding 0.69 percentage points.

With a growth rate of 40.61 per cent, the hotel and food service industries contributed 0.79 percentage points to the service sector's overall growth. Financial, banking, and insurance operations grew by 9.03 per cent, adding 0.53 percentage points to the overall growth.

Agriculture, forestry, and fishing accounted for 11.88 per cent of the economic structure in 2022,

according to the GSO. Industry and building accounted for 38.26 per cent, with the service sector at 41.33 per cent, and product tax minus product subsidies at 8.53 per cent.

In 2022, final consumption increased by 7.18 per cent compared to 2021, contributing 49.32 per cent to the overall growth rate. Accumulated assets increased by 5.75 per cent, contributing 22.5 per cent. Exports of goods and services rose by 4.86 per cent, imports of goods and services climbed by 2.16 per cent, and the difference between the import and export of goods and services contributed 28.0 per cent.

Commenting on these findings, the GSO said that Vietnam's economy in 2022 shone against the backdrop of significant global economic problems, unexpected oscillations, and high volatility. Inflation soared to its highest level in decades, causing nations to tighten their monetary policies.

In addition, strategic rivalries, geopolitical tension among major nations, and the conflict between Russia and Ukraine have heightened the dangers to financial markets, currencies, and global energy and food security.

The Prime Minister has directed ministries, branches, and localities to closely monitor the situation and policy changes of other countries in order to swiftly issue monetary and fiscal policies, as well as appropriate macro solutions, in order to achieve the socioeconomic goals of 2022 and for the period from 2021 to 2025 outlined in the Resolution of the XIII Congress. This is in accordance with the government's determination to recover and develop the economy and generate momentum.

Simultaneously, it executed the duties and solutions of Resolutions No.01/NQ-CP, No.02/NQ-CP, and No.11/NQ-CP on the Recovery and Development of the Socioeconomic Programme in an active and decisive manner.

As a consequence, the macro economy has remained stable, inflation is under control, and balance has been maintained. A healthier investment climate contributes significantly to socioeconomic recovery and growth, gaining the confidence and support of the general public and business community.

4. Steel sector anticipates brighter prospects in 2023

Last week Hoa Phat Group (HPG), Vietnam's leading steel maker holding 34 per cent of the country's steel market, raised the retail price of its steel bar and construction rolled steel products by \$6.5 per tonne.

Compared to the end of Q3, negative factors leading to the sector losses are fading, but weakening demand remains a thorny issue with no sign of relaxing, with the real estate market almost frozen, a declining export market, and spiking interest rates causing a deep dip in people's construction demands.

Attuned to a steel price surge, the market value of steel tickers also saw a strong rebound since falling to their bottom in mid-November, with vibrant liquidity compared to the previous gloomy days, even taking the role of leading the stock market trend.

For instance, the market price of the HPG ticker spiked 51.2 per cent in more than a month from mid-November; HSG was boosted by 70.7 per cent, and NKG and SMC tickers inched up 79.7 per cent and 48.5 per cent, respectively.

The strong rise of steel companies shows the upward movement along with the market's general recovery. Many investors expect positive factors to influence steel firms' performance in the remainder of the year and getting ready for the new year.

VNDirect Securities believes that China's reopening will help resume construction activities and boost infrastructure investment, helping steel demand in Vietnam recover.

This is one of the biggest driving forces supporting the export output growth of steel in 2023. Along with that, the increased demand for industrial production in China will also help the global supply chain to be restored and galvanise steel exporters to benefit indirectly.

Galvanised steel companies such as HSG and NKG will have the opportunity to boost export volume amid global industrial production.

Meanwhile, HPG has the ability to export steel to China thanks to competitive production costs. During 2020 - 2021, HPG sold 1.7 and 1.2 million tonnes of steel billet to China, respectively.

VNDirect experts also found that steel companies have reduced their inventories to only two-three months in the fourth quarter of 2022, compared to four-five months at the end of Q2. This alleviates the risk of inventory value reduction.

One more favourable factor for steel businesses is the government's commitment to public investment, triggering soaring demand for iron and steel products, partly compensating for the stagnant real estate market.

According to the 2023 plan, about \$3.44 billion will be disbursed into public investment projects, an increase of 34 per cent compared to the 2022 plan.

The government has committed to accelerating public investment progress and supporting domestic steel firms to maintain market share and gain development momentum in the steel sector faces mounting difficulties.

5. Foreign investment rapidly rebounds with record-breaking disbursement

Do Nhat Hoang, director general of the FIA said, "Although it is not the greatest growth over the same time period, it is a positive indicator that businesses are progressively recovering, sustaining, and extending their production and commercial operations following the epidemic."

In terms of dispensed capital, \$22.4 billion is a record, as although 2019 was a year with a high level of disbursed foreign investment, it only reached \$20.38 billion. Foreign investment spending declined over the course of two years during the epidemic, reaching \$19.98 billion and \$17.74 billion, respectively in 2020 and 2021.

This year, however, the figure increased to \$22.4 billion, greater than before the pandemic. This indicates that Vietnam's ability to attract foreign investment is rapidly making a comeback. Disbursed money is likewise a significant factor in attracting foreign investment.

The pandemic is under control, the economic life cycle has returned to normal, and investment, production, and company endeavours are encouraged. This is why so many large-scale foreign investment projects have been constructed and finished in recent years.

Samsung Vietnam's most recent investment, the Samsung Research and Development Centre, is valued at \$220 million. Attending the inauguration ceremony, Prime Minister Pham Minh Chinh stated that Samsung's inauguration of the project demonstrated responsibility, which is a prerequisite for Samsung to realise its development goals in Vietnam. It is also a testimony to the proper guidelines and procedures of the Party and the State of Vietnam in encouraging investors in science, technology, advancement, and high-tech development.

Exactly one month ago, the PM also visited the inaugural ceremony of the specialised port complex—tanks and a central utility facility—of the \$5 billion SCG Chemicals project.

According to Roongrote Rangsiyopash, chairman and general director of SCG, the whole commercial venture of the project will be operational by mid-2023. Thus, after a lengthy period of anticipation, the project has almost "reached the summit" and this will undoubtedly add significantly the distribution of foreign investment capital in Vietnam now and in 2023.

In addition, a number of significant projects by international investors, such as Samsung, Goertek, and Foxconn are being expedited. Three months ago, Heineken launched the biggest brewery in Southeast Asia in the southern province of Ba Ria-Vung Tau, with the ability to produce 130,000 beer cans per hour.

Meanwhile, LEGO began building a \$1.3 billion facility in the southern province of Binh Duong in early November. When projects are initiated and implemented, foreign investment statistics will accelerate dramatically. But more crucially, it

implies that the economy's productive capacity is increased, thus providing a significant contribution to economic development when the economy needs additional growth engines to hasten its recovery from the pandemic's disastrous effects.

Registered capital fog

While disbursed capital has increased, registered capital has not, which has many economic experts concerned. Minister of Planning and Investment Nguyen Chi Dung has repeatedly emphasised this. Despite attracting foreign investment, notably newly registered capital has not yet rebounded, which is still seen as timely and is a general investment market trend.

The United Nations Conference on Trade and Development predicted at the beginning of the year that worldwide foreign investment would decrease or remain flat in 2022. As a result, Vietnam is not an outlier.

"Due to the overall challenges of the global economy, total investment in 2022 was lower than in 2021, and the trajectory of outbound investment from industrialised nations showed symptoms of a downturn," said Hoang. "Investor uncertainty and risk due to the impact of global political conflicts, rising inflationary pressures, and supply chain disruptions will exert significant downward pressure on international foreign investment in 2022, negatively impacting the elongated investment flows of major economies, particularly investment partners of Vietnam."

According to FIA statistics, as of December 20, the total newly registered capital, adjusted and contributed money to purchase shares, and bought capital contribution of foreign investors reached roughly \$27.72 billion, an increase of 89 per cent over the same period in 2021.

Although it is a far cry from last year's record of more than \$38 billion, \$27.72 billion is nevertheless a solid result in light of global problems.

Moreover, according to the FIA, although freshly registered investment capital declined, the number of new investment projects grew, and adjusted investment capital climbed within the same period. Specifically, 2,036 new projects received investment registration certificates in 2022, a 17.1 per cent

increase. Newly registered capital only reached around \$12.45 billion, a decrease of 18.4 per cent compared to last year, mainly because few large-scale enterprises received investment certificates this year.

Along with newly registered capital, investment capital via capital contribution and share acquisition has slowed dramatically on the worldwide market. The statistic for the whole year is 3,566 projects with capital contribution and share purchase of \$5.15 billion, a decrease of 6.1 per cent in quantity and 25.5 per cent in capital compared to the same period the previous year.

In contrast, adjusted capital remains favourable. There were 1,107 projects registered to adjust investment capital in 2022 (an increase of 12.4 per cent), with the total extra registered capital amounting to almost \$10.12 billion (an increase of 12.4 per cent). According to the FIA, this demonstrates the trust of international investors in Vietnam's economy and investment climate.

Many international investors, particularly Koreans, are considering new investments and expansion in Vietnam. The promises made by big firms during the Vietnamese government's recent trips to Europe, Korea, and Indonesia indicate that foreign investment in Vietnam will intensify soon.

6. 5G to accelerate Vietnam's digital transformation

Is Vietnam ready for a 5G rollout in 2023 and how important will commercialisation be for the country?

We support the government's vision that the next wave of socioeconomic development in Vietnam will be created through innovation, science, and technology, driven by the digital economy, with 5G as the critical national infrastructure.

A key component of Vietnam's national digital transformation and Industry 4.0 strategy is the digital economy, which will contribute 20 per cent of GDP by 2025 and 30 per cent by 2030. The digital economy is already valued at \$23 billion in 2022, compared to \$3 billion in 2015, making Vietnam the third-largest digital economy in Southeast Asia.

5G is a huge platform for innovation, just like 4G has been, and it will cater to both consumers and enterprises. It will accelerate Vietnam's digital transformation and enable the country to embrace Industry 4.0, increasing productivity growth rates and realising its full potential as an investment destination nation.

The digital infrastructure being established in Vietnam will help the country bridge the digital divide, create more jobs, and further boost the

economy. It will also further drive innovation, job creation, and startup entrepreneurship across the country.

The enhanced speed, security, and resilience offered by 5G will provide stimulus for local industry to innovate and digitalise rapidly, creating significant economic value for the country. Connected, digital enterprises thrive and generate jobs, whilst also contributing to government revenues and efforts to address climate change. It will help businesses in Vietnam simplify operations and reduce costs, thereby increasing efficiency and productivity.

How does Ericsson utilise its global expertise to support Vietnam?

Ericsson is at the forefront of 5G around the world and is recognised as an industry leader having recently topped Frost Radar's Global 5G Network Infrastructure Market rankings for the second year in a row. We have 137 live networks in 61 countries, which is more than any other vendor.

Within Southeast Asia, Oceania, and India, we have 12 live 5G networks in eight markets. With Rjio, we are creating the largest 5G Standalone network in the world.

The 5G network that we are deploying in Malaysia will be the first commercial network in the world to apply dynamic radio resource partitioning – a 5G radio access network slicing solution that will enable six mobile network operators to deliver customised 5G services with guaranteed performance.

Ericsson has also invested around 17 per cent of its global revenues in research and development (R&D), and holds the leading patent portfolio in the industry with more than 60,000 granted patents worldwide. Our global 5G and technology leadership is based on our consistent and growing investments in R&D, with more than a quarter of our global workforce working in that area.

We have been supporting Vietnamese mobile service providers with commercial 5G pilots since 2020, leveraging our technology leadership and expansive 4G installed base – which can seamlessly and efficiently be upgraded to 5G capabilities when required. We are proactively working with mobile service providers to ensure Vietnam is at the forefront of 5G developments, sharing our technical capabilities as well as our global, regional, and local market insights.

Besides infrastructure investment, human resource training is also a key to success for commercialisation of 5G and digital transformation in Vietnam. What should Vietnam focus on to have qualified manpower for this?

Vietnam is on track in building a qualified workforce to deploy 5G, as well as prepare students and its youth for a digital future. Ericsson is leveraging its global deployment experience and leadership to prepare the networks of our

partners, the service providers in Vietnam, to seamlessly migrate to 5G.

To fully leverage the benefits within enterprises across all economic sectors, the workforce in Vietnam will be upskilled and re-skilled, which will be supported by public-private partnerships in Vietnam. Ericsson also recognises the need to lead the market in forging strategic 5G ecosystem collaborations and partnerships that include cross-industry players and startups, bringing them together with mobile service providers to deliver compelling digital transformation engagements and new revenue streams.

To help educate Vietnamese students on 5G and related emerging technologies such as AI, automation, cloud computing, blockchain, and more, we are collaborating with RMIT University of Vietnam for an education initiative. This strategic collaboration, signed in December 2021, opens the Ericsson Educate digital platform to RMIT Vietnam students.

It also involves guest lectures, research projects, internship programmes, and industrial projects as well as creating relevant opportunities for students to benefit from Ericsson's technology and 5G leadership.

This collaboration will enable RMIT's science, engineering, and technology students to participate and contribute to Vietnam's Industry 4.0 transformation, preparing the nation for its next wave of socioeconomic development, driven by sci-tech and innovation.

7. Viet Nam sets new record in agro-forestry-fishery exports this year

The ministry reported on December 27 that the sector enjoyed a trade surplus of \$8.5 billion, 30 per cent higher than that of 2021.

Specifically, the export value of main agricultural products reached \$22.59 billion, up 4.8 per cent; main forest products reached \$16.93 billion, up 6.1

per cent; and aquatic products hit \$10.92 billion, up 22.9 per cent.

The agricultural sector had 11 groups of products recording an export turnover of over \$1 billion, including seven groups of products gaining over \$3 billion. They involved wood and wooden products with \$10.92 billion, shrimp \$4.33 billion, coffee \$3.94 billion, rice \$3.49 billion, rubber \$3.31 billion, fruit and vegetables \$3.34 billion, and cashew nuts \$3.07 billion.

During the year, the sector has focused on removing trade barriers, thus helping set the new export records, the ministry said.

A series of projects have been implemented to promote exports, and speed up the application of IT in collecting information and carrying out market forecasts.

MARD has kept a close watch on price fluctuations and the balance of supply and demand in the market while proposing solutions to remove difficulties for the consumption of agricultural products.

It has also coordinated with embassies, and trade and agriculture counsellors to set up channels for providing information related to export markets.

It has also strengthened online trade promotion activities to expand exports to big markets such as China, the US, the European Union, Russia and Brazil, and effectively exploited potential markets including Japan, the Republic of Korea, ASEAN, Australia, New Zealand and the Middle East.

The ministry has closely coordinated with the Ministry of Industry and Trade to negotiate on opening the export market for local farm produce and to promptly solve problems to promote agricultural, forestry and fishery exports.

At the same time, it has had measures to solve obstacles from the COVID-19 pandemic and the Russia-Ukraine conflict affecting the global supply chain of agricultural products. It has actively taken advantage of free trade agreements (FTAs) to promote agricultural product exports.

Record in seafood exports

The fishery industry this year also gained a record export value of about \$11 billion, up 23.8 per cent over the same period in 2021 and 22.2 per cent higher than the yearly plan at \$9 billion.

Of which, the export value surged by 70 per cent on year to \$2.35 billion for tra fish (pangasius) and 13 per cent to \$4.1-4.2 billion for brackish water shrimp.

Besides that, the deputy director of the Directorate of Fisheries Nguyen Thi Thu Nguyet said that the industry has carried out well fleet management and has updated fishing vessel data to the National Fisheries Database System (VNFishbase). That is one of the tasks to remove the yellow card warning on IUU from the EU.

For the seafood market in 2023, Le Hang, Communications Director of the Vietnam Association of Seafood Exporters and Producers (VASEP), said that next year, the market advantages that have in the fourth quarter of 2022 and the first quarter of 2023 will no longer be because inflation is forecasted to create great effects on the consumer sectors in the world market, reducing the exports in the first quarter of 2023.

At present, export orders have fallen sharply, many seafood processing enterprises do not receive contracts for the first quarter of next year. They hope that market demand will recover from the second quarter or at least the second half of the year when many countries in the world have gradually economic recovery, Hang said. The enterprises need to prepare all resources, creating favourable conditions for resuming production and export.

Deputy Minister of the Ministry of Agriculture and Rural Development Phung Duc Tien said that Viet Nam's seafood industry is the third largest seafood exporter with an export value of \$11 billion this year. It has been the highest export value in the past many years.

Next year, the fishery sector will achieve the target of a total aquaculture area of 1.3 million hectares; total seafood production of 8.74 million tonnes, and an export value of about \$10 billion. Exports are expected to reach \$14 billion by 2030.

To achieve the goals, Tien said the fishery industry must develop deep processing, use materials that

can be traced and promote flexible trade promotion activities for potential markets.

Corporate News

8. GMD: BOD resolution dated December 27, 2022

↓ -0.33%

The Board resolution dated December 27, 2022, the BOD of Gemadept Corporation approved the following issues:

Approved the adjustment to implement the plan for share public offering:

- Stock name: Gemadept Corporation
- Stock type: common share
- Par value: VND10,000/share
- Charter capital before the offering: VND3,013,779,570,000
- Registered offering volume: 100,459,319 shares
- Total value: VND1,004,593,190,000
- Offering price: VND20,000/share
- Expected charter capital after the offering: VND4,018,372,760,000
- Exercise ratio: 90:30 (Those who own 01 share will receive 01 right, and with every 90 rights will be entitled to purchase 30 new shares)
- Plan to deal with fractional shares and unsold shares: The distributed shares will be rounded down to units, the fractional shares will be distributed according to the regulation. The unsold shares (if any) will be decided to distribute in section1.12.

- Issue time: expected in 2023, after being approved the State Securities Commission of Vietnam (SSC).

- Plan for using capital from the offering will be used for the following purposes:

No.	Content	Amount (billion dongs)	Estimated execution time
1	To increase contribution capital in Nam Dinh Port Joint Stock Company	800	Quarter 4/2022 and 2023
2	To increase contribution capital in Gemadept – Terminal Link Cai Mep Port Joint Stock Company	1,000	Quarter 4/2022 and 2023
3	Procurement of fixed assets	209	Quarter 4/2022 and 2023
	Total	2,009	

9. VJC: Vietjet plans to fully resume its flight network to China next year

↓ -1.18%

The airline said in a statement that this move from China is a positive signal for bilateral aviation operations.

“After China's pandemic prevention measures are removed, and the tourist visa policy between the two countries is restored, Vietjet will give priority to reopening our route network to China, starting with flights from Viet Nam's major economic and tourist cities to China's populous cities in 2023,” said Nguyen Thanh Son, vice president of Vietjet.

"Our goal is to fully restore our flight network to China in the first six months of 2023, maintaining our position as the leading commercial airline operations between the two countries," Son said, adding that his airline was striving to provide nearly 100 flights each day, up 20-30 per cent higher than that in the pre-pandemic period.

Before the COVID-19 pandemic, Vietjet was the leading airline in terms of the number of routes between Viet Nam and China, accounting for about

50 per cent of the total air traffic between the two countries.

The airline has to date connected six Vietnamese localities – Ha Noi, HCM City, Da Nang, Nha Trang, Da Lat and Phu Quoc – with more than 50 Chinese provinces and cities such as Shanghai, Hangzhou, Chengdu, Chongqing, Tianjin, Wuhan, Kunming and Xi'an, with a peak frequency of nearly 80 flights each day.

Vietjet has reopened routes connecting Viet Nam with several destinations in China from October 2022.

Currently, Vietjet is providing flights on five routes from HCM City to Hangzhou, Chengdu, Shenzhen, Shanghai and Wuhan.

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