

EQUALIZATION STEERING COMMITTEE OF 36 CORPORATION (ONE MEMBER LIMITED LIABILITY COMPANY) AND 36 CORPORATION (ONE MEMBER LIMITED LIABILITY COMPANY) RECOMMEND INVESTORS TO CAREFULLY READ THE INFORMATION IN THIS PROSPECTUS AND REGULATIONS ON SHARE AUCTION BEFORE PARTICIPATING IN THE AUCTION

PROSPECTUS

INITIAL PUBLIC OFFERING OF SHARES

PARENT COMPANY - 36 CORPORATION (ONE MEMBER LIMITED LIABILITY COMPANY)

ORGANIZATION OF AUCTION

36 CORPORATION (ONE MEMBER LIMITED LIABILITY COMPANY)



Head office address: No. 141 Ho Duc Di, Nam Dong Ward, Dong Da District, Hanoi City

Telephone: 04.3533 2471

Fax: 04.3533 2472

Website: www.tongcongtty36.com

ORGANIZATION IMPLEMENTING THE AUCTION

HANOI STOCK EXCHANGE



Head office address: No. 02 Phan Chu Trinh, Hoan Kiem District, Hanoi City

Telephone: 04.3941 2626

Fax: 04.3934 7818

Website: www.hnx.vn

CONSULTING ORGANIZATION

VIETNAM BANK FOR INDUSTRY AND TRADE SECURITIES JOINT STOCK COMPANY



Head office address: No. 306 Ba Trieu, Hai Ba Trung District, Hanoi City

Telephone: 04.3556 2875 / 04.3556 2876

Fax: 04.3556 2874

Website: www.vietinbanksc.com.vn

Year 2016

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SUMMARY OF INFORMATION ABOUT THE AUCTION

1. Enterprise name : **36 Corporation (One member limited liability company)**
2. Number of shares sold at public auction : **4.300.000 shares**
3. Type of share : Ordinary shares, freely transferable
4. Par value : 10.000 VND / share
5. Starting price : **Expected 10.000 VND / share** (*The company will announce the supplement of Decision approving the starting price of the Ministry of Defense as authorized by the Prime Minister*)
6. The minimum number of shares to be subscribed by each investor : 100 shares
7. The maximum number of shares to be subscribed by each investor : 4,300,000 shares
8. Subjects participating in the auction : Organizations and individuals in Vietnam and foreign countries as provided for in Article 6 of Decree No. 59/2011/ND-CP dated July 18, 2011 of the Government on the transfer of 100% state capital enterprises into joint-stock company eligible as defined in Regulations on initial public offering of shares to the outside of Parent Company - 36 Corporation (One member limited liability company) issued by Hanoi Stock Exchange
9. Implementation method of auction : Public auction through Hanoi Stock Exchange
10. Other relevant provisions : As stipulated in the Regulations initial public offering of shares to the outside of Parent Company - 36 Corporation (One member limited liability company) issued by Hanoi Stock Exchange

SUMMARY OF INFORMATION ABOUT THE AUCTION

11. Locations providing the Prospectus:

▪ **36 CORPORATION (ONE MEMBER LIMITED LIABILITY COMPANY)**

Head office : No. 141 Ho Duc Di, Nam Dong Ward, Dong Da District,
Hanoi City

Telephone : 04.3533 2471 Fax: 04.3533 2472

Website : www.tongcongtty36.com

▪ **HANOI STOCK EXCHANGE**

Head office : No. 02 Phan Chu Trinh, Hoan Kiem District, Hanoi City

Telephone : 04.3941 2626 Fax: 04.3934 7818

Website : www.hnx.vn

▪ **VIETNAM BANK FOR INDUSTRY AND TRADE SECURITIES JOINT STOCK COMPANY**

Head office : No. 306 Ba Trieu, Hai Ba Trung, Hanoi City

Telephone : 04 3556 2875 / 76 Fax: 04 3556 2874

Website : www.vietinbanksc.com.vn

LEGAL BASES OF THE AUCTION

1. Enterprise Law No. 68/2014/QH13 passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2014;
2. Decree No. 59/2011/ND-CP dated 18/7/2011 of the Government on transforming 100% state capital enterprises into joint-stock company;
3. Decree No. 189/2013/ND-CP dated 20/11/2013 of the Government on amending and supplementing some articles of Decree No. 59/2011/ND-CP dated July 18, 2011 of the Government on transformation of enterprises with 100% state capital into joint-stock company;
4. Decree No. 116/2015/ND-CP dated 11/11/2015 of the Government on amending and supplementing some articles of Decree 59/2011/ND-CP dated 18/7/2011 of the Government on transformation of enterprises with 100% state capital into joint-stock company;
5. Circular No. 127/2014/TT-BTC dated 05/09/2014 of the Ministry of Finance guiding the financial settlement and business valuation when transforming enterprises with 100% state capital into joint stock company;
6. Circular No. 196/2011/TT-BTC dated 28/12/2011 of the Ministry of Finance guiding the initial share sale, management and use of proceeds from equalization of enterprises with 100% state capital performing transformation into joint stock company;
7. Decree No. 63/2015/ND-CP dated 22/07/2015 of the Government regulating policy for redundant employees when rearranging one member limited liability company owned by the State;
8. Circular No. 44/2015/TT-BLDTBXH dated 22/10/2015 of the Ministry of Labor, Invalids and Social Affairs guiding the implementation of some articles of Decree No. 63/2015/ND-CP dated 22/07/2015 of the Government regulating policy for redundant employees when rearranging one member limited liability company owned by the State;

LEGAL BASES OF THE AUCTION

9. Circular No. 33/2012/TT-BLDTBXH dated 20/12/2012 of the Ministry of Labor, Invalids and Social Affairs guiding the implementation of the policy for employees under Decree 59/2011/ND-CP dated 18/7/2011 of the Government;
10. Circular No. 56/2013/TT-BQP dated 02/5/2013 of the Ministry of Defence guiding the transformation of enterprises with 100% state capital in the military into joint stock company;
11. Circular No. 114/2015/TT-BQP dated 28/9/2015 of the Ministry of Defense regulating on the arrangement, use and regime, policy for objects working in the military enterprises performing equalization and in joint stock companies with State capital owned by the Ministry of Defence;
12. Document No. 1604/TTg-DMDN dated 08/10/2013 of the Prime Minister on approving the Scheme of arrangement, innovation of enterprises with 100% State capital under the Ministry of Defense;
13. Decision No. 3036/QD-BQP dated 28/08/2011 of the Ministry of Defence on the establishment of 36 Corporation, operating in the form of parent company - subsidiary on the basis of the reorganization of Investment Construction and Trading Limited Company No. 36;
14. Decision No. 916/QD-BQP of the Ministry of Defense dated 25/03/2014 on the equalization of 36 Corporation under the Ministry of Defense;
15. Decision No. 917/QD-BQP of the Ministry of Defense dated 25/03/2014 on the establishment of the Equalization Steering Committee of 36 Corporation;
16. Decision No. 42/QD-BQP of the Ministry of Defense dated 07/01/2015 on the change of member of the Equalization steering committee;
17. Decision No. 398/QD-BCD dated 01/04/2014 of the Equalization Steering Committee of 36 Corporation on the establishment of the Equalization support team;
18. Profile of business valuation of 36 Corporation as at September 30, 2014 prepared by AASC Auditing Firm Company Limited;

LEGAL BASES OF THE AUCTION

19. Report on appraisal of business valuation under the property method of 36 Corporation as at 30/09/2014;
20. Decision No. 5464/QD-BQP dated 19/12/2015 of the Ministry of Defense on the enterprise value of 36 Corporation;
21. Decision No. 280/QD-TTg dated 22/02/2016 of the Prime Minister approving the Equalization plan of the Parent Company - 36 Corporation;
22. Other relevant texts, legal documents.

SECTION I: PERSONS RESPONSIBLE FOR THE INFORMATION CONTENTS OF THE EQUITIZED ENTERPRISE

1. Equalization Steering Committee of 36 Corporation (One member limited liability company)

- **Brigadier Tran Trung Tin** - Director of the Department of Economics – Head of the Committee
- **Senior Lieutenant Colonel Nguyen Viet Anh** - Head of Business Management, Department of Economics - Permanent member
- **Colonel Luu Sy Quy** - Deputy Director of Department of Finance - Member
- **Colonel Trieu The Vinh** - Assistant of the secured General Division, Office of the Ministry of Defence - Member
- **Colonel Vu Dac Cuong** - Assistant of the Division of Planning – Organization, Department of Army - Member
- **Colonel Nguyen Trung Can** - Assistant of HR Department, Personnel Department - Member
- **Colonel Ngo Quang Phuc** - Deputy Head of Integrated Study, Department of Policy - Member
- **Colonel Nguyen Dang Giap** - General Director of 36 Corporation - Member
- **Colonel Nguyen Thanh Giang** - Deputy General Director of 36 Corporation - Member
- **Colonel Nguyen Lam Hong** - Assistant of Department of Business Management, Department of Economics – Secretary, helper of the Steering Committee

We pledge that this Prospectus has been reviewed by the Equitization steering committee of 36 Corporation, the information and figures in this Prospectus are accurate, truthful and consistent with the fact that we know, or have been investigated, collected in a reasonable manner.

SECTION I: PERSONS RESPONSIBLE FOR THE INFORMATION CONTENTS OF THE EQUITIZED ENTERPRISE

2. 36 Corporation (One member limited liability company)

- **Colonel Nguyen Dang Giap** - General Director of 36 Corporation
- **Colonel Tran Van Thuy** - Deputy General Director of 36 Corporation
- **Colonel Doan Minh Tuan** - Deputy General Director of 36 Corporation
- **Colonel Nguyen Thanh Giang** - Deputy General Director of 36 Corporation
- **Colonel Tran Ket** - Deputy General Director of 36 Corporation
- **Lieutenant Colonel Nguyen Dang Thuan** - Deputy General Director
- **Colonel Vu Xuan Sac** - Chief accountant

We **pledge** that the information and data provided in this Prospectus are accurate, truthful and consistent with the fact that we know, or have been investigated, collected in a reasonable manner.

3. Consulting organization – Vietnam Bank for Industry and Trade Securities Joint Stock Company

- **Mr. Nguyen Minh Giang** - Deputy General Director

(According to the Authorization letter No. 30/UQ-CKCT signed by the General Director of Vietnam Bank for Industry and Trade Securities Joint Stock Company on October 14, 2015)

The prospectus is part of the records of initial public offering of shares to the outside of 36 Corporation (One member limited liability company) jointly prepared by Vietnam Bank for Industry and Trade Securities Joint Stock Company on the basis of Consultancy contract with 36 Corporation (One member limited liability company).

We pledge that:

SECTION I: PERSONS RESPONSIBLE FOR THE INFORMATION CONTENTS OF THE EQUITIZED ENTERPRISE

- ✓ The analysis, evaluation and selection of words used in this prospectus have been done reasonably and carefully on the basis of the information and data provided by 36 Corporation (One member limited liability company).
- ✓ The implementation steps and contents of this prospectus are in compliance with the required order but do not imply the guarantee of stock value.

SECTION II: DEFINITIONS AND ABBREVIATIONS

In this prospectus, the following abbreviations are understood as follows:

- BQP : Ministry of Defense
- Company / Corporation / 36 Corporation / TCT 36 : 36 Corporation (One member limited liability company)
- Steering Committee/ BCD : Equalization Steering Committee
- TCT : Corporation
- TGD : General Director
- TNHH : Limited liability
- CTCP : Joint stock company
- MTV : One member
- BHXH : Social Insurance
- BHYT : Health Insurance
- BHTN : Unemployment Insurance
- SQ : Officer
- QNCN : Professional military personnel
- HSQ-CS : Noncommissioned officers - soldiers
- CNQP : Defense workers
- LĐHD : Contract labor
- UBND : People's Committee
- CBCNV : Officers and employees
- ĐKDN : Enterprise registration
- CNQSĐĐ : Land use right certificate
- BCTC : Financial statement
- DT : Revenue
- DTT : Net revenue
- LN : Profit
- SXKD : Production and business
- QL : Management
- DN : Enterprise
- CCDV : Service provision
- HĐKD : Business activities

SECTION II: DEFINITIONS AND ABBREVIATIONS

- XDCB : Basic construction
- HDLD : Labor contract
- TS : Asset
- TSCĐ : Fixed assets
- TSLĐ : Current assets
- KH : Plan
- HĐ : Contract
- GTDN : Enterprise value
- CPH : Equalization

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

I. SITUATION AND CHARACTERISTICS OF THE CORPORATION BEFORE EQUITIZATION

1. General information about the equitized enterprise

- Vietnamese name : 36 CORPORATION (ONE MEMBER LIMITED LIABILITY COMPANY)
- International transaction name : 36 CORPORATION
- Transaction name : 36 Corporation (One member limited liability company)
- Abbreviated name : TCT 36
- Head office address : No. 141 Ho Dac Di, Nam Dong Ward, Dong Da District, Hanoi City
- Telephone : 04. 3533 2471
- Fax : 04. 3533 2472
- Business registration certificate : No. 0105454762 issued by Hanoi City Department of Planning and Investment for the first time on March 22, 2006, 18th registration of change on March 24, 2015

2. The process of establishment and development of 36 Corporation

Some important milestones in the process of establishment and development of the Corporation:

The original forerunner of 36 Corporation is Works Construction Enterprise No. 36 established under Decision No. 400/QD-BQP dated 04/04/1996 of the Ministry of Defense, which is the dependent accounting unit of Thanh An Corporation (Multi-Battalion 11).

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

Implementing Decision No. 339/QD-TTg dated 31/03/2008 of the Government on the approval of the plan on arrangement, innovation of enterprises with 100% state capital under the Ministry of Defense in the period 2008-2010 and on the basis of the project on rearrangement of Thanh An Corporation (Multi-Battalion 11), the Ministry of Defense issued Decision No. 39/2006/QD-BQP dated 09/04/2006 on the establishment of Construction Investment and Trade One Member State Limited Liability Company No. 36, which is the first model of Limited Liability Company in the Army.

On 21/07/2008, the Ministry of Defence issued Decision No. 109/QD-BQP on the merger of Works Construction Company No. 56 into Construction Investment and Trade One Member Limited Liability Company No. 36.

On 23/08/2011, the Ministry of Defence issued Decision No. 3036/QD-BQP on the establishment of 36 Corporation operating in the form of parent company - subsidiary on the basis of reorganization of Construction Investment and Trade One Member Limited Liability Company No. 36.

With the experience tradition of more than 18 years in the field of civil works construction, 36 Corporation is proud to be the first enterprise trusted by the Central Military Party Committee, the Ministry of Defence to successfully pilot the management model of "*One member limited liability company*" which has now been replicated in most of the military enterprises.

Currently, 36 Corporation is the versatile contractor, operating in areas such as construction of civil, industrial, transportation, irrigation, hydropower works, investment and business of real estate ... the Corporation also expands its activities to other fields such as general business, commercial concrete production, supply and installation of elevators, air conditioners, mine clearance The Corporation currently has over 300 equipment capable of construction of large-scale works such as construction of high-rise buildings, hydropower works, roads ... thus it is capable of construction and completion of works ensuring the quality, technical and aesthetic requirements highly appreciated by the market. The annual production value of the Corporation currently reaches more than 2,000 billion dong, generating

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

income and stable employment for more than 6,000 employees; participating in social activities such as supporting victims of Agent Orange, flood areas, policy families, charity houses, Truong Bon spiritual works, cancer patients launched by the Ministry of Health ... of more than 32 billion dong.

The staff of 36 Corporation includes professional officers, soldiers, defense employees who have experience in combat as well as experience in construction of large projects with national stature. Imbued with the teachings of President Ho Chi Minh "*The army is a combat troop, also a working troop*", all officers and employees of the Corporation do not mind the difficulties, construction of large-scale projects, high complexity. The motto "*We will go anywhere we need to*" is the clear and strong affirmation reflecting the determination in production and business of the Corporation.

In recruitment, training, the Corporation always focuses on the recruitment of workers with good qualifications, in accordance with the Corporation's activities. Currently, the Corporation has thousands of workers, officers and technical workers and engineers with university and postgraduate degrees, technical workers with professional knowledge and rich experience in production and business.

The Corporation was honored to be given the UNESCO Roll of honor of Cultural Enterprise in 2011 (typical unit on performing social responsibility and promoting the cultural identity of Vietnam) by the Chairman of World UNESCO Union and chairman of Vietnam UNESCO. It was given 01 First-class Labor Medal, 02 Second-class Labor Medals in which 01 Second-class Labor Medal was given by Lao People's Democratic Republic, 03 Third-class Labor Medals, 01 Emulation Flag of the Government in 2011. The Ministry of Defense gave emulation flags in 2010, 2014, 2015, emulation flag of leading unit in 5 consecutive years of 2006-2010 and 2010-2015. The General Political Department gave the flag of excellent unit in 2011. The Party Committee is one of 100 national typical party organizations honored in 2011, in addition the Corporation has gained many certificates of merit, gold cups, awards given by organizations, business associations. Especially 36 Corporation and the General Director personally were given the title of Labor Hero by the Party and State.

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

Currently, 36 Corporation (One member limited liability company) operates under Business registration certificate No. 0105454762 issued by Hanoi City Department of Planning and Investment for the first time on 22/03/2006, 18th registration of change on 24/3/2015. Aside from military tasks, the main business activities of the Company are completion of construction works, production of building materials from clay, production of cement, lime, plaster, housing construction of all kinds...

3. Military missions

- Mobilization reserve training;
- Salvage, rescue and recovery of incidents and disasters.

4. Business lines (Production and business tasks)

According to the Business registration certificate No. 0105454762 issued by Hanoi City Department of Planning and Investment, 18th registration of change on 24/03/2015, the business lines of the Corporation include:

No.	Contents of business lines	Code
1	Architectural activities and related technical consultancy. - Architectural design of works; Structural design of civil and industrial works; Structural design of traffic works; - Supervision of construction and completion of traffic works; Supervision of construction and completion of civil and industrial works; - Establishment of construction investment projects and implementation of projects of commercial centers, buildings, offices and rental services; - Topographic survey; Engineering geological survey; - Management of investment projects for construction of works, traffic toll stations; - Consultancy on management of construction projects; Consultancy on preparation of bidding documents, evaluation of tenders: packages of construction and installation,	7110

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

No.	Contents of business lines	Code
	procurement of goods (excluding consultancy on price of bidding packages, price of construction contracts);	
2	Dedicated design activities;	7410
3	Production of metal structures. - Details: Mechanical production;	2511
4	Repair of electrical equipment;	3314
5	Repair of machinery and equipment. - Details: Repair of mechanical equipment and products serving for production and consumption, transportation serving for construction;	3312
6	Production of concrete and products from cement and plaster. - Details: Producing all kinds of commercial concrete;	2395
7	Production of building materials from clay;	2392
8	Production of cement, lime and plaster. - Details: Manufacture of other products for the construction;	2394
9	Installation of electrical systems. - Details: Installation of mechanical, electrical equipment; Installation of electrical wires and equipment, communication lines, computer networks and television cables (including optical cables), system of anti-theft alarm, lights on airport runway.	4321
10	Installation of water supply, drainage, heating and air conditioning systems. - Details: Installation of water equipment for works;	4322
11	Installation of other building systems.	4329

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

No.	Contents of business lines	Code
	- Details: Interior and exterior decoration; Installation of fire protection and fighting systems; Installation of other equipment systems that are not electricity, water piping systems, heating and air conditioning systems or industrial machinery in construction and civil engineering construction; Installation of industrial equipment in the construction industry and civil construction;	
12	Completion of construction works;	4330
13	Installation of equipment, machinery and industrial equipment. - Details: Installation of equipment and machinery;	3320
14	Wholesale of machinery, equipment and other machine parts. - Details: Business of equipment and machinery; Wholesale of machinery, equipment and spare parts of office machines (except for computers and peripheral equipment); medical machinery, equipment; measuring equipment and instruments; switch wires and other equipment for industrial purposes; electrical machinery and equipment, electrical materials (generators, electric motors, wires and other devices in the circuit); other machinery and equipment that have not been classified for use in industrial production, trade, navigation and other services;	4659
15	Wholesale of materials, other installation equipment in construction. - Details: Business of building materials, supplies, construction equipment, discarded materials, liquidated goods; Wholesale of materials, equipment for fire fighting and protection; Business of services on fresh concrete products;	4663

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

No.	Contents of business lines	Code
16	House construction of all kinds. - Details: Construction of civil, industrial works, water supply and drainage works, public works, urban infrastructure and industrial parks;	4100
17	Construction of railway and road projects. - Details: Construction of traffic works: roads, railways, waterways, road bridges, railway bridges, underground works, tunnels, airports, railway stations, ports, signal and information systems; Construction investment, management and operation of traffic works;	4210
18	Construction of public works. - Details: Construction of irrigation works: reservoirs, dikes, dams, agricultural hydraulic irrigation systems;	4220
19	Construction of other civil engineering works. - Details: Construction of hydropower, thermal power works, power transmission lines, transformers, traffic and urban lighting systems; Maintenance and repair of bridges, roads and infrastructure works;	4290
20	Other specialized construction activities. - Details: Restoration and renovation of cultural and historical monuments; Termite prevention services in construction works;	4390
21	Rental of motor vehicles;	7710
22	Rental of machinery, equipment and other tangible items. - Details: Rental of equipment construction or demolition equipment with operators;	7730

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

No.	Contents of business lines	Code
23	Transportation of goods by road. - Details: Business of goods transport by vans, super-sized and super-weighted containers, pulling trailers;	4933
24	Exploitation of timber;	0221
25	Exploitation of forest products other than timber;	0222
26	Forestry services. - Details: Business, exploitation of timber, processing of timber, wood products and other forest products (excluding timber prohibited by the State);	2240
27	Demolition. - Details: Demolition of old works;	4311
28	Ground preparation. - Details: Survey, detection; disposal of bombs, mines, explosive items (operating under the License of the Ministry of Defence);	4312
29	Business of real estate, land use right of the owner, user or lessee;	6810
30	Consultancy on brokerage, auction of real estate, auction of land use rights. - Details: Real estate transaction floor; Investment in development of infrastructure and land and housing business;	6820
31	Exploitation of stone, sand, gravel, clay. - Details: Exploitation of stone, sand, gravel and clay; exploitation of minerals (excluding minerals banned by the State);	0810

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

No.	Contents of business lines	Code
32	Other remaining business support services that have not been classified. - Details: Import and export of construction materials, equipment, company traded commodities;	8299
33	Other service activities related to transport. - Details: Transport, exploitation, transfer of works, traffic toll stations;	5229
34	(For conditional business lines, the enterprise shall only operate when fully satisfying business requirements and conditions as prescribed by law)	<i>The business line does not match the economic sector system of Vietnam</i>

5. Major products and services

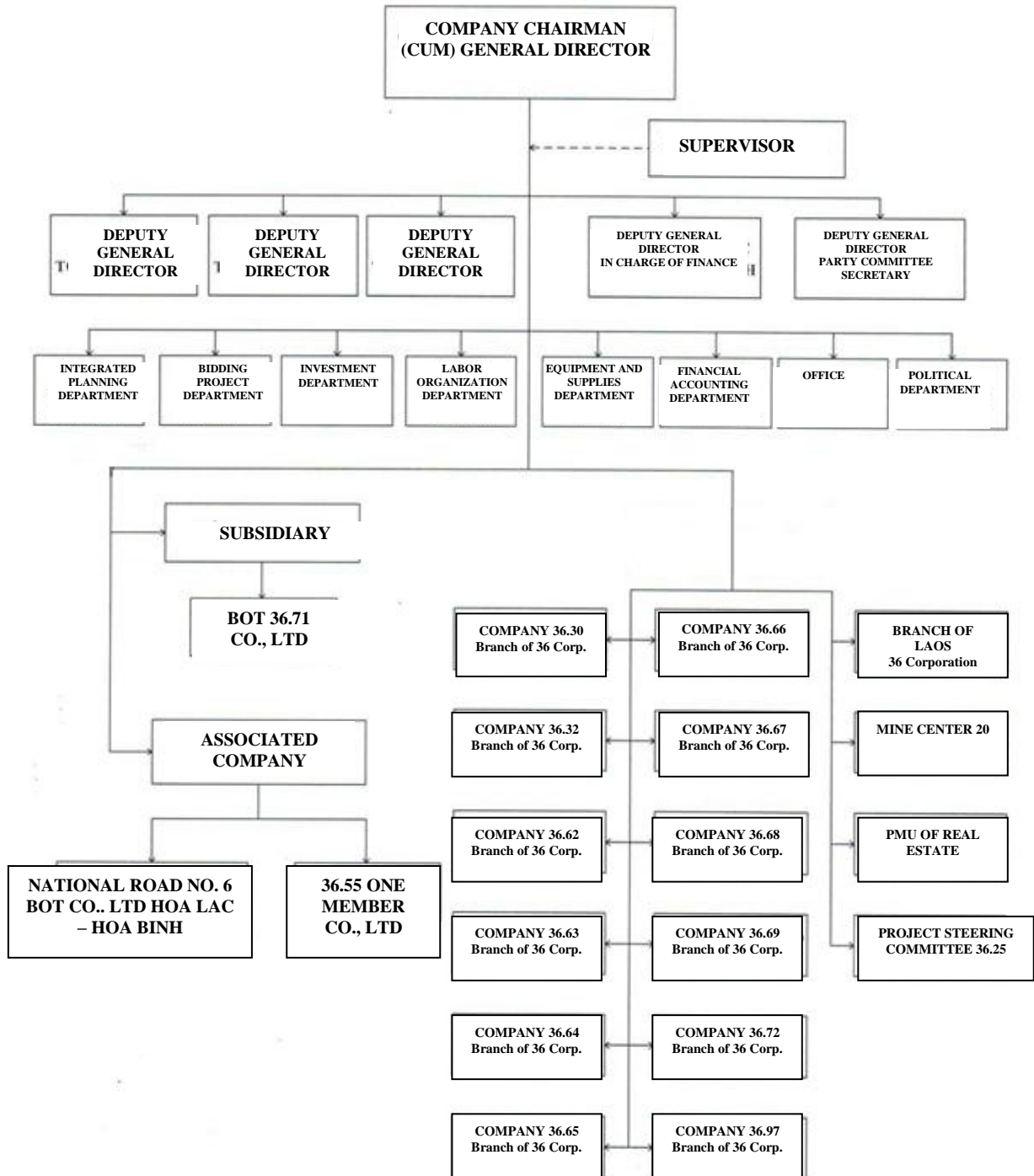
Major products and services of the Corporation include:

- Completion of construction works;
- Construction of railway and road works;
- Construction of other civil engineering works;
- Rental of motor vehicles;
- Production of cement, lime, gypsum - production of other products for construction;
- Survey, detection; disposal of bombs, mines and unexploded ordnance ...

6. Organizational structure of 36 Corporation before equalization

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

ORGANIZATIONAL STRUCTURE DIAGRAM OF THE CORPORATION BEFORE EQUALIZATION



(Source: TCT36)

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

- The organizational structure of management, supervision and administration of the Corporation is in the form of one member limited liability company.
- At the time of construction of the equalization plan, the apparatus and staffing organization of 36 Corporation is: 1,429 people. The arrangement of personnel and functions of the departments, divisions, military units, production units of the Corporation is as follows:
 - + **Company Chairman:** Company Chairman concurrently the General Director of the Company
 - + **Deputy General Directors**
 - + **Chief Accountant cum Head of Finance**
 - + **Surveyor**
 - + **Functional divisions, departments:**
 - **Political division:** The political division undertakes the Party work and political work of the Corporation, it is the advisory body of the committee of the same level, at the same time, it is an agency within the military administrative system and organization; complying with all directives and orders of the commander (General Director) and Secretary of the Executive Committee on the activities of the unit in accordance with the State laws, statutes, rules and regulations of the Army and the Corporation.
 - **General Planning Division:** is the advisory body assisting the leaders and commanders of the Corporation in terms of planning, engineering; it is managed and operated directly by the Director General, commander of the Corporation and performs professional jobs under the direction and guidance of the superior body.
 - **Finance Division:** is the advisory body proposing measures to the General Director on financial management, accounting, management of funds and assets of the Corporation. It inspects monitors and urges the implementation of revenue and expenditure, management and use of capital and funding sources, the implementation of financial and accounting work in accordance with the law, statutes and regulations on management of the Corporation.

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

- **Division of Labor Organization**: is the advisory body for the General Director to implement and direct the implementation of the leadership tasks, policies of the Corporation for subordinate units in the areas: Force organization, Combat - training - labor discipline, labor and wages, social insurance - health insurance and policy regime for professional military personnel, defense employees, noncommissioned officers - soldiers.
 - **Office**: is the functional body advising the leaders, commanders on the management of land, barracks, logistics, military medical work, administrative, clerical work, security, staterooms.
 - **Division of Bidding project**: has the function as advisory body to the leaders, commanders of the Corporation on the marketing of bidding, payment and settlement of projects implemented by the Corporation, some other regular tasks as assigned by the General Director.
 - **Division of Equipment and supplies**: is the functional body to advise and carry out the investment to increase production capacity, implement the assurance of procedures for equipment and motor vehicles to operate, mobilization of equipment and motor vehicles, operation management of motor vehicles and equipment, management and use of industrial explosive materials, external affairs, import, export and advise on the disposal of motor vehicles and equipment in the Corporation.
 - **Investment Division**: has the advisory function and is responsible before the Board of General Directors, commanders of the Corporation in the organization, management, operation and exploitation of investment projects within the business lines of the Corporation in accordance with the provisions of law on investment and the charter of 36 Corporation and performing other duties as assigned by the Board of General Directors, commanders of the Corporation depending on specific conditions and circumstances.
- + **The military units**: include 02 units:
- Infantry Brigade of works - mobilization reserve 136
 - Concurrent Infantry Battalion 55

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

+ **The production and business units:**

- Subsidiaries
 - 36.55 One member limited liability company
 - BOT 36.71 Company Limited
- Associated company: BOT Company Limited (Address: Highway 6 - Hoa Lac – Hoa Binh)
- Companies, branches that are dependent accounting units of the Corporation include 16 companies, branches

7. Total labor force continued to transfer to joint-stock company

Total labor force continued to transfer to joint-stock company is 1.311 people with the following structure:

Table 1: Labor structure transferred to joint stock company

Labor structure	Number of people	Proportion (%)
Total labor force	1.311	100
<i>In which:</i>		
Divided by level of labor:		
- Postgraduate	17	1,30
- Engineers	437	33,33
- Economic bachelors	160	12,20
- BA in politics (other)	35	2,67
- College	95	7,25
- Intermediate of all kinds	141	10,76
- Beginner and technical workers	426	32,49
Divided by type of labor		
- Officers, professional military personnel	328	25,02

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- Employees of defense	212	16,17
- Laborers working under an indefinite-term labor contract	771	58,81
- Laborers working under labor contracts with a term of full 12 months to 36 months	0	0

(Source: TCT36)

8. The actual value of the enterprise at the time of determining the enterprise value for equalization

Pursuant to Decision No. 5464/QD-BYT dated 19/12/2015 of the Ministry of Defense on enterprise value of 36 Corporation, the enterprise value at 0 hour on 01/10/2014 of 36 Corporation for equalization is as follows:

The actual value of the enterprise for equalization: 3.526.764.163.316 dong

(In words: Three thousand, five hundred and twenty-six billion, seven hundred and sixty-four million, one hundred and sixty-three thousand, three hundred and sixteen dong)

In which:

The actual value of the State capital at the enterprise: 329.381.824.808 dong

(In words: Three hundred and twenty-nine billion, three hundred and eighty-one million, eight hundred and twenty-four thousand, eight hundred and eight dong).

The actual value of the enterprise for equalization at 0 o'clock on 01/10/2014 of 36 Corporation is presented in details in the table below:

Table 2: The actual value of the enterprise for equalization at 0 o'clock on 01/10/2014

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

Unit: VND

Indicators	Accounting books and figures after adjustment	Figures of business valuation which have been re-examined	Difference
(1)	(2)	(3)	(4)=(3)-(2)
A. Currently used assets (I+II+III+IV)	3.506.358.562.152	3.526.764.163.316	20.405.601.164
I. Fixed assets and long-term investments	467.951.450.748	481.524.313.110	13.572.862.362
1. Fixed assets	169.884.751.897	184.418.183.744	14.533.431.847
a. Tangible fixed assets	169.591.941.891	184.125.373.738	14.533.431.847
b. Intangible fixed assets (excluding the value of land use rights)	292.810.006	292.810.006	-
2. Investment Real Estate	81.402.263.636	81.402.263.636	-
3. Long-term financial investments (not including the value of business advantages)	31.248.659.651	28.841.531.013	-2.407.128.638
4. Cost of construction in progress	137.743.458.556	137.743.458.556	-
5. Long-term prepaid expenses	46.287.901.180	47.734.460.333	1.446.559.153
6. Long-term receivables	1.384.415.828	1.384.415.828	-
II. Current assets	3.038.407.111.404	3.044.223.973.210	5.816.861.806

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

Unit: VND

Indicators	Accounting books and figures after adjustment	Figures of business valuation which have been re-examined	Difference
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)=(3)-(2)</i>
and short-term investments			
1. Cash	193.081.733.941	193.079.692.611	-2.041.330
+ <i>Cash balance</i>	<i>18.203.395.167</i>	<i>18.203.408.100</i>	<i>12.933</i>
+ <i>Bank deposits</i>	<i>174.878.338.774</i>	<i>174.876.284.511</i>	<i>-2.054.263</i>
2. Short-term financial investments	20.062.114.300	20.062.114.300	-
3. Receivables	1.529.138.132.478	1.535.848.672.277	6.710.539.799
4. Supplies and inventories	1.093.268.117.426	1.092.334.221.717	-933.895.709
5. Other short-term current assets	202.857.013.259	202.899.272.305	42.259.046
III. Business advantage value of the Enterprise	-	1.015.876.996	1.015.876.996
IV. The value of land use right	-	-	-
B. Assets not needed	53.945.948.423	53.945.948.423	-
I. Fixed assets and long-term investments	44.964.598.888	44.964.598.888	-
1. Long-term receivables -	44.964.598.888	44.964.598.888	

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

Unit: VND

Indicators	Accounting books and figures after adjustment	Figures of business valuation which have been re-examined	Difference
(1)	(2)	(3)	(4)=(3)-(2)
II. Current assets and short-term investments	8.981.349.535	8.981.349.535	-
1. Unrecoverable liabilities	8.814.257.382	8.814.257.382	-
2. Other current assets	167.092.153	167.092.153	-
C. Assets awaiting liquidation	-	-	-
I. Fixed assets and long-term investments	-	-	-
II. Current assets and short-term investments	-	-	-
D. Assets formed from the welfare and reward funds	-	-	-
TOTAL VALUE OF ASSETS OF the Enterprise (A+ B+ C+ D)	3.560.304.510.575	3.580.710.111.739	20.405.601.164
In which:			
TOTAL ACTUAL VALUE OF THE ENTERPRISE	3.506.358.562.152	3.526.764.163.316	20.405.601.164

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

Unit: VND

Indicators	Accounting books and figures after adjustment	Figures of business valuation which have been re-examined	Difference
(1)	(2)	(3)	(4)=(3)-(2)
(Section A)			
E1. Actually payable liabilities	3.195.214.461.041	3.193.637.320.480	-1.577.140.561
In which: The value of recently received land use rights payable to the state budget	-	-	-
E2. Professional funding sources	3.745.018.028	3.745.018.028	-
TOTAL ACTUAL VALUE OF STATE CAPITAL IN THE ENTERPRISE {A-(E1+E2)}	307.399.083.083	329.381.824.808	21.982.741.725

(Source: Report of business valuation and Verification report of business valuation of TCT36)

- In which:

- + Long-term prepaid expenses according to the figures of business valuation have been re-verified with the difference of VND 1,446,559,153 compared to the figures of accounting books after adjustment because the residual value of the tool, instrument being used in accordance with the principle is not less than 20% of value of the new purchase tool, instrument.
- + Receivables under figures of business valuation have been re-verified with the difference of VND 6,710,539,799 compared to the figures of accounting

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

books after adjustment because the revaluation of receivables of BOT 36.71 Co., Ltd increased VND 176,639,068, the remaining is the increase in receivables with the content of recovery due to excessive spending of bonus and welfare fund spending for employees and salary fund, remuneration to the Executive Board from 2010 to 30/09/2014...

- **The issues to be further processed:**

- + **For the land:** According to the land use plan when switching to joint-stock company, 36 Corporation requests for land lease of annual payment under the current legal records with the entire plots being managed and used. Accordingly, the value of land use rights is excluded into enterprise value. Where at the time the Corporation officially switches to another form, if the competent authority has different opinions about the land use plan and land prices, it shall perform additional adjustments (if any) before the time the Corporation officially transfers to joint stock company.
- + **Unrecoverable liabilities:** The total value of unrecoverable liabilities that are not included in the value of equitized enterprise as at 30/09/2014 is VND 53,945,948,423 and the total value of doubtful debts that have been processed by the reserve source within 05 years preceding the equalization is VND 1,593,712,510, 36 Corporation shall hand over full records, relevant documents to the competent authority under the provisions of Clause 2, Article 14 of Decree No. 59/2011/ND-CP dated 18/7/2011 of the Government on transforming 100% state capital enterprises into joint-stock company. The receiving agencies shall continue to monitor and organize the recovery. Pending the handover, not officially transforming into joint-stock company, 36 Corporation shall still continue to monitor and organize the recovery of debts that have been excluded from the value of equitized enterprise.
- + **Financial problems to be processed**

As at 30/09/2014, 36 Corporation also has financial problems that have not been processed, namely:

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

- There are a number of unrecoverable liabilities of investors - transferred from old Works Construction Company No. 56.
- There are a number of unrecoverable liabilities of individuals - transferred from old Works Construction Company No. 56.
- There are costs of management, interest, depreciation pending for allocation which are being monitored on the item of prepaid expense that have not been recognized into business and production costs with amount of VND 59,754,858,804.
- In addition, the projects commanded for construction by Comrade Nguyen Minh Quang - professional Lieutenant rank, former Captain of team 3 had an imbalance of VND 27,685,261,217 due to interest rate on bank loans, long construction time, large management costs and some other causes, projects commanded for construction by Comrade Nguyen Trung Hieu - professional Lieutenant rank, former Captain of team 2 had an imbalance of VND 19,295,615,832 due to interest rate on bank loans, long construction time, large management costs and some other causes that have not been processed promptly. Currently 36 Corporation has proposed the Criminal Investigation Department of the Ministry of Defence to handle violations of Mr. Nguyen Trung Hieu and Nguyen Minh Quang as prescribed by law. By the time of release of valuation report and approval of business valuation results, the work mentioned above has not been processed.

9. Main assets of the enterprise

9.1. Land situation

To the present time, the parent company - Corporation is managing 06 (six) land plots with a total area of 31.882.7 m². The land plots currently used and managed by the Company are as follows:

Table 3: Land situation

SECTION III: SITUATION AND CHARACTERISTICS OF THE ENTERPRISE

No .	Land plot address	Ownership status	Legal records	Area (m ²)	Current use purposes	Land use plans after equalizations
1	141 Ho Dac Di, Nam Dong Ward - Dong Da - Hanoi	Allocated land with indefinite term of allocation	<ul style="list-style-type: none"> - Decision No. 303/QD-TM dated 21/02/2012 of the Joint Staff (Attached to the garrison land position) - Decision No. 1481/QD-UBND dated 18/03/2014 of Hanoi City People's Committee - Declaration of the current use of the land owned by the State and proposed handling plan on 12/4/2012 - Status map of the land - Certificate of land use right No. BS 888109 issued on 05/5/2014 	1.399,3	Working office of the Corporation and some attached units	Working office of the Corporation and some attached units

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No.	Land plot address	Ownership status	Legal records	Area (m ²)	Current use purposes	Land use plans after equalizations
2	No. 1075 Liberation Road, Thinh Liet - Hoang Mai-Hanoi	Allocated land with indefinite term of allocation	<p>- Decision No. 302/QD-TM dated 21/02/2012 of the Joint Staff (Attached to the garrison land position)</p> <p>- Decision No. 2355/QD-UBND dated 05/5/2014 of Hanoi City People's Committee</p> <p>- Declaration of the current use of the land owned by the State and proposed handling plan on 18/04/2012</p> <p>- Status map of the land</p> <p>Certificate of land use right No. BS 888196 issued on 28/5/2014</p>	3.016,4	<p>Garrison headquarters of the dependent units:</p> <p>Companies 36.30, 36.62, 36.64, 36.65, 36.72, BOT</p> <p>Companies 36.69, 36.32, 36.68, BOT</p> <p>Company Limited Highway 6 and Project Steering Committee 36.25</p>	<p>Garrison headquarters of the dependent units:</p> <p>Companies 36.30, 36.62, 36.64, 36.65, 36.72, BOT</p> <p>Companies 36.69, 36.32, 36.68, BOT</p> <p>Company Limited Highway 6 and Project Steering Committee 36.25</p>

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No .	Land plot address	Ownership status	Legal records	Area (m ²)	Current use purposes	Land use plans after equalizations
3	Tay Tuu Ward, Bac Tu Liem District, Hanoi City	Allocated land with indefinite term of allocation	<ul style="list-style-type: none"> - Decision No. 301/QD-TM dated 21/02/2012 of the Joint Staff (Attached to the garrison land position) - Decision No. 1473/QD-UBND dated 17/03/2014 of Hanoi City People's Committee - Declaration of the current use of the land owned by the State and proposed handling plan on 17/4/2012 - Status map of the land - Certificate of land use right No. BS 888111 issued on 	4.588	Garrison headquarters of the dependent units: Company 36.66, Mine Centre 20	Garrison headquarters of the dependent units: Company 36.66, Mine Centre 20

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No .	Land plot address	Ownership status	Legal records	Area (m ²)	Current use purposes	Land use plans after equalizations
			05/5/2014			
4	Hong Van Commune, Thuong Tin Ha District, Noi City	Allocated land with indefinite term of allocation	<ul style="list-style-type: none"> - Decision No. 298/QD-TM dated 21/02/2012 of the Joint Staff (Attached to the garrison land position) - Decision No. 4412/QD-UBND dated 25/08/2014 of Hanoi City People's Committee - Declaration of the current use of the land owned by the State and proposed handling plan of 04/2012 - Status map of the land <p>Currently awaiting certification of</p>	11.199	Warehouse area of the Corporation	Warehouse area of the Corporation

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No .	Land plot address	Ownership status	Legal records	Area (m ²)	Current use purposes	Land use plans after equalizations
			land use right.			
5	36.63 company headquarters in Ha Huy Tap ward, Vinh City	Land lease, annual payment, 30-year land lease term, from 28/12/2013 to 28/12/2047	<ul style="list-style-type: none"> - Decision No. 429/QD-UBND-DC dated 28/12/2012 of People's Committee of Nghe An Province - Land Lease Contract No. 33/HD-TD dated 21/02/2013 - Certificate of land use right No. BM 753846 dated 28/02/2013 of Nghe An Province People's Committee 	1.558	Headquarters of 36.63 Company	Headquarters of 36.63 Company
6	Group 6, Chien Thang area, Xuan Mai Town - Chuong My -	Allocated land	- Decision No. 299/QD-TM dated 21/02/2012 of the Joint Staff (Attached to the garrison land	10.122	Garrison headquarters of 36.97 Company	Garrison headquarters of 36.97 Company

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No .	Land plot address	Ownership status	Legal records	Area (m ²)	Current use purposes	Land use plans after equalizations
	Hanoi		position) - Decision No. 2378/QĐ-UBND dated 06/5/2014 of Hanoi City People's Committee - Declaration of the current use of the land owned by the State and proposed handling plan on 01/4/2012 - Status map of the land - Certificate of land use right No. BS 888195 issued on 28/5/2014			

(Source: TCT36)

Regarding the land use plan after equalizations, the parent company - 36 Corporation shall implement the form of land lease and annual payment under Clause 2, Article 5 of Circular No. 56/2013/TT-BQP dated 02/5/2013 of the Ministry of Defense and the People's Committee of Nghe An province.

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Accordingly, after equalizations, the Company will implement the form of land lease and annual payment for the land plots:

- 141 Ho Dac Di, Nam Dong Ward, Dong Da - Hanoi
- No. 1075 Liberation Road, Thinh Liet - Hoang Mai - Ha Noi
- Tay Tuu Ward, Bac Tu Liem District, Hanoi
- Hong Van Commune, Thuong Tin District, Hanoi City
- 36.63 company headquarters in Ha Huy Tap ward, Vinh City
- Group 6, Chien Thang area, Xuan Mai Town, Chuong My, Ha Noi

Currently and after equitization, the Company does not have any land subject to dispute, clearance.

9.2. Property actual situation

9.2.1. Property actual situation of the Corporation

The total value of assets of the Corporation according to figures and books after adjustment at 0 o'clock on 01/10/2014 is VND **3,560,304,510,575**, including:

Table 4: The list of assets of 36 Corporation at the time of determining the enterprise value according to figures and books after adjustment

Unit: VND

Indicators	Accounting books and figures after adjustment	% structure in assets
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>
A. Currently used assets (I+II+III+IV)	3.506.358.562.152	98,48%
I. Fixed assets and long-term investments	467.951.450.748	13,14%
1. Fixed assets	169.884.751.897	4,77%
a. Tangible fixed assets	169.591.941.891	4,76%
b. Intangible fixed assets (excluding the value of land use rights)	292.810.006	0,01%

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Unit: VND

Indicators	Accounting books and figures after adjustment	% structure in assets
(1)	(2)	(3)
2. Investment Real Estate	81.402.263.636	2,29%
3. Long-term financial investments (not including the value of business advantages)	31.248.659.651	0,88%
4. Cost of construction in progress	137.743.458.556	3,87%
5. Long-term prepaid expenses	46.287.901.180	1,30%
6. Long-term receivables	1.384.415.828	0,04%
II. Current assets and short-term investments	3.038.407.111.404	85,34%
1. Cash	193.081.733.941	5,42%
+ <i>Cash balance</i>	18.203.395.167	0,51%
+ <i>Bank deposits</i>	174.878.338.774	4,91%
2. Short-term financial investments	20.062.114.300	0,56%
3. Receivables	1.529.138.132.478	42,95%
4. Supplies and inventories	1.093.268.117.426	30,71%
5. Other short-term current assets	202.857.013.259	5,70%
III. Business advantage value of the Enterprise	-	-
IV. Value of land use right	-	-
B. Assets not needed	53.945.948.423	1,52%
I. Fixed assets and long-term investments	44.964.598.888	1,26%

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Unit: VND

Indicators	Accounting books and figures after adjustment	% structure in assets
(1)	(2)	(3)
1. Long-term receivables -	44.964.598.888	1,26%
II. Current assets and short-term investments	8.981.349.535	0,25%
1. Unrecoverable liabilities	8.814.257.382	0,25%
2. Other current assets	167.092.153	0,00%
C. Assets awaiting liquidation	-	-
I. Fixed assets and long-term investments	-	-
II. Current assets and short-term investments	-	-
D. Assets formed from the welfare and reward funds	-	-
TOTAL VALUE OF ASSETS OF the Enterprise (A+ B+ C+ D)	3.560.304.510.575	100,00%

(Source: Business valuation records of TCT36)

9.2.2. Fixed assets

Table 5: The list of fixed assets of the Corporation at the time of determining the enterprise value according to book figures after adjustment

Unit: Million dong

No.	Asset type	Book value			Revaluation value		Difference	
		Original price	Depreciated	Residual value	Original price	Residual value	Original price	Residual value

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N o.	Asset type	Book value			Revaluation value		Difference	
		Origin al price	Depre ciated	Residu al value	Origin al price	Residu al value	Origin al price	Residu al value
A	CURRENTLY USED FIXED ASSETS	459.053	289.169	169.885	461.617	184.418	2.564	14.533
1	House, architectural objects	41.679	16.720	24.959	44.243	27.024	2.564	2.065
2	Machinery , equipment	256.859	160.043	96.816	256.859	101.995	-	5.180
3	Means of transport	158.133	110.706	47.426	158.133	54.409	-	6.983
4	Equipment, management tools	1.964	1.574	391	1.964	697	-	306
5	Intangible fixed assets	418	125	293	418	293		
B	Fixed assets not needed	-	-	-	-	-	-	-
C	Fixed assets pending for liquidation	-	-	-	-	-	-	-
D	TSCD formed from the reward fund, welfare fund	-	-	-	-	-	-	-
	Total	459.053	289.169	169.885	461.617	184.418	2.564	14.533

(Source: Business valuation records of TCT36)

From the time of the business valuation to date, the Corporation has no big changes in fixed assets.

a) Machinery, equipment

At 0 o'clock on 01/10/2014, the Corporation has about 100 machines and equipment serving for production and business of the Corporation, such as generators, excavators, rock drilling machines ..., mainly manufactured in countries such as Japan, Korea, US, Germany, Italy, China from 2006 to 2014. These machines and equipment continue to be used by the Corporation when transforming operation to the form of joint stock company. Some machines and equipment of 36 Corporation are as follows:

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Table 6: List of some machines and equipment of 36 Corporation

Unit: VND

N o.	Name of machines, equipment	Original price	Residu al value (accord ing to the book value) at 0 o'clock on 01/10/2 014	Residu al value (accord ing to revalua tion) at 0 o'clock on 01/10/2 014	Orig in	Produ ction year
1	Generator 100KVA	307.800.0 00	125.856. 000	129.276. 000	Vietn am	2010
2	2112 CAMEARA - Surveillance CAMERA infrastructure	606.379.4 15	-	121.275. 883	Swed en	2010
3	2112 CAMERA - Surveillance CAMERA system	373.757.4 60	-	74.751.4 92	Chin a	2010
4	Roller SAKAI - SV512D-E No. 4	1.267.987 .908	484.018. 451	507.195. 163	Japan	2009
5	Excavator HITACHI ZX350	2.975.136 .518	88.427.6 72	595.027. 304	Japan	2007
6	Bulldozer KOMATSU D85EX -15	4.882.652 .897	1.334.52 5.051	1.367.14 2.811	Japan	2008
7	Generator TL POWER 250KVA	611.800.0 00	291.925. 070	299.782. 000	Vietn am	2010

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Unit: VND

No.	Name of machines, equipment	Original price	Residual value (according to the book value) at 0 o'clock on 01/10/2014	Residual value (according to revaluation) at 0 o'clock on 01/10/2014	Origin	Production year
8	Electronic total station TS2 POWER 5 Leica	197.981.307	77.047.740	81.172.336	Germany	2011
9	Tower crane TC 7030B-1	4.481.023.483	1.153.863.550	1.344.307.045	China	2009
10	Generator 250KVA-1	617.124.707	271.534.879	277.706.118	Vietnam	2010
11	Rock drilling machine FURUKAWA1200	5.652.014.061	1.785.967.991	1.808.644.500	Japan	2009
12	Tower crane Zoomlion TC5013B-6	1.893.238.686	836.083.004	851.957.409	China	2010
13	Vibratory Roller Dynapac CA250 No. 1	1.318.035.940	317.612.429	395.410.782	Germany	2009
14	Cage Lift VPV 100	717.392.185	263.044.592	272.609.030	Vietnam	2011
15	Sand separation screener ZX100-2	565.536.995	205.007.163	209.248.688	China	2010
	And some other machines and equipment					

(Source: Business valuation records of TCT36)

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b) Means of transport:

At 0 o'clock on 01/10/2014, the Corporation has 153 automobiles of all types such as small cars, trucks, travel cars, dump trucks, concrete mixing trucks ... of Mercedes, Fortuner, Lancrusier, Ford Ranger, all of the automobiles carry military plate (red plate). After moving to operate under the model of joint-stock company, all of the 153 automobiles continue to be used by the Corporation. Some means of transport of 36 Corporation are as follows:

Table 6: List of some transport means of 36 Corporation

Unit: VND

No.	Means of transport	Original price	Residual value (according to the book value) 0 o'clock on 01/10/2014	Residual value (according to revaluation) 0 o'clock on 01/10/2014	Origin	Production year
1	Mercedes car CA 11-11	950.000.000	765.056.456	769.500.000	Germany	2007
2	Fortuner car CA-11-99	960.000.000	837.600.000	844.800.000	Japan	2014
3	LANDCRUSIER car CA11-49	472.727.273	-	94.545.455	Japan	2004
4	Ford Ranger Pickup truck CA-10-34	550.479.549	294.659.486	297.258.956	US	2011

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Unit: VND

No.	Means of transport	Original price	Residual value (according to the book value) 0 o'clock on 01/10/2014	Residual value (according to revaluation) 0 o'clock on 01/10/2014	Origin	Production year
5	Fortuner car CA1169	934.545.455	656.518.181	663.527.273	Japan	2012
6	FORD Pickup car CA10-66	539.272.178	334.450.226	339.741.472	US	2012
7	FORD RANGER Pickup car CA-10-67	539.272.178	334.450.223	339.741.472	US	2012
8	MAZDA car CA-11-02	303.390.600	-	60.678.120	Japan	1999
9	Misubishi car JOLIE CA-11-23	291.756.564	-	58.351.313	Japan	2001
10	Automatic dump car Hyundai 270 CA-10-12	1.184.215.781	397.258.386	402.633.366	Korea	2009
11	Cement Tank CMCI BM-040	533.353.716	131.116.093	133.338.429	China	2008
12	TOYOTA car CA -11-41	485.825.703	78.946.646	97.165.141	Japan	2008

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Unit: VND

No.	Means of transport	Original price	Residual value (according to the book value) 0 o'clock on 01/10/2014	Residual value (according to revaluation) 0 o'clock on 01/10/2014	Origin	Production year
13	LANDCUSER car CA 11-70	364.000.000	-	72.800.000	Japan	1989
14	FORTUNER car CA-11-88	934.545.455	651.106.687	654.181.819	Japan	2012
	And some other means of transport					

(Source: Business valuation records of TCT36)

10. Owner of the Corporation and List of subsidiaries, associated companies and joint ventures of the Corporation

10.1. Owner of the Corporation

Ministry of Defence is the owner, holding 100% of the charter capital of 36 Corporation.

10.2. List of subsidiaries, associated companies, joint ventures and dependent units of the Corporation

Table 8: List of subsidiaries, associated companies, joint ventures and dependent units of the Corporation

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No.	Company name	Information about the Company
I	Subsidiary	
1.	BOT 36.71 Company Limited	<ul style="list-style-type: none"> - Address: No. 141, Ho Dac Di Street, Nam Dong Ward, Dong Da, Hanoi - Main business lines: Project, operation in the field of construction of railway and road traffic; Construction of civil engineering works; - Actually contributed charter capital: VND 279,501,000,000 - Holding rate of 36 Corporation at the company: 100%
II	Associated companies	
1.	36.55 Joint Stock Company	<ul style="list-style-type: none"> - Address: No. 38, Alley 25, Lane 358 Bui Xuong Trach, Khuong Dinh, Thanh Xuan, Hanoi - Main business lines: Construction of civil engineering works; Completing the construction works; Construction of railway and road works; Construction of civil and engineering works; - Actually contributed charter capital: VND 30,000,000,000 - Holding rate of 36 Corporation at the company: 30%
2.	BOT Company Limited - Highway 6- Hoa Lac - Hoa Binh	<ul style="list-style-type: none"> - Address: Highway 6, Hoa Lac, Hoa Binh - Main business lines: Project, operation in the field of construction of railway and road traffic; Construction of other civil and engineering works - Actually contributed charter capital:

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No.	Company name	Information about the Company
		<p>374,000,000,000</p> <ul style="list-style-type: none"> - Holding rate of 36 Corporation at the company: 18%
III	Dependent units	
1.	36.30 Company (Branch of 36 Corporation)	<ul style="list-style-type: none"> - Address: No. 26, Cau Tien Street, Think Liet Ward, Hoang Mai, Hanoi - Main business lines: Construction of civil engineering works; Construction; House construction of all kinds; Construction of railway and road works
2.	36.32 Company (Branch of 36 Corporation)	<ul style="list-style-type: none"> - Address: No. 26, Cau Tien Street, Think Liet Ward, Hoang Mai, Hanoi - Main business lines: Construction of civil engineering works; Construction; House construction of all kinds; Construction of railway and road works
3.	36. 62 Company (Branch of 36 Corporation)	<ul style="list-style-type: none"> - Address: No. 26, Cau Tien Street, Think Liet Ward, Hoang Mai, Hanoi - Main business lines: Construction of civil engineering works; Construction; House construction of all kinds; Construction of railway and road works; Completing the construction works; Installation of other construction systems
4.	36.63 Company (Branch of 36 Corporation)	<ul style="list-style-type: none"> - Address: Ha Huy Tap ward, Vinh City - Main business lines: Construction of civil engineering works; Construction; House construction of all kinds; Construction of railway and road works; Construction of other civil engineering works

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No.	Company name	Information about the Company
5.	36.64 Company (Branch of 36 Corporation)	<ul style="list-style-type: none"> - Address: No. 26, Cau Tien Street, Thinh Liet Ward, Hoang Mai, Hanoi - Main business lines: Construction of civil engineering works; Construction; House construction of all kinds; Construction of railway and road works
6.	36.65 Company (Branch of 36 Corporation)	<ul style="list-style-type: none"> - Address: No. 26, Cau Tien Street, Thinh Liet Ward, Hoang Mai, Hanoi - Main business lines: Construction of civil engineering works; Construction; House construction of all kinds; Construction of railway and road works
7.	36.66 Company (Branch of 36 Corporation)	<ul style="list-style-type: none"> - Address: No. 141 Ho Dac Di, Nam Dong Ward, Dong Da, Hanoi - Main business lines: Construction of civil engineering works; Construction; House construction of all kinds; Construction of railway and road works
8.	36.67 Company (Branch of 36 Corporation)	<ul style="list-style-type: none"> - Address: No. 141 Ho Dac Di, Nam Dong Ward, Dong Da, Hanoi - Main business lines: Construction of civil engineering works; Construction; House construction of all kinds; Construction of railway and road works
9.	36.68 Company (Branch of 36 Corporation)	<ul style="list-style-type: none"> - Address: No. 26, Cau Tien Street, Thinh Liet Ward, Hoang Mai, Hanoi - Main business lines: Construction of civil engineering works; Construction; House construction of all kinds; Construction of railway and road works

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No.	Company name	Information about the Company
10.	36.69 Design Consulting Company (Branch of 36 Corporation)	<ul style="list-style-type: none"> - Address: No. 26, Cau Tien Street, Think Liet Ward, Hoang Mai, Hanoi - Main business lines: Architectural activities and related technical consultancy
11.	36.72 Company (Branch of 36 Corporation)	<ul style="list-style-type: none"> - Address: No. 26, Cau Tien Street, Think Liet Ward, Hoang Mai, Hanoi - Main business lines: Construction of civil engineering works; Construction; House construction of all kinds; Construction of railway and road works
12.	36.97 Company (Branch of 36 Corporation)	<ul style="list-style-type: none"> - Address: Group 6, Chien Thang area, Xuan Mai Town, Chuong My, Hanoi - Main business lines: Construction of civil engineering works; Construction; House construction of all kinds; Construction of railway and road works; Exploitation of stone, sand, gravel and clay
13.	Laos branch	<ul style="list-style-type: none"> - Address: Vientiane City, Laos - Main business lines: Construction of civil engineering works; Construction; House construction of all kinds; Construction of railway and road works; Construction of other civil engineering works
14.	Mine Center 20	<ul style="list-style-type: none"> - Address: Population group No. 1, Tay Tuu Ward, Bac Tu Liem, Hanoi - Main business lines: Ground preparation; Survey, detection; disposal of bomb and mine, explosive materials
15.	Project Management Unit of Real Estate	<ul style="list-style-type: none"> - Address: No. 141 Ho Dac Di, Nam Dong Ward, Dong Da, Hanoi

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No.	Company name	Information about the Company
		- Main business lines: Management of real estate business projects; Land use rights of the owner; User or lessee
16.	Project Steering Committee 36.25	- Address: Tay Tuu Ward, Bac Tu Liem, Hanoi - Main business lines: Business of real estate; land use rights of the owner; user or lessee

(Source: TCT36)

11. Business situation and results of production and business in the past 03 years before equalization

11.1. Business situation

11.1.1. Assessment of business performance of the Corporation during the period 2013 to date

The disadvantages from the decline of the world economy for 2011-2013 had an adverse effect on the domestic economy as well as the production and business of the Corporation. Projects were delayed due to difficulties in accessing credit sources, high capital expenditure, low capital recovery, stiff competition, difficulties in arranging employment for officers and employees ... However, with the regular leadership and direction of the Central Military Party Committee, the attention and help of the functional agencies of the Ministry of Defense, in recent years the Corporation has participated in the bidding and construction of hundreds of works with large contract value at home and abroad.

On the results of production and business, the revenue value always maintains at a high level, revenue of the whole Corporation in 2012 was 2.729,8 billion dong, revenue in 2013 was 3,083 billion dong, 2014 was 3,568 billion dong and 2015 was approximately 3.785,8 billion dong, maintaining an average revenue growth of over 12% over the years, creating many jobs for workers, all works constructed by the Corporation ensure quality creating reputation and trust with customers, always promoting the brand of the Corporation.

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On the financial side, the Corporation always tries to ensure capital for production and business, pay in full and on time the regime for employees, customers and fulfill the obligation of budget contribution with the state.

In terms of policies for employees, the Corporation is always interested in the lives of employees, creating favorable conditions for the employees to be promoted to the rank, increasing wage in accordance with duration, transferring to the mode of professional military personnel, all rear policies for family of officers and employees are concerned. 100% of the employees of the Corporation are paid salaries and wages in accordance with jobs and other benefits as prescribed.

Regarding the investment and management of assets, the Corporation always cares and pays attention with the perspective of "*ongoing investment*" especially the new equipment serving the construction. The Corporation's assets are invested for the right purposes in accordance with the production and business situation. The construction equipment, machinery are the most modern in Vietnam. Assets allocated to the departments are managed, repaired and maintained in accordance with the prescribed recurring, not used arbitrarily, many assets that were fully depreciated can still continue to be used.

The achieved results as above partly expressed the efforts of the Corporation leaders and the entire officers and employees of 36 Corporation during the construction and development of the Company to be more powerful and growing.

11.1.2. Output of products / service value over the years

Table 9: Structure of net revenue from sales and service provision of the Parent company - Corporation for the period 2012 - 30/09/2015

Item	2012		2013		2014		From 01/01/2015 to 30/09/2015	
	Value (million dong)	Proportion % ^(*)	Value (million dong)	Proportion % ^(*)	Value (million dong)	Proportion % ^(*)	Value (million dong)	Proportion % ^(*)
Basic construction revenue	2.332.631	93,45	2.491.223	88,26	2.785.419	83,55	1.979.384	97,78

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Revenue from production of building materials	112.063	4,49	89.533	3,17	78.505	2,35	7.590	0,37
Revenue from mine clearance	37.812	1,51	70.488	2,50	42.644	1,28	4.310	0,21
Other revenue	13.634	0,55	171.272	6,07	427.153	12,81	33.131	1,64
Net revenue from sales and service provision	2.496.140	100	2.822.516	100	3.333.721	100	2.024.415	100

(Source: Audited separate financial statements in 2012, 2013, 2014 of TCT 36 and separate financial statements of Quarter III 2015 prepared by TCT 36)

Net revenue from sales and service provision of the Corporation for the period 2012-2014 tended to increase, from 2.496,1 billion dong in 2012 to 2.822,5 billion dong in 2013 and 3.333,7 billion dong in 2014. In the first 9 months of 2015, revenue from sales and service provision reached 2.024,4 billion dong. In 2015, it is expected that net revenue from sales and service provision of the Parent company - Corporation will reach 3.733,67 billion dong, reaching 100% of the plan set out.

In net revenue from sales and service provision, basic construction revenue accounted for the largest proportion, the value of basic construction revenue increased between 2012-2014 (from 2.332,6 billion dong in 2012 to 2.785,4 billion dong in 2014), but the proportion of total revenue tended to decrease (from 92.91% in 2012 down to 82.14% in 2014). Revenue from production of basic building materials accounted for the second largest proportion of the total net revenue from sales and service provision but not large (under 5%) and tended to decrease in the period 2012-2014, this was because the large costs for production of materials, high depreciation of machinery and equipment, increased price leading to leading to difficulty in consumption of ineffective business products so that the Corporation no longer focused on material production, but focused on basic construction. Other revenues of the Corporation include real estate revenue, design consultancy revenue, machinery and equipment renting revenue... To the first 9 months of 2015, basic construction

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revenue still accounted for the largest proportion in net revenue from sales and service provision and reached 1.979,3 billion dong.

Table 10: Structure of the gross profit from sales and service provision of the Parent company - Corporation for the period 2012 - 30/09/2015

Item	2012		2013		2014		From 01/01/2015 to 30/09/2015	
	Value (million dong)	Proportion % ^(*)	Value (million dong)	Proportion % ^(*)	Value (million dong)	Proportion % ^(*)	Value (million dong)	Proportion % ^(*)
Basic construction	180.272	106,01	139.478	81,74	142845	83,86	105263	97,05
Production of building materials	7.806	4,59	945	0,55	1.566	0,92	906	0,84
Mine clearance	8.388	4,93	14.729	8,63	9.088	5,34	876	0,81
Other	-26.408	-15,53	15.493	9,08	16.837	9,88	1.420	1,3
Gross profit from sales and service provision	170.058	100	170.645	100	170.336	100	108.465	100

(Source: 36 Corporation)

(*)The proportion of total gross profit

Gross profit from sales and service provision of the Parent company - Corporation for the period 2012 - 2014 was relatively stable, at around 170 billion dong. In which, gross profit from basic construction accounted for the largest proportion in the total gross profit from sales and service provision (above 80%).

In the first nine months of 2015, gross profit from sales and service provision of 36 Corporation reached 108,465 million dong, in which, gross profit from basic construction accounted for the largest proportion of total gross profit from sales and service provision (97.05%). It is expected in 2015, gross profit will reach 185,855 million dong.

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11.1.3. Materials

▪ Source of materials

Aside from military tasks, the main business line of the Corporation is building, construction of defense, civil, industrial works, ... so that main materials serving the operation of the Corporation are cement, steel and gravel, these materials are imported stably by the Corporation from reputable suppliers at home and abroad such as Anh Quan Transport and Trade Joint Stock Company, SEMEC, Nhat Nam Joint Stock Company, Ltd. Viet Phap Thang Long Co. Ltd ...

▪ The stability of raw material supply

The stability of input raw materials is very important because it directly affects the product cost and profit of the Corporation. Recognizing the importance of a stable source of raw materials at a low cost, the Corporation took the initiative in signing contracts with suppliers to ensure a stable supply of raw materials serving the business process of the Corporation.

▪ Influence of raw material price on revenue and profit

Because the main business line of the Corporation is building, construction of industrial, defense works ... to complete the projects, works it requires a lot of costs to complete the construction process, in which the largest cost is the cost of raw materials. Therefore, the prices of raw materials have certain impact on revenue and profit of the enterprise.

In recent years, the price of petroleum in the world and in the country had many fluctuations. This fluctuation made almost all other commodities also fluctuate due to the change of input cost. However, the Corporation has minimized this effect on the revenue and profit of the Corporation by taking initiative in supply of raw materials for production and business through the signing of supply contracts of raw materials with reputable suppliers.

11.1.4. Costs of production and business of the Corporation for the period 2012 -30/09/2015

Table 11: Cost structure of the Corporation for the period 2012 - September 30th, 2015

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Item	2012		2013		2014		From 01/01/2015 to 30/09/2015	
	Value (million dong)	Proportion % ^(*)	Value (million dong)	Proportion % ^(*)	Value (million dong)	Proportion % ^(*)	Value (million dong)	Proportion % ^(*)
Cost of goods sold	2.326.082	93,19	2.651.871	93,95	3.163.385	94,89	1.915.951	94,64
Financial expenses	76.295	3,06	74.453	2,64	84.174	2,52	19.763	0,98
Cost of sales	-	-	5.390	0,19	-	-	-	-
Cost of enterprise management	66.121	2,65	75.056	2,66	42.323	1,27	35.634	1,76
Total cost	2.468.497	98,89	2.806.770	99,44	3.289.882	98,68	1.971.348	97,38

(Source: Audited separate financial statements in 2012, 2013, 2014 of TCT 36 and separate financial statements of Quarter III 2015 prepared by TCT 36)

()Proportion of net revenue from sales and service provision*

Cost of goods sold accounted for the largest proportion of the total cost of production and business of the Corporation (over 90% of total cost). In period 2012 - 2014, cost of goods sold tended to increase from 2.326,1 billion dong in 2012 to 2.651,8 billion dong in 2013 and 3.163,3 billion dong in 2014. Financial expenses accounted for a small proportion (less than 5%). The Corporation only incurred cost of sales in 2013 because this a cost payable to the real estate trading floor of brokerage fee to sell apartments, but this cost is not significant (accounting for 0.19% of the total cost), in other years the Corporation incurred no cost of sales because under Circular 200/2014/TT-BTC dated 22/12/2014 of the Ministry of Finance guiding the business accounting regime, when house is not handed over to the buyer the real estate revenue

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is unrecognized. The Corporation has incurred cost of sales but because revenue has not been recognized, the cost of sales has still not been carried forward temporarily.

In the first nine months of 2015, cost of goods sold still accounted for the largest proportion of total cost, financial costs fell sharply because in the first 9 months the Corporation was proactive in the fund for production and business, advances of investors were large so that bank loans decreased, thus the financial costs also reduced. the Corporation incurred no cost of sales.

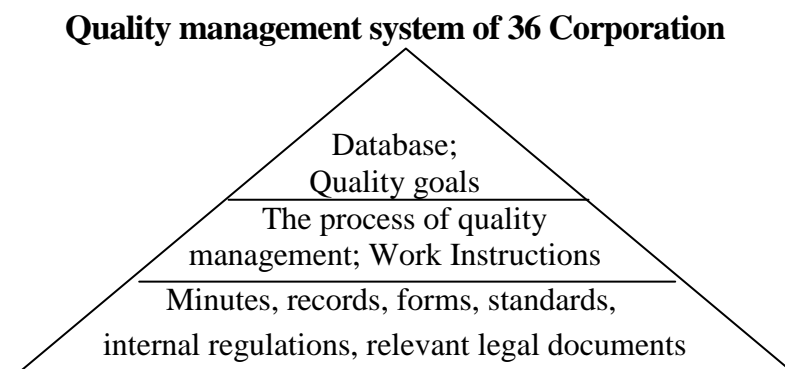
11.1.5. Technological level

The Corporation has been winning bids and designated as contractor for many large projects, works with national stature, known as one of the leading construction units of the Ministry of Defense. With strict requirements in terms of technical side as well as ensuring the progress of construction. Therefore, in addition to owning a team of experienced staff the Corporation must also equip modern construction machines and equipment with high accuracy to be able to construct works highly demanding about labor safety, construction progress and quality of works.

Currently the Corporation is using many modern machines, equipment such as excavators, cranes with large lifting capacity, hydraulic drill machines ... of modern technology to replace the outdated mechanical devices.

11.1.6. The situation of quality inspection of products / services

The Corporation is currently applying and maintaining a quality management system according to ISO 9001: 2008 in the fields of management, investment, construction and installation of works, in order to meet the increasing requirements for corporate governance. This system is generalized as follows:



(Source: TCT36)

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Recognizing the importance of product quality, improving to create competitive advantage, the Corporation has constantly improved the management system to meet the ISO 9001: 2008 with the goal of sustainable development.

11.1.7. Marketing activities

Through 20 years of construction and development, the brand of 36 Corporation has been confirmed by the prestige and quality of the completed works and projects.

To achieve these results firstly the Corporation always considers customers as the center. The Corporation gathers information from investors and customers to meet the requirements of customers and considers it as one of measures of effective implementation of the quality management system.

The Corporation always defines that marketing activities hold an important role for the development of the Corporation, thus leaders and commanders of the Corporation and subordinate units do not mind difficulties to look for more jobs together, thus continuing to keep its market share in the provinces and also in foreign market (Lao People's Democratic Republic).

11.1.8. Situation of research and development of new products

Over the past years, the Corporation has not stopped growing, expanding production, winning bids and has been designated as contractor for many large projects. Being aware that investment, development of new products is the leading solution offering great potential benefits to the Corporation, enhancing the construction capability, effectiveness of works ... In the past years, the Corporation has continuously researched and improved means of production, standardized method of construction to accelerate progress, save construction costs, the quality of works is still ensured, specifically as follows:

- Research to apply new technologies, new techniques, innovative measures to improve the quality of construction works to serve customers;
- Research the use of new, modern machinery, equipment into the process of production, construction;

11.1.9. Trademarks, registration of patents and copyrights

Currently the Corporation has registered the trademark with the name and logo at the Intellectual Property Department in the territory of Vietnam; Trademark

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registration certificate No. 113675 according to Decision No. 23776/QD-SHTT dated 13/11/2008; amended Decision No. 48682/SHTT dated 28/11/2011.

Logo of 36 Corporation



11.1.10. Large contracts being made or already signed

Table 12: Several major contracts which are being made or have been signed

No.	Contract number	Value (1.000 dong)	Construction time	Completion time	Contents	Partners in the contract
1	10/2013/H DDG-Quang Tri	197.167.808	2013	2016	Package No. 10: Construction of section Km779+162-Km789+00 Highway 1 - Quang Tri	Project Management Unit B6
	08/2013/H ĐTC-XDCT	162.619.887	2013	2016	Package No. 33: Flood overflow and dependent dams of Ngan Truoi reservoir head works subproject	Management unit of investment and irrigation construction 4
3	90/HĐXD	662.176.703	2010	2016	Construction project of traffic road of National Highway 1A, Nghia Dan District, Thai Hoa Town, Nghe An	Project Management Unit of traffic works Nghe An

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No.	Contract number	Value (1.000 dong)	Construct ion time	Completi on time	Contents	Partners in the contract
4	04/2014/H ĐXD/BQ LDABM-TCT36	482.114.277	2014	2016	Package 14: Construction and installation of construction items of lake and channel system, Chau Binh channel, managing house, construction road, material yard of Ban Mong - Nghe An reservoir project	Project managemen t unit Ban Mong
5	12/2015/H ĐKT/SCH	47.820.510	2015	2016	Package XL-02: Construction of foundation, basement and body structure of 8-storey guesthouse. Item: Guesthouse of Ministry of Defense 266 Thuy Khue (DA6-678)	Project managemen t unit 678
6	06/2015/H Đ-XDBM-01	1.288.543.800	2015	2017	Construction package of Bach Mai Hospital - No. 01 (XDBM-01) Investment project of new construction of Facility 2 of Bach Mai Hospital	Managemen t unit of key health projects

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No.	Contract number	Value (1.000 dong)	Construct ion time	Completi on time	Contents	Partners in the contract
7	41A-HĐ/2014/TCXD	344.926.826	2014	2016	Construction of underground part, body; supply and installation of technical equipment systems and completion of interior and exterior of Interagency working house at 105B-107 Quan Thanh	Managem ent unit of constructio n works the Party in the Central
8	02/2015/HĐTCXDC T-VTV	218.175.275	2015	2016	Package: Completion of the facade of high-rise block and auxiliary technical block of Program Production Center project (under Vietnam Television Center) step 2 - phase 1	Investment and constructio n managem ent unit of Vietnam Television Centre
9	18/2011/HĐ/TPCP-XD	464.347.857	2011	2016	Package 2: Construction of the section Km 10+00 to Km40+987,86 of Yen Tinh - Huu Khuong - Nghe An	People's Committee of Con Cuong District
10	189/2014/HĐX	392.593.154	2014	2017	Construction and installation of main building blocks and block	Managem ent unit of key health

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No.	Contract number	Value (1.000 dong)	Construct ion time	Completi on time	Contents	Partners in the contract
					of auxiliary works under Investment and construction project of working office of General Department of Taxation	projects
11	20/2015/H ĐCĐ/BQ LCTTS-36	344.606.021	2015	2016	Package No. 35: construction and installation of finishing section of works under the project component 1 - Working building of the Government Renovation project of working office of the Government and the Government Office.	Managem ent unit of Renovation project of working office of the Governme nt and the Governme nt Office
12	06/2011/H ĐTCXD	338.752.408	2011	2016	Information Center of Science & Technology in Southern region (Package 5)	Managem ent unit of Informatio n Center of Science & Technolog y in Southern region
13	02/2015/H ĐTCXD	218.175.275	2015	2016	Package: Completion of facade of high-rise	Investment and constructio

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No.	Contract number	Value (1.000 dong)	Construction time	Completion time	Contents	Partners in the contract
					block and auxiliary technical blocks of Program production center project (under Vietnam Television Center). Step 2 Phase 1.	n management unit of Vietnam Television Centre
14	09/2015/H ĐTCXDC T_VTV	412.262.230	2015	2016	House completion, provision and installation of construction equipment for Program Production Centre project (under Vietnam Television Center). Step 2 phase 1	Project Management Unit of Vietnam Television Centre
15	56/2014/Đ HXD	140.392.257	2014	2016	Package No. 3: Construction and installation of equipment for working house, auxiliary house, auxiliary items of Construction project of transaction head office of Head office of social policy bank.	Social Policy Bank
16	94/2015/H ĐTB	143.136.000	2015	2016	Package No. 37: Supply and	Central Military

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No.	Contract number	Value (1.000 dong)	Construction time	Completion time	Contents	Partners in the contract
					installation of elevator system for the project: Construction investment of cluster of works of internal medicine house center, surgical + specialty house, subclinical technical and professional house of Central Military Hospital 108	Hospital 108

(Source: TCT36)

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11.2. Financial position and business results of the Corporation for the period 2012 - 30/09/2015 and some expected indicators in 2015

Table 13: Consolidated business results for the period 2012 - September 30th, 2015 and some expected indicators in 2015

Unit: VND 1,000

No.	Indicators (end of period)	2012	2013	2014	From 01/01/2015 to 30/09/2015	Some expected indicators in 2015
1	Total assets	2.928.707.064	3.531.277.008	4.341.547.613	5.366.601.895	5.859.356.564
2	Equity	282.183.975	284.760.422	363.732.992	447.629.565	343.304.918
-	<i>In which: Equity</i>	<i>281.700.350</i>	<i>284.952.065</i>	<i>361.146.999</i>	<i>449.886.013</i>	<i>344.246.375</i>
+	<i>Investment capital of owner</i>	<i>242.264.449</i>	<i>245.264.449</i>	<i>311.938.654</i>	<i>234.168.723</i>	<i>178.150.061</i>
-	<i>Funding sources and other funds</i>	<i>483.625</i>	<i>-191.643</i>	<i>2.585.993</i>	<i>-2.256.448</i>	<i>-941.457</i>
3	Current loans and liabilities	838.647.894	838.169.617	848.832.810	714.883.919	676.149.743
4	Non-current loans and liabilities	196.267.520	155.332.143	260.082.579	779.684.682	881.721.540

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Unit: VND 1,000

No.	Indicators (end of period)	2012	2013	2014	From 01/01/2015 to 30/09/2015	Some expected indicators in 2015
5	Doubtful debts	33.715.787	48.235.423	56.772.573	56.772.573	8.766.332
6	Total labor force (average, including laborers signing labor contract and laborers not signing labor contract)	8.570	8.580	8420	8120	7745
7	Total salary fund	580.716.000	611.500.000	678.306.307	523.325.880	769.419.326
8	Average income per 1 person / month	5.841	6.011	6.767	7.161	7.271
9	Total revenue and other income	2.744.439.374	3.121.201.403	3.629.166.396	2.088.832.379	3.931.191.383
-	<i>In which:</i> <i>Net revenue from sales and service provision</i>	2.729.838.639	3.083.159.891	3.568.492.008	2.076.609.301	3.785.813.956
10	Total cost	2.710.642.874	3.074.753.307	3.569.267.887	2.029.281.298	3.871.984.386

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Unit: VND 1,000

No.	Indicators (end of period)	2012	2013	2014	From 01/01/2015 to 30/09/2015	Some expected indicators in 2015
-	<i>In which:</i> <i>Cost of goods sold</i>	2.548.432.895	2.898.283.433	3.386.219.762	1.965.625.368	3.597.628.491
11	Profit before tax	33.796.499	46.448.096	59.898.509	59.551.081	59.254.037
12	Profit after tax	26.354.987	34.836.072	45.594.264	46.449.843	45.784.271
13	After-tax profit margin / Equity (end of period, including funding sources and other funds)	11,08%	12,29%	14,06%	-	13,34%
14	After-tax profit margin / Equity (end of period, excluding funding sources and other funds)	11,10%	12,30%	14,11%	-	13,30%

(Source: Figures at the end of period in audited consolidated financial statements for 2012, 2013, 2014 of TCT36, consolidated financial statements for Quarter III 2015 prepared by the Corporation and some expected indicators in 2015 provided by the Corporation)

In the period of 2012 - 2014, the business of the Corporation was relatively good. Total assets of the Corporation tended to increase, from 2.928.7 billion dong in 2012 to 4.341.5 billion dong in 2014. Total revenue and other income, profit after tax increased steadily

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over the years. The Corporation always pays attention to the life of officials and employees, the salary fund of the Corporation increased over the years, wages and salaries were paid fully and promptly, in accordance with the work and meeting the life of officers. The Corporation does not have any overdue debts. The Corporation is seeking treatment for the doubtful debts, minimizing damage for the Corporation.

In the first nine months of 2015, total assets of the Corporation reached 5.366,6 billion dong; profit after tax was 46.4 billion dong.

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Table 14: Business results of the parent company - 36 Corporation for the period 2012 - September 30th, 2015 and some expected indicators in 2015

Unit: VND 1,000

No.	Indicators (end of period)	2012	2013	2014	From 01/01/2015 to 30/09/2015	Some expected indicators in 2015
1	Total assets	2.782.699.795	3.299.693.119	4.018.960.875	5.270.118.717	5.340.223.140
2	Equity	265.606.099	269.760.828	363.732.992	447.629.565	332.384.191
-	<i>In which:</i> <i>Equity</i>	265.122.474	269.752.471	361.146.999	449.886.013	332.991.952
+	<i>Investment capital of owner</i>	226.964.686	231.594.683	311.938.654	234.168.723	168.542.705
-	<i>Funding sources and other funds</i>	483.625	8.357	2.585.993	-2.256.448	-643.760
3	Current loans and liabilities	793.994.133	725.408.411	664.156.743	714.883.919	676.149.743
4	Non-current loans and liabilities	196.267.520	155.332.143	260.082.579	779.684.682	881.721.540
5	Doubtful debts	31.892.652	46.525.779	55.162.930	53.952.915	8.766.333
6	Total labor force (average, including	7.363	7.599	7.710	7.298	7.124

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Unit: VND 1,000

No.	Indicators (end of period)	2012	2013	2014	From 01/01/2015 to 30/09/2015	Some expected indicators in 2015
	laborers signing labor contract and laborers not signing labor contract)					
7	Total salary fund	553.215	548.755	625.880	476.000	635.527
8	Average income per 1 person / month	5.976	6.083	6.807	7.256	7.570
9	Total revenue and other income	2.510.699.933	2.860.495.839	2.860.495.839	2.036.571.219	3.878.977.263
-	<i>In which: Net revenue from sales and service provision</i>	2.496.139.880	2.822.516.445	3.333.720.766	2.024.415.126	3.733.666.821
10	Total cost	2.479.244.861	2.815.452.988	3.331.993.547	1.977.020.138	3.819.723.226
-	<i>In which: Cost of goods sold</i>	2.326.081.538	2.651.871.336	3.163.384.525	1.915.950.620	3.547.953.743
11	Profit before tax	31.455.071	45.042.850	59.054.037	59.551.081	59.254.037
12	Profit after tax	24.542.149	33.782.138	45.050.666	46.449.843	45.784.271

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Unit: VND 1,000

No.	Indicators (end of period)	2012	2013	2014	From 01/01/2015 to 30/09/2015	Some expected indicators in 2015
13	After-tax profit margin / Equity (end of period, including funding sources and other funds)	10,69%	12,62%	14,22%	-	13,77%
14	After-tax profit margin / Equity (end of period, excluding funding sources and other funds)	10,71%	12,63%	14,28%	-	13,75%

(Source: Figures at the end of period in audited separate financial statements for 2012, 2013, 2014 of TCT36, separate financial statements for Quarter III 2015 prepared by the Corporation and some expected indicators in 2015 provided by the Corporation)

Over the past years, the Parent company - 36 Corporation has not stopped developing, expanding production, has been designated as contractor for many works, construction of large projects with national stature. In 2012 -2014, total revenue and other income, profit before tax increased steadily, the total labor force tended to decrease, total average income per month of officers, employees increased, these are positive signals showing that 36 Corporation is having good development steps and are motivation for the development of the Corporation in the next years.

By the end of the third quarter of 2015, total assets of the Company reached 5.270,1 billion dong, total revenue and other income reached 2.036,5 billion dong, profit after tax was 46.4 billion dong, reaching 100% of the plan in 2015.

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Table 15: Some consolidate financial indicators in the period 2012 - 2014

Indicators	Year 2012	Year 2013	Year 2014
1. Indicators of solvency <i>(At the end of the period)</i>			
- Short-term ratio (Times) (Short-term Assets/Short-term Liabilities)	1,14	1,18	1,13
- Quick payment ratio (Times) [(Short-term Assets - Inventories)/Short-term Liabilities]	0,75	0,88	0,86
2. Indicator of capital structure <i>(At the end of the period)</i>			
- Liability/Total assets ratio (%)	90,36	91,94	91,62
- Equity ratio (including budget and other funds) /Total Assets (%)	9,64	8,06	8,38
- Equity ratio (excluding budget and other funds) /Total Assets (%)	9,62	8,07	8,32
- Liability/Equity ratio (including budget and other funds) (Times)	9,38	11,40	10,94
- Liability/Equity ratio (excluding budget and other funds) (Times)	9,39	11,39	11,01
3. Indicators of operational capacity			
- Turnover of receivables (Cycle) (Net income/Receivables per average customer)	0,74	2,20	2,08
- Period of average collection (Day)	483,97	163,68	173,15

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Indicators	Year 2012	Year 2013	Year 2014
- Turnover in payables (Cycle) (Cost of goods sold/Payable to average suppliers)	7,73	5,66	3,48
- Average payable day (Day)	46,56	63,58	103,49
- Inventory turnover (Cycle) (Cost of goods sold/Average inventories)	3,52	3,95	4,42
- Total asset turnover (Cycle) (DTT/total average assets)	1,05	0,95	0,91
4. Indicators of profitability			
- Profit after tax/Net revenue (%)	0,97	1,13	1,28
- Profit from business activities/Net revenue (%)	1,12	1,05	1,52
- Profit after tax/Average owner capital (including budget and other funds) (%)	11,08	12,29	14,06
- Profit after tax/Average owner capital (excluding funds and other funds) (%)	11,10	12,30	14,11
- Profit after tax/average total assets (%)	1,01	1,08	1,16

(Source: Calculations based on data from audited separate financial statements of 36 Corp at the ending period in 2012, 2013 and 2014)

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Table 16: Some financial indicators of parent company - 36 Corporation in period 2012-2014

Indicators	Year 2012	Year 2013	Year 2014
1. Indicators for payment capability <i>(At the ending period)</i>			
- Short-term Payment Ratio (Times) (Current Assets/Current Liabilities)	1,15	1,20	1,16
- Quick payment ratio (Times) [(Current Assets - Inventories)/Current Liabilities]	0,75	0,89	0,87
2. Indicator of capital structure <i>(At the ending period)</i>			
- Debt ratio/Total Assets (%)	90,46	91,82	90,95
- Owner capital ratio (including budget and other funds)/Total Assets (%)	9,54	8,18	9,05
- Owner capital ratio (excluding funds and other funds)/Total Assets (%)	9,53	8,18	8,99
- Debt/Owner capital ratio (including budget and other funds) (Times)	9,48	11,23	10,05
- Debt/Owner capital ratio ((excluding funds and other funds) (Times)	9,49	11,23	10,12
3. Indicators for operational capacity			
- Turnover of receivables (Cycle) (Net income/Receivables per average customer)	3,00	2,20	2,15
- Period of average collection (<i>Day</i>)	120,00	163,60	167,22

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Indicators	Year 2012	Year 2013	Year 2014
- Turnover in payables (Cycle) (Cost of goods sold/Payable to average suppliers)	7,41	5,75	3,53
- Average payable day (Day)	48,57	62,58	102,01
- Inventory turnover (Cycle) (Cost of goods sold/Average inventories)	3,32	3,80	4,27
- Total asset turnover (Cycle) (DTT/total average assets)	0,99	0,93	0,91
4. Indicators of profitability			
- Profit after tax/Net revenue (%)	0,98	1,20	1,35
- Profit from business activities/Net revenue (%)	1,13	1,10	1,59
- Profit after tax/Average owner capital (including budget and other funds) (%)	10,69	12,62	14,22
- Profit after tax/Average owner capital (excluding funds and other funds) (%)	10,71	12,63	14,28
- Profit after tax/average total assets (%)	0,97	1,11	1,23

(Source: Calculations based on data from audited separate financial statements of 36 Corp at the ending period in 2012, 2013 and 2014)

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11.3. The factors affecting production and business activities of the Corporation in reporting year

11.3.1. Advantages

Thanks to the regularly comprehensive concerns and direction from the Central Military Commission as well as the support of authorities and the heads of the Ministry of Defense, The Corporation has always completed two strategic tasks that are *(1) production and business based on the market mechanism, and (2) military missions: Salvage, rescue and troubleshooting of disaster*. The Corporation has achieved those results mentioned above due to:

- With the concerns and direction and support of the leaders from the Ministry of Defense, ministries and authorities outside the State in the course of the Corporation's operation, the Corporation has been involved in many large projects.
- The leading and managerial apparatus of the Corporation is stable; officers and employees uphold the spirit of solidarity, promoting good tradition with regard to "*Uncle Ho's soldiers*," the people's armed forces and hero of labor unit.
- Implementing fully preferential regimes and policies towards employees, especially the transition for officers and professional soldier regime, therefore the employees feel assured and confident to work.
- The close cooperation in work among departments throughout the Corporation;
- Developing and implementing the self-consciousness and sense of responsibility of employees in work and assigned tasks, achieving greater efficiency compared with previous year.

11.3.2. Difficulties and disadvantages

- The fierce competition of enterprises in the same business lines.

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- The competitive market mechanism is increasingly complicated while the capital for production and business activities has faced many difficulties due to partner's debt, bank loan quotas, fluctuation of market price so these affect the production and business activities of the Corporation.
- The decrease in public investment and the freezing of real estate market; several delayed projects; many delays in payment by partners.

12. The Corporation's position compared with other enterprises in the same industry

12.1. The Corporation's position in the industry

The Corporation has a strong tradition in the field of construction projects with regard to defense, civil, industrial, traffic, irrigation, hydropower, thermal power, mechanical manufacturing, transport, clearance of landmines, explosive materials with modern equipment imported from advanced countries in the world such as USA, Japan, Germany etc. 36 Corporation has joined hundreds of work construction in the fields such as industry, civil, traffic, irrigation, hydropower etc. From hundreds of effective construction works in all parts of the country, 36 Corporation is the first enterprises trusted and piloted by the Central Military Commission, the Ministry of Defence for successfully implementing the management model "One member limited liability company", in which has been replicated in almost of all military enterprises, brands nowadays. The brand of 36 Corporation has high reputation in Vietnamese and international construction sector, also been highly appreciated by the domestic and foreign investors.

As of this time, the Corporation has 1,311 staffs and workers, including 522 persons are engineers, architects and 653 skilled workers formally trained at home and abroad, having a lot of experiences in management and construction organization, especially through the works construction which requires the application of modern construction technology with international standards.

For over 10 years developing and growing, today, 36 Corporation is one of the leading construction enterprises of military. In construction industry, the Corporation is well known as a major prestigious contractor which has participated in many

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important parts of major projects for customers considered as the biggest investor in Vietnam, in many localities as North, Central and South of Vietnam, such as the Ministry of Defense Hall, the working office of the Party Committee. Mon Son irrigation dam, 5-star hotel of the Defense Ministry, the East Road of Truong Son, the border patrol road, National Economics University, Khe Bo hydropower plant etc.

36 Corporation has currently confirmed the strength of a leading unit in construction sector, won the trust of the investors, and became a reliable partner for many foreign investors looking for opportunities to invest in Vietnam.

12.2. Industry development prospects

In the past year, the construction industry has faced many difficulties and challenges. The global recession caused by the public debt crisis in Europe has developed in a complicated and unpredictable manner. In the country, the high inflation and an increase in raw material prices, falling stock market, quiet real estate market, high interest rates ... have a negative impact on construction activities.

According to Decision No. 445/QĐ-TTg of the Prime Minister dated 07/04/2009 on Adjustment of urban master plan orientation of cities system in Vietnam to 2025 and vision to 2050, from now to 2015, prioritizing the development of key economic areas, large urban areas and general economic zones shall be key growth at national level; from 2015 to 2025 it shall prioritize the development of basic urbanized regions, minimize distributed and local development; the period from 2026 to 2050 development of urban networks shall be gradually transformed.

The objectives of Government in 2015 outline that nationwide urbanization rate should reached 38% with urban system around 870 cities, including 02 special cities, urban centers of Class IV to Class I are 211 urban, 657 urban for Class V and forming with 132 new urban. At the same time, according to the development strategy on national housing until 2020 and vision to 2030 prepared by the Government, targets up to 2015, the average housing area in the whole country shall be around 22 m²/person, where 26 m²/person shall be reached in urban areas.

The ratio of solid housing nationwide shall reach about 62%, of which 65% in urban areas, 60% in rural areas; reducing the ratio of simple housing to less than 5%; increasing the percentage of households with sanitary works up to 70%, of which 95%

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in urban areas and 50% in rural areas; the proportion of apartment houses in projects regarding the development of special urban housing (Hanoi and Ho Chi Minh City) shall exceed 80%, urban from Class I to Class II reaching over 50%, urban Class III reaching over 30% of total number of new housing units; The ratio of rental housing shall be at least around 20% of the total housing funds in urban Class III or higher.

In order to accomplish the goals outlined by the Government, the construction industry must focus, recognize and organize the implementation. These are favorable conditions for enterprises to work effectively on civil construction sector in general and in particular on real estate sector. Therefore, in the period from now to 2020, the construction industry can have strong growth prospect.

12.3. Development orientation of the Corporation

- To continue building and developing the Corporation to a specialized construction corporation, as well as become a leading corporation in construction field of the Ministry of Defense.
- To focus on building traffic road and infrastructures, hydropower, irrigation, etc. but the value of construction products still plays the leading role;
- To promote to the utmost of resources in order to enhance competitiveness, reputation and trademark of the Corporation at home and abroad.

12.4. Assessment on the conformity of the Corporation's development orientation with the industry orientation, policies of the State, and the general trend in the world

During the operation and development process, 36 Corporation has always developed production and business activities according to the objectives and development orientation of construction industry.

Along with confirming, enhancing reputation and trademark of 36 corporation in construction sector, the Corporation also has conduct strong re-orientation and expand production and business sector to the real estate sector, contributing capital to the implementation of BOT projects in recent years. New sector of business investment not only brings economic benefits but also improve the brand of 36 Corporation.

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Following the tradition of "*leading bird*" in the field of work construction, during the past period, the Corporation has identified construction as the main business sector. Therefore, the Corporation has promoted the intensive investment, renewal of equipment and technology as well as application of technical advances. Hundreds of transported cars, excavators, cranes with large lifting capacity such as hydraulic drilling machine, piles-bored drilling etc. with modern and advanced technology from countries of Japan, USA, Germany, China, etc. are included in supplement and replacement for outdated mechanical equipment by 36 Corporation and its member units. These efforts are truly effective, creating new position and strength for 36 Corporation in the context of fiercely competitive construction market.

II. OPERATIONAL DIRECTION PRODUCTION AND BUSINESS PLAN AFTER EQUITIZATION

1. Objectives of equalization

Implementing the Government's objectives outlined in Decree No. 59/2011/ND-CP dated 18/07/2011 of Government on the transformation of enterprises with 100% state-owned capital into Joint Stock Company, the objectives of equalization of the 36 Corporation include:

- Transferring the Corporation with 100% state capital into multiple ownership. Creating a basic change in management mode; gradually conducting investment and innovation for technology, development scale, financial capacity, production and business capacity in order to improve operational efficiency when transferring into joint stock company model.
- Mobilizing the idle capital from officials and employees as well as individuals and economic organizations to invest, develop and expand the scope of activities in many areas for increasing revenue, profits and stable growth in the future with the motto: "*Maintaining the traditional activities, sustainable development, increasing income*".

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- Creating a new efficient and dynamic managing mechanism to meet the market demand; enhancing the competitiveness of the Corporation on the market in the context of integration.
- Improving the real mastery role, attaching with responsibilities, works and interests of shareholders, creating a motivation in executive task, managing business and production with high efficiency, improving income of employees, shareholders and contributing to the economic growth of the country.
- To make public and transparent according to the market principles; associating with the development of capital market and stock market.

2. Form of equalization

Based on the characteristics of 36 Corporation's actual situation, the Corporation has selected form of equalization which is: "*Selling out the state capital in enterprises and issuing additional shares to raise charter capital*".

3. Enterprise Information after equalization

Vietnamese name:	36 CORPORATION - JSC
English name:	36 CORPORATION
Abbreviation:	36 Corporation
Headquarter:	141 Ho Dac Di, Nam Dong Ward, Dong Da District, Hanoi City
Telephone:	04. 3533 2471
Fax:	04. 3533 2472
Email:	tongcongtv36@tongcongtv36.com
Website:	www.tongcongtv36.com

The Corporation Logo:



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4. Military mission and business line after equalization

4.1. Military mission

- Training to mobilization reserve personnel;
- Salvage, rescue and troubleshooting of disaster.

4.2. Business line

Table 17: Business lines of Joint Stock Company

No.	Description of business line	Business line code
1	Architectural and engineering activities and related technical consultancy. - Architectural design for projects; Structural design in civil and industry works; Structural design of traffic works; - Supervising construction and finishing traffic works; Supervising construction and finishing of civil and industrial works; - Preparing plans on development and investment of construction projects and implementing projects of commercial center, office buildings and rental services offices; - Topographic survey; Geological survey; - Management of construction investment projects, traffic toll stations; - Consulting on project management; Consulting on establishing bidding documents, evaluation of tenders: construction package and procurement of goods (excluding the consultancy on bidding package prices and price of construction contract);	7110
2	Specialized design activities;	7410
3	Manufacture of structural metal products. - Mechanical production;	2511

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No.	Description of business line	Business line code
4	Repair of electrical equipment;	3314
5	Repair of machinery and equipment. Repair of equipment and mechanical products serving for production, consumption, transport and construction; Repair of machinery	3312
6	Manufacture of articles of concrete, cement and plaster. - Producing all kinds of commercial concrete;	2395
7	Manufacture of clay building materials;	2392
8	Manufacture of cement, lime and plaster. - Manufacture of other products for construction;	2394
9	Electrical installation activities. - Installation of mechanical and electrical equipment; Installation of electrical wiring and equipment, communication lines, computer networks and cable TV (including optical cables), anti-theft alarm system, lights on airport runway;	4321
10	Plumbing, heating and air-conditioning system installation activities. - Water equipment installation for works;	4322
11	Other construction installation activities. - Interior and exterior decoration; Installation of fire protection and fire fighting system; Installation device systems other than electricity, water piping system, heating system and air conditioning or industrial machineries in construction industry and civil engineering construction; Installation of industrial equipment in construction industry and civil construction;	4329
12	Building completion and finishing;	4330

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No.	Description of business line	Business line code
13	Installation of industrial machinery and equipment. - Installation of machinery and equipment;	3320
14	Wholesale of other machinery and equipment n.e.c. - Trading in equipment and machinery; Wholesale of machinery, equipment and spare parts of office machines (except computers and peripheral equipment); machinery and medical equipment; equipment and measuring instruments; switch wires and other equipment for industrial purposes; machinery and electrical equipment, electrical materials (generators, electric motors, wires and other devices in the circuit); Other machinery and equipment not to be used for industrial production, trade, navigation and other services;	4659
15	Wholesale of construction materials, installation supplies. - Sales of building materials, supplies, construction equipment, discarded materials, disposal goods; - Wholesale of materials, fire protection equipments; - Trading services in fresh concrete products;	4663
16	Construction of buildings. - Building civil and industrial works, water supply works, public works, urban infrastructures as well as industrial parks;	4100
17	Construction of roads and railways. - Construction of transportation projects: roads, railways, waterways, road bridges, railway bridges, underground works, tunnels, airports, railway stations, ports, signal information system; Investment and construction, management as well as operation in transport works;	4210
18	Construction of utility projects. - Building irrigation works: reservoirs, dikes, dams, irrigation systems;	4220
19	Construction of other civil engineering projects. - Construction of hydropower and thermal power plants,	4290

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No.	Description of business line	Business line code
	power transmission lines, transformers, lighting systems for urban and transport; - Maintenance and repair of bridges, roads and other infrastructures;	
20	Other specialized construction activities. - Restoration and renovation of historical culture; - Services for termite prevention in construction works;	4390
21	Renting and leasing of motor vehicles;	7710
22	Renting and leasing of other machinery, equipment and tangible goods. - Lease of construction or demolition equipments associated with operators;	7730
23	Freight transport by road. - Freight business by van, extra-long or extra-heavy container and trailers;	4933
24	Wood logging;	0221
25	Other forestry product logging;	0222
26	Forestry service activities. - Trading, logging, and processing of wood, wood products and other forest products (excluding woods banned by the State);	2240
27	Demolition. - Demolition of old buildings;	4311
28	Site preparation. - Survey and detection; bomb disposal, explosive objects (operated under the license of the Ministry of Defence);	4312
29	Real estate activities with own or leased property;	6810
30	Real estate agent, consultant activities. - Real estate trading floor; Investment and development of	6820

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No.	Description of business line	Business line code
	infrastructures and dealing with land business;	
31	Quarrying of stone, sand and clay. - Quarrying of stone, sand and clay; mineral exploitation (excluding minerals banned by the State);	0810
32	Other business support service activities n.e.c. - Import and export of materials and construction equipments, commodities currently for sale;	8299
33	Other transportation support activities. - Details for transport, transfer and exploitation in works, traffic toll stations;	5229
34	(For business lines qualified, enterprises can be active only when they satisfy the requirements and business conditions as prescribed by law)	<i>Business lines not matching with the economic branch system of Vietnam</i>

(Source: The plan of equalization approved by 36 Corporation)

5. The organizational structure of the Corporation after equalization

After transformed into joint stock company model, 36 Corporation will operate under the Charter of the organization and operation adopted by the General Assembly of Shareholders pursuant to the provisions of the Law on Enterprises under the administration, supervision and operation from the Managing board, Supervisory board and Board of directors.

It is expected that the Corporation's organizational structure under Joint stock company model shall be as follows:

➤ **General meeting of shareholders:**

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Shareholders' General Meeting includes all shareholders with voting rights, is the highest authority of the Corporation. Annual general meeting of shareholders is held once a year (01). General Meeting of Shareholders shall be held annually within four (04) months from the closing date of fiscal year. Extraordinary and Annual General Meeting of Shareholders have the powers and obligations as specified in the charter of the Corporation and in accordance with the provisions of law.

➤ **Managing Board:**

The Managing Board elected by the General meeting of shareholders is an agency in charge of managing the Corporation, has full authority on behalf of the Corporation to decide and execute the rights and obligations of the Corporation, except for matters under the jurisdiction of the General meeting of shareholders.

The number of members in the Managing Board is five (05) persons. The term of the Managing Board shall be five (05) years. Members of the Board may be re-elected for an unlimited number of terms. Members of the Managing Board with the term already being ended shall continue to be active until a new Managing Board is established and takes over the job. Rights and obligations of the Managing Board's members shall be specified in the charter of the Corporation.

➤ **Supervisory Board:**

Supervisory Board has three (03) members. The term of Supervisory Board shall not exceed five (05) years and supervisor may be re-elected for an unlimited number of terms. Supervisory Board shall have other rights and obligations under the decisions of the General Meeting of Shareholders, the charter provisions of the Corporation and provisions of law.

➤ **The Board of Directors:** Consisting of one (01) General Director and six (06) Deputy General Directors

+ General Director of the Company: is responsible for operating daily business of the Corporation; under the supervision of the Managing Board, is responsible before the Managing Board and laws for the implementation of assigned rights and obligations. The term of the Director General is five (05) years and may be reappointed for unlimited term.

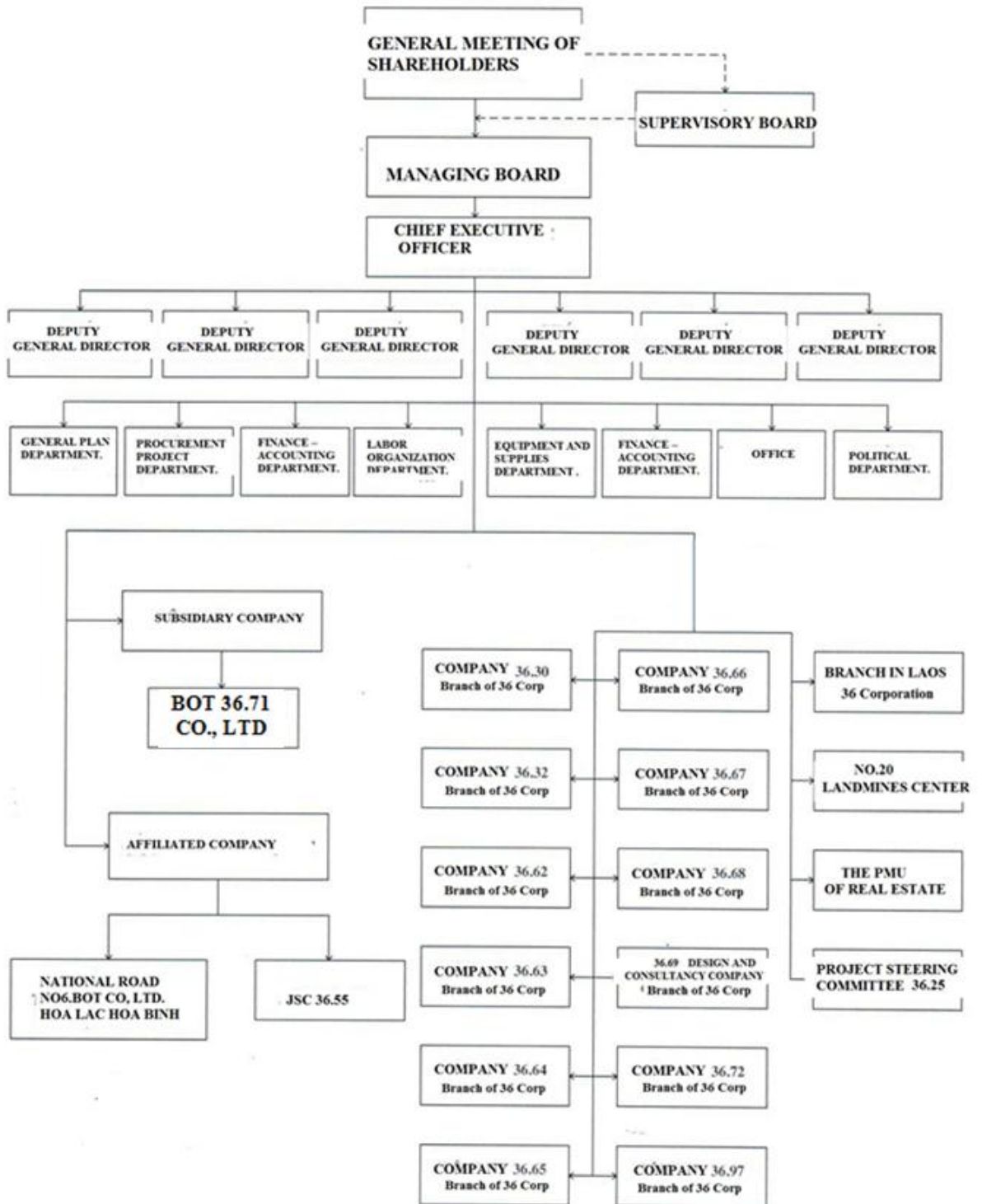
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General Director is the legal representative of the Corporation.

- + Deputy General Directors: are responsible for supporting General Director to operate the Corporation as assigned and authorized by the General Director, also responsible before the General Director and laws for the assigned or authorized tasks.
- **Professional departments (boards):** Having functions to advise and assist the Managing Board, General Director in the management and operations of the Corporation, including:
 - + Office.
 - + General Plan Department.
 - + Procurement Project Department.
 - + Labor Organization Department.
 - + Finance – Accounting Department.
 - + Political Department.
 - + Equipment and supplies Department .
 - + Investment Department.
- **Military Unit: Including:**
 - + The 136th Engineer brigade of mobilization reserve
 - + 55th Concurrent infantry battalion
- **Subsidiaries, affiliated companies and depending units:** according to the information in paragraph 9.2, Section I, Part III regarding the List of subsidiaries, associated companies, joint ventures, depending units of the Corporation

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CHART OF THE ORGANIZATIONAL STRUCTURE OF THE CORPORATION AFTER EQUITIZATION



(Source: TCT 36)

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6. Some key information on business development strategies and investment plans after equalization

6.1. Strategy on development of the corporation after the equalization

➤ Strategy on the market

- Building the brand of 36 Corporation as a strong brand in the construction field, with the ability to undertake and execute large lump-sum projects.
- To focus on developing the domestic construction market and gradually expand to the construction market of Laos and Cambodia.
- To invest and cooperate in the development of BOT projects and manufacture of commercial concrete, mining and production of construction materials, mining and investment of industrial park infrastructure.

➤ Strategy on organization and development of enterprises

- To continue to improve organizational model of the Corporation - Joint Stock Company, operating as the parent company - subsidiary company with high specialization in the field of traditional construction with innovative and modern management qualification in comparison with other countries in region. Building and developing Corporation for stable and sustainable growth as well as high high competition.

➤ Strategy on investment

- To continue capacity building of construction equipment toward modernity and new advance technologies to meet the requirements of business development at high speeds, ensuring the construction of projects to satisfy with technical requirements, aesthetic and schedule.
- To invest and develop the industrial manufacturing sector: Exploiting stone, mine clearance.
- To conduct investment and financial cooperation in the form of direct investment: finance – credit and banking etc.

➤ Strategy on building and development of financial resources

PART III: SITUATION AND CHARACTERISTICS OF ENTERPRISE

- To conduct training and re-training for developing the corporation's human resources better in all aspects, sufficient in quantity, education level and high skills in consistent with advanced management mechanism.
- **Strategy on development of financial resources**
- Building and developing financial resources strong enough to ensure capital safety for investment and business.
- To fully exploit the potentials of capital for development of the Corporation as well as improve its capacity and competitiveness in the country.
- **Strategy on advanced application of science, technology and new technology into the operating management, design and construction**
- To build and apply all types of management and administration in line with the qualification of other countries in the region.

6.2. Investment plan after equalization

In 2016, the Corporation plans to invest some machinery to improve the quality of construction works, specifically as follows:

No	Name of motorized equipment	Specifications	Quality	Origin	Quantity (pcs)	Total value (Million dong)
I	36 Corporation					32,850
1	Vibratory smooth drum roller with 1 steel tire and 2 tyred wheel	24 ton	100%	Europe	3	5,100
2	Commanding car	7 seats	100%	Asia	5	5,750
3	Dump trucks	15 ton	100%	Asia	10	22,000
II	36.55 Joint stock company					5,500
1	Hyundai vehicles	10 ton	80%	Korea	1	2,500

PART III: SITUATION AND CHARACTERISTICS OF ENTERPRISE

No	Name of motorized equipment	Specifications	Quality	Origin	Quantity (pcs)	Total value (Million dong)
	mounted with crane					
2	Dump trucks	15 ton	80%	Korea	2	3,000
	Total					38,350

(Source: TCT 36)

7. Main economic target system of production and business plans in 03 consecutive years after equalization

PART III: SITUATION AND CHARACTERISTICS OF ENTERPRISE

Table 18: Some targets of production- business plan of the Corporation (the parent company) in 03 years after equalization

TT	Target	Calculation unit	2016	2017	2018
1	Capital construction investment plan	Million dong	None	None	None
2	Charter capital	Thousand dong	430,000,000	430,000,000	430,000,000
3	Total revenue	Thousand dong	3,225,454,545	3,360,923,636	3,539,052,589
4	Total cost	Thousand dong	3,171,752,545	3,305,342,066	3,480,969,848
5	Profit				
+	Profit before tax	Thousand dong	53,702,000	55,581,570	58,082,741
	Pre-tax profit margin/Charter capital	%	12,49	12,93	13,51
	Pre-tax profit margin//Total revenue	%	1,66	1,65	1,64
+	Profit after tax	Thousand dong	42,961,600	44,465,256	46,466,193
	After tax profit margin /Charter capital	%	9,99	10,34	10,81
	After tax profit margin//Total revenue	%	1,33	1,32	1,31
+	Basic profit//share	Dong	999	1034	1081
6	Profit of dividends	Thousand dong	36,517,360	37.795.468	39.496.264
7	Dividend ratio	%	8,5	8,8	9,2
8	Total average labor	person	7,458	7,558	7,658
9	Average income//person//month	Thousand dong	7,582	8,055	8,517
10	Total salary fund	Thousand dong	678,525	730,535	782,669

(Source: TCT36)

PART III: SITUATION AND CHARACTERISTICS OF ENTERPRISES

Solutions for implementing the plan:

To implement the proposed economic criteria, the Corporation has launched the following solutions:

➤ **Solution on capital**

Based on the production - business plans of the Corporation in the fields of operation to provide solutions which are as follows:

- Capital mobilization:
 - + Issuing additional shares to increase charter capital.
 - + Borrowing from bank capital.
 - + Borrowing from organizations and individuals with proper interest rate.
- Capital management:
 - + To arrange a reasonable capital structure to take advantage of existing capital.
 - + Making capital investment with key criteria, using professional methods to increase the rotation of capital.
 - + Strengthening the recovery of capital amounts being occupied to reduce the loans and ensure the fastest recovery of debts, especially prolonged debts. Having appropriate sanctions so the debt collection division can operate efficiently.

➤ **Solution on organizing the production and business:**

- Building the production organization model for the Corporation after equalization to ensure efficiency and compact. Calculating business and production plans to ensure the best optimization on cost savings and high economic efficiency. Ensuring products, construction quality, progress and efficiency to meet the requirements of investors.
- To assign tasks in consistent with the qualifications and high specialization in order to maximize the creativity and activeness of departments and individuals.
- Board of Directors of the Corporation should implement the macro-management measures, build and inspect the performance of internal management regulations.

PART III: SITUATION AND CHARACTERISTICS OF ENTERPRISES

These departments must implement functions according to particular task in order to ensure the apparatus of the Corporation working effectively.

- To promote creativity and initiative of the construction team in production management along with safety and efficiency.
 - To regularly update, improve the process of ISO 9001: 2008 quality management system.
 - Annually, the Corporation has plans of training and improve the management and professional qualification, skills to employees and staffs, have directed planning on long-term officers and adjacent staffs as well as recruit specialized engineers, technicians and workers.
 - Launching emulation movements on regular, quarterly and monthly period as required, those movements must be completed on schedule with high quality.
 - To expand and develop production and business activities based on the strength of the Corporation, continue to build relationships with the investors with many specific modes of cooperation in order to ensure benefits for the parties, invest technical infrastructures to create favorable conditions for procurement marketing, those are considered as factors creating crucial resources to the sustainable development of the Corporation.
- **Solution on investment to increase production capacity**
- Based on production and business plans in order to invest in consistent with the Corporation's business lines.
- **Solution on sales and costs**
- To expand and develop production and business activities based on the strength of the Corporation, continue to build relationships with the investors and enterprises with many specific modes of cooperation in order to ensure benefits for the parties. To make investment on technical infrastructures to create favorable conditions, urge the debt collection, focus resources upon unfinished construction works for not behind the schedule, it is necessary to quickly prepare internal settlement on the projects completed and handed over as well as simultaneously propose to investors for settlement of works.
 - To invest and replace old machineries, renew equipment and machineries for improving productivity and directly reducing costs to the product costs.

PART III: SITUATION AND CHARACTERISTICS OF ENTERPRISES

- To review, adjust and finalize economic - technical norms at all stages. This is considered as the most important method in the management - savings, using of machinery and vehicles. Preservation care in equipment and facilities should be regularly paid attention, it need to conduct proper operation and techniques to prolong life as well as reduce repair costs.

➤ **Solution in management and organization**

- After equalization, the Corporation will actively restructure its organization and operation model to match the Corporation - JSC model in order to meet the requirements of business operations proposed by parent company in the coming years.
- To renovate methods of enterprise management under specifically decentralized orientation for each administration level, assigning responsibility with benefits in the direction that high efficiency shall be entitled to receive high wages and be promoted higher important positions in administrative staffing apparatus and vice versa, it need to take measures for handling in case of ineffective performance or not achieving the assigned plan.
- To manage and control all activities of the Corporation through the concentrated executive apparatus and effectively use of information technology system in management such as GPS, Camera etc.
- Applying the advancements of information technology, putting into use of management software related in human resources, wages, debts, management of materials and equipment, accounting etc.

➤ **Solution on wages and human resources**

- In short term, it need to review the whole apparatus of human resources, strengthen the organization, restructure the management apparatus, operate business in line with the new model towards downsizing, minimize indirect labor force, rearrange and transfer of indirect excessed force to the direct force involved in business. It need to recruiting human resources with high qualified capacity and enthusiastically style to the working in accordance with the corporation's business, especially encouraging young labor force combined with a number of officers and staffs with high working capabilities and experiences.

It is necessary to ensure material lives and spirit to the staffs and employees, the salary and reward policy must be fair, open and associated with the efficacy and

PART III: SITUATION AND CHARACTERISTICS OF ENTERPRISES

quality in working as so to motivate the staffs and employees promoting their creativity. Regularly organizing cultural movements, sports in order to satisfy the spiritual needs of employees in corporations, strictly complying with commitments under the collective labor agreement.

- For long-term labor policy:
 - + To ensure sufficient quantity and quality of labor in consistent with the production scale of the Corporation in each specific phase.
 - + To constantly improve the professional qualifications of technical staffs and managers by specific measures such as sending to training classes with the aims to improve their professional skills at home and abroad.
 - + To organize trainings and improve skills of technical workers by the forms as on-site training and transferring to vocational training schools.
 - + To provide adequate policies of preferential treatment to attract technical personnel, skilled management experts and qualified technical workers.
- For the long-term wage policy:
 - + Building the wage scales of joint stock Company in accordance with the guidance of specialized agencies.
 - + Building wage unit price on the basis of reasonable labor norms.
 - + For direct employees: package payment of wages per product unit, each item of works to each production team and employees.
 - + Pay proper wages in accordance with specific productivity of each person according to titles proposed by the Corporation.
 - + Having appropriate reward and remuneration for individuals who initiate innovations bringing economic benefits to the Corporation.
 - + To fully implement the regimes for employees: Deductions for social insurance, health insurance, salary regime and allowances.

➤ **Solution on seeking and developing the market**

Seeking and developing the market are one of the key tasks and including specific solutions such as:

- Actively seeking and developing the market in the country under the direct authority of the Managing Board and Chief Executive Officer;

PART III: SITUATION AND CHARACTERISTICS OF ENTERPRISES

- Taking advantage of support from the authorities, ministries and agencies inside and outside the military, maintaining traditional relationships and developing new markets, the domestic and abroad market.
- Enhancing the cooperation in the form of joint venture with partner companies, building good relationships with partners to avoid risks in business-seeking.

➤ **Solution on the political and ideological tasks**

- Standing Party of the Corporation is frequently in collaboration with the Managing Board, Board of Directors to launch the guidelines, policies and measures, as well as specific solutions to implement the economic- society criteria under the resolution of the General meeting of shareholders.
- Conducting political and ideological education for Party members and employees to comply with the policy guidelines of the Party and State's laws.
- Strengthening the education oriented to staffs and employees to improve the tradition of labor hero unit, development and growth of the Corporation for steady development of the Corporation.
- The associations and trade unions, youth groups often coordinate with the Managing Board, the Board of Directors to launch the solution in implementing socio-economic indicators proposed by the Corporation, as well as making moral supports for employees in their organizations so that they can be excited and active for productive labor.
- Launching the emulation movements in construction sites in order to encourage the departments and divisions to complete the task units. Promptly delivering material and mental rewards for the units and individuals which successfully complete the assigned tasks.
- To pay attention to the spiritual life of employees by regularly organizing activities and movements such as sport, culture and art etc.

➤ **Solutions in saving, anti-waste and anti-corruption**

Saving, anti-waste, anti-corruption is one of the important solutions for the successful implementation of socio-economic indicators proposed by the Corporation:

- To conduct propagation and education in anti-waste and anti-corruption in accordance with the guidelines of the Party and State for officials and employees of the Corporation.

PART III: SITUATION AND CHARACTERISTICS OF ENTERPRISES

- To practice thrift and combat wastefulness in production and consumption process.
- There should be appropriate reward and remuneration for the achievements of individuals who practice thrift and combat wastefulness and corruption.
- To propose appropriate measures to combat corruption and wastefulness such as: Implementing asset declaration for the Party members under the guidelines of the Party and State's laws. Monitoring the asset declaration of the objects who have declared. Giving the financial management regulations, materials and equipment, payment of wages etc. and monitoring the implementation of regulations.

PART IV: CHARTER CAPITAL AND STRUCTURE OF CHARTER CAPITAL

1. Charter capital

Expected charter capital of the 36 Corporation after equalization is: **VND 430,000,000,000** (*in words: four hundred and thirty billion*).

2. Structure of charter capital

The total number of expected shares of the Corporation at the establishment time of the Joint stock company is **43,000,000 shares** (*in words: Forty-three million shares*), par value per share is VND 10,000. Charter capital structure is detailed in the following table:

Table 19: Structure of expected charter capital of the Corporation after equalization

STT	Shareholder	Number of shares	Value (VND)	Ratio compared with the charter capital (%)
I	The State	17,200,000	172,000,000,000	40,00
II	Employees in Corporation	3,347,800	33,478.000,000	7,79
1	Purchase preferences under actual working time in the state sector	1,016,900	10,169,000,000	2,36
2	Purchase preferences under the time committed to permanently work in the Joint stock company	2,330,900	23,309,000,000	5,43
III	Sold to outside	22,452,200	224,522,000,000	52,21
1	Sold to strategic investors	18,152,200	181,522,000,000	42,21
2	Sold to other investors through public auction	4,300,000	43,000,000,000	10,00
	Total	43,000,000	430,000,000,000	100,00

(Source: The plan of equitation approved by 36 Corporation)

PART V: ESTIMATED RISKS

1. Economic Risks

Any economy has also always contained certain risks. The risks are formed from the fluctuations of fundamental factors in the economy: economic growth, inflation, interest rates, foreign exchange rates. The Corporation is an entity engaged in the economy so it is also not outside the influences and impacts of change in those factors.

Economic growth rate

In 2013, early in this year, the State and Government has issued many documents and drastically directed the implementation of targets such as restricting inflation, stabilizing the macro-economy, ensuring social security. Economic situation in 2013 has made certain improvements. GDP growth rate in 2013 has reached 5.42% and inflation also has been controlled at a low level of 6.04%.

In 2014, the Government has identified the overall objectives of economic - society development plans which are continuing to implement macro-economic stability, controlling inflation; reasonable growth and improving the quality, efficiency and competitiveness of the economy on the basis of accelerating the implementation of three strategic breakthroughs associated with the innovation of growth model and economic restructuring etc. According to data from the Vietnam General Statistics Office announced on 27/12/2014, GDP increased by 5.98% in 2014 compared with in 2013, while the first quarter rose 5.06%, the second quarter increased 5.34%, third quarter increased 6.07%. Growth rate of 2014 is higher than an increase of 5.25% in 2012 and an increase of 5.42% in 2013 showing positive signs in the economy.

In 2015, the Government and State continue to promulgate lots of documents and actively direct the implementation objectives of macroeconomic stability, creating favorable conditions to develop production and business, ensuring social security as well as improving material lives and spirits to the people, enhancing the efficiency of foreign affairs and international integration etc. in which the focus is Resolution No. 01//NQ-CP dated 01/03/2015 regarding the tasks and primary solutions to socio-economic governance and state budget plan of 2015 and Resolution No. 19/NQ-CP dated March 12, 2015 of the Government on main tasks, measures for innovation of business environment, improve the national competitiveness of 2015-2016. Thanks to the efforts in administrative and institutional reform as well as economic restructuring, promoting proactive and innovative features, taking advantage of every opportunity,

PART V: ESTIMATED RISKS

economic growth rate of Vietnam in 2015 has reached 6.68% compared with the previous year, higher than the target of 6.2% that the National Assembly has imposed so this is the highest growth rate over the past 05 years. In 2015, growth in the following quarter is always higher than the previous quarter. Specifically, the first quarter increases by 6.12%, the second quarter increases by 6.47% , the third quarter increases by 6.87% and fourth quarter increases by 7.01%, those suggest that the economy has showed signs of obvious recovery (*Source: Website General statistics Office Of Vietnam - <http://gso.gov.vn/>*).

Interest rate

In the course of business activities, the Corporation may use the capital mobilization from credit and bear the loan rate for utilization, meanwhile, just a small fluctuation in interest rates in the operating strategy of the state 's monetary policy can also affect the financial costs and profits of the Corporation.

In 2012, the State Bank lowered the interest rate ceiling in VND for 5 times from 14%/year to 8%/year. Entering into 2013, to support enterprises for reducing costs and promoting economic recovery, the State Bank has continuously issued the decisions to cut down the interest rates after the date of 28/06/2013, the maximum interest rate applicable to deposits with a term of 01 month and under 06 months fell to 7.0%/year, while the interest rate ceiling for short-term loans concerning priority sectors fell by 9% /year.

Since early of 2014, under the instruction of the Government, State Bank has continued to actively implement monetary measures, bank credit according to several targets such as controlling inflation and macroeconomic stability, supporting economic growth at a reasonable level to ensure the liquidity of credit institutions and economy. On 28 December 2014, the State Bank has issued Decision No. 2173/QĐ-NHNN 2014 maximum deposit interest rates in Vietnam dong of organizations and individuals in credit institutions, foreign bank branches under the provisions of Circular No. 07/2014//TT-NHNN dated 03/17/2014, according to that, the maximum rates applicable to unlimited and limited term deposits with regard for less than 1 month 1% per year, the maximum interest rate applicable to deposits with terms of 1 month to less than 6 months shall be 5.5%/year; only People's Credit Fund and Microfinance organizations shall apply maximum interest rates for term deposits from 1 month to

PART V: ESTIMATED RISKS

less than 6 months is 6.0%/year. Also, on 28 October 2014, the State Bank has issued Decision No. 2174//QD-NHNN on interest rates for short-term loans in Vietnam dong of credit institutions, bank branches abroad for borrowers to meet capital requirements serving in a number of areas, economic sector as stipulated in Circular No. 08/2014//TT-NHNN dated 17.03.2014, which the interest rates for short-term loans in VND of credit institutions and branches of foreign banks (excluding the people's credit fund and microfinance organization) applicable interest rates for short-term loans in Vietnam dong maximum has been 7%/year; Short-term maximum lending rates in VND of the People's Credit Fund and microfinance organization with regard to capital requirements have reduced to 8%/year.

In 2015, the State Bank has maintained a steady operating ratio, deposit rate ceiling by VND and combined with downward adjustment of USD interest rate ceiling to ensure maintaining a reasonable gap between VND and USD interest rates. The interest rate level for loans is reduced by about 0.3-0.5%/year compared with the end of 2014, bringing the interest rates down about 50% compared with the end of 2011 (the interest rate for current loans is at 6-9% (short-term), 9-11% (long-term)). Meanwhile, interest rates decreased by 0.2-0.5% per year and currently stood at relatively low level.

Inflation

Inflation generally occurs due to two main reasons which are cost-push and demand-pull. Total demand increases due to the increase in household consumption, government's spending, investment and net change from export-import activities.

After inflation was restricted at 6.81% in 2012, consumer price index (CPI) in 2013 has continued to be controlled. consumer price index in 12/2013 rose 0.51% compared with the previous month and increased 6.04% compared with 12/2012. This is the year having the lowest growth of consumer price index since 10 recent years. An average consumer price index rose 6.6% in 2013 compared with the average of 2012. In 2014, the consumer price index rose an average 0.15% per month, an average consumer price index rose 4.09% in 2014 compared with the average of 2013. In 2015, the average monthly consumer price index has rose 0.05%, the average CPI in 2015 has rose 0.63% compared with an average of 2014, which can be the lowest rise in 14 recent years (*Source: Website of General Statistics Office Of Vietnam -*

PART V: ESTIMATED RISKS

<http://gso.gov.vn/>). Inflation still has maintained at low level causing price of material stable, limiting bias in forecasting and planning of the Corporation's activities and business, as well as supporting the Corporation in the future for more benefit.

2. Legal Risk

Currently, the legal system of Vietnam is in the process of revision and improvement, so if the application is not suitable and timely, it will create legal risks for business operations of the Corporation, and particularly after the corporation has transformed from limited liability company one member to Joint Stock Company. However, with the developing trend of economy, the Government is taking the necessary steps to complete the legal system towards simplicity, transparency, stability under international rules.

3. Sector-specific risks

Aside from military tasks, the Corporation has currently operates mainly in the construction sector, whereby, the Company faces a number of sector-specific risks as follows:

Market Risk: Characteristics of enterprises operating in the construction sector is the large capital requirements, the construction period of projects and works usually extend. If the investor must maintain a high debt ratio and extend its loan duration, therefore, the Corporation as the investor may face interest rate risk and liquidity risk. The specific characteristics of sector may cause a risk which reduces payment capability and expected profits for the Corporation.

Capital risk: The ability to guarantee a minimum equity capital, financial indexes or financial commitments in large infrastructure projects can change. Although in the past the Corporation has met these requirements, in the future the Corporation may encounter lots of difficulties in securing capital requirements. If failing to meet such requirements, the possibility of winning bidder would be lower and may affect the finance and operating results of the Corporation.

Material risk: The Corporation is also facing the risk of fluctuations in market prices and the unstable supply of materials. The situation of price fluctuations and supply in critical inputs of the Corporation as asphalt, petroleum, steel, sand, stone, gravel, cement, etc. have a direct impact upon the business performance of the

PART V: ESTIMATED RISKS

Corporation.

During the basic construction works, the construction period of projects often lasts, the process of handover and acceptance need more procedures leading to the delay of disbursement schedule, thus affecting negatively on the financial situation of construction companies, especially the debt situation and cash flow.

4. Risks of the offering

The initial public offering of 36 Corporation is greatly influenced by the stock market situation and evolution of the economy. Those adverse factors and information concerning the stock market and macro economy will affect the psychology of investors and market's absorbability. This offering has no underwriting unit therefore this auction may not succeed as expected, ie the total volume of shares purchased are possibly lower than the offering volume. Meanwhile, the number of shares not sold out will be handled in accordance with Decree No. 59/2011/ND-CP dated 18/07/2011 of Government on the transformation of enterprises with 100% state-owned capital into joint stock enterprise.

Risks of the offering, if it occurs, will change the structure of the Corporation's actual charter capital compared with expected structure, thereby partially affecting the implementation of the Corporation's business plans after equitisation. However, considering the current strength and potential development in the long term, the Corporation is fully confident in the success of shares auction.

5. Other risks

In addition to the risks mentioned above, a number of other risks based on force majeure likely not happen, should those occur, it will cause damage to properties, people and affect business situation of Corporation such as war, natural disasters, fires, epidemics and political - social fluctuations etc.

PART VI: OFFERED SHARES

1. General information about the offering

- Name of shares : Shares of 36 CORPORATION
- Expected charter capital : 430 billion VND
- The number of shares : 43,000,000 shares
expected to be issued
- The number of shares to be : **4,300,000 shares**
sold at public auction
- Type of shares : Ordinary and freely transferable shares
- Par value: : VND 10,000//share
- Initial price auction : **Expected 10,000 VND/share.** (*The company will announce the supplement of Decision approving the starting price of the Ministry of Defense as authorized by the Prime Minister*)

2. Method for sale and purchase of shares

2.1. Methods for sale of shares

Table 20: The method for sale of expected shares

No.	Object	Number of shares	Percentage compared with charter capital (%)	Selling price
1	Employees in the Corporation	3,347,800	7,79	
-	<i>Purchase preferences under actual working time in the state sector</i>	<i>1,016,900</i>	<i>2,36</i>	By 60% of the lowest price agreed for strategic investors

PART VI: OFFERED SHARES

No.	Object	Number of shares	Percentage compared with charter capital (%)	Selling price
-	<i>Purchase preferences under the time committed to permanently work in the Joint stock company</i>	2,330,900	5,43	Lowest successful selling price for strategy investors
2	Sold to strategic investors	18,152,200	42,21	Under the provisions of Circular No 196/2011/TT-BTC dated December 26, 2011 guiding Decree 59/2011//ND-CP dated 18/07/2011
3	Sold to other investors through public auction	4,300,000	10,00	Successful bid price
	Total number of shares sold	25,800,000	60,00	

(Source: The plan of equalization approved by 36 Corporation)

2.2. Payment method and payment term

- For shares sold to officers and employees of the Corporation:
 - o After selling shares to strategic investors, before conducting the public auction.
 - o Method and time limit for payment specified by 36 Corporation.
- For shares sold to strategic investors:

PART VI: OFFERED SHARES

- After having the approved decision on the 36 Corporation's equalization plan of the Ministry of Defence, before conducting the public auction.
- Method and time limit for payment as specified by the 36 Corporation on the basis of approved equalization plan.

At the time of this Prospectus, the Corporation has not sold shares to strategic investors; information about the selected strategic investor, the selling price will be announced by the Corporation later.

- For initial public offering shares: Method and payment deadline are specified in the "*Regulation on initial public offering shares of Parent Company - 36 Corporation (One member limited liability company)*" issued by Exchanges Hanoi securities.

3. Capital reimbursement plan for the state budget and the use of proceeds from equalization

Table 21: Expected capital reimbursement plan for the state budget and plan to use the proceeds from equalization

No.	Content	Note	Value (VND)
1	Charter capital of joint stock company	(1)	430,000,000,000
2	Actual state capital in enterprise after revaluation	(2)	329,381,824,808
3	Par value of additional issued shares left for enterprises	(3)=(1)-(2)	100,618,175,192
4	Par value of shares held by the State	(4)	172,000,000,000
5	Value of the State capital to be returned	(5) = (2)-(4)	157,381,824,808
6	Proceeds from equalization (expected)	(6)=(6.1)+(6.2) +(6.3)+(6.4)	253,932,400,000
6.1	<i>Proceeds from the sale of preference shares to employees in accordance with the actual time worked in the public</i>	(6.1)	6,101,400,000

PART VI: OFFERED SHARES

No.	Content	Note	Value (VND)
	<i>sector (60% of lowest price approved for strategic investors)</i>		
6.2	<i>Proceeds from the sale of shares to employees in accordance with the time committed to work for a long time in Joint stock company</i>	(6.2)	23,309,000,000
6.3	<i>Proceeds from sale of shares to strategic investors</i>	(6.3)	181,522,000,000
6.4	<i>Proceeds from offering by auction</i>	(6.4)	43,000,000,000
7	Par value shares sold to the staffs and employees, offered by auction and sold to strategic shareholders	(7)	258,000,000,000
8	Cost for enterprises equalization	(8)	1,743,760,000
9	Capital surplus left for the enterprise corresponding to additional issued shares/Charter capital	(9)	-
10	Cost for handling redundant labor policy	(10)	371,237,250
11	The total amount returned to budget	(11)=(5)- (7)+(6)-(8)- (9)-(10)	151,199,227,558

(Source: The approved equalization plan of 36 Corporation)

Note: The total amount of capital reimbursement for the budget is calculated based on the assumption:

- (i) The subjects offered can purchase all of shares*
- (ii) The lowest successful selling price for strategic investors and successful bid of the Corporation's shares auction are temporarily calculated as VND 10,000//share.*

PART VI: OFFERED SHARES

The proceeds from equalization and total capital reimbursement amount for the budget will be recalculated based on the results of shares actually sold in accordance with the provisions of law.

PART VI: OFFERED SHARES

4. The parties involved in the offering

ISSUING ORGANIZATION (EQUITIZED ENTERPRISES)

36 CORPORATIONS (ONE MEMBER LIMITED LIABILITY COMPANY)

Address of headquarter : 141 Ho Dac Di, Nam Dong Ward, Dong Da District,
Hanoi City

Telephone : 04.3533 2471 Fax: 04.3533 2472

Website : www.tongcongtty36.com

AUCTION ORGANIZATION

HANOI STOCK EXCHANGE

Address of headquarter : No. 02 Phan Chu Trinh Street, Hoan Kiem District, Hanoi
City

Telephone : 04.3941 2626//04.3936 0750 Fax: 04.3934 7818

Website : www.hnx.vn

CONSULTING ORGANIZATION

VIETNAM BANK FOR INDUSTRY AND TRADE SECURITIES JOINT STOCK COMPANY

Address of headquarter : No. 306 Ba Trieu Street, Hai Ba Trung District, Hanoi
City

Telephone : 04.3556 2875//76 Fax: 04.3556 2874

Website : www.vietinbanksc.com.vn

COMPANY AUDITING FINANCIAL STATEMENTS:

CAPITAL AUDITING CONSULTANCY COMPANY LIMITED (auditing consolidated and separated financial statements in 2012 and 2013)

Address of headquarter : 5th Floor, No. 43 Phung Chi Kien Street, Nghia Do Ward,
Cau Giay District, Hanoi City.

Telephone : 04. 6285 2318 Fax: 04. 6285 2317

Website : www.caccvn.net

VIET NAM FINANCE AND AUDITING COMPANY LIMITED (auditing consolidated and separated financial statements in 2014)

Address of headquarter : Room No. 220, No 2, Linh Dam Peninsula, Hoang Liet
Ward, Hoang Mai District, Hanoi City.

Telephone : 04. 2211 7389 Fax: 04. 2221 3674

Website : www.acvietnam.com.vn

PART VI: OFFERED SHARES

COMPANY IDENTIFYING ENTERPRISES VALUE FOR EQUITIZATION:

AASC AUDITING FIRM COMPANY LIMITED

Address of headquarter : No.1 Le Phung Hieu, Hoan Kiem District, Hanoi City.

Telephone : 04. 3824 1990 Fax: 04. 3825 3973

Website : www.aasc.com.vn

CONCLUSIONS

The prospectus is a part of dossiers consistent with initial public offering of shares of 36 Corporation, in which honestly edited by Vietnam bank for industry and trade securities joint stock company in an objective and accurate manner based on the information and data provided by 36 Corporation and also on the basis of equalization plan approved by the Corporation.

All the above information are given in accordance with the provisions of existing laws to ensure the openness, transparency and legal interests of investors, however, those do not imply ensuring the value of securities.

The above information provides to investors with the aim to help investors recognize the enterprises intended to invest in an objective and judicious manner

We respectfully request that the investors should refer to this prospectus before making a decision in shares auction of 36 Corporation.

Sincerely thank you for your interest!

**PERSONS MAINLY RESPONSIBLE FOR THE CONTENT OF
INFORMATION ON THE EQUALIZATION OF ENTERPRISES**

**REPRESENTATIVE OF EQUALIZATION
STEERING COMMITTEE
36 CORPORATION
HEAD OF EQUALIZATION STEERING
COMMITTEE**

Major general Tran Trung Tin

**REPRESENTATIVE OF 36
CORPORATION
GENERAL DIRECTOR**

Colonel Nguyen Dang Giap

**REPRESENTATIVE OF CONSULTANT
VIETNAM BANK FOR INDUSTRY AND TRADE SECURITIES JOINT STOCK
COMPANY
DEPUTY GENERAL DIRECTOR**

Nguyen Minh Giang

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM

Độc lập – Tự do – Hạnh phúc

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GIẤY XÁC NHẬN

Tên công ty: **Công Ty Cổ Phần Dịch Thuật Chuyên Nghiệp Số 1**

Địa chỉ trụ sở chính: Tầng 2, số 8, Phường Cát Linh, Quận Đống Đa, Hà Nội

Số điện thoại: 04.6260.5664.

Họ và tên biên dịch: **Ngô Ngọc Ánh**

CMND số: 011943796

Ngày cấp: ngày 07/05/1996

Nơi cấp: Công an Tp Hà Nội

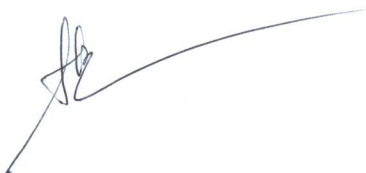
Cam kết đã dịch chính xác, phù hợp nội dung văn bản đính kèm từ tiếng việt sang tiếng anh và hoàn toàn chịu mọi trách nhiệm về bản dịch.

Hà Nội, ngày 16, tháng 03, năm 2016

Công Ty Cổ Phần Dịch Thuật Chuyên Nghiệp Số 1

Người dịch

Phó Tổng giám đốc



Ngô Ngọc Ánh



PHÓ TỔNG GIÁM ĐỐC
Nguyễn Văn Diệp