

MINISTRY OF CONSTRUCTION
**EQUITIZATION STEERING COMMITTEE - VIETNAM URBAN AND
INDUSTRIAL ZONE DEVELOPMENT INVESTMENT CORPORATION
COMPANY LIMITED (THE PARENT COMPANY)**

IDICO

INFORMATION MEMORANDUM
**INITIAL PUBLIC OFFERING VIETNAM URBAN AND
INDUSTRIAL ZONE DEVELOPMENT INVESTMENT
CORPORATION COMPANY LIMITED**

*(This Information Memorandum was adjusted under the minute dated 15 August 2017 of
Equitization Steering Committee)*

Auction agent

Ho Chi Minh Stock Exchange

Head office: 16 Vo Van Kiet, District 1, Ho Chi Minh City

Phone: 028 3821 7713

Fax: 028 3821 7452

Website: www.hsx.vn

Issuing organization

Vietnam Urban and Industrial Zone Development Investment Corporation Company Limited

Head office: 151 ter Nguyen Dinh Chieu street, Ward 6, District 3, Ho Chi Minh City

Phone: 028 3438 8883

Fax: 028 3931 2705

Website: www.idico.com.vn

Advisor

Viet Capital Securities Joint Stock Company

Head office: Bitexco Financial Tower, 15th Floor, 2 Hai Trieu, District 1, Ho Chi Minh City

Phone: 028 3914 3588

Fax: 028 3914 3209

Website: www.vcsc.com.vn

**VIETNAM URBAN AND INDUSTRIAL ZONE
DEVELOPMENT INVESTMENT CORPORATION
COMPANY LIMITED**

Business Registration Certificate No 0302177966 dated 30 June 2010, with 1st amendment dated 7 January 2015 and confirmation letter on changes in business registration content dated 23 January 2017 issued by Department of Planning and Investment of Ho Chi Minh City

**INFORMATION MEMORANDUM
INITIAL PUBLIC OFFERING**

Name of shares:	VIETNAM URBAN AND INDUSTRIAL ZONE DEVELOPMENT INVESTMENT CORPORATION COMPANY LIMITED
Type of shares:	Common shares
Par value:	VND 10,000/ share (Ten thousand Vietnamese dong per share)
Starting price:	VND 18,000/ share (Eighteen thousand Vietnamese dong per share)
Number of shares to be offered:	55,305,500 shares (Fifty five million three hundred five thousand and five hundred shares)
Deposit:	10% of total value of subscribed shares at starting price
Participants:	Organizations, individuals satisfying conditions as stipulated in regulations on the public share auction of Vietnam Urban and Industrial Zone Development Investment Corporation Company Limited
Auction agent:	Ho Chi Minh Stock Exchange
Auction time:	As stipulated in regulations on the public share auction of Vietnam Urban and Industrial Zone Development Investment Corporation Company Limited
Auction place:	Ho Chi Minh Stock Exchange, 16 Vo Van Kiet, District 1, Ho Chi Minh City

INFORMATION ABOUT THE IPO

1. Issuing organization

- Name of corporation	: VIETNAM URBAN AND INDUSTRIAL ZONE DEVELOPMENT INVESTMENT CORPORATION COMPANY LIMITED
- Address	: 151 ter Nguyen Dinh Chieu Street, Ward 6, District 3, Ho Chi Minh City;
- Phone	: 028 3438 8883;
- Fax	: 028 3931 2705;
- Expected charter capital post equitization	: VND3,000,000,000,000
- Par value	: VND10,000 / share
- Total number of shares	: 300,000,000 shares

Of which

- Shares owned by the State (*)	: 108,000,000 shares, accounting for 36.00% charter capital
- Shares sold to employees	: 1,694,500 shares, accounting for 0.56% charter capital
- Shares sold through IPO	: 55,305,500 shares, accounting for 18.44% charter capital
- Strategic investors	: 135,000,000 shares, accounting for 45.00% charter capital

(*) By 31 December 2018, all shares held by the State will be sold and the State will not have any ownership in IDICO

2. Shares sold through IPO

- Number of shares sold through IPO	: 55,305,500 shares, accounting for 18.44% charter capital
- Type of shares	: Common shares
- Type of offering	: IPO for equitization of 100% state-owned enterprises through auction
- Method of auction	: According to the "IPO regulation of Vietnam Urban and Industrial Zone Development Investment Corporation Company Limited" issued by the Ho Chi Minh City Stock Exchange
- Starting price	: VND 18,000/share

- Deposit : 10% of total value of the subscribed shares for purchase based on starting price
- Minimum number of shares each investor can register to purchase : 100 shares
- Maximum number of shares each investor can register to purchase : 55,305,500 shares

3. Information announcement in regard to the auctioning organization

3.1. Venue to provide Information Memorandum, receive registration applications to participate in the auction, receive deposits and distribute forms to participate in the auction:

At auction agents listed in the “IPO regulation of Vietnam Urban and Industrial Zone Development Investment Corporation Company Limited” issued by the Ho Chi Minh City Stock Exchange (hereinafter referred to as IPO Regulation).

3.2. Deadline to submit application to participate in the auction, make deposits and receive auction forms:

According to the timeline stated in IPO Regulation.

3.3. Conditions for registering to participate in the auction

- Submit the provided application form for bidding.
- Pay a deposit which is 10% of total value of subscribed shares based on the starting price before deadline.
- Meet all conditions for participating in the auction prescribed in Decree No 59/2011/NĐ-CP dated 18 July 2011 of the Government relating to conversion of 100% state-owned enterprises into joint-stock companies and Circular No 196/2011/TT-BTC dated 26 December 2011 of the Ministry of Finance guiding the initial sale of shares, management and use of proceeds from conversion of 100% state-owned enterprises and other related legal documents.
- Other related documents.
- + *For Vietnamese individuals:*
 - ID card or passport or other valid ID paper for checking.
 - Declare a specific, clear and accurate address.
- + *For Vietnamese institutions:*
 - The legal representative, who is not able to register directly, must grant a valid Power of Attorney for authorized person. The authorized person must bring ID card or passport or other valid ID paper to register for participating in the auction.
 - Certified copies of the documents proving the legal status of institutions (Business Registration Certificate, Establishment Decision...)
- + *For foreign individuals and institutions:*
 - Copy of Passport/ ID card (in case of authorizing for Vietnamese individual to participate in the auction).

- Valid power of attorney (if any).
- Written letter of opening an account at an institution that provides payment services in Vietnam.
- For institutions: in addition to above documents, foreign institutions must submit certified copies of the documents proving the legal status of institutions (Business Registration Certificate, Establishment License, etc.), Power of Attorney for authorized person/ representative to participate in the auction (in case they are not legal representatives of institutions).

3.4. Procedures for deposit and payment for the share purchase:

Investors can pay in cash or via bank transfer to the account of the auction agents listed in IPO Regulation.

3.5. Regulation on number of subscribed shares

- For Vietnamese investors: Each investor can purchase shares at minimum number of 100 shares and maximum number of 55,305,500 shares.
- For foreign investors: Each investor can purchase shares at minimum number of 100 shares and maximum number of 55,305,500 shares.

4. Hold an auction, payment collection and refund of deposit**4.1. Time of the auction:**

As regulated in IPO Regulation.

4.2. Auction place: HO CHI MINH STOCK EXCHANGE

Head office: 16 Vo Van Kiet Street, District 1, Ho Chi Minh City

Phone : 028 3821 7713 Fax: 028 3821 7452

Website: www.hsx.vn

4.3. Deadline for making payment and refunding of deposit:

- Deadline for making payment: as regulated in IPO Regulation.
- Payment method: Investors can pay in cash or via bank transfer to the account of the auction agents where investors applied for bidding.
- Deadline for refunding of deposit: as regulated in IPO Regulation.
- Location: at auction agents where investors applied.

4.4. Adviser: VIET CAPITAL SECURITIES JOINT STOCK COMPANY

Head office: Bitexco Financial Tower, 15th Floor, 2 Hai Trieu Street, District 1, HCMC

Phone: 028 3914 3588 Fax: 028 3914 3209

Website: www.vcsc.com.vn

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PART 1: GENERAL INFORMATION RELATING TO PUBLIC AUCTION**I. LEGAL BASIS OF PUBLIC AUCTION**

Decree 59/2011/NĐ-CP dated 18 July 2011 of the Government relating to conversion of 100% state-owned enterprises into joint stock companies (Decree 59);

Decree 189/2013/NĐ-CP dated 20 November 2013 of the Government relating to amendments to certain articles of Decree 59 (Decree 189);

Decree 116/2015/ND-CP dated 11 November 2015 of the Government relating to amendments to certain articles of Decree 59 (Decree 116);

Circular 127/2014/TT-BTC dated 5 September 2014 of the Ministry of Finance guiding financial treatment and enterprise valuation relating to conversion of 100% state-owned enterprises into joint stock companies;

Circular 196/2011/TT-BTC dated 26 December 2011 of the Ministry of Finance guiding auction for initial public offering, management and use of proceeds from conversion of 100% state-owned enterprises into joint stock companies (Circular 196);

Circular 115/2016/TT-BTC dated 30 June 2016 relating to amendments to certain articles of Circular 196 guiding auction for initial public offering, management and use of proceeds from conversion of 100% state-owned enterprises into joint stock companies;

Decision 21/2012/QĐ-TTg dated 10 May 2012 issued by Prime Minister relating to the issuance of regulations on the management and use of funds of Arrangement and Development Fund;

Circular 33/2012/TT-BLĐTBXH dated 20 December 2012 of the Ministry of Labour - Invalids and Social Affairs guiding implementation of labour policies under Decree 59;

Decree 63/2015/ND-CP dated 22 July 2015 of the Government guiding policies for redundant employees arising from reorganizing one-member limited liability companies owned by the State (Decree 63);

Circular 44/2015/TT0BLDTBXH dated 22 October 2015 of the Ministry of Labour - Invalids and Social Affairs guiding implementation of certain articles of Decree 63;

Decision No 51/2014/QĐ-TTg dated 15 September 2014 of the Prime Minister guiding state-owned enterprises on divestment, sale of shares and listing on stock exchanges;

Official letter 283/TTg-DMDN dated 5 March 2012 of Prime Minister approving restructuring plan for 100% state-owned enterprises under control of Ministry of Construction;

Decision 687/TTg-DMDN dated 14 May 2014 of Prime Minister relating to equitization plan of state-owned enterprises which are managed by Ministry of Construction;

Official letter 457/BXD-QLDN of Ministry of Construction relating to implementation of equitization plan for state-owned enterprises under control of Ministry of Construction;

Decision 551/QĐ-BXD dated 20 May 2014 of Ministry of Construction relating to the establishment of the Equitization Steering Committee of Vietnam Urban and Industrial Zone Development Investment Corporation Company Limited;

Decision 643/QĐ-BXD dated 10 June 2014 of the Equitization Steering Committee relating to the establishment of the assistant team for the Equitization Steering Committee of Vietnam Urban and Industrial Zone Development Investment Corporation Company Limited;

Decision 1255/QĐ-BXD dated 17 October 2014 of Ministry of Construction relating to implementation of equitization plan of Vietnam Urban and Industrial Zone Development Investment Corporation Company Limited;

Official letter 3383/BXD-QLDN dated 23 December 2014 of Ministry of Construction relating to approval of advisory companies for determining enterprise value and preparing equitization plan;

Decision 325/BXD-QLDN dated 12 February 2015 of Ministry of Construction approving equitization costs;

Decision 1144/QĐ-BXD dated 4 November 2016 of Ministry of Construction relating to approval of enterprise value of Vietnam Urban and Industrial Zone Development Investment Corporation Company Limited;

Decision 58/2016/QĐ-TTg dated 28 December 2016 of the Prime Minister relating to classification of state-owned enterprises during 2016 - 2020 period;

Announcement No 147/TB-VPCP dated 17 March 2017 of the Office of the Government announcing conclusion of Mr. Vuong Dinh Hue - Deputy Prime Minister relating to restructuring of state-owned enterprises in which Ministry of Construction is a representative of the State capital during 2011 - 2016 period, until 2020;

Decision No 707/QĐ-TTg dated 25 May 2017 of the Prime Minister approving the scheme named "Restructuring of state owned enterprises, especially economic groups and state-owned corporations during 2016 - 2020 period";

Decision 776/QĐ-TTg dated 2 June 2017 of the Prime Minister relating to approval of equitization plan of Vietnam Urban and Industrial Zone Development Investment Corporation Company Limited;

Meeting minutes No 213/TB-BXD dated 21 June 2017 of Equitization Steering Committee of IDICO;

Official letter 1465/BXD-QLDN dated 28 June 2017 of Ministry of Construction relating to selection of an advisory company for determining starting price for IPO of IDICO;

Valuation Contract No 62911/HD-VVFC/BAN3 dated 29 June 2017 between IDICO and Vietnam Valuation and Finance Consultancy Company;

Certificate of Valuation No 7067/CT-VVFC/BAN3 dated 6 July 2017 of Vietnam Valuation and Finance Consultancy Company relating to determination of starting price for IPO of IDICO;

Proposal letter 474/TTr-TCT dated 13 July 2017 of IDICO relating to proposal of the Information Memorandum, starting price, criteria for selecting strategic investors, organizing of initial public offering and selecting financial advisor, members of auction committee to Ministry of Construction for approval;

Minutes dated 15 August 2017 of Equitization Steering Committee of IDICO relating to approval of the contents of the Information Memorandum; the contents of the draft decision on initial public offering and the contents of the decision on approving criteria for selecting strategic investors, selection procedures and offering method to strategic investors;

Decision 865/QĐ-BXD dated 21 August 2017 of the Minister of Ministry of Construction relating to approval of initial public offering of IDICO;

Decision 866/QĐ-BXD dated 21 August 2017 of the Minister of Ministry of Construction relating to approval of criteria for selecting strategic investors, selection procedures and offering method to strategic investors;

Related legal documents.

II. RESPONSIBLE PEOPLE FOR THE INFORMATION CONTAINED IN THIS INFORMATION MEMORANDUM

1. Equitization Steering Committee

- **Mr. Dau Minh Thanh** Title: Director General of Enterprise Management department - Ministry of Construction, Member of Equitization Steering Committee of IDICO

(according to Decision No 416/QĐ-BXD dated 14 April 2015 of Ministry of Construction)

This Information Memorandum was prepared by IDICO & Viet Capital Securities Joint Stock Company and was approved by Equitization Steering Committee from 11 August 2017 to 15 August 2017.

2. Issuing organization

- **Mr Ninh Manh Hong** Title: Chairman of Members' Council
- **Mr Nguyen Van Dat** Title: General Director
- **Mr Nguyen Hong Hai** Title: Chief Accountant

We ensure that the information and data contained in this Information Memorandum is appropriate or have been properly checked and collected so that investors can properly assess assets, financial position & performance and business prospects of IDICO before deciding to participate in the auction.

We commit to taking responsibility for the truthfulness and accuracy of all information contained herein.

3. Advisor

- **Mr To Hai** Title: Chief Executive Officer of Viet Capital Securities Joint Stock Company ("VCSC")

This Information Memorandum is a part of the IPO dossier prepared by Viet Capital Securities Joint Stock Company under an advisory contract signed by VCSC and IDICO. VCSC confirms that the wording of this Information Memorandum was carefully and reasonably selected on the basis of information provided by IDICO. VCSC notes that the content of this Information Memorandum complies with provisions of current law and does not represent any guarantee for the value of shares of IDICO.

III. DEFINITIONS AND ABBREVIATIONS

Words or phrases abbreviated in this Information Memorandum will have following definitions:

Words, concepts	Meaning
Advisor	Viet Capital Securities Joint Stock Company
BOD	Board of Directors
BOS	Board of Supervisors
BOM	Board of Management
BRS	Business Registration Certificate
BVEC	Bien Hoa-Vung Tau Expressway Development Joint Stock Company
COSEVCO	Mien Trung Corporation - Joint Stock Company
Cuong Thuan IDICO	Cuong Thuan IDICO Investment and Development Joint Stock Company
Dak Mi JSC	Dak Mi Hydropower Joint Stock Company
Dividend	A payment in cash or other assets to shareholders from retained earnings (paid out of cash remaning after fulfilling all financial obligations) of a company
FS	Financial Statements
GD	General Director
GMS	General Meeting of Shareholders
Information Memorandum	Information detailing the Company's financial performance and business operation intended to enable investors to evaluate and make investment decisions in relation to the Company
IDICO-JSC	Vietnam Urban and Industrial Zone Development Investment Corporation - Joint Stock Company
IDICO-URBIZ	IDICO Urban and Industrial Zone Development Co., Ltd.
IDICO-ICC	IDICO Construction Company Limited
IDICO-SHP	IDICO Srok Phu Mieng Hydropower Joint Stock Company
IDICO-LINCO	IDICO Long An Investment Construction Joint Stock Company
IDICO-MCI	IDICO Material Development and Construction Invesment Joint Stock Company
IDICO-INCO 10	Construction Investment Joint Stock Company No. 10
IDICO-INCON	IDICO Investment Consultancy Joint Stock Company
IDICO-UDICO	Urban and House Development Investment Joint Stock Company
IDICO-CONAC	Construction and Natural Gas Joint Stock Company
IDICO-IDI	IDICO Infrastructure Development Investment Joint Stock Company

IDICO-QUEVO	Que Vo IDICO Urban and Industrial Zone Development Investment Joint Stock Company
IPO	Initial public offering
LAMA IDICO	IDICO Machinery Erection Construction Investment Joint Stock Company
LPG	Liquefied petroleum gas
JSC	Joint Stock Company
Shares	The charter capital of a company as divided equally, with each share representing an ownership of such equal portion of charter capital. Par value of each share is 10,000 VND
The Company, IDICO	Vietnam Urban and Industrial Zone Development Investment Corporation Company Limited
VCSC	Viet Capital Securities Joint Stock Company

PART 2: GENERAL INFORMATION RELATING TO THE COMPANY

I. Overview of the Company

▪ Full name in Vietnamese: **TỔNG CÔNG TY ĐẦU TƯ PHÁT TRIỂN ĐÔ THỊ VÀ KHU CÔNG NGHIỆP VIỆT NAM - TNHH MTV;**

▪ Full name in English: VIETNAM URBAN AND INDUSTRIAL ZONE DEVELOPMENT INVESTMENT CORPORATION COMPANY LIMITED;

▪ Abbreviated English name: IDICO;

▪ Head office: 151 ter Nguyen Dinh Chieu street, Ward 6, District 3, Ho Chi Minh City

▪ Phone: 028 34388883;

▪ Fax: 028 39312705;

▪ Website: www.idico.com.vn;

▪ Logo: **IDICO**

Logo of IDICO have been used under Trademark Certificate No 109367 issued by National Office of Intellectual Property of Vietnam - Ministry of Science and Technology under Decision No 15275 dated 11 August 2010.

▪ History and development

- IDICO was established under official letter No 1011/CP-DMDN dated 7 November 2000 of the Prime Minister and Decision 26/200/QĐ-BXD dated 6 December 2000 of Minister of Construction on the basis of reorganizing following companies: Urban and Industrial Development, Oil & Gas Construction, Western Construction (under Ministry of Construction), Dong Thap Housing Investment and Development (under management of People's Committee of Long An Province) and Long An Construction (under management of People's Committee of Long An Province).

- On 21 December 2006, IDICO was converted and has operated under parent company - subsidiary companies model according to Decision 1768/QĐ-BXD of Ministry of Construction.

- On 13 November 2008, the Prime Minister issued official letter No 1963/TTg-DMDN and Minister of Construction issued Decision 1405/QĐ-BXD dated 3 December 2008 relating to transfer rights and obligations of representative of the state capital at COSEVCO to the Board of Directors of IDICO.

- Since 1 July 2010, IDICO has operated as a limited company under Decision No 615/QĐ-BXD dated 10 June 2010 of Minister of Construction, Business Registration Certificate and Tax Registration Certificate No 0302177966 dated 30 June 2010.

- IDICO changed and obtained the first amendment of Business Registration Certificate issued by Department of Planning and Investment of Ho Chi Minh City on 7 January 2015.

▪ **Establishment and transformation of IDICO**

- In 2000: IDICO was established.

IDICO was established under Decision No 26/2000/QĐ-BXD dated 6 December 2000 of Minister of Construction on the basis of reorganizing following companies: Urban and Industrial Development, Oil & Gas Construction, Western Construction (under Ministry of Construction) and other companies in the southern area.

IDICO was established to concentrate and accumulate financial, technical, management and equipment resources to invest in infrastructure development in urban areas, industrial parks, economic zones and residential areas; invest in transportation, irrigation, hydropower, industrial production and housing development projects of which development of industrial parks is the key business line.

- In 2006: Operating model of IDICO was converted to parent company - subsidiary companies model

Operating model of IDICO was converted to parent company - subsidiary companies under Decision No 1768/QĐ-BXD dated 21 November 2006 of Minister of Construction. The conversion of operating model has contributed to enhance capacity and proactivity of IDICO in managing business activities of subsidiary companies, thereby improving competitiveness and brand name of IDICO, especially through investment and implementation of projects in industrial parks, hydropower, transportation, housing, building materials, construction, design consulting, etc.

- In 2010: IDICO was converted and has operated as one-member limited liability company.

Under direction of the Prime Minister and Ministry of Construction relating to restructuring of state-owned enterprises, IDICO was converted and has operated as one-member limited liability company since 1 July 2010 under Decision 615/QĐ-BXD dated 10 June 2010 of Minister of Construction.

- From 2012 to present:

At the time of establishment, IDICO had eight subsidiary companies. At the moment, IDICO - the parent company has seven departments, three management boards, two branches, 11 subsidiaries (IDICO owns 100% of two subsidiaries and more than 51% in remaining ones) and 11 associates and joint ventures. Subsidiary companies of IDICO has been operating nationwide with extensive experience in industrial park, transportation (BOT projects), power generation, consulting, construction, etc. Subsidiary companies of IDICO have their own competitive advantage.

- Charter capital: VND1,602,219,000,000;
- Business registration No 0302177966 dated 30 June 2010, with 1st amendment dated 7 January 2015 and confirmation letter on changes in business registration content dated 23 January 2017 issued by Department of Planning and Investment of Ho Chi Minh City.

II. Business lines

Based on the Company's current resources and development strategy till 2020, the Company will focus on four main areas which accounts for approximately 70% of total consolidated revenue and consolidated profit of the Company:

- Investment and operation of infrastructure facilities in industrial parks. IDICO has accumulated many advantages and experiences in this sector, thereby aiming to increase occupancy rate at existing industrial parks. In addition, IDICO has acquired and cleared land located at potential areas for industrial development. Investment and development of important traffic routes in Dong Nai Province, Ba Ria - Vung Tau Province and Ho Chi Minh City. The Company, IDICO-URBIZ, IDICO-UDICO, IDICO-CONAC, IDICO-IDI, BVEC, IDICO-QUEVO will operate in this sector.

- Investment and development of housing. The Company will focus on developing and effectively using available land area for investing and developing housing projects such as residential projects, housing for workers and social housing. The Company, IDICO-URBIZ, IDICO-LINCO, IDICO-UDICO, IDICO-CONAC will operate in this sector.

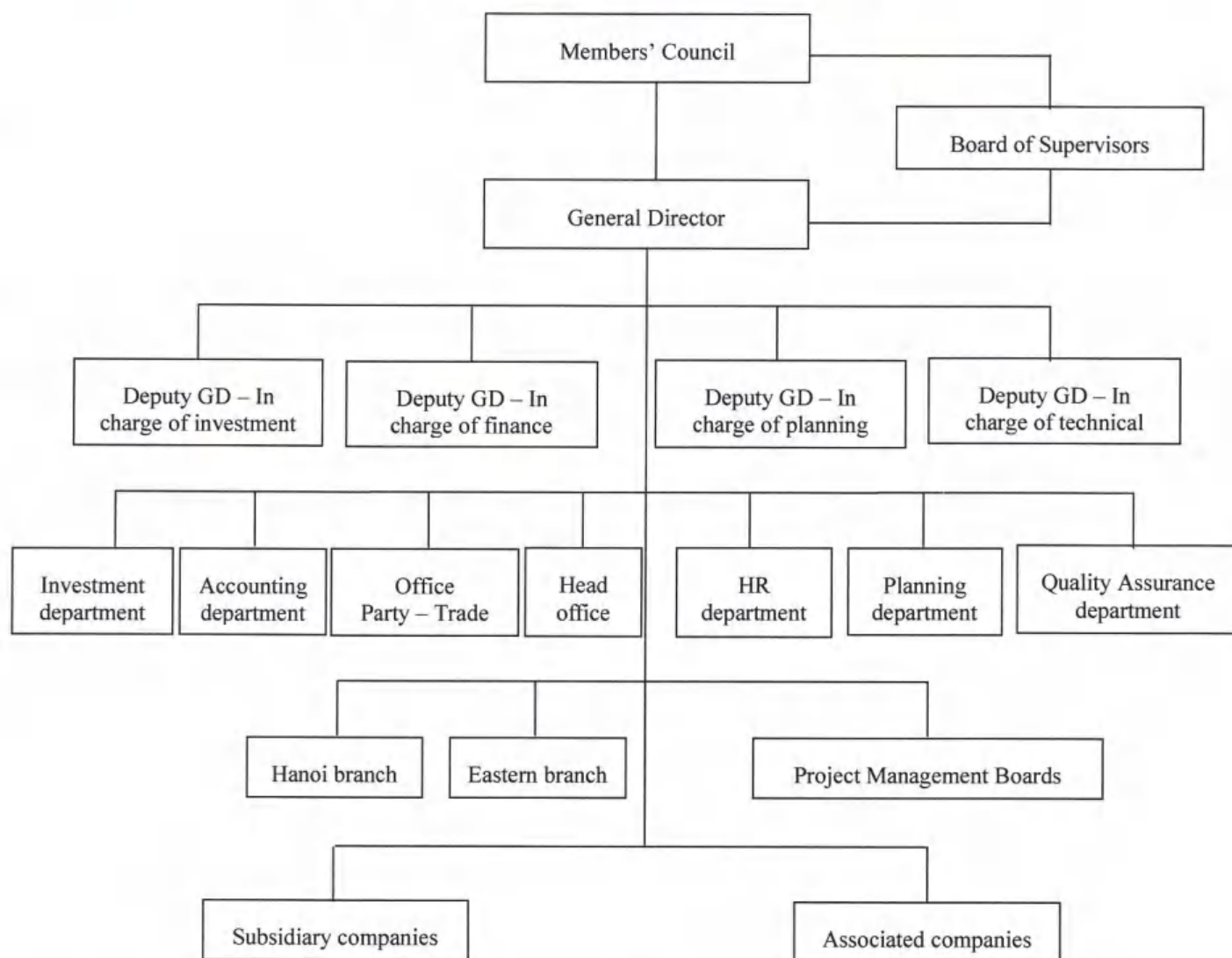
- Investment, production and trading of electricity. This sector has accounted for large proportion of total investment of the Company. The Company will continue to operate existing plants and invest in new projects under approved plan by related authorities. The Company, IDICO-SHP and Dak Mi Hydropower Joint Stock Company will operate in this sector.

- Construction: The Company will continue to recruit and build a strong workforce who is capable of constructing large-scale and complex projects. IDICO-ICC, IDICO-URBIZ, IDICO-IDI, IDICO-CONAC will operate in this sector.

Related business lines: In addition to aforementioned main business lines, remaining business lines such as manufacturing and trading of building materials, investment and construction consultancy, logistic services, import and export of tools & equipments, waste collection and transportation, transportation services, tourism accounts for c. 30% of total consolidated revenue and consolidated profit of the Company.

III. IDICO's organization structure pre equitization

IDICO's current organizational structure consists of the Members' Council, Board of Supervisors, General Director, four Deputy General Directors in charge of specialized departments and 07 functional departments, three project management boards, two branches, 11 subsidiaries (including two one-member limited liability companies which are 100% owned by IDICO) and six associated companies. The parent company directly participates in production and business management and administration of dependent units, subsidiaries and associates.

ORGANIZATIONAL STRUCTURE OF IDICO


Members' Council: is the representative of the owner at IDICO. The Members' Council is responsible for exercising rights and obligations assigned by the owner under the charter of IDICO and provisions of law. Members' Council has the right to act on behalf of IDICO to exercise rights and obligations of IDICO and shall exercise rights and obligations of the owner at subsidiaries which are wholly owned by IDICO and other companies in which IDICO contributed capital. The Members' Council is responsible before the owner and the law for all activities of the Company. The Members' Council of IDICO now has four subsidiary companies: Chairman, one member cum General Director and two full-time members.

Board of Supervisors: is appointed by the owner and is responsible for supervising activities of the Members' Council and Board of Management in order to ensure that IDICO is carrying out proper production and business activities in accordance with current regulations and duties & functions assigned by Members' Council. Board of Supervisors now has three members.

Board of Management: is responsible for managing the Company's daily operation according to objectives, plans and resolutions and decisions of the Members' Council in accordance with the charter of the Company. Board of Management is responsible before the Members' Council and before law for exercising rights and duties assigned by Members'

Council. Board of Management now includes General Director, four Deputy General Directors and Chief Accountant.

Functional Departments: Corporate Office, Human resources department, Economic planning department, Quality engineering department, Investment department, Finance & Accounting department and Party - Trade Union department.

1.1 Functions and duties of departments of the parent company

IDICO's parent company is the centralized organization which is responsible for operating and managing subsidiary companies and managing business activities of IDICO. Main functions of departments of the parent company are as follows:

1.1.1 Corporate Office

- Functions: is the department supporting the implementation of decisions issued by the General Director through advising, synthesizing information and organizing the coordination between departments and subsidiary/associated companies of the parent company.
- Responsibility:
 - Being the contact point with relevant authorities and partners under the direction of the General Director;
 - Implement regulations on clerical work, archives, confidentiality, management of incoming & outgoing documents and property management;
 - Manage facilities, means of transport, working conditions, security, fire and explosion prevention;
 - Organize meetings and welcome guests of Board of Management;
 - System management, application of management system conforming to ISO 9001-2015.

1.1.2 Investment department

- Function: Advise and assist the General Director in searching, developing and managing investment projects in Vietnam and foreign countries.
- Responsibility:
 - Implement necessary procedures for applying for investment orientation, investment license and necessary procedures for new investment projects;
 - Monitor the implementation of investment projects of the parent company and its subsidiary companies;
 - Attract investors to industrial parks managed by the parent company and its subsidiary companies;
 - Intranet system administration;
 - Coordinate with authorities of industrial parks of IDICO to supervise and manage operation of enterprises in industrial parks and participate in solving issues related to procedures and paperworks for investors, etc.

1.1.3 Finance & Accounting department

- Function: Advise and assist Board of Management in organizing, managing and supervising finance and accounting of the parent company.
- Responsibility:
 - Organize accounting system and economic information system of the parent company to meet requirements of financial reporting and economic information in accordance with regulations of relevant authorities;
 - Propose solutions to meet management requirements, formulate policies on mobilization and effectively use financial resources of the parent company;
 - Inspect and supervise financial situation, situation of mobilization and use of capital and external investment outside the parent company and subsidiary companies;
 - Inspect and supervise financial revenue and expenditures, obligations to collect/pay debt, management & use of assets, sources of asset formation; detect and prevent unlawful acts relating to finance and accounting, etc

1.1.4 Party - Trade Union department

- Function: Advise and assist the Party Committee of the parent company, the Executive Committee of the Trade Union to manage daily operation, collect information and prepare reports for leadership and direction of the Party Committee, the Standing Committee and the Executive Committee of the Trade Union.
- Responsibility:
 - Implement resolutions and tasks assigned by the Party Committee and other superior Party Committees;
 - Implement regular activities and work program of Trade Union according to functions, resolutions and directives of Vietnam General Confederation of Labor and the Trade Union of the construction industry;
 - Prepare contents and programs for meetings and conferences of the Standing Committee, the Executive Committee of the Trade Union and the Youth Union;
 - Make periodical and extraordinary reports in accordance with regulations of Party and Trade Union;
 - Handle administrative tasks of the Party, the Trade Union and the Youth Union, etc

1.1.5 Human resources department

- Function: Advise and assist Board of Management in managing following scope of work: production, employees' related issues, salary, inspection and national security.
- Responsibility:
 - Prepare scheme for arranging, rotating and training for employees;
 - Handle procedures relating to recruitment, promotion, appointment, reappointment, employee dispatch and implementation of salary, social insurance and health insurance regimes, etc

- Set and manage labor norms, wage unit price and salary fund of the parent company and subsidiary companies in accordance with current regulations;
- Monitor and propose representatives of the parent company's capital at enterprises;
- Implement emulation and commendation work of the parent company; change in organizational culture and business arrangements, etc

1.1.6 Economic planning department

- Function: Advise and assist Board of Management in managing economic and planning issues.
- Responsibility:
 - Mainly organize construction activities and manage cost norms, unit price, verify, appraise and finalize investment costs of projects invested by the parent company;
 - Manage costs in investment & construction process;
 - Prepare and negotiate draft economic contracts;
 - Research & develop market and search for new opportunities,
 - Prepare short-term and long-term business plans;
 - Periodically and extraordinarily report and assess implementation of business goals in accordance with regulations of the parent company, etc

1.1.7 Quality Assurance department

- Function: Advise and assist Board of Management in managing following scope of work: technical issues, quality of construction, progress, labor safety and environmental management at construction sites.
- Responsibility:
 - Manage quality, progress and product quality in construction;
 - Build a quality management system which is suitable to requirements, nature and scale of construction works in accordance with current regulations;
 - Manage machinery of the parent company and its subsidiary companies;
 - In charge of examining and evaluating survey dossiers;
 - Implement bidding process, payment and finalize investment costs; ensure labor safety, occupational safety and health, environmental management and prevent natural disasters such as storms, floods, etc

1.1.8 Management Board of Dak Mi 4 hydropower project

- Function: Acts on behalf of the parent company, Management Board of Dak Mi 4 hydropower project manages implementation of Dak Mi 4, Dak Mi 4C and Dak Mi 3 hydropower projects from investment, construction to completion and put into operation.
- Responsibility:

- Implement procedures for land assignment, obtaining construction permit, preparing construction sites and other works relating to construction;
- Prepare design dossiers, prepare bill of quantity for construction works for evaluation and approval of investors in accordance with relevant regulations;
- Prepare dossier of bid invitation, organize bidding process, evaluate bid, select and submit list of successful bidders to relevant authorities for approval, negotiate, sign contracts with contractors under authorization from investors;
- Inspection, payment, finalization of construction volumes in accordance with signed contracts;
- Manage quality, volume, progress, construction costs, safety and environmental sanitation, inspection and handover of construction works, etc
- Make reports on finalization of construction cost for completed projects and propose to the parent company for approval.

1.1.9 Management Board of Tan Phu IDICO Apartment

- Function: Acts as a representative of the investor to implement investment procedures and technical management, quality, volume and procedures relating to payment and finalization of investment cost. The project is located at 262/13-262/15 Luy Ban Bich street, Hoa Thanh Ward, Tan Phu District, Ho Chi Minh City.
- Responsibility: Manages investment, construction and is responsible before IDICO and Vietnamese law on the result of implementation of Tan Phu IDICO Apartment located at 262/13-262/15 Luy Ban Bich street, Hoa Thanh Ward, Tan Phu District, Ho Chi Minh City from preparation stage, investment stage, completion stage to exploitation stage.

1.1.10 Management Board of industrial parks of IDICO

- Function: Acts as a representative of IDICO to manage, invest and construct industrial parks invested by IDICO from investment stage, completion stage to exploitation stage and hand over to operational company according to regulations of IDICO.
- Responsibility:
 - Is responsible before IDICO and Vietnamese law on managing projects from investment stage, completion of construction and exploitation stage. Regularly reports to IDICO on the progress, volume, quality, technique, fine art of works and labor safety according to regulations of IDICO;
 - Implement necessary procedures for seeking investment orientation, obtaining investment licenses and other procedures for new projects invested by IDICO including application for investment certificates, application for decision to establish new industrial parks, etc;
 - Project planning includes preparation and submission of annual project work plan for approval. The annual project work plan clearly identifies resources used, implementation schedule, deadline for completion, quality objectives and performance evaluation criteria

- Preparation and implementation of procedures for investment and construction including implementation of procedures relating to construction planning, use of land, natural resources, technical infrastructure, landscape and environmental protection, fire & explosion prevention, project formulation, submission of projects for approval, receive & disburse investment capital and other preparatory works;

- Coordinate with local authorities to implement compensation & resettlement for households affected by implementation of projects; implement procedures, prepare application dossiers for land recovery and delivery in accordance with current regulations; compare compensation costs for land clearance with local authorities and relevant ones in accordance with current regulations;

- Apply for construction permit, preparation of construction site and other tasks for construction works;

- Prepare of technical design dossier - bill of quantity; overall progress; construction drawings - detailed estimation of each construction item; environmental impact assessment; planning of industrial parks and submit to IDICO and relevant authorities for approval in accordance with current regulations in order to ensure that projects are commenced, constructed and operated on time;

- Prepare dossier of bid invitation, organize bidding, evaluate bid, select and submit list of successful bidders to IDICO for approval;

- Manage quality, volume, construction costs, safety and environmental sanitation of construction works;

- Urge and coordinate with constructors and consultants to monitor progress, technical measures, organize construction of each item and concurrently prepare construction schedule (month, quarter, year) on the basis of approved progress. For items requiring complicated construction measures, Management Board will submit construction measures to IDICO for approval before implementation;

- Take the lead with designing consulting companies and supervisory consulting companies to monitor, manage and inspect quality, volume, progress, construction costs, safety and environmental sanitation of construction works, perform acceptance testing, confirm completed volume and make payment for constructors;

- Organize daily, weekly and monthly meetings with contractors and provide services at construction sites and resolve problems arising during investment period;

- Review, evaluate, make reports and propose necessary measures on a monthly, quarterly and yearly basis to achieve planned schedule;

- Manage successful bid price approved by IDICO, prepare payment dossiers and finalize cost for each item and the whole construction works. Make reports on a monthly, quarterly and yearly basis relating to payment, settlement to IDICO in accordance with regulations on management of investment capital;

- Receive, transport, maintain and distribute supplies and equipment to construction works in accordance with regulations and construction progress. Finalize spare parts;

- Take the leading role and coordinate with construction companies to protect property, supplies, equipment at construction sites from commencement of construction to completion and hand over;

- Make annual reports on quality of works, annual disbursement of investment capital; coordinate with the parent company and relevant authorities to supervise the implementation of environmental assessment reports for industrial parks;
- Organize pre-acceptance test and handover of construction works;
- Coordinate with the parent company to prepare dossiers and implement procedures for land rent exemption during capital construction period; make reports, finalize payable land rents of industrial parks and relevant financial obligations with relevant authorities according to current regulations and when there is a special request from relevant authorities;
- Prepare and propose training plans, organizational structure and staffing plan of Management Board to the parent company for approval
- Make a report on finalization of investment cost and propose to relevant authorities for approval, coordinate with other departments of the parent company to explain any queries to finalize construction cost;
- Responsible for archiving and storing all legal documents, accounting documents for finalization of investment cost;
- Coordinate with relevant authorities to ensure social security, safety and social policies on construction sites;
- Other assigned tasks;

1.1.11 List of dependent branches

LIST OF DEPENDENT BRANCHES

No	Name	Address	Functions
1	IDICO branch in Hanoi	13 th Floor, Sudico tower, Me Tri street, My Dinh 1 Ward, Nam Tu Liem District, Hanoi city	Implement tasks assigned/authorized by IDICO in settling legal procedures relating to implementation of IDICO's projects in general and in the North in particular. The branch also directly implements business plans assigned by IDICO
2	IDICO branch Eastern	Nhon Trach I industrial park, Nhon Trach District, Dong Nai Province	Implement tasks assigned/authorized by IDICO in operating and exploiting industrial infrastructure in industrial parks of which IDICO is the investor.

2. List of subsidiary and associated companies

LIST OF SUBSIDIARY COMPANIES

As of 30 June 2017

Unit: VND

No	Name	Charter capital (VND)	Contributed capital of IDICO (par value)	Ownership ratio of IDICO
1	IDICO Urban and Industrial Zone Development Co., Ltd.	150,000,000,000	150,000,000,000	100.00%
2	IDICO Construction Company Limited	50,000,000,000	50,000,000,000	100.00%
3	Construction Investment Joint Stock Company No. 10	35,000,000,000	33,890,000,000	96.83%
4	IDICO Material Development and	35,000,000,000	28,680,000,000	81.94%

No	Name	Charter capital (VND)	Contributed capital of IDICO (par value)	Ownership ratio of IDICO
	Construction Investment Joint Stock Company			
5	IDICO Infrastructure Development Investment Joint Stock Company	249,492,000,000	93,559,500,000	67.50% (*)
6	Que Vo IDICO Urban and Industrial Zone Development Investment Joint Stock Company	80,000,000,000	31,949,200,000	63.26% (*)
7	IDICO Investment Consultancy Joint Stock Company	20,000,000,000	12,080,000,000	60.40%
8	Construction and Natural Gas Joint Stock Company	50,000,000,000	25,500,000,000	51.00%
9	IDICO Long An Investment Construction Joint Stock Company	85,500,000,000	43,605,000,000	51.00%
10	IDICO Srok Phu Mieng Hydropower Joint Stock Company	450,000,000,000	229,500,000,000	51.00%
11	Urban and House Development Investment Joint Stock Company	80,000,000,000	40,800,000,000	51.00%

Source: Audited financial statement of the parent company

(*): Includes ownership ratio of IDICO's subsidiaries

LIST OF ASSOCIATED COMPANIES

As of 30 June 2017

Unit: VND

No	Name	Charter capital (VND)	Contributed capital of IDICO (par value)	Ownership ratio of IDICO
1	Bien Hoa - Vung Tau Expressway Development Joint Stock Company	307,576,000,000	150,712,000,000	49.00%
2	Dak Mi Hydropower Joint Stock Company	1,000,000,000,000	260,000,000,000	26.00%
3	IDICO Machinery Erection Construction Investment Joint Stock Company	55,000,000,000	11,068,910,000	20.13%
4	Phu My Ultra Clear Float Glass Co., Ltd	886,000,000,000	5,000,000,000	30.00% (*)
5	Hai Phong Coastal Investment Joint Stock Company	90,000,000,000	Not yet contributed	25.00%

Source: Audited financial statement of parent company

Note: At the time of approving the enterprise value of IDICO, Mien Trung Corporation - Joint Stock Company (charter capital of VND 450,000,000,000 of which IDICO's ownership ratio was 45.65%) and IDICO - VINACONTROL Construction Verification Joint Stock Company (charter capital of VND 5,000,000,000 of which IDICO's ownership ratio was 30.0%) were associated companies and at the moment IDICO successfully divested its capital at these two companies.

(*) Ownership of charter capital under capital contribution contract

3. Human resources

At the time of announcing enterprise value of IDICO (4 November 2016), total employees of IDICO was 935 people (*including 19 people who are representatives of IDICO's capital at subsidiaries/associated companies*). Labor structure is as follows:

LABOR STRUCTURE

As of 4 November 2016

Classification of employees	Number of employees	%
By type of employment contract	935	100.0%
Not subject to signing employment contract	40	4.3%
Indefinite term	507	54.2%
From 12 months to 36 months	219	23.4%
From 3 months to 12 months	138	14.8%
Employeees were recruited before 30 August 1990 but have not signed employment contracts	31	3.3%
By qualification	935	100.0%
Postgraduate	17	1.8%
Bachelor	298	31.9%
College	33	3.5%
Intermediate	63	6.7%
Technical workers	222	23.8%
Common workers	302	32.3%
By gender	935	100.0%
Male	716	76.6%
Female	219	23.4%
By age	935	100.0%
Below 30 years old	206	22.1%
From 30 to 40 years old	401	42.9%
From 41 to 50 years old	204	21.8%
From 51 to 55 years old	74	7.9%
From 56 to 60 years old	46	4.9%

Classification of employees	Number of employees	%
Over 60 years old	04	0.4%
By departments	935	100.0%
Members' Council, Board of Management, Board of Supervisors, Chief Accountant	11	1.2%
Corporate office	15	1.6%
Human resources department	04	0.4%
Party - Trade Union	03	0.3%
Finance - Accounting department	09	1.0%
Investment department	06	0.6%
Quality engineering department	08	0.9%
Economic planning department	09	1.0%
Management Board of Tan Phu IDICO Apartment Project	09	1.0%
Management Board of Dak Mi 4 Hydropower Project	40	4.3%
Hanoi branch	10	1.1%
Eastern branch	105	11.2%
IDICO - URBIZ	354	37.8%
IDICO - ICC	333	35.6%
Representatives of IDICO's capital at subsidiary/associated companies	19	2.0%

IDICO has qualified and experienced staffs in its core business activities. Employees who have postgraduate and bachelor degree accounting for approximately 34% of total employees. As management team and most officers in specialized departments have postgraduate and bachelor degree, they are very capable and able to quickly respond to economic development and integration. Human resources of IDICO has following strengths:

- Leaders and managers are very keen and creative. They all obtained relevant Bachelor degrees/Postgraduate degrees and have more than 15 years of experience. Moreover, they have taken regular training courses in business management;
- Aging of employees is quite young given more than 65% of staffs are below 40 years old and have been allocated to appropriate departments of IDICO based on their qualification;
- Most employees who are working in specialized departments of IDICO have Bachelor degrees and above. They have been allocated to appropriate departments based on their qualification. Particularly, employees who work at parent company are very experienced (more than five years), able to think logically and solve problems in a scientific and effective manner. Employees who have

Bachelor and Postgraduate degrees accounting for approximately 98% total employees of parent company (only one employee who has college degree is working at parent company);

- Employees having college/intermediate degrees and technical workers accounting for approximately 31% of total employees of IDICO. They mainly involve in logistics, operational support and support workers at factories. Common workers is mainly outsourced/seasonal labor.

- Most employees are engaged and dedicated to IDICO, IDICO-URBIZ and IDICO-ICC (approximately 62% of total employees are working under employment contracts with indefinite term). Employees are also very disciplined.

IV. Main products and services

- **Investment and development of technical infrastructure in industrial parks and transportation infrastructure**

IDICO is a pioneering and professional investor in developing industrial parks in Vietnam.

In 1995, while Vietnam was looking for directions for industrial development, IDICO started to deploy Tuy Ha A industrial park, Nhon Trach District, Dong Nai Province. In 1997, on the basis of Tuy Ha A Industrial Park, the Prime Minister decided to establish Nhon Trach I Industrial Zone, Nhon Trach District, Dong Nai Province.

Nhon Trach I industrial park (382 ha) is the foundation and typical industrial park of IDICO as well as in Vietnam. Based on experience accumulated in developing Nhon Trach I industrial park, IDICO has continued to invest and develop many other industrial parks.

At the moment, IDICO is investing and developing 13 industrial parks nationwide with the total area of 5,000 ha and total investment capital of approximately VND13,000bn. These industrial parks are located in Vietnam's key economic regions such as Dong Nai, Ba Ria - Vung Tau, Long An, Vinh Phuc, Bac Ninh, Binh Thuan, Hanoi and Thai Binh, etc. These industrial parks have attracted hundreds of domestic and foreign investors to build factories with a total investment of billions of US dollars and have created hundreds of thousands of jobs.

- ✓ My Xuan A (302 ha), My Xuan B1 (227 ha), Phu My II (621 ha) and expanded Phu My II (403 ha) industrial parks in Tan Thanh District, Ba Ria - Vung Tau Province. These are favorable industrial parks in terms of electricity supply, especially LPG and close location to international ports, which is very convenient for sea transportation and thus suitable to heavy industry development projects.

- ✓ Northern industrial parks such as Que Vo - Bac Ninh Province (269 ha), Kim Hoa - Vinh Phuc Province (50 ha), Cau Nghin - Thai Binh Province (184 ha) are located in the quadrangular economic zone in the north of Vietnam which is close to the national highway. Therefore, these industrial parks facilitate smooth traffic flow and movements of goods within the industrial parks.

- ✓ Until now, technical infrastructure of most of the industrial parks invested by IDICO were completed to meet the demand for land lease and provide a full range of utility services such as electricity supply and water supply, rainwater drainage system, wastewater treatment, green area for domestic and foreign investors from Korea, Switzerland, Taiwan, Singapore, Japan, France, Malaysia, Spain, etc. These projects have contributed to create hundreds of thousands of jobs, generating significant revenue for the State budget;

✓ Nhon Trach I, Nhon Trach 5 (309 ha) industrial parks located in Nhon Trach District, Dong Nai Province are centered in the southern key economic zone "Ho Chi Minh City - Bien Hoa - Ba Ria Vung Tau" which is 60 km from Ho Chi Minh City, 40 km from Bien Hoa City, 60 km from Vung Tau City and close to National Highway 51. Furthermore, Bien Hoa - Vung Tau Expressway which is under construction will enable convenient transportation. Flat terrain, stable and strong soil in these industrial parks has considerably reduced construction costs. There are also synchronous infrastructure services such as power supply, water supply, rainwater drainage, wastewater treatment, green areas, etc.

LIST OF INDUSTRIAL PARK PROJECTS

No	Name	Location	Area (ha)	Year of investment	Year of use	Total investment amount (VNDbn)	Occupancy rate (%)	Infrastructure
1	Nhon Trach I industrial park (IDICO-URBIZ is the investor)	Dong Nai	382	1997	1998	458	100	Completed infrastructure system including roads and sewage system, wastewater treatment plant, trees, lighting system, service center, etc. Distance to adjacent ports: Phuoc An (10 km), Go Dau (15 km), Phu My (22 km)
2	Nhon Trach V industrial park (IDICO-CONAC is the investor)	Dong Nai	309	2004	2004	329	100	Completed infrastructure system including roads and sewage system, wastewater treatment plant, trees, lighting system, service center, etc. Distance to adjacent ports: Phuoc An (12 km), Go Dau (13 km), Phu My (20 km)
3	My Xuan B1 industrial park (IDICO-CONAC is the investor)	Ba Ria - Vung Tau	227	2002	2002	544	87	Completed infrastructure system including roads and sewage system, wastewater treatment plants, trees, lighting system. Distance to adjacent ports: Thi Vai (10 km), PTSC Phu My (5 km), Phu My (7 km), Vung Tau (35 km)
4	My Xuan A industrial park (IDICO is the investor)	Ba Ria - Vung Tau	302	1997	2000	342	99	Completed infrastructure system including roads and sewage system, wastewater treatment plant, trees, lighting system, etc. Distance to adjacent ports: My Xuan (0 km), Go Dau (2 km), Phu My (10 km)
5	Phu My II industrial park (IDICO is the investor)	Ba Ria - Vung Tau	621	2006	2006	1,601	74	Completed infrastructure system including roads and sewage systems, wastewater treatment plant, trees, lighting systems, etc. Distance to adjacent ports: Thi Vai (1 km), PTSC Phu

No	Name	Location	Area (ha)	Year of investment	Year of use	Total investment amount (VNDbn)	Occupancy rate (%)	Infrastructure
								My (2 km), Phu My (2 km), Vung Tau (35 km)
6	Expanded Phu My II industrial park (IDICO is the investor)	Ba Ria - Vung Tau	403	2010	2016	1,142	15	Completed infrastructure system including roads and sewage system, wastewater treatment plant, trees, lighting system, service center, etc. Distance to adjacent ports: Thi Vai (1 km), PTSC Phu My (2 km), Phu My (2 km), Vung Tau (35 km)
7	Huu Thanh industrial park (IDICO is the investor)	Long An	524	2015	-	2,463	-	Land clearance compensation. Investment in infrastructure has not been started yet
8	Que Vo II industrial park (phase 1) (IDICO-QUEVO is the investor)	Bac Ninh	269	2008	2010	1,480	24	Currently investing in infrastructure following a successive method. Distance to adjacent ports: Cai Lan, Quang Ninh (90 km), Hai Phong (90 km)
9	Kim Hoa industrial park (phase 1) (IDICO-URBIZ is the investor)	Vinh Phuc	50	2003	2006	252	100	Completed infrastructure system including roads and sewage system, wastewater treatment plant, trees, lighting system, etc. Distance to adjacent ports: Cai Lan, Quang Ninh (130 km), Hai Phong (120 km)
10	Cau Nghin industrial park (IDICO is the investor)	Thai Binh	184	2010	2012	706	-	Currently investing in infrastructure following a successive method. Distance to adjacent ports: Hai Phong (40 km). Currently IDICO is the investor of this project.
11	Son My 1 industrial park (*) - IDICO is the investor	Binh Thuan	1,070	2010	-	2,295	-	Project suspension. IDICO is implementing necessary procedures to transfer the project to other investors
12	Son My 2 industrial park (*) - IDICO-UDICO is the investor	Binh Thuan	540	-	-	866	-	Project suspension. IDICO is implementing necessary procedures to transfer the project to other investors

No	Name	Location	Area (ha)	Year of investment	Year of use	Total investment amount (VNDbn)	Occupancy rate (%)	Infrastructure
13	The Ky industrial park (*) - IDICO is the investor	Long An	120	2015	-	578	-	Relevant authorities of Long An Province decided to withdraw this project
Total			5,001			13,056		

(*): Son My 1 industrial parks: the project is no longer effective and feasible due to decreasing scale to 1,070 ha (separation of land area of BOT projects: Son My Electricity Center and storage, LNG port), high compensation & clearance cost and investment attraction in the area is not favorable, etc. Accordingly, IDICO stopped the project and is looking for potential investors to transfer the project. Relevant authorities of Binh Thuan Province had appraisal in accordance with current procedures; (*): The Ky industrial park (Long An province): People's Committee of Long An province decided to withdraw this project. Therefore, after IDICO is converted to joint stock company, IDICO will finalize these projects in accordance with current regulations to determine increasing amount in state capital. Such amount (if any) will be transferred by IDICO to Arrangement & Business Development Fund in accordance with provisions of Decree 59/2011/ND-CP before conversion from state-owned company into joint stock company. (*): Son My 2 industrial park was invested by IDICO-UDICO (IDICO's ownership ratio is 51%) but has not been licensed yet.

▪ Investment, production and trading of electricity

Thanks to investment in industrial parks, IDICO has obtained sufficient financial capability, human resources and construction experience to step into investment and development of hydropower projects, transportation and has created its own brand name in this field. Electricity development is currently IDICO's second key business lines after investment of industrial parks. Currently, IDICO has been investing, building and managing the operation of hydropower projects and transportation nationwide such as:

- 04 hydropower projects with total capacity of 322 MW and total investment capital of VND7,640 bn, among which:

+ Srok Phu Mieng project, with capacity of 51 MW, generated power in 2006 with average annual output of 228 - 276 million kWh. The project was invested by IDICO Srok Phu Mieng Hydropower Joint Stock Company (IDICO holds 51% stake).

+ The Dak Mi 4 Hydropower Project (A, B), Quang Nam Province, with a capacity of 190 MW generated the first commercial electricity unit on 17 January 2012 and the last one on April 10, 2012 and the whole project was put into operation on 2 July 2012 with an average annual output of about 750 million kWh. The project was invested by IDICO.

+ And Dak Mi Hydropower Project 4C located in Quang Nam province, with a capacity of 18 MW, generated the first and last commercial unit on 20 October 2012 and 31 December 2012. The project, invested by IDICO, was put into operation on 14 March 2013 with annual output of about 57 million kWh.

Approved by the Prime Minister in Document No. 7416/VPCP-KTTH dated 23 September 2014 and Decision No 1320/QD-BXD on 31 October 2014 of the Minister of Ministry of Construction approving the transfer plan to transfer assets constructed from Dak Mi 4 Hydropower Project (A, B) and Dak Mi 4C Hydropower Plant from IDICO to Dak Mi Hydropower Joint Stock Company (Dak Mi JSC).

On 25 December 2014, IDICO and Dak Mi JSC signed the contract No 25/HDCN-TCT relating to the transfer of Dak Mi 4 and Dak Mi 4C hydropower plants as the basis for implementing the transfer under the transfer plan (the transfer price will be made by decision of the competent authority).

On the basis of the report on valuation of assets formed from the investment in Dak Mi 4 and Dak Mi 4C hydropower projects on 8 October 2015 by the State Audit of Vietnam, the Minister of Ministry of Construction issued Decision No 90/QD-BXD dated 1 February 2016 approving the results of valuation of assets formed from investment in Dak Mi 4 and Dak Mi 4C hydropower projects as a basis for IDICO to negotiate the transfer price with Dak Mi Hydropower JSC.

On 3 February 2016, IDICO and Dak Mi JSC have signed an Asset Transfer Agreement with the transfer price of VND 5,878,185,037,190. Currently Dak Mi JSC has made full payment to IDICO.

Dak Mi Hydropower Joint Stock Company (IDICO owns 26% of charter capital) is the owner and operator of two projects which are Dak Mi 4 (A, B) and 4C.

+ Dak Mi 3 project in Quang Nam Province, with capacity of 63 MW. The project generated power in June, 2017. The project was invested by IDICO.

✓ Hydropower projects invested by IDICO have not only provided electricity to ensure energy security for the country but also ensured water for production and living conditions of local people. These projects support the development of fishing industry, tourism and transportation through creating more jobs, increasing the state budget and improve the living standards. They also helps to achieve the government's goals on socio-economic development in remote deep-lying and special difficulty-stricken areas;

✓ According to its development orientation, IDICO will continue to enhance its capacity and experience in investing and developing new electrical energy projects in Vietnam.

LIST OF HYDROPOWER PLANTS

Name	Location	Capacity	Total investment amount (VNDbn)	Year of construction	Year of electricity generation
Srok Phu Mieng hydropower plant - IDICO-SHP is the investor (IDICO holds 51% stake)	Binh Phuoc	51 MW	1,048	2003	2006
Dak Mi 4A, B hydropower plant (*)	Quang Nam	190 MW	4,547	2007	2012
Dak Mi 4C hydropower plant (*)	Quang Nam	18 MW	419	2008	2012
Dak Mi 3 hydropower plant	Quang Nam	63 MW	1,626	2013	2017
Total		322 MW	7,640		

(*): Shares were transferred to Dak Mi Hydropower Joint Stock Company

▪ Investment in transportation

From 2008 to 2015, IDICO has invested, constructed and completed four traffic projects with a total investment amount of VND8,802bn. These projects have contributed significantly to improve transportation infrastructure.

✓ National Highway 2 (Noi Bai - Vinh Yen route) (BOT project) was completed and put into operation. This project helps to meet increasing demand on this route. The project was invested by National Road No 2 BOT Joint Stock Company (IDICO-URBIZ holds 14.37% stake).

✓ Expansion of National Highway 51 (Bien Hoa - Vung Tau) (BOT project) was completed and put into operation in August 2012. This project helps to meet increasing demand on this route. The project was invested by Bien Hoa - Vung Tau Expressway Development Joint Stock Company (IDICO holds 49% stake).

✓ Construction of additional works for National Highway 1A (An Lac - An Suong route) (BOT project) was completed and put into operation on 30 August 2013. The project was invested by IDICO Infrastructure Development Investment Joint Stock Company (IDICO holds 47.50% stake).

✓ Construction of additional interchange at National Highway 1 - Road 2 was implemented in 2014 and completed in 2015. The project was invested by IDICO.

✓ Construction of interchange at Go May (BOT project) was implemented in 2016 and completed in May, 2017. The project was invested by IDICO Infrastructure Development Investment Joint Stock Company.

✓ Expansion of National Highway 1 (An Lac to the border of Long An Province and Ho Chi Minh City) (BOT project) was implemented in 2016 and is expected to be completed in 2017. The project was invested by IDICO Infrastructure Development Investment Joint Stock Company.

✓ Construction of coastal road through Hai Phong City and 09 km through Thai Binh Province in the form of public-private partnership (PPP). The project was invested by IDICO, Construction Corporation No. 1 (CC1), Bui Vu Investment and Construction Joint Stock Company and Civil Engineering Construction Corporation No. 9 (Cienco 9). The project will be implemented in 2017 and is expected to be completed by 2020.

LIST OF TRANSPORTATION BOT PROJECTS

Name	Project scale	Total investment amount (VNDbn)	Location
National Highway 2 (Noi Bai - Vinh Yen route) (BOT project). National Road No 2 BOT Joint Stock Company is the investor (IDICO-URBIZ holds 14.37% stake)	22 Km with 4 lanes	755	Hanoi - Vinh Phuc
Expansion of National Highway 51 (BOT project) - Bien Hoa - Vung Tau Expressway Development Joint Stock Company is the investor (IDICO holds 49% stake)	72 Km	3,971	Dong Nai - Vung Tau
Upgrade of National Highway 1A (An Suong - An Lac route) (BOT project) - IDICO Infrastructure Development Investment Joint Stock Company is the investor (IDICO holds 47.50% stake)	Grade III, the allowable speed of 60km/h	812	Ho Chi Minh City

Name	Project scale	Total investment amount (VNDbn)	Location
Construction of additional interchange at National Highway 1 - Road 2 (BOT project) - IDICO Infrastructure Development Investment Joint Stock Company is the investor (IDICO holds 47.50% stake)	Grade III, the allowable speed of 60km/h	740	Ho Chi Minh City
Construction of Go May interchange (National Highway 1 - Le Trong Tan - Nguyen Thi Tu) (BOT project) - IDICO Infrastructure Development Investment Joint Stock Company is the investor (IDICO holds 47.50% stake)	Grade III, the allowable speed of 80km/h	535	Ho Chi Minh City
Expansion of National Highway 1 (An Lac to the border of Long An Province and Ho Chi Minh City) (BOT project) - IDICO Infrastructure Development Investment Joint Stock Company is the investor (IDICO holds 47.50% stake)	Grade III, the allowable speed of 80km/h	1,989	Ho Chi Minh City
Construction of coastal road through Hai Phong City and 09 km through Thai Binh Province - Hai Phong Coastal Investment Joint Stock Company (IDICO will hold 25% stake)	Grade III, the allowable speed of 80km/h to 100km/h	3,460	Hai Phong City, Thai Binh Province
Total		12,262	

▪ Construction

Currently construction services have been implemented by IDICO's subsidiaries with specialized construction experience:

- IDICO-URBIZ has the charter capital of VND150bn (wholly owned by IDICO). IDICO-URBIZ is the main company of IDICO in investing and developing projects in industrial park sector, transportation sector (BOT project), housing sector, and infrastructure in industrial parks. Typical projects include Nhon Trach I industrial park, Kim Hoa industrial park, National Highway 1A (An Suong - An Lac route) (BOT project), National Highway 2 (Noi Bai - Vinh Yen route) (BOT project), etc

- IDICO-ICC has the charter capital of VND50bn (wholly owned by IDICO). With its capabilities and experience in undertaking large-scale and complicated projects, IDICO-ICC is the main company of IDICO in construction sector. IDICO constructed many large and difficult projects such as Srok Phu Mieng hydropower plant, Dak Mi 4 hydropower plant; Phuoc Hoa water channel system from Tay Ninh - Ho Chi Minh - Long An, etc.

- IDICO-CONAC has the charter capital of VND50bn (51% owned by IDICO) and operates mainly in investment, civil & industrial construction and construction of infrastructure in industrial parks. The company currently manages and operates My Xuan B1 industrial park at Ba Ria - Vung Tau Province with a total area of 226 ha;

- IDICO-LINCO has the charter capital of VND85.5bn (51% owned by IDICO) and operates mainly in investment, construction of infrastructure in industrial parks and urban areas. The company located in the South West of Vietnam has executed many key projects in

Long An Province. The company has been implementing the 30.7 ha residential area at Ward 6, Tan An city, Long An Province;

- IDICO-UDICO has the charter capital of VND80bn (51% owned by IDICO) and operates mainly in housing development, construction and infrastructure services in industrial parks. IDICO is a supplier of electricity and clean water to industrial parks in Dong Nai Province;

- IDICO-IDI has the charter capital of VND249.492bn (67.5% owned by IDICO), operates mainly in transportation, urban technical infrastructure and construction. The company located in Ho Chi Minh City has currently operated National Highway 1 (An Suong - An Lac route) (BOT project) and other urban technical infrastructure investment projects in Ho Chi Minh City.

Human resources: At the moment, IDICO is managing a team of skilled staffs and engineers with many years of experience in construction and construction management. The remaining staffs include technicians and skilled workers in constructions and mechanics.

Machinery and equipment: IDICO owns a large number of vehicles and machinery to construct and deliver high-quality works such as technical infrastructure, transportation works, industrial and civil construction works, electrical works (thermal power, hydropower) and irrigation works.

Experience in construction: IDICO has extensive experience in civil, industrial, transportation, irrigation, hydropower and electricity-water construction. Over last few years, IDICO's subsidiary companies have constructed many large and complicated projects.

Development strategy of IDICO relating to construction services: IDICO has gradually improved capability of skilled staffs with high professionalism, ability to perform masterly and accurately many types of construction in order to meet the diversity and complexity and high aesthetic requirements of construction works in the future. IDICO also focuses on building a synchronous and flexible force of vehicles and machinery in order to meet the demand of industrial and urban infrastructure construction, as well as construction of high-rise buildings and other demands. IDICO's main goal in construction sector is to become a strong corporation in terms of human resources, good financial health, well-oiled and cutting-edge machinery and equipment with a goal to become a main contractor of large and complex projects with high competitiveness. IDICO aims to achieve strong growth rate of construction value which is at least 10%/year.

At the moment, IDICO is able to implement construction and installation works in following forms: construction contractor, Engineering - Procurement - Construction (EPC) and turnkey contractor.

LIST OF TYPICAL COMPLETED CONSTRUCTION WORKS

Name	Total contract value (VNDbn)
I. Civil works	
I.1 Housing projects	
Apartment in Hoa An - Bien Hoa (IDICO-UDICO is the investor; IDICO holds 51% stake)	216
Residential area at Ward 6, Tan An City (IDICO-LINCO is the investor; IDICO holds 51% stake)	810

Name	Total contract value (VNDbn)
Residential area in An Hoa Ward, Bien Hoa (IDICO-URBIZ is the investor; IDICO holds 100% stake)	272
Workers' housing in Nhon Trach industrial park (IDICO-URBIZ is the investor; IDICO holds 100% stake)	864
Tan Phu IDICO Apartment (IDICO is the investor)	635
I.2 Civic works	
Tang Bat Ho A High School, District 4, HCMC	21
Can Duoc - Long An hospital	41
Dormitory of Quang Nam College of Economics and Technology	39
Children's home of Long An Province	29
Offices, specialists' dormitories, internal roads and drainage system, electrical and fire protection system, garage and park.	160
II. Industrial works	
II.1 Energy works	
Srok Phu Mieng hydropower plant	472
Dak Mi 4, 4C hydropower plant	1,893
Dak Mi 3 hydropower plant	441
Relocation of medium and low voltage and substation at National Highway 1A (alternative road to avoid Bien Hoa city)	14
Substation 1600+2500kVA providing electricity to Center Power Tech company	13
Substation 2x2000kVA providing electricity to YKK Vietnam Co, Ltd	10
Low Voltage Power System at Long Thai Tu Company	40
II.2 Other industrial works	
Construction of remaining items at Ha Tien 2 cement grinding station - Long An Province	77
Construction of clinker production line - Binh Phuoc cement plant	265
Construction of clinker production line - Ha Tien cement plant	136
DSCM - Vietnam Textile Factory - Nhon Trach 1 industrial park	168
Pomina Steel Rolling Mill - Pomina Steel Joint Stock Company	43

Name	Total contract value (VNDbn)
Construction of Dang Tu Ky leather plant	186
Construction of Ton Hoa Sen plant	102
Global Vietnam Aluminium plant	64
III. Infrastructure works	
Leveling ground of hydropower plant at Kien Luong Town, Kien Giang Province	68
Construction of infrastructure of Long Duc industrial park	178
Construction of infrastructure, leveling ground at Long Duc industrial park	112
Construction of infrastructure, leveling ground at Nhon Trach 5 industrial park	171
Construction of infrastructure, leveling ground at My Xuan A industrial park	77
Construction of infrastructure, leveling ground at Phu My II industrial park	337
Construction of infrastructure, leveling ground at Phu My II industrial park (expanded area)	238
IV. Transportation works	
Expansion of National Highway 51 (BOT project) (Bien Hoa - Vung Tau)	663
Construction of additional interchange at National Highway 1 - Road 2 (BOT project)	740
Channel and construction works on N3 Channel	69
Steel overpass at interchange at 3/2 street - Ly Thai To street, HCMC	120
Overpass at National Highway 1A, Provincial road 10B, HCMC	60
Construction Package No. 5, 6 - National Highway 1, alternative road at Bien Hoa, Dong Nai Province	90
Steel overpass at interchange at Nguyen Tri Phuong street - 3/2 street - Ly Thai To street, HCMC	62
Expansion of road 60, Hoc Mon Town	75
Expansion of National Highway 1 (Tan An city, Long An Province)	106
V. Agricultural & rural works	
Construction of canal and works on canal of Phuoc Hoa Irrigation Project - Phase 2	77

▪ **Investment and trading of residential houses**

Currently, IDICO and its affiliates have been investing in many residential and urban projects in Vietnam, especially in southern regions.

Residential and urban projects invested by IDICO are well designed in a modern, complete and self-contained manner with technical and social infrastructure, parks, public and

commercial services and residential condominiums in accordance with the standards of a model urban city in order to attract people to reside and create a modern civilized lifestyle.

In the future, IDICO will continue to focus on investing and developing residential and urban projects as one of its key activities because this sector has not only been profitable for IDICO but also created more jobs for other auxiliary sectors such as construction, industrial manufacturing, construction materials, etc.

With the orientation to become one of the leading companies in real estate in Vietnam, IDICO will continue to consolidate and develop its subsidiary companies. Besides, IDICO aims to diversify its real estate business by establishing business units which specialize in real estate trading services.

Typical projects of IDICO in housing development sector:

✓ Tan Phu IDICO Apartment is located at Luy Ban Bich street, Hoa Thanh Ward, Tan Phu District, Ho Chi Minh City with an area of 9,386.4 sqm, 3 blocks, 19 - 21 floors and 741 apartments. The project was invested by IDICO.

✓ Workers' housing in Nhon Trach Industrial Park has an area of 100,284 sqm with 27 blocks, 3,520 apartments each with area of 30 - 65 sqm. The project was invested by IDICO Urban and Industrial Zone Development Co., Ltd. (IDICO holds 100% stake)

✓ An Hoa - Long Thanh - Dong Nai Residential Area has an area of 39,116.8 sqm with 82 terraced houses, 19 villas, 2 blocks of 12-storey apartment. The project was invested by IDICO Urban and Industrial Zone Development Co., Ltd. (IDICO holds 100% stake).

✓ Hiep Phuoc - Nhon Trach - Dong Nai Apartment is located in Hiep Phuoc residential area with an area of 5.3 ha. It includes 02 apartment buildings with closed design and open landscape, high security for workers and specialists working in Nhon Trach industrial park. The project was invested by Urban and House Development Investment Joint Stock Company (IDICO holds 51% stake).

✓ Apartment located at National Highway 1K - Bien Hoa - Dong Nai with an area of 7.03 ha, including 04 five-storey apartment No.1 (296 apartments), 05 5-storey apartment No. 2 (160 apartments), 02 12-storey apartment (176 apartments), 24 villas, terraced house No. 1 (88 houses) and terraced house No. 2 (28 houses). The project was invested by Urban and House Development Investment Joint Stock Company (IDICO holds 51% stake).

✓ Residential area located at Ward 6, Tan An City, Long An Province with an area of 30.5 ha of which business area is 15.6 ha including two blocks of 12-storey apartment (500 apartments), 505 terraced houses and resettlement area (325 houses). The project was invested by IDICO Long An Investment Construction Joint Stock Company (IDICO holds 51% stake).

Typical projects in building materials sector:

✓ Project: Investment and construction of a ultra clear float glass production line with capacity of 600 tons/day (construction site: Phu My II expanded area, Tan Thanh District, Ba Ria - Vung Tau Province). The project was invested by Phu My Ultra Clear Float Glass Co., Ltd (charter capital of VND886bn).

✓ Shareholders of Phu My Ultra Clear Float Glass Co., Ltd are Viglacera Corporation - JSC (holds 35% charter capital), Khai Thinh Science and Technology Corporation (CTIEC, China, holds 35% charter capital) and IDICO (holds 35% charter capital).

✓ From Q3, 2017 to 2018, Phu My Ultra Clear Float Glass Co., Ltd aim to complete phase 1 with construction area of 150,000 sqm and total investment amount of VND2,423bn.

LIST OF URBAN HOUSE PROJECTS

Name	Project scale	Total investment amount (VNDbn)	Location	Year in use	No. of apartments/houses/lands
Tan Phu IDICO Apartment	9,386.4 sqm	699	HCMC	2016	741
Workers' housing in Nhon Trach Industrial Park	10.2 ha	819	Dong Nai	2013	3,520
Residential area at National Highway 1K	7.03 ha	216	Dong Nai	2020	772
Residential area at National Highway 1K (Expanded area)	8.4 ha	148	Dong Nai	2010	235
An Hoa residential area	3.9 ha	272	Dong Nai	2010	101
Residential area located at Ward 6, Tan An City	30.5 ha	810	Long An	2013	1,330
Hiep Phuoc - Nhon Trach - Dong Nai Apartment	5.3 ha	50	Dong Nai	2020	170

V. Human resources at joint stock company
a. Organization structure of joint stock company

Organizational structure of IDICO post equitization is based on the basis of consolidation, reorganization of its subsidiary companies and rearrangement of functional departments in the following orientation:

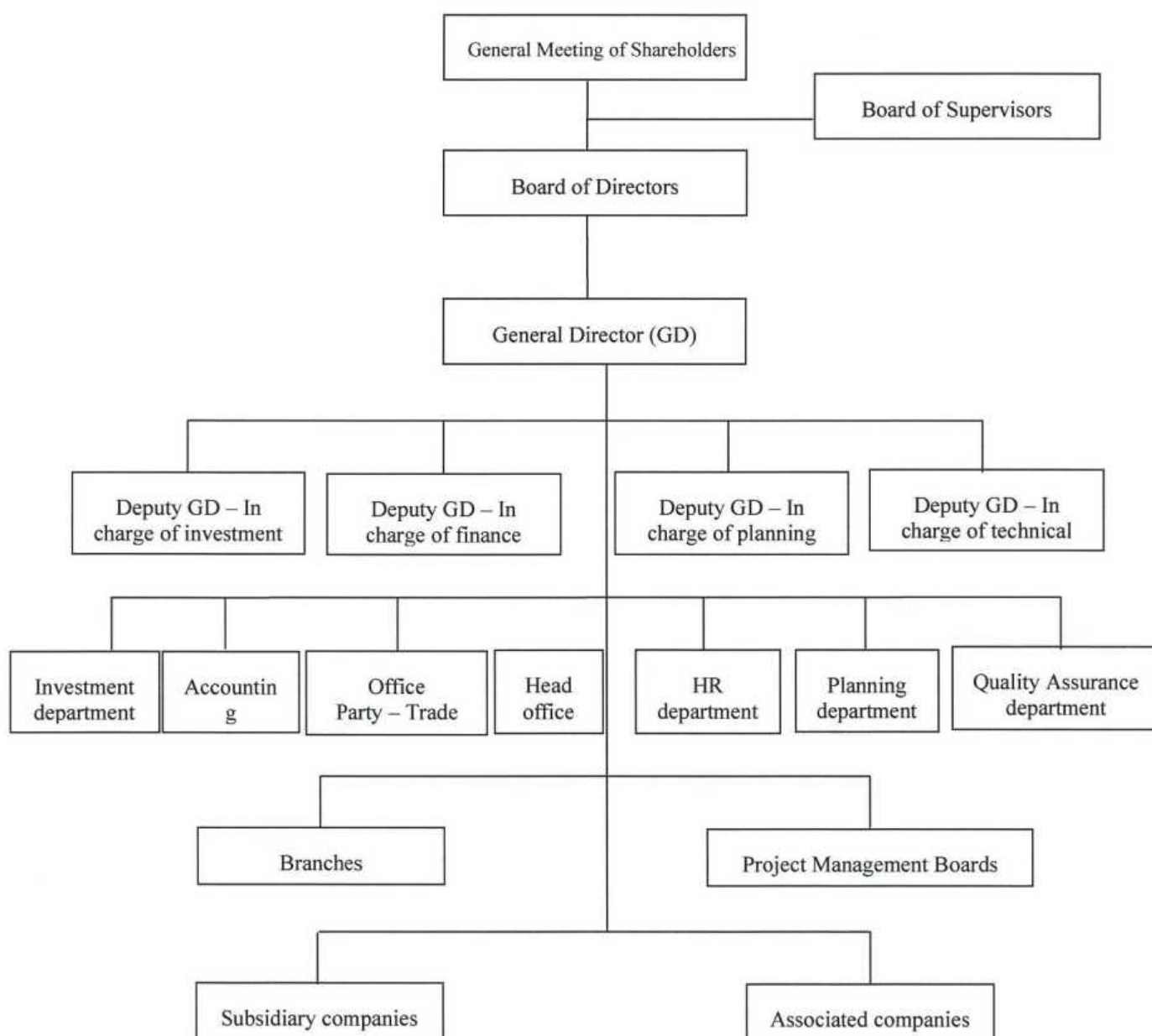
- Apply corporate governance model in the form of a large-scale public company being structured in accordance with the development strategies of the company
- The organizational structure is associated with IDICO's business objectives such as effective business operation, strengthening control and risk management and increasing synergies among its subsidiary companies with IDICO. The allocation of resources to achieve operational objectives is based on creation of independence and initiative for the front office, establishment of a new risk control committee (middle office) and proper arrangement of the back office
- The organizational structure is decentralized to professional functions and clear responsibilities for each functional department. The centralized organization should enhance the efficient operation of the business and minimize operating costs. The functional departments actively coordinate and jointly solve assigned tasks which will help to contribute to the overall efficiency of IDICO post equitization
- Ensure the balance between the authority and responsibility among departments in the structure of IDICO;

- Ensure a flexible organizational structure in order to cope with changes in the external environment. The systematic internal operation system is designed to promptly make decisions and timely respond to organizational change

- Arrange and rearrange subsidiary companies as subsidiaries and associated companies in order to maximize capacity and limit internal competition.

Based on IDICO's current organizational structure, in order to simultaneously implement the restructuring plan as one of the objectives of the equitization plan and stabilize business activities in line with human resources plan of IDICO post equitization, the structure of IDICO post equitization is shown in the following diagram:

ORGANIZATIONAL STRUCTURE OF IDICO POST EQUITIZATION



IDICO's organizational structure post equitization includes:

- **General Meeting of Shareholders:** is the highest authority of a joint stock company.
- **Board of Directors:** is the management body of a company and has full authority in the name of a company to decide and exercise rights and obligations of a company not under the authority of the General Meeting of Shareholders.
- **Board of Supervisors:** is elected by the General Meeting of Shareholders, which acts as a representative of shareholders to control all business, management and operation of a company.
- **General Director** is the person who runs the day-to-day business of a company under supervision of the Board of Supervisors and is responsible to the Board of Directors and the law for exercising rights and assigned tasks. There are also Deputy General Directors who are in charge of specific business lines and are responsible to the General Director and before the law.
- **Specialized functional divisions:** 10 specialized functional divisions which properly perform functions according to their assigned tasks on the basis of inheriting professional divisions in the current organizational chart.

- Corporate Office

- **Functions:** is the department supporting the implementation of decisions issued by the General Director through advising, synthesizing information and organizing the coordination between departments and subsidiary/associated companies of the parent company.

- **Responsibility:**

- + Being the contact point with relevant authorities and partners under the direction of the General Director;

- + Implement regulations on clerical work, archives, confidentiality, management of incoming & outgoing documents and property management;

- + Manage facilities, means of transport, working conditions, security, fire and explosion prevention;

- + Organize meetings and welcome guests of Board of Management;

- + System management, application of management system conforming to ISO 9001-2015.

- Investment department

- **Function:** Advise and assist the General Director in searching, developing and managing investment projects in Vietnam and foreign countries.

- **Responsibility:**

- + Implement necessary procedures for applying for investment orientation, investment license and necessary procedures for new investment projects;

- + Monitor the implementation of investment projects of the parent company and its subsidiary companies;

- + Attract investors to industrial parks managed by the parent company and its subsidiary companies;

- + Intranet system administration;

+ Coordinate with authorities of industrial parks of IDICO to supervise and manage operation of enterprises in industrial parks and participate in solving issues related to procedures and paperworks for investors, etc.

- Finance & Accounting department

▪ Function: Advise and assist Board of Management in organizing, managing and supervising finance and accounting of the parent company.

▪ Responsibility:

+ Organize accounting system and economic information system of the parent company to meet requirements of financial reporting and economic information in accordance with regulations of relevant authorities;

+ Propose solutions to meet management requirements, formulate policies on mobilization and effectively use financial resources of the parent company;

+ Inspect and supervise financial situation, situation of mobilization and use of capital and external investment outside the parent company and subsidiary companies;

+ Inspect and supervise financial revenue and expenditures, obligations to collect/pay debt, management & use of assets, sources of asset formation; detect and prevent unlawful acts relating to finance and accounting, etc

- Party - Trade Union department

▪ Function: Advise and assist the Party Committee of the parent company, the Executive Committee of the Trade Union to manage daily operation, collect information and prepare reports for leadership and direction of the Party Committee, the Standing Committee and the Executive Committee of the Trade Union.

▪ Responsibility:

+ Implement resolutions and tasks assigned by the Party Committee and other superior Party Committees;

+ Implement regular activities and work program of Trade Union according to functions, resolutions and directives of Vietnam General Confederation of Labor and the Trade Union of the construction industry;

+ Prepare contents and programs for meetings and conferences of the Standing Committee, the Executive Committee of the Trade Union and the Youth Union;

+ Make periodical and extraordinary reports in accordance with regulations of Party and Trade Union;

+ Handle administrative tasks of the Party, the Trade Union and the Youth Union, etc

- Human resources department

▪ Function: Advise and assist Board of Management in managing following scope of work: production, employees' related issues, salary, inspection and national security.

▪ Responsibility:

+ Prepare scheme for arranging, rotating and training for employees;

+ Handle procedures relating to recruitment, promotion, appointment, reappointment, employee dispatch and implementation of salary, social insurance and health insurance regimes, etc

- + Set and manage labor norms, wage unit price and salary fund of the parent company and subsidiary companies in accordance with current regulations;

- + Monitor and propose representatives of the parent company's capital at enterprises;

- + Implement emulation and commendation work of the parent company; change in organizational culture and business arrangements, etc

- **Economic planning department**

- Function: Advise and assist Board of Management in managing economic and planning issues.

- Responsibility:

- + Mainly organize construction activities and manage cost norms, unit price, verify, appraise and finalize investment costs of projects invested by the parent company;

- + Manage costs in investment & construction process;

- + Prepare and negotiate draft economic contracts;

- + Research & develop market and search for new opportunities,

- + Prepare short-term and long-term business plans;

- + Periodically and extraordinarily report and assess implementation of business goals in accordance with regulations of the parent company, etc

- **Quality Assurance department**

- Function: Advise and assist Board of Management in managing following scope of work: technical issues, quality of construction, progress, labor safety and environmental management at construction sites.

- Responsibility:

- + Manage quality, progress and product quality in construction;

- + Build a quality management system which is suitable to requirements, nature and scale of construction works in accordance with current regulations;

- + Manage machinery of the parent company and its subsidiary companies;

- + In charge of examining and evaluating survey dossiers;

- + Implement bidding process, payment and finalize investment costs; ensure labor safety, occupational safety and health, environmental management and prevent natural disasters such as storms, floods, etc

- **Management Board of Dak Mi 4 hydropower project**

- Function: Acts on behalf of the parent company, Management Board of Dak Mi 4 hydropower project manages implementation of Dak Mi 4, Dak Mi 4C and Dak Mi 3 hydropower projects from investment, construction to completion and put into operation.

- Responsibility:

- + Implement procedures for land assignment, obtaining construction permit, preparing construction sites and other works relating to construction;

- + Prepare design dossiers, prepare bill of quantity for construction works for evaluation and approval of investors in accordance with relevant regulations;

- + Prepare dossier of bid invitation, organize bidding process, evaluate bid, select and submit list of successful bidders to relevant authorities for approval, negotiate, sign contracts with contractors under authorization from investors;

- + Inspection, payment, finalization of construction volumes in accordance with signed contracts;

- + Manage quality, volume, progress, construction costs, safety and environmental sanitation, inspection and handover of construction works, etc

- + Make reports on finalization of construction cost for completed projects and propose to the parent company for approval.

- Management Board of Tan Phu IDICO Apartment

- Function: Acts as a representative of the investor to implement investment procedures and technical management, quality, volume and procedures relating to payment and finalization of investment cost. The project is located at 262/13-262/15 Luy Ban Bich street, Hoa Thanh Ward, Tan Phu District, Ho Chi Minh City.

- Responsibility: Manages investment, construction and is responsible before IDICO and Vietnamese law on the result of implementation of Tan Phu IDICO Apartment located at 262/13-262/15 Luy Ban Bich street, Hoa Thanh Ward, Tan Phu District, Ho Chi Minh City from preparation stage, investment stage, completion stage to exploitation stage.

- Management Board of industrial parks of IDICO

- Function: Acts as a representative of IDICO to manage, invest and construct industrial parks invested by IDICO from investment stage, completion stage to exploitation stage and hand over to operational company according to regulations of IDICO.

- Responsibility:

- + Is responsible before IDICO and Vietnamese law on managing projects from investment stage, completion of construction and exploitation stage. Regularly reports to IDICO on the progress, volume, quality, technique, fine art of works and labor safety according to regulations of IDICO;

- + Implement necessary procedures for seeking investment orientation, obtaining investment licenses and other procedures for new projects invested by IDICO including application for investment certificates, application for decision to establish new industrial parks, etc;

- + Project planning includes preparation and submission of annual project work plan for approval. The annual project work plan clearly identifies resources used, implementation schedule, deadline for completion, quality objectives and performance evaluation criteria

- + Preparation and implementation of procedures for investment and construction including implementation of procedures relating to construction planning, use of land, natural resources, technical infrastructure, landscape and environmental protection, fire & explosion prevention, project formulation, submission of projects for approval, receive & disburse investment capital and other preparatory works;

- + Coordinate with local authorities to implement compensation & resettlement for households affected by implementation of projects; implement procedures, prepare application dossiers for land recovery and delivery in accordance with current regulations; compare

compensation costs for land clearance with local authorities and relevant ones in accordance with current regulations;

- + Apply for construction permit, preparation of construction site and other tasks for construction works;

- + Prepare of technical design dossier - bill of quantity; overall progress; construction drawings - detailed estimation of each construction item; environmental impact assessment; planning of industrial parks and submit to IDICO and relevant authorities for approval in accordance with current regulations in order to ensure that projects are commenced, constructed and operated on time;

- + Prepare dossier of bid invitation, organize bidding, evaluate bid, select and submit list of successful bidders to IDICO for approval;

- + Manage quality, volume, construction costs, safety and environmental sanitation of construction works;

- + Urge and coordinate with constructors and consultants to monitor progress, technical measures, organize construction of each item and concurrently prepare construction schedule (month, quarter, year) on the basis of approved progress. For items requiring complicated construction measures, Management Board will submit construction measures to IDICO for approval before implementation;

- + Take the lead with designing consulting companies and supervisory consulting companies to monitor, manage and inspect quality, volume, progress, construction costs, safety and environmental sanitation of construction works, perform acceptance testing, confirm completed volume and make payment for constructors;

- + Organize daily, weekly and monthly meetings with contractors and provide services at construction sites and resolve problems arising during investment period;

- + Review, evaluate, make reports and propose necessary measures on a monthly, quarterly and yearly basis to achieve planned schedule;

- + Manage successful bid price approved by IDICO, prepare payment dossiers and finalize cost for each item and the whole construction works. Make reports on a monthly, quarterly and yearly basis relating to payment, settlement to IDICO in accordance with regulations on management of investment capital;

- + Receive, transport, maintain and distribute supplies and equipment to construction works in accordance with regulations and construction progress. Finalize spare parts;

- + Take the leading role and coordinate with construction companies to protect property, supplies, equipment at construction sites from commencement of construction to completion and hand over;

- + Make annual reports on quality of works, annual disbursement of investment capital; coordinate with the parent company and relevant authorities to supervise the implementation of environmental assessment reports for industrial parks;

- + Organize pre-acceptance test and handover of construction works;

- + Coordinate with the parent company to prepare dossiers and implement procedures for land rent exemption during capital construction period; make reports, finalize payable land rents of industrial parks and relevant financial obligations with relevant authorities according to current regulations and when there is a special request from relevant authorities;

+ Prepare and propose training plans, organizational structure and staffing plan of Management Board to the parent company for approval

+ Make a report on finalization of investment cost and propose to relevant authorities for approval, coordinate with other departments of the parent company to explain any queries to finalize construction cost;

+ Responsible for archiving and storing all legal documents, accounting documents for finalization of investment cost;

+ Coordinate with relevant authorities to ensure social security, safety and social policies on construction sites;

+ Other assigned tasks;

▪ Subsidiary companies are branches, subsidiaries and associated companies which focus on managing specialized companies in five sectors. Details on subsidiary companies of IDICO is presented at VII “List of parent company and subsidiaries” below.

The organizational structure and corporate governance include roles and responsibilities of the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors and the General Director are governed in accordance with the charter of the joint stock company. The main content is as follow:

▪ Number of Board of Directors is suggested to be 05 to 11 members and number of Board of Supervisors is suggested to be 03 to 05 members.

▪ Authorized representative of state capital at IDICO post equitization will be considered and decided by Ministry of Construction.

b. Human resources at joint stock company

The total number of employees at the time of transition to IDICO - JSC is expected to be 931 people. The expected human resources structure is as follows:

No	Classification of employees	Number of employees	Percentage (%)
	Total number of employees	931	100,0%
1	Postgraduate	16	1,7%
2	Bachelor	298	32,0%
3	College, Intermediate	95	10,2%
4	Technical workers, vocational training	222	23,9%
5	Common workers	300	32,2%

VI. Enterprise value as of 31 December 2014

According to the Decision No. 1144/QĐ-BXD dated 4 November 2016 of Ministry of Construction relating to approval of enterprise value to equitize Vietnam Urban and Industrial Zone Development Investment Corporation. The total actual value of the Corporation's assets for equitization: **VND8,899,072,753,793**, of which the total actual value of state capital in the Corporation for equitisation: **VND2,532,883,455,334**.

ENTERPRISE VALUE AND ACTUAL VALUE OF STATE CAPITAL IN IDICO
As at 0:00, 01 January 2015
Unit: VND

No	Description	Accounting amount	Amount according to enterprise value determination	Difference
(1)	(2)	(3)	(4)	(5)=(4)-(3)
A	Assets currently in use	8,305,835,712,557	8,899,072,753,793	593,237,041,236
	(I + II + III + IV)			
I	Fixed assets and long term investment	2,809,197,964,409	3,151,031,025,829	341,833,061,420
1	Fixed assets	1,039,676,173,527	1,137,783,684,093	98,107,510,566
a	Tangible fixed assets	320,949,022,889	419,056,533,455	98,107,510,566
b	Intangible fixed assets	718,727,150,638	718,727,150,638	-
c	Financial leased fixed assets	-	-	-
2	Financial long term investments	1,434,254,250,733	1,678,568,974,782	244,314,724,049
3	Construction in progress	334,406,938,643	334,406,938,643	-
4	Long-term mortgages, collateral, deposits	-	-	-
5	Long term prepayments	860,601,506	271,428,311	(589,173,195)
6	Other long term assets	-	-	-
II	Working capital and short term investment	5,496,122,328,948	5,684,432,959,849	188,310,630,901
1	Cash and cash equivalents	121,111,864,401	121,187,329,255	75,464,854
a	Cash in hand	970,260,195	970,260,195	-
b	Cash at bank	85,141,604,207	85,217,069,060	75,464,853
c	Cash equivalents	35,000,000,000	35,000,000,000	-
2	Short term financial investments	37,504,717,713	37,504,717,713	-
3	Short term receivables	5,153,377,692,294	5,340,636,806,663	187,259,114,369
4	Inventories	177,062,073,363	177,062,073,363	-
5	Other short term assets	7,065,981,177	8,042,032,855	976,051,678
III	Goodwill	-	63,093,348,915	63,093,348,915
IV	Land use rights	515,419,200	515,419,200	-
B	Assets not in use	-	-	-
C	Assets awaiting liquidation	-	-	-

No	Description	Accounting amount	Amount according to enterprise value determination	Difference
(1)	(2)	(3)	(4)	(5)=(4)-(3)
D	Assets formed from Bonus and Welfare fund	-	-	-
TOTAL AMOUNT OF ASSETS (A+B+C+D)		8,305,835,712,557	8,899,072,753,793	593,237,041,236
TOTAL ACTUAL AMOUNT OF ENTERPRISE (MỤC A)		8,305,835,712,557	8,899,072,753,793	593,237,041,236
<i>E1.</i>	Actual liabilities	6,159,648,420,317	6,366,189,298,459	206,540,878,142
TOTAL ACTUAL AMOUNT OF OWNERS' EQUITY (A-E1-E2)		2,146,187,292,240	2,532,883,455,334	386,696,163,094

***Note:**

(1) In 2016, IDICO successfully divested its investment in Mien Trung Corporation (COSEVCO) (IDICO owned 45.65% shares of COSEVCO) through auction at Ho Chi Minh Stock Exchange. COSEVCO's main business lines include production and trading of cement, clinker, machinery repair & maintenance and other business activities. However, COSEVCO's business performance is ineffective. At the time of divestment, COSEVCO had a large accumulated loss and negative owners' equity. All shares owned by IDICO were successfully transferred to investors at the price of VND10,601/share. Proceeds and net profit of IDICO were VND217,772,357,024 and VND 12,346,117,024. The proceeds were recorded by IDICO in accordance with current regulations.

(2) In 2016, IDICO successfully divested its investment in IDICO - VINACONTROL Construction Verification Joint Stock Company (IVC) (IDICO owned 7.5% shares of IVC) through auction at Bao Viet Securities Joint Stock Company. IVC's main business lines include quality inspection of construction works; commercial inspection services, analysis and testing of raw materials and construction items, investment consultancy and construction consultancy. However, IVC's business performance is ineffective. All shares owned by IDICO (150,000 shares) were successfully transferred to investors at the price of VND10,700/share. Proceeds and net profit of IDICO were VND1,605,000,000 and VND105,000,000. The proceeds were recorded by IDICO in accordance with current regulations.

(3) Binh Loi Quarry and Doi Chua 3 Quarry, Dong Nai Province

- Binh Loi Quarry: quarry exploitation and processing project located on 40 ha at Binh Loi commune, Vinh Cuu district, Dong Nai province. People's Committee of Dong Nai province granted investment certificate No 47121000330 dated 22 December 2011 and exploitation license under Decision 1430/QĐ-UBND dated 29 May 2012.

- Doi Chua 3 Quarry: quarry exploitation and processing project located on 75.53 ha at Thien Tan commune, Vinh Cuu district and Ho Nai 3 commune, Trang Bom district, Dong Nai province. People's Committee of Dong Nai province granted investment certificate No 47121000363 dated 22 December 2012 and exploitation license under Decision 747/QĐ-UBND dated 12 March 2013.

- Project implementation process:

- To meet the demand for construction stone for the development of industrial zones, infrastructure, residential area, etc. in Dong Nai province in particular and in the South East region in general, in 2011, IDICO and its partners set up IDICO Dong Nai Construction

Material Exploitation and Trading Joint Stock Company (IDICO DONG NAI) which has the charter capital structure as follows: Cuong Thuan IDICO contributed 35%, Dong Thuan Joint Stock Company contributed 25%, IDICO contributed 10% and some other shareholders contributed 30%.

- According to Directive No 01/CT-BXD dated 4 March 2011 of the Minister of Ministry of Construction relating to implementation of Resolution No 11 /NQ-CP dated 24 February 2011 of the Government on key solutions for controlling inflation, stabilizing the economy, maintaining social security and completing action plan of Ministry of Construction, IDICO has checked and reviewed the list and efficiency of IDICO and its member companies. Regarding exploitation and trading of construction materials sector, IDICO has re-assessed the effectiveness and implemented procedures for delaying and ceasing some ineffective projects such as Doi Dat Do Mine (IDICO-CONAC), Tang Xi Material Mine (IDICO-URBIZ), Vung Gam Clay Mine (IDICO-MCI), Tan Cang 9 Quarry (IDICO-UDICO). These projects do not qualify conditions for implementation and were stopped. Of which, Binh Loi Quarry and Doi Chua 3 Quarry are ineffective projects and are included in IDICO's portfolio of non-investment projects submitted to the Ministry of Construction for consideration and approval from 2013.

- In 2013 and 2014, IDICO concentrated all financial resources to complete Dak Mi 4A, B and 4C hydropower projects and industrial infrastructure projects, BOT transportation projects, etc. In addition, IDICO implemented the Restructuring Plan for the period 2013 - 2015 which was approved by the Ministry of Construction. During this time, IDICO did not contribute capital to IDICO DONG NAI and IDICO has not incurred any costs relating to these two projects.

- On 4 November 2016, Department of Natural Resources and Environment of Dong Nai province issued Official Letter No 5263/STCMT-CCQLĐĐ and sent to People's Committee of Dong Nai province for comments on the use plan of IDICO. "Although both of these projects were approved for being exploited and have been notified of land acquisition by People's Committee of Dong Nai province, IDICO has not fulfilled the required procedures yet. Therefore, Department of Natural Resources and Environment proposed to exclude these two land plots from land use plan in equitization plan of IDICO and at the same time requested People's Committee of Dong Nai province to assign Department of Planning and Investment to coordinate with Department of Natural Resources and Environment and related competent authority to inspect investment progress, report and propose to the People's Committee of Dong Nai province for handling in accordance with current regulations."

- On 19 December 2016, People's Committee of Dong Nai province issued Official Letter No 12348/UBND-CNN to Department of Planning and Investment, Department of Natural Resources and Environment, Department Finance, People's Committee of Vinh Cuu district and Trang Bom district and IDICO relating to land use plan in equitization plan. People's Committee of Dong Nai province stated that "People's Committee agrees on the proposal of Department of Natural Resources and Environment which excludes Doi Chua 3 Quarry located at Thien Tan commune, Vinh Cuu district and Ho Nai 3 commune, Trang Bom district into equitization plan of IDICO because IDICO had not completed compensation and site clearance". People's Committee of Dong Nai province also assigned Department of Planning and Investment to coordinate with Department of Natural Resources and Environment and related competent authorities to inspect investment progress and report to People's Committees of Dong Nai province for handling in accordance with current regulations.

- On 4 April 2017, People's Committee of Dong Nai Province issued Official Letter 3060/UBND-CNN dated 4 April 2017 relating to the proposal to terminate operation of Binh Loi Quarry and Doi Chua 3 Quarry which are invested by IDICO and sent to Department of Planning and Investment, Department of Natural Resources and Environment, IDICO, Cuong

Thuan IDICO Development Corporation. According to this Official Letter, People's Committee of Dong Nai Province approved proposal of Department of Planning and Investment of Dong Nai Province relating to terminating operation of Binh Loi Quarry under investment certificate No. 47121000330 dated 22 December 2011 and Doi Chua 3 Quarry under investment certificate No. 47121000363 dated 28 December 2012. After termination of two aforementioned projects, People's Committee of Dong Nai Province requested IDICO to terminate such projects in accordance with current regulations.

- On 4 May 2017, Department of Planning and Investment of Dong Nai province issued Decision 37/QD-SKHDT and sent to IDICO and People's Committee of Dong Nai province relating to termination of Binh Loi Quarry and Doi Chua 3 Quarry (IDICO is the investor) at Vinh Cuu District.

- To implement the direction of Equitization Steering Committee, IDICO signed the Addendum to Contract No 12261/HD-IDICO-VVFC with VVFC on valuation of rights to exploit Binh Loi Quarry and Doi Chua 3 Quarry.

- On 19 June 2017, VVFC issued Official Letter 273/TT-VVFC-BAN3 relating to legal issues arising from valuing exploitation right of Binh Loi Quarry and Doi Chua 3 Quarry. According to the Official Letter, VVFC clearly stated that: (1) Based on documents of competent authorities relating to land use plan of IDICO, exploitation license and termination of Binh Loi Quarry and Doi Chua 3 Quarry, valuation of exploitation rights for these two quarries on market basis is not possible due to lack of legal basis; (2) VVFC notified to IDICO such legal issues relating to , valuation of exploitation rights for Binh Loi Quarry and Doi Chua 3 Quarry and concluded that VVFC can not value these two quarries and VVFC can not issue Certificate of Valuation under Vietnam Valuation Standards.

- After IDICO is converted to joint stock company, IDICO will finalize these projects in accordance with current regulations to determine an increase in state capital. Such amount (if any) will be transferred by IDICO to Arrangement & Business Development Fund in accordance with provisions of Decree 59/2011/ND-CP before conversion from state-owned company into joint stock company.

VII. . Main assets of IDICO (enclosed with the statement of asset valuation)

a. Fixed assets of IDICO as of 31 December 2014

The fixed assets of IDICO as of 31 December 2014 have total value of **VND1,492,334,420,246** including main items as follows:

Main items	Unit: VND	
	Cost	Net carrying amount
1. Tangible fixed assets	657,950,666,183	419,056,533,455
Buildings and structures	616,783,011,412	395,758,820,723
Machinery, equipment	17,411,420,834	9,886,724,765
Transportation	20,263,112,790	11,762,369,605
Office equipment	1,100,436,192	477,747,833
Others	2,392,684,955	1,170,870,528
2. Intangible fixed assets	834,383,754,063	718,727,150,638
Total	1,492,334,420,246	1,137,783,684,093

b. Status of land in use

IDICO has used the land for the right purpose and efficiently exploits the land for business, fulfills all financial obligations to the State. Land management was conducted in accordance with the provisions of the Land Law and regulations of related authorities. At the time of equitization, IDICO is managing and using 18,876,679.93 sqm of land, including 9,744.33 sqm in Ho Chi Minh City, 2,191,083 sqm in Quang Nam Province and 3,093,930.8 sqm in Dong Nai and 13,581,921.8 sqm in Ba Ria - Vung Tau Province. Details are as follows:

No.	Location	Area (sqm)	Allocated area		Leased area	Purpose	Land use rights' value included in enterprise value
			Long term	Within a set period			
I.	At Ho Chi Minh City	9,744.33	9,744.33				
1	Tan Phu IDICO apartment 262/13-262/15 Luy Ban Bich street, Hoa Thanh Ward, Tan Phu District, Ho Chi Minh City	9,386.4	9,386.4			Residential land in urban areas, land for business/production (high-rise apartment buildings and commercial buildings and services)	<i>Temporary valuation of VND93,987,609,502 according to VVFC. Will be subject to adjustment according to current regulations</i>
2	Land slot at 151 Ter Nguyen Dinh Chieu, Ward 6, District 3, Ho Chi Minh City (*)	357.93	357.93			Residential land in urban areas, land for business/production	<i>It has not been revaluated. Land value: VND515,419,200</i>
II.	At Quang Nam Province	2,191,083			2,191,083		-
1	Dak Mi 3 hydropower plant project Phuoc Son District, Quang Nam Province	376,653			376,653	Construction of Dak Mi 3 hydropower plant	-
2	Area which IDICO has not signed land lease contract yet or has not been granted land use right certificate	1,814,430			1,814,430	Construction of hydropower plant	-
III.	At Dong Nai Province	3,093,930.8			3,093,930.8		-
1	Nhon Trach 5 industrial park	3,093,930.8			3,093,930.8	Land in industrial	-

No.	Location	Area (sqm)	Allocated area		Leased area	Purpose	Land use rights' value included in enterprise value
			Long term	Within a set period			
	Hiep Phuoc Commune, Long Tan and Phu Hoi Commune, Nhon Trach District, Dong Nai Province					parks	
IV.	At Ba Ria - Vung Tau Province	13,581,921.8			13,581,921.8		-
1	My Xuan A industrial park My Xuan Commune, Tan Thanh District, Ba Ria - Vung Tau Province	3,048,500.8			3,048,500.8	Land in industrial parks	-
2	Phu My 2 industrial park Tan Phuoc Commune and Phuoc Hoa Commune, Tan Thanh District, Ba Ria - Vung Tau Province	6,197,000			6,197,000	Land in industrial parks	-
3	Phu My 2 industrial park (expanded area) Tan Phuoc Commune and Phuoc Hoa Commune, Tan Thanh District, Ba Ria - Vung Tau Province	3,802,170.5			3,802,170.5	Land in industrial parks	-
4	My Xuan port My Xuan Commune, Tan Thanh District, Ba Ria - Vung Tau Province	534,250.5			534,250.5	Land for business/production	-

(*): According to Official Letter 6462/UBND-TM dated 22 October 2015 of People's Committee of Ho Chi Minh City, People's Committee of Ho Chi Minh City agreed to IDICO for continuing to use the premise located at 151 Ter Nguyen Dinh Chieu street, Ward 6, District 3 in accordance with the planning of Ho Chi Minh City. After being converted to joint stock company, IDICO is responsible for leasing land from the State in accordance with current law.

VIII. List of parent company and subsidiaries
a. Dependent branches

No	Name	Address	Functions
1	IDICO Hanoi branch	13 th Floor, Sudico Tower, Me Tri Street, My Dinh 1 Ward, Nam Tu Liem District, Hanoi City	Implement tasks assigned/authorized by IDICO in settling legal procedures relating to implementation of IDICO's projects in general and in the North in particular. The branch also directly implements business plans assigned by IDICO
2	IDICO Eastern branch	Nhon Trach I industrial park, Nhon Trach District, Dong Nai Province	Implement tasks assigned/authorized by IDICO in operating and exploiting industrial infrastructure in industrial parks of which IDICO is the investor.

b. List of subsidiaries

No	Name	Charter capital (VND)	Contributed capital of IDICO (par value)	Ownership ratio of IDICO
1	IDICO Urban and Industrial Zone Development Co., Ltd.	150,000,000,000	150,000,000,000	100.00%
2	IDICO Construction Company Limited	50,000,000,000	50,000,000,000	100.00%
3	Construction Investment Joint Stock Company No. 10	35,000,000,000	33,890,000,000	96.83%
4	IDICO Material Development and Construction Investment Joint Stock Company	35,000,000,000	28,680,000,000	81.94%
5	IDICO Infrastructure Development Investment Joint Stock Company	249,492,000,000	93,559,500,000	67.50% (*)
6	Que Vo IDICO Urban and Industrial Zone Development Investment Joint Stock Company	80,000,000,000	31,949,200,000	52.49% (*)
7	IDICO Investment Consultancy Joint Stock Company	20,000,000,000	12,080,000,000	60.40%
8	Construction and Natural Gas Joint Stock Company	50,000,000,000	25,500,000,000	51.00%
9	IDICO Long An Investment Construction Joint Stock Company	85,500,000,000	43,605,000,000	51.00%
10	IDICO Srok Phu Mieng Hydropower Joint Stock Company	450,000,000,000	229,500,000,000	51.00%
11	Urban and House Development Investment Joint Stock Company	80,000,000,000	40,800,000,000	51.00%

(*): Voting rate of IDICO

c. List of associated companies

No	Name	Charter capital (VND)	Contributed capital of IDICO (par value)	Ownership ratio of IDICO
1	Bien Hoa - Vung Tau Expressway Development Joint Stock Company	307,576,000,000	56,550,000,000	49.00%
2	Phu My Ultra Clear Float Glass Co., Ltd	886,000,000,000	265,800,000,000	30.00%
3	Dak Mi Hydropower Joint Stock Company	1,000,000,000,000	260,000,000,000	26.00%
4	Hai Phong Coastal Investment Joint Stock Company	900,000,000,000	225,000,000,000	25.00%
5	IDICO Machinery Erection Construction Investment Joint Stock Company	55,000,000,000	11,068,910,000	20.13%

PART 3: BUSINESS OPERATION AND BUSINESS PERFORMANCE IN 3 YEARS PRE EQUITIZATION
• Business operation
a. Product volume and value of services over year

Revenue breakdown of IDICO by business segments is as follows:

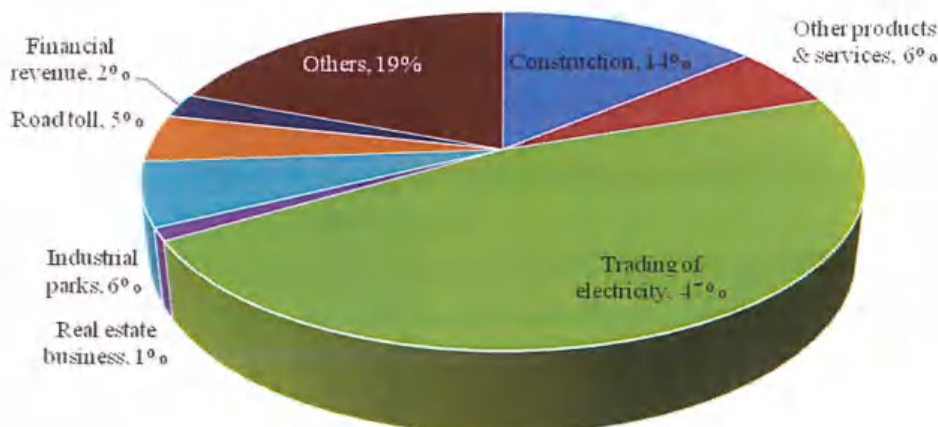
REVENUE BREAKDOWN BY BUSINESS SEGMENTS
2014 - 2016 period
Unit: VNDmn

Item	FY 2014		FY 2015		FY 2016	
	Value	%	Value	%	Value	%
1. Revenue	3,972,134	96.28%	4,610,105	96.93%	4,423,891	41.78%
Construction	604,126	14.64%	812,499	17.08%	1,059,171	10.00%
Trading of electricity	2,472,449	59.93%	2,821,982	59.33%	2,218,646	20.95%
Industrial parks	153,032	3.71%	431,700	9.08%	590,539	5.58%
Real estate business	35,001	0.85%	86,687	1.82%	99,025	0.94%
Road toll	172,319	4.18%	301,952	6.35%	330,407	3.12%
Others	535,207	12.97%	155,284	3.26%	126,103	1.19%
2. Financial revenue	93,122	2.26%	111,696	2.35%	254,430	2.40%
3. Others	60,416	1.46%	34,313	0.72%	5,910,914	55.82%
Total	4,125,672	100.00%	4,756,114	100.00%	4,684,232	100.00%

Source: Audited consolidated financial statement

(*): Total revenue of 2016 increased significantly, mainly due to the recognition of revenue from the transfer of Dak Mi 4 Hydropower Plant and Dak Mi 4C in accordance with Appendix 2 dated 3 February 2016 (Revenue: VND 5,878 billion dong).

REVENUE BREAKDOWN BY BUSINESS SEGMENTS
(Average revenue for 2014 - 2016 period)



b. Raw material supply

IDICO is a large corporation and has operated in investment in technical infrastructure of industrial parks, investment & operation of hydropower projects and investment & exploitation of BOT traffic projects over 10 years. IDICO has established close relationships with major raw material suppliers thanks to its economy of scale and timely payment. The supply of main construction materials such as cement, steel, finishing materials, concrete, precast concrete components for IDICO projects has been stable. As a result, IDICO commits to complete works and projects on schedule.

In addition, IDICO established an efficient operational process through active coordination between functional departments in implementation of business production plans in order to achieve the best price from suppliers compared market price. IDICO has leveraged on such advantage to create value for IDICO's projects with the most stable price policy.

Therefore, IDICO has maintained stability of raw material supply for all of its projects and fluctuation in market price of raw material will not significantly affect IDICO's overall revenue and profit.

c. Operating cost

Cost of goods sold accounted for large proportion of total operating costs in 2015. As a large corporation, IDICO has established close relationships with large suppliers thanks to its economy of scale and timely payment. IDICO has leveraged on such advantage to create added value for IDICO's projects. With stable raw material price, IDICO has been successful in controlling production costs. In addition, IDICO has actively applied advanced construction technologies to reduce construction costs. Advanced technologies that IDICO has successfully applied are as follows:

- ✓ Structural application of the flood spillway has a piano-style threshold at the Dak Mi 4B and Dak Mi 3 hydropower plants to increase the dam's spillway capacity and useful water column without altering the reservoir area. Such application into Dak Mi 3 hydropower plant has improved the efficiency of the project by increasing the average electricity consumption by 13.3x106 kWh per year without increase in investment cost.

✓ It has applied the prestressed concrete centrifugal pile foundation and downgraded pile according to the Hyper MEGA drilling method (Japan Pile Corporation's exclusive method of construction certified by Japanese Ministry of National Construction). Hyper MEGA has the following advantages: increased load-bearing capacity, reduced pile length, shortened construction time and reduced investment costs. Pre-tensioned centrifugal concrete piles are manufactured in technological line at the factory so the quality is consistent and easy to control. This method is suitable in areas with narrow spaces in urban areas and helps to reduce noise and vibration to avoid affecting neighboring buildings. This method overcomes potential damages such as pile deflection, broken pile and lower pile design. With aforementioned advantages, IDICO reduced construction cost by 40% compared to normal methods for Tan Phu Apartment Building.

Total cost of IDICO has always been strictly controlled and the ratio of total costs to total revenue has been decreasing over years. In 2013, this ratio was 94.5%. In 2014 and 2015, it were 94.2% and 93.7%, respectively.

d. Technology level

Technology is one of major driving forces for eco-socio development. The Party and the State always assert their leadership roles in scientific and technological basis for transforming the country towards industrialization, modernization, and the gradual improvement of the regulatory environment to utilize local scientific and technological resources and quickly adapt new scientific and technological achievements. Understanding the guidance of the Party and the State, IDICO always actively receives the scientific and technological expertise of developed countries through collaborative relationships via construction partnerships with companies in Japan, South Korea, US and China. IDICO's team has increasingly improved the level of technology in construction, design, engineering as well as the level of project management and professional working style from foreign partners.

IDICO focuses on research and application of new environmental-friendly materials to create competitive advantages such as light bricks replacing traditional clay bricks, structured concrete for the project against climate change, etc. With a team of experienced professionals in research and development, together with the production capacity of modern machinery and equipment, IDICO has researched and applied advanced technologies to projects of IDICO in the following areas:

- ✓ Power projects:
 - To apply construction technology of large concrete, roller compacted concrete in construction of thermal power plants, hydropower plants, etc.
 - To study the technology of building concrete which is resistant to heat radiation in construction of large-scale works and complex technical requirements such as nuclear power plants, wind and tidal electric technologies.
 - To research on technology applied in construction of solar power plants. IDICO expects to invest in at least 01 solar power plant with installed capacity of less than 50 MW in within the next 5 years at Binh Phuoc or Binh Thuan Province.
 - Structural application of the flood spillway has a piano-style threshold at the Dak Mi 4B and Dak Mi 3 hydropower plants to increase the dam's spillway capacity and useful water column without altering the reservoir area. Such application into Dak Mi 3 hydropower plant has improved the efficiency of the project by increasing the average electricity consumption by 13.3x106 kWh per year without increase in investment cost.

- ✓ Transportation infrastructure:

- Successful application of weak ground treatment technology in construction of complex terrain.

- Wide application of cantilever technology

- For underground projects, IDICO is researching construction and processing technology of urban underground and linear forms up to 30 meters depth with Turbine Boring Machine (TBM) from Europe in water sanitation projects (water supply and drainage system) in Ho Chi Minh City such as underground pipe system.

- For wastewater treatment projects: IDICO is researching into application of advanced European technologies in wastewater treatment, sludge treatment and disposal, automatic control systems and control systems for the whole plant in order to ensure continuous processing and stable output quality.

- ✓ Residential projects:

- Using types of hoist, tower crane, covering under new standards and technologies of Japan and Korea in construction of high towers.

- IDICO has researched and applied high-performance materials such as carbon steel, high strength concrete, composite structures, prestressed concrete, BubbleDesk reinforced concrete flooring in construction of towers with more than 40 stories.

- It has applied the prestressed concrete centrifugal pile foundation and downgraded pile according to the Hyper MEGA drilling method (Japan Pile Corporation's exclusive method of construction certified by Japanese Ministry of National Construction).

e. Marketing activities

The Company has widely advertised its image, brand name and capacity on mass media, through its staffs and partners of IDICO.

IDICO has positioned itself as a reputable company offering high quality of products and services, strictly implementing its commitments and respecting all laws and regulations.

f. Trademark, patent and registration



The Department of Intellectual Property - Ministry of Science and Technology issued the Certificate of Trademark Registration 109367 attached to Decision 15275 dated 11 August 2010

g. Typical contracts in last 3 years

With more than 15 years of development, IDICO has participated in a wide range of national key projects in industry, transportation infrastructure, residential and other projects nationwide.

Projects	Value (VND bn)	Year	Content	Partners
Construction of the road and works on Km860 + 000-Km867 + 743.75, investment project to expand National highway No.1 Km848 + 875-Km890 + 200, Thua Thien Hue Province	173	2014 - 2016	Traffic road construction	Project Management Unit 4 - Ministry of Transport

Projects	Value (VND bn)	Year	Content	Partners
Drainage system of Do Xuan Hop street, District 9, HCMC	118	2014 - 2016	Drainage construction	Ba Bo channel Project Management
National Highway No. 56 at Km0+000-Km1+437,53	83	2014 - 2016	Traffic road construction	Cai Mep - Thi Vai interport Project Management
Upgrade and expand National Highway 1A, Tan An City, Long An Province	64	2014 - 2015	Traffic road construction	Long An Transportation Project Management
Upgrade Luong Dinh Cua street, District 2, HCMC	130	2015 - 2017	Traffic road construction	Urban Traffic Management No. 2
Upgrade Nguyen Hue street, District 1, HCMC	106	2014 - 2015	Traffic road construction	Urban Traffic Management No. 1
Ly Thuong Kiet bridge and Pham Huu Lau street - Dong Thap Province	38	2016	Traffic road construction	People's Committee of Cao Lanh city, Dong Thap Province
Roads, drainage sewers, roads at workshops' areas (phase 1)	129	2014 - 2016	Construction of roads, workshops and other items	Lee & Man Paper Company
USV plant (phase 3)	72	2016	Construction of workshops	United Sweethearts Garment VietNam Co., Ltd
M&E system at United Garment factory	22	2016	M&A system	United Sweethearts Co., Ltd
Ton Hoa Sen plant at Nghe An Province	63	2014 - 2016	Construction of workshops	Hoa Sen Nghe An Co., Ltd
Road system and levelling at Nhon Trach 5 industrial park	84	2016 - 2018	Infrastructure in industrial park	Affiliates of IDICO
Road system and levelling at Phu My II industrial park	651	2016 - 2020	Infrastructure in industrial park	Affiliates of IDICO
Road system and levelling at Phu My II industrial park (expansion area)	584	2016 - 2020	Infrastructure in industrial park	Affiliates of IDICO

- **Financial situation and business performance of parent company in three years pre equitization**

Unit: VNDmn

No	Indicator	2014	2015	2016	30 Jun 2017
1	Total assets	9,211,281	9,084,671	8,014,292	8,237,383
2	Owners' equity	2,131,045	2,523,272	2,772,383	2,850,409
3	Short-term borrowings	-	6,381	7,525	5,840
4	Long-term borrowings	3,386,043	3,278,145	1,111,060	1,403,888
5	Doubtful debts	-	-	-	-
6	Total number of employees	219	212	226	252
7	Payroll funding (Parent company)	37,583	40,600	50,941	22,481
8	Average salary (VNDmn/month)	14.6	15.9	18.4	29.7
9	Net revenue	846,170	989,485	241,818	620,643
10	Cost of goods sold	787,147	927,259	148,377	477,198
11	Profit before tax	95,578	97,603	359,851	201,146
12	Profit after tax	84,126	94,098	307,334	176,023
13	Return on equity	3.95%	3.73%	11.09%	6.18%

Source: Audited separate financial statement

- **Factors affecting the company's business performance**

- **Advantages**

- Vietnam's political, economic and social environment is quite stable. Vietnam's government is making huge efforts to reform the administrative procedures with a goal to create a transparent public administration and to meet requirements of globalization. According to the IMF's forecast, given credit loosening for the real estate sector and the SBV's policy of lowering lending and deposit rates, companies have rooms to grow, especially real estate developers and building material manufacturers in 2015 and onwards.

- Besides, the demand and potential growth of real estate and building material market from now to 2020 is deemed to be high. Pursuant to the Decision No. 2127/QĐ-TTg dated 30 November 2011 of the Prime Minister approving the national strategy on housing development till 2020, with a vision toward 2030, the average housing floor area must be at least 25 sqm/person. According to estimates of Ministry of Construction, from now to 2020, demand for new houses in urban areas per annum is roughly 50 million sqm floor area. This indicates that in the long term, demand for urban housing is buoyant and this is an opportunity and potential growth for building material market and housing development business.

- With an orientation towards focusing on main business lines rather than investing in projects that are outside of the main business lines or investing in venture business, the

Company's strategy is aligned with the strategic direction of the government, thereby receiving substantial support from authorities for the implementation of IDICO's projects.

- **Disadvantages**

- Incoherence of the government's land policy poses a negative impact on the economic efficiency of investment projects and on the attraction of investors in industrial parks.

- **IDICO's position in the industry**

- a. IDICO's position in the industry**

IDICO was established under Official letter 1011 / CP-DMDN dated 7 November 2000 of the Prime Minister and Decision 26/2000/QĐ-BXD dated 6 December 2000 of Ministry of Construction. Over the past 15 years, by overcoming numerous difficulties, challenges and withstanding fierce competition, IDICO has continuously developed its management capacity, construction capacity, financial capacity and capability of its employees. IDICO brand name has been increasingly established in all fields, especially in industrial park, hydropower and transportation development. In addition, IDICO has also expanded to civil and industrial construction, irrigation, port, construction investment consultancy, investment and construction of power plants and trading of electricity. Specific fields are as follows:

- **Building and civil engineering**

Building and civil engineering has been always considered to be a development strategy and a central task of IDICO, with the motto of investment for development through flexible investment form and diversified investment capital. Accordingly, IDICO brand name has been recognized by domestic and foreign investors through many good projects.

Total investment projects for 2011 - 2015 are 47 projects (18 group A projects, 14 group B projects and 15 group C projects) with total investment amount of VND8,236tn of which many projects are relating to the development of housing and urban areas, industrial parks, electricity production, technical infrastructure development and production of building materials.

Currently IDICO has been investing and operating 72 projects of which 26 group A projects, 19 group B projects and 27 group C projects in following sectors: industrial parks, power, transportation, housing and urban development, industrial production - building materials.

- **Industrial parks**

As of 30 November 2016, there were 324 industrial zones operated in Vietnam with a total area of 91,800 ha. IDICO has been investing and operating 10 industrial zones with a total area of 3,271 ha, accounting for 3.6% of total industrial area in Vietnam.

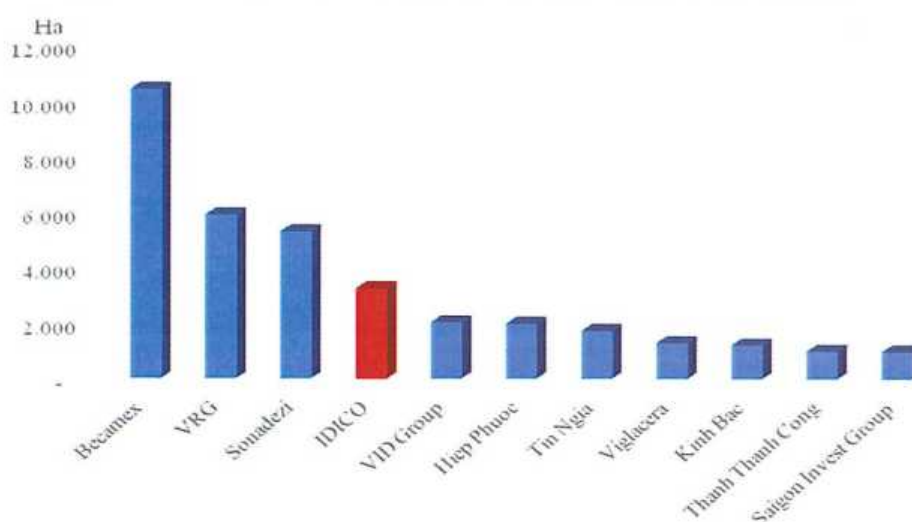
Technical infrastructure system of some industrial parks (power supply, water supply, communication, waste water treatment, etc) such as Nhon Trach 1, Nhon Trach 5 (Dong Nai); My Xuan A, My Xuan B1, Phu My II (Ba Ria - Vung Tau), Kim Hoa (Vinh Phu) were completed. In addition, IDICO has also created favorable conditions for secondary investors to invest in gas and communication networks.

IDICO continues to construct some technical infrastructure works in industrial parks such as My Xuan B1, Phu My II, Phu My II, Que Vo II, etc where investors signed either land lease agreement or memorandum of understanding. Besides, IDICO has also renovated Nhon Trach 1, Nhon Trach 5, My Xuan A and strengthened management responsibility, ensured safety and environmental sanitation, fire prevention and fighting to enhance brand name of IDICO and attract investors to industrial parks of IDICO. IDICO has also implemented investment preparation procedures for Huu Thanh industrial park and The Ky industrial park.

IDICO'S POSITION IN INDUSTRIAL PARK SECTOR (*)

Name	Number of industrial parks	Total area (ha)	% Total area of industrial land in Vietnam
Investment and Industrial Development - Corporation (Becamex)	14	10,456	11.4%
Vietnam Rubber Group (VRG)	8	5,928	6.5%
Sonadezi Corporation (Sonadezi)	10	5,325	5.8%
Vietnam Urban and Industrial Zone Development Investment Corporation (IDICO)	10	3,271	3.6%
Vietnam Investment Development Group (VID Group)	11	2,051	2.2%
Hiep Phuoc Industrial Park Joint Stock Company (Hiep Phuoc)	1	2,000	2.2%
Tin Nghia Corporation (Tin Nghia)	4	1,750	1.9%
Viglacera Corporation (Viglacera)	4	1,313	1.4%
Kinh Bac City Development Holding Corporation (Kinh Bac)	2	1,240	1.4%
Thanh Thanh Cong Industrial Park Joint Stock Company (Thanh Thanh Cong)	1	1,020	1.1%
Saigon Invest Group (Saigon Invest Group)	3	1,009	1.1%
Total	68	35,364	38.5%

Source: VIIPIP.com, VCSC

IDICO'S POSITION IN INDUSTRIAL PARK SECTOR


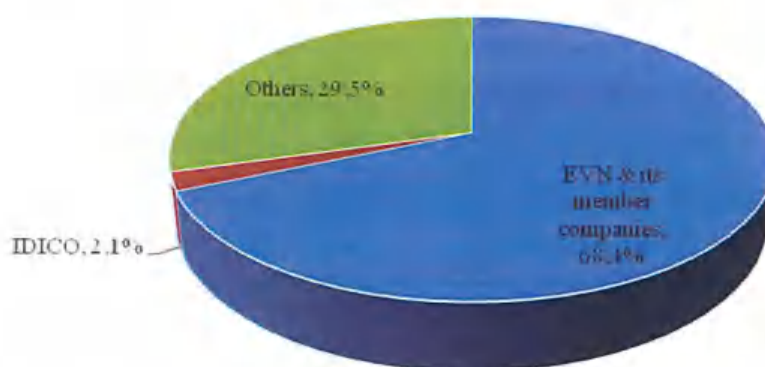
(*): The above information is for reference only and does not imply any assessment of strengths/weaknesses of IDICO and its subsidiaries

➤ **Electricity**

IDICO has been investing in construction of four hydropower projects with total capacity of 322 MW and total investment of VND7,640bn including Srok Phu Mieng hydropower plant (51 MW) which generated commercial electricity in 2006 with an average annual power output of 200 million kWh per year. Dak Mi 4 hydropower plant (190 MW) and Dak Mi 4C hydropower plant (18 MW) which generated commercial electricity in 2012 with an average annual power output of 700 million kWh. Dak Mi 3 hydropower plant (63 MW) was put into operation and generated electricity in Q2, 2017 (Generator - Unit 1) while Generator - Unit 2 is expected to generated electricity in Q3, 2017.

According to Vietnam Electricity Corporation (EVN)'s annual report for Vietnam in 2015, the country' s total hydropower capacity is 15,603 MW of which EVN 's hydropower capacity is 10,680 MW which accounts for 68% of total power. Hydropower plants outside EVN & its subsidiaries have a total capacity of 4,923 MW (32% of total capacity).

HYDROPOWER CAPACITY OF IDICO IN HYDROPOWER INDUSTRY



Source: Vietnam Electricity Corporation (EVN)'s annual report for Vietnam in 2015

IDICO owns hydropower plants with a total capacity of 322 MW which accounts for 2.1% of total hydropower capacity in Vietnam.

Hydropower projects of IDICO has not only provided electricity to the country but also ensured water for local people's production and living, facilitate the development of the fisheries sector, tourism, transport, employment, increase revenues for the state budget and improve living standards of the people in the region, thus contributing to successful implementation of the government's objectives in socio-economic development in remote areas with economic difficulties.

▪ **Construction**

Construction value during 2013 - 2015 period was VND5,288bn (VND1.645bn in 2013, VND1.718bn in 2014 and VND1,925bn in 2015).

As of 1 January 2015, total number of companies operated in construction industry (construction, production of building materials, construction consultancy and real estate business) was estimated to be at 77,750 companies.

According to General Statistics Office of Vietnam, the value of construction production in 2015 at current price is estimated to be at about VND974,4tn of which VND374,2tn, VND156,7tn, VND318,2tn and VND125,3tn are total value of residential construction, non-

residential buildings, technical civil works and specialized construction activities respectively. Total construction value of IDICO in 2015 reached 1,925 billion, accounting for 0.2% of total value of construction production in 2015.

Through organization of construction and installation works of the IDICO's key projects and large construction and installation packages, IDICO has built a team of qualified staffs and highly skilled workers who are capable of self-organizing large-scale projects with high technical requirements and participation of many contractors, thereby gradually affirming the position and prestige of IDICO. Over the past years, IDICO has undertaken many large-scale projects with complicated construction conditions such as Thai Nguyen Iron and Steel Complex, Go Dam - Bac Thai industrial zone, Thai Nguyen city, Apatit - Lao Cai mines and hydropower plants such as Na Hang, Suoi Cu, Ban Hoang, Srok Phu Mieng & Dak Mi 4 and Ha Tien II cement plant with a capacity of 1.3 million tons per year, Sao Mai - Cat Lai cement plant with a capacity of 1.7 million tons per year, Binh Phuoc cement plant, Ha Tien 2 - Long An cement grinding station and traffic projects such as Le Hong Phong street, Tran Phu street - Vung Tau City; Highway 1A An Suong - An Lac - Ho Chi Minh City, National Highway 2 Noi Bai - Vinh Yen. Aforementioned projects have been put into use and highly evaluated by owners in terms of high quality. IDICO was awarded Gold Medal quality products by Ministry of Construction.

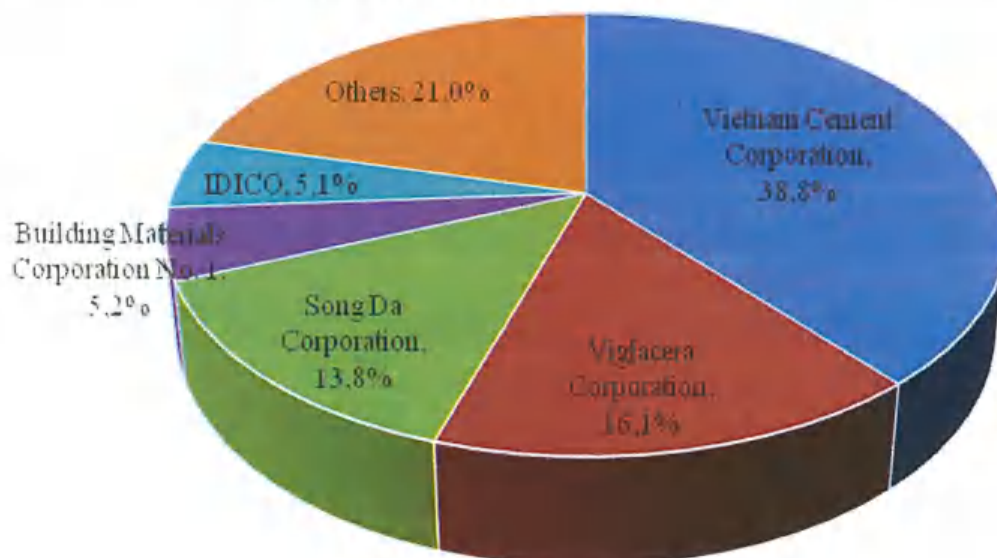
The Company's position in construction industry has been improved. Construction value maintained steady growth over 2013, 2014 and 2015.

▪ Industrial production and production of building materials

The value of industrial production and production of building materials of IDICO was quite stable during 2013 - 2015 period with total value of VND9,895bn (VND3,197bn in 2013, VND 3,346bn in 2014 and VND3,352bn in 2015) in the fields of power generation, cement, clinker, tunnel bricks, puzzolan and water supply.

IDICO's position in industrial production and production of building materials has been continuously improved.

IDICO'S POSITION COMPARED TO AFFILIATES OF MINISTRY OF CONSTRUCTION IN INDUSTRIAL PRODUCTION AND PRODUCTION OF BUILDING MATERIALS



▪ Traffic projects

IDICO is the investor owner and has participated in 10 traffic projects of which three successful BOT projects are Noi Bai - Vinh Yen National Highway 2, National Highway 1A (An Suong - An Lac), and National Road 51.

Some projects are under development such as investment project to build additional items under the project of upgrading National Highway 1A (An Suong - An Lac section) and the project of building additional traffic junction at the interchange of Highway 1 - Highway 2.

IDICO contributed capital to following traffic BOT companies:

- IDICO-IDI (subsidiary company, ticker: HTI): National Highway No. 1 (An Suong - An Lac section).
- BVEC (associated company): National Highway No 51 (Bien Hoa - Vung Tau section).
- Cuong Thuan IDICO Investment and Development Joint Stock Company (associated company, ticker CTI): National Highway No 1 (Dong Nai), National Highway 91 (Hau Giang).
- Dong Thuan Investment Joint Stock Company (associated company): Vo Nguyen Giap street, Dong Nai Province.
- BOT Highway 2 Joint Stock Company (associated company): National Highway No 2 (Noi Bai - Vinh Yen section)

▪ Housing and urban projects

- IDICO is managing and investing 12 housing and urban projects at Dong Nai; Ba Ria - Vung Tau; Long An; Can Tho; Hanoi and Ho Chi Minh City with total area of 250 ha.

- IDICO is focusing on implementing social housing projects, especially housing for workers working in industrial parks in order to support the development of real estate sector in Vietnam. For housing for workers in Nhon Trach Industrial Park (3,520 apartments): IDICO completed 03 blocks with total of 447 apartments and total floor area of 21,667 sqm (including 250 apartments for sale and 197 apartments for rent); Tan Phu Apartment Building (03 blocks and 741 apartments). This is the first large-scale social housing projects that eligible buyers will be able to assess the government's VND30tn credit facility in Dong Nai Province. An apartment with 34 sqm is offered at the price of VND155mn. However, customers only have to pay 20% upfront (about VND30 mn). The remaining payment will be gradually paid within 15 years at an interest rate of 5% per year. It is estimated that customers will pay c. VND1mn/month. Housing for workers in Nhon Trach industrial park has created favorable conditions for low-income workers to purchase houses at low cost.

- Through investment and implementation of many projects, IDICO has established management boards with qualified staffs to manage investment projects as well as ensure progress & quality of projects, save investment capital and conform to current regulations. Every year, IDICO always carefully research on investment projects and the government's policy to avoid investing in infeasible projects and focus on potential profitable projects. After inspection of governmental authorities, there are not any violations in investment procedures as well as embezzlement and wastefulness phenomenon in all IDICO's projects.

- Residential projects named Minh Quang Bac and Minh Quang Nam which was invested by IDICO in Hanoi have the size of 305 ha was approved by the People's Committee of Ha Tay Province under Decision No 2726/QD-UBND and No 2727/QD-UBND dated 23

July 2008. IDICO continues to work with relevant authorities of Hanoi City to consider the possibility of investment.

▪ **Others**

Total value of other businesses during 2013 - 2015 period is VND9,777bn which accounted for 25% - 42% of the total output value (VND2,926bn in 2013, VND3,133bn in 2014 and VND3,718 bn). Total value mainly concentrated in electricity, water, industrial wastewater treatment, road toll, building materials business, housing, infrastructure of industrial parks and travel.

b. Industry outlook

Political situation in Vietnam has been very stable over many years. Recently the government has adopted open-door policy and set up multilateral relationships with many countries based on mutual benefits. This helps to create favorable conditions for attracting investment capital for infrastructure development. The government is making many efforts to reduce administrative procedures and reform legal system in order to create a transparent public administration and meet requirements for integrating into global economy.

Vietnam's economy in 2016 maintains its stability and continues its rally since 2014. GDP growth in 2016 reached 6.21%. GDP growth in 2016 is lower than the 6.68% increase in 2015 but still higher than the 5.98% increase in 2014. Inflation in 2016 is well controlled with an increase of 4.74% over. Last year, the government's goal was to curb inflation below 5%. By 2017, the National Assembly has set a target to keep the consumer price index (CPI) at a low level, below 4%.

Construction industry in Vietnam has recovered in recent years. According to statistics from the market survey company Business Monitor International (BMI), the construction industry is expected to reach a high growth rate in value by about 5.5% in 2016. Due to continued recovery of Vietnam's economy, the value of Vietnam's construction industry is forecast to maintain its growth momentum at around 6% per annum during 2017-2021.

Positive outlook for construction industry is expected due to following reasons:

▪ Macro policies of the government will continue to have a positive impact on the economy, including loosening monetary policy, amendment to the Land Law and the equitization process of state-owned companies in the sector. These factors will help to increase investment in construction in the next coming years.

▪ FDI disbursement reached US\$15.8bn in 2016 which implied an increase of 9.0% and 26.4% compared to 2015 and 2014 respectively. Vietnam also finalized a number of free trade agreements including Vietnam - EU free trade agreement. FDI inflows are expected to continue to flow into Vietnamese market.

▪ The real estate market continues to show a positive trend in 2016. Real estate inventory fell sharply as of November 20, 2016, down by 75.23% compared to Q1, 2013. Credit in the real estate sector continued to grow well, as of October 31, 2016 reached a debt balance of VND425,521bn, up 8.33% over the same period in 2015. Trends of moving people from rural to urban along with economic growth is expected to continue to support the growth of the real estate market.

▪ Industrial infrastructure projects will be the driving force promoting the construction industry growth.

▪ The uneven state of the national transportation system creates favorable conditions for foreign investors and construction contractors to easily access the project. Along with the

urbanization process, the demand for development of national transport infrastructure projects and environmental sanitation will increase sharply in the coming time.

- Economic growth leading to high demand for energy and the need to build power plants.

PROJECTION OF VIETNAM'S CONSTRUCTION VALUE UP TO 2024

		2016f	2017f	2018f	2019f	2020f	2021f	2022f	2023f	2024f
Construction value, VNDbn		252,514	280,567	311,257	345,041	382,388	423,325	468,580	518,107	572,314
Construction value, USDbn		11.8	13.2	14.8	16.5	18.5	20.7	23.1	25.8	28.8
Real growth rate, % y-o-y		6.1	6.2	6.0	6.1	6.0	6.0	6.0	6.0	5.9
Construction value, % GDP		5.3	5.3	5.3	5.3	5.2	5.2	5.2	5.2	5.2

Source: Vietnam Infrastructure Report, BMI Q4, 2015

PROJECTION OF VALUE OF INVESTMENT PROJECTS IN VIETNAM UP TO 2024

		2016f	2017f	2018f	2019f	2020f	2021f	2022f	2023f	2024f
Investment capital, VNDbn		1,279,623	1,460,449	1,654,572	1,855,370	2,074,705	2,317,755	2,586,850	2,881,726	3,210,213
Investment capital, USDbn		60.0	68.7	78.6	89.0	100.5	113.3	127.8	143.7	161.7
Real growth rate, % y-o-y		11.0	8.8	8.0	7.0	6.7	6.7	6.6	6.5	6.5
Investment capital, % GDP		27.1	27.7	28.1	28.3	28.4	28.6	28.7	28.9	29.0

Source: Vietnam Infrastructure Report, BMI Q4, 2015

PART 4: INVESTMENT PLAN AND DEVELOPMENT STRATEGY OF IDICO POST EQUITIZATION

I. Investment plan and development strategy of IDICO post equitization

a. Objectives and development orientation

▪ Objectives

- Become a strong company with optimal structure focusing on core businesses: investment in industrial parks, urban area and traffic infrastructure; investment in and development of residential projects; investment in power and construction projects.

- Enhance corporate governance, competitiveness, modern technology, advanced management and intensive specialization in order to ensure the sustainable development of IDICO.
- Improve the efficiency of business activities, concentrate the Company's resources to promote IDICO brand name to become the leading brand in the field of industrial park development, construction and hydropower.
- Become a company with strong financial resource, human resources and technology to meet business development requirements in an international integration economy.
- Become a large investor in industrial parks, traffic infrastructure, urban area, production & trading of industrial products and construction.

▪ **Development plan**

The Company considers human resources to be the key factor; management to be the essential factor; and corporate culture promotion to be the regular mission. The Company plans to strengthen and rearrange the management system from head office to subsidiary companies, as follows:

- IDICO will perform its key function of engaging major contracts, managing and implementing large projects. The Company needs to concentrate resources from several subsidiary companies, promote IDICO brandname, focus on investment activities, supervise the usage of the Company's capital in subsidiary companies according to Restructuring Plan approved by Ministry of Construction.

- IDICO will improve the efficiency of parent company - subsidiary companies business model, enhance operational management and ensure the close coordination among subsidiary companies. The Company will continue to develop, amend, supplement and promulgate new management regulations, establish vertical relationships with consistent top-down management (from the parent company to subsidiaries) and consistent horizontal relationship (among subsidiaries).

- IDICO will implement the investment development plan with their subsidiaries by stabilising organisation structure and business activities, arranging resources for investment development and human resources, enhancing machinery and equipment capability, investing in key projects and developing market in a specialised orientation to improve business performance and to limit unnecessary overlapping competition.

- IDICO will appoint qualified and experienced employees to be representatives of the Company's capital contributed in subsidiaries. The Company will have specific regulations on rights and obligations of these representatives to guarantee all business activities of subsidiaries to be on the right track, to improve representatives' responsibility and to closely control the contributed capital.

- IDICO will strengthen and improve the close connection between the parent company and its subsidiaries in the aspects of administration, economic relation and benefit allocation.

- The Company will review and restructure some subsidiary companies to ensure the concentration of strength and resources.

b. Business activities after equitization

- Name of shareholding company, business lines:

+ Full name in Vietnamese: **TỔNG CÔNG TY ĐẦU TƯ PHÁT TRIỂN ĐÔ THỊ VÀ KHU CÔNG NGHIỆP VIỆT NAM - TNHH MTV;**

+ Full name in English: VIETNAM URBAN AND INDUSTRIAL ZONE DEVELOPMENT INVESTMENT CORPORATION COMPANY LIMITED;

+ Abbreviated English name: IDICO;

- Head office: 151 ter Nguyen Dinh Chieu street, Ward 6, District 3, Ho Chi Minh City

- Phone: 028 34388883; Fax: 028 39312705;

- Website: www.idico.com.vn;

- Logo of IDICO have been used under Trademark Certificate No 109367 issued by National Office of Intellectual Property of Vietnam - Ministry of Science and Technology under Decision No 15275 dated 11 August 2010.

- Business line: Inheriting the business lines granted in accordance with Business Registration Certificate No. 0302177966 issued by the Department of Planning and Investment of Ho Chi Minh City for the first time on 30/6/2010; 1st amendment on 07/01/2015; Confirmation of changes in enterprise registration on 23/01/2017

c. Investment and development plan

▪ Business plan

According to the Company's business plan from 2017 to 2019, the Company specifies its core businesses including investment and utilization of industrial parks, power, investment in toll traffic infrastructure, development of residential projects and construction. Details are as below:

BUSINESS PLAN OF PARENT COMPANY POST EQUITIZATION

Unit: VNDbn

Item	Unit	2017	2018	2019
Charter capital	VNDbn	3,000	3,000	3,000
Total revenue (consolidated)	VNDbn	5,020	5,081	5,469
Total revenue (separate)	VNDbn	932	1,130	1,438
+ <i>Industrial parks' infrastructure</i>	VNDbn	285	325	371
+ <i>Power trading</i>	VNDbn	83	207	207
+ <i>Residential and real estate</i>	VNDbn	273	192	288
+ <i>Construction</i>	VNDbn	200	300	450
+ <i>Financial income</i>	VNDbn	92	105	121
+ <i>Other revenue</i>	VNDbn	-	-	-
Total costs	VNDbn	741	911	1,179
+ <i>COGS</i>	VNDbn	678	725	987
+ <i>Financial expenses</i>	VNDbn	14	124	113

Item	Unit	2017	2018	2019
+ <i>G&A expenses</i>	VNDbn	42	51	66
+ <i>Other expenses</i>	VNDbn			
Profit before tax	VNDbn	191	219	259
Net profit after tax	VNDbn	152	175	207
Allocated to investment and development fund	VNDbn	15	18	21
Allocated to bonus fund	VNDbn	5	6	7
Remuneration for BOD and members of Board of Supervisors	VNDmn	624	624	624
Dividend	VNDbn	131	151	178
Dividend payout ratio (on charter capital)		4%	5%	6%
EPS	VND/share	508	585	690
Number of shares	shares	300,000,000	300,000,000	300,000,000
Total salary fund	VNDmn	56,500	58,500	62,000
Number of employees	Person	265	270	285
Average income of employee	VNDmn/month	18,500	19,200	19,500

In order to successfully fulfil the above business plan, the Company are determined to implement the following tasks:

- The Company will concentrate all resources to complete projects, especially hydropower projects, traffic projects and industrial park projects. The Company focuses on projects that will be completed in 2017 and 2018 such as Tan Phu IDICO Apartment, Dak Mi 3 hydropower plant and land compensation for Huu Thanh industrial park.

- The Company will look for new projects, research on their feasibility and evaluate the feasibility given the Company's capability and core business activities. The Company will actively participate to bid for selected projects, especially large projects which are suitable given the Company's capability, resources and efficient.

Investment plan

During 2017 - 2019 period, the Company will continue to invest in development of following fields: electricity, industrial park, urban & residential area and transportation infrastructure with total investment capital of VND6,986bn of which:

- Industrial park projects: The Company will focus on investing in industrial parks: Huu Thanh, The Ky (Long An Province); continue its investment in industrial parks: Phu My II, Phu My II (expanded area) (Ba Ria - Vung Tau Province), Cau Nghin (Thai Binh Province), Que Vo II (Bac Ninh Province). The Company plans to attract investors to lease land in IDICO's industrial parks for at least 60 ha/year.

- Power generation projects: The Company will finish Dak Mi 3 hydropower plant in 2017 and substation 110/22kV at Nhon Trach 5 industrial park.

- Technical infrastructure development projects (traffic, irrigation, water supply, drainage, water treatment): The Company will deploy construction of port in My Xuan A industrial park, Ha Huy Giap parallel roads, additional overpass at National Road 1A - Road 2 interchange, expansion of National Highway 1 from An Lac interchange to the border of Long An Province, Go May interchange (National Highway 1 - Le Trong Tan - Nguyen Thi Tu), Quang Minh water plant and Tuy Ha underground water plant.

- Building material production projects: The Company will invest in cement grinding line construction project (phase 2), puzzolan mine expansion project, ultra white floating glass factory at Phu My 2 industrial park (expanded area).

- Residential and urban area development projects: Tan Phu IDICO Apartment, workers' housing in Nhon Trach industrial park. The Company will research and look for new social residential and apartment projects with medium price and residential projects for workers in industrial parks in HCMC, Eastern area and Southwest area.

INVESTMENT PLAN 2017 - 2019

Unit: VNDbn

Unit: VND/bn

No	Project name	2017	2018	2019	Total investment amount 2017 - 2019	Resource	
						Debt	Equity
TOTAL		2,226	2,302	2,599	7,127	4,338	2,789
I	Parent company	2,105	2,072	2,289	6,466	3,918	2,548
1	Investment in housing and urban area development projects	315	157	140	612	299	313
1.1	Tan Phu IDICO Apartment	190	-	-	190	67	123
1.2	Resettlement area at Huu Thanh industrial park	60	30	-	90	-	90
1.3	Workers' housing at Huu Thanh industrial park	65	127	140	332	232	100
2	Investment in infrastructure at industrial parks	1,323	1,365	1,341	4,029	2,293	1,736
2.1	Nhon Trach 5 industrial park	60	-	-	60	-	60
2.2	My Xuan A industrial park	10	-	-	10	-	10
2.3	Phu My II industrial park	80	70	45	195	117	78
2.4	Phu My II industrial park (expanded area)	220	250	270	740	444	296
2.5	Cau Nghin industrial park	50	100	100	250	60	190
2.6	Huu Thanh industrial park	790	719	700	2,209	1,277	932
2.7	Construction of coastal road through Hai Phong	113	226	226	565	395	170

No	Project name	2017	2018	2019	Total investment amount 2017 - 2019	Resource	
						Debt	Equity
	City and 09 km through Thai Binh Province						
3	Investment in electricity production projects	417	-	-	417	375	42
3.1	Dak Mi 3 hydropower plant	417	-	-	417	375	42
4	Investment in technical infrastructure development projects (traffic, irrigation, water supply, drainage, water treatment...)	50	550	808	1,408	951	457
4.1	Port at My Xuan A industrial park	50	550	808	1,408	951	457
II	Wholly owned subsidiaries of IDICO	121	230	310	661	420	211
1	Investment in housing and urban area development projects	111	220	300	631	420	211
1.1	Head office of IDICO-ICC	21	-	-	21	-	21
1.2	Workers' housing in Nhon Trach industrial park	80	150	250	480	336	144
1.3	Workers' housing in Nhon Trach industrial park (Expanded area)	10	70	50	130	84	46
2	Investment in centralized industrial parks	10	10	10	30	-	30
2.1	Nhon Trach 1 industrial park	10	10	10	30	-	30

II. Business plan 2017 - 2019

Item	Unit	2017	2018	2019
Charter capital	VNDbn	3,000	3,000	3,000
Total revenue (consolidated)	VNDbn	5,020	5,081	5,469
Total revenue (separate)	VNDbn	932	1,130	1,438
+ <i>Industrial parks' infrastructure</i>	VNDbn	285	325	371
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Allocated to bonus fund	VNDbn	5	6	7
Remuneration for members of BOD and members of Board of Supervisors	VNDmn	624	624	624
Dividend	VNDbn	131	151	178
Dividend payout ratio (on charter capital)		4%	5%	6%
Earnings per share	VND/share	508	585	690
Number of shares	Share	300,000,000	300,000,000	300,000,000
Total salary fund	VNDmn	64,364	66,500	70,200
Number of employees	Person	265	270	285
Average income of employee	VNDmn/month	20,085	20,500	21,000

III. Charter capital and structure of charter capital

Charter capital of IDICO is **VND 3,000,000,000,000** (In words: Three thousand billion dong). The Charter capital under equitization plan is as follows:

No	Shareholder	Number of shares	Amount (VND)	% charter capital
1	State (*)	108,000,000	1,080,000,000,000	36.00%
2	Employees	1,694,500	16,945,000,000	0.56%
2.1	Shares issued to employees at discount (100 shares/year)	600,800	6,008,000,000	0.20%
2.2	Shares issued to employees based on working time commitment (200 shares/year)	374,200	3,742,000,000	0.12%
2.3	Shares issued to highly qualified employees (500 shares/year)	719,500	7,195,000,000	0.24%
3	Other investors through public auction	55,305,500	553,055,000,000	18.44%
4	Strategic investors	135,000,000	1,350,000,000,000	45.00%
	Total (*)	300,000,000	3,000,000,000,000	100.00%

(*) By 31 December 2018, all shares held by the State will be sold and the State will not have any ownership in IDICO

IV. Risk factors

1. Economic risks

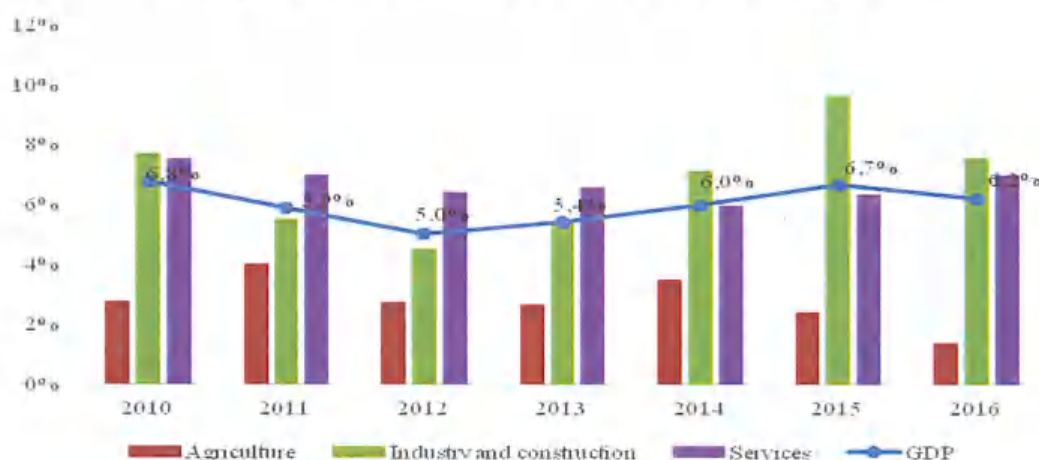
The macroeconomic factor plays an important role in the growth of companies. Business performance and prospects create the need for companies to adapt in a timely manner to the changing economic environment. Economic risk is defined as the type of systematic risk created by macro factors, in which the fundamental factors affecting business activity are: i) economic growth & growth rate of construction industry ii) inflation rate and iii) interest rate. Analysis of the macroeconomic environment is very important to prevent the impact of risk factors on the growth strategy and ensure the operation of companies.

1.1 Economic growth rate

The business performance of the Company is always tied to economic growth. According to the General Statistics Office (GSO), although socio-economic situation in 2016 encountered many difficulties and challenges, there were positive changes in general. In 2016, Vietnam achieved economic growth of 6.21%, with a positive trend of higher quarter-on-quarter growth than the previous quarters. Particularly, the first quarter increased 5.48% and the second quarter increased 5.78%. Third quarter increased 6.4% and fourth quarter increased 6.68%. Although the economic growth rate in 2016 was lower than one in 2015 and the expected GDP growth of 6.7% targeted by the National Assembly, it was still on an upward trend with positive signals coming from the agriculture, forestry, fisheries and services sector. Industry and construction sector only grew by 7.57% in 2016, which was lower than 9.64% in 2015 due to declining oil prices caused lower output. The agriculture, forestry and fishery sectors which decreased by 0.18% in the first half of 2016 started to recover and finally rose 1.36% in 2016. The services sector recorded a strong growth of 6.98%, the highest level since 2012.

Regarding macroeconomic outlook for Vietnam in 2017, the World Bank expected Vietnam to have positive medium-term GDP growth of 6.3% - 6.5%. In addition to positive signals, the economy will still encounter many challenges when economic stability is not sustainable, uneven recovery and growth mainly based on FDI. Moreover, given uncertain recovery of global economy & financial market, escalatory political turmoil and withdrawal of Britain from the European Union and prospect of TPP agreement without United States, Vietnam's growth prospect through trade and investment channels will be directly or indirectly impacted. Therefore, in order to mitigate risks, the Company constantly improves the quality of services and improve its internal management system in order to maintain market share in its business sectors.

GDP growth rate of Vietnam during 2010 - 2016 period



Source: GSO, VCSC

Disbursed FDI, registered FDI and growth of disbursed FDI

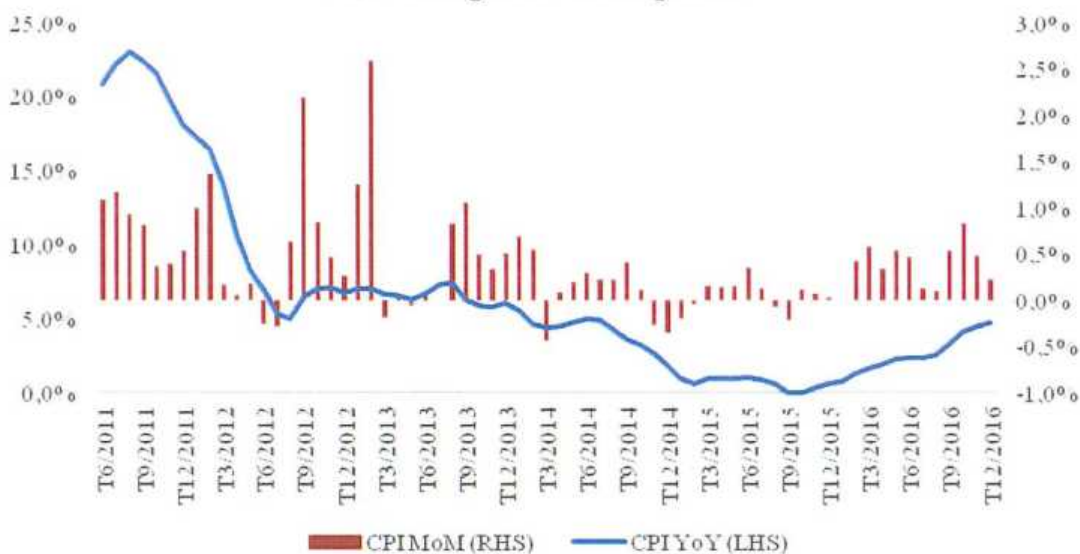


Source: GSO, VCSC

1.2 Inflation risks

Inflation is a macroeconomic factor affecting the economy and has a large impact on the economy in general and the Company in particular. Inflation in 2016 was well controlled and was within the 5% targeted by the National Assembly, with the CPI in December 2016 up 0.11% compared to November 2016 and 4.74% compared to December 2015. Inflation was mainly due to increase in prices of raw materials, food, medical services, increased tuition fees and increased regional minimum wage and base salary. Stabilizing and keeping inflation at a reasonable level is one of the top priorities of macroeconomic management and administration. In order to minimize the impact of inflation on business performance, the Company has actively estimated its demand for building materials and volume of construction works in advance so the Company can control input prices.

CPI during 2013 - 2016 period



Source: GSO, VCSC

1.3 Interest rate risks

Besides inflation, interest rate is also an important financial indicator that the Company must pay attention and update daily in order to have reasonable investment strategies. There are only a few companies that have large amounts of capital for financing their operation so the rest must raise capital by external sources including bank loans. When interest rate increases, it may have direct impact on operation of companies. The Company has maintained acceptable interest rates due to long-term relationships with banks. In addition, the Board of Management has always been careful in using bank loans. As a result, interest rate risk is well under control.

2. Legal risks

Legal risk arises from any failure to apply and adhere to legal regulations on time during operations.

The Company is a public company and business operation is subject to legal documents issued by competent authorities. The most important documents are the Law on Enterprises, Law on Securities and other legal documents relating to business lines of the Company. Currently, the legal system of Vietnam has not completed yet and has been changed frequently. Further changes in the legal system may affect the operation of the Company.

Therefore, in order to minimize legal risks arising during operation, the Company monitors, researches and updates legal documents relating to its operation, while hiring consultants for legal issues beyond the capabilities of the Company.

3. Offering risks

The Company offers shares through divestment of State's capital and shares issuance to increase charter capital to VND3,000bn. After public auction, if the number of offering shares is not sold out, IDICO will propose to the Government and Ministry of Construction for approving sale of remaining shares to strategic investors under their request and investors participating in public auction through put-through transactions. In case selected strategic investors refuses to purchase allocated shares, IDICO will propose to the Government and Ministry of Construction to allow Equitization Steering Committee to select other strategic investors (if they meet required criteria) for sale or organize public auction to sell shares to strategic investors. Accordingly, offering risks are quite negligible.

4. Other risks

In addition to aforementioned risks, the occurrence of any extraordinary events such as natural disasters in Vietnam, intentional or unintentional mass casualty incidents or similar events may materially impact the Company's operation. Such extraordinary events could result in social and economic disruptions, which may materially and adversely affect the Company's business operation and business performance. Although they are very rare events, their occurrence will materially damage assets and human resources of the Company, thereby affecting business performance of the Company.

PART 5: INFORMATION RELATING TO OFFERING

I. Offering method

Pursuant to Article 6 Decree 59/2011/ND-CP dated on 18 July 2011, the offering will be offered to:

- Employees of IDICO, IDICO-URBIZ and IDICO-ICC whose name are in the Company's list of regular employees at the time of enterprise valuation announcement as of 4 November 2016;

- Besides shares offered to employees based on working years, IDICO will offer shares to employees who commit to work for the Company post equitization (200 shares/year of commitment for employees or 500 shares/year of commitment for experts);

- Strategic investors: institutions and individuals in Vietnam and from foreign countries who have met criteria prescribed in the equitization plan, have commitments in writing to buy shares, support the Company post equitization and comply with Vietnam law;

- Other investors, both domestic and foreign.

1. Offering to employees

Total shares offering to employees are **1,694,500 shares**, equivalent to **0.56%** charter capital:

- Employees whose name are in the list of regular employees as of time of announcing enterprise value can buy a maximum amount of 100 shares for each year of working in a governmental sector at 60% of the lowest successful bidding price of public auction: 600,800 shares.

- Number of shares offered to employees who committed to work for the Company post equitization for at least three years since the date that the Company issued its first Business Registration Certificate (each employee is entitled to purchase 200 shares/each year of commitment; the maximum number of shares that each employee is entitled to purchase is 2,000 shares; the offer price is the lowest successful bidding price at public auction) is 374,200 shares. Maximum commitment time to work at IDICO is ten years.

- Number of shares offered to employees who are considered to be experts and committed to work for the Company post equitization (500 shares/each year of commitment, maximum number of shares that each employee is entitled to purchase is 5,000 shares, offer price is the lowest successful bidding price of public auction) is 719,500 shares. Maximum commitment time to work at IDICO is ten years. The criteria for this offering is as follows:

- Employees holding titles of Deputy Head or higher positions at IDICO, IDICO-URBIZ and IDICO-ICC;

- Employees with Bachelor degrees or higher qualifications and have worked at IDICO, IDICO-URBIZ and IDICO-ICC for at least three years (Based on the time that employees participate in social insurance).

2. Offering to strategic investors

According to Item c, Clause 3, Article 6 of Decree 59/2011/ND-CP, Ministry of Construction issued Decision No []/QD-BXD dated [] approving criteria for selection and offering method to the strategic investors.

a. Purpose of selecting strategic investors

- Support IDICO in implementing its vision to become a leading company in Vietnam in investment in technical infrastructure of industrial parks, investment in residential and urban areas, production and trading of electricity and operation of traffic BOT projects

- Support IDICO in executing new technology to improve its qualification in order to increase its competitive advantages on the market;

- Combine local advantages of IDICO with strategic investors' network to increase brand awareness and expansion into foreign markets;

- Improve management efficiency and strengthen IDICO's competitiveness given international economic integration
- Support IDICO to improve its financial capacity through lending to IDICO or support IDICO to approach financing sources or contribute additional capital to IDICO

b. Criteria for selection of strategic investors

Equitization Steering Committee will select up to three domestic and foreign investors who meet following criteria:

b.1 General criteria

- Have commitment in writing by authorized personnel to link with IDICO's long term benefits and support IDICO post equitization through new technology transfer, human resources training, financial and corporate governance improvements, expansion of both domestic and foreign markets, especially development of main business lines of IDICO (including investment in technical infrastructure of industrial parks, investment in residential and urban areas, production and trading of electricity and construction) so that IDICO will achieve sustainable development post equitization.
- Have commitment in writing not to transfer purchased shares in minimum of five years from the date that IDICO's business registration certificate is granted under Law on Enterprises. In case a strategic investor wants to transfer shares within this period, such investor will need to seek approval from General Meeting of Shareholders.
- Experienced and effective operation for one of supporting areas for IDICO: infrastructure investment in industrial and urban areas, construction, mining and hydropower.
- Not carry out any transactions which create conflict of interest with development strategy of IDICO
- Have proof of sufficient capital to purchase shares of IDICO. Capital should be at least shares' value of which strategic investors will register to purchase

b.2 Specific criteria

Strategic investors include domestic and foreign investors who meet the following criteria:

- Have the legal entity status as required by law;
- Have a core business line that is similar to one (01) of IDICO's three (03) core businesses;
- Possess: the ability to exploit market, high technology level, creditability, brand name, experience in managing and operating business activities in one (01) in the three (03) areas: (1) investment in industrial infrastructure and transport; (2) investment in housing and urban development, construction and installation; (3) electricity production and trading. The investor shall be suitable for the strategic direction of IDICO to support IDICO post equitization;
- Minimum period of operation up to 2016 is 05 years
- Financial statements for the last three consecutive years 2014, 2015 and 2016, in order to ensure sufficient financial capacity to purchase at least 15% of charter capital of IDICO (at an approved initial price). The financial statements must be audited by one of the reputable audit firms operating in Vietnam which are recognized by the Ministry of Finance

and included in the 10 largest auditing firms in the latest ranking list of Vietnam Association of Certified Public Auditors (VACPA), as reflected by the following criteria:

- + Total assets of at least VND2,500 billion (or US\$115.0 million for foreign investors) at the end of fiscal year 2016

- + The legal owner's equity of at least VND1,500 billion (or US\$68.0 million for foreign investors) in fiscal year 2016

- + Net profit after tax is equal to at least 5% of revenue in the last 3 years prior to the time of registration as a strategic investor;

- + Financial situation: at the time of registration as a strategic investor, the investor has no overdue debt and accumulated loss, no bad debt and does not violate the law;

- + Proof of sufficient capital to purchase the registered shares (excluding the capital already invested) or guarantee or blockade letter from commercial banks or credit institutions operating lawfully in Vietnam where investors open accounts;

- Strategic investors must immediately deposit 20% of the total value of the registered shares at the starting price approved by the competent authority (investors who do not make such deposits are not qualified). In case of abandoning the right to buy, the strategic investor shall not get the deposit back;

***Note:**

- Strategic investors must deposit 20% of the total value of the registered shares (minimum of 15% of charter capital and maximum of 45% of charter capital of IDICO) at the starting price of VND18,000/share through one of two following ways:

- (1) Escrow account number: 3101.0006.456.789 - Bank for Investment and Development of Vietnam (BIDV) - Ho Chi Minh branch (in case of cash deposit)

- (2) Guarantee or blockade letter from commercial banks or credit institutions operating lawfully in Vietnam where investors open accounts. Guarantee or blockade letter must conform to form 03 attached to the appendix of Decision 866/QĐ-BXD dated 21 August 2017 issued by the Minister of Ministry of Construction. Such Decision was posted to the website of Ministry of Construction: www.moc.gov.vn or IDICO: www.idico.com.vn. Guarantee or blockade letter should be sent directly to Ministry of Construction (contact point is Enterprise Management Department), 37 Le Dai Hanh street, Hai Ba Trung district, Hanoi City or IDICO, 151 Ter Nguyen Dinh Chieu street, Ward 6, District 3, Ho Chi Minh City.

- Deadline for submitting application dossier: 17.00 on 15 September 2017 (in working hours). Place of submission is either Ministry of Construction (contact point is Enterprise Management Department), 37 Le Dai Hanh street, Hai Ba Trung district, Hanoi City or IDICO, 151 Ter Nguyen Dinh Chieu street, Ward 6, District 3, Ho Chi Minh City.

- Strategic investor must not be subsidiaries, associates, or company whose shares are held by IDICO;

b.2.1 There is written commitment from the competent individual on the following contents:

- Ensure sustainable development, continue to implement IDICO's approved development strategy to 2020;

- Maintain IDICO's core business and brand name post equitization for at least 10 years from the time IDICO officially operates as a joint stock company;

- Continue to employ all staffs mentioned in the equitization plan approved by the Prime Minister for at least 5 years and commit to support training process of existing employees to meet job requirements;

- Respect all activities of political organizations and socio-political organizations in the Company according to Article 6 of Law on Enterprise

b.2.2 In addition to the aforementioned criteria, a foreign investor must have an account with one of the payment service providers operating in the Vietnamese territory and in compliance with the laws of Vietnam. Purchase of shares must be conducted through this account. Foreign investors must have an authorization letter (authorization contract, entrustment contract, investment delegation contract) if authorizing a representative organization in Vietnam to buy shares.

c. Objective, number of shares, proportion of shares sold, offering method to strategic investor / Mục tiêu, số lượng, tỷ lệ bán cổ phần, phương thức bán cho nhà đầu tư chiến lược

c.1. Objective, number of shares, proportion of shares sold to strategic investor

- The objective is to select qualified, experienced and reputable investors to support the development of IDICO post equitization;

- Number of shares sold to strategic investors: 135,000,000 shares (equivalent to 45% of charter capital) and are sold to at most three investors whose core business line are in line with IDICO's one. In case of choosing three investors, 01 investor will be selected for 01 business line, as follows:

- + 01 investor has the capability to support investment and trading in technical infrastructure of industrial zones and transport infrastructure;

- + 01 investor has the capability to support investment in housing and urban development, construction and installation;

- + 01 investor has the capability to support electricity production and trading;

- The proportion of shares sold to strategic investors (if three investors have met the selection criteria): at most 45,000,000 shares / 01 investor (equivalent to 15% of charter capital)

c.2. Offering method and handling unsold shares

a) Offer method: private & direct negotiation after IPO with the offering price not lower than the average successful price of the public auction, as follows:

- If only one (01) strategic investor meeting the selection criteria and the maximum number of shares registered equates to the number of offering shares to strategic investors, Equitization Steering Committee of IDICO shall report to the Minister of Ministry of Construction for deciding to sell the shares to strategic investor in the form of direct negotiation after the public auction at the selling price. Offering price will not be lower than the average successful price of the public auction.

- If there are two (02) strategic investor meeting the selection criteria and the maximum number of shares registered exceeds the number of offering shares to strategic investors, Equitization Steering Committee of IDICO shall report to the Minister of Ministry of Construction for deciding to sell the shares to strategic investors in the form of auction at Ho Chi Minh Stock Exchange.

- The auction will be organized after the public auction and offering price will not be lower than the average successful price of the public auction. Investors will be selected based on the auction price from high to low until all offering shares to strategic investors are fully sold.

- If there are up to three (03) strategic investors meeting the selection criteria and the total number of registered shares is equal to or less than 45% of the number of offering shares to strategic investors; Equitization Steering Committee of IDICO will negotiate the number of offering shares and offering price to each strategic investor and reports to the Minister of Ministry of Construction for approval. The number of shares offered to each strategic investor shall be equal to number of shares subscribed by each strategic investor, and the offering price will not be lower than the average successful bid price of the public auction.

b) Handling of unsold shares: In case investors have not fully registered, Equitization Steering Committee of IDICO will report the remaining shares (the difference between the number of shares offering to strategic investors and the number of shares actually registered by strategic investors) to the Minister of Ministry of Construction to amend the structure of charter capital to convert IDICO into a joint stock company prior to organizing the first General Meeting of Shareholders.

- If a strategic investor fails to comply with a commitment or violates a lock-up agreement as prescribed, it must compensate for all losses incurred in accordance with the commitments and current regulations.

d. Time for offering to strategic investors

Offering to strategic investors will be conducted after public auction.

e. Offering method to strategic investors

e.1. Step 1: Public announcement of equitization plan to attract potential investors

Ministry of Construction/IDICO posts a notice on its website to attract potential investors who want to become strategic shareholders of IDICO (Ministry of Construction issued Official Letter 2192/BXD-QLDN dated 7 October 20 relating to invitation to potential investors to become strategic shareholders of IDICO. This letter was uploaded to the website of Ministry of Construction)

<http://moc.gov.vn/en/web/guest/trang-chi-tiet/-/tin-chi-tiet/Z2jG/353507/353564/thong-bao-va-moi-cac-nha-dau-tu-quan-tam-mong-muon-tro-thanh-nha-dau-tu-chien-luoc-sau-khi-co-phan-hoa-cac-cong-ty-me-tong-cong-ty-song-da-idico-hud-vicem.html>).

e.2. Step 2: Public announcement of criteria for selecting strategic investors, selection procedures and offering method

Ministry of Construction announces criteria for selecting strategic investors, selection procedures and offering method to strategic investors, deadline for submitting application dossier and further announcement to invite potential investors (announcement will be posted to website of Ministry of Construction, IDICO or Construction Newspaper).

e.3. Step 3: Interested investors register and submit application dossier

- Interested investors will submit 03 application dossiers (01 original and 02 copies) to either Ministry of Construction (Enterprise Management Department is the main contact point) or IDICO. Application dossier shall include:

- Application form to register as a strategic shareholder (form 01).
- Writtene commitment from legal representative (form 02) on following contents:

- + Link with IDICO's long term benefits (at least for 10 years) and support IDICO post equitization;

- + Not to transfer purchased shares in minimum of ten years from the date that IDICO's business registration certificate is granted under Law on Enterprises;

- + Ensure sustainable development and continue to implement development strategy of IDICO until 2020 which was already approved;

- + Maintain IDICO's core businesses and brand name post equitization for at least 10 years from the date that IDICO's business registration certificate is granted under Law on Enterprises;

- + Continue to use all employees under equitization plan approved by the Prime Minister for at least 5 years and commit to support training process to help employees to meet job requirements;

- + Respect all activities of political organizations and social-politicals in IDICO in accordance with Article 6 of Law on Enterprises;

- Interested investor shall submit a company profile with following contents:

- + Valid business registration certificate;

- + Demonstrate capability for: market exploration, high level of technology, prestige, trademark, corporate governance and operation in one (01) of three (03) following areas: (1) investment in technical infrastructure of industrial parks and transportation infrastructure; (2) investment in residential and urban areas; (3) production and trading of electricity and construction and have appropriate development strategy with IDICO's development strategy to support IDICO post equitization (as evidenced by confirmation letter from interested investors or competent authorities or economic contracts or decision appointing interested investors as investor, contractor, general contractor, etc)

- + Financial statements audited by one of reputable auditing companies operating in Vietnam which are recognized by Ministry of Finance and are among top 10 auditing companies according to Vietnam Association of Certified Public Auditors's (VACPA) latest ranking which is valid for 2014, 2015, 2016;

- + Proof of sufficient capital to purchase the registered shares (excluding the capital already invested) or guarantee or blockade letter from commercial banks or credit institutions operating lawfully in Vietnam where investors open accounts. Guarantee or blockade letter must be valid for at least 06 months - form 03)

- Deadline for submitting application dossier: **25 days** from the date that Decision on criteria for selecting strategic investors, selection procedures and offering method to strategic investors is officially announced. The deadline will be at 17.00 on 15 September 2017 (working hours)

e.4. Step 4: Assessment and evaluation

- Assessment

- + Equitization Steering Committee of IDICO is responsible for establishing an assessment team to assess and select strategic investors based on criteria for selecting strategic investors approved by Ministry of Construction;

- + Members of assessment team: Members' Council, Members of Board of Management, Members of Supervisory Board, representative of Trade Union, representatives of Enterprise Management, Personnel Organization, Financial Planning and Head of assistant team to

Equitization Steering Committee who is Chairman of Members' Council cum Deputy Head of Equitization Steering Committee;

+ Responsibility: Consider and evaluate interested investors' satisfaction of interested to selection criteria, commitments and capabilities of interested investors, make a list of eligible investors and submit this list to Equitization Steering Committee for considering and making final decision;

- Evaluation: Equitization Steering Committee (especially Enterprise Management Department) shall take leading responsibility in assessing and proposing final list of strategic investors, number of offering shares and offering price to Minister of Ministry of Construction for approval (form 04).

e.5. Step 5: Approval of strategic investors, number of offering shares and offering price

Based on decision of Minister of Ministry of Construction on approving strategic investors, number of offering shares and offering price, Equitization Steering Committee/Assistant team to Equitization Steering Committee and selected strategic investors will negotiate and sign sales and purchase agreement in accordance with current regulations (form 05).

3. Shares offered through public auction

▪ Number of shares: 55,305,500 shares, equivalent to 18.44% of charter capital of IDICO - JSC

▪ Type of shares: ordinary shares

▪ Par value: VND 10,000/share (Ten thousand Vietnam dong/share)

▪ Starting price: VND 18,000/share (Eighteen thousand Vietnam dong/share)

▪ Deposit: 10% of total value of subscribed shares at starting price

▪ Auction participants: organizations and individuals which satisfy criteria as stipulated in regulations on the public share auction of IDICO

▪ Auction agent: Ho Chi Minh Stock Exchange

▪ Time and place for registering to participate on public share auction, deposit and receiving registration form: as stipulated in regulations on the public share auction of IDICO issued by Ho Chi Minh Stock Exchange

▪ Auction time: as stipulated in regulations on the public share auction of IDICO

▪ Auction place: Ho Chi Minh Stock Exchange, 16 Vo Van Kiet, District 1, Ho Chi Minh City

II. Payment for subscribed shares

As stipulated in regulations on the public share auction of IDICO issued by Ho Chi Minh Stock Exchange.

III. Plan to use proceeds from equitization

According to Item 3a Article 42 of Decree 59/2011/ND-CP, in case of IDICO, it is a combination of divestment of State's capital and new shares issuance, proceeds from equitization will be treated as follows:

“.....a) Proceeds from equitization belong to IDICO will be equal to par value of new shares issuance; capital surplus will be used to settle equitization costs and compensate for redundant labors, in case there is a shortage, it will be treated based on Item 1b of this Article...”

As the public auction has not been organized yet, the lowest successful bidding price is still unknown. For the purpose of calculating proceeds from equitization of IDICO, all shares offered to strategic investors and investors through public auction is offered at the same price of VND 15,600/share. After having the official offer price and the actual number of shares offered for each type of investor, the plan to use the proceeds from the equitization of IDICO will be adjusted. Currently the plan to use the proceeds from the equitization of IDICO is as follows:

No	Item	Amount (VND)
1	Charter capital of IDICO-JSC	3,000,000,000,000
2	State capital at IDICO after revaluation	2,532,883,455,334
3	Expected starting price (VND/share)	18,000
4	Proceeds from equitization	3,451,674,240,000
4.1	<i>From sale of preferential shares to employees at discount price (100 shares/year - collected 60%)</i>	6,488,640,000
4.2	<i>From sale of shares to employees who committed to purchasing additional preferential shares (200 shares/year)</i>	6,735,600,000
4.3	<i>From sales of shares to employees who have good performance at discount price (500 shares/year)</i>	12,951,000,000
4.4	<i>From strategic investors</i>	2,430,000,000,000
4.5	<i>From public auction</i>	995,499,000,000
5	Par value of shares offered to employees, labour union, strategic investors & public auction	1,920,000,000,000
6	State capital at IDICO post equitization	1,080,000,000,000
7	Par value of State's shares offered for sale	1,452,883,455,334
8	Par value of additional issued shares (8) = (1) - (2)	467,116,544,666
9	Equitization expenses	4,292,555,000
10	Compensation for redundancy	347,162,000
11	Par value of shares offered to employees, strategic investors & public auction	1,920,000,000,000
12	Share premium (12)=(4)-(11)	1,531,674,240,000
13	Share premium after deduction of equitization expenses and compensation for redundancy (13) = (12) - (9) - (10)	1,527,034,523,000
14	Share premium belongs to IDICO (13) = { (4) - (5) - (9) - (10)} x { (8)/(1)}	237,767,696,656
	Total amount transferred to Arrangement & Business Development Fund (15) = (4)-(8)-(9)-(10)	2,742,150,281,678

IV. LISTING PLAN

- In case, IDICO becomes a public company within 90 days from the date that IDICO receives business registration certificate to start operating as a joint stock company, IDICO will complete necessary procedures for registering as a public company, depositing shares at Vietnam Securities Depository and listing shares at Unlisted Public Company Market (UPCOM) in accordance with current regulations.

- In case, IDICO meets required conditions for listing shares at stock exchange, IDICO will list its shares within one year from the date that IDICO receives business registration certificate to start operating as a joint stock company in accordance with Law on Securities in Vietnam.

PART 6: IMPORTANT NOTES

I. Land use plan

- Until now, IDICO received written approval from Ministry of Construction, Ho Chi Minh City, Dong Nai province, Ba Ria - Vung Tau province and Quang Nam province. **Only Binh Thuan province has not yet responded as competent authorities are resolving proposal from IDICO to transfer Son My 1 industrial park to other investors.**

- Until now, IDICO-URBIZ (a subsidiary of IDICO) received written approval from Thai Binh province, Hanoi city, Vinh Phuc province and Dong Nai province.

- In relation to apartment B9-2 and B9-4 located at Ward 25, Binh Thanh District and terraced house (land area of 226.8 square meter) located at Van Thanh Bac Ward, Binh Thanh District, IDICO-URBIZ proposed action plan in Official Letter No 157/CT-ĐT dated 13 May 2015 relating to approval of land use plan for equitization of IDICO. **IDICO proposed to return aforementioned land to People's Committee of Binh Thanh District and related households will directly contact People's Committee of Binh Thanh District to implement procedures for applying land use right certificates (including assets on land).**

II. Dak Mi 3 Hydropower Plant

- The value of state capital at the time of announcing the enterprise value does not include the value of Dak Mi 3 Hydropower Plant as it was under construction at that time. The project has a total capacity of 2 x 31.5MW (63MW); the average electricity output is 211.9 GWh per annum. IDICO and EVN signed the Electricity Purchase Agreement No 03/2017/HD-NMD-Dak Mi 3 dated 31 March 2017.

- Currently Dak Mi 3 Hydropower Plant has been put into operation in Q3, 2017 (Electric generator Unit No. 1 and No. 2 generated power in June 2017 and July 2017 respectively). IDICO is implementing necessary procedures to finalize investment cost in accordance with Circular 09/2016/TT-BTC dated 18 January 2016 issued by Ministry of Finance.

- IDICO is also implementing necessary procedures relating to capital conversion and finalisation of investment cost. **The conversion premium will be transferred to Arrangement & Business Development Fund before conversion from state-owned company to joint stock company.**

III. The land area for Tan Phu IDICO Apartment

▪ Regarding the land area for Tan Phu IDICO Apartment located at 262/13-262/15 Luy Ban Bich street, Hoa Thanh Ward, Tan Phu District, Ho Chi Minh City, under Land Use Right Certificate No. BK 704847 issued by Department of Natural Resources and Environment of Ho Chi Minh City on behalf of the People's Committee of Ho Chi Minh City. Total usable area: 9,386.4 sqm; purpose of land use plan: residential land in urban areas, land for business establishment (high-rise apartments, commercial buildings and services); number of years for using land: long term for land being used for house construction and 50 years for land used for service and trading; origin of land use: the State allocates land in exchange for land use fee. However, the Land Use Right Certificate No BK 704847 does not specify clearly which part of the total land use area (9,386.4 sqm) are being used for residential area and for commercial purposes.

▪ Therefore, VVFC temporarily determined land use right value according to the price set by the People's Committee of Ho Chi Minh City in Decision No 3826/QD-UBND dated 27 July 2012 and determined land use for residential area based on construction area under the construction permit of the Department of Construction of Ho Chi Minh City dated 2 July 2013. Such price is temporary and not the final one for calculating the value of land use right for equitization of IDICO in accordance with provisions of Point d, Item 4, Article 114 of Vietnam Land Law 2013.

▪ IDICO is responsible to send proposal to People's Committee of Ho Chinh Minh City for approval of specific land price for each type of land in order to calculate the correct value of land use right for equitization of IDICO in accordance with Point d, Item 4, Article 114 of Vietnam Land Law 2013.

▪ **An increase in value of land use right will be transfered to Arrangement & Business Development Fund before conversion from state-owned company to joint stock company.**

IV. Land lot at 151 Ter Nguyen Dinh Chieu, Ward 6, District 3, Ho Chi Minh City (Head office of IDICO)

▪ On 26 December 2014, IDICO sent official letter No 951/TCT-TCKT to People's Committee of Ho Chi Minh City and Department of Natural Resources and Environment to request for approval of land use plan when IDICO is converted to joint stock company.

▪ According to Official Letter No 6462/UBND-TM dated 22 October 2015 of People's Committee of Ho Chi Minh City, People's Committee of Ho Chi Minh City agreed to IDICO for continuing to use the premise located at 151 Ter Nguyen Dinh Chieu Street, Ward 6, District 3 in accordance with the planning of Ho Chi Minh City.

▪ **After being converted to joint stock company, IDICO is responsible for leasing land from the State in accordance with current law.**

V. Binh Loi Quarry and Doi Chua 3 Quarry, Dong Nai province

▪ Binh Loi Quarry: quarry exploitation and processing project located on 40 ha at Binh Loi commune, Vinh Cuu district, Dong Nai province. People's Committee of Dong Nai province granted investment certificate No 47121000330 dated 22 December 2011 and exploitation license under Decision 1430/QD-UBND dated 29 May 2012.

▪ Doi Chua 3 Quarry: quarry exploitation and processing project located on 75.53 ha at Thien Tan commune, Vinh Cuu district and Ho Nai 3 commune, Trang Bom district, Dong Nai

province. People's Committee of Dong Nai province granted investment certificate No 47121000363 dated 22 December 2012 and exploitation license under Decision 747/QĐ-UBND dated 12 March 2013.

▪ Project implementation process:

- To meet the demand for construction stone for the development of industrial zones, infrastructure, residential area, etc. in Dong Nai province in particular and in the South East region in general, in 2011, IDICO and its partners set up IDICO Dong Nai Construction Material Exploitation and Trading Joint Stock Company (IDICO DONG NAI) which has the charter capital structure as follows: Cuong Thuan IDICO contributed 35%, Dong Thuan Joint Stock Company contributed 25%, IDICO contributed 10% and some other shareholders contributed 30%.

- According to Directive No 01/CT-BXD dated 4 March 2011 of the Minister of Ministry of Construction relating to implementation of Resolution No 11 /NQ-CP dated 24 February 2011 of the Government on key solutions for controlling inflation, stabilizing the economy, maintaining social security and completing action plan of Ministry of Construction, IDICO has checked and reviewed the list and efficiency of IDICO and its member companies. Regarding exploitation and trading of construction materials sector, IDICO has re-assessed the effectiveness and implemented procedures for delaying and ceasing some ineffective projects such as Doi Dat Do Mine (IDICO-CONAC), Tang Xi Material Mine (IDICO-URBIZ), Vung Gam Clay Mine (IDICO-MCI), Tan Cang 9 Quarry (IDICO-UDICO). These projects do not qualify conditions for implementation and were stopped. Of which, Binh Loi Quarry and Doi Chua 3 Quarry are ineffective projects and are included in IDICO's portfolio of non-investment projects submitted to the Ministry of Construction for consideration and approval from 2013.

- In 2013 and 2014, IDICO concentrated all financial resources to complete Dak Mi 4A, B and 4C hydropower projects and industrial infrastructure projects, BOT transportation projects, etc. In addition, IDICO implemented the Restructuring Plan for the period 2013 - 2015 which was approved by the Ministry of Construction. During this time, IDICO did not contribute capital to IDICO DONG NAI and IDICO has not incurred any costs relating to these two projects.

- On 4 November 2016, Department of Natural Resources and Environment of Dong Nai province issued Official Letter No 5263/STCMT-CCQLĐĐ and sent to People's Committee of Dong Nai province for comments on the use plan of IDICO. "Although both of these projects were approved for being exploited and have been notified of land acquisition by People's Committee of Dong Nai province, IDICO has not fulfilled the required procedures yet. Therefore, Department of Natural Resources and Environment proposed to exclude these two land plots from land use plan in equitization plan of IDICO and at the same time requested People's Committee of Dong Nai province to assign Department of Planning and Investment to coordinate with Department of Natural Resources and Environment and related competent authority to inspect investment progress, report and propose to the People's Committee of Dong Nai province for handling in accordance with current regulations."

- On 19 December 2016, People's Committee of Dong Nai province issued Official Letter No 12348/UBND-CNN to Department of Planning and Investment, Department of

Natural Resources and Environment, Department Finance, People's Committee of Vinh Cuu district and Trang Bom district and IDICO relating to land use plan in equitization plan. People's Committee of Dong Nai province stated that "People's Committee agrees on the proposal of Department of Natural Resources and Environment which excludes Doi Chua 3 Quarry located at Thien Tan commune, Vinh Cuu district and Ho Nai 3 commune, Trang Bom district into equitization plan of IDICO because IDICO had not completed compensation and site clearance". People's Committee of Dong Nai province also assigned Department of Planning and Investment to coordinate with Department of Natural Resources and Environment and related competent authorities to inspect investment progress and report to People's Committees of Dong Nai province for handling in accordance with current regulations.

- On 4 April 2017, People's Committee of Dong Nai Province issued Official Letter 3060/UBND-CNN dated 4 April 2017 relating to the proposal to terminate operation of Binh Loi Quarry and Doi Chua 3 Quarry which are invested by IDICO and sent to Department of Planning and Investment, Department of Natural Resources and Environment, IDICO, Cuong Thuan IDICO Development Corporation. According to this Official Letter, People's Committee of Dong Nai Province approved proposal of Department of Planning and Investment of Dong Nai Province relating to terminating operation of Binh Loi Quarry under investment certificate No. 47121000330 dated 22 December 2011 and Doi Chua 3 Quarry under investment certificate No. 47121000363 dated 28 December 2012. After termination of two aforementioned projects, People's Committee of Dong Nai Province requested IDICO to terminate such projects in accordance with current regulations.

- On 4 May 2017, Department of Planning and Investment of Dong Nai province issued Decision 37/QD-SKHDT and sent to IDICO and People's Committee of Dong Nai province relating to termination of Binh Loi Quarry and Doi Chua 3 Quarry (IDICO is the investor) at Vinh Cuu District.

- To implement the direction of Equitization Steering Committee, IDICO signed the Addendum to Contract No 12261/HD-IDICO-VVFC with VVFC on valuation of rights to exploit Binh Loi Quarry and Doi Chua 3 Quarry.

- On 19 June 2017, VVFC issued Official Letter 273/TT-VVFC-BAN3 relating to legal issues arising from valuing exploitation right of Binh Loi Quarry and Doi Chua 3 Quarry. According to the Official Letter, VVFC clearly stated that: (1) Based on documents of competent authorities relating to land use plan of IDICO, exploitation license and termination of Binh Loi Quarry and Doi Chua 3 Quarry, valuation of exploitation rights for these two quarries on market basis is not possible due to lack of legal basis; (2) VVFC notified to IDICO such legal issues relating to , valuation of exploitation rights for Binh Loi Quarry and Doi Chua 3 Quarry and concluded that VVFC can not value these two quarries and VVFC can not issue Certificate of Valuation under Vietnam Valuation Standards.

- **After IDICO is converted to joint stock company, IDICO will finalize these projects in accordance with current regulations to determine an increase in state capital. Such amount (if any) will be transferred by IDICO to Arrangement & Business Development Fund in accordance with provisions of Decree 59/2011/ND-CP before conversion from state-owned company into joint stock company.**

VI. The Ky industrial park

▪ On 26 September 2012, People's Committee of Long An Province issued official letter No 3442/UBND-KT approving IDICO to prepare detailed planning for 120 ha of The Ky industrial park located at Huu Thanh Commune, Duc Hoa District, Long An Province based on planning for development of industrial parks in Vietnam under official letter No 1533/TTg-KTN dated 16 September 2008 issued by the Prime Minister.

▪ Implementation of investment procedures: IDICO received approval relating to detailed plan, survey, preparation of investment project, cost estimate & bidding plan, design, location, etc from competent authorities

▪ On 13 June 2017, People's Committee of Long An Province issued Decision No 2158/QD-UBND terminating investment project relating to The Ky industrial park

▪ **After IDICO is converted to joint stock company, IDICO will finalize The Ky industrial park project in accordance with regulation and determine increasing amount in the state capital. Such amount will be transfered to Arrangement & Business Development Fund before conversion from state-owned company to joint stock company.**

VII. Son My 1 industrial park

▪ Investment certificate was granted by Binh Thuan Industrial Zones Authority to IDICO in 2010. However, project implementation encountered many difficulties and obstacles such as conflict with planning of the government and Ministry of Industry and Trade relating to Son My Electricity Center and storage, LNG port and the government's policy on adjusting the area of Son My 1 industrial park to 1,070 ha, high compensation & clearance costs, difficulty in investment attraction.

▪ Since the project is not feasible, IDICO has stopped deploying the project and is looking for potential investors to transfer the project. Relevant authorities of Binh Duong Province had appraisal in accordance with current procedures.

▪ On 25 January 2017, People's Committee of Binh Thuan Province sent official letter No. 308/UBND-KT to Ministry of Planning and Investment for submitting to the Prime Ministry for approval of changing the investor

▪ **After IDICO is converted to joint stock company, IDICO will finalize Son My 1 industrial park project in accordance with regulation and determine increasing amount in the state capital. Such amount will be transfered to Arrangement & Business Development Fund before conversion from state-owned company to joint stock company.**

VIII. Son My II industrial park: IDICO-UDICO (IDICO holds 51% of charter capital) is the investor. Investment certificate has not been granted for this project. IDICO has stopped deploying the project and has been looking for potential investors to transfer the project

IX. Payable amount to EVN Preparation Board for Investment

▪ Currently IDICO is still following up payable amount of VND1,563 million to EVN Preparation Board for Investment relating to survey costs and cost of preparing feasibility report for Srok Phu Mieng hydropower project in 2007.

- The Board was dissolved so IDICO can not confirm such payable amount with EVN. EVN has not also sent any notification to IDICO.

- **Therefore, at the time of converting to joint stock company, if IDICO does not receive any notification from EVN, aforementioned amount will be transferred to the State budget.**

X. VNT-IDICO Real Estate Joint Stock Company (VNT-IDICO)

- IDICO was a founding shareholder of VNT-IDICO (charter capital: VND1,200bn; IDICO contributed 40% charter capital of VNT-IDICO). Actual contributed capital is VND2,400mn. VNT-IDICO was established to find and develop real estate projects in the North of Vietnam. However, projects can not continue to be implemented.

- On 20 October 2012, General Meeting of Shareholders of VNT-IDICO agreed to dissolve VNT-IDICO under Decision No 96/QD-DDCD. On 28 October 2012, Board of Directors of VNT-IDICO issued Decision No 98/QD-HDQT relating to the dissolution of VNT-IDICO including debt payment and settlement of employees' interests in accordance with current regulations.

- At the moment, VNT-IDICO ceases operation but dissolution procedures currently are processed by relevant authorities. As a result, IDICO has not collected contributed capital to VNT-IDICO yet.

PART 7: CONCLUSION

This Information Memorandum was prepared to provide information to investors so investors are able to evaluate assets, capital, financial performance and the business outlook of Vietnam Urban and Industrial Zone Development Investment Corporation Company Limited before deciding whether to register to purchase shares.

This Information Memorandum is prepared on the basis of approved equitization plan and information, data provided by IDICO for transparency and protecting investors' legitimate interest. The wording was carefully selected based on information and data provided by IDICO.

We respectfully request investors to carefully read this Information Memorandum before deciding whether to participate in the public share auction of IDICO.

**EQUITIZATION STEERING COMMITTEE
VIETNAM URBAN AND INDUSTRIAL ZONE DEVELOPMENT INVESTMENT
CORPORATION COMPANY LIMITED
MEMBER OF EQUITIZATION STEERING COMMITTEE**



ĐAU MINH THANH

**ON BEHALF OF VIETNAM URBAN AND INDUSTRIAL ZONE DEVELOPMENT
INVESTMENT CORPORATION COMPANY LIMITED**

CHAIRMAN OF MEMBERS' COUNCIL



NINH MANH HONG

GENERAL DIRECTOR



NGUYEN VAN DAT

CHIEF ACCOUNTANT



NGUYEN HONG HAI

**ON BEHALF OF VIET CAPITAL SECURITIES JOINT STOCK COMPANY
CHIEF EXECUTIVE OFFICER**



TO HAI