Presentation Content

1. DVIZ JSC – Who are we
2. Location
3. Korean investors in Haiphong
4. DVIZ Development Plan
5. Utilities
6. Workshop for lease
7. Clients
8. Lach Huyen Project
9. Port facilities
10. Tax incentives – Economic Zone
Other references:
- OKFTZ in Nigeria
- Oostende industrial zone, Belgium
- Zuiderzeehaven Kampen, The Netherlands
- Duqm port and industrial zone, Oman
Why Invest in Vietnam

- Strong Growth Performance
- Vietnam is a safe destination with political stability
- Vietnam’s investment climate has been improved constantly
- Increased Integration with the World Economy
- Vietnam has a young, well-educated, hard working, good attitude labor force;
- Services are various and of good quality, competitive price;
- Vietnam is building foundation for Improved Investment Climate;
- Toward Modern Public Institutions and Governance
- Competitive tax incentive
- Total FDI project: 15,904 projects (2012)
- Total registered Investment capital: US $246,339,400,000
HAI PHONG CITY
The City of more than 100 year experience of industrial and seaport development
Comparison South Korea – Vietnam Population – Social Dividend

Population (in millions)

Age Group

Young population
WHY INVEST IN HAI PHONG CITY

The City of more than 100 year experience of industrial and seaport development

- Hai Phong – city and province level combined
- Authorities are very experienced in working with foreigners (+500 foreign companies in Hai Phong)
- Economic Zone entity
- Commitment to maintain and expand infrastructure to support the industry
- 1.9 million people city (1/5 of Seoul) – 1.290 million labor
- Education – 5 universities with extensive experience to work with industry (JV’s for training)
- Utilities; Electricity – regional and national grid and infrastructure: Rail, road and airport and seaport
- Customs administration – in house
- All major banks have business offices
- Area: $1,519km$^2$
- Steady Economic Growth
- Access to Markets
- Ease and Low cost of Doing Business
- Total FDI project: 366 projects
- Total Investment capital: US $8.9bn
HAIPHONG – A DESTINATION FOR KOREAN INVESTORS

- Total Korean FDI in Haiphong (till 03/2014): $2.6bn.
- Total number of projects: 46.
- Big projects: LG ($1.5bn), Hyundai E&C Vina Song Gia ($720m).

Korea ranks second among the biggest investors in Haiphong in 2013

Sunflower Village
Invested and managed by a Korean company

Korean restaurants in Haiphong
LG ELECTRONICS HAI PHONG
(Investment started 2013)
Song Gia Golf Resort
Invested by Hyundai E&C
Dinh Vu Master Plan

Industrial Zone of 945 ha;
The Dinh Vu Industrial Zone is strongly supported by:
- Deep Sea Port of 130 ha
- Residential, Public Services and Commercial Area of 65 ha
- Phase-by-phase Development (3 phases)
DVIZ

Strategic Location

- Direct Access to the Sea
- Road connection
- Railway connection
- Nearby Cat Bi Airport
- Dinh Vu General Port & Liquid Jetty are just inside the Zone

By sea ...

By road ...

- 100 km from Hanoi capital
- 120 km from Noi Bai airport
- 7 km from city center

By air ...
Dinh Vu Post and Telecommunications Transaction Centre:
• Telephone, FAX, data transmission services with stable quality
• Services of high speed ADSL Internet connection

Power supply:
✓ Cat Bi - Ha Doan - Dinh Vu Substation 2x63 MVA 110/22KV: regional network
✓ Dinh Vu Substation 2x 250 MVA 220/110/22KV: national network

Water supply:
✓ Hydrant system for fire fighting
✓ Water capacity:
  + 12,500 m$^3$/day (treated water)
  + 20,000 m$^3$/day (raw water)
    (expandable)

Waste water treatment:
✓ Waste water collection and treatment capacity of 2,700 -> 12,500 m$^3$/day
10,000 DWT Berth:
- Dock length: 173,01 m
- Mooring depth: -7m
- Turning Basin Elevation: -4.5 m

20,000 DWT Berth
- Dock length: 193 m
- Designed Mooring Depth: -9 m
- Turning Basin Elevation: -7.5 m

300 DWT Berth
- Dock length: 112,2 m
- Mooring depth: -1.8 m
- Turning basin elevation: -1.8 m
Key features:

• Steel Structure
• Expandable
• Length: 4200 m
• Number of level: 3
• Number of pipeline: 30+

Well facilitate Import & Export of Liquid Products

DVIZ up to 20,000 DWT Dinh Vu Liquid Jetty
DVIZSPV – WORKSHOP FOR LEASE

- Fit for all types of industry
- Flexible sizes
- Reliable utilities
- Efficient client service package
DVIZSPV – WORKSHOP FOR LEASE

- Reinforced concrete foundation
- Floor loading capacity of 20 KN/m²
- Utilities provision:
  - Electricity
  - Treated water
  - Waste water collection and treatment
  - Hydrant fire protection
  - Telecommunication and internet access
Air Picture taken of the petrochemical zone in August 2012

Dyz Liquid Jetty & Pipe bridge system

Magnetic Materials

Lubricant blending

Diluting chemicals

FF system
Air Picture taken of the **petrochemical zone** in August 2012

- **Lubricant blending**
- **Diluting chemicals**
- **Detergent production**
- **Supplier of Lubricant plants**
Dinh Vu Area Development Plan

- Tan Vu – Lach Huyen Road and Sea-crossing Bridge – estimated 2016
- City center of 2 million people
- Dinh Vu Area Development Plan
- Lach Huyen Port Estimated 2016
Dinh Vu General Port

- 20,000 DWT
- 5 terminals are operational
- Mooring depth: -9.4m
- Access channel: -7.0m
- 4 km of Key walls for all types of cargo
- Dry Bulk, Container
- Over 500,000 TEU in 2013.
DVIZ

20,000 DWT Dinh Vu General Port

Port in operation
Port of Lach Huyen

- Ground breaking ceremony on 14/4/2013 (first 2 berths) by Prime Minister
- Port planned to be operational in 2016
- Operators: NYK, Itochu, Mitsui
TAN VU – LACH HUYEN
Road & Sea-crossing Bridge

- Total length: 15.6km.
- Bridge length: 5.44km.
- Connect to Lach Huyen International Deep-sea Port.

- Funded by ODA and Vietnam’s reciprocal capital.
Investors in DVIZ are entitled to a tax incentives package = Economic zone tax package. The Economic zone tax package is the best tax package available to investors in Vietnam.

**Corporate Income Tax:**
- 10% for 15 years, 20% thereafter
- 100% Exemption for 4 years commencing from first profit making year
- 50% Reduction for 9 years after Exemption period

(Other Industrial Zones: exemption for 2 years, reduction for 4 years and 20% thereafter.)

Normal tax rate: 22% till 2015, 20% from 2016.

**Personal Income Tax:**
50% reduction to the normal rate for lifetime of the project for locals and expats.

(Other Industrial Zones: 0% reduction)
Tax incentives in details

### General case
- **Tax incentive rate**
  - 0% for years 1-3
  - 10% for years 4-13
  - 20% for years 14-15

### Case 1
- **Making profit from the establishment**
  - 0% for 4 years
  - 5% for 9 years
  - 10% for 2 years

### Case 2
- **Making profit from the 4th year of establishment**
  - 0% for 3 years with no profit
  - 0% for 4 years
  - 5% for 8 years
  - 10% for 1 year
  - 20% for the remaining years

### Normal tax
- Till 2015: 22%
- As from 2016: 20%
Our Long-term Partners

- Heavy Industry
- Petrochemical Industry
- General Light Industry

- 51 projects with Total Investment Capital of nearly US$ 2.7bn
- 92% occupied phase 1 (164ha)
- 60% occupied phase 2 (377.5ha)
One Stop Service
Great commitment, great results

- Pre-Investment license application
- Post-Investment license application
- Investment incentive advice
- Tax and finance consulting
- Legal advice
- Culture and lifestyle advice
- Recruiting
- Business matching

COME & GROW WITH US

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