

INVESTMENT PROCEDURES IN VIETNAM

GENERAL INFORMATION

MINH HUNG SIKICO INDUSTRIAL PARK



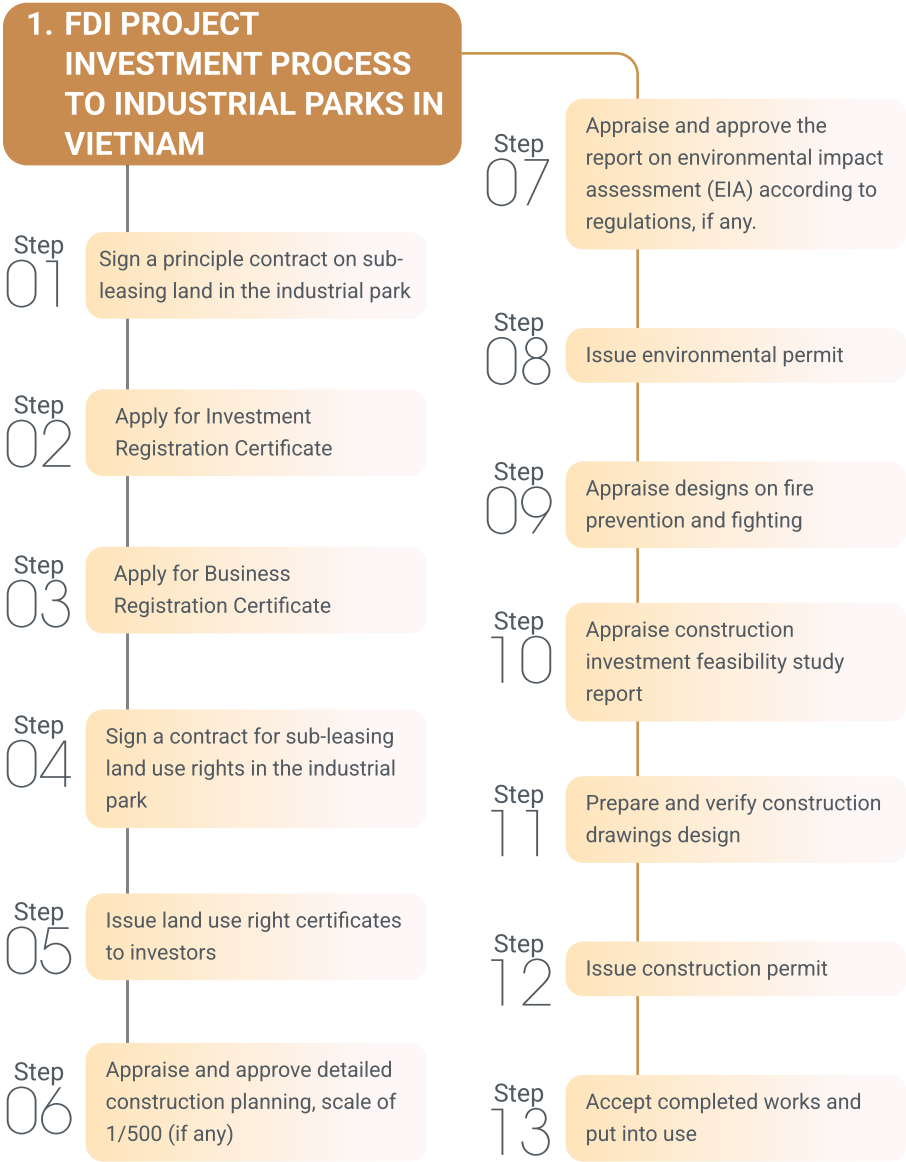
Table of Contents

PART I: SOME REGULATIONS ON FOREIGN ENTERPRISES INVESTING IN VIETNAM	02
1. FDI PROJECT INVESTMENT PROCESS TO INDUSTRIAL PARKS IN VIETNAM	03
2. POPULAR TAXES DURING BUSINESS PROCESS IN VIETNAM	04
3. SALARY AND LABOR REGULATIONS	09
4. RESPONSIBILITIES FOR COMPENSATION OF LABOR ACCIDENTS AND OCCUPATIONAL DISEASES OF ENTERPRISE	12
 PART II: BINH PHUC PROVINCE'S INVESTMENT ATTRACTION POTENTIAL	 13
1. LARGE LAND FUND	14
2. STRATEGIC LOCATION	14
3. DYNAMIC PROVINCE GOVERNMENT	15
4. PREFERRED CIT	16
5. QUICK INVESTMENT PROCESS	17
 PART III: MINH HUNG SIKICO - TYPICAL INDUSTRIAL PARK IN THE SOUTH VIETNAM	 18
1. STRATEGIC LOCATION	19
2. LEGAL TRANSPARENCY	20
3. TECHNICAL INFRASTRUCTURE	20
4. MULTI-INDUSTRIAL RECEIPT	21
5. OPERATIONAL MANAGEMENT 4.0	22
6. ACCOMPANY AND SUPPORT INVESTORS	22



PART I: SOME REGULATIONS ON FOREIGN ENTERPRISES INVESTING IN VIETNAM

1. FDI PROJECT INVESTMENT PROCESS TO INDUSTRIAL PARKS IN VIETNAM



2. POPULAR TAXES DURING BUSINESS PROCESS IN VIETNAM

VAT

0%

- Machinery and equipment which cannot be produced domestically must be imported for direct use in scientific research and technological development activities.
- Imported raw materials for the production and processing of exported goods.
- Goods and services are traded between foreign countries and non-tariff zones and among non-tariff zones.
- Goods are in transit, temporarily imported for re-export.
- Other goods and services are not subject to VAT of the Law on Value Added Tax.

5%

- Medical equipment and tools, medical tampons, medicine for prevention and treatment of diseases.
- Chemical and pharmaceutical products, medicinal materials are raw materials for the production of curative and preventive drugs.
- Some recommended goods and services.

10%

- Applied to goods and services not subject to the tax rates of 0% and 5%.

** Detailed regulations on the cases with applied VAT rates, please scan QR code to see details (QR code image)*

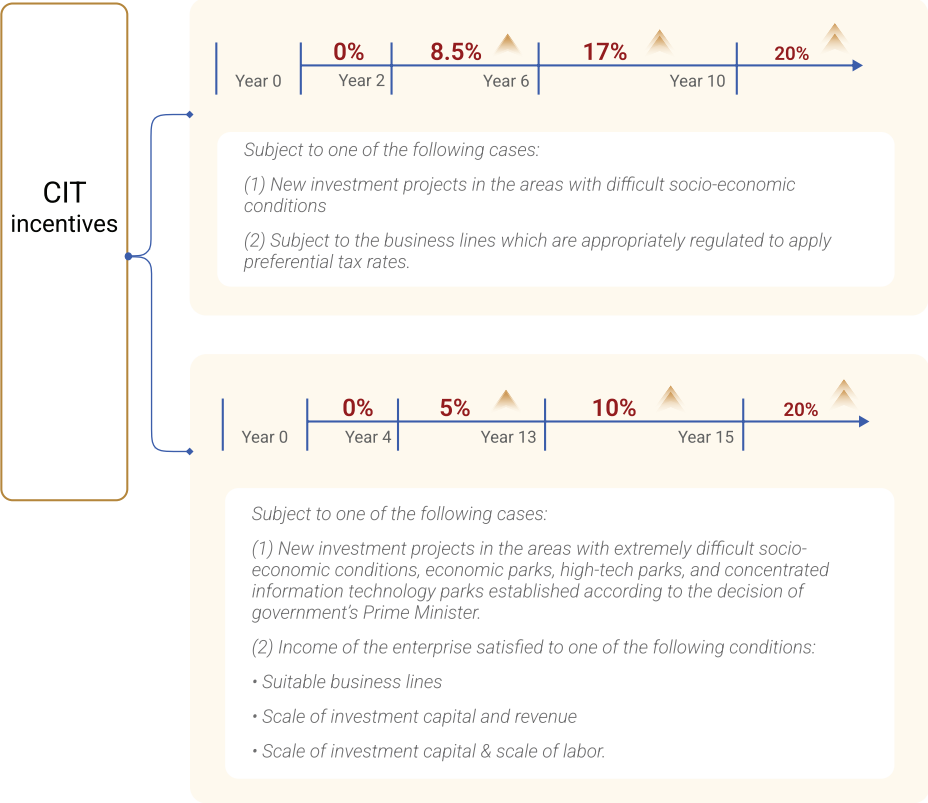


2. POPULAR TAXES DURING BUSINESS PROCESS IN VIETNAM

Corporate income tax

Corporate income tax

Preferential tax rates are common for investment projects in industrial parks



**Applied according to CIT law and enforcement guidance documents*
Detailed regulations on the cases of application of CIT incentives, please scan QR code to see details.



2. POPULAR TAXES DURING BUSINESS PROCESS IN VIETNAM

Personal income tax

PIT payers include the following two subjects:

- Individual residents (present in Vietnam for 183 days or more or having a regular place of residence in Vietnam);

	Taxable income/year (million VND)		Taxable income/month (million VND)		Tax rate (%)
Level 1	To 60		To 5		5
Level 2	Over 60 to 120		Over 5 to 10		10
Level 3	Over 120 to 216		Over 10 to 18		15
Level 4	Over 216 to 384		Over 18 to 32		20
Level 5	Over 384 to 624		Over 32 to 52		25
Level 6	Over 624 to 960		Over 52 to 80		30
Level 7	Over 960		Over 80		35

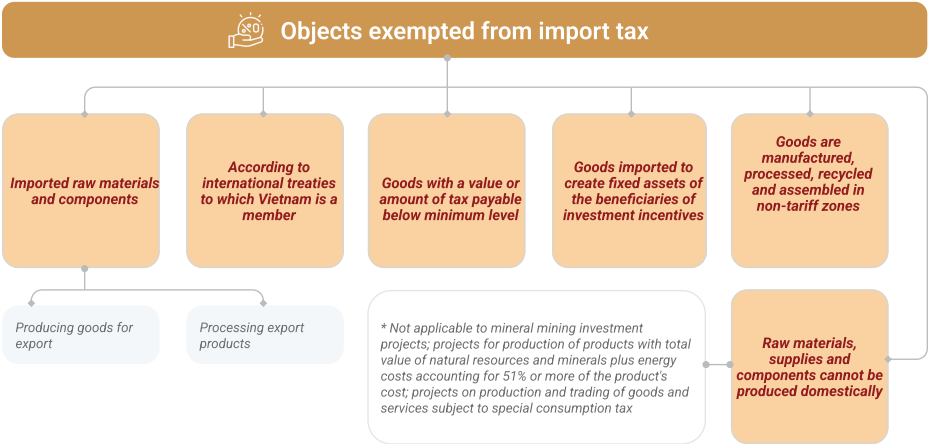
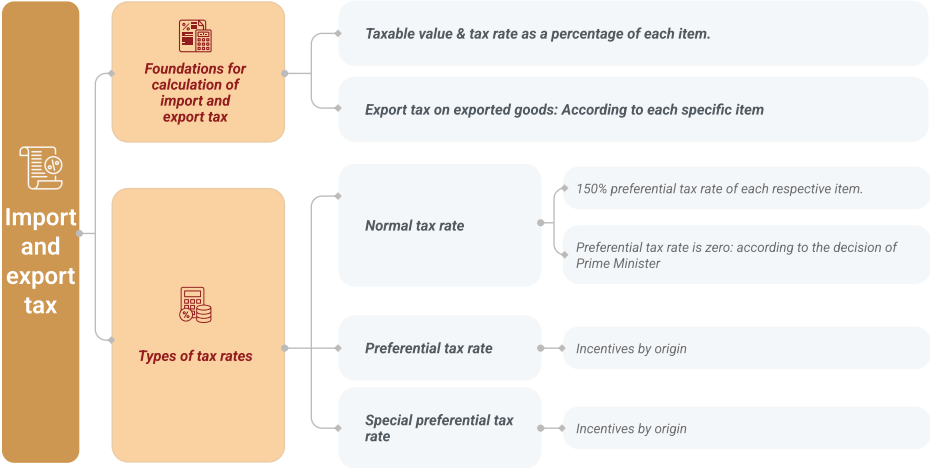
- For non-resident individuals, the tax rate of 20% is applied on gross income from wages and salaries. For other sources of income, the corresponding tax rate shall be applied according to the provisions of the PIT law.



**Pursuant to Article 22 of the Law on Personal Income Tax 2007.
Detailed regulations on how to calculate PIT, please scan QR code to see details,
(QR code image)*

2. POPULAR TAXES DURING BUSINESS PROCESS IN VIETNAM

Import and export tax



*Details of cases where import and export tax rates are exempted, please scan the QR code to see details

2. POPULAR TAXES DURING BUSINESS PROCESS IN VIETNAM

Special consumption tax

- Special consumption tax is applied to goods and services with limited consumption or luxury goods such as alcohol, cars with less than 24 seats, disco business, betting business... The tax rate depends on each type of goods and ranges from 5% to 150%. Services are subject to tax rates from 15% to 40%.

Resource tax

- Applied to organizations and individuals exploiting and using resources such as water, minerals, crude oil, natural gas... Tax rates for exploitation of natural water are from 1% to 10%, minerals from 3% to 30%, and crude oil from 6% to 40%.

Contractor tax:

- Applied to foreign organizations and individuals doing business without having a presence in Vietnam but generating income from the provision of services or services associated with goods in Vietnam. Contractor tax includes VAT, corporate income tax, personal income tax and tax rates depending on the provided goods and services. Enterprises when hiring foreign contractors pay attention to the payment of tax of foreign contractors according to regulations.

Environmental Protection tax

- Applied to producers or importers of taxable goods such as gasoline, oil, grease, coal, HCFCs, plastic bags, herbicides, termites, forest product preservatives, warehouse disinfection drugs...

Non-agricultural land use tax

- Non-agricultural production and business land includes: land for construction of industrial zones; land for construction of production and business establishments; land for mining and processing flukes; land for production of building materials and pottery, organizations and individuals must pay non-agricultural land use tax. For each level of land area, there is a different tax rate.

3. SALARY AND LABOR REGULATIONS

Regional minimum payroll

Region	Minimum monthly salary (Unit: VND/month)	Minimum hourly salary (Unit: VND/hour)
Region I	4.680.000	22.500
Region II	4.160.000	20.000
Region III	3.640.000	17.500
Region IV	3.250.000	15.600

Regional minimum salary according to the Government's regulations is applied in 2023. Actual recruitment salary according to the market, including overtime salary.



* To check the City/province's regional minimum salary, please scan the QR code

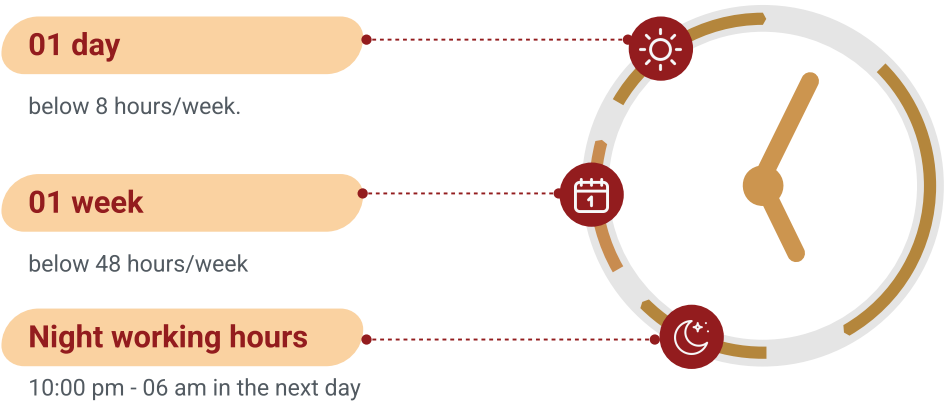
Regulations on insurance payment for employees

Minimum insurance payment rate is calculated based on the regional minimum salary.

No.	Type of insurance	The Employer (%)	The Employee (%)	Total
1	Social insurance	17.5	8.0	25.5
2	Health insurance	3.0	1.5	4.5
3	Unemployment insurance	1.0	1.0	2.0
Total		21.5	10.5	32.0

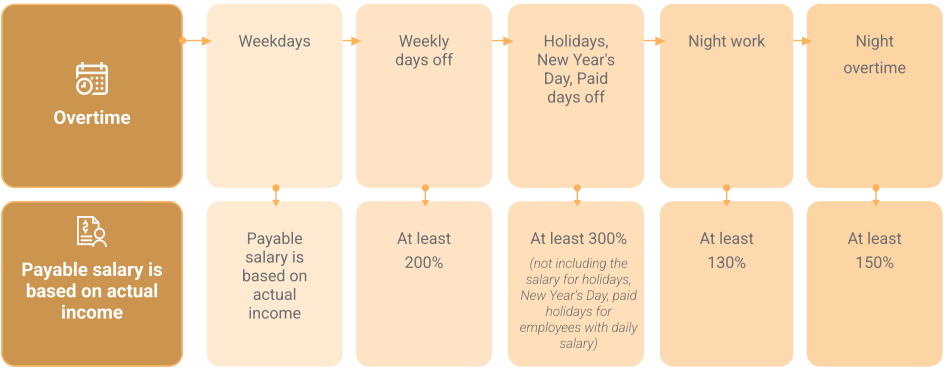
3. SALARY AND LABOR REGULATIONS

Normal working time



**For more details, refer to the provisions of the Labor Code 2019*

Overtimes salary, night work






**Please scan the QR code to see more details on working hours regulations and overtime pay.*



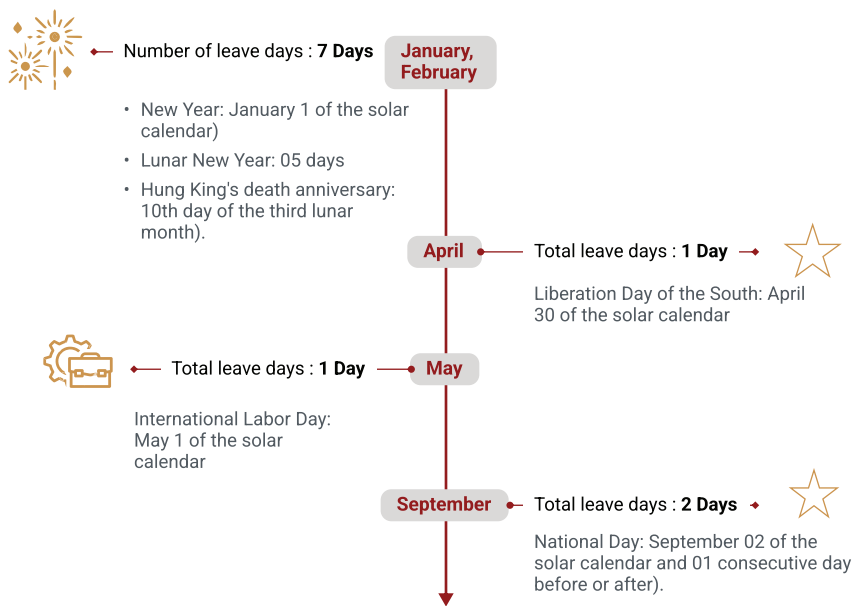
3. SALARY AND LABOR REGULATIONS

Annual leave

	Normal condition	12 days per year
	Juvenile employees, disabled employees, people doing heavy, hazardous or dangerous jobs	14 days per year
	Particularly arduous, hazardous and dangerous jobs	16 days per year

New Year, holidays

Total number of holidays and New Year days: 11 days per year
Employees are entitled to leave and receive full salary on the following holidays and New Year:



4. RESPONSIBILITIES FOR COMPENSATION OF LABOR ACCIDENTS AND OCCUPATIONAL DISEASES OF ENTERPRISE

Case 1: Compensation for occupational accidents and occupational diseases are not entirely caused by this employee's fault

Level of working capacity reduction	5% -10%	11% - 80%	Over 81% or death
Level of subsidies	at least salary of 1.5 months	Increase 1% plus salary of 0.4 month according to the formula below: $Tbt = 1,5 + \{(a - 10) \times 0,4\}$ In which: - Tbt: Compensation level for people with working capacity reduction of 11% or more (unit: salary month); -1.5: Compensation level for working capacity reduction from 5% to 10%; a: Level (%) of working capacity reduction of the people suffering from occupational accidents or occupational diseases; 0.4: Compensation coefficient for working capacity reduction increases by 1%.	at least salary of 30 months

Case 2: Allowances for occupational accidents caused by the fault of employees with accidents

Level of working capacity reduction	5% -10%	11% - 80%	Over 81% or death
Level of subsidies	at least salary of 0.6 months	According to the below formula: $Ttc = Tbt \times 0,4$ In which: -Ttc: Allowances for employees suffering from working capacity reduction are quite high, increasing from over 10% or more (calculation unit: salary month); -Tbt: Compensation level for people with working capacity reduction from 10% or more (unit: salary month);	at least salary of 12 months

** Please scan the QR code to see the detailed content on compensation responsibility for occupational accidents and diseases.*





PART II: BINH PHUOC PROVINCE'S INVESTMENT ATTRACTION POTENTIAL

BINH PHUOC PROVINCE'S INVESTMENT ATTRACTION STRENGTHENS



1. LARGE LAND FUND

CALCULATED TO 2023

Total industrial parks: **13**

Total area: **6,601 ha.**

TARGETS TO 2030

Land of industrial parks: **11,522ha**

Land of economic parks: **25,864 ha**

Land of industrial clusters: **1,279 ha**

2. STRATEGIC LOCATION

Located in the southern key economic zone - the center of attracting the largest FDI source of Vietnam.



89 km from Ho Chi Minh City
Adjacent to Binh Duong



3. DYNAMIC PROVINCE GOVERNMENT

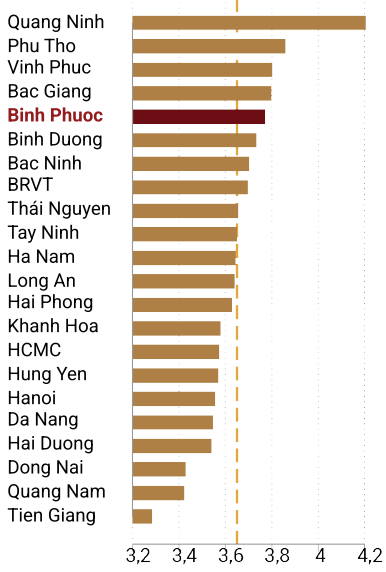
One-stop office: One focal point to receive and process Investor's documents.



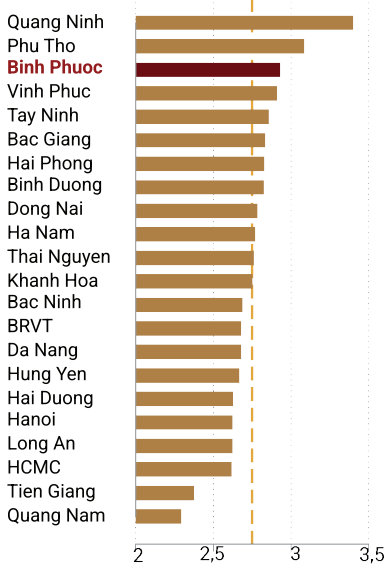
Online public service at level 3,4: Mainly applied in online form.



Business environment



Province government



In the PCI 2021 report, Binh Phuoc ranked in the Top 5 "Quality of the business environment and the level of confidence in the efforts to improve investment environment of local government."

4. PREFERRED CIT



Subject to one of the following cases:

- (1) New investment projects in the areas with difficult socio-economic conditions
- (2) Subject to the business lines which are appropriately regulated to apply preferential tax rates.



Subject to one of the following cases:

- (1) New investment projects in the areas with extremely difficult socio-economic conditions, economic parks, high-tech parks, and concentrated information technology parks established according to the decision of government's Prime Minister.
- (2) Income of the enterprise satisfied to one of the following conditions:
 - Suitable business lines
 - Scale of investment capital and revenue
 - Scale of investment capital & scale of labor.

* Please scan the QR code to see more detailed regulations on cases of corporate income tax exemption and reduction.



5. QUICK INVESTMENT PROCESS



* Approval time: from the date of providing completely documents as prescribed



PART III: MINH HUNG SIKICO AN OUTSTANDING INDUSTRIAL PARK IN THE SOUTH VIET NAM

Minh Hung Sikico
655 ha

1. STRATEGIC LOCATION



DISTANCE TO THE CITY

- HCMC _____ 89 km
- Thu Dau Mot _____ 67 km
- Bien Hoa City _____ 88 km

DISTANCE TO ROAD

- National highway 13 _____ 6.5 km
- National highway 14 _____ 19.5 km
- HCM - TDM - Chon Thanh expressway _____ 8.1 km
- My Phuoc - Tan Van Expressway _____ 33 km

DISTANCE TO PORTS AND BORDER GATES

- Chon Thanh ICD _____ 3 km
- Cai Mep port _____ 145 km
- Hoa Lu border gate _____ 70 km
- Cat Lai port _____ 100 km

DISTANCE TO RAILWAY

- Xuyen A _____ 3 km
- Dak Nong - Chon Thanh _____ 9 km

2. LEGAL TRANSPARENCY

Available
certificate of
land use rights
for each land lot



Lumpsum land



Land use period
of 43 years, until
May 30, 2066



3. TECHNICAL INFRASTRUCTURE



POWER SUPPLY SYSTEM

Capacity: 130 MVA



GREEN ENERGY

The investor plans to invest in a solar power farm, providing electricity for the entire industrial park



WATER SUPPLY PLANT

Total capacity of 30.000m³/day-night



WASTEWATER TREATMENT PLANT

Joint venture partner in charge of
operations



GS E&C

- Total capacity: 25.000 m³/day-night.
- Currently planning to increase capacity
- Using the current most advanced biotechnology to treat water in an eco-friendly manner.

4. DIVERSITY OF INDUSTRIES



Generating waste gases & wastewater industries

- Wood, interior decoration
- Paper, packaging
- Construction materials, mechanics (with plating)
- Producing assembling sports equipment
- Producing plastics



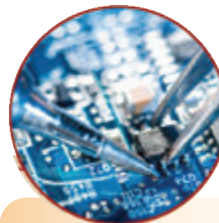
Supporting Industries

- Gloves
- Producing threads, buttons
- Ancillary production for the furniture industry
- Some mechanical and machinery industries
- Accessories for other industries in the Industrial Park



Clean industries

- Electronics, microelectronics
- Pharmaceutical in
- Stationer

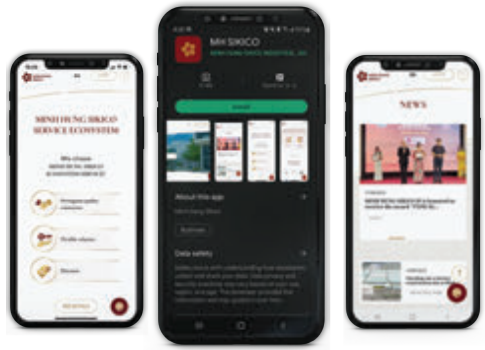


Generating large amount of wastewater industries

- Food and Food processing
- Producing animal and poultry feed
- Textile (dye process included)

5. OPERATIONAL MANAGEMENT 4.0

- The developer pioneers applying MH SIKICO App to IP's management and operation.
- According to the plan, the AI Camera system will be integrated into the general security management system of the industrial park.



6. ACCOMPANY AND SUPPORT INVESTORS

Supportively carry out procedures for issuance of Investment Registration Certificate within 07 working days, Business Registration Certificate within 01 working day



Accompany the Investors in the implementation of procedures: Work Permit, EIA, Construction Permit, Fire Protection...





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