



BAI BA - DONG THANH INDUSTRIAL CLUSTER





INVESTOR

TU LAP CONSTRUCTION LIMITED COMPANY

Address: No. 3010 Hung Vuong Avenue, Van Phu Ward, Viet Tri City, Phu Tho Province

Phone: (0210) 3854 888

Fax: (0210)3781 999

Email: Congtytulapphutho@gmail.com

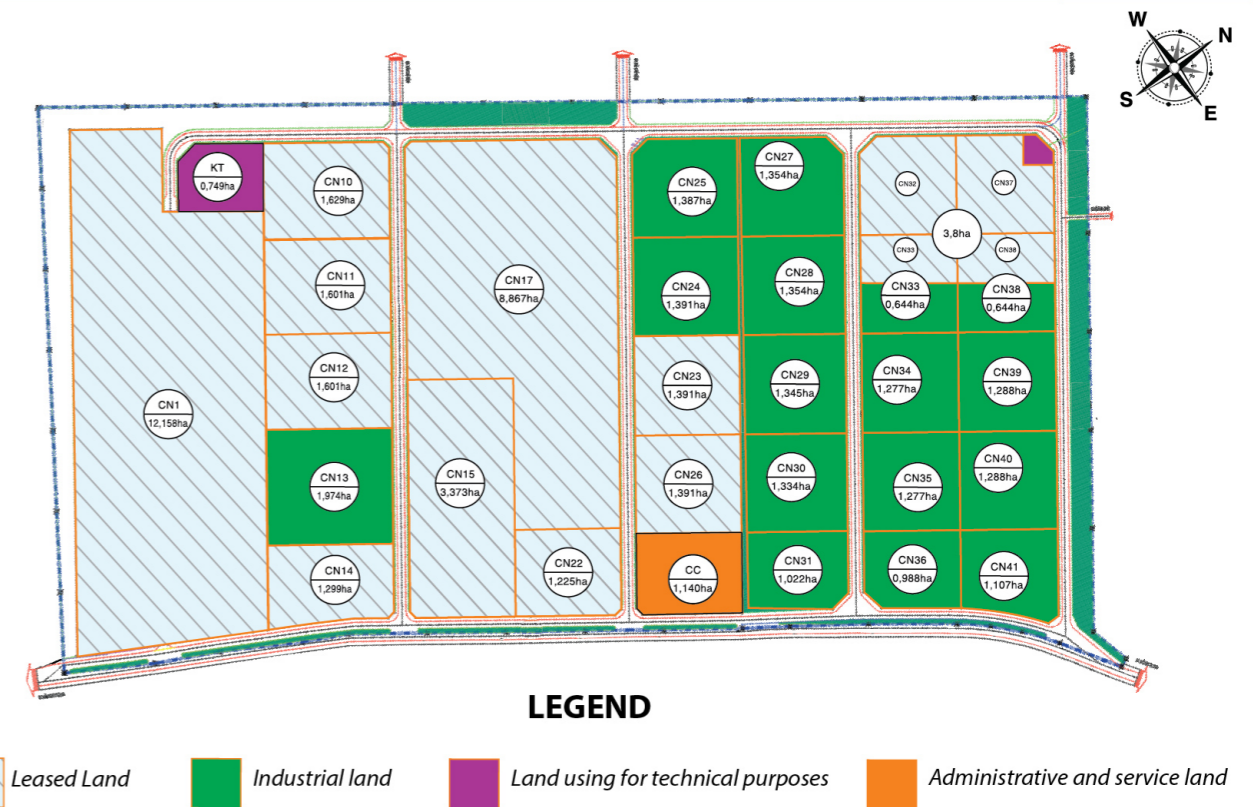
Website: www.tulap.com.vn

OVERVIEW OF PHU THO PROVINCE

Phu Tho is a province located at the western gateway of Hanoi capital (**80 km** from Hanoi capital); **45 km** from Noi Bai international airport; As the center of the northern mountainous region of Vietnam, it has a particularly important position, is a transitional area between the capital and the northern mountainous provinces, located on the economic corridor (Quang Ninh - Hai Phong - Ha Noi - Phu Tho - Lao Cai), **180 km** from Lao Cai international border gate, Customs clearance with China. With a convenient location for synchronous transportation of railway, road, waterway and ICD port which is convenient for the transportation and import and export of goods.

- ▶ Total area: **3.534,56 Km²**
- ▶ Population: **1.507.500** people
- ▶ Labor force: **858.700** people
- ▶ Rate of trained workers: **70%**
- ▶ Administrative units: 1 city, 1 town and 11 districts.
- ▶ GDP per capita: 63,2 million VND (about 2528 USD) (2023)
- ▶ Competitiveness index (PCI) in 2022: 66,30 ranked 24/63
- ▶ Educations: Professional educational institutions: 33 institutions, including 2 universities, 9 colleges, 5 intermediates and 18 education center.

INFORMATION OF BAI BA - DONG THANH INDUSTRIAL CLUSTER



Total Area: 75 ha.

Operation period: 49 years (from 2019 to 2068).

Main fields of investment in the Industrial Cluster:

- + Group of processing and manufacturing industries, including: Food production and processing; Beverage production; Textile (except bleached and dyed products); Apparel production; Producing products from finished leather products; Wood processing and production of products from wood, bamboo; Print copies of all types of records; Manufacture of products from rubber and plastic; Manufacture of products from other non-metallic minerals; Manufacture of products from prefabricated metal; Manufacture of electronic products, computers and optical products; Manufacture of electrical equipment; Manufacturing machinery and equipment; Production of spare parts and accessories for cars, motorbikes and other motor vehicles.
- + Group of industries producing and distributing electricity, gas, hot water, steam and air conditioning.
- + Industry group: Production of wrinkled paper, wrinkled cardboard, high-end packaging and casting of iron, steel, and non-ferrous metals.
- + Supporting industries; high-tech industry; Other processing and manufacturing industries are environmentally friendly.

Leasing method:

- Sub-lease land with infrastructure
- Factory lease



Location and relationship between regions:

- ▶ **9 km** from Phu Tho station
- ▶ **2,5 km** from the Red River
- ▶ **8 km** from IC9 Noi Bai - Lao Cai highway
- ▶ **81 km** from Noi Bai airport
- ▶ **105 km** from Hanoi City
- ▶ **226 km** from Hai Phong port
- ▶ **195 km** from Lao Cai international border gate.

INVESTMENT PREFERENCE

1 year exemption from industrial service and infrastructure maintenance fees

Corporate income tax

+ **Tax rate:** Corporate income tax rate is **17% for 10 years.**

+ Tax incentives:

Tax exemption for the first **2 years**

50% reduction of payable tax for the next **4 years.**

Import tax on machinery and equipment

(Only applicable to high-tech enterprises and investment incentive industries according to Decree 87/2010/NĐ-CP)

- (1) - Tax exemption for importing goods to create fixed assets.
- (2) - Exemption from import tax for raw materials and supplies imported to produce exported goods.
- (3) - Exemption from import tax on production materials for 5 years from the start of production, if the enterprise invests in a project on the list of projects with special investment incentives.

Completely exempt from tax on transferring profits abroad

Value added tax (VAT)

Exemption from value added tax for goods that are imported raw materials for the production and processing of exported goods.

INVESTMENT SUPPORT

Support procedures before and after investment licensing

Investors receive free guidance from Tu Lap on investment licensing procedures and post-investment licensing procedures in a quick time.

INFRASTRUCTURE

Internal traffic and electric lighting

The system of internal roads is reasonably designed to ensure that vehicles can reach each plot of land easily and conveniently. The central road is 20 m wide, branch road is 9 m wide and sidewalk 3 m. Lighting systems is installed along the roads.

Power supply

Power supply for Bai Ba industrial cluster is taken from the 35 KV line (column 88/372E4.9). Investor invests in building a 110 KV substation (which has been integrated into the planning of Northern Power Joint Stock Company) and a 22 KV power grid system.

Water supply

Clean water is provided from Phu Tho Water Supply Joint Stock Company, with a capacity of 30.000 m³/day. Water is supplied to the factory fence by an international standard water supply pipe system diameter ranges from D110–D400 mm. The water supply system is led to the foot of the fence of the

Drainage

Rainwater and wastewater drainage systems are built separately. The diameter of underground storm water drainage sewer is B800- B2000.

Wastewater treatment

All industrial wastewater and domestic wastewater must be treated by factories to with minimum standards level B (National Technical Regulation 40:2011/Ministry of Natural Resources) before being discharged into the general drainage system of the industrial cluster. Drainage pipe diameter is D300-D600 mm. The wastewater treatment station was built with total treatment capacity: 1.500 m³/day-night.

Fire Fighting and Prevention

The water supply system and fire hydrants are arranged along the roads of the industrial Cluster.

Telecommunications and the Internet

Modern information system meets international standards, fully meeting domestic and foreign communication services.

Environment and trees

The system of green trees occupies 10,1% of the total area of the industrial Cluster.

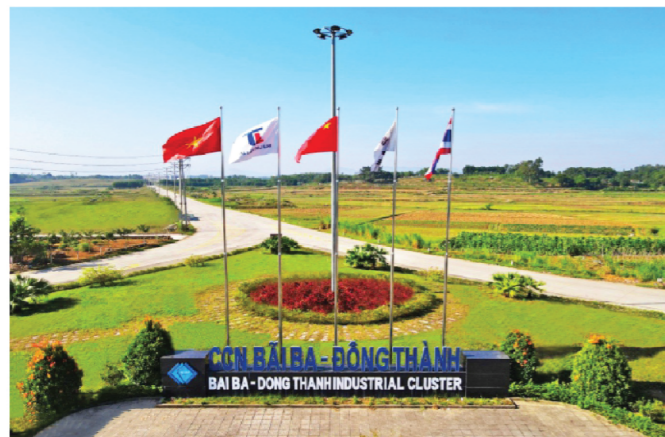
REGULATIONS ON CONSTRUCTION MANAGEMENT

Type of works allowed to build	Factory, warehouse, operator, canteen and ancillary works such as garage, security house, power station and fire protection water tank, etc...
Type of construction prohibited to build	Construction of houses, underground water exploitation works
Building density	60%
Green density	20%

LAND RENTAL PRICE AND UTILITY FEES

**Note: All unit prices above do not include VAT according to current regulations of the supplier.*

Land rental price with infrastructure	Depends on the location of the rental lot
Fees for industrial services and infrastructure maintenance	9.000 VND/m ² /year (0,37 USD/m ² /year) – Annual payment
Electricity price	(1) Normal hours: 1.699 VND/Kwh (equivalent to 0,07 USD/Kwh). (From Monday to Saturday: 4:00 am - 9:30 am, 11:30 am - 5:00 pm and 8:00 pm - 10:00 pm; Sunday: 4:00 am - 10:00 pm). (2) Off-peak hours: 1.084 VND/Kwh (equivalent to 0,045 USD/Kwh). (All days of the week from 10 pm – 4 am). (3) Peak hour: 3.093 VND/Kwh (equivalent to 0,127 USD/Kwh). (From Monday to Saturday: 9:30 am - 11:30 am and 5:00 pm - 8:00 pm; Sunday has no rush hour).
Water price	10.476,19 VND/m ³ (equivalent to 0,43 USD/m ³) - Monthly payment.
Cost of wastewater treatment	9.000 VND/m ³ (equivalent to 0,37 USD/m ³) - Monthly payment. The volume is determined as 80% of the input water.
Cost of phone, internet and other service	According to the regulations of the supplier at the time of use.



COMPENSATION REGIME

Wage	Regional minimum wage: 3.860.000 VND (equivalent to 150 USD/person/month) Current popular wage: (1)- Worker: 5.000.000- 7.500.000 VND/month (equivalent to: 205- 309 USD/person/month) (2)- Office staff, Technicians/Engineers: 7.500.000 – 8.500.000 VND/month (equivalent to 308,6 – 349,8 USD/month) (3)- Manager, Accountant, Supervisor: 8.500.000 – 15.000.000 VND/month (equivalent to 350- 617 USD/month)
Insurance	Total social insurance payable: 32% specifically: - Social insurance: 25,5% - Health insurance: 4,5% - Unemployment insurance: 2% Businesses must pay 21,5% of the total basic salary to employees (17,5% for Social Insurance, 3% for Health Insurance and 1% for Unemployment Insurance) Employees pay 10,5% (8% for Social Insurance, 1,5% for Health Insurance and 1% for Unemployment Insurance)

CONTACT

BAI BA- DONG THANH INDUSTRIAL CLUSTER

Address: Chi Tien Commune, Phu Tho Province, Vietnam

Website: www.cumcongnghiepbaiba.vn

