Phu My 3 Specialized Industrial Park (PM3 SIP)

Most attractive industrial base for investors

Total 999 Ha

18H Golf Housing Commercial

LPG Gas, Condensate Pipe Line

Natural Gas Pipe Line

Barge Carrier

Phase 1 area

Phase 2 area

Ba Ria and Vung Tau ← National Road No.51 → Ho Chi Minh

LNG Terminal PVG, HL

2 km only

We are here

WELCOME

European Chamber of Commerce in Vietnam

Thanh Binh Phu My Joint Stock Company

Phu My 3 Specialized Industrial Park
Why Vietnam?

**Tariff related benefits**
MFN Treatment from EPA & FTA with many area & countries as **EU-Vietnam Free Trade Agreement (EVFTA, June 30, 2019)**
EU, ASEAN, Japan, Korea, China, USA, CPTPP, etc.

**Stable Political System**
⇒ Political Balance, Good Security

**96.2 Million Population** (3rd populous in ASEAN)

**Population by age group**
60% under 35 years old (Average age 32)
⇒ Attracting towards Production & Consumption

**Stable Economic Growth**
Yr2021 GDP/Capita USD3,000 ⇒ Motorization
⇒ Attracting towards Consumers Business

**Outstanding Geography**
1. ASEAN Hub (easy export and import in ASEAN)
2. Near to Korea, India, Japan, etc.
Why Ba Ria Vung Tau Province?

Southern Economic Corridor: Gateway
ASEAN customs duties: 0%
One of the highest benefit countries and area

Vietnam Southern Key Economic Zone
GDP 40% of Total Vietnam
Population 96.2M x 17%

Accumulative FDI amount:
Ho Chi Minh, Hanoi, Binh Duong, Dong Nai & BRVT

Convenient Location for Transport Access
Land: 60-70 minutes from Ho Chi Minh
Ship: One of the biggest ports area in Vietnam
Air: Long Thanh Airport (Yr2025)
Why Ba Ria Vung Tau Province?

- Area: 1,989.5 Km²
- Population: 1,154,000
- Phu My Town Population: 200,000
- GDP: 10,200USD/Capita (1st in Vietnam)

※Data by BRVT DPI (year 2016)

Potential area for many sectors

- Agriculture
- Marine products
- Oil & Natural Gas
- Deep Sea Port
- Tourism

15 IZs
Why Ba Ria Vung Tau Province?

**Extensive port service**
- One of the biggest port area in Vietnam
- Deep River Port 14.0m-16.5m
  - 200,000DWT, 18,000TEU.

**Energy diversity**
- 4.5 Million ton, 70% of electric furnace steel in Vietnam
- Abundant natural resources (Crude Oil 93%, Natural Gas 17%, LPG, Condensate)

**Stable power supply**
- Natural Gas Power Plant area with total capacity of 3,910MW.

**Stable clean water supply**
- Reservoir dam with rich and fresh mountain water source.

**Best location for heavy and chemical industry**
- 70% of electric furnace steel in Vietnam
Phu My Area and Cai Mep - Thi Vai Port

Cai Mep – Thi Vai Port Area
1. 14.0-16.5m depth river port area
2. No need transshipment Container
   → Cheaper and faster
3. Direct transport to Europe (Rotterdam, Antwerp, Hamburg, etc.) and USA
   *Collaboration with Cat Lai Port for short distance

Heineken Fritta

Natural Gas Thermal Power Plant

To HCM City

BIEN HOA – VUNG TAU Highway

Switzerland JV

National Rd. No.51

To Vung Tau City

Long Son Petro Chemical

Thermal Power Plant

Interflour’s Terminal
TCIT&T CCT: 1.5M TEUs
Gemadept’s International Terminal
PV Gas’ s Thi Vai LPG Terminal
Petc’s Oil Terminal
VTP’s Petroleum Depot
CMIT: 1.15M TEUs
TCTT: 1.1M TEUs
SSIT: 1.57M TEUs

LPG (液化プロパンガス)バイプライン

ポー・ハノイ間

2 km
Why Ba Ria Vung Tau Province?

1. EU FTA and EU IPA are signed on June 30, 2019, and they will be effective by the end of this year 2019.

2. Foreign Direct Investment from European and USA accounts for approximately 23.6% of the total Foreign Direct Investment in the Ba Ria Vung Tau province. (Approximately 5.4 billion USD)

5 European companies in Ba Ria Vung Tau Province

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Country</th>
<th>Industry</th>
<th>IP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goltens Vietnam Co., Ltd</td>
<td>Norway</td>
<td>Shipbuilding</td>
<td>Dong Xuyen IP</td>
</tr>
<tr>
<td>Vard Vung Tau Co., Ltd</td>
<td>Norway</td>
<td>Shipbuilding</td>
<td>Dong Xuyen IP</td>
</tr>
<tr>
<td>Rolls – Royce Viet Nam Co., Ltd</td>
<td>England</td>
<td>Shipbuilding</td>
<td>Dong Xuyen IP</td>
</tr>
<tr>
<td>Fritta Viet Nam Co., Ltd</td>
<td>Italia</td>
<td>Chemical Production</td>
<td>My Xuan IP</td>
</tr>
<tr>
<td>Heineken Vietnam Beer Factory Co., Ltd</td>
<td>Netherland</td>
<td>Beer</td>
<td>Mu Xuan IP</td>
</tr>
</tbody>
</table>

HEINEKEN

In July 2016, Heineken Vietnam completed the process of acquiring the old production line of Carlsberg Vietnam in Ba Ria Vung Tau, and planned to increase the production of beer in Ba Ria - Vung Tau from 50 million liters to 610 million liters per year. Total investment capital increased by 185 million USD.
### PM3 SIP and Thanh Binh Phu My JSC

<table>
<thead>
<tr>
<th>Industrial Park</th>
<th>Phu My 3 Specialized Industrial Park (PM3 SIP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Name</td>
<td>Thanh Binh Phu My Joint Stock Company</td>
</tr>
<tr>
<td></td>
<td>(100% Vietnamese private company)</td>
</tr>
<tr>
<td>Establishment</td>
<td>Yr2007</td>
</tr>
<tr>
<td>Specialized Industrial Park approved</td>
<td>December 2014</td>
</tr>
<tr>
<td>Land development</td>
<td>Starting August 2015</td>
</tr>
<tr>
<td>Leasing Period</td>
<td>Until December 20, 2077 (70 years, Remain 58 years)</td>
</tr>
<tr>
<td>Target Industries</td>
<td>Heavy Industries (Petrochemicals, Chemicals, etc.)</td>
</tr>
<tr>
<td></td>
<td>Multi Industries (Supporting Industries, Electronics, Plastic, Textile and Garment, Plating, Automotive, Hi-tech, Pharmaceutical, etc.)</td>
</tr>
<tr>
<td></td>
<td>Port and logistics services, etc.</td>
</tr>
<tr>
<td>Sea Level</td>
<td>Average 2.35m</td>
</tr>
</tbody>
</table>
Current Situation of Tenants and Plan

October 2017: Nitori started operation
As of July 2019:
Land Reservation Contract and
Investment Policy & ERC approval for:
  - 9 Japanese companies
  - 3 Korean Company
  - 4 Vietnamese companies
  - 1 Vietnamese and Switzerland JV
Total 17 tenants

PM 3 SIP:  999 ha
  - Industrial Park :  882 ha (647 ha)
    - 1st phase : 376 ha (286 ha)
      *Contract : 137 ha/286 ha (48 %)
    - 2nd phase: 506 ha (361 ha)
  - Residential & Golf Course: 117 ha
    - 18 Halls Golf Course
    - Apartment, Hotel, Commercial area,
      Clinics, Vocational Training School, etc.

PM3 SIP 999 ha
23 Vatican City, 5 Monaco Principality
Support and One Stop Service of PM3 SIP

PM3 Customer support for Tenant operation easily

1. Starting the operation rapidly
2. Concentrating on operation
3. Being Stable operation

1. Pre-Operation
   - Company establishment, Company stamp, etc.
   - Environmental Impact Assessment, Building Permit, Fire-fighting Permit
   - Visa, Work Permit for non-Vietnamese, Recruitment for managers and workers
   - Logistic Service, etc.

2. Post-Operation
   - Stable supply of power/water and operating wastewater treatment system
   - 24 hours 365 days (2 days power cut off for Regular Inspection and Maintenance)
   - Latest information (announcement from government, national staff salary, counter-measure for strikes, corporate income tax, personal income tax, etc.)
   - Social gatherings, golf competitions, etc.
   - Application support for amendment of current IRC, current ERC and current EIA, etc.
Service Center and hospitality facility

Service Center
(Total floor area 4,800m2)
International Industrial Park
standard infrastructure of Phu My 3 SIP

1) Design and Construction Supervision
   We entrusted detailed design and construction supervision to Nippon Koei which has many achievements in the design and construction supervision of many Japanese industrial parks in Vietnam and other countries.

2) Waste Water Treatment Plant
   The wastewater treatment facility is designed and constructed by Kobelco Eco-Solutions which wastewater treatment standard is Class A, the most severe wastewater standard in Ba Ria Vung Tau province.
   *Phase 1 capacity: 9,000m3/day, in future: 45,000m3/day

3) Natural Gas
   Sojitz Vietnam supplies the Natural Gas to tenants in PM3 SIP.
   A 6-inch pipe is buried under PM3 SIP area which can supply maximum 15 million m3/month.

4) Internet
   Optical fibers are buried under the industrial park and Internet management services are supplied by KDDI which reside inside of PM3 SIP.
5) Electrical Installation and Wiring
   Constructed by One of the biggest Japanese Electric company, Sanyo Engineering & Construction Inc.

6) Electric Supply
   From the substation which is 2 km away from PM3, the high pressure 110 KV transmission line is retracted and transformed 22KV to the substation inside PM3, then supplied to the tenant by the underground transmission line for measures against lightning.

7) Water Supply
   Water is supplied from a source of abundant mountain water by a Phu My WASUCO up to 34,000 m³/day now, in future the water supply amount can be reached to 90,000 - 100,000 m³/day.

8) Port and logistics service:
   Vina-Japan Shirogane Logistics Co., Ltd has been starting his operation of the rental logistics warehouse and logistics service since June 2019.

9) Security service:
   ALSOK Vietnam Security Service JSC. provides and secures high quality, safe and peace of mind service with well trained staff under Japanese standards.
What is a “Specialized Industrial Park”? 

- In October 2011, Vietnam & Japan Prime Ministers - Mr. Nguyen Tan Dung & Mr. Yoshihiko Noda, agreed to construct 02 specialized industrial parks for Japanese enterprises in Vietnam, and Phu My 3 was selected.
- Finally on December 2014, Ba Ria Vung Tau Province approved Phu My 3 Industrial Park as Specialized Industrial Park.
- PM3 SIP is the only authorized Specialized Industrial Park in Vietnam.

2 benefits of the Specialized Industrial Park:

- Expanding land lease period of usual 50 years to 70 years. In case of PM3, the license was granted in 2007, so in reality, the land lease term is around 58 years until Dec. 20, 2077, and land lease fee become cheaper as year unit price.
- Land use fee will be exempted for 20 years from beginning of 2018 to the end of 2037.
THANK YOU VERY MUCH FOR YOUR ATTENTION.

THANK YOU VERY MUCH FOR EUROCHAM ARRANGEMENT.