

CONFERENCE ON NEW POLICIES ON DIVESTMENT, PUBLIC OFFERINGS, LISTING & TRADING REGISTRATION ON THE STOCK MARKET



On March 23rd, 2015, in Hochiminh City, upon the approval of the State Securities Commission, the Hochiminh Stock Exchange in collaboration with the Unit of Innovation in Enterprise Management - Southern Branch held “**Conference on New Policies on Divestment, Public Offerings, Listing & Trading Registration on the Stock Market**” for the State-owned

enterprises in the city and Southern provinces. Attending the Conference, there was the presence of leaders of the State Securities Commission, the Unit of Innovation in Enterprise Management of Hochiminh City, the State Capital Investment Corporation (SCIC), the Hochiminh Stock Exchange, and more than 200 representatives from the Departments of Finance, the Corporate Finance Branches, Groups, Corporations and State-owned enterprises that were subject to divestment, equitization in Hochiminh City and Southern provinces.

The Conference was organized in order to support and promote the State-owned enterprises to schedule and complete documents for early divestment, public offerings, trading and listing registration on the stock market under Decision No.51/2014/QĐ-TTg dated September 15th, 2014 by the Prime Minister and Official Dispatch No.2660/BTC-UBCKNN guiding some issues on the divestment via auctions, listing and trading registration of the equitized enterprises of the Ministry of Finance.

The equitization of State-owned enterprises was a core policy of the strategy for restructuring State-owned enterprises, reforming the economy of the Vietnamese Party and Government, Mr. Nguyen Thanh Long, Deputy Chairman of the State Securities Commission, said at the Conference. The process of transforming State-owned enterprises into joint-stock companies had been implemented since 1996. After the boom of 2006-2007, this process had been slowed down, however thanks to the drastic steering of the Government and relevant ministries in two recent years, there had been some optimistic signs in the process. In 2013, there were 74 State-owned enterprises equitized, tripling the number of State-owned enterprises equitized in 2011 and 2012. In 2014, the speed of equitization was maintained with 143 enterprises equitized. Located in a key economic region, enterprises in Hochiminh City and Southern provinces had contributed a very large portion to the country's GDP, thus the requirement of restructuring the enterprises in the region should be promoted quickly, especially in 2015 – the final year of the period 2011-2015 said in the scheme of restructuring State-owned enterprises. The

Conference also provided an opportunity for management agencies and market operators to spread more information and answer questions relating to new policies and regulations on the equitization and the divestment via auctions as well as the listing issues on the stock market, contributing to the acceleration of restructuring local enterprises.

At the conference, Ms. Tran Anh Dao, Deputy CEO of the Hochiminh Stock Exchange, also introduced the process of auction and listing on the Hochiminh Stock Exchange. Accordingly, the Exchange had been a leading organization in organizing the share auctions to State-owned enterprises since 2005. After 10 years, the number of share auctions through the Hochiminh Stock Exchange had reached 353 sessions and would maintain the fast growth in the future. Most of the auctions on the Hochiminh Stock Exchange had obtained successful results when the shares had been sold at good prices, with high liquidity, helping enterprises to attract huge potential investment and ensuring the interests of enterprises on the principle that the selling price was determined through supply and demand of the market; thanks to that the image of enterprises was enhanced.

The management agencies, market operators and enterprises spent time to exchange information directly. The participants from the Groups, Corporations and State-owned enterprises asked many questions relating to the specific issues on implementing new regulations on divestment, public offerings, trading and listing registration on the stock market, etc.

At the end of the Conference, Mr. Nguyen Thanh Long, Deputy Chairman of the State Securities Commission, said that Decision No.51/2014/QĐ-TTg and Official Dispatch No.2660/BTC-UBCKNN had offered many innovative solutions in promoting the equitization and the sales of State-owned capital. In the future, the State Securities Commission would co-organize a specific meeting with the Department of Entrepreneurial Finance (under the Ministry of Finance) to consider and offer solutions, recommendations to the Government in order to remove the difficulties of enterprises in the application of Laws in practice.