



# PROSPECTUS

## INITIAL PUBLIC OFFERING

# TRANSPORTATION TRAINING CENTER OF BINH DINH

To ensure the rights of investors, the Auction Board of Transportation Training Center of Binh Dinh shares recommends that potential investors should refer to this document before deciding to register to participate in the auction.



THE AUCTIONEER

**HO CHI MINH STOCK EXCHANGE**

Address: 16 Vo Van Kiet, Dist.1, Ho Chi Minh City

Website: [www.hsx.vn](http://www.hsx.vn)



THE FINANCIAL ADVISOR

**BAO VIET SECURITIES JOINT STOCK COMPANY**

Address: 8 Le Thai To, Hoan Kiem, Hanoi.

**HO CHI MINH CITY BRANCH**

Address: 233 Dong Khoi, Dist. 1, Ho Chi Minh City

Website: [www.bvsc.com.vn](http://www.bvsc.com.vn)





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- ✓ Decision No. 373/QD-UBND dated 24/01/2025 on approving charter capital, charter capital structure, starting price of 01 share and implementation plan to convert Transportation Training Center of Binh Dinh into a joint stock company
- ✓ Decision No. 660/QD-UBND dated 27/02/2025 of the People's Committee of Binh Dinh province on approving the plan to convert Transportation Training Center of Binh Dinh into a joint stock company
- ✓ Decision No. 915/QD-UBND dated 17/03/2025 of the People's Committee of Binh Dinh province on strengthening the Steering Committee to convert Transportation Training Center of Binh Dinh into a joint stock company.
- ✓ Decision No. 48/QD-SXD dated 21/03/2025 of the Steering Committee to implement Decision No. 915/QD-UBND dated 17/03/2025 on strengthening the Working Group to assist the Steering Committee to convert Transportation Training Center of Binh Dinh into a joint stock company.

## 2. Persons primarily responsible for the Prospectus:

### 2.1. Steering committee of equitisation

#### STEERING COMMITTEE OF THE EQUITIZATION

**Mr. Tran Viet Bao** Head of the Steering Committee

This Prospectus was prepared by the Equitization Implementing Unit and the Financial Advisor and has been approved by the Steering Committee.

### 2.2. IPO issuer

#### TRANSPORTATION TRAINING CENTER OF BINH DINH

**Mr. Le Van Sinh** Director

**Ms. Vo Thi Kim Lang** Chief accountant

We are fully responsible for ensuring that the information and data in this Prospectus are completely truthful, consistent with reality, complete and necessary for investors to be able to evaluate the assets, operations, financial situation, results and development prospects of Transportation Training Center of Binh Dinh

### 2.3. IPO advisors

#### BAO VIET SECURITIES JOINT STOCK COMPANY – HO CHI MINH BRANCH

**Mr. Nguyen Van Khanh** Director of Investment Banking.

*(Authorization Letter No. 09/2025/UQ-BVSC dated 02/01/2025 of the General Director of Bao Viet Securities Joint Stock Company)*





We ensure that the analysis, evaluation and selection of words in this Information Disclosure have been made reasonably and carefully based on the information and data provided by Transportation Training Center of Binh Dinh.

### 3. Definitions and abbreviations

Issuer:	Transportation Training Center of Binh Dinh;
IPO:	Initial Public Offering;
Shares:	Shares of Transportation Training Center of Binh Dinh after equitization;
JSC:	Joint Stock Company;
Mn:	million
The Company:	Transportation Training Center of Binh Dinh

## PART II: SITUATION OF PUBLIC SERVICE COMPANY BEFORE CONVERSION

### 1. General information

- ✓ Name: Transportation Training Center of Binh Dinh.
- ✓ Headquarters: 361 Tay Son, Quang Trung Ward, Quy Nhon City.
- ✓ Tel: 0256.3747824 Fax: 0256.3846911
- ✓ Tax code: 4100290123
- ✓ Hoai Nhon Driving Training Facility: An Duong Quarter, Hoai Tan Ward, Hoai Nhon Town, Binh Dinh Province.
- ✓ Nhon Hoi Facility: Lot A1.02 + A1.03, Area A, Nhon Hoi Economic Zone, Nhon Hoi Commune, Quy Nhon City, Binh Dinh Province.
- ✓ Type of company: Public service company under the Department of Construction of Binh Dinh (formerly Binh Dinh Transport), is an autonomous unit for regular and investment expenditures, and is granted autonomy in Decision No. 4319/QĐ-UBND dated 28/10/2021 of the People's Committee of Binh Dinh province on classifying units according to the level of financial autonomy according to the provisions of Decree 60/2021/ND-CP dated 21/6/2021 of the Government for service units under the Department of Transport.

### 2. Functions

The functions and tasks of the unit are stipulated in Decision No. 371/QĐ-UB dated 02/03/1996 of the People's Committee of Binh Dinh province on the establishment of the Transportation Training Center of Binh Dinh and Decision No. 2548/QĐ-UB dated 29/10/1996 of the People's Committee of Binh Dinh province on adding training tasks to the Transportation Training Center of Binh Dinh, specifically

- ✓ Training for motorcycle drivers of classes A1, A2.
- ✓ Training for new car driving licenses of classes A3, A4, B1, B2, C.
- ✓ Supplementing and upgrading driving licenses of classes D, E, F.
- ✓ Linking training and fostering professions in the field of transportation.

### 3. Establishment and development

Transportation Training Center of Binh Dinh is a public service unit under the Department of Transport, established under Decision No. 371/QĐ-UB dated 02/03/1996 of the People's Committee of Binh Dinh province, is a public service unit with autonomy in regular expenditures and investment expenditures, and is

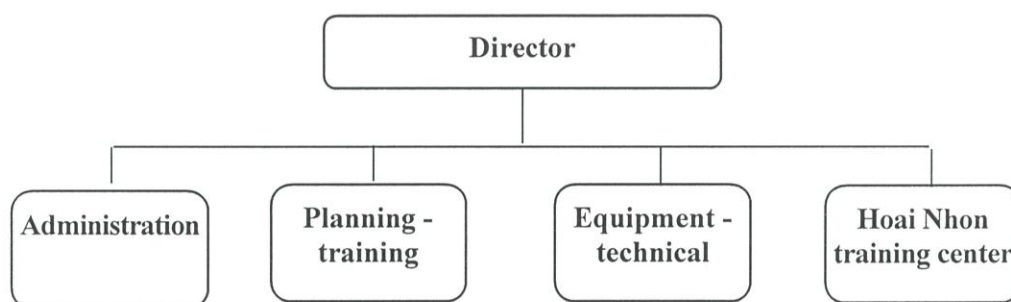
granted autonomy in Decision No. 4319/QĐ-UBND dated 28/10/2021 of the People's Committee of Binh Dinh province on classifying units according to the level of financial autonomy as prescribed in Decree 60/2021/ND-CP dated 21/06/2021 of the Government for public service units under the Department of Transport.

During its operation, the Center has been recognized by leaders at all levels and awarded many certificates of merit, certificates of merit and many titles of emulation fighters at the grassroots and provincial levels to many individuals and collectives. The unit was awarded 04 certificates of merit, 06 emulation flags and 04 times the title of excellent labor collective by the Provincial People's Committee, 01 certificate of merit by the Ministry of Transport, 01 certificate of merit by the Prime Minister, and the State awarded the 3rd class Labor Medal.

#### 4. Organizational and management structure

##### 4.1. Chart of organizational and management structure.

Organizational chart:



##### 4.2. Functions of departments.

###### ▪ *Board of Directors:*

The Director is the person who manages, operates and is responsible before the law and the superior agency for all activities of the Center according to the assigned functions, tasks and powers. Assisting the Director are the Deputy Director and departments and facilities.

###### ▪ *Administration department:*

Administration department is an advisory department to assist the Director and has the following functions:

- Organizing, implementing and managing personnel organization work, including: organization of apparatus, management of civil servants, labor and wages, training, emulation, rewards, administrative reform;
- Office administrative work, including: documents, archives, administration, management, confidentiality, security and order protection, fire prevention, environmental sanitation and landscape.



- Managing assets, finance, accounting, statistics and organizing accounting according to the field of operation.

- ***Planning & training department***

The Training & Planning Department is an advisory department to assist the Director and has the following functions:

- Develop a plan to orient the development of the unit's activities;
- Develop and assign tasks for the annual comprehensive economic plan of the unit's training, testing and service activities;
- Develop a training plan, teacher plan, training progress, allocate training equipment; organize, manage and inspect all activities of teaching, academic affairs, teacher work, student management and is responsible for coordinating with the Technical Equipment Department to organize driving tests and vehicle and equipment rental services;
- Resolve issues arising during the training and testing process;
- Link training of other professions.

- ***Equipment & Technical Department:***

The Technical & Equipment Department is an advisory department to assist the Director and has the following functions:

- Develop plans, invest, manage, and effectively exploit technical equipment and means in the unit;
- Organize, guide, and inspect the implementation of legal documents on the management and use of equipment and means serving training and testing;
- Manage and perform regular, periodic, and unscheduled repairs of technical equipment and means for training and testing;
- Develop fuel and auxiliary material norms to ensure service for training and testing;
- Resolve issues arising during the use of equipment and means;
- Propose partnerships and contracts with other units and individuals to increase equipment and means serving training and testing.

- ***Hoai Nhon Training Facility:***

Hoai Nhon Training Facility is a specialized department that performs the tasks of recruiting, opening teaching classes, advising the Director and has the following functions:



- Organizing, managing and deploying recruitment activities, teaching, academic affairs, teacher work, student management and serving motorcycle driving tests at the facility according to the assigned work plan and workload;
- Administrative management work, including: security, order, agency safety, fire prevention, environmental sanitation, landscape at the facility;
- Managing, caring for, using and effectively exploiting all assets invested and arranged by the Center at the facility such as: houses, driving practice grounds, vehicles, equipment, teaching aids, etc. for teaching;
- Solve problems arising in the process of managing, teaching and serving motorcycle driving tests at the facility.

## 5. Workforce

The total number of employees in the list of regular employees of Transportation Training Center of Binh Dinh at the time of enterprise value announcement, 31/12/2023, is 154 people

The labor structure of Transportation Training Center of Binh Dinh is as follows:

No.	Criteria	No.	Percentage
<b>A</b>	<b>By educational level</b>		
1	University and post-university level	74	48,05 %
2	College level	36	23,37 %
3	Intermediate, primary	38	24,68 %
4	General labor	6	3,90 %
<b>B</b>	<b>By type of labor contract</b>		
1	Indefinite contract	122	79,22 %
2	Contract term from 1-3 years	18	11,69 %
3	Contract term under 12 months	14	9,09 %
<b>C</b>	<b>By gender</b>		
1	Male	143	92,86 %
2	Female	11	7,14 %

Source: Transportation Training Center of Binh Dinh

Educational level, professional expertise, and political theory of Transportation Training Center of Binh Dinh workforce is high. The number of employees with university degrees in the unit accounts for 48.05%.

The Company's workforce has the following advantages:



- ✓ Officials and employees are relatively well-trained, highly qualified, have skills and expertise in the field of driver training management.
- ✓ Officials and employees in the unit have a spirit of solidarity, are dedicated to the Center, have a sense of discipline and work well.

## 6. Enterprise value at the time of equitization

Pursuant to Decision No. 4588/QĐ-UBND dated 31/12/2024 of the People's Committee of Binh Dinh province on approving the results of determining the value of public service units and announcing the value of public service units to convert Transportation Training Center of Binh Dinh into a joint stock company:

- ✓ The actual value of Transportation Training Center of Binh Dinh at 31/12/2024 is **VND 121,285,002,972** (*One hundred and twenty-one billion, two hundred and eighty-five million, zero hundred and two thousand, nine hundred and seventy-two dong*)
- ✓ In which, the actual value of the State capital converted at Transportation Training Center of Binh Dinh as of 31/12/2024 is **VND 107,300,033,456**, rounded to **VND 107,300,000,000** (*One hundred and seven billion three hundred million VND*).

The value of Transportation Training Center of Binh Dinh as of 31/12/2023 is detailed in the following table:

Unit: VND

Item	Book value	Re-determined	Difference
(1)	(2)	(3)	(4)
<b>A. ASSETS IN USE</b>	<b>84.528.655.592</b>	<b>121.285.002.972</b>	<b>36.756.347.380</b>
<b>I. Fixed assets and long-term investments</b>	<b>65.339.407.861</b>	<b>99.015.188.431</b>	<b>33.675.780.570</b>
1. Fixed assets	<b>51.886.468.286</b>	<b>85.362.041.536</b>	<b>33.475.573.250</b>
- Tangible fixed assets	51.886.468.286	69.317.041.536	17.430.573.250
- Financial lease	-	-	-
- Intangible fixed assets	-	16.045.000.000	16.045.000.000
2. Long-term financial investments			
3. Investment real estate			
4. Long-term prepaid expenses		200.207.320	200.207.320
5. Construction in progress cost	13.452.939.575	13.452.939.575	-
6. Other long-term assets			
7. Work in progress			
<b>II. Current assets and short-term investments</b>	<b>19.189.247.731</b>	<b>19.189.248.074</b>	<b>343</b>
1. Cash	356.447.323	356.447.666	343





Item	Book value	Re-determined	Difference
(1)	(2)	(3)	(4)
- Cash on hand	18.346.657	18.347.000	343
- Bank deposits	338.100.666	338.100.666	-
2. Short-term financial investments	-	-	-
3. Short-term receivables	18.733.930.382	18.733.930.382	-
4. Inventory	98.870.026	98.870.026	-
<b>III. Brand value and other unidentifiable intangible assets</b>	-	<b>3.080.566.466</b>	<b>3.080.566.466</b>
<b>B. ASSETS NOT NEEDED</b>	-	-	-
<b>C. ASSETS FOR LIQUIDATION</b>	-	<b>429.723.290</b>	<b>429.723.290</b>
<b>D. ASSETS PENDING HANDOVER</b>	-	-	-
<b>MARKET VALUE (SECTION A)</b>	<b>84.528.655.592</b>	<b>121.285.002.972</b>	<b>36.756.347.380</b>
<b>E1. ACTUAL LIABILITIES</b>	<b>13.984.969.516</b>	<b>13.984.969.516</b>	-
1. Payables to suppliers	3.594.093.765	3.594.093.765	-
2. Payables to the state	6.375.875.751	6.375.875.751	-
3. Other payables	3.900.000.000	3.900.000.000	-
4. Funds distributed to employees	115.000.000	115.000.000	-
<b>E2. FUNDING SOURCE</b>	-	-	-
<b>VALUE OF STATE CAPITAL (A - E1 - E2)</b>	<b>70.543.686.076</b>	<b>107.300.033.456</b>	<b>36.756.347.380</b>

Source: The dossier determining the value of the public service company Transportation Training Center of Binh Dinh as of 31/12/2023 was issued by MKF Vietnam Auditing and Consulting Co., Ltd. (Valuation certificate No. 253/2024/00354 dated 28/11/2024).

## 7. Current status of fixed assets

The status of fixed asset of Transportation Training Center of Binh Dinh according to accounting data at the time of determining the enterprise value on 31/12/2023, is summarized in the following table:

Unit : VND

No	Item	Cost	Depreciation	Value
1	<b>Tangible fixed assets</b>	<b>116.009.273.329</b>	<b>64.122.805.043</b>	<b>51.886.468.286</b>
	Building and architectonic structures	37.800.944.842	8.008.000.557	29.792.944.285
	Equipment & machinery	4.143.542.487	1.477.798.536	2.665.743.951
	Vehicles	73.422.186.000	54.065.455.950	19.356.730.050
	Other fixed assets	642.600.000	571.550.000	71.050.000



No	Item	Cost	Depreciation	Value
2	Work in progress	13.452.939.575	0	13.452.939.575

*Source: The Company*

## 8. Status of liabilities

The financial and debt status of Transportation Training Center of Binh Dinh according to accounting records as of 31/12/2023 is as follows:

- ✓ Net assets: 18.657.217.790 đồng.  
In which:
  - Accumulative surplus/loss: 0 VND.
  - Funds: 18.657.217.790 Fund.
- ✓ Receivables: 18.733.930.382 VND.  
In which:
  - Receivables from customers: 5.727.527.000 VND.
  - Other receivables: 13.006.403.382 VND.
- ✓ Payables: 68.871.437.802 VND  
In which:
  - Payables to suppliers: 3.594.093.765 VND.
  - Loans: 3.900.000.000 VND.
  - Unrecorded advances: 51.886.468.286 VND.
- ✓ Other liabilities: 6.490.875.571 VND.

## 9. Current status of land in use

The current land situation that Transportation Training Center of Binh Dinh is managing and using is detailed as follow:

- ✓ **Quy Nhon facility:** address 361 Tay Son Street, Quang Trung Ward, Quy Nhon City, Binh Dinh Province.
  - Area: 2.977 m<sup>2</sup>.
  - Certificate of land use rights, ownership of land and houses and other assets attached to land No. DD9511202 issued by the Land Registration Office on 24/06/2024; Land lease contract No. 134/HD-TD dated 24/06/2024, lease term 50 years
- ✓ **Hoai Nhon driving training facility:** address An Duong Quarter, Hoai Tan Ward, Hoai Nhon Town, Binh Dinh Province.
  - Area: 19.475 m<sup>2</sup>.
  - Legal basis: Certificate of land use rights, ownership of land and houses





and other assets attached to land No. CT16741 issued by the Department of Natural Resources and Environment on 26/11/2021; Land lease contract No. 187/HD-TD dated 26/11/2021, lease term of 50 years

- ✓ **Nhon Hoi facility:** address Lot A1.02 + A1.03, Nhon Hoi industrial park - area A, Nhon Hoi economic zone, Nhon Hoi commune, Quy Nhon city, Binh Dinh province.
  - Area: 49.171 m<sup>2</sup>.
  - Legal basis: Contract No. 42/HD-TL QSDD dated 10/12/2020 Contract for subleasing land use rights associated with infrastructure of Nhon Hoi Industrial Park - Area A, signed between Binh Dinh Transport Vocational Training Center and Saigon - Nhon Hoi Industrial Park Joint Stock Company, lease term of 50 years

## **10. List of Parent Company, Subsidiaries and Affiliates of the Company**

### **10.1 Capital Owners of the Company**

Name of Organization: People's Committee of Binh Dinh Province

Headquarter Address: No. 01 Tran Phu Street, Tran Phu Ward, Quy Nhon City, Binh Dinh Province.

Ownership Ratio at the Converted Unit: 100%

### **10.2 List of Subsidiaries and Affiliates of the Converted Unit:**

None.

## **11. Business performance and business results in the 3 years before equitization**

### **11.1 Business activities**

#### **a. Product output/service value over the years**

Transportation Training Center of Binh Dinh is a public service unit under the Department of Transport, established under Decision No. 371/QD-UB dated 02/03/1996 of the People's Committee of Binh Dinh province, is a public service company with autonomy in regular and investment expenditures, and is assigned autonomy in Decision No. 4319/QD-UBND dated 28/10/2021 of the People's Committee of Binh Dinh province on classifying units according to the level of financial autonomy as prescribed in Decree 60/2021/ND-CP dated 21/06/2021 of the Government for public service units under the Department of Transport; Decision No. 3862/QD-UBND dated 24/11/2014 of the People's Committee of the province on the assignment of State assets to Transportation Training Center of Binh Dinh for management according to the mechanism of capital allocation to enterprises.

During its operation, the Company has always affirmed that “Quality, training reputation and professional ethics” are the basic long-term goals, the decisive factor for the existence and development and the source of maturity for the Company’s vocational trainers. Determining the right goals has motivated each officer and employee to enhance their responsibility and obligation in promoting internal strength, solidarity tradition, spirit of overcoming difficulties, actively striving to complete assigned tasks well, contributing to the successful implementation of the the Company’s annual plan.

Over the years, the Company has performed well the tasks of training, linking vocational training and serving driver testing as follows:

○ **New training and upgrading of car drivers of all classes.**

*Unit: students*

No.	Students trained	2021	2022	2023	2024
1	New training for class B and C drivers	3.006	4.161	2.967	2.906
2	Upgrading driver's license to class C, D, E, Fc	749	1.095	1.130	1.098
	<b>Total</b>	<b>3.755</b>	<b>5.256</b>	<b>4.097</b>	<b>4.004</b>
3	Number of tests	4.114	7.956	7.581	6.158
4	Number of successful candidates granted licenses	3.452	5.554	4.585	3.848
5	Average passing rate	83,91%	69,81%	60,48%	62,49%

*Source: the Company*

○ **Motorbike license classes A1 and A2 training classes.**

*Unit: students*

No	A1 and A2 training classes	2021	2022	2023	2024
1	Number of applications for admission	4.252	7.387	10.383	21.980
2	Number of examinations	4.670	7.929	11.490	19.963
3	Number of students admitted and granted a license	3.726	6.291	9.262	16.553
4	Average admission rate	79,8%	79,35%	80,64%	83,0%

*Source: the Company*

○ **Testing services and rental services:**



The Company strictly stores and transmits data from the testing sessions of the camera system monitoring the theoretical test room and the driving test yard to the Vietnam Road Administration and the Department of Transport according to the provisions of Circular No. 38/2019/TT-BGTVT; organizes the management and exploitation of the Company's vehicles and equipment to serve the driving test of the Department of Transport of Binh Dinh and Quang Ngai well, meeting the needs of students to rent vehicles and equipment for driving practice in the yard and on the road

- In 2021, the Company organized 20 examinations with 4,767 candidates taking the driving test for all types of cars, provided 3,726 hours of practice driving in the training yard and 7,146 km of practice driving on the road for students of training facilities before each examination.
  - In 2022, the Company organized 28 examinations with 8,141 candidates taking the driving test for all types of cars, provided 5,110 hours of practice driving in the training yard and 9,041 km of practice driving on the road for students of training facilities before each examination.
  - In 2023, the Company organized 35 examinations with 9,141 candidates taking the driving test for all types of cars, provided 5,078 hours of practice driving in the training yard and 8,297 km of practice driving on the road for students of training facilities before each examination.
  - In 2024, the Company organized 17 examinations with 6,158 candidates taking the driving test for all types of cars, provided 7,830 hours of practice driving in the training yard and on the road.
- **Activities serving training.**
- The Company strictly implements and fully equips devices to monitor time and distance of driving practice (DAT) on all driving practice vehicles and electronic cabins according to the provisions of Circular No. 04/2022/TT-BGTVT dated 26/04/2022 of the Ministry of Transport on amending and supplementing a number of articles of Circular No. 12/2017/TT-BGTVT dated 15/04/2017 regulating training, testing, and granting of road motor vehicle driving licenses and a number of documents of the Department of Transport regulating driver training

**b. Revenue:**

*Unit: VND*

<b>Doanh thu</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Training Services	38.082.096.000	58.003.608.000	52.360.030.000	62.358.441.000
Assessment Services	884.117.204	1.326.641.144	2.137.112.071	2.489.473.946
Equipment Vehicle Rental Services	1.380.499.620	1.878.992.254	1.944.877.273	1.561.787.918
Financial Revenue	664.673.653	392.605.794	10.411.075	1.610.687
<b>Total</b>	<b>41.011.386.477</b>	<b>61.601.847.192</b>	<b>56.452.430.419</b>	<b>66.411.313.551</b>

*Source: the Company*
**c. Gross profit:**
*Unit: VND*

<b>Gross profit</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Training, testing, equipment rental services	358.487.382	(2.920.489.798)	81.899.644	8.036.874.656

*Source: the Company*
**d. Raw materials:**
**○ Input factors for service provision:**

Currently, the Company is operating in the field of providing driving training services, so the input factors for the service provision process are mainly cars of all kinds and teachers for driving training. In addition, the unit also uses other input factors such as: space for teaching practice, training ground, information technology system for operation, etc.

**○ Stability of source of raw materials:**

Currently, the Center is managing and operating 3 training facilities with 136 cars (including 14 cars awaiting liquidation) of all kinds and 158 employees. Other input factors such as electricity, information technology system, etc. are all regular input factors, electricity is taken from the national grid, always maintaining a regular power supply for the Company

**○ Impact of input factors on revenue and profit:**

The Company is currently using 03 land plots. After the conversion, the Joint Stock Company will continue to use this land area in the form of long-term lease and annual payment. The cost of renting premises will become the cost of the joint stock company. Accordingly, the cost of renting land will become a regular cost and will not fluctuate much.



The cost of depreciation of fixed assets and salaries for driving instructors, electricity costs, etc. will also be important input costs and will affect the revenue and profit of the joint stock company

**e. Operating costs**

The Center's operating cost structure in recent years is as follows:

*Unit: VND*

Cost by components	Năm 2021		Năm 2022		Năm 2023		Năm 2024	
	Value	% Revenue	Value	% Revenue	Value	% Revenue	Value	% Revenue
Salaries, wages and other expenses for employees	16.922.439.849	41,27	18.548.958.786	30,11	21.722.090.630	38,49	22.123.047.491	33,31
Cost of materials, tools and equipment used	11.272.667.331	27,49	21.570.396.404	35,02	21.061.592.379	37,31	20.260.705.184	30,51
Depreciation of fixed assets	4.645.560.137	11,33	3.612.362.797	5,86	6.022.979.014	10,67	6.342.359.082	9,55
Other operating expenses	7.753.873.367	19,13	10.858.469.846	17,63	3.892.554.815	6,90	7.558.686.943	11,38
<b>Total</b>	<b>40.594.540.684</b>	<b>99,22</b>	<b>54.590.187.833</b>	<b>88,62</b>	<b>52.699.216.838</b>	<b>93,35</b>	<b>56.284.798.700</b>	<b>84,75</b>

*Source: The Company*

Cost management is an issue that any unit is very concerned about in order to increase business efficiency.

The Company's production costs are mainly the following types of costs: Salaries, wages and other expenses for employees; Costs of materials, tools and equipment used for professional work; Depreciation of fixed assets and other costs. In the period of 2021 - 2024, the total cost accounts for an average of about 91.48% of Net Revenue and is controlled by the Company at a fairly stable level, without sudden changes.

However, in order to improve and control costs more closely and effectively, the Center's Board of Directors has increased the application of quality management measures to its production and business activities such as applying the Quality Management System according to Standard No. 9001-2008 of the Center for Conformity Certification (QUACERT).

**f. Technology level**

Compared to other units operating in the same field today, the Company is in the group with an average level of technology. To ensure the stability of production and business operations, the Center has a specialized auto repair workshop serving regular repairs and replacement of auto parts to promptly meet the needs of teaching practical driving skills.

**g. New product research and development situation**

With the nature of the Company's business type being driver training and testing, the Company focuses mainly on maintaining and repairing the equipment system to comply with current regulations.

#### **h. Quality control situation**

The Company is very interested in controlling and ensuring the quality of training and testing. The Board of Directors regularly inspects and supervises promptly to ensure that training and testing are carried out in accordance with regulations.

#### **i. Marketing activities**

As a public service company, the scale is not yet large, so the company has not focused on developing strong marketing activities due to limited funding. Temporary advertising and propaganda activities are only through building good service quality, thereby creating prestige and trust with customers and partners.

#### **j. Trademarks, patents and copyrights**

Currently, the Company uses the following logo to brand its products and services:



#### **k. Major contracts in progress or signed**

<b>Contract no.</b>	<b>Partners</b>	<b>Content</b>	<b>Signed date</b>	<b>Status</b>	<b>Contract value (VND mn)</b>
187/HĐ-TĐ dated 26/11/2021	People's Committee of Binh Dinh Province	Land lease	26/11/2021	On going	Pay annually as notified by the Tax Department
134/HĐ-TĐ dated 24/6/2024	People's Committee of Binh Dinh Province	Land lease	24/6/2024	On going	Pay annually as notified by the Tax Department
42/HĐ-TLQSDĐ dated 10/12/2020	Sai Gon - Nhon Hoi Industrial Park JSC	Land lease	10/12/2020	On going	18.838
03/2025/HĐ-	Binh Dinh	Purchase of driving	20/01/2025	On going	998





Contract no.	Partners	Content	Signed date	Status	Contract value (VND mn)
SHLX	Department of Transport	test services for class A1, A			
04/2025/HĐ-SHLX	Binh Dinh Department of Transport	Purchase of driving test services for class B, C1, C	20/01/2025	On going	896
05/2025/HĐ-SHLX	Binh Dinh Department of Transport	Purchase of driving test services for class D1, D2, D, CE	20/01/2025	On going	380

Source: The Company

## 11.2 Financial situation and business performance in the 3 years before conversion

The financial situation and performance of Transportation Training Center of Binh Dinh in the 3 years before conversion and 2024 are as follows:

Unit: VND

No.	ITEMS	31/12/2021	31/12/2022	31/12/2023	31/12/2024
1	Total assets	69.862.687.224	79.611.117.084	84.528.655.592	79.595.870.420
2	Liabilities	17.122.449.528	68.785.805.301	68.871.437.802	65.494.308.326
2.1	In which, overdue debt	0	0	0	0
2.2	Written off debt	0	0	0	0
3	Irrecoverable receivables	0	0	0	0
4	Business results				
4.1	Revenue	41.011.386.477	61.601.847.192	56.452.430.419	66.411.313.551
	Revenue from administrative and career activities	0	0	0	0
	Revenue from production, business and service activities	40.346.712.824	61.209.241.398	56.442.019.344	66.409.702.864
	Revenue from financial activities	664.673.653	392.605.794	10.411.075	1.610.687
	Other income	0	0	0	0
4.2	Total expenses	40.594.540.684	57.443.942.756	52.699.216.838	56.284.798.700
	Administrative and career operating expenses	0	0	0	0
	Production and business operating expenses, services	40.594.540.684	54.590.187.833	52.699.216.838	56.284.798.700
	Financial operating expenses	0	0	0	0
	Other expenses	0	2.853.754.923	0	0



No.	ITEMS	31/12/2021	31/12/2022	31/12/2023	31/12/2024
4.3	Surplus/losses in the year (*)	358.487.382	(2.920.489.798)	81.899.644	8.036.874.656
5	Workforce (employees)	157	157	154	158
6	Total payroll	16.922.439.849	18.548.958.786	21.722.090.630	22.123.047.491
7	Average monthly income per person	8.982.000	9.845.000	11.678.000	11.668.000

(\*): after corporate income tax has been deducted

Source: The Company

### 11.3 Factors affecting business operations

In recent years, the following factors have affected the Company business performance:

#### a. Advantages:

- The Company receives direct leadership and direction from the Party Committee, the Board of Directors of the Department of Transport and the support of all levels and sectors in Binh Dinh province.
- The core workforce is tested and tempered through practice, inheriting the foundation of properly invested technical facilities.
- The leadership capacity of the Party Cell, the responsibility in the management and operation of the Board of Directors, the effective supervision and mobilization role of the Executive Board of the Trade Union and the ownership of civil servants and workers.
- The trust of society in the training quality at the Company.

#### b. Difficulties:

- In 2021 and 2022, the impact of the Covid-19 pandemic affected training activities due to the suspension of operations for many months in a row under the direction of all levels.
- In 2023 and 2024, the Center will both relocate its headquarters to Nhon Hoi Economic Zone and carry out equitization under the direction of all levels, which is a new difficulty and challenge for employees at the unit.
- The Company's operations are always governed by the law of market mechanism prices, competition for training and testing market share among training institutions.

## 12. The Company's position compared to other enterprises in the same industry

### 12.1 The Company's position

After more than 29 years of construction and development, Transportation



Training Center of Binh Dinh has become a leading center in Binh Dinh with full facilities meeting national standards, a driving training and testing unit that meets both quality criteria and the number of students trained/year. The current volume of the licensed unit is more than 1,000 students, with a scale of training car drivers of about 4,600 students/school year, and motorbikes of about 15,000 students/year. During its operation, Transportation Training Center of Binh Dinh has been evaluated as the number one brand in the field of driving training and testing in Binh Dinh province and has achieved many noble titles at the provincial and industry levels. All advantages in scale, experience and reputation have helped the unit increasingly affirm its solid position in the driver training industry in Binh Dinh and neighboring areas.

## 12.2 Industry development prospects

### a. Industry growth prospects

By the end of the first quarter of 2024, Vietnam's population reached about 101.11 million people, the growth rate fluctuated around 1%/year and ranked 16th among the most populous countries in the world. Of the total population, the urban population was 38.6 million people, accounting for 38.2%; the rural population was 62.5 million people, accounting for 61.8%. The labor force aged 15 and over reached 52.5 million people, the labor force participation rate reached 68.5%. Thus, the number of people working in the industry - construction - service sector remained high, reflecting the positive recovery of the economy, creating conditions to promote the development of industries serving this group. On the other hand, the development of socio-economy leads to the increasing demand for cars for transporting goods and traveling of people, not only in agencies, socio-economic organizations but also in families and individuals using cars. Currently, driving training facilities have not met the learning needs of people, leading to the reality that the human resources in this industry are quite lacking compared to the actual needs.

The number of imported cars to the Vietnamese market in 2024 increased sharply, reaching 173,561 units, with a total turnover of 3.62 billion USD, an increase of 45.8% in volume and 27.6% in value compared to 2023. The number of imported cars from 3 markets in Asia (Indonesia, Thailand, China) alone reached 165,609 vehicles, accounting for nearly 95.4% of the total number of imported cars in the country in 2024. Data for the 11 months of 2024 showed that car sales were compiled from actual retail data of members of the Vietnam Automobile Manufacturers Association (VAMA), from imported complete cars of units that are not members of VAMA, of Hyundai Thanh Cong and VinFast, reaching a total of 434,393 vehicles. Thus, the sales of the Vietnamese automobile market in 2024

exceeded the 450,000 vehicle mark. The automobile market in the past year benefited greatly from the positive impact of the government's registration fee support policy. According to car manufacturers, the government's support for reducing registration fees in the last 3 months of the year is really a great driving force, helping businesses achieve impressive sales results. It is forecasted that in the coming years, when the economy grows stably again, the demand for car ownership, learning and taking driving licenses will increase.

According to the road transport development plan to 2020, with a vision to 2030, it is expected that by 2020, the whole country will have about 3 million cars, equivalent to about 10 million people with driving licenses, accounting for 10% of the population. Thus, for Binh Dinh province, the rate of 10% of people with driving licenses will correspond to about more than 150,000 people. The group of people who need to be trained and take a driving test are those who own a car/intend to buy a car, want to work as a driver or need a driving license to be eligible to find a job. In addition, there may be a group of people who want to learn to drive to drive on behalf of their relatives... Driving licenses are gradually becoming more popular in Vietnam, the need to learn to drive is also increasing, requiring timely response from training and testing centers.

**b. The Company's long-term plan**

The Company will increase investment in infrastructure, continuously improve service quality to become one of the leading brands in the field of driver training and testing services in Binh Dinh province.

**12.3 Conformity with the Company's long-term development plan**

The unit's business plan in the coming years is built closely with the socio-economic development plan of Binh Dinh province, in accordance with the Government's orientation and policies, and closely linked to the goal of the Company's Board of Directors, developing the Center to become a leading prestigious unit in the field of driver training and testing in Binh Dinh province.



## PART III: POST-EQUITIZATION OVERVIEW

### 1. Overview of the Company after equitization

#### 1.1. General information

- Vietnamese name: **CÔNG TY CỔ PHẦN ĐÀO TẠO VÀ DỊCH VỤ GIAO THÔNG VẬN TẢI BÌNH ĐỊNH**
- English name: **BINH DINH TRANSPORT SERVICES AND TRAINING JOINT STOCK COMPANY**
- Transaction name: **CÔNG TY CỔ PHẦN ĐÀO TẠO VÀ DỊCH VỤ GIAO THÔNG VẬN TẢI BÌNH ĐỊNH**
- Headquarters: 361 Tay Son, Quang Trung Ward, Quy Nhon City, Binh Dinh Province
- Tel: 0916729009
- Website: <http://daotaogtvtbinhdinh.vn/>

#### 1.2. Legal form

After the conversion, Binh Dinh Transport Training and Services Joint Stock Company will operate as a joint stock company, operating under the Enterprise Law No. 59/2020/QH14 approved by the National Assembly of the Socialist Republic of Vietnam on 17/06/2020

#### 1.3. Business lines

The joint stock company will continue to promote and develop its current business lines while adding some other business lines, including:

- Training for motorcycle drivers of classes A, A1.
- Training for driving classes B, C1.
- Training to upgrade driving licenses to classes C1, C, D1, D2, D, CE.
- Leasing facilities and vehicles for driving tests of all classes.
- Leasing vehicles and equipment for driving practice on the road and in the field.
- Linking training and fostering professions in the field of transportation.
- Automobile transportation business.
- Wholesale of solid, liquid, gaseous fuels and related products.
- Maintenance and repair of automobiles and other motor vehicles.
- Automobile and other motor vehicle dealerships.
- Activities of automobile and motorcycle insurance agents and brokers.

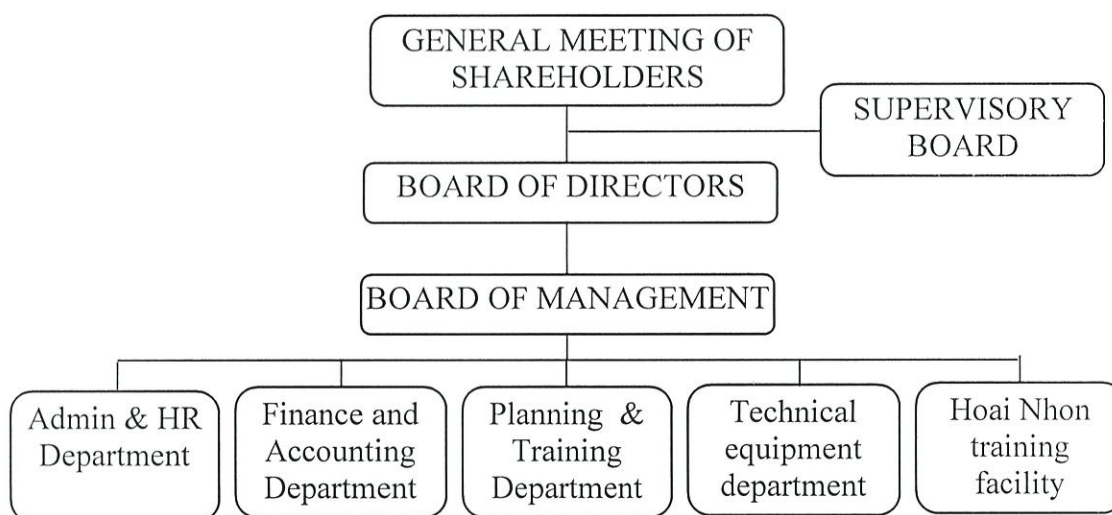


- Wholesale of automobiles and other motor vehicles.
- Retail of passenger cars (9 seats or less).
- Sale of spare parts and accessories of automobiles and other motor vehicles.
- Sale of motorcycles and motorbikes.
- Installation of industrial machinery and equipment (Details: installation of charging stations)).
- Rental of machinery, equipment and other tangible goods without operators (Details: rental of charging stations).

## 2. Organizational structure of the joint stock company

Binh Dinh Transport Training and Services Joint Stock Company operates according to the Charter of organization and operation of the Company approved by the General Meeting of Shareholders, based on the provisions of the Enterprise Law, under the management, supervision and operation of the Board of Directors, the Board of Supervisors and the Board of Directors.

### POST-EQUITIZATION STRUCTURE



*Source: The Company*

The proposed structure of the Joint Stock Company is as follows:

- ✓ **General Meeting of Shareholders:** The General Meeting of Shareholders consists of all shareholders with voting rights and is the highest decision-making body of the Company.
- ✓ **Board of Directors:** The Board of Directors is the Company's management body, with full authority to decide and exercise the Company's rights and obligations on behalf of the Company, except for the rights and obligations of the General Meeting of Shareholders. The Board of Directors is elected by the General Meeting of Shareholders.



- ✓ **Supervisory Board:** The Supervisory Board is elected by the General Meeting of Shareholders. The Supervisory Board has the rights and obligations to: appraise annual financial reports, inspect specific issues related to financial activities when deemed necessary or by decision of the General Meeting of Shareholders or at the request of major shareholders; report to the General Meeting of Shareholders on the accuracy, honesty and legality of documents, accounting books, financial reports and the operation of the internal control system.
- ✓ **Board of Director:** The Director is the person who runs the daily business of the Company. He is supervised by the Board of Directors and is responsible to the Board of Directors and the law for the implementation of assigned rights and duties. The Deputy Directors assist the Director in managing the Company. The Director is appointed by the Board of Directors. The Deputy Directors are appointed by the Board of Directors upon the proposal of the Director.
- ✓ **Chief Accountant:** The Chief Accountant is appointed by the Board of Directors upon the proposal of the Director. The Chief Accountant assists the Director in organizing and implementing the Company's financial and accounting work in accordance with the provisions of law on finance and accounting.
- ✓ **Supporting apparatus:** The supporting apparatus includes functional departments and affiliated units.
  - **Administration - Human Resources Department:** Advises and assists the Company Director and organizes the implementation of tasks in the fields of labor organization, human resource management and arrangement, labor protection, policies and regimes, and health care for employees; inspects and urges departments in the Company to strictly implement the Company's internal rules and regulations.
  - **Finance - Accounting Department:** Advises the Company's Board of Directors on revenue and expenditure according to regulations; prepares revenue and expenditure estimates and performs the Company's accounting work; implements regulations on printing, issuing and using invoices for the sale of goods and provision of services according to the provisions of law.
  - **Planning - Training Department:** Advises the Board of Directors on planning work; develops annual driver training and testing plans for the Company's Board of Directors to consider and approve; develops and proposes investment plans and purchases of machinery and equipment for training; Perform monthly, quarterly and annual reports as prescribed and



other tasks assigned by the leadership.

- **Equipment - Technical Department:** is responsible for ensuring the company's facilities operate continuously, maintaining vehicles, equipment, inspecting technical safety of motor vehicles; performing other tasks as required by the company's leadership.
- **Hoai Nhon Driver Training Facility:** organizes and implements driver training and testing programs according to the set plan; proposes plans and solutions to increase the company's operational efficiency; coordinates with competent authorities to perform other tasks in accordance with regulations on driver training and testing.

### 3. Business production plan for 3 consecutive years after conversion

#### 3.1. Development strategy of the Joint Stock Company

Expanding the scale of business operations, streamlining the management apparatus to achieve the highest profit.

#### 3.2. Operational objectives

- **Organizational and administrative objectives**
  - After conversion, the Unit advocates to reorganize, innovate and improve operational efficiency. Perfecting the management apparatus, reorganizing departments and affiliated units in the direction of innovation, specialization, and supplementing highly qualified and competent managers and technicians.
  - Focusing on building grassroots democracy regulations in a broad and practical manner to bring high efficiency. Directing mass organizations to build working regulations, taking care of mass mobilization work, and implementing grassroots democracy regulations well in the unit such as making content, programs, and methods transparent to the workers; publicly and identify some difficulties so that workers can understand and find ways to promptly resolve problems, especially legitimate rights.
  - Take care of the material and spiritual life of workers, build corporate culture, actively participate in social activities, join hands for the community.
  - Develop appropriate financial plans, implement publicly and transparently in financial management, and income distribution.
- **Business objectives:**
  - Continue to organize recruitment and training of drivers of all classes.

- Maintain good quality of vehicles and equipment to meet the needs of serving driving tests organized by competent authorities and to satisfy the needs of renting vehicle familiarization guides, equipment and testing grounds for students of training facilities.
- Continue to properly implement regulations on training, testing, and granting of road motor vehicle driving licenses according to the provisions of law on training, testing, and granting of driving licenses; use of international driving licenses; training, testing, and granting certificates of training in knowledge of road traffic laws.
- Improve the quality of training, serving testing, maintaining the prestige and trust of society in the quality of driving training at the Company.

### 3.3. Infrastructure investment plan

The investment plan to expand and upgrade the Hoai Nhon Driving Test Center from type 3 to type 2 Driving Test Center in Hoai Nhon town will be decided by the General Meeting of Shareholders of the joint stock company or the Board of Directors of the joint stock company after the Transportation Training Center of Binh Dinh operates as a joint stock company.

### 3.4. Main items

#### Business plan after converting into a joint stock company

Unit: VND

No.	Item	2025 (8 months)	2026	2027
1	Charter capital	107.300.000.000	107.300.000.000	107.300.000.000
2	Workforce (employees)	158	158	158
3	Salary budget	14.333.333.000	22.575.000.000	23.703.750.000
4	Average monthly income per person	11.340.000	11.758.000	11.972.000
5	Revenue	43.873.333.000	69.100.500.000	72.555.525.000
6	Total expenses	36.866.667.000	56.959.000.000	58.667.770.000
7	Profit before tax	7.006.667.000	12.141.500.000	13.887.755.000
8	Net profit	5.605.333.000	9.713.200.000	11.110.204.000
9	Net profit/Charter capital (%)	7,84%	9,05%	10,35%
10	Bonus fund, welfare, Executive Board bonus (20%)	1.121.067.000	1.942.640.000	2.222.041.000
11	Development investment fund (20%)	1.121.067.000	1.942.640.000	2.222.041.000





No.	Item	2025 (8 months)	2026	2027
12	Profit after tax for dividend payment	3.363.200.000	5.827.920.000	6.666.122.000
13	Annual dividend rate	3,13%	5,43%	6,21%

Source: Equitization plan

*The dividend payout ratio and fund allocation ratio (Welfare rewards, Development investment) will be decided by the General Meeting of Shareholders depending on the business situation of the Joint Stock Company.*

### 3.5. Implementation solutions

After the conversion, the Joint Stock Company will operate according to the Enterprise Law under the management, supervision and operation of the Board of Directors (BOD), the Supervisory Board (BOS) and the Board of Directors. The election of the BOD and BOS will be in accordance with the resolution of the General Meeting of Shareholders, according to the provisions of the Enterprise Law and the provisions of the current law on Joint Stock Companies. The basis of operation of the Joint Stock Company is the charter established according to the provisions of the Enterprise Law and related regulations.

To achieve the set targets, the Joint Stock Company needs to implement the following solutions:

- Promote the leadership capacity of the Party Cell through the exemplary pioneering role of each Party member in all activities, according to the motto "Party members go first, the country follows", at the same time doing a good job of political and ideological education, in order to create the best environment for officials and employees to strive to improve.
- Strictly implement the regulations on "grassroots democracy" in the direction of transparency in all activities so that all officials and employees "know, discuss, do and check", resolutely prevent corruption, waste and fight against harassment and negativity when performing tasks, in order to build trust, create solidarity and unity to strive for the common goal of the Company.
- Promote the role of individual responsibility, gradually consolidate discipline, improve the management and operation efficiency of the management apparatus in accordance with practical requirements. Strengthen the inspection and evaluation of the activities of the unit, of each department, of each individual to correct errors. Strictly implement rewards and penalties, thoroughly handle violations of the unit's internal

rules and regulations.

- Strictly comply with the provisions of the Law on financial management, assets, accounting, statistics and reporting regime; Strictly manage revenue sources and expenditures according to the norms of internal spending regulations in the direction of saving and preventing waste; accounting data must be accurate, honestly reflecting financial activities, to proactively handle and operate the general activities of the unit.
- Strengthen the technical management of vehicles and equipment, implement the responsibility regime for each individual related to the management, use and preservation of assigned assets; perform maintenance and repair of assets according to technical standards, quotas, ensuring quality and regulations of the unit.
- Gradually standardize the teaching staff in both quantity and quality according to the training scale, suitable to social needs; build a spirit of self-study, foster professional, political and legal knowledge; self-train personality, professional ethics and discipline; must act according to the task, in accordance with the law, regulations and the highest service culture, contributing to building the reputation of the unit, creating trust for learners when coming to the Center.
- Strengthen the application of information technology, continue to implement the investment plan on human resources, information technology infrastructure in the direction of wide area network covering all activities with internet connection, ensuring smooth information circulation between departments and between individuals to each department, in which the database and integrated software are the main tools to support management, operation, publicity, and monitoring activities, ensuring the Center changes the quality of management, improves operational effectiveness, increases the efficiency and competitiveness of products and services, in order to create a cultural image of the Center's training and driving test service business, the foundation of which is the standard of work, the measure of the work performed by each employee;
- Take care of material and spiritual life, fully and promptly implement policies for civil servants and employees according to the principle of benefits associated with responsibilities and effective contributions; effectively implement policies for the poor, gratitude, etc. within the Company's capacity.
- Strengthen coordination with functional agencies and local authorities to receive assistance, guidance, and create favorable conditions for good implementation of security, order, fire prevention and safety of the agency;



always focus on education, reminders, and inspections of safety conditions when using and operating electricity, vehicles, equipment, and participating in traffic.

- The Board of Directors and the Union Executive Committee must coordinate closely in launching and maintaining emulation movements. The movement's objectives must incorporate the content of studying and following Ho Chi Minh's ideology, morality, and style and building "Loyal, Responsible, Integrity, and Creativity" civil servants; the movement's content must be consistent with the Center's mission requirements. Quarterly, at the end of each course, there must be a meeting, evaluation of results, review, and timely rewards and punishments, in order to motivate everyone to strive to fulfill the unit's tasks well.

#### 4. Charter capital and charter capital structure

##### 4.1 Charter capital

- Charter capital: 107.300.000.000 VND (*One hundred and seven billion, three hundred million dong*).
- Par value: 10.000 VND/share.
- Capital structure:

No	Shareholders	No. of shares	Value of shares (VND)	%
1	The State	5.365.000	53.650.000.000	50%
2	Employee's preferential shares	421.500	4.215.000.000	3,93%
a	<i>Employee's preferential shares based on seniority</i>	<i>145.400</i>	<i>1.454.000.000</i>	<i>1,36%</i>
b	<i>Employee's preferential shares for long-term work commitment</i>	<i>276.100</i>	<i>2.761.000.000</i>	<i>2,57%</i>
3	Shares bought by outside investors	4.943.500	49.435.000.000	46,07%
	<b>Total</b>	<b>10.730.000</b>	<b>107.300.000.000</b>	<b>100</b>

*Source: Equitization plan*

- Limits on foreign ownership:
  - According to Decree No. 155/2020/ND-CP issued on 31/12/2020 by the Prime Minister detailing a number of articles of the Securities Law, Clause 1 and Clause 2, Article 139 stipulate as follows:
 

*"1. The maximum foreign ownership ratio in a public company is determined as follows:*

- a) A public company operating in an investment and business sector or profession for which an international treaty to which Vietnam is a member stipulates foreign ownership shall comply with the international treaty;
- b) A public company operating in an investment and business sector or profession for which relevant laws stipulate foreign ownership shall comply with the provisions of such law;
- c) A public company operating in an investment and business sector or profession on the list of sectors or professions with restricted market access for foreign investors shall comply with the provisions on foreign ownership in the list. In cases where the conditional market access sector or profession in the list does not specifically stipulate the conditions for the charter capital ownership ratio of foreign investors in economic organizations, the maximum foreign ownership ratio in the company shall be 50% of the charter capital;
- d) A public company not falling under the cases specified in Points a, b, c, Clause 1 This, the foreign ownership ratio is not limited;
- đ) In case a public company operates in multiple industries and professions, with different regulations on foreign ownership ratio, the foreign ownership ratio shall not exceed the lowest level in the industries and professions with regulations on foreign ownership ratio;
- e) In case a public company decides on a maximum foreign ownership ratio lower than the ratio prescribed in Points a, b, c, d, đ Clause 1 of this Article, the specific ratio must be approved by the General Meeting of Shareholders and specified in the Company Charter.

2. For equitized enterprises that list and register for trading on the stock market, the foreign ownership ratio shall be implemented in accordance with the provisions of the law on equitization. In case the law on equitization does not have regulations, it shall be implemented in accordance with the provisions of Clause 1 of this Article”.

According to the above regulations, the maximum ownership ratio of foreign investors in a joint stock company is 50%.

- The number of shares to be auctioned publicly is 4,943,500 shares. In case all 4,943,500 shares are successfully auctioned and purchased by foreign investors, the total number of shares owned by foreign investors is 4,943,500 shares, corresponding to the ownership ratio of 46.07% of charter capital. This ratio still ensures the State's regulations on the ownership ratio of foreign investors in joint stock companies.



#### **4.2 Plan to increase or decrease charter capital after converting into a joint stock company**

In the 3 years after conversion (2025-2027 period), the joint stock company maintains a charter capital of VND 107,300,000,000.

#### **5. Land use plan after equitization**

Implemented in accordance with Decision No. 3181/QD-UBND dated 25/08/2023 of the People's Committee of Binh Dinh province on approving the land use plan of Transportation Training Center of Binh Dinh when implementing equitization and Decision No. 2553/QD-UBND dated 15/07/2024 of the People's Committee of Binh Dinh province on adjusting the land use plan of Transportation Training Center of Binh Dinh when implementing conversion, specifically as follows

✓ **The first land plot: Facility at No. 361 Tay Son Street, Quang Trung Ward, Quy Nhon City, Binh Dinh Province.**

- Area: 2,977 m<sup>2</sup> (land leased by the Provincial People's Committee in Decision No. 2449/QD-UBND dated 05/07/2023; Certificate of land use rights, ownership of land and property attached to land No. CT16741 dated 26/11/2021; Land lease contract No. 187/HD-TD dated 26/11/2021)
- Purpose of land use: Office building (transaction office).
- Form: land lease with annual rental payment.
- Land lease term: until 01/07/2064.

About land price: Determined according to the specific land price decided by the Provincial People's Committee at the time of the decision to convert to a joint stock enterprise and the decision to lease land to a joint stock enterprise.

✓ **Second land plot: Hoai Nhon Driving Training Facility in An Duong Quarter, Hoai Tan Ward, Hoai Nhon Town, Binh Dinh Province.**

- Area: 19,475 m<sup>2</sup>. (Leased by the Provincial People's Committee in Decision No. 2510/QD-UBND dated 14/07/2017; granted Certificate of land use rights, ownership of land and property attached to land No. DD511202 dated 26/04/2024; signed Land Lease Contract No. 134/HID-TD dated 24/06/2024).
- Purpose of land use: Type 3 Driving Test Center.
- Form: land lease with annual rental payment.
- Land lease term: until 01/07/2064.

Regarding land price: Determined according to the specific land price decided by the Provincial People's Committee at the time of the decision to convert to a joint stock enterprise and the decision to lease land to a joint stock enterprise.

- ✓ **Third land plot: Facility in Nhon Hoi Economic Zone (re-leasing land from Saigon - Nhon Hoi Industrial Park Joint Stock Company)**
  - Area: 49,171m<sup>2</sup>. (Signed a contract to re-lease land use rights associated with infrastructure of Nhon Hoi Industrial Park - Area A No. 42/HD-TLQSDD dated 10/12/2020 with Saigon - Nhon Hoi Industrial Park Joint Stock Company)..
  - Purpose of land use: Office building and Type I Examination Center.
  - Form: Land lease with payment within 05 years according to the terms of the contract (re-leasing land from Saigon - Nhon Hoi Industrial Park Joint Stock Company).
  - Land lease term: until 10/12/2070.

Regarding land price: Implemented according to the Land Use Rights Sublease Contract associated with the infrastructure of Nhon Hoi Industrial Park - Area A No. 42/HD-TLQSDD dated 10/12/2020 between Binh Dinh Transport Vocational Training Center and Saigon - Nhon Hoi Industrial Park Joint Stock Company.

## 6. Expected risks

### 6.1 Economic risks

The stability and strength of the domestic and world economies are extremely important and necessary conditions for the business activities of enterprises in general.

With positive signals from the macro economy, economic risks will be reduced and business operations will be more positive in the coming time.

Unforeseen fluctuations such as economic growth rate, inflation, interest rates, and exchange rates can all affect the general operations of entities participating in the market, including joint stock companies.

### 6.2 Legal risk

The Center's business activities are subject to the regulation of many different legal documents such as the Enterprise Law, the Environmental Protection Law, etc. The legal system and sub-law documents of Vietnam are still in the process of being completed, changes in policies may occur and when they occur, they will more or less affect the business activities of the Center.

However, it is possible to see the positive side of these changes, which is to create an increasingly strict and scientific legal corridor, in accordance with the legal system and international practices, creating conditions for the operations of business entities to proceed more smoothly.

### 6.3 Specific risks



Because most of the fields of operation are related to the field of driver training and testing, when people's demand for driving lessons decreases, the Joint Stock Company will inevitably be affected.

#### 6.4 Risks of the Offering

This offering is the initial public offering of Binh Dinh Transport Training Center to convert to a joint stock company. Because there is no underwriting contract signed, the possibility that the number of shares offered for auction this time will not be fully purchased is possible. At that time, the number of shares not sold out will be handled according to the provisions of Article 32 of Decree 150/2020/ND-CP dated December 25, 2020, specifically as follows:

The number of shares not sold out (if any) will be handled as follows:

(1) In case no investor registers to buy shares or all winning investors in the public auction refuse to buy: The Steering Committee will sell shares to employees according to the approved equitization plan, and at the same time carry out procedures to convert the unit into a joint stock company, the number of shares not sold out will be adjusted to the charter capital and charter capital structure.

(2) In case the public auction has only 01 investor registering to buy shares: The Steering Committee will negotiate to sell shares to the investor who has registered to buy shares at a selling price not lower than the starting price with the valid registered purchase volume. If the investor does not buy, the equitized enterprise shall comply with the provisions in clause (1).

(3) In case a part of the shares offered for sale in the public auction has been sold, the remaining number of shares not sold in the public auction (including the number of shares that investors won the bid but refused to buy) shall be implemented in the following order:

*(a) The Steering Committee shall continue to notify investors who have participated in the valid auction (excluding investors who won the auction in the public auction) to sell by agreement to these investors according to the registered volume and the price placed at the auction according to the principle of selecting the agreed price from the highest paid price to the lowest price of the announced auction or lower to meet the number of shares remaining to be sold.*

*(b) If the shares are not sold to all investors after the agreement as stated in point (a) above, the Steering Committee shall continue to notify the investors who have won the auction in the public auction (excluding investors who have won the auction but refused to buy) to agree to sell to these investors at the selling price being the price that each investor has bid at the auction according to the principle of selecting the agreed price from the highest bid price to the*



*lowest price of the announced auction or lower to meet the number of shares remaining to be sold.*

*(c) In case the number of shares is not sold after the agreement in points (a) and (b) above, the conversion unit shall comply with the provisions in point (1).*

Thus, in case this offering is unsuccessful, the charter capital structure of the joint stock company will be adjusted.

## **6.5 Other risks**

In addition, the Center's operations are also affected by a number of force majeure risks such as: natural disasters, fire, water sources, etc



## PART IV: INFORMATION OF THE IPO

### 1. Method of sale and payment for purchase of shares

According to the approved conversion plan, the offering subjects and sale methods are summarized in the following table:

No.	Target audience	Price	No. of shares	%/charter capital
1	Workforce		421.500	3,93%
1.1	<i>According to the seniority in the public sector</i>	<i>60% par value</i>	<i>145.400</i>	<i>1,36%</i>
1.2	<i>According to long-term commitment to work after converting to a joint stock company</i>	<i>Starting price</i>	<i>276.100</i>	<i>2,57%</i>
2	Investors participating in the auction	Starting price: 10,100 VND/share	4.943.500	46,07%
	<b>Total</b>		<b>5.365.000</b>	<b>50,00%</b>

Source: Equitization plan

#### 1.1 For employees:

##### a. Quantity and selling price:

- **Shares purchased by employees based on the number of years of working in the public sector:**

Based on the content stated in Clause 1, Article 37 of Decree No. 150/2020/ND-CP dated 25/12/2020 on the Policy on selling shares to employees at converted public service units, the following provisions are made:

*“1. Policy on selling shares to employees at equitized public service units:*

*a. Subjects purchasing shares at preferential prices include: Civil servants and employees working under labor contracts in public service units at the time of determining the value of the converted public service unit;*

*b. Subjects specified in Point a, Clause 1 of this Article are allowed to purchase a maximum of 100 shares for each year of actual work in the public sector (including the entire time worked at units/organizations in the public sector) at a selling price equal to 60% of the value of 01 share calculated at par value (VND 10,000/share);*

*c. The difference between the selling price for civil servants and employees compared to the par value of shares as prescribed in Clause 1 of this Article shall be deducted from the value of the State capital portion when settling at the time the public service unit officially converts into a joint stock company;*

*d. The number of shares sold at preferential prices as prescribed in this Clause must be held by employees and not transferred within 03 years from the time of payment for preferential shares;*

*đ. The total value of the shares sold at preferential prices to employees, calculated at the maximum par value, shall not exceed the value of the state capital according to the accounting books at the time of determining the value of the public service unit."*

Based on the above provisions, the plan to offer shares to employees based on the number of years of work in the State sector is as follows:

- Determination criteria: Civil servants and employees working under labor contracts at Transportation Training Center of Binh Dinh at the time of determining the value of the converted public service unit (dated 31/12/2023)
  - Total number of employees listed in the list of regular employees of the Company at 31/12/2023: 154 people
  - Total number of employees eligible to buy preferential shares based on seniority in the State sector: 138 people.
  - Total number of years of work in the State sector: 1,454 years.
  - Total number of preferential shares purchase: 145,400 shares, accounting for 1.36% of charter capital
  - Type of shares: common shares.
  - Transfer conditions: transfer restriction for 03 years from the date of payment for preferential share purchase.
  - Selling price of 1 share: 60% of par value.
- **Shares purchased by employees according to their commitment to work long-term at the joint stock company:**

Based on the content stated in Clause 2, Article 37 of Decree No. 150/2020/ND-CP dated 25/12/2020 on preferential shares sold to employees who are in need of use and have a commitment to work long-term, the plan to offer shares to employees according to their commitment to work long-term is as follows:

- The total number of employees listed on the employee list at the



time of determining the enterprise value registered to buy more according to the number of years committed to work at the Joint Stock Company is 143 people.

- The total number of shares registered to buy more is 276,100 shares, accounting for 2.57% of the charter capital of the Joint Stock Company (the registration level is 200 shares for each year of commitment to work after the Center converts to a Joint Stock Company, not exceeding 2,000 shares for each person).
- Price of shares sold to employees who register to buy more: equal to the starting price of the public auction.
- Time period in which shares cannot be transferred: according to the time committed to working at the Joint Stock Company..

**b. Payment method:**

- Employees register to buy at Transportation Training Center of Binh Dinh and pay directly into the account of Transportation Training Center of Binh Dinh.
- **Expected time of registration to buy: March 2025.**
- **Account information:**

Account name: **TRUNG TÂM ĐÀO TẠO NGHIỆP VỤ GIAO THÔNG VẬN TẢI BÌNH ĐỊNH**

Account number: **228704070666888**

At the Bank: Ho Chi Minh City Development Joint Stock Commercial Bank, Binh Dinh Branch (HDBank).

- Payment term: within 10 days from the date of registration to buy.

**1.2 For investors participating in the auction:**

**a. Quantity and selling price:**

- The quantity sold to investors participating in the auction is 4,943,500 shares, accounting for 46.07% of charter capital.
- Starting selling price: VND 10,100.
- The subjects participating in buying shares will be domestic investors and foreign investors conducting business investment in Vietnam, including organizations and individuals (including employees at the unit) according to the provisions of law.
- According to the provisions of Clause 4, Article 6 of Decree No. 150/2020/ND-CP dated 25/12/2020, the following subjects are not allowed to participate in the first share purchase auction

- Members of the Steering Committee, the Working Group assisting in the conversion of public service units into joint stock companies (except for members who are representatives of the converted public service units).
- Intermediary financial institutions and individuals belonging to this organization participating in consulting on the conversion of public service units into joint stock companies, financial statement auditing units and auditing agencies determining the value of public service units (except for organizations underwriting the purchase of undistributed shares under the guarantee contract).
- Organizations conducting the auction of shares and individuals belonging to this organization related to the auction.
- Persons related to the above organizations and individuals according to the provisions of the Enterprise Law

#### b. Payment method:

In accordance with the provisions of the Regulations on initial share auction issued by the Ho Chi Minh City Stock Exchange.

## 2. Plan for using proceeds from equitization

The use of proceeds from the conversion of Public Service Units is stipulated in Article 34 of Decree No. 150/2020/ND-CP dated 25/12/2020 of the Prime Minister.

The total proceeds from the conversion will be managed and used in accordance with the provisions of law on the conversion of public service units. The calculation of this amount is based on the following assumptions:

- ✓ **The selling price of shares is equal to the starting price of the auction (VND 10,100/share);**
- ✓ The lowest successful auction price is equal to the starting price;
- ✓ The number of shares offered for sale is sold out.

No.	Items	Value (VND)
1	<b>Difference between actual value of state capital and charter capital</b>	<b>33.457</b>
2	<b>Total proceeds from share sale</b>	<b>53.590.360.000</b>
a	Sell shares to employees	3.661.010.000
	<i>Sell shares at preferential price of VND 6,000/share</i>	<i>872.400.000</i>
	<i>Sell shares registered to buy more according to the number of years of long-term commitment to work at the joint stock company</i>	<i>2.788.610.000</i>
b	Sell shares to trade union organizations	0



No.	Items	Value (VND)
d	Public auction	49.929.350.000
<b>3</b>	<b>Equitization costs</b>	<b>1.228.500.000</b>
<b>4</b>	<b>Excess labor allowance costs</b>	<b>0</b>
<b>5</b>	<b>Total budget return (5) = (1) + (2) – (3) – (4)</b>	<b>52.361.893.457</b>

*Source: Equitization plan*

The budget refund amount will be recalculated based on the results of the share sale and actual costs incurred by the Transportation Training Center of Binh Dinh.

### **3. Conclusion**

The Prospectus is provided to help investors evaluate the assets, financial situation, business results and prospects of Transportation Training Center of Binh Dinh before registering to buy shares.

The information disclosure is prepared based on information and data of Transportation Training Center of Binh Dinh that has been approved, and approved by the Steering Committee for the transformation, ensuring publicity, transparency and ensuring the legitimate rights and interests of investors. This information disclosure has been reasonably and carefully prepared by Transportation Training Center of Binh Dinh and Bao Viet Securities Joint Stock Company - Ho Chi Minh Branch based on information and data provided by Transportation Training Center of Binh Dinh. Bao Viet Securities Joint Stock Company - Ho Chi Minh Branch is exempted from responsibility in case Transportation Training Center of Binh Dinh provides incomplete, inaccurate and untruthful information.

We recommend that investors refer to this Prospectus before deciding to participate in the auction.



Binh Dinh, April 4<sup>th</sup>, 2025

**STEERING COMMITTEE**

**TRANSPORTATION TRAINING CENTER OF BINH DINH**

**HEAD OF STEERING COMMITTEE**



**TRAN VIET BAO**

**REPRESENTATIVE OF THE PUBLIC SERVICE COMPANY**

**TRANSPORTATION TRAINING CENTER OF BINH DINH**

**DIRECTOR**



**LE VAN SINH**

**REPRESENTATIVE OF THE ADVISOR**

**BAOVIET SECURITIES JSC – HO CHI MINH BRANCH**

**DIRECTOR OF INVESTMENT BANKING**



**NGUYEN VAN KHANH**



