

THE EQUITIZATION MANAGEMENT COMMITTEE OF BONG SEN HOTEL  
RECOMMENDS THE INVESTOR TO READ CAREFULLY ALL THE  
INFORMATION IN THIS DOCUMENT AND AUCTION REGULATIONS  
BEFORE APPLYING TO JOIN THE AUCTION.

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# INFORMATION DISCLOSURE

## THE INITIAL PUBLIC OFFERING OF SHARES IN BONG SEN HOTEL

AUCTION PERFORMING  
ORGANIZATION:



**HOSE**

**HO CHI MINH CITY STOCK EXCHANGE**

Address: No.16 Vo Van Kiet, District 1, HCMC  
Phone: (028) 3821 7713 Fax: (028) 3821 7452

SHARE OFFERING  
ORGANIZATION:

**BONG SEN HOTEL**

Address: No. 60 Tran Hung Dao street, area 4, ward 5, Vi  
Thanh city, Hau Giang province.  
Phone: (0293) 3600 123

CONSULTING ORGANIZATION:



**BETA SECURITIES INCORPORATION**

Head office: Floor 4&5, Beta Building, 55 Nam Ky Khoi  
Nghia, District 1, HCMC  
Phone: (028) 3914 2929 Fax: (028) 3914 3435

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## INFORMATION ABOUT THE INITIAL SHARE OFFERING

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### 1. Share offering organization

Organization name : BONG SEN HOTEL  
Address : No. 60 Tran Hung Dao street, area 4, ward 5, Vi Thanh city, Hau Giang province.  
Phone : (0293) 3600 123  
JSC Charter capital : 93,000,000,000 VND  
Share's par value : 10,000 VND  
Number of share : 9,300,000 shares

#### In which:

*Government's share holding : 3,348,000 shares, occupied 36% of charter capital*

*Share offering for labor in the company according to working period standard in Government area : 15,200 shares, occupied 0.16% of charter capital*

*Share offering for labor in the company according to long-term working commitment at the Joint Stock Company : 37,600 shares, occupied 0.41% of charter capital*

*Share offering in the public auction : 5,899,200 occupied 63.43% of charter capital*

### 2. Share offering for the auction

Number of share offering in the auction : 5,899,200 shares, occupied 63.43% of charter capital

Type of share offering : Ordinary shares

Auction method : Public auction through HCMC Stock Exchange

Initial price for the auction : 10,000 VND/share

Number of maximum share registered to be purchased by each investor : 5,899,200 shares, occupied 63.43% of charter capital



**3. Information disclosure about share purchasing registered organizations**

Providing location of Information Disclosure, receiving registration to join the auction, receiving of deposits, distributing of participation sheet: According to regulations of share offering to the public by Bong Sen Hotel issued by Ho Chi Minh City Stock Exchange.

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## **I. LEGAL BASIS ABOUT THE AUCTION**

- Decree No. 126/2017/ND-CP on November 16th, 2017 issued by the Government about Government organizations and One Member Limited Company with 100% investment by Government to change into Joint Stock Company;

- Circular No. 40/2018/TT-BTC on May 04th, 2018 issued by Ministry of Finance guiding about initial share offering and management of receipt from equitization of the Government organizations and One Member Limited Company with 100% investment by Government to change into Joint Stock Company;

- Decision No. 22/2015/QD-TTg on June 22nd, 2015 issued by Minister of Government about changing from Government organizations into Joint Stock Company;

- Circular No. 35/2016/TT-BLDTBXH on October 25th, 2016 issued by Ministry of Labor, War invalids and Social Affairs guiding to perform the policies for the labor when changing from Government organizations into Joint Stock Company according to Decision No. 22/2015/QD-TTg on June 2nd, 2015 issued by Minister of Government;

- Document No. 766/VPCP-DMDN on January 25th, 2017 issued by Government office about list of Government organizations in Hau Giang province changing into Joint Stock Company;

- Decision No. 31/2017/QD-CP issued by Minister of Government on July 17th, 2017 about criteria of sector list performing of change from Government organizations into Joint Stock Company;

- Plan No. 39/KH-UBND on April 05th, 2017 issued by Hau Giang People's Committee performing to change the Government organizations into Joint Stock Company for period 2017 – 2020;

- Decision No. 601/QD-UBND on April 16th, 2019 issued by Hau Giang People's Committee about changing the Bong Sen Hotel into Joint Stock Company;

- Decision No. 738/QD-UBND on May 8th, 2019 issued by Hau Giang People's Committee on establishing Equitization Management Committee of Bong Sen Hotel;

- Decision No. 01/QD-BCDCPH on May 14th, 2019 issued by Equitization Management Committee of Bong Sen Hotel on establishing the Assistant Team for the Equitization Management Committee of Bong Sen Hotel;

- Official Dispatch No. 1399/UBND-KT on June 11st, 2019 issued by Hau Giang People's Committee on the policy of choosing the consultant to perform consulting services for valuation and equitization of Bong Sen Hotel;

- Plan No. 108/KH-UBND on June 11st, 2019 issued by Hau Giang People's Committee on the equitization of Bong Sen Hotel;

- Decision No. 1164/QD-UBND on June 30th, 2020 issued by Hau Giang People's Committee about approving the value of Bong Sen Hotel as of June 30th, 2019 for equitization;

- Decision No. 2045/QD-UBND on November 25th, 2020 issued by Hau Giang People's Committee about approving the equitization plan of Bong Sen Hotel;



- Other related legal documents.

## **II. PRINCIPALLY RESPONSIBLE PARTIES FOR THE CONTENTS OF INFORMATION DISCLOSURE.**

### **1. Representative of Equitization Management Committee**

- Mr. Nguyen Thanh Ha                      Position: Head of Committee.

This Information Disclosure prepared by equitization organization and consulting organization is approved by Equitization Management Committee of Spring Agricultural Center.

### **2. Representative of Center**

- Mr. Pham Tai Nang                      Position: Director.

We are completely responsible about the assurance of the information and data in this Information Disclosure to be true, suitable with the reality, full and necessary for the investor to evaluate about properties, business operation, financial situation, result and prospect of the Center.

### **3. Representative of Consulting Organization – Beta Securities Incorporation**

- Mrs. Tran Thi Bong                      Position: Deputy General Director.

We assure that the analysis, evaluation and language selection in this Information Disclosure are performed reasonably and carefully based on the information and data provided by Center.

## **III. CONCEPTS AND ACRONYMS.**

KVNN	:	Government Area
NĐT	:	Investor
TNHH	:	Limited Company
TSCĐ	:	Fixed assets
TSLĐ	:	Working capital
UBND	:	People's Committee
VĐL	:	Charter Capital
Center	:	Spring Agricultural Center
XDCB	:	Construction in progress

## **IV. SITUATION AND CHARACTERISTICS OF OFFERING ORGANIZATION**

### **1. Summary of formation and development process**

Bong Sen Hotel was established on March 30th, 2010 under Decision No. 741/QĐ-UBND of Hau Giang People's Committee. Bong Sen Hotel is a non-business unit directly under the Office of Hau Giang People's Committee.

On June 7th, 2013, Hau Giang People's Committee assigned financial autonomy and self-responsibility to Bong Sen Hotel under Decision No. 959/QĐ-UBND on June



7th, 2013 and Bong Sen Hotel was re-approved the autonomy mechanism according to Decree No. 141/2016/ND-CP in Decision No. 2366/QĐ-UBND on December 13rd, 2017 of Hau Giang People's Committee.

In August 2017, Bong Sen Hotel received, managed and operated the Convention Centre of Hau Giang province according to Official Dispatch No. 2976/VP.UBND-HCTC on the reception, management and operation of the Provincial Convention Centre.

Currently, Bong Sen Hotel is managing 62 rooms (14 newly expanded rooms), including 08 Vip rooms; 08 rooms with 03 single beds; 28 rooms with 02 single beds; 08 rooms with 01 double bed and 01 single bed; 06 rooms with 01 double bed; 04 rooms with 01 single bed.

## **2. Main types of business**

- Bedroom business;
- Catering, restaurant, wedding, birthday, festival, swimming pool, tennis court, sauna, massage, karaoke, football field, billboard rental ...;
- Service for guests at Bong Sen Hotel:
  - Fax, phone, photocopy, email, internet, interpreter, ...;
  - + Registration for accommodation, travel, paperwork, purchasing air tickets, train tickets, picking up tourists inside and outside the province;
  - + Travel services and passenger transportation in the form of charter flights; organizing receptions, meetings, in parking; tour sale agent, air ticket agent ...;
- Sale of souvenir and cultural products ...;
- Laundry;
- Trading in other services.

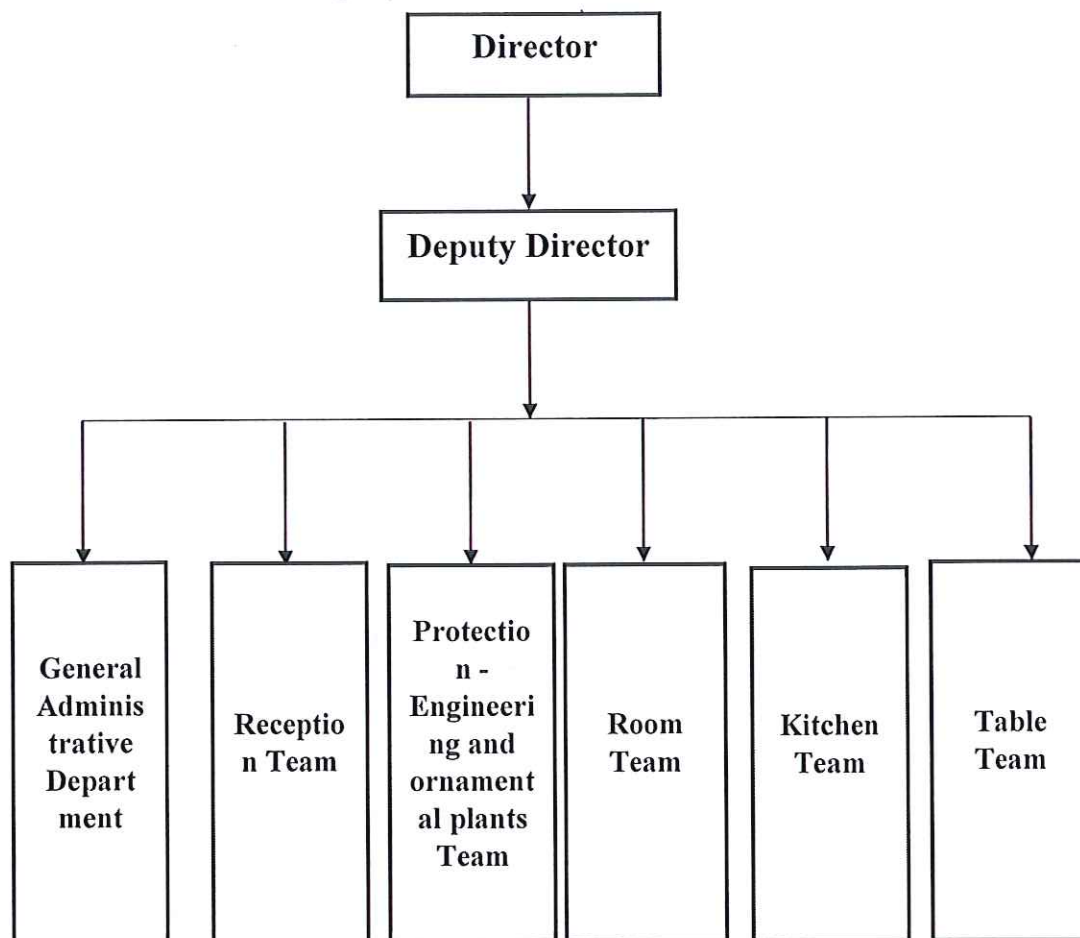
## **3. Agency**

- Name of Agency: Office of Hau Giang People's Committee.
- Address: No. 02 Hoa Binh, Ward 5, Vi Thanh City, Hau Giang.

## **4. Organizational and management structure**

### **4.1. Organizational chart**

Organization chart of Bong Sen Hotel:



*(Source: Bong Sen Hotel)*

#### 4.2. Function and detail responsibilities of each department:

##### a. Board of Directors:

##### ✦ Director:

- Directing and organizing to perform duties of Hotel; assigning tasks to Deputy Directors of Hotel (hereinafter referred to as Deputy Director), officers and attending meetings according to assigned tasks as well as required actual situation, etc.;

- Directing to build programs, plans, work content of Hotel monthly, quarterly, annually, etc.;

- Deploying and inspecting the implementation of internal regulations, agency regulations, processes;

- Supporting leaders of the Office of Provincial People's Committee keep relations with specialized agencies, unions at provincial level, People's Committees of districts, towns and cities to perform assigned tasks; at the same time proactively coordinating with the Departments, divisions under the Office of Provincial People's Committee to handle issues related to the duties of Hotel or issues assigned by Chief of the Office of Provincial People's Committee, etc.;



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- Directing the Departments and Teams to prepare meeting contents and chairing the Hotel briefings once every 4 weeks or irregularly, evaluating and learning from experience in the implementation of Hotel's plan and work; chairing the assessment of monthly/annual emulation and rewards for officials, employees and staff, etc.;

- Signing documents under the authority of Director.

4. **Deputy Directors:**

- Directing to implement management at Hotel according to the field assigned by Director;

- Directing and inspecting the implementation of State's undertakings, policies and laws, and decisions of Director within assigned scope, detecting and proposing issues that need to be amended and supplemented;

- Proactively solving the assigned work, if there is a problem related to the field of another Deputy Director, directly coordinating with that Deputy Director to resolve. In case there is a need for opinions of Director or there are different opinions among Deputy Directors, a report shall be made to Director for decision.

**b. General Administration Department:**

- In charge of Trade Union, Youth Union of Hotel;

- Be responsible for checking and initializing documents before issuing;

- Coordinating with divisions of Hotel to perform the tasks and conclusions of Director;

- Regularly inspecting and urging the work of divisions to ensure the correct, accurate and timely implementation of the assigned work;

- Be responsible for coordinating and directly supporting Room Team, Kitchen Team, Table Team and other departments when requested by Director;

- Creating good relationships with customers, especially departments, sectors;

- Recording minutes of all meetings of Board of Directors;

- No later than the 19th of every month, synthesizing Hotel's work plan of the next month to submit to Board of Directors for consideration, decision and notify to Departments and teams;

- Advising the Board of Directors on the accounting apparatus of Hotel, instructing the counter accountant, warehouse accountant, cashier to open the types of book monitoring financial management in accordance with the requirements of Hotel;

- Be responsible for the Board of Directors for all activities related to the financial profession of Hotel.

- Supporting the Board of Directors to organize, check and supervise the financial management of Hotel to be accurate, timely and in accordance with regulations;

- Operating, opening all kinds of books, making cost estimates, reports on settlement with functional agencies in time and according to regulations;

- Managing cash, goods in the warehouse in accordance with regulations, the cashier, storekeeper when leaving the fund or leaving the warehouse shall obtain the approval of the Board of Directors. As for the cash out, there shall be opinion of the account holder;

- Opening all kinds of books to monitor cash funds, tracking book of importing and exporting goods, updating fully data daily, at the end of each day, comparing between books and reality;



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- Complying with regular or irregular checking of cash fund and warehouse in case of necessity and with the approval of Director;
  - At the end of each month, comparing and signing books among the cashier, the storekeeper and the accountant (with specific records);
  - Short, medium and long-term business planning;
  - Ensuring that the planned plan is implemented and applied effectively;
  - Statistics of the actual situation; local customer needs and tourists;
  - Surveying the market of business tourism to see how real needs are, making the plan to propose implementation;
  - Ensuring to increase revenue to bring profit to Hotel with the most feasible plan;
  - Actively coordinating and directly supporting other divisions of Hotel when there is an unexpected, necessary, or urgent need.

**c. Reception Team:**

- Guiding guests coming for work in a thoughtful, considerate and polite manner; at the same time, guiding guests to do check-in and check-out procedures quickly, promptly and effectively;
- Managing luggage of guests upon request, be on duty of Hotel's phone;
- Coordinating closely with teams to pay correctly for guests during their stay at Hotel;
- Comparing daily cash turnover report at the counter and submitting procedures to the cashier;
- Creating good relationships with customers, especially departments, sectors;
- Receptionist shall be present at the counter during the shift (except the time off as prescribed), if violating, they will be reviewed, reprimanded and forced to resign (if violating regularly);
- Actively coordinating and directly supporting other divisions of Hotel when there is an unexpected, necessary, or urgent need.

**d. Protection - Engineering and ornamental plants Team**

- Strictly complying the rules and working hours according to the regulations of Hotel; Serving guests wholeheartedly, not to let fire or explosion happen or loss of assets, well managing guests' means who come for work or stay at Hotel; if there is loss, fire, explosion or property loss, the duty officer is responsible for compensating the damage to Hotel and customers;
- Assigning 24/24 shift, and guiding, arranging and managing guest's cars, bringing their luggage to the rooms upon request. Monitoring the Convention Hall's sound when there is a conference at Hotel and Convention Centre;
- Checking and turning off the external lighting system when necessary to save electricity for Hotel; at the same time, regularly inspecting, maintaining and repairing electrical equipment, water, fire protection, ... at Hotel and Convention Centre;
- Cleaning the surrounding area before 6 o'clock daily; at the same time assigning staff to water the plants at Hotel and Convention Centre;

- Regularly checking and operating fire protection systems, water pumps, generators, internal and external drainage systems, and the elevator of Hotel and Convention Centre;

- Staffs who are in Protection - Engineering and ornamental plants Team shall be present at the counter during the shift (except the time off as prescribed), if violating, they will be reviewed, reprimanded and forced to resign (if violating regularly).

- Actively coordinating and directly supporting other divisions of Hotel when there is an unexpected, necessary, or urgent need.

**e. Room Team**

- Not greedily stealing the property of Hotel or guests leaving the room, if guests have left their belongings or luggage, the staff in Room Team is responsible for preserving or sending Reception Team to keep it;

- Ensuring the cleanliness, full range of items in room before delivering room to guests, guiding guests to use the facilities in room if requested;

- Every day, cleaning rooms, hallways, terraces, genetic boxes, etc.;

- Service attitude is humble, dedicated, diligent, gentle, joyful service style; at the same time upholding the spirit of saving and preserving public assets;

- Well cleaning the reception area, public place, well serving conferences;

- Washing and cleaning blankets, pillows, garlands, towels of Hotel and guests upon request;

- Checking and notifying to receptionist the amount that guests using services or the property in room is damaged or lost, if any;

- In addition to the assigned tasks, Room Team actively arranges overtime when there are delegations or staffs have their own work they need to leave.

- Actively coordinating and directly supporting other divisions of Hotel when there is an unexpected, necessary, or urgent need.

**f. Kitchen Team**

- Kitchen staff:

- + Complying the rules and working hours according to the regulations of Hotel, be responsible for preserving the property of Hotel well;

- + Ensuring the provision of high-quality food and drinks, serving in an attractive way;

- + Creating ideas for new dishes, creating a variety of restaurant menus;

- + Regularly cleaning the kitchen area, ensuring safety when processing food at Hotel and Convention Centre;

- + Complying the regulations on health safety and occupational safety;



+ Actively coordinating and directly supporting other divisions of Hotel when there is an unexpected, necessary, or urgent need.

- Housekeeping staff:

+ Complying the rules and working hours according to the regulations of Hotel, be responsible for preserving the property of Hotel well;

+ Service attitude is humble, dedicated, diligent, gentle, joyful; at the same time upholding the spirit of saving and preserving public assets;

- Well cleaning the reception area, public place, well serving conferences;

+ In addition to the assigned tasks, the Team actively arranges overtime when there are delegations or staffs have their own work they need to leave;

#### **g. Table Team**

- Complying the rules and working hours according to the regulations of Hotel, be responsible for preserving the property of Hotel well;

- Service attitude is considerate, thoughtful and enthusiastic, creating a feeling of relaxation, joy, comfort, especially smiling and happy;

- Regularly checking the utensils and tools for restaurant party of Hotel and Convention Centre;

- Completing the preparation before the party (checking the hygiene of dining room before the party starts);

- Actively coordinating and directly supporting other divisions of Hotel when there is an unexpected, necessary, or urgent need.

#### **5. Labor situation**

At the value disclosure time of Center on June 30th, 2020, total number of labor and officers with name in the regular list of Center is 25 people, in which the structure is as below:



NO.	Criteria	Number (people)	Percentage (%)
<b>I</b>	<b>Classify according to level</b>	<b>25</b>	<b>100</b>
1	Over university level	1	4
2	University level	8	32
3	College, inter-school level	1	4
4	Other levels	15	60
<b>II</b>	<b>Classify according to working contracts and labor contracts</b>	<b>25</b>	<b>100</b>
1	Workers not signing working or labor contract	-	-
2	Undefined time working contract	19	76
3	Contract with terms from 12 to 36 months	6	24
4	Temporary or under 12 months contract	-	-
<b>III</b>	<b>Classify according to gender</b>	<b>25</b>	<b>100</b>
1	Male	9	36
2	Female	16	64

(Source: Bong Sen Hotel)

## V. BUSINESS OPERATION ACTIVITIES

### 1. Business situation before equitization

#### 1.1. Business operation activities through years

##### a. Main products and services:

Bong Sen Hotel is the center directly under the Office of Hau Giang People's Committee. The main activity is accommodation services and accompanying catering. Center currently manages the hotel business called Bong Sen Hotel with 62 rooms, restaurant system, conference room, coffee hall, karaoke, masage, tennis court, large swimming pool, mini football field.

Total land area of Hotel is: 22.363,8 m<sup>2</sup> (according to Certificates of land use rights No. CO 796988), of which:

- Block of room (grade II, group C), area: 1,695 m<sup>2</sup>. Including 62 rooms, as follows:
  - + Vip room: 8 rooms.
  - + Room with 03 single beds: 8 rooms.
  - + Twin room: 28 rooms.

- + Room with 01 double bed and 01 single bed: 8 rooms.
- + Room with 01 double bed: 6 rooms.
- + Single bed room: 4 rooms
- Tum, swimming pool (grade IV, group C), area: 7,280 m<sup>2</sup>.
- 04 artificial football fields, area: 4,021 m<sup>2</sup>.
- 01 swimming pool, area: 768 m<sup>2</sup>.
- 02 tennis courts, area: 1,417 m<sup>2</sup>.
- Karaoke area, massage area with construction area of 587.98 m<sup>2</sup>;
- Coffee restaurant area 1, kitchen auxiliary area with construction area of 406.03 m<sup>2</sup>;
- Coffee restaurant area 2 with construction area of 205.48 m<sup>2</sup>;

**Typical images of business activities of Bong Sen Hotel:**

**+ Restroom:**

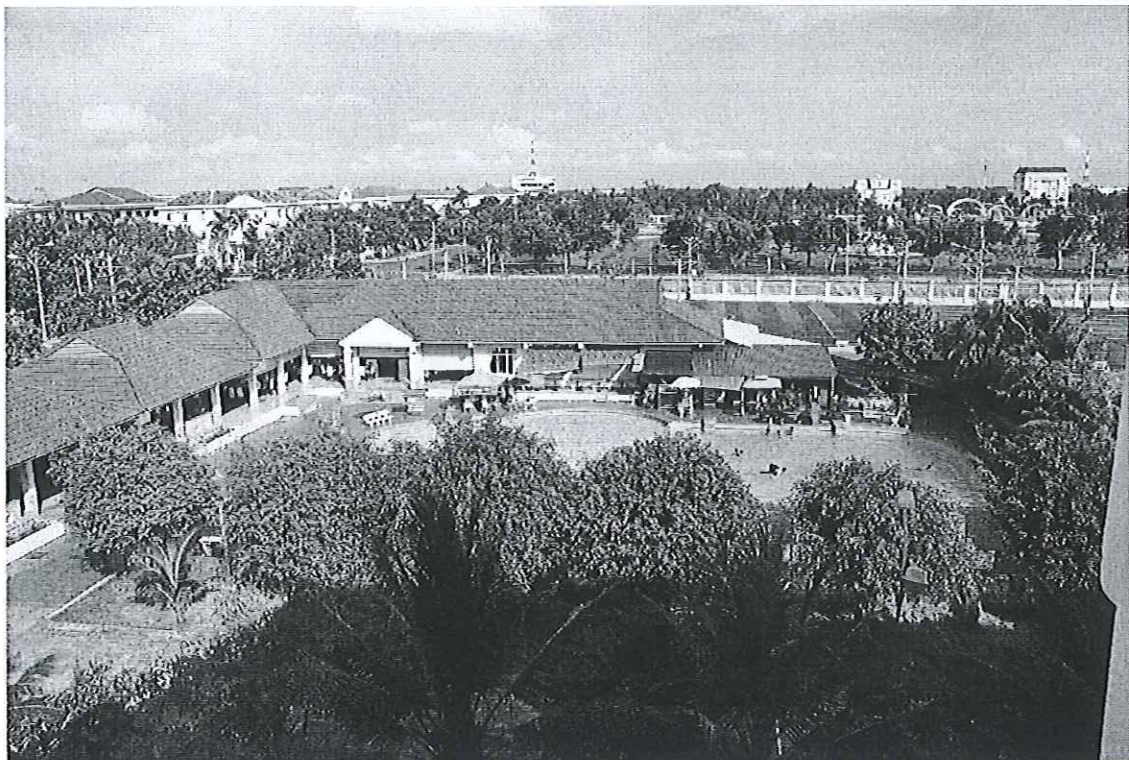




✦ **Restaurant:**



✦ **Swimming pool:**

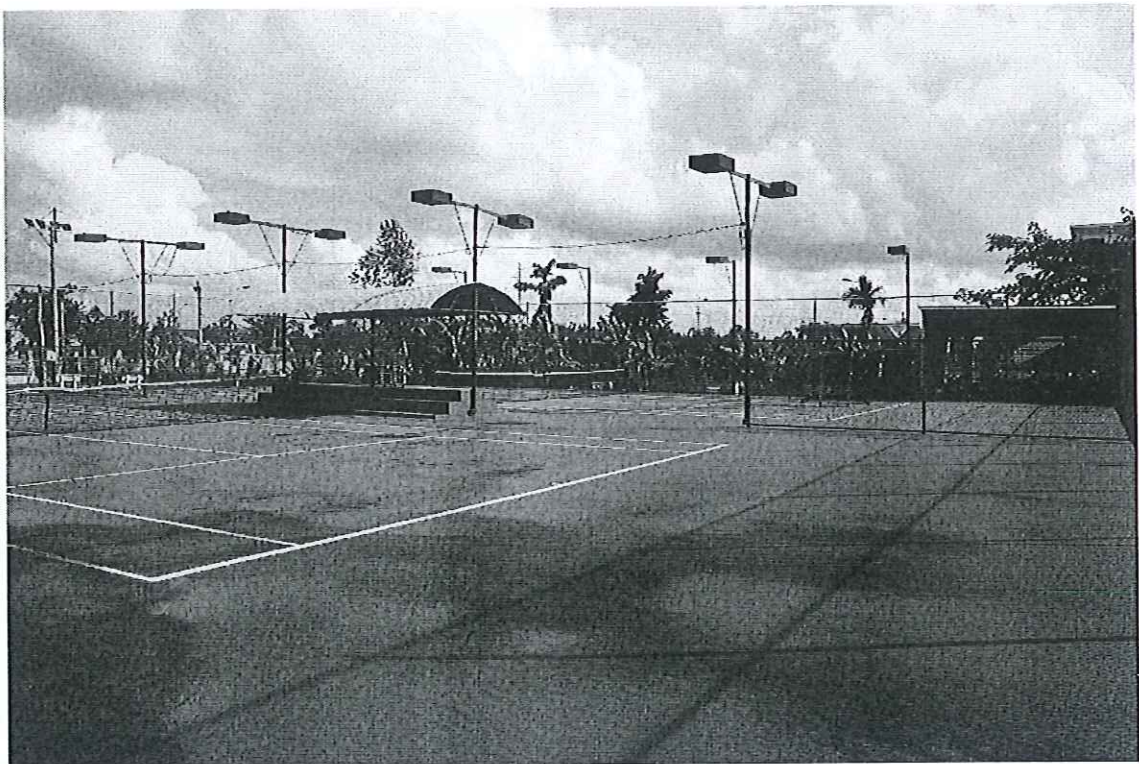




✦ **Football field:**



✦ **Tennis course:**





✦ Hall



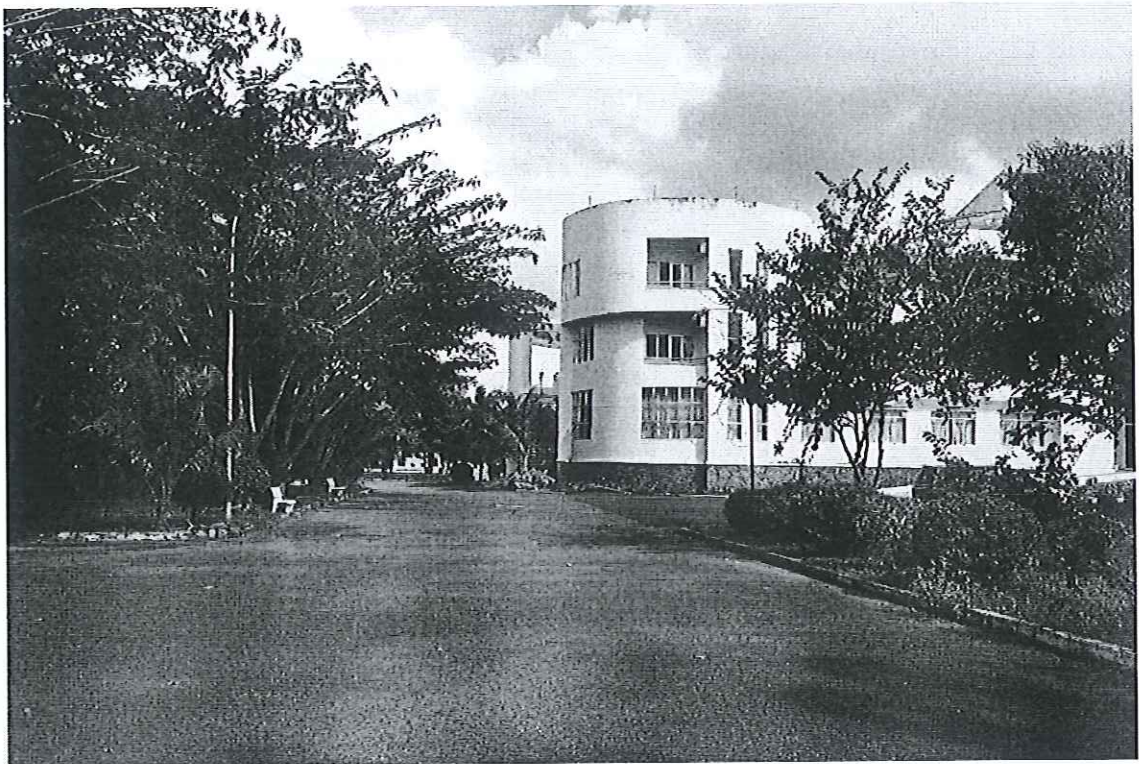
✦ Reception area





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↓ Precinct



**b. Business result from 2016 to the end of 2018:**

Unit: VND

NO.	Criteria	2016	2017	2018	6 months of 2019
1	Receipt amount in period	11,984,274,762	12,707,384,068	12,874,430,500	6,865,773,708
-	Administrative and non-business activities	-	-	-	-
-	Production, business and service activities	11,984,274,762	12,707,384,068	12,874,430,500	6,842,876,346
-	Financial activities	-	-	-	172,554
-	Other activities	-	-	-	22,72,808
2	Payment in period	10,122,253,062	11,549,553,858	11,751,062,613	9,952,634,631
-	Administrative and non-business activities	-	-	-	-
-	Production, business and service activities	10,122,253,062	11,549,553,858	11,751,062,613	9,952,722,004
-	Financial activities	-	-	-	-
-	Other activities	-	-	-	(87,373)
3	Revenue difference	1,862,021,700	1,157,830,210	1,123,367,887	(3,086,860,923)
-	Administrative and non-business activities	-	-	-	-
-	Production, business and service activities	1,862,021,700	1,157,830,210	1,123,367,887	(3,109,845,658)
-	Financial activities	-	-	-	172,554
-	Other activities	-	-	-	22,812,181
4	Income tax expense	605,510,750	635,329,789	643,741,082	-
5	Deficit and surplus during the year	1,256,510,950	522,500,421	479,626,805	(3,086,860,923)

(Source: Bong Sen Hotel)

**1.2. Material source**

**a. Input factors serve the supply and stability of the input factors:**

With the characteristics of hotel service business, the main input factors are: employees, food sources (vegetables, fruits, meat, fish, ...), electricity, water, .... in which employees are recruited directly in the locality, it is quite convenient, the food sources for catering services are quite plentiful and diverse; The water and electricity source is not too large and is supplied directly from the electrical company and water company, so it is quite stable.

**b. Impacts of the input factors to revenue, profit:**

The fluctuation input factors affect fundamentally fluctuation of revenue and profit of Center. Specifically, an increase in input prices will decrease the profit margin of Center, while lower input prices will contribute to increase the operating profit value of Center. Every year, the cost of electricity and water increases with the increase of the supply company, at the same time the cost of regional minimum wage increases, thereby



putting pressure on increasing annual costs, thereby, causing a negative impact on the business performance of Center if operating revenue does not increase correspondingly.

### **1.3. Technology Level**

The business meets current hotel business standards. On the basis of the specific functional situation and tasks, Center issues specific procedures and functions of divisions to guide work performance as well as coordinate work performance between professional divisions and Board of Directors.

### **1.4. Research and development situation for new products**

The accommodation service business of Center is a public non-business unit, so the source of finance for upgrading is limited. Accommodation services and attached services are basically stable. The development of new services has not yet arisen in the past.

### **1.5. Checking situation of product – service**

The Center develops operation process of divisions to test and assess the service quality of divisions at all service stages. Thereby, there are synthesized reviews adjusted accordingly.

### **1.6. Marketing activities**

The Center is a special non-business unit, so its business has not applied Marketing activities like private units in business activities such as building electronic websites, organizing introductory programs, promoting service of the Center. Currently, the center's customers are mainly based on returning customers and walk-in guests using the service.

### **1.7. Commercial brand, patent and copyright registration**

Due to the limited and specific scope of the Center's operation, the Center's trademark registration, patent and copyright registrations have not arisen.

### **1.8. Big contract in performing or have been signed**

Due to the characteristics of service, the customer is an organization or individual and does not need to sign a service contract with Center. The Center issues invoices to customers according to regulations

### **1.9. Financial situation and business result within 3 years before equitization**

Detailed data of financial situation is summarized in the following table:

Unit: VND

Information Disclosure  
Bong Sen Hotel

NO.	Criteria	2016	2017	2018	6 months of 2019
1	Total revenue	11,984,274,762	12,707,384,068	12,874,430,500	6,865,773,708
2	Total expense	10,122,253,062	11,549,553,858	11,751,062,613	9,952,634,631
3	Profit after tax	1,256,510,950	522,500,421	479,626,805	(3,086,860,923)
4	Payment made to State	605,510,750	635,329,789	643,741,082	-
5	Receivables	1,343,168,016	3,613,593,693	1,483,317,546	870,339,000
	In which, overdue amount	-	-	-	-
6	Payables (*)	154,407,440	5,367,332,839	1,501,509,655	2,797,658,471
	In which, overdue amount	-	-	-	-
7	Total average labor	35	38	43	34
8	Total salary fund	1,079,314,450	1,415,135,691	1,688,464,019	744,571,227
9	Average monthly salary/person	2,569,796	3,103,368	3,272,217	3,649,859

(Source: Bong Sen Hotel)

**2. Situation of Center at the value determination time of Center**

**2.1. Situation about assets**

Situation of assets of Center at the value determination time on June 30th, 2019 is as follow:

Unit: VND

ASSETS	Book value	Revaluted value	Difference
<b>I. Cash</b>	<b>623,608,721</b>	<b>623,608,721</b>	-
Cash in hand	360,870,070	360,870,070	-
Bank deposits	262,738,651	262,738,651	-
<b>II. Short-term financial investments</b>	-	-	-
<b>III. Receivables</b>	<b>870,339,000</b>	<b>870,339,000</b>	-
1. Receivables from customers	870,339,000	870,339,000	-
2. Advanced payments to suppliers	-	-	-
3. Internal receivables	-	-	-
4. Other receivables	-	-	-



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<b>IV. Inventory</b>	<b>22,970,000</b>	<b>22,970,000</b>	<b>-</b>
<b>V. Long-term receivables</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VI. Fixed assets</b>	<b>52,359,078,328</b>	<b>79,080,068,320</b>	<b>26,720,989,992</b>
1. Intangible fixed assets	52,359,078,328	79,080,068,320	26,720,989,992
<b>VII. Construction in progress</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII. Other assets</b>	<b>62,818,789</b>	<b>62,818,789</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>53,938,814,838</b>	<b>80,659,804,830</b>	<b>26,720,989,992</b>

(Source: Report on valuation of Bong Sen Hotel)

## 2.2. Situation about financial liability

Situation about financial, liability at the value determination time on June 30th, 2019 is as follow:

Unit: VND

No.	Items	Book value	Revaluated value	Difference
<b>I</b>	<b>Receivables</b>	<b>870,339,000</b>	<b>870,339,000</b>	<b>-</b>
1	Receivables from customers	870,339,000	870,339,000	-
2	Other receivables	-	-	-
<b>II</b>	<b>Payables</b>	<b>2,797,658,471</b>	<b>2,797,658,471</b>	<b>-</b>
1	Payables to suppliers	1,742,845,100	1,742,845,100	-
2	Prepayments from customers	-	-	-
3	Other payables	1,054,813,371	1,054,813,371	-
-	Profit tax	645,034,250	645,034,250	-
-	Other taxes	43,994,044	43,994,044	-
-	Salary deductions (social insurance, health insurance, unemployment insurance)	365,785,077	365,785,077	-

(Source: Report on valuation of Bong Sen Hotel)

## 2.3. Situation about land in use

The Center is managing a land plot, as follows:

- Address: No. 60, Tran Hung Dao Street, Area 4, Ward 5, Vi Thanh City, Hau Giang Province.

- Area: 22,363,8 m<sup>2</sup>.

- 
- Number of land plots: 40, map sheet number: 41.
  - Purpose of use: commercial and service land.
  - Expiry date: November 27th, 2068.
  - Legal basis: Certificate of land use right, ownership of house and other properties associated with land number: CT12972.

**3. Factors affecting to business operation activities of Center in the reporting year**

**+ Advantages**

- With the attention of Permanent of People's Committee, Head of Office of Provincial People's Committee, and the support of departments of Hau Giang province that have well supported the operation of Hotel.
- Convenient location, spacious rooms, full equipment and services, the price at each time, each place is reasonable, cool yard and precinct.
- Board of Directors maintains a good relationship with the departments of province, district, town, city inside and outside the province to help create a stable source of visitors. In particular, the Office of Provincial People's Committee is the main factor to help Hotel building brand with friends from provinces as well as foreign visitors who have the opportunity to come to Hau Giang for work.

**+ Disadvantages**

- Working capital of Center is still limited due to the slow payment situation of customer, which leads to payment of suppliers and overtime payments for officials and employees sometimes not in time.
- Internal solidarity still has many limitations. The observance of internal rules and regulations issued by Board of Directors is not strict, grasping of psychological and ideological developments of each employee and employee has not been closely followed, leading to the fact that the direction and administration of the Board of Directors is not really smooth and effective.
- Some employees are limited in qualifications and professions, so the awareness of their jobs and their responsibilities are not high, affecting the service stage is not thoughtful.
- Employees take a lot of leave, arrange to change shifts when their conditions cannot be met and they have presented but not arranged according to their wishes. Some other employees because of family circumstances, etc. Employees often go in and out, affecting the service quality of Hotel.

**4. Position of the company comparing to others in the same sectors**

**a. Position of the company in sector:**

- Bong Sen Hotel is a state unit, characteristics are the activities of serving guests of the state agencies working in Hau Giang province and guests of departments of Hau Giang province. Therefore, compared to other units operating hotels and other motels in Vi Thanh city, Bong Sen Hotel has great advantages in serving these customers.



- Besides, due to its characteristics as a non-business unit, Bong Sen Hotel still has a number of limitations in upgrading attached services to compete with other units in the province.

**b. Development prospect of the sector:**

Vi Thanh city and Hau Giang province in general are developing day by day. Along with that is the general development of the tourism sector in the country, tourism activities are increasingly developing. This is the basis of expectation for the development of accommodation services (motels and hotels) in the future. It is forecasted that the tourism industry (including accommodation services) will be increasingly developed due to increasing tourism demand.

**c. Evaluation about the suitability of development orientation of the company with the orientation of the sector, Government policies and the general trend in the world.**

- Hau Giang Provincial Party Committee issued Resolution No. 09-NQ/TU on tourism development in Hau Giang province to 2020 and vision to 2030. On this basis, the Provincial People's Committee issued Plan No. 100/KH-UBND and implemented the project "Restructuring the tourism industry to meet the development requirements into an important economic sector". According to the restructuring project of tourism industry, Hau Giang will be developed to become an attractive and typical destination for water-based ecotourism and agro-ecotourism of Mekong Delta, with the goal to 2025, million visitors, including 70,000 international visitors. Therefore, the development of hotel operations is in line with the local development orientation.

- With the increasing demand for people's income, the demand for entertainment, and sightseeing is increasing, the accommodation business (hotel and attached services) of Center suitable for the development needs of the tourism industry (including accommodation services).

**5. Actual value of the company for equitization**

Pursuant to Decision No. 1164/QĐ-UBND on June 30th, 2020 issued by Hau Giang People's Committee, approving the value of Bong Sen Hotel as of June 30th, 2019 for equitization plan and dossiers about value determination of unit, actual value of unit to equitize is presented in the following table:

**SUMMARY OF VALUE DETERMINATION FOR THE UNIT**

Unit: VND

NO.	ASSETS	BOOK VALUE as of June 30th, 2019	REVALUATED VALUE	DIFFERENCE
\	(1)	(2)	(3)	(4)=(3)-(2)
<b>A</b>	<b>ASSETS IN USE</b>	<b>53,938,814,838</b>	<b>80,659,804,830</b>	<b>26,720,989,992</b>
<b>I</b>	<b>Assets</b>	<b>53,938,814,838</b>	<b>80,659,804,830</b>	<b>26,720,989,992</b>
1	Fixed assets	52,359,078,328	79,080,068,320	26,720,989,992
1.1	<i>Tangible fixed assets</i>	<i>52,359,078,328</i>	<i>79,080,068,320</i>	<i>26,720,989,992</i>
2	Construction in progress	-	-	-
3	Long-term financial investments	-	-	-
4	Cash	623,608,721	623,608,721	-
5	Short-term financial investments	-	-	-
6	Receivables	870,339,000	870,339,000	-
7	Inventory	22,970,000	22,970,000	-
8	Other assets	62,818,789	62,818,789	-
<b>II</b>	<b>Goodwill</b>	-	-	-
1	Brand value	-	-	-
2	Potential value	-	-	-
<b>III</b>	<b>Land use right value</b>	-	-	-
<b>B</b>	<b>BONUS AND WELFARE</b>	-	-	-
	<b>TOTAL ASSETS (A+B)</b>	<b>53.938.814.838</b>	<b>80.659.804.830</b>	<b>26.720.989.992</b>
<b>C</b>	<b>LIABILITIES</b>	<b>2.797.658.471</b>	<b>2.797.658.471</b>	-
<b>D</b>	<b>FUNDS</b>	<b>125.356.955</b>	<b>125.356.955</b>	
1	Bonus fund	9.869.791	9.869.791	-



NO.	ASSETS	BOOK VALUE as of June 30th, 2019	REVALUATED VALUE	DIFFERENCE
2	Welfare fund	103.059.353	103.059.353	-
3	Supplementary fund	12.427.811	12.427.811	
<b>TOTAL VALUE OF GOVERNMENT CAPITAL INVESTMENT (A+B +C-D)</b>		<b>51.015.799.412</b>	<b>77.736.789.404</b>	<b>26.720.989.992</b>

*(Source: Report on valuation of Bong Sen Hotel)*

Based on the results valuation approved by Hau Giang People's Committee:

- Actual value of Center is: **80,659,804,830 VND**
- Actual value of Government capital investment at the Center is: **77,736,789,404 VND**

## **VI. BUSINESS DEVELOPMENT ORIENTATION AFTER EQUITIZATION**

### **1. Information about the company after equitization**

#### **1.1. Basic information**

- Vietnamese name: **Công ty Cổ phần Bông Sen Hậu Giang.**
- English name: **BONG SEN HAU GIANG JOINT STOCK COMPANY.**
- Head office: **60 Tran Hung Dao, Ward 5, Vi Thanh City, Hau Giang Province.**
- Phone: **(0293) 3600 123.**

#### **1.2. Legal status**

After equitization, Company will operate in the form of Joint Stock Company, in which the State holds 36% of charter capital, operating under the Enterprise Law No. 68/2014/QH13 issued by the National Assembly of the Socialist Republic of Vietnam, term XIII, 8th session passed on November 26th, 2014, the charter of organization and operation of Joint Stock Company and relevant current law provisions.

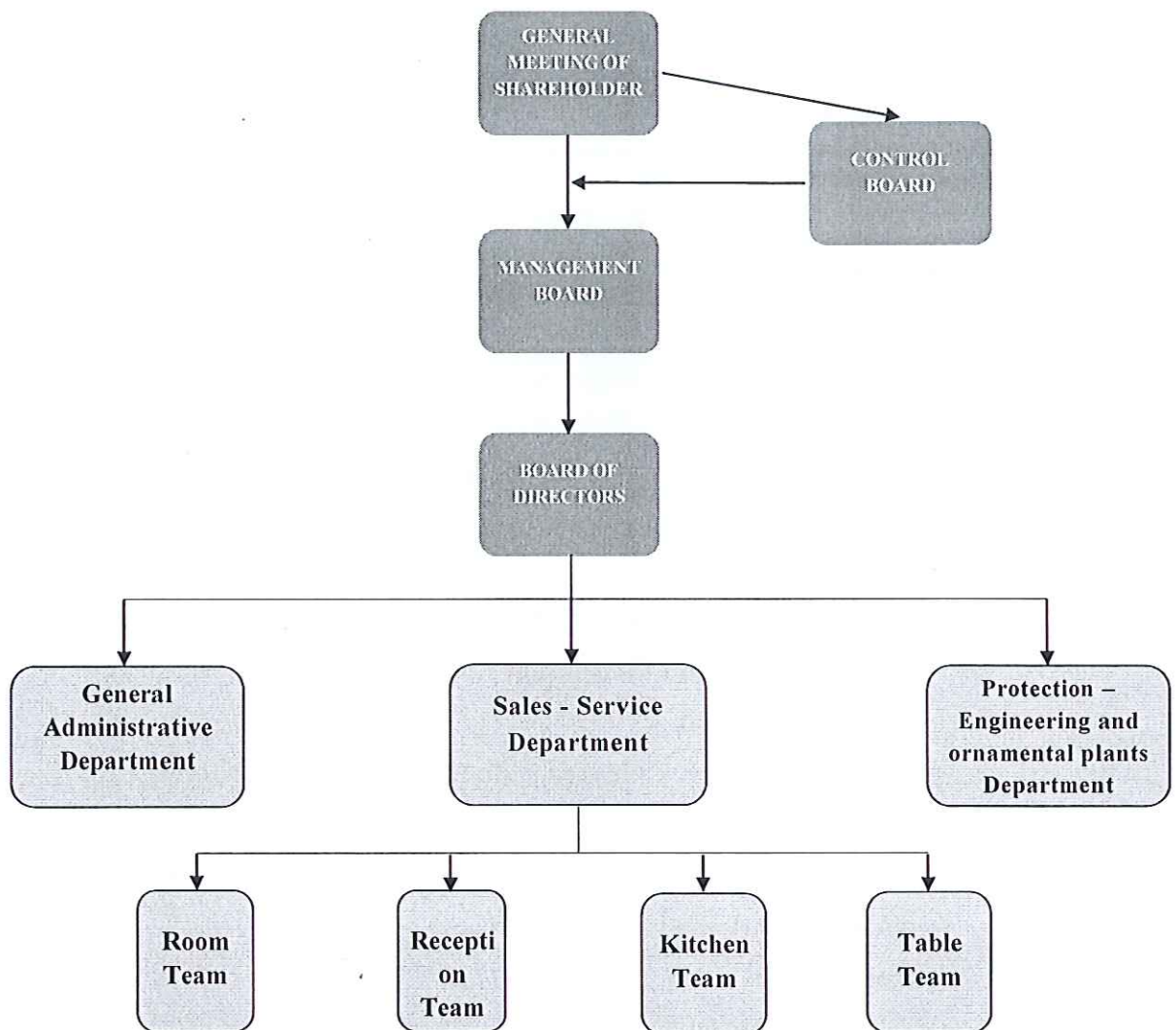
#### **1.3. Business sector**

- Short-stay services.
- Restaurants and mobile catering services.
- Other recreational activities not classified in any other category.
- Sauna, massage and similar health enhancement services (except sports activities).

### **2. Organizational structure of Joint Stock Company**

#### **2.1. Joint Stock Company's organizational structure chart**

**Organization chart of the joint stock company**



*(Source: Bong Sen Hotel)*

## 2.2. Function and responsibility of management and operation system of the Company

### ❖ Shareholders

Shareholder is the highest functional department of the Company, having right to decide for issues in the rights and obligations regulated by Law and Charter of the company.

### ❖ Management Board

Management Board is the management department in the Company, having right on behalf of the Company to decide the related issues to purposes, benefits of the Company, except those issues under right of Shareholder. Management Board always monitor the business activities, internal control and risk control for the Company. Management Board of the Company is expected to include 3 people assigned by Shareholders.



❖ **Control Board**

Control Board is checking department, monitoring all operation activities of the Company according to regulations of Corporate Law No. 68/2015/QH13 on November 26th, 2014 issued by Congress of Socialist Republic of Vietnam.

Control Board reviews annual financial reports, review each detail issued related to financial activities when needed or according to decision of Shareholders or request from big shareholders. The Audit Committee reviews for the accuracy, truth and legalization of document, accounting books, financial reports and operation of internal control system.

Control Board of the Company is expected to have 3 people assigned by Shareholders.

❖ **Board of Directors**

Board of Directors includes General Director and Deputy General Director which is management department for daily business activities of the Company; under monitor of Management Board and responsibility in front of Management Board and Law for performance of assigned tasks and obligations.

❖ **General Administration Department:**

- In charge of Trade Union, Youth Union of Hotel;
- Be responsible for checking and initializing documents before issuing;
- Coordinating with divisions of Hotel to perform the tasks and conclusions of Director;
- Regularly inspecting and urging the work of divisions to ensure the correct, accurate and timely implementation of the assigned work;
- Be responsible for coordinating and directly supporting Room Team, Kitchen Team, Table Team and other departments when requested by Director;
- Creating good relationships with customers, especially departments, sectors;
- Recording minutes of all meetings of Board of Directors;
- No later than the 19th of every month, synthesizing Hotel's work plan of the next month to submit to Board of Directors for consideration, decision and notify to Departments and teams;
- Advising the Board of Directors on the accounting apparatus of Hotel, instructing the counter accountant, warehouse accountant, cashier to open the types of book monitoring financial management in accordance with the requirements of Hotel;
- Be responsible for the Board of Directors for all activities related to the financial profession of Hotel.
- Supporting the Board of Directors to organize, check and supervise the financial management of Hotel to be accurate, timely and in accordance with regulations;
- Operating, opening all kinds of books, making cost estimates, reports on settlement with functional agencies in time and according to regulations;
- Managing cash, goods in the warehouse in accordance with regulations, the cashier, storekeeper when leaving the fund or leaving the warehouse shall obtain the approval of the Board of Directors. As for the cash out, there shall be opinion of the account holder;



- 
- Opening all kinds of books to monitor cash funds, tracking book of importing and exporting goods, updating fully data daily, at the end of each day, comparing between books and reality;
  - Complying with regular or irregular checking of cash fund and warehouse in case of necessity and with the approval of Director;
  - At the end of each month, comparing and signing books among the cashier, the storekeeper and the accountant (with specific records);
  - Short, medium and long-term business planning;
  - Ensuring that the planned plan is implemented and applied effectively;
  - Statistics of the actual situation; local customer needs and tourists;
  - Surveying the market of business tourism to see how real needs are, making the plan to propose implementation;
  - Ensuring to increase revenue to bring profit to Hotel with the most feasible plan;
  - Actively coordinating and directly supporting other divisions of Hotel when there is an unexpected, necessary, or urgent need.

❖ **Protection - Engineering and ornamental plants Department:**

- Strictly complying the rules and working hours according to the regulations of Hotel; Serving guests wholeheartedly, not to let fire or explosion happen or loss of assets, well managing guests' means who come for work or stay at Hotel; if there is loss, fire, explosion or property loss, the duty officer is responsible for compensating the damage to Hotel and customers;
- Assigning 24/24 shift, and guiding, arranging and managing guest's cars, bringing their luggage to the rooms upon request. Monitoring the Convention Hall's sound when there is a conference at Hotel and Convention Centre;
- Checking and turning off the external lighting system when necessary to save electricity for Hotel; at the same time, regularly inspecting, maintaining and repairing electrical equipment, water, fire protection, ... at Hotel and Convention Centre;
- Cleaning the surrounding area before 6 o'clock daily; at the same time assigning staff to water the plants at Hotel and Convention Centre;
- Regularly checking and operating fire protection systems, water pumps, generators, internal and external drainage systems, and the elevator of Hotel and Convention Centre;
- Staffs who are in Protection - Engineering and ornamental plants Team shall be present at the counter during the shift (except the time off as prescribed), if violating, they will be reviewed, reprimanded and forced to resign (if violating regularly).
- Actively coordinating and directly supporting other divisions of Hotel when there is an unexpected, necessary, or urgent need.

❖ **Sales – Service Department:**

✦ **Reception Team:**

- Guiding guests coming for work in a thoughtful, considerate and polite manner; at the same time, guiding guests to do check-in and check-out procedures quickly,



promptly and effectively;

- Managing luggage of guests upon request, be on duty of Hotel's phone;
- Coordinating closely with teams to pay correctly for guests during their stay at Hotel;
- Comparing daily cash turnover report at the counter and submitting procedures to the cashier;
- Creating good relationships with customers, especially departments, sectors;
- Receptionist shall be present at the counter during the shift (except the time off as prescribed), if violating, they will be reviewed, reprimanded and forced to resign (if violating regularly);
- Actively coordinating and directly supporting other divisions of Hotel when there is an unexpected, necessary, or urgent need.

✦ **Room Team:**

- Not greedily stealing the property of Hotel or guests leaving the room, if guests have left their belongings or luggage, the staff in Room Team is responsible for preserving or sending Reception Team to keep it;
- Ensuring the cleanliness, full range of items in room before delivering room to guests, guiding guests to use the facilities in room if requested;
- Every day, cleaning rooms, hallways, terraces, genetic boxes, etc.;
- Service attitude is humble, dedicated, diligent, gentle, joyful service style; at the same time upholding the spirit of saving and preserving public assets;
- Well cleaning the reception area, public place, well serving conferences;
- Washing and cleaning blankets, pillows, garlands, towels of Hotel and guests upon request;
- Checking and notifying to receptionist the amount that guests using services or the property in room is damaged or lost, if any;
- In addition to the assigned tasks, Room Team actively arranges overtime when there are delegations or staffs have their own work they need to leave.
- Actively coordinating and directly supporting other divisions of Hotel when there is an unexpected, necessary, or urgent need.

✦ **Kitchen Team**

- Kitchen staff:
  - + Complying the rules and working hours according to the regulations of Hotel, be responsible for preserving the property of Hotel well;
  - + Ensuring the provision of high-quality food and drinks, serving in an attractive way;
  - + Creating ideas for new dishes, creating a variety of restaurant menus;

- + Regularly cleaning the kitchen area, ensuring safety when processing food at Hotel and Convention Centre;
- + Complying the regulations on health safety and occupational safety;
- + Actively coordinating and directly supporting other divisions of Hotel when there is an unexpected, necessary, or urgent need.
- Housekeeping staff:
  - + Complying the rules and working hours according to the regulations of Hotel, be responsible for preserving the property of Hotel well;
  - + Service attitude is humble, dedicated, diligent, gentle, joyful; at the same time upholding the spirit of saving and preserving public assets;
- Well cleaning the reception area, public place, well serving conferences;
- + In addition to the assigned tasks, the Team actively arranges overtime when there are delegations or staffs have their own work they need to leave;

✦ **Table Team**

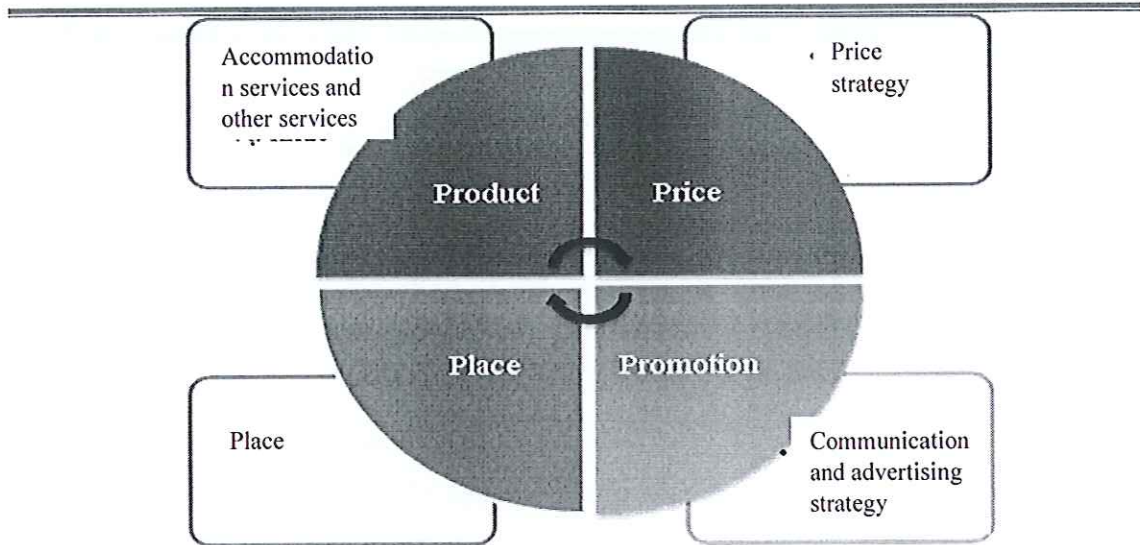
- Complying the rules and working hours according to the regulations of Hotel, be responsible for preserving the property of Hotel well;
- Service attitude is considerate, thoughtful and enthusiastic, creating a feeling of relaxation, joy, comfort, especially smiling and happy;
- Regularly checking the utensils and tools for restaurant party of Hotel and Convention Centre;
- Completing the preparation before the party (checking the hygiene of dining room before the party starts);
- Actively coordinating and directly supporting other divisions of Hotel when there is an unexpected, necessary, or urgent need.

**3. Business plan for 3 year after equitization**

**3.1. Development strategies**

- After officially changing to Joint Stock Company, Hotel sets fundamental goals for its development strategy.
- Marketing strategy: Strategy 4Ps.





### 3.2. Targets

- Architecture, sleek, high quality building materials;
- Interior and exterior are designed beautifully, elegantly, unified panoramic design;
- Equipment, facilities and personal services provide the best customers with guaranteed prices.
- Professionally trained and professional staff.
- Green, clean and beautiful environment.
- Abundant and quality services meet all the needs of guests coming for visit and stay.

### 3.3. Main criteria

Based on the organizational business system, operation scale of Center after equitization and foundation of current assets, Center gives expected economic KPI for the next 3 year as following:

**Some plan criteria after equitization for period 2020 – 2022**

No.	Item	Unit	2020	2021	2022
1	Total revenue	VND	19,151,301,600	28,117,198,920	31,751,550,804
	*In which:				
	- Room for rent	VND	5,121,000,000	11,007,360,000	11,007,360,000
	- Permits for rent	VND	524,400,000	669,600,000	712,800,000
	- Catering	VND	11,174,331,600	13,409,197,920	16,091,037,504
	- Other services	VND	2,331,570,000	3,031,041,000	3,940,353,300
2	Total expenditure	VND	18,249,744,950	19,461,630,533	20,843,285,591
3	Profit before tax	VND	901,556,650	8,655,568,388	10,908,265,213
4	Corporate Income Tax	VND	180,311,330	1,731,113,678	2,181,653,043
5	Profit after tax	VND	721,245,320	6,924,454,710	8,726,612,171
6	Total salary fund/month	VND	142,125,000	156,324,000	171,957,000
7	Total employee	Person	25	28	31
8	Average income	VND/ month	5,685,000	5,583,000	5,547,000
9	Charter Capital	VND	93,000,000,000	93,000,000,000	93,000,000,000
10	Percentage of profit after tax/Charter Capital	%	0.78	7.45	9.38
11	Dividend percentage	%	-	3.00	4.50

(Source: Bong Sen Hotel)

**4. Land use solution**

Pursuant to Decision 1018/QĐ-UBND on July 1st, 2019 of Hau Giang People's Committee, the approved land plot for Center to continue to use after equitization is shown in the following table:



NO.	Name of land plot	Address	Area (m <sup>2</sup> )	Plot no.	Map sheet no.	Forms of land use	Purpose of land use	Legal basis
1	Bong Sen Hotel	Ward V, Vi Thanh City	22,363.8	40	41	State leases land with annual payment	Commercial and services land	Decision 1018/QĐ-UBND on July 1st, 2019 of Hau Giang People's Committee

## 5. Performance solutions

### 5.1. Solution about operation execution of the Joint Stock Company

- Organizational structure after equitization: the organizational structure will be decided by the Board of Directors on the principle of lean, effective operation and in accordance with the current law.

### 5.2. Solution about improving business operation capacity

- Improving quality of service, restaurant services (focus on quality of catering services) entertainment (swimming pools, badminton courts, tennis) to meet the diverse needs of customers as well as partners. Ensuring service quality commensurate with goodwill of Center and local development desire.

- Hotel considers adjusting the policies of salary distribution, bonus fund, collective welfare to be more appropriate and authentic, ensuring fairness really becomes a lever to promote human resource development, growth rate is consistent with state policies, laws and the labor market. In addition, promptly implementing the improvement of working conditions and establishing an open, dynamic and creative working environment.

- Having a special remuneration policy for employees in order to attract outside talents and keep existing core human resources, helping employees feel secure, trust and work for long-term in Hotel. In addition, Hotel strictly enforces the labor regulations, bonus and penalty regulations, establishes the more and more strict organization, contributing to the development of the system of restaurants and hotels in the province that are increasingly professional and sustainable.

- Focusing on the management apparatus that is strong enough, boldly rotating, mobilizing management personnel to renew the management mechanism towards enhancing the active initiative in the organization and administration to create productivity, quality, efficiency and profit.

- Having a policy to promptly reward initiatives that increase labor productivity, bring high revenue, save costs, and improve business efficiency of Hotel.

### **5.3. Solution about the market**

- Compared with hotels in Vi Thanh City, Bong Sen Hotel possesses many outstanding strengths, and at the same time, aims at important factors for comprehensive and synchronous development to meet the demand for accommodation and rest. In addition to constantly improving the facilities, the team operates more and more professionally with a specific and appropriate business strategy to overcome outstanding weaknesses and promote existing strengths. The development orientation of accompanying services should be paid attention and focused on creating an attractive diversity for guests to work and relax.
- Organizing the association of travel companies in Ho Chi Minh City and some other provinces and cities to provide accommodation services and other accompanying food and beverage services to create a closed ecosystem for tours. Thereby helping to increase the annual occupancy of rooms.
- Coordinating with departments in the province to participate in sponsoring and promoting local tourism activities to promote the image of the company, thereby increasing opportunities to develop new sources of customers.

### **5.4. Capital solutions**

- Developing forms of business cooperation with partners having financial potential to take advantage of partners' capital for production and business projects.
- Diversifying sources of bank loans, loans from existing shareholders and other individuals and organizations.
- Developing deferred payment policies for partners that provide long-term reputable inputs, and designing discount policies suitable for early payment and prepay customers to attract and make use of customers' capital.

### **5.5. Solutions about developing investment**

- Investing in additional equipment, machinery and facilities according to the above plan in order to improve service quality, expand market development, expand business efficiency, and diversify services. The service comes with items such as: investing in building more public facilities, renovating restaurants, conference rooms, meeting rooms, massage areas, karaoke, swimming pools, soccer fields, tennis courts, etc. following 3-star hotel standard.

### **5.6. Workforce solutions**

- After the equitization, all existing staff will be retained, recruiting some missing positions and professionally training for each department according to the right conditions and professional expertise.
- In order to improve the quality of human resources, Company has a new recruitment plan to fill the missing and weak positions, at the same time replace inappropriate personnel, or people who are out of working age, or retire, etc.

## **VII. SOLUTIONS AND LABOR POLICIES**

According to the labor plan approved by Hau Giang People's Committee, specific labor data of the Center are as follows:



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No.	Contents	Total	Note
<b>I</b>	<b>Total employee at the equitization value disclosure</b>	<b>25</b>	
1	Labor without signing labor contract	0	
2	Labor with labor contract	25	
	- <i>Labor with undefined term labor contract</i>	19	
	- <i>Labor with labor contract with term from 12 to 36 months</i>	6	
	- <i>Temporary labor or labor contract with term under 12 months.</i>	-	
3	Labor currently is on leave but still in list of the company workforce	-	
<b>II</b>	<b>Number of inactive labor at the equitization value disclosure time</b>	<b>0</b>	
1	Number of labor with full condition to be retired according to current regime	0	
2	Number of labor will terminate labor contract, in which:	0	
	- <i>Expired labor contract</i>	0	
	- <i>Voluntarily terminate labor contract</i>	0	
	- <i>Terminate labor contract with other reasons according to legal regulations</i>	0	
	- <i>Number of labor without demand to use</i>	0	
3	Number of labor not assigned to work at the equitization value disclosure time	0	
	- <i>Number of redundant labor performing according to Decree No. 63/2015/ND-CP</i>	0	
	- <i>Number of labor in force to terminate the contract and getting severance allowance</i>	0	
<b>III</b>	<b>Number of labor to be transferred to Joint Stock Company</b>	<b>25</b>	
1	Labor without signing labor contract	0	
2	Labor with labor contract	25	
3	Number of labor on leave with social insurance, in which:	0	
-	<i>Sickness</i>	0	
-	<i>Maternity</i>	0	

-	<i>Working accident, occupational disease</i>	0	
4	Number of labor on leave without salary	0	
5	Number of labor on temporary leave:	0	
-	<i>Military obligation</i>	0	
-	<i>Other civil obligations</i>	0	
-	<i>Temporary in detention</i>	0	
-	<i>Due to both parties' agreement (not over 03 months)</i>	0	

Labor structure continuing to change into Joint Stock Company as following:

No.	Criteria	Quantity (People)	Percentage (%)
<b>I</b>	<b>Classification according to level</b>	<b>25</b>	<b>100</b>
1	Over university	1	4
2	University, College	8	32
3	Intermediate school	1	4
4	Unskilled labor	15	60
<b>II</b>	<b>Classification according to type of contract</b>	<b>25</b>	<b>100</b>
1	Not in case of signing labor contract	-	-
2	Undefined term labor contract	19	76
3	Contract from 12 to 36 months	6	24
4	Contract under 12 months	-	-
<b>III</b>	<b>Classification according to gender</b>	<b>25</b>	<b>100</b>
1	Male	9	36
2	Female	16	64

## VIII. CHARTER CAPITAL AND OFFERING SHARE STRUCTURE

### 1. Charter capital

According to Decision No. 2045/QĐ-UBND on November 25th, 2020 issued by



Chairman of Hau Giang People's Committee about approving the equitization plan of Bong Sen Hotel, the Center's charter capital has been approved as follows:

- Charter capital: **93,000,000,000 VND.**
- Par value: 10,000 VND/share.
- Number of share with initial offering: **9,300,000** shares, in which:

**2. Expected ownership structure in the JSC**

No.	Shareholders	Quantity (shares)	Par value (VND)	Percentage/Charter capital (%)
1	Government's shares	3,348,000	33,480,000,000	36.00
2	Preference shares sold to employee in the company	15,200	152,000,000	0.16
3	Preference shares sold to employee with	37,600	376,000,000	0.41
4	Public offering shares, in which:	5,899,200	58,992,000,000	63.43
-	State capital offering in the public auction	4,372,800	43,728,000,000	47.02
-	Additional shares offering in the public auction	1,526,400	15,264,000,000	16.41
<b>Total</b>		<b>9,300,000</b>	<b>93,000,000,000</b>	<b>100</b>

**3. Order for the auction and initial price**

Perform the public auction at first, then perform selling to employee in the company.

Initial price for public auction: 10,000 VND/share. *(According to Decision No. 2045/QĐ-UBND on November 25th, 2020 issued by Chairman of Hau Giang People's Committee about approving the equitization plan of Bong Sen Hotel).*

**4. Method of selling and purchasing for shares**

**4.1. Legal basis:**

- Decree No. 126/2017/ND-CP on November 16<sup>th</sup>, 2017 issued by Government about turning the Government company and One Member Limited Company with 100% of charter capital hold by the Government into Joint Stock Company;

- Circular 40/2018/TT-BTC on May 04<sup>th</sup>, 2018 issued by Ministry of Finance guiding for the initial share offering and management, using receipt from the equitization of Government companies and One Member Limited Company with 100% of charter capital hold by Government turning into Joint Stock Company;

- Decision No. 22/2015/QĐ-TTg on June 22nd, 2015 issued by Minister of Finance about turning public company into Joint Stock Company;

- Circular No. 35/2016/TT-BLĐTBXH on Oct 25th, 2016 issued by Ministry of

Labor, Invalids and Social Affairs guiding for performance of policies to labor when turning the public company into Joint Stock Company according to Decision 22/2015/QD-TTg on June 02nd, 2015 issued by Minister of Government;

- Decision No. 2045/QD-UBND on November 25th, 2020 issued by Chairman of Hau Giang People's Committee about approving the equitization plan of Bong Sen Hotel.

#### **4.2. Method of selling for shares**

##### **a. Shares auctioned to the public**

- Total offering shares in the auction : 5,899,200 shares, equivalent to 58,992,000,000VND, occupied 63.43% of charter capital of JSC.
- Suggested initial price : 10,000 VND/share.
- Organisation performing share offering : Ho Chi Minh City Stock Exchange.
- Type of share : Ordinary shares, free to transfer.
- Auction method : Public auction at HCMC Stock Exchange.
- Auction time : According to "Auction regulations" issued by Ho Chi Minh Stock Exchange.
- Objects participating the auction : Individual investors, institutional investors in and outside of the country according to Item 1 and Item 2, Article 4, Decision No. 22/2015/QD-TTg on June 22<sup>nd</sup>, 2015 issued by Minister of Government.
- Deposit form : Perform according to "Auction regulations" issued by Ministry of Stock Exchange

##### **b. Preference shares to employee in the company according to actual working time in Government area**

- Number of employees at the value disclosure point : 25 people
- Number of employees purchasing according to actual working years in Government areas : 25 people
- Number of employees who are ineligible to buy based on actual working time in the State sector : 0 people



- |   |  |
|---|--|
| - Number of preference shares purchased according to actual working years in Government areas | 15,200 shares – equivalent to 152,000,000 VND according to par value, occupied 0.16% of charter capital in JSC |
| - Type of share   | : Ordinary shares  |
| - Transfer limitation   | : 03 years since making payment to purchase preference shares  |
| - Selling price   | : 6,000 VND/share  |
| - Performance period  | : After completing public auction  |

**c. Preference shares to employee with commitment to work for Joint Stock Company.**

- |  |   |
|--|---|
| - Number of employee turning into working for Joint Stock Company  | : 25 people   |
| - Number of employee registering to purchase shares according to commitment to work at Joint Stock Company | : 24 people   |
| - Total shares the employee registered to additionally purchase with committed years                       | 37,600 shares – equivalent to 376,000,000 VND counting based on par value, occupied 0.41% of charter capital of JSC |
| - Selling price  | : 10,000 VND/share  |
| - Transfer limitation  | : Equal to the committed time to work for long term, minimum of 3 years and maximum of 10 years                     |
| - Expected time  | : After completing the public auction   |

**d. Unsold shares handling.**

Handling of unsold shares is performed according to regulations at point 37, Decree No. 126/2017/ND-CP of Government, regulating with details as following:

*“Article 37. Handling of unsold shares*

*1. In case there is no investor applying to purchase the shares, the Management Board performs selling shares for employee and Trade Union in the company according to equitization plan approved, at the same time performs the procedures to turn into Joint Stock Company, number of unsold shares will be modified to the charter capital and performs divestment after the operation of the company under form as JSC.*

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2. *In case there is one 01 investor applying to purchase shares, the Management Board performs agreement to sell shares to registered investor to purchase sell with selling price not under initial price with registered number of shares. If the investor does not purchase the shares, the Joint Stock Company performs according to regulation at Clause 1 of this Article.*

3. *In case after public auction, all the investors in the auction reject to purchase, the company equitization is performed according to regulation at Clause 1 of this Article.*

4. *In case a part of shares has been sold in the public auction, the remaining number of shares (including the rejected number of shares by investors) will be performed with order as below:*

*a) Management Board will continue to inform to investors participating in the public auction (not including winning investors in the public auction) to sell for these investors with registered volume and ordered selling price according to higher to lower selling price of the public auction until the last share needed to be sold.*

*b) If the shares are remained after agreement, Management Board continue to inform to winning investors in the public auction (not including winning investors yet reject to purchase) to sell for these investors with ordered selling price of each investor according to higher to lower selling price until the last share needed to be sold.*

*c) In case the quantity of shares not sold out as prescribed at Points a and b of this Clause, equitized enterprises shall comply with the provisions of Clause 1 of this Article."*

#### **4.3. Method of purchasing for shares**

- **Share offering in the public auction:** The method and deadline of purchasing for share comply with the "Auction Regulation" issued by the Ho Chi Minh Stock Exchange.

- **Preference shares to employee in the company according to actual working time in Government area and Preference shares to employee with commitment to work for Joint Stock Company:** Complying the provisions of Government's Decree No. 126/2017/ND-CP on November 16th, 2017 and Circular No. 40/2018/TT-BTC on May 4th, 2018 of Ministry of Finance, Equitization Management Committee will specify the method and specific deadline for payment of shares

### **5. Expected risk for the auction**

#### **5.1. Economic risks**

Substainability of the economy inside the country also outside of the country is the important and necessary condition for the performing of development goals of all the companies in general.

The positive signs of macroeconomic will help to decrease economic risks and the operation of the company will be more positive in the following time.

The unexpected fluctuation factors such as economy developing speed, inflation, interest rate, foreign exchange rate could affect to the general subjects in the market. The



JSC is a subject so it could be affected positively or negatively by these unexpected fluctuations.

## **5.2. Legal risks**

The company's business operation activities are under modification of different legal documents such as Corporate Law, Environment Protection Law, etc. The law system and other documents under law of Viet Nam is still in the process of completion and the change of the policies could happen and when they happen, they could affect to the company's business operation of Spring Agricultural Center.

Risk about macroeconomic policies of the Government could be changed and leads to the development and expansion plan of the JSC. However, there could be seen that there are positive aspects from those changes because they create strict and scientific legal regulations, suitable with the law system and international regulations, which facilitates to attract investment from abroad investors as well as helps to facilitate domestic business operation activities.

## **5.3. Specific risks**

Company operates in the tourist accommodation industry, with fluctuations in economic crisis, ... all significantly affecting the business activities of Center. Besides, the competitive pressure of others in the industry leads to increasing competitive pressure from competitors.

## **5.4. Auction risks**

With the speed of accelerating the equitization process, state enterprises will hold 100% of charter capital and public non-business units in the period to 2020. Besides that, the policy of divesting state capital in enterprises has been drastically implemented, which led to a large volume of shares offered to the market, investors will have more choices and interest in investing. Initial public offering of Spring Agricultural Center to the public will be affected due to diluted investor interest.

## **5.5. Other risks**

Other risks, which are beyond the expectation and beyond the ability of human prevention such as natural disasters, fires, etc., are unforeseen risks, when they occur, they often cause great losses of material and people as well as the Company's operations.

# **IX. RECEIPT FROM EQUITIZATION MANAGEMENT AND USE**

## **1. Receipt from equitization management**

Based on the actual Government capital at Center and percentage of Government capital at Center, expected plan to use receipt from equitization and transfer to the Supporting Management and Development Fund of the company, details as below (*Temporarily calculated according to assumption that all shares are sold to seniority employees are VND 6,000/share and number of shares auctioned publicly and sold to employees in the form of long-term commitment to work is equal to the starting price of VND 10,000/share*):

No.	Content	Amount (VND)
<b>I</b>	<b>Receipt from equitization (a)</b>	<b>59,459,200,000</b>
1	<i>Receipt from public offering, in which:</i>	58,992,000,000
	<i>- State capital offering in the public auction</i>	43,728,000,000
	<i>- Additional shares offering in the public auction</i>	15,264,000,000
2	<i>Receipt from preference offering to employee according to working years for Government areas</i>	91,200,000
3	<i>Receipt from preference share offering for employee according to long term working commitment</i>	376,000,000
<b>II</b>	<b>Expenses for equitization (b)</b>	<b>711,761,000</b>
1	Handling expenses for redundant labor	0
2	Direct expenses at the company	42,761,000
3	Consulting expenses for the external organization to perform determination of company value and equitization	220,000,000
4	Management and assistant team remuneration	342,000,000
5	Organization expenses for initial share offering	30,000,000
6	Expenses for hiring audit of financial statements at the time of official transformation into joint stock company	77,000,000
<b>III</b>	<b>Total estimated amount remaining (c) = (a) – (b)</b>	<b>58,747,439,000</b>
-	Amount to be transferred to Supporting Management and Development Fund	43,483,439,000
-	Transformation into joint stock company	15,264,000,000

Note: The remaining amount expected to be transferred to specific units will be subject to the Auction Regulations.



## 2. Equitization cost estimate.

According to Decision No. 947/QĐ-UBND on June 20th, 2019 of Hau Giang People's Committee on approving the equitization cost estimate of Bong Sen Hotel, the equitization cost estimate of Center are as follows:

No.	Items	Expected amount (VND)
1	Direct expenses at the company	42,761,000
2	Consulting expenses for the external organization to perform determination of company value and equitization	220,000,000
3	Management and assistant team remuneration	342,000,000
4	Organization expenses for initial share offering	30,000,000
5	Expenses for hiring audit of financial statements at the time of official transformation into joint stock company	77,000,000
Total		711,761,000

### Note:

- Remuneration of management and assistant team is paid according to actual occurrence according to current effective regulations.
- Organization expenses for initial share offering organization and other related expenses are performed according to regulation by Ministry of Finance.

## X. COMMITMENT

The evaluation and selection of information and language in this Information Disclosure are performed reasonably and carefully based on data and equitization solutions approved by Bong Sen Hotel. We provide information with purpose to help investor have proper and objective awareness before participating in the auction to purchase shares of Bong Sen Hotel. We wish the investor to refer carefully this Information Disclosure before making decision to participate in the auction of shares in Bong Sen Hotel.

Wish all investors a successful auction.

Thank you with best regards./.

*Hau Giang, dated: November 30<sup>th</sup> 2020*

**REPRESENTATIVE OF EQUITIZATION MANAGEMENT BOARD**

**HEAD OF BOARD**

*(signed and sealed)*

**Nguyen Thanh Ha**

*Hau Giang, dated: November 30<sup>th</sup> 2020*

**REPRESENTATIVE OF OFFERING ORGANIZATION**

**BONG SEN HOTEL**

**DIRECTOR**

*(signed and sealed)*

**Phạm Tài Năng**

**CHIEF ACCOUNTANT**

*(signed and sealed)*

**Thái Thị Chơn**

*Ho Chi Minh City, dated: November 30<sup>th</sup> 2020*

**REPRESENTATIVE OF CONSULTING ORGANIZATION**

**BETA SECURITIES INCORPORATION**

*(signed and sealed)*

**Trần Thị Bông**



Công ty TNHH Phạm Lữ Gia xin xác nhận bản dịch *tiếng Anh* hoàn toàn đúng so với bản gốc *tiếng Việt* đã giao và chúng tôi không có trách nhiệm cho mục đích sử dụng của tập tài liệu này.

*Pham Lu Gia Company Limited confirm English Translation quite right with original Vietnamese have assigned and we are not responsible for the purposes of this document.*

TM. CÔNG TY  
ON BEHALF OF THE COMPANY



MS. LỮ TRUNG DUNG

