

The background of the entire image is a panoramic view of a city at dusk or night. The sky is a mix of deep blue, purple, and pink. In the center, a prominent skyscraper with a pointed top is illuminated. Other buildings of various heights are scattered across the landscape, some with lights on. In the foreground, there are dense residential or commercial buildings, and a highway with light trails from cars is visible on the right side.

VIETNAM

The Emerging Destination for Innovations



“Among countries with highest economic growth rate amidst COVID-19 and is expected to expand 6.5% in 2021.”

- 2021



“Tier 1 Emerging Offshore Outsourcing Location in APAC.”

- 2016



“Vietnam stands out on innovation efficiency – having higher outputs than some developed countries with significantly less effort.”

- 2020



“#9 in the top 50 digital nations.”

- 2020

Why Vietnam?

Highly skilled workforce



- Young demographics with a median age of 32,5
- 900,000 ICT employees
- No.2 in SEA & Top 20 Countries for Basic Academic Skills

Booming Telecoms and IT sectors



- Internet penetration: 66%
- Top 3 of Fastest growing Telecommunication Market in Asia
- The fastest-growing market for m-payments with developed ICT infrastructure
- Top 10 Countries with the Most Engineering Graduates

Stable Politics and Economy



- No.8 Best Countries to Invest in
- Consumer Price Index <4%/year
- No. 57 Global Peace Index - China (No.110), India (No.141)

Diversified International Cooperation



International

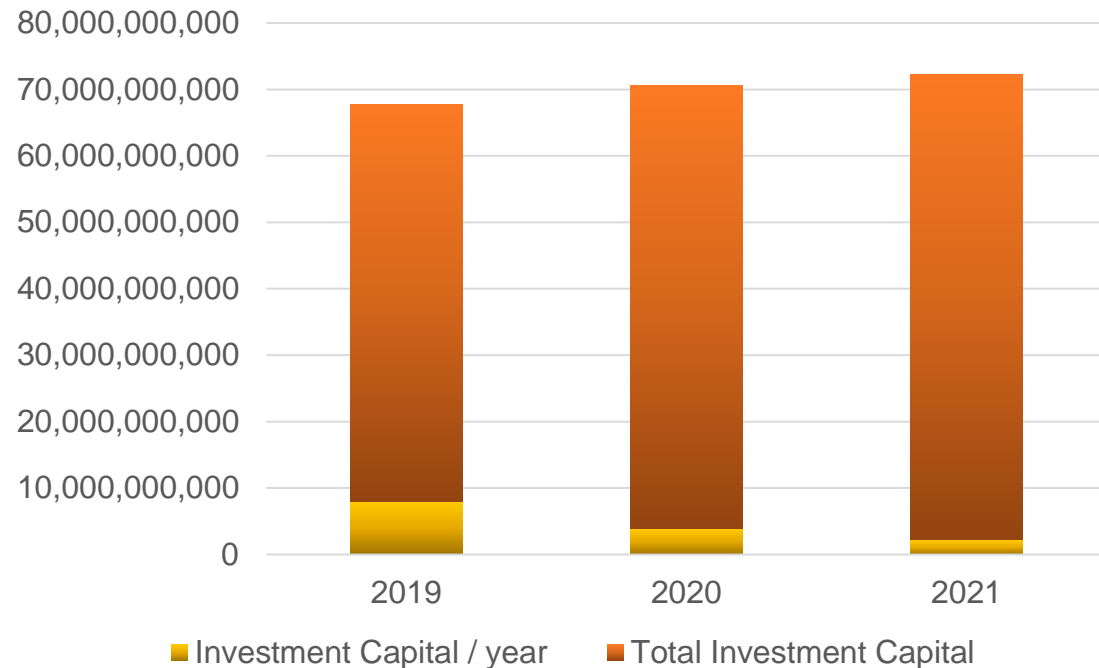
- Has **diplomatic relation with 185 countries** & been in **16 Free Trade Area Agreements**.
- Vietnam are partner, strategic partner, comprehensive partner with **30 countries**.
- In 2017, **the APEC Summit** was hosted by Vietnam.
- Vietnam is one of the only few countries in the regions allowing **100% foreign ownership** for most sectors. FDI is increasing over the years.



With Korea



South Korean Investment Capital in Vietnam (in USD)



- South Korea is Vietnam's **largest foreign investor** and **second largest trade partner**.
- **Vietnam** is South Korea's **4th largest trade partner** with a two-way turnover of US\$65 billion in 2020.
- Currently, South Korea has around **9,000 enterprises** and **609 FDI projects** in Vietnam.

Reasonable labour cost & dynamic workforce

01



Reasonable labour cost

Vietnam has a reasonable labor cost comparing to neighbor markets (Thailand, China etc.)

02



The golden age population

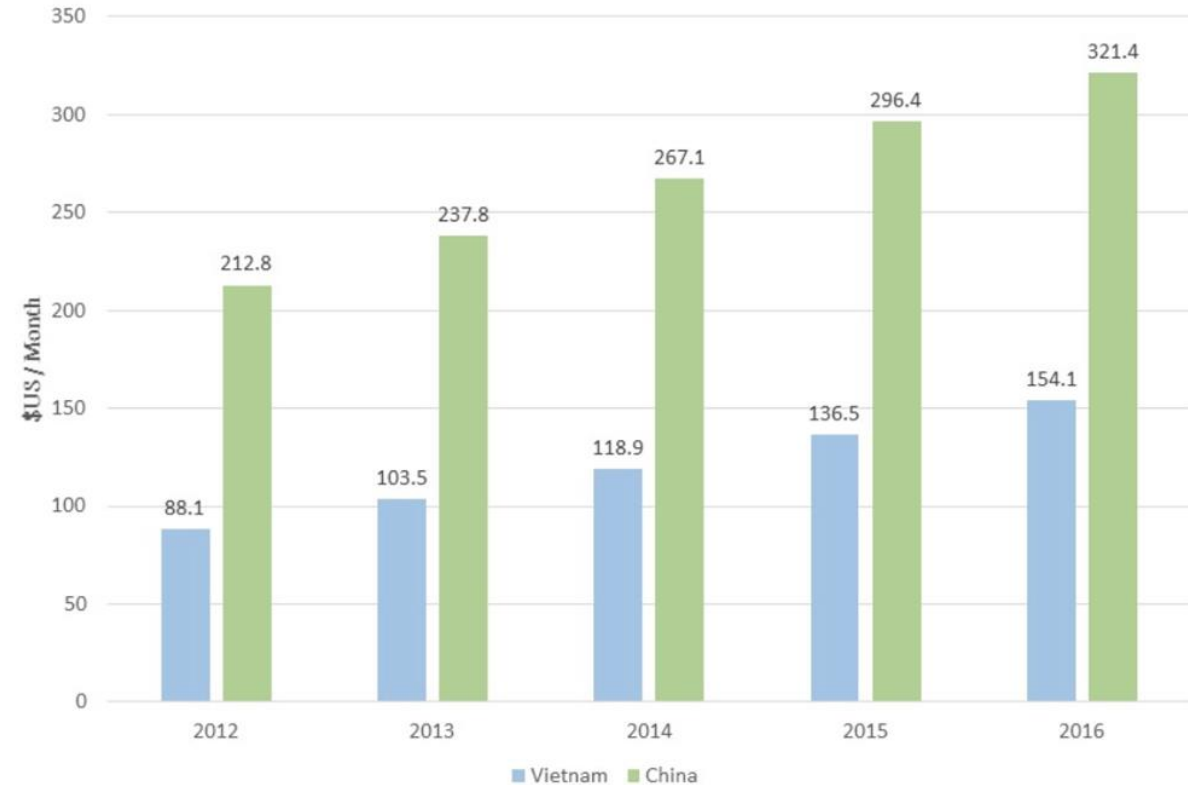
65% of the Vietnamese population are younger than 35 years.

03



Digital-savvy and well-educated workforce

- Young Vietnamese people are quick in adopting new technologies.
- Nearly 300 universities and colleges in Vietnam offer ICT training with about 55,000 ICT students studying annually.
- More than 100,000 Vietnamese students are studying abroad.



Minimum wages comparison China & Vietnam

Source: Trading Economic, 2017

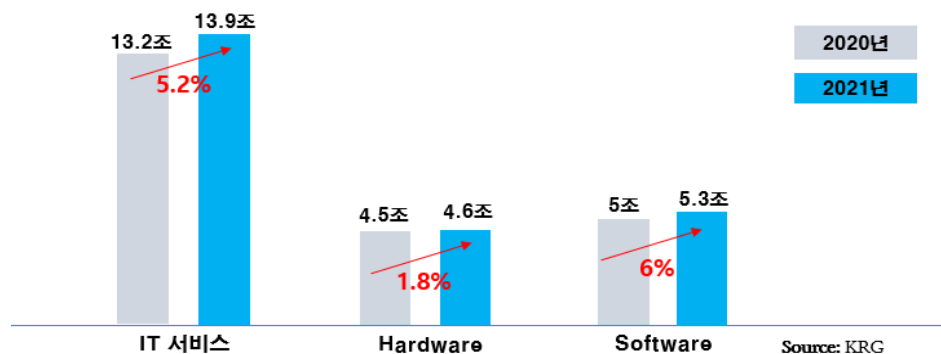
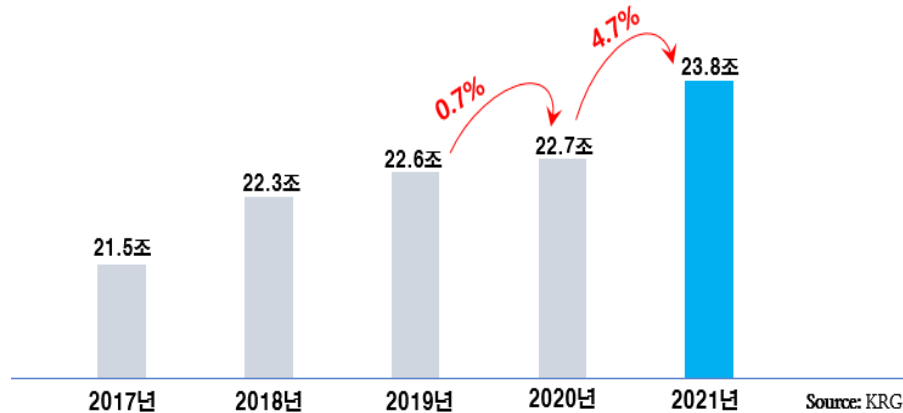


KOREA IT Industry Trend

2021 Market Major Trend

Industry Overview

- IT industry facing the downturn growth by COVID 19
- But from 2nd half company try to invest to Digital Transformation by new technology/platform such as Smart factory, AI, Big Data.
- Cloud service expansion to Public sector and finance industry
- Accelerating public and private R&D activity regarding the 4th Industrial revolution
- Pursuing the M&A activity for next growth engine

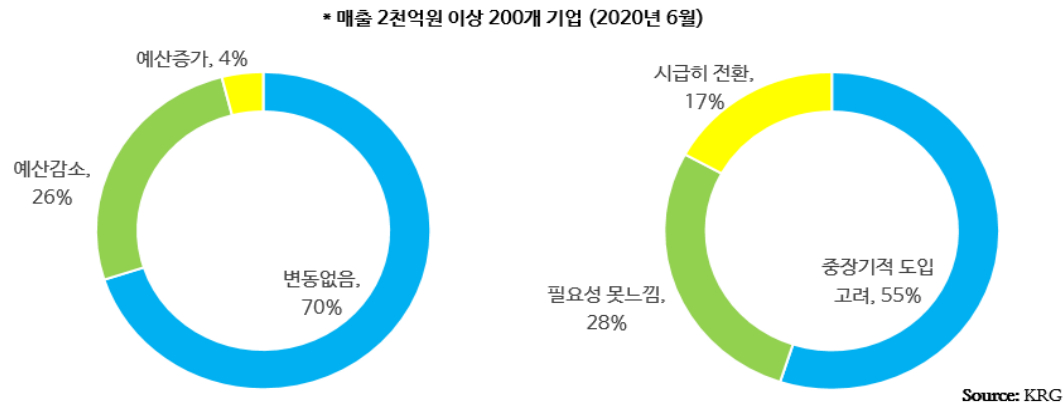
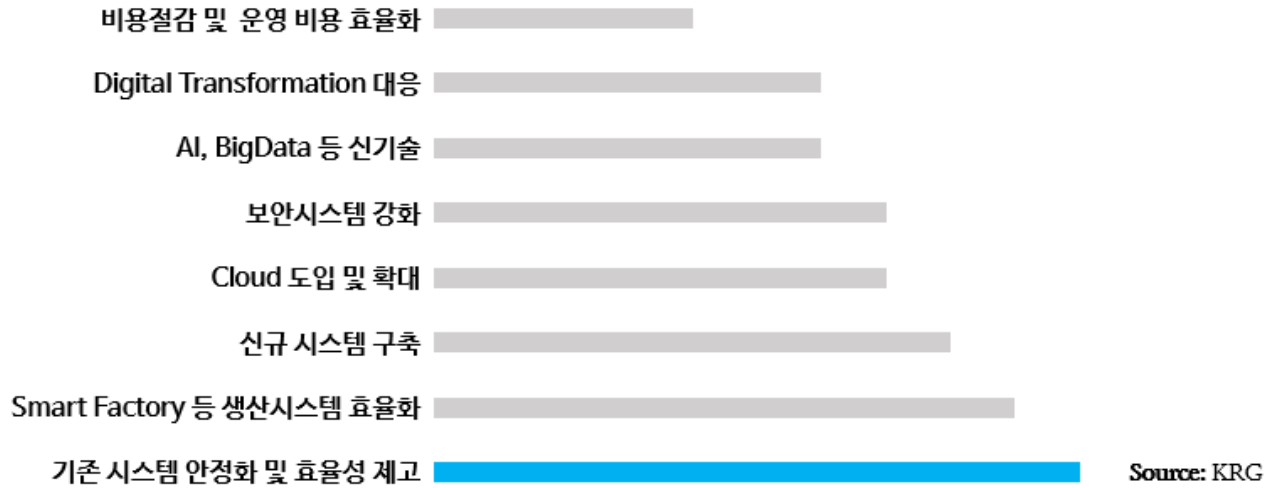


Comments

- Korean IT service market is planned to grow by ~3.0% in 2021. Due to the large scaled investment of government SI project and cloud service expansion to support the working in the home office and setup the remote work space, overall industry avoid the worst scenario.
- In 2021, new demand from the government sponsored digital technology and cloud service contribute to lesson the bad effect of economic downturn.
- As the long term view, digital transformation will be major driving force to response the business crisis with more flexible, agile and fast moving manner and reflecting new business paradigm shift by automated and un-tact trend .
- Total CAGR 1.5 ~ 1.8%
Consulting/SI : 41%, Outsourcing : 42%, Training : 17%
- After COVID 19, overall IT investment is focused on IT system optimization and stabilization as first option and then "smart factory" in manufacturing, "cyber security" in finance, "cloud service" in telecom are second option.

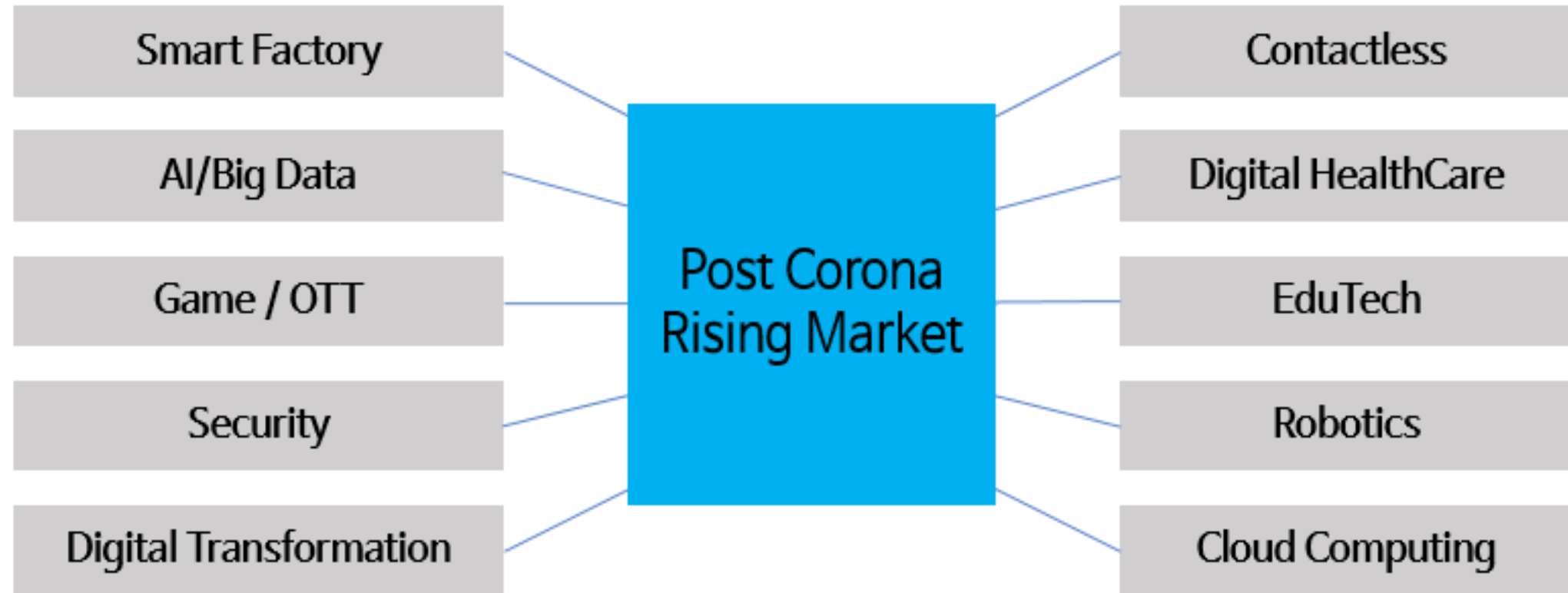
IT Investment Trend

During and after the COVID-19, digital transformation and cyber security become the hot issue across the industries and many companies have the strong willingness to invest the DX project



After corona, 72% of Korean company want to invest to DX project as short term and mid term base.

New Business Domain after COVID-19



The background of the slide is a nighttime photograph of the Ho Chi Minh City skyline. The city is illuminated with various colors of lights, including purple, blue, and yellow. The lights are reflected in the water in the foreground. The sky is dark blue.

Vietnam IT Resources Overview

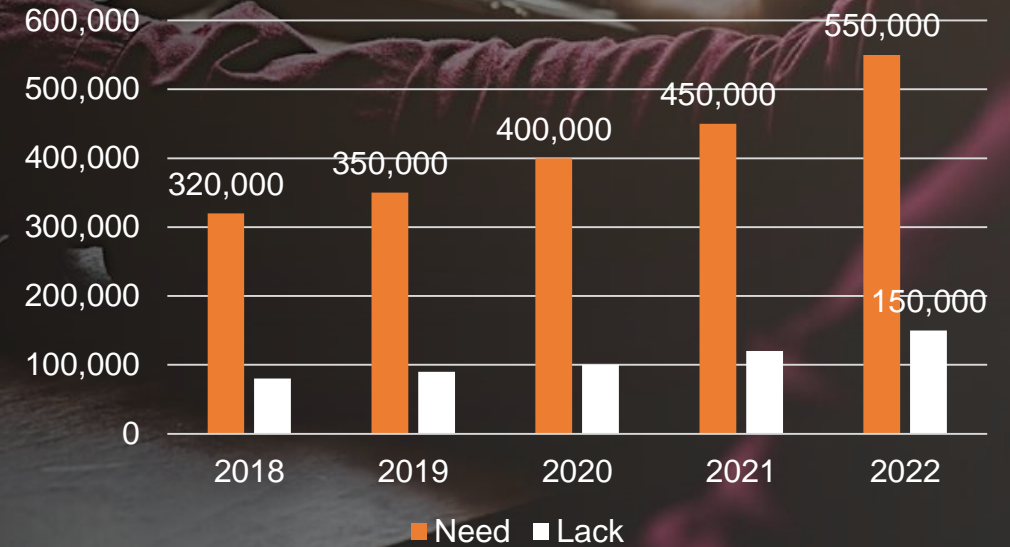
Vietnam IT Resources/ Ranking

IT Engineers
430,000

IT Students
50,000

Based on 2019 report from MOET with estimated growth rate in annual general universities/ colleges enrollment quotas.

IT Personnel Demand



COMPETENCE IN GLOBAL TECH ASSESSMENT PLATFORMS

29th
Skillvalue

23rd
Hackerrank

Top 6
Topcoder

GLOBAL INDEXES

Global services location index **5th**

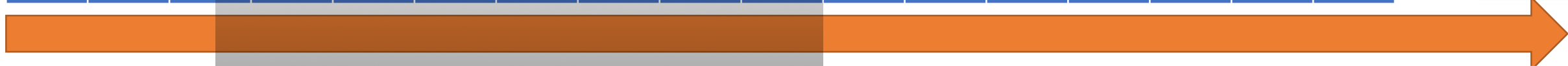
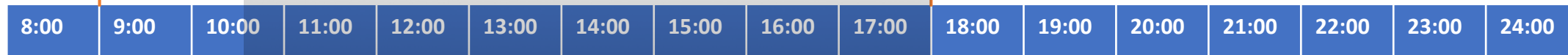
Top 50 digital nation **13th**

Top 100 outsourcing destination **18th**

Culture/ Working



Working hour: 9 a.m. – 6 p.m.



Morning: 8:30 – 12:00

Afternoon: 13:00 – 17:30



*Daily activities for Vietnam and South Korea teams
6 – 7 hours*



IT Business Cooperation Key Success Factors

Key Success Factors

Recurring Themes

- Korean customers want expert + local language and on site proactive service
- Cost optimization is an important factor of Korean companies.
- Local management and support organization created a new market for a new foreign entrants as the other global IT service company success cases.
- Scope of requirements changes frequently but project's deadline, budget



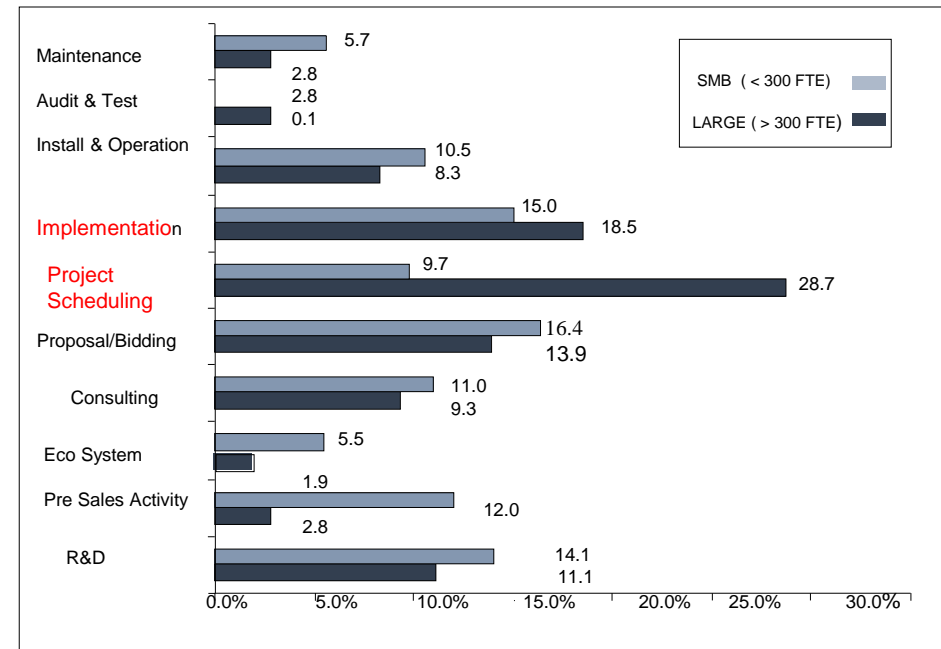
Key Success Factors

- Local management is much more important because customers want to communicate by Korean and conservative biz condition of Korean IT service market.
- Price is a critical factor in purchasing decision but put more weight on the quality and delivery schedule even though 20~30% price gap.
- Strong project management and technical expertise are critical point to become success.

Key Success Factors

Project members' individual competence and professional skill set are very critical, so securement of professional human resource pool and company wise supporting system are key success factor

- Risk Management (Biz, Tech)
- Secure the Expert Resource Pool
- Communication Channel with key decision making Customer & Partners
- Realtime communication to sharing the common objective of project with customer
- Sensitivity of customer needs & external environment change
- Project Scheduling & Resource Plan
- On time Delivery



Key Competence of SMB & Large Enterprise Survey
SMB:127, Large 18



Thank You