



A.B.N. 64 063 656 333

## VIETNAM INDUSTRIAL INVESTMENTS LIMITED

16 February 2018

Company Announcements Office  
ASX Limited  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sirs

### **SUPPLY ARRANGEMENT**

The Company wishes to announce that its wholly owned subsidiary SSESTEEL Ltd (**SSESTEEL**) has entered into an arrangement with a local investment and development company to supply billets and rebar for the VII Group's rolling mill operations in Haiphong, Vietnam.

The arrangement seeks to secure the supply of billets and rebar to SSESTEEL from steel-making facilities located at the Deep C Industrial Zone in Haiphong. Commissioning of these facilities (which, following acquisition, are currently in construction phase) is due to commence towards the end of the first quarter 2018.

This arrangement is intended to provide the VII Group with increased reliability of raw material supply, in terms of volume, quality and grade of billet, and additional finished product. Whilst the actual impact on operations in 2018 cannot be accurately assessed, management anticipates the arrangement to result in significant savings in the future cost of production. These savings are not considered to be material in the current financial year. Operational impacts will continue to be reviewed following commissioning and as the facility seeks to ramp up to full production capacity. VII understands it could take approximately 36 months from commissioning to achieve full production capacity at optimum costs.

With the expected savings in production costs, the Company aims to deliver improved and sustainable financial results from the Company's rolling mill operations.

The Company will continue to keep the market informed of any material developments.

By order of the Board

Vietnam Industrial Investments Limited