Shinhan Securities

Import - Export

The rise of localization & Market Diversification



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Import - Export – The rise of localization & Market Diversification

Content

1. Vietnam’s import – export performance in 1H/2025

In 1H/2025, Vietnam's total import-export turnover reached USD 432.03 billion (+16.1%YoY). Several key export items such as textiles and garments, footwear, computers, electronic products and components,…, maintained double-digit growth rates. We believe that the upward momentum is strengthened by increased demand and the "front-loading" effect in tariff changes

2. Reciprocal tariff, Impacts and Opportunities

We believe a number of industries will be directly impacted by the new reciprocal tax, including textiles, seafood, wood products, and industrial parks,… However, the level of impact will vary significantly. Products that previously had relatively low import taxes into the US, such as electronic components, seafood, wood, and furniture, may face a steeper increase in tariffs.

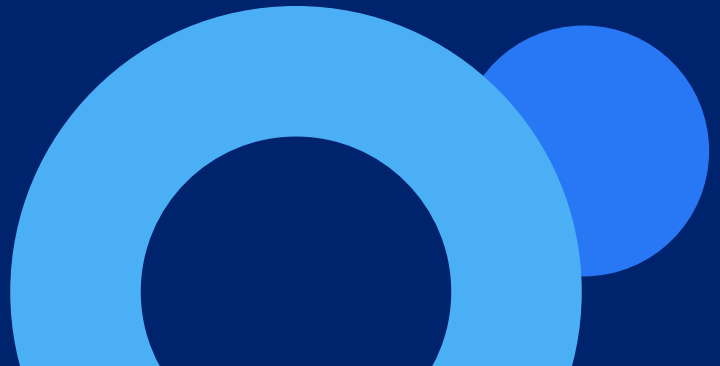
In terms of tax correlation across countries, Vietnam's tax rate is comparable to its rivals. But with production costs that are 15-20% lower than in many other nations, we anticipate Vietnam will continue to hold a strong competitive edge both regionally and internationally

In the medium to long term, market diversification, the rise of localization and effectively leveraging trade agreements will be key to more sustainable growth in Vietnam's import and export sector.

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Vietnam's import – export performance in 1H/2025

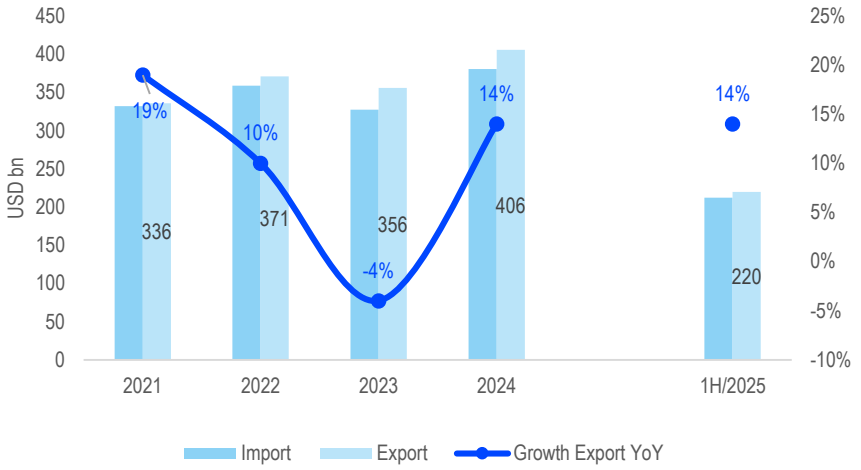
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1. Vietnam's import – export performance in 1H/2025

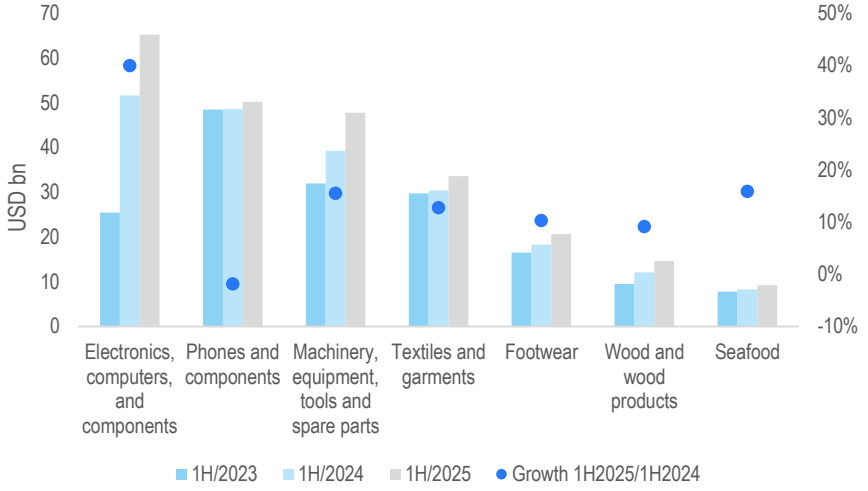
The acceleration of export-import activities

Vietnam's import-export growth



Source: GSO, Shinhan Securities Vietnam

The growth of exported groups in Q1/2025



Source: GSO, Shinhan Securities Vietnam

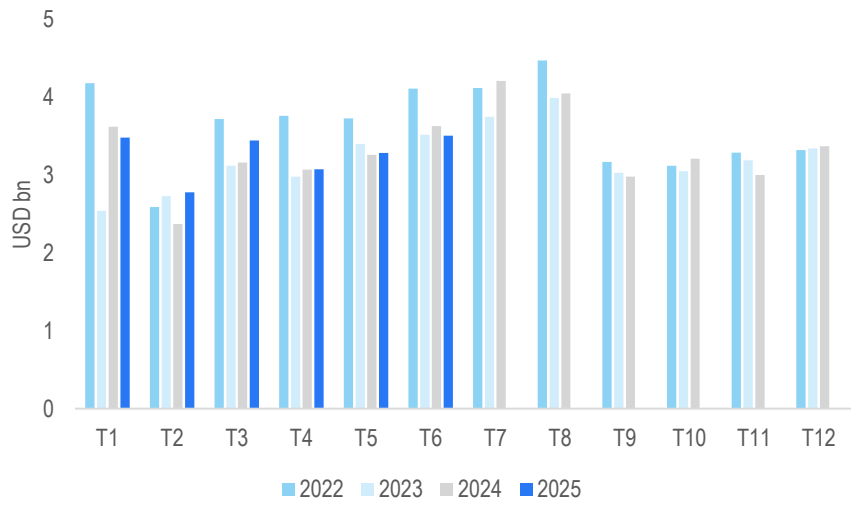
- In 1H/2025, the total import-export turnover reached USD 432.03 billion, an increase of 16.1% compared to the same period last year, of which exports increased by 14.4% and imports increased by 17.9%. In the second quarter alone, export turnover reached $116.93 billion, an increase of 18.0% compared to the same period last year and a 13.6% increase compared to the first quarter of 2025.

- The key industrial export items continued to recover well: Wood and wood products reached USD 15.2 bn (up 9% YoY); textiles and garments reached USD 18.6 bn (up 12.7% YoY). The export turnover of computers, electronic products, and components reached USD 47.6 bn (up 40% YoY).

1. Vietnam's import – export performance in 1H/2025

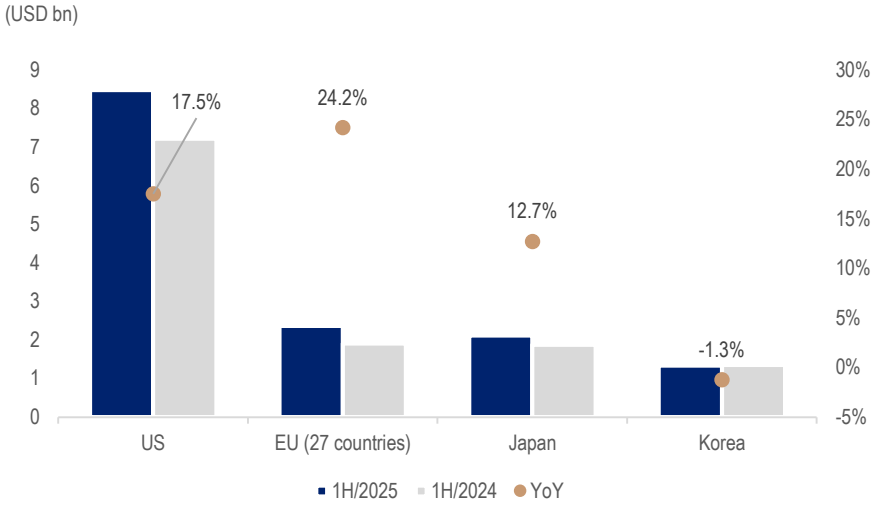
Textile and garment exports were strongly boosted by the 'frontloading'

Textile and garment exports in 1H/2025



Source: GSO, Shinhan Securities Vietnam

The value of textile and garment exports to key markets



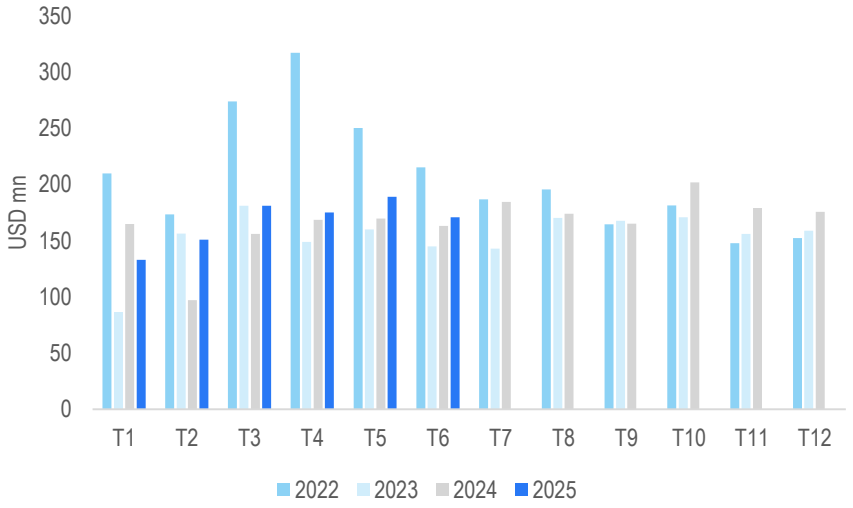
Source: GSO, Shinhan Securities Vietnam

- 1H2025, textile and garment export turnover is estimated to reach 18.7 billion USD (+13.0% YoY). This is the highest export turnover recorded in the past 5 years, surpassing the same period in 2022 – a period of sudden growth after the Covid-19 pandemic.
- The United States remained the largest export market, with export value reaching USD 8.5 billion (+17.5% YoY), accounting for 45% of total exports turnover. Other markets also recorded positive growth, especially in the EU market with a growth rate of 24.2%.
- The impressive growth of the Vietnamese textile and garment market mainly comes from: (1) The situation of accelerating the import of "frontloading" goods in response to tariff changes, helping to significantly increase the number of orders; (2) Demand for shopping for the back-to-school season coming early; (3) The trend of shifting orders out of China is increasingly strong; (4) Domestic enterprises continue to take more effective advantage of free trade agreements (FTAs).

1. Vietnam's import – export performance in 1H/2025

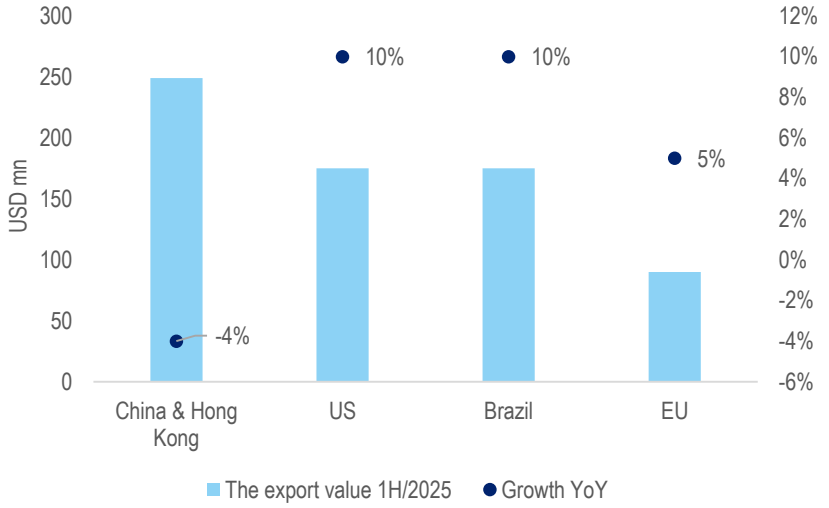
The rapid growth in pangasius exports

Pangasius exports in 1H/2025



Source: Vasep, Shinhan Securities Vietnam

The value of pangasius exports to key markets



Source: Vasep, Shinhan Securities Vietnam

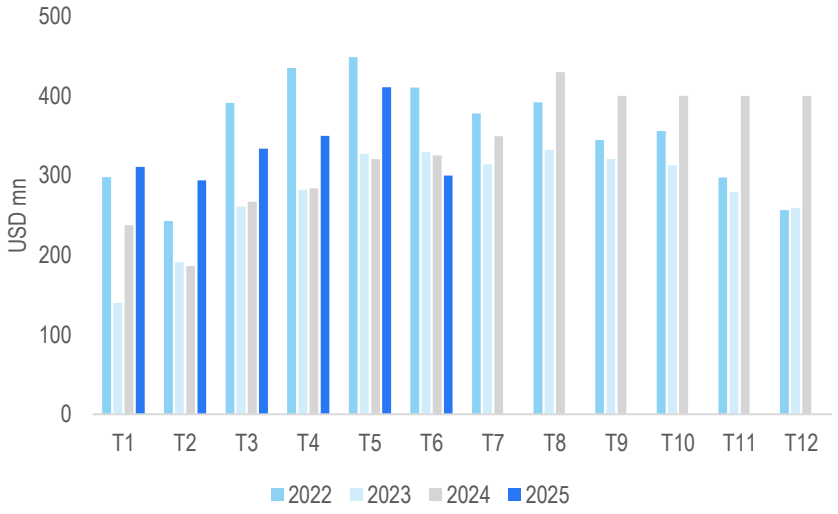
❑ Accumulated pangasius exports in 1H/2025 reached over USD 1 bn USD (+11% YoY), with many key markets maintaining growth momentum.

- The value of pangasius exports to the US in June 2025 reached USD 34 million, a 23% increase compared to June 2024, driven by frontloading demand
- The value of pangasius exports to Brazil in June reached nearly USD 16 mn (a 111% YoY), a result of the product's reasonable pricing and stable quality. Notably, ANV was one of the businesses involved in the first official shipment of pangasius, basa, and tilapia from Vietnam to Brazil, marking a historic milestone in agricultural trade relations between the two countries.

1. Vietnam's import – export performance in 1H/2025

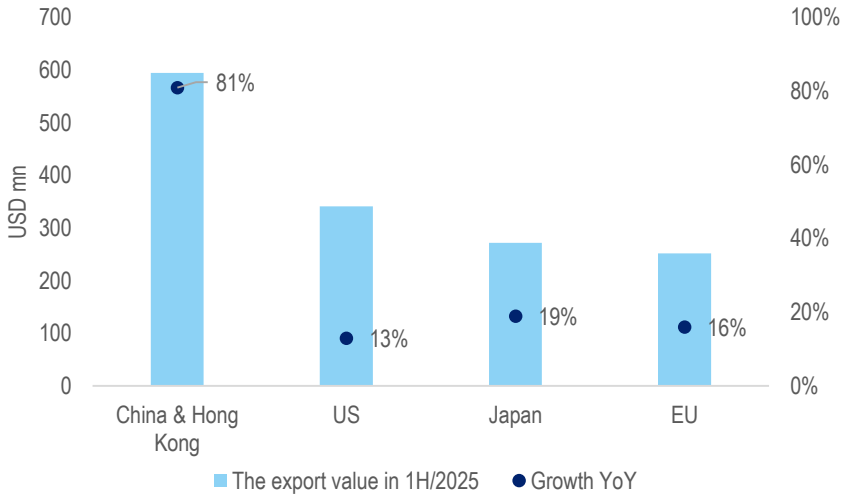
Exports of shrimp are starting to see a slight adjustment.

Shrimp exports in 1H/2025



Source: Vasep, Shinhan Securities Vietnam

The value of shrimp exports to key markets



Source: Vasep, Shinhan Securities Vietnam

❑ Vietnam's shrimp exports in 1H/2025 reached USD 2 bn (+27% YoY). In which:

- The markets of China and Hong Kong recorded the strongest growth, up 81% YoY to USD 595 mn in the first half of 2025. A recovery in consumption, high demand during the summer, and especially strong demand for lobster helped China become the fastest-growing market.
- The U.S. market is showing signs of decline. Although the first half of 2025 recorded positive growth, monthly performance has been volatile. May saw a sharp 66% increase as businesses rushed to export goods before new tariffs took effect, but this was followed by a steep 37% drop in June.
- Japan continues to hold its position as Vietnam's third-largest single market, thanks to stable demand and its strength in value-added shrimp products.

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2. Reciprocal tariff, Impacts and Opportunities

We assess several industries that will be directly affected by reciprocal tax impacts, such as textiles, seafood, wood, and industrial parks. However, the degree of impact will vary significantly. Goods that previously had relatively low import taxes to the U.S., like electronic components, seafood, and wood and furniture, could face higher tax increases.

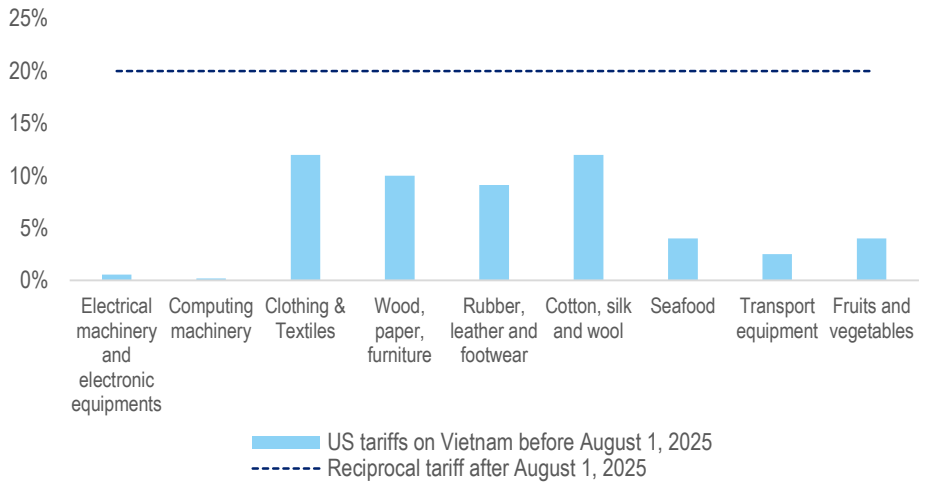
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2. Reciprocal tariff, Impacts and Opportunities

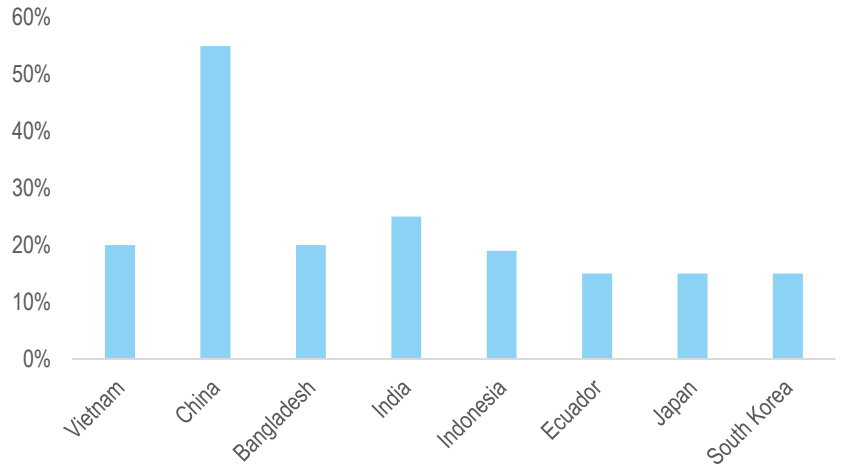
The extent of the impact will vary across different industry sectors

An estimate of import taxes of US tariffs on Vietnamese goods



Source: GSO, Shinhan Securities Vietnam

List of all U.S. reciprocal tariff by country as of August 1, 2025



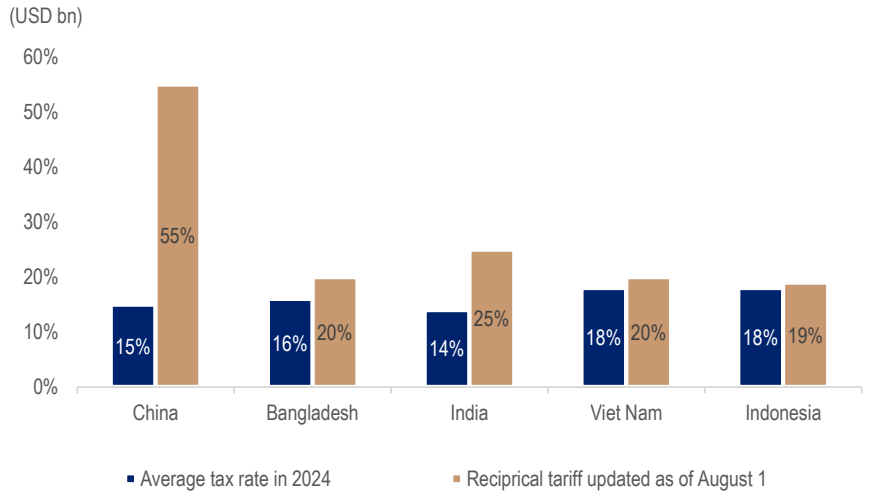
Source: White house factsheet, Shinhan Securities Vietnam

- ❑ We assess that several industries will be directly affected by the reciprocal tariff impact, such as textiles, seafood, wood, and industrial parks. However, the level of impact will differ significantly. Goods that previously had relatively low import tariffs to the US, like electronics, components, seafood, wood, and furniture, may face a higher tariff increase.
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2. Reciprocal tariff, Impacts and Opportunities

Textile and garment exports – Effectively exploit existing advantages in the context of tariff competition

Tariffs on garment exports to the US market



Source: Shinhan Securities Vietnam

Comparing major textile and garment exporting countries

Criteria	Viet Nam	China	Bangladesh	India	Indonesia
Labor costs	Medium	High	Very low	Low	Low
Main products	Garment, yarn, Fabric denim, sportswear	All types of text iles	T-shirts, shirts underwear	Shirts, jeans, children's clothing	Sportswear, swimwear
Raw material supply	Dependent Chi na	Proactive	Dependent China	Proactive	Dependent China
Lead time	Fast	Very fast	Slow	Fast	Medium
Product quality	Medium -High	High	Low – Medium	Medium – High	Medium
Production capacity	Large	Very large	Medium	Large	Medium
Trade agreement	EVFTA, CPTP RCEP, UKVFTA, VJEPA	RCEP	EBA (EU)	ASEAN-India, CPTPP	RCEP
Estimated unit export price of textiles and garments to the US (including reciprocal tax as of August 1)	**3.66 USD/m2**	**4.79 USD/m2**	**3.22 USD/m2**	**3.44 USD/m2**	**3.11 USD/m2**

Source: TCM, Shinhan Securities Vietnam

❑ As of August 1, Vietnam faces a general tariff rate of 20%, which is significantly lower than key competitors such as China (55%) and India (25%), on par with Bangladesh (20%), and slightly higher than Indonesia (19%). We assess that with the current competitive tax rate, Vietnamese textiles will not be affected too negatively and are fully capable of maintaining their market share in the US thanks to:

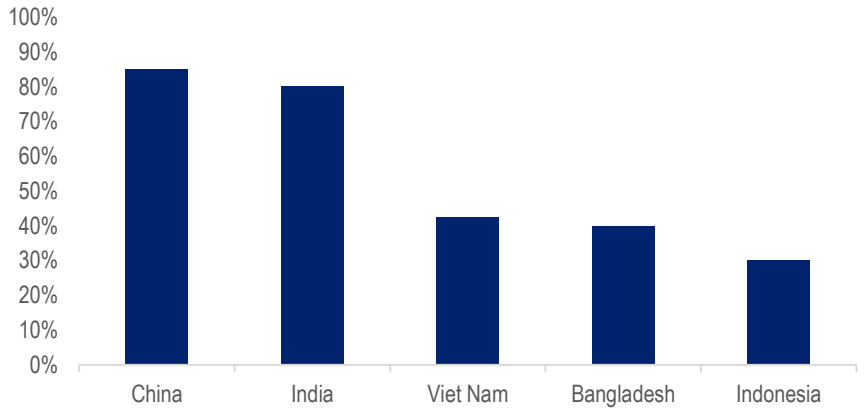
- Regarding tariffs, the tax difference between Vietnam and countries such as Bangladesh and Indonesia is insignificant, only 0-1%. Therefore, the possibility of US suppliers shifting production out of Vietnam due to tariffs is very low. At the same time, the significantly lower tax rate compared to China and India opens up opportunities for Vietnamese businesses to increase their selling price advantage, thereby attracting new orders in the US.
- In addition, Vietnam possesses outstanding competitive advantages that are difficult to replace in the short term, such as (1) Strong production capacity with the ability to provide high-tech products, diverse items, large capacity scale and fast delivery speed, (2) Preferential tariffs in many export markets thanks to an extensive network of free trade agreements.

We expect domestic textile and garment enterprises to make more effective use of their existing strengths, while also proactively investing to enhance their competitiveness in areas such as traceability and ESG compliance — aiming for long-term sustainable development.

2. Reciprocal tariff, Impacts and Opportunities

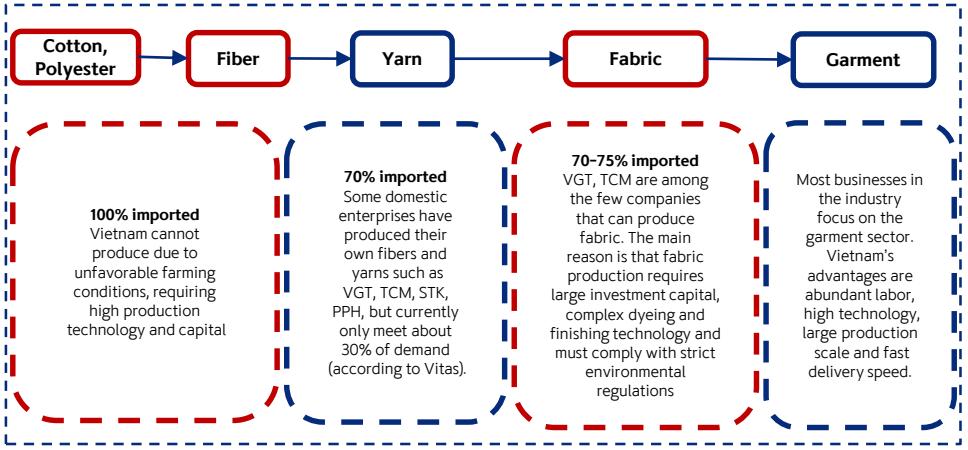
Textile and garment exports — Localization as the foundation for long-term competitiveness

Localization Rates in Leading Textile Exporting Countries (%)



Source: Shinhan Securities Vietnam

Vietnam Textile and Garment Industry Supply Chain



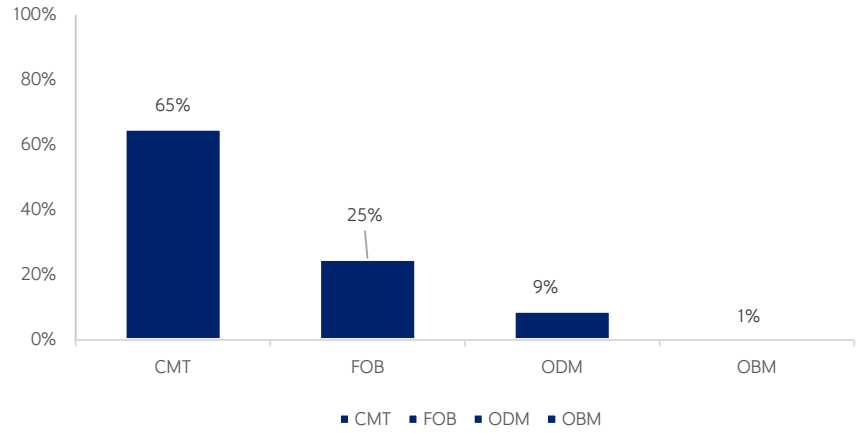
Source: Shinhan Securities Vietnam

- Currently, the localization rate of the textile and garment industry in Vietnam is only about 40-45%, significantly lower than that of China (80-90%) and India (75-85%). Of which, most of the raw materials still have to be imported and domestic fabrics only meet about 25% of the demand (according to Vitas).
- Meanwhile, global trade policies are increasingly tightening, with rules of origin becoming a key factor in the textile and garment value chain. The USMCA trade agreement (US-Mexico-Canada - effective from 2020) stipulates that textiles and garments exported to the US must achieve a domestic value-added ratio of 35-45% to enjoy tax incentives. The EVFTA and CPTPP trade agreements apply strict requirements, requiring products from countries exporting to the EU and CPTPP to have an origin from yarn/fabric onwards to be eligible for a 0% tax rate.
- In the above situation, we believe that promoting localization and transparency in the production process will help Vietnamese enterprises meet the principles of origin, limit the risk of being subject to high tariffs from the US and enjoy preferential tax rates from free trade agreements with the EU and Japan. Thereby, improving price competitiveness in key markets such as the US, EU, Japan and other potential markets.
- In addition, the strategy for developing the Vietnamese textile and garment industry with a vision to 2030 has also set a target of increasing the localization rate to 51-55% of demand for the period 2021-2025 and 56-60% of demand for the period 2026-2030. We expect this roadmap to create momentum to help form a sustainable production chain between domestic fiber-textile-garment enterprises and enhance Vietnam's long-term competitiveness in the global market.

2. Reciprocal tariff, Impacts and Opportunities

Textile and garment export – New regulations on on-site import and export are an opportunity to increase localization

Share of production methods used by textile and garment enterprises



Source: General Department of Customs, Shinhan Securities Vietnam

Comparison of the differences between Decree 18/2021/Decree-Government and The new regulations on on-side import and export in Law 90/2025/QH15, effective from July 1, 2025

Criteria	Decree 18/2021/Decree-Government	The new regulations on on-side import and export in Law 90/2025/QH15, effective from July 1, 2025
Subjects applicable to 0% VAT	- Enterprises importing raw materials on-site for export processing (CMT)	- Enterprises importing raw materials on-site for export processing (CMT) - Enterprises importing raw materials on-site for export production (FOB, ODM,...)
Tax refund policy/ Double taxation	Export manufacturing enterprises when importing on-site must: - Pay import tax immediately upon opening the customs declaration, then export to be refunded. - Domestic enterprises exporting products on the spot to export manufacturing enterprises must pay export tax on exported products. At the same time, enterprises importing products on the spot must also pay import tax on products imported on the spot. => Both enterprises must pay tax on the same commodity.	- Eliminate double taxation - Apply 0% VAT right at the customs stage, no need to pay and wait for a refund.

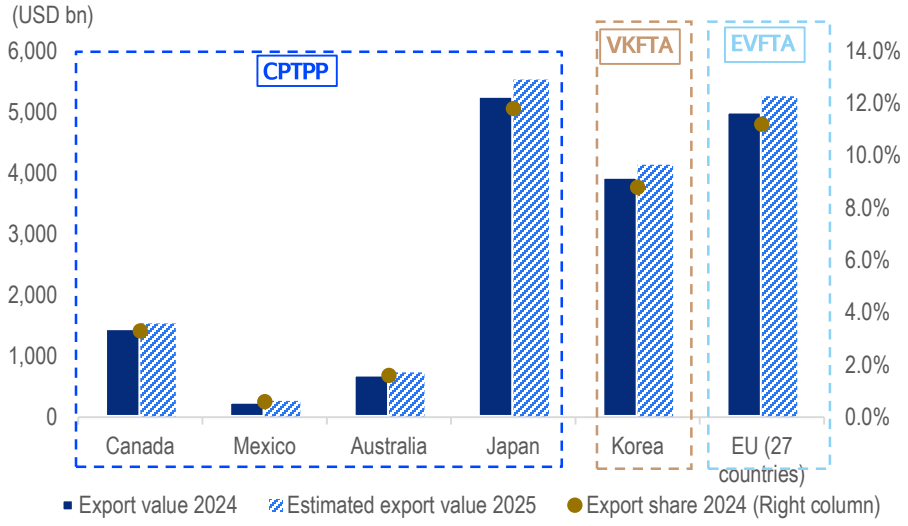
Source: Shinhan Securities Vietnam

- Currently, Vietnam's textile and garment industry still relies heavily on the Cut-Make-Trim (CMT) manufacturing model, while the proportion of enterprises engaged in higher value-added models such as FOB, ODM, and OBM remains relatively modest. The main reason is that the domestic raw material production capacity is still limited, along with the on-site import tax policy that is not really favorable to encourage enterprises to invest more deeply in the value chain.
- For example, Decree 18/2021/Decree-Government prioritizes tax exemption for on-the-spot imported goods used for processing (CMT), while other production-export models like FOB, ODM, and OBM are not entitled to similar incentives. This makes the import of on-site raw materials for export production difficult and limits the development of domestic supply chains..
- However, from July 1, 2025, Law 90/2025/QH15 new regulations on on-site import and export will officially be applied, expanding the 0% VAT incentive for export production types such as FOB, ODM, OBM. We expect this new change to encourage businesses to increase the use of domestic raw materials to serve export production, strongly shifting to models with higher added value. Thereby contributing to the development of the supporting manufacturing industry and perfecting the chain from fiber, dyeing and cutting and sewing.

2. Reciprocal tariff, Impacts and Opportunities

Textile and garment exports – Exploiting new markets thanks to FTA incentives

Key potential markets for export growth



Source: GSO, Shinhan Securities Vietnam

Free Trade Agreements of some major textile and garment exporting countries in the world

Country	Trade Agreement	Import tariffs in the EU	Import tariffs in Japan	Import tariffs in Korea	Import tariffs in Canada
Viet Nam	**EVFTA, CPTPP, RCEP,VJEPA, VKFTA,UKVFTA, …**	**0% - 5% (EVFTA)**	**0% (VJEPA)**	**0% (VKFTA)**	**0% (CPTPP)**
China	RCEP	12%	3.1%	0% (CKFTA)	18%
Bangladesh	EBA, GSP	0% (EBA)	0% (GSP/IEJPA)	0% (GSP – LDC)	16%
Indonesia	RCEP, CPTPP	9.6%	0% (RCEP)	0% (AKFTA – ASEAN-Korea FTA)	0% (CPTPP)
India	CEPA, GSP, India–UK FTA	0%	0% (CEPA)	0% (CEPA)	16%-18%

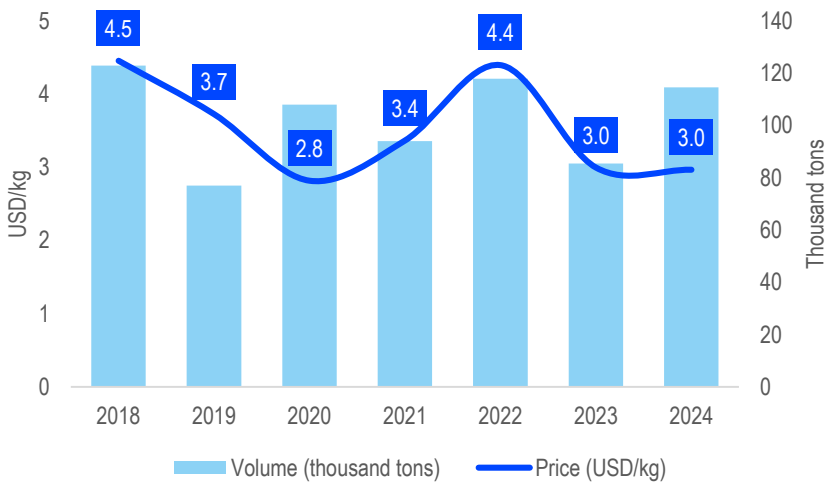
Source: GSO, Shinhan Securities Vietnam

- In the face of fluctuations in US tariff policies, we expect the Vietnamese textile and garment industry to exploit existing FTAs more effectively to reduce dependence on the key US market and shift exports to potential markets such as Japan, Korea, EU, Canada, etc. Trade agreements such as EVFTA (EU), VKFTA (Korea), VJFTA (Japan) will bring significant competitive advantages to Vietnamese textile and garment products thanks to the 0% tax rate.
- We assess the CPTPP region as one of the major potential markets for the Vietnamese textile and garment industry with an import tax rate of 0%, while competitors such as China, Bangladesh and India continue to face high tariff rates.

2. Reciprocal tariff, Impacts and Opportunities

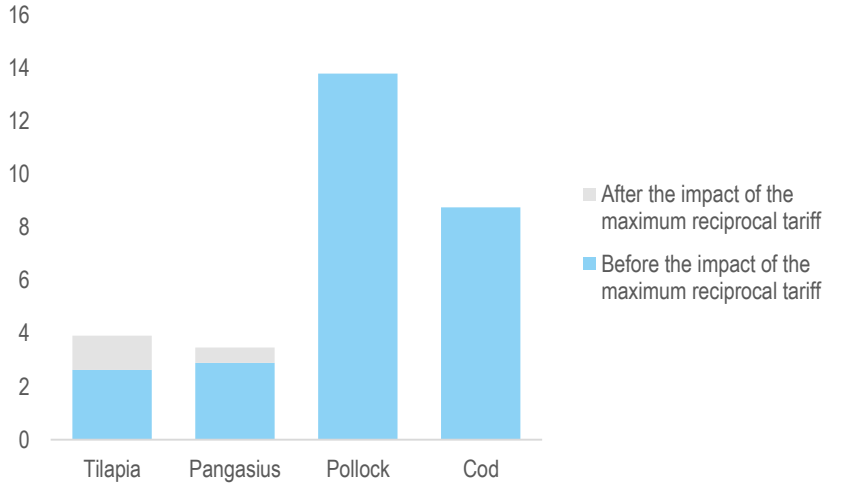
Pangasius Exports – Maintain a competitive advantage through low costs.

The export volume and price to the US



Source: VASEP, Shinhan Securities Vietnam

Retail price of whitefish in the U.S. market before and after being subject to the maximum reciprocal tariff (USD/kg)



Source: EUMOFA, Shinhan Securities Vietnam

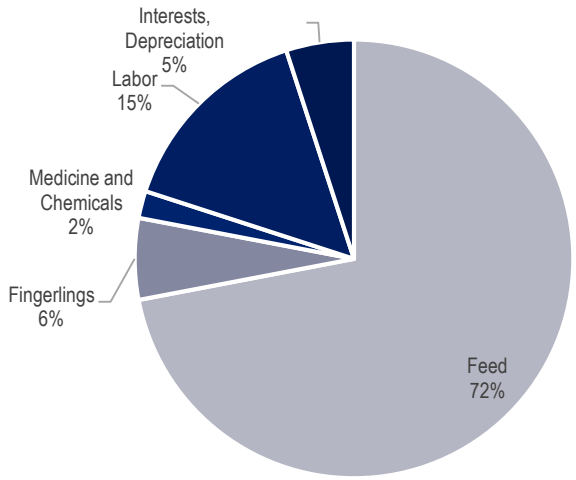
- We believe Vietnamese pangasius maintains a significant competitive advantage in the US and European markets thanks to its stable supply, flexible processing capabilities that suit various market segments, and a more competitive price compared to other whitefish, even with a 20% reciprocal tariff.

- History shows that pangasius sold for USD 4.50/kg in 2018 and 2022. That price was 25% higher than the estimated price of pangasius with the 20% reciprocal tariff applied, and yet the US market still consumed it steadily. In the short term, the market will need a period of adjustment to accept the new price. In the medium to long term, we expect the US market to have a strong ability to absorb this new price, as pangasius is a reasonably priced product compared to its competitors.

2. Reciprocal tariff, Impacts and Opportunities

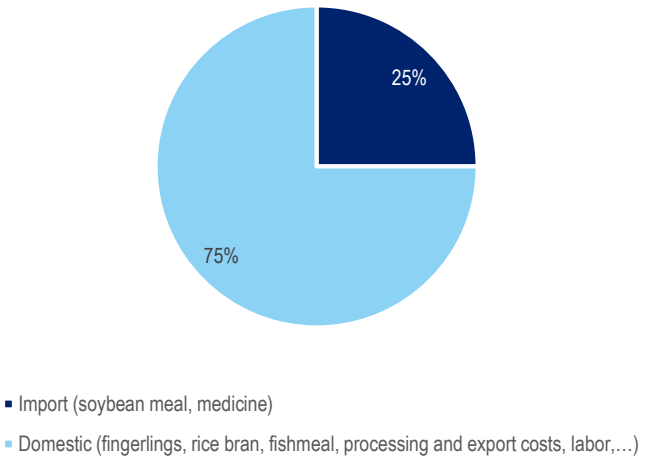
Pangasius Exports – Ensure high traceability and a high localization ratio

The cost structure for pangasius production



Source: Shinhan Securities Vietnam estimates

The ratio of domestic to imported costs in the total processing cost of pangasius



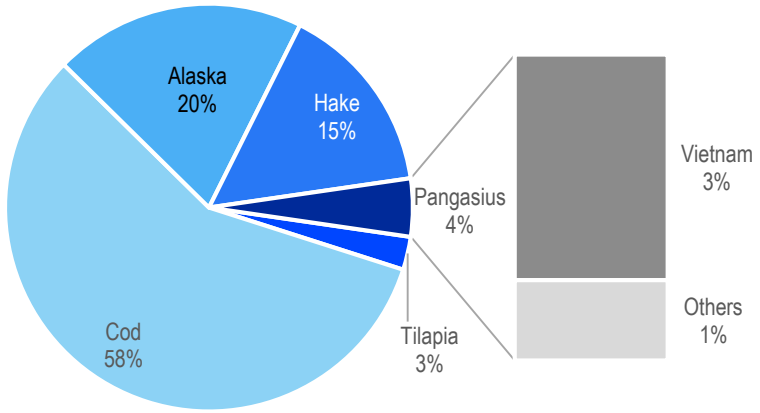
Source: Shinhan Securities Vietnam estimates

- Thanks to a complete, closed value chain—from breeding stock, feed, and farming to processing and distribution—Vietnam's pangasius industry can tightly control quality at every stage and fully meet the traceability requirements of international markets. This integrated chain model has enabled Vietnam to maintain a stable supply and consistently meet demands for fish size, flesh color, and fillet texture, giving it an advantage over competitors like India, Bangladesh, and Indonesia. We estimate the localization rate of Vietnam's pangasius industry is high, at around 80%, with only a small portion of raw materials for aquafeed and medicine needing to be imported.

2. Reciprocal tariff, Impacts and Opportunities

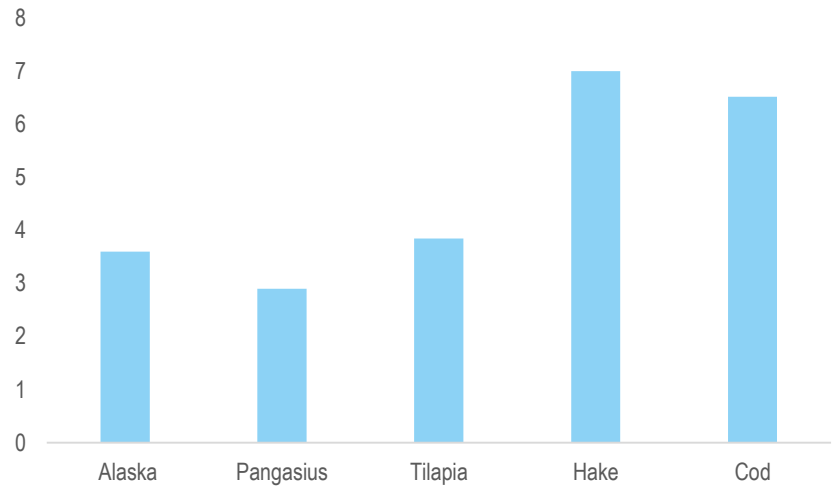
Pangasius Exports – Outside the US market's rebound

The estimation of structure of EU's whitefish import value in 2024



Source: NoAA, Shinhan Securities Vietnam

Retail price of whitefish in the EU market (USD/kg)



Source: EUMOFA, Shinhan Securities Vietnam

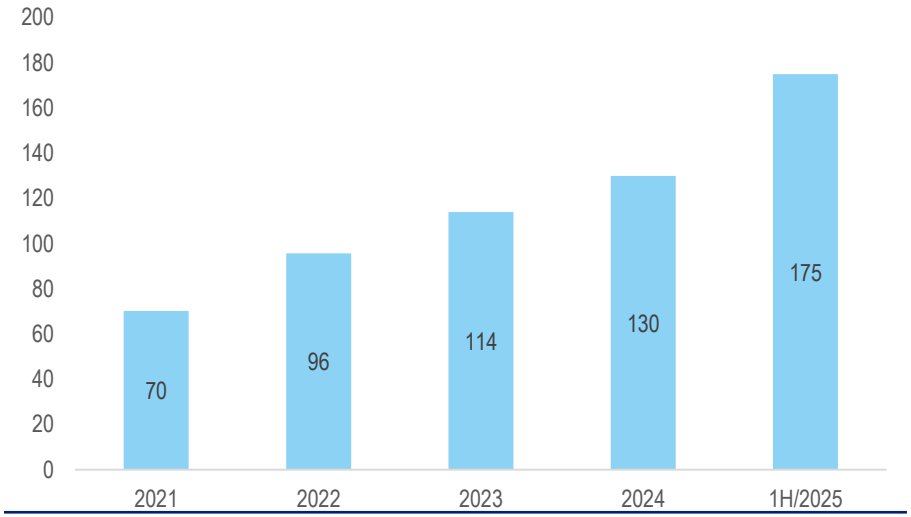
Currently, Vietnam dominates pangasius exports to Europe, but the revenue remains low due to geographical location and the relatively high competitiveness of this product. Given the significant consumption potential of the EU market, we believe Vietnamese pangasius still has ample opportunities for growth thanks to: (1) a stable supply, (2) many similarities in texture and taste compared to other white fish species like cod, haddock, and pollock, and (3) competitive price.

Particularly, cod prices are trending upwards due to reduced fishing quotas caused by overfishing and the low recovery rate of fish stocks. Additionally, the European Union's imposition of a 13.7% tariff on pollock imported from Russia will create a favorable market gap for Vietnamese pangasius, which benefits from a 0% tariff rate under the EVFTA Agreement.

2. Reciprocal tariff, Impacts and Opportunities

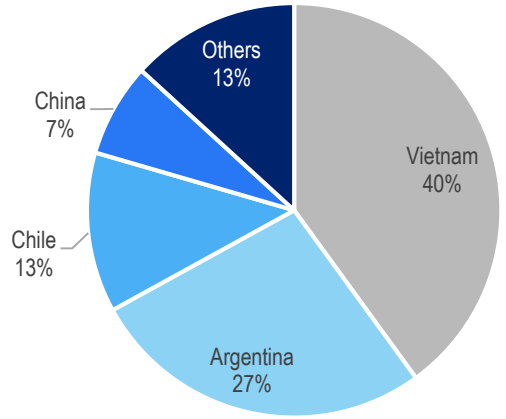
Pangasius Exports – Outside the US market's rebound

Vietnam's pangasius export value to Brazil from 2021–1H/2025 (USD millions)



Source: Vasep, Shinhan Securities Vietnam

The estimation of market share of imported whitefish in Brazil by value in 2024



Source: Trendeconomy, Shinhan Securities Vietnam

In the first half of 2025, Brazil rose to become the second-largest importer of Vietnamese pangasius, ranking just behind China and on par with the United States.. In light of the challenges posed by US reciprocal tariff, we consider Brazil a strategic destination for Vietnam to reduce its reliance on traditional markets. High consumer demand, a shortage of domestic supply, and relaxed import standards policies present significant opportunities for Vietnamese pangasius.

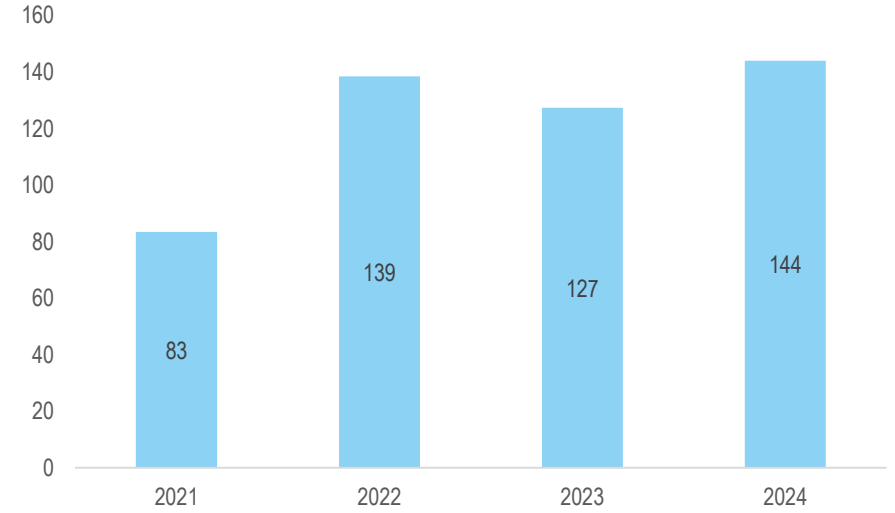
1) Despite its advantages in long coastline, water resources, and marine biodiversity, Brazil has to import 60% of the seafood it consumes from South American, Asian, and European countries. This can be explained by cultural factors and transportation-related challenges.

2) Demand for seafood in Brazil is on the rise, driven by its culinary culture, especially in coastal areas and large urban centers like São Paulo and Rio de Janeiro. The average consumption is 12 kg per person per year. While this is higher than in the United States, it's still lower than Japan, indicating significant potential for growth.

2. Reciprocal tariff, Impacts and Opportunities

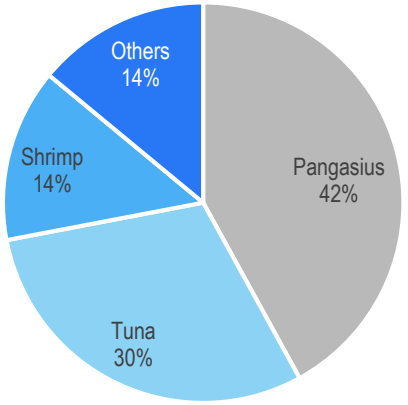
Pangasius Exports – Outside the US market's rebound

Vietnam's pangasius export value to the Middle East from 2021-2024 (USD million)



Source: Vasep, Shinhan Securities Vietnam

Vietnam's seafood export to the Middle East by value in 2024



Source: Trendeconomy, Shinhan Securities Vietnam

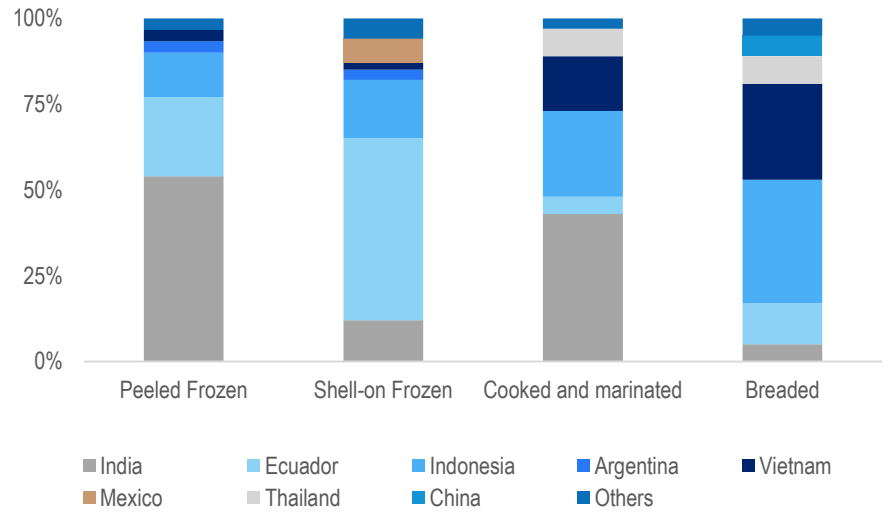
Pangasius is currently Vietnam's largest seafood export to the Middle East, accounting for 40% of seafood export turnover in 2024. Frozen pangasius in the form of fillets, cut portions, and whole fish continues to dominate due to its convenience and ease of preparation, meeting the consumption demands of consumers in this region. The Middle East is considered one of the potential markets for Vietnamese seafood thanks to:

1) The Middle East, with its predominantly Muslim population, traditionally observes a diet rich in seafood. However, domestic supply in many countries within the region, such as Egypt and the UAE, is insufficient to meet the demand for both quantity and variety. Consequently, these nations are compelled to import seafood, including frozen pangasius fillets from Vietnam. Consumers in the Middle East generally seek affordable products, and Vietnamese pangasius effectively fulfills this requirement.
2) The Middle East is also a hub for the transit and distribution of seafood to other markets in North Africa and West Asia.

2. Reciprocal tariff, Impacts and Opportunities

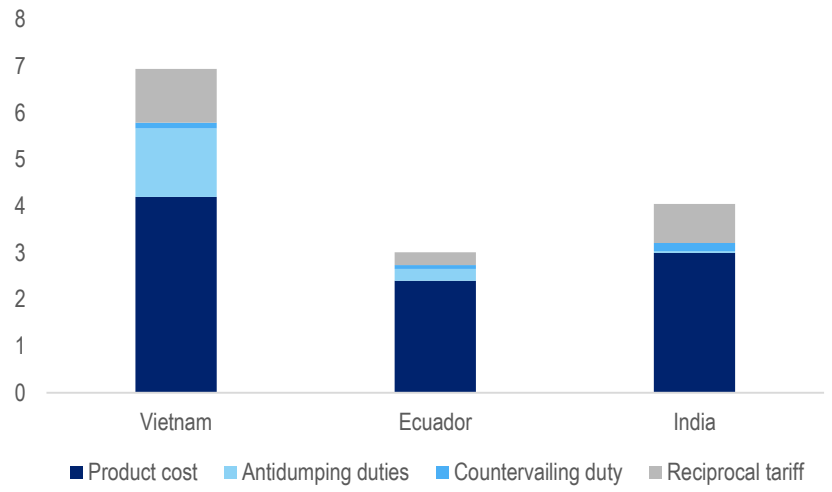
Shrimp exports – Market diversification and deep processing

The US'suppliers per major product category in 2024



Source: NOAA, Shinhan Securities Vietnam

Estimate of production costs and taxes for exporting to the U.S (USD/kg)



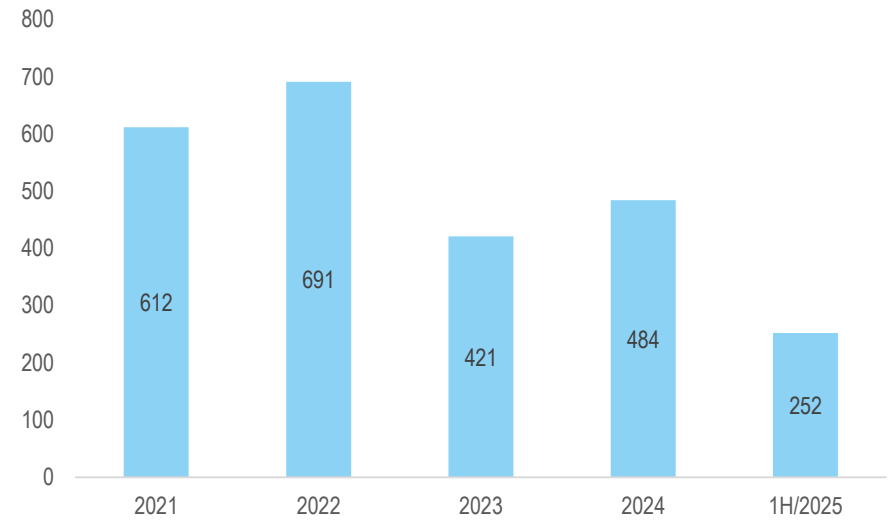
Source: EUMOFA, Shinhan Securities Vietnam

- The Vietnamese shrimp industry is facing numerous difficulties, especially due to anti-dumping, countervailing, and retaliatory tariffs from the US market. The high tariffs, coupled with higher production costs compared to other countries, are putting significant pressure on shrimp businesses in the short term. Additionally, the shipping routes from India and Ecuador to the US and European markets are shorter than those from Vietnam. When all these costs are combined, Vietnam's shrimp costs are twice as high as those of other countries.

- Vietnamese shrimp face intense competition from cheaper shrimp from Ecuador and India, but they maintain their position thanks to product quality, diverse processing capabilities, and niche markets. Importers in the US and EU are increasing orders for processed products – primarily from Vietnam – because competing countries like India and Ecuador lack the deep processing capacity.

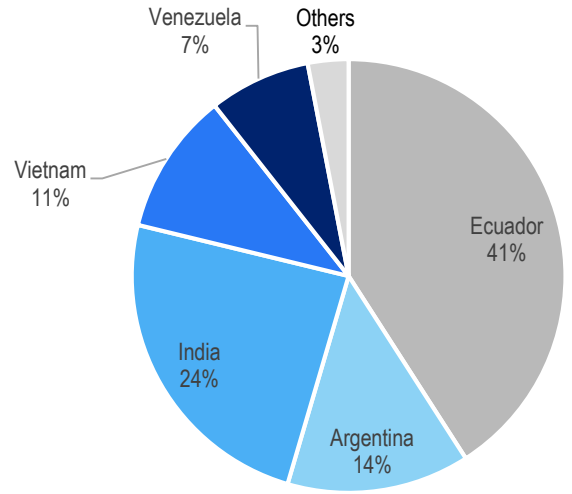
Shrimp exports – Market diversification and deep processing

Vietnam's shrimp export value to the EU from 2021–1H/2025 (USD mn)



Source: Vasep, Shinhan Securities Vietnam

Estimated EU shrimp import market share by value in 2024.



Source: EUMOFA, Shinhan Securities Vietnam

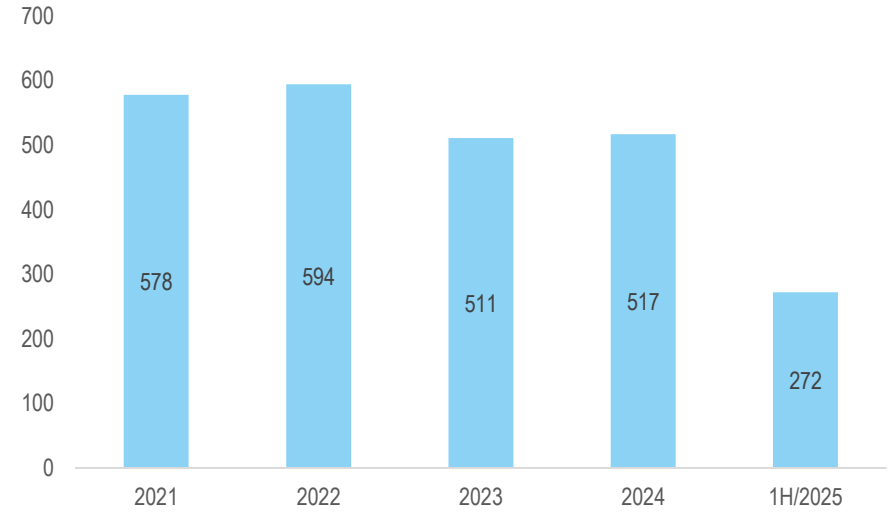
Despite the EU being the world's leading seafood consumer market, Vietnam's market share there is quite small. This is due to stringent quality standards and fierce competition from other suppliers. We anticipate that by continuously improving product quality and effectively leveraging the EVFTA Agreement, the EU will become a promising market for Vietnam's shrimp exports.

The EVFTA provides a significant competitive advantage for Vietnamese seafood through tariff incentives, making prices more competitive compared to other suppliers. For example, in 2024, many Vietnamese shrimp products benefit from a 0% import tariff when entering the EU. Meanwhile, key competitors such as Thailand (subject to a basic 12% tariff due to not having GSP (Generalized System of Preferences) or an FTA), India and Indonesia (both subject to a 4.2% GSP tariff due to not having an FTA), and Ecuador (subject to a basic 12% tariff) are at a tax disadvantage.

2. Reciprocal tariff, Impacts and Opportunities

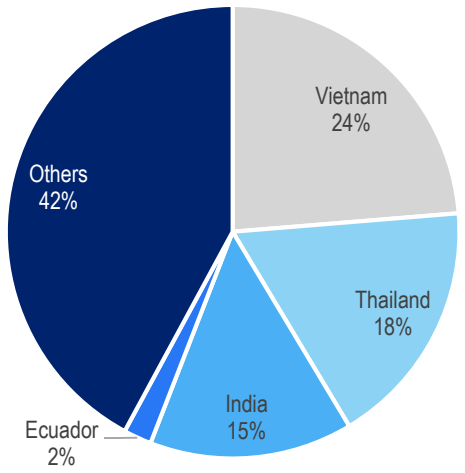
Shrimp exports – Market diversification and deep processing

Vietnam's shrimp export value to Japan from 2021–1H/2025 (USD mn)



Source: Vasep, Shinhan Securities Vietnam

Estimating Japan's shrimp import market share by value in 2024



Source: Vasep, Shinhan Securities Vietnam

Japan is considered a potential and suitable target market for Vietnam's shrimp industry, helping to reduce dependence on traditional markets like the US. Vietnam's value-added shrimp products, including breaded shrimp, fried shrimp, sushi shrimp, and more, maintain a significant competitive advantage in the Japanese market.

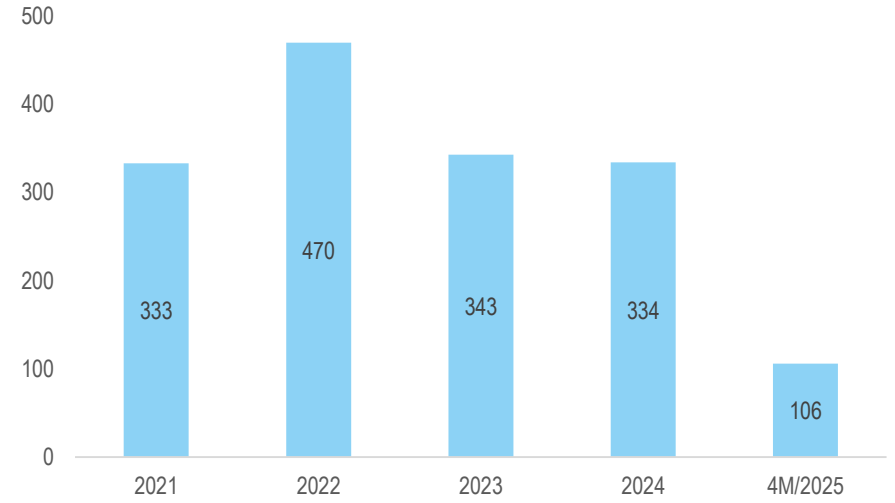
(1) While low-priced, minimally processed shrimp from India and Ecuador are popular in the US and EU markets, Vietnam has the capacity for sophisticated, meticulous processing, which suits the demands of the Japanese market.

(2) Concurrently, logistics expenses to Japan are lower than those for more distant shipping routes such as the US and EU. This prevents significant price increases, thereby facilitating smoother consumption.

(3) Furthermore, unlike the U.S., Japan does not impose countervailing duties (CVD) on shrimp.

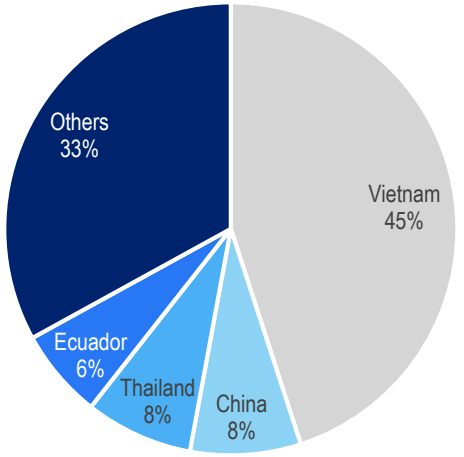
Shrimp exports – Market diversification and deep processing

Vietnam's shrimp export value to Korea from 2021–4M/2025 (USD mn)



Source: Vasep, Shinhan Securities Vietnam

Estimating Korea's shrimp import market share by value in 2024



Source: Vasep, Shinhan Securities Vietnam

Each year, South Korea imports over 100,000 tons of shrimp, valued at USD 800 mn to USD 1 bn. Of this, Vietnamese shrimp consistently holds the largest market share, nearly 50%. We believe South Korea will continue to be a potential market for Vietnam's shrimp exports thanks to:

(1) Save on logistics costs thanks to the advantage of shorter distances compared to long shipping routes like the US and EU.

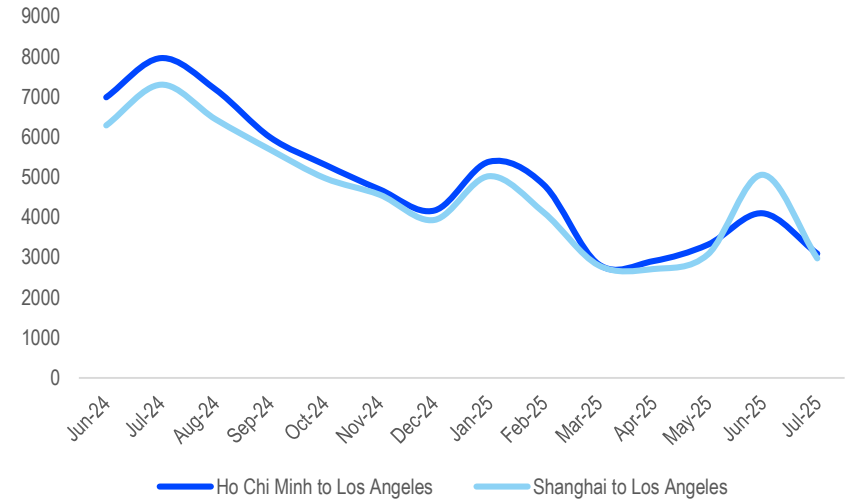
(2) Vietnamese shrimp has certain advantages in import tariffs compared to other sources. Vietnamese shrimp exported to South Korea benefits from preferences under the Vietnam-Korea Free Trade Agreement (VKFTA) with a duty-free quota of 150,000 tons per year. For shrimp exceeding this quota, the import tax is 20%. Therefore, the import tax on Vietnamese shrimp entering South Korea ranges from 14-20%.

(3) Meanwhile, South Korea applies a 0% import tariff on up to 5,000 tons of shrimp annually from Thailand. Any shrimp exceeding this quota will be subject to a basic tariff of 20%. Other suppliers without separate FTAs, such as China, India, and Ecuador, typically face a 20% tariff.

2. Reciprocal tariff, Impacts and Opportunities

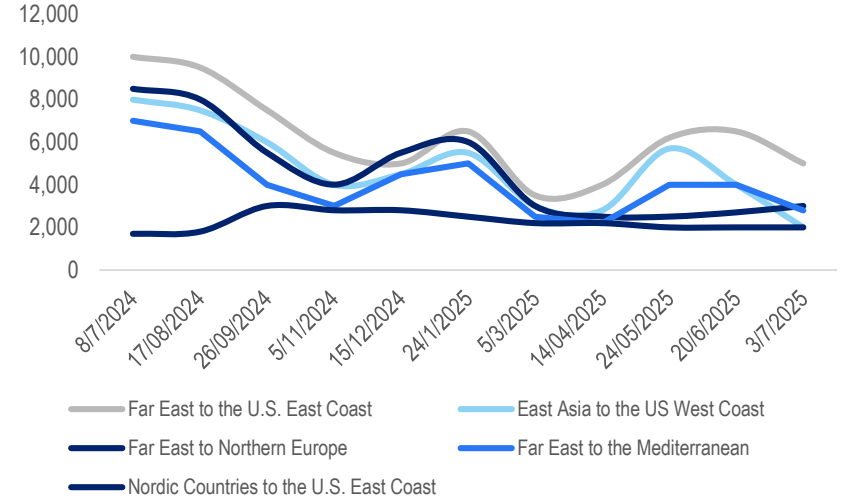
Logistics – Container shipping rates for Asia-U.S. routes continue to fall as demand remains low following a surge in frontloading

Container shipping rates (USD/FEU)



Source: Xeneta, Shinhan Securities Vietnam

The average spot rate for major routes (USD/FEU)



Source: Drewry, Shinhan Securities Vietnam

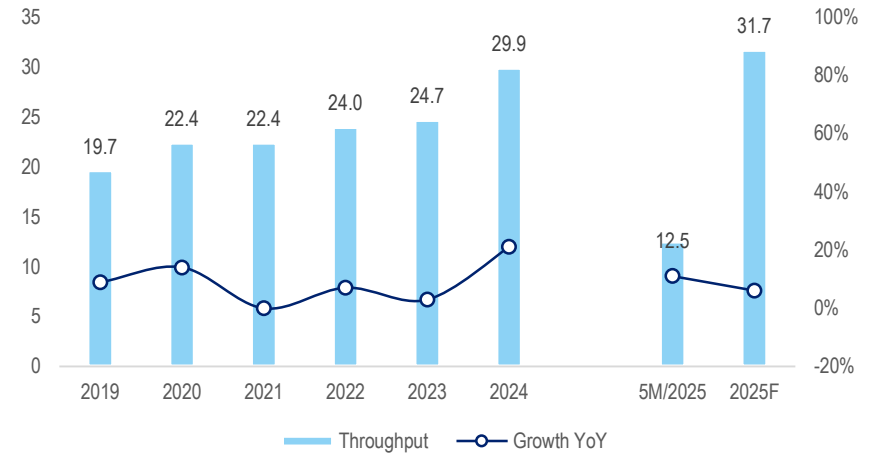
Global freight rates are continuing their downward trend. New U.S. tariffs are not expected to trigger a surge in freight shipments in the second half of the year like what happened in early 2025. The average spot rate on major routes from the Far East to the U.S. has fallen sharply and is now at its lowest level since December 2023.

In addition, as there are no signs that a traditional peak season will push up spot freight rates in the third quarter, shipping lines will have to deal with a significant surplus of fleet capacity.

2. Reciprocal tariff, Impacts and Opportunities

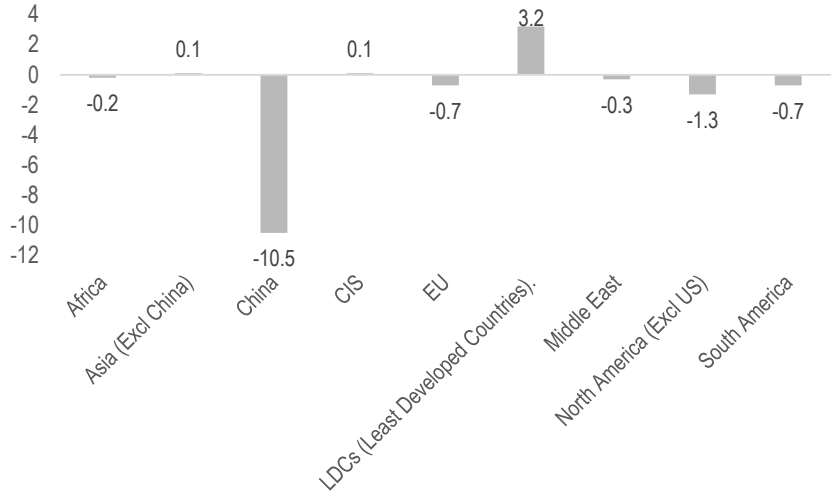
Logistics – Revolving Global Trade

Vietnam's Container Throughput (million TEU)



Source: VPA, Shinhan Securities Vietnam

Estimate the change in the share of exports to the US (percentage points)



Source: WTO, Shinhan Securities Vietnam

- In 1H/2025, the logistics industry benefited from a sudden surge in imports from the US, as businesses engaged in "frontloading" before new tariffs were implemented. Conversely, domestic companies also increased their imports of raw materials for frontloading. This factor also provided support for seaports and logistics businesses.
- In the long run, with the imposition of high tariffs on imported goods, especially those from China, the transport market may experience a shift in trade flows. We believe that intra-Asian and Asia-Europe routes will become more active as domestic businesses diversify their export markets to reduce the impact from the U.S. market.

03 Investment opportunities in Import/Export stocks

3. Investment opportunities in Import/Export stocks

Summary of listed import-export firms with medium to large market cap.

General Info				Price			Key financial ratio			Business result forecast		Valuation 25F	
No.	Ticker	Sector	Mkt.Cap (VND bn)	CP (VND)	TP (*) (VND)	Upside (%)	GPM TTM (%)	ROA TTM (%)	ROE TTM (%)	NPAT 2025 (VND bn)	NPAT growth 2024 (% YoY)	P/E (x)	P/B (x)
1	GMD	Port services	24,791	59,000	73,600	24.7	43.8	7.9	12.0	1,809(**)	15.2	14.9	2.0
2	HAH	Port services	9,827	58,200	54,700	-	38.9	14.3	30.6	895	40.5	11.6	2.2
3	VSC	Port services	9,538	25,100	27,000	7.5	30.2	5.2	9.2	720	37.4	13.0	1.6
4	VHC	Fisheries	13,130	58,500	67,700	15.7	15.9	10.0	14.3	1,486	13.4	11.7	1.6
5	ANV	Fisheries	7,295	27,400	30,500	11.3	18.4	10.1	16.8	870	1,750	9.3	1.8
6	FMC	Fisheries	2,530	38,700	43,300	11.8	10.3	7.3	14.1	395	-6.6	11.8	1.3
7	MSH	Textile & garment	5,676	39,800	44,675	12.2	18.5	12.2	28.9	450	2.0	14.3	2.6
8	TCM	Textile & garment	4,321	33,000	48,400	46.4	16.1	7.6	13.3	336	20.9	10.9	2.4
9	TNG	Textile & garment	3,524	21,500	24,000	11.6	14.8	5.8	18.6	341	8.6	7.1	1.2
10	STK	Textile & garment	2,256	25,000	26,211	4.8	19.0	2.5	5.6	113	841	8.0	1.3
	Total									7,415	33.4		

(*) Target price (fair value) for the next 12 months
(**) We exclude abnormal profit from asset disposals
Source: Fiinpro, Shinhan Securities Vietnam
Data as of 08/08/2025

Song Hong Garment Joint Stock Company (HOSE: MSH)

Target Price (12 Months)	**VND 44,675**
Current Price (04/08/2025)	VND 37,500
Return (%)	19%
VNINDEX	1,507
HNXINDEX	12.0
Market Cap (bn VND)	4,220
Outstanding shares (mn)	113
Free-Floating (mn)	55
52-Wk High/Low (VND)	41,867 / 25,167
90-day avg. trading volume (mn)	0.44
90-day avg. turnover (bn VND)	16
Major shareholders (%) Bui Duc Thinh	23.9
Major shareholders (%) FPT Securities JSC	12.8

Performance	3M	6M	12M
Absolute (%)	26.4	7.1	25.0
Relative to VN-Index (%)	3.5	-12.0	3.2



Catching the recovery wave

Song Hong Garment Joint Stock Company (HOSE: MSH) is one of the leading enterprises in manufacturing export garments and bedding in Vietnam. With an export turnover of nearly 300 million USD/year, MSH is currently in the top 10 enterprises with the largest garment export value in Vietnam. The US is currently MSH's main export market, accounting for about 80% of export revenue with main customers being major fashion brands such as Columbia Sportswear, Haddad Brands, G-III, .. In addition, MSH also possesses great potential in production capacity with 102 million products/year (excluding Xuan Truong II factory).

Investment thesis & Catalyst

- In the context of Vietnam's export tariffs to the US (20%), lower than China (55%), India (25%) and not much different from competitors such as Bangladesh (20%), Indonesia (19%), we assess that MSH will not be affected too negatively and still has the opportunity to continue to maintain its position thanks to: (1) Stable supply chain, large production scale and high-quality products, competitive production costs due to the application of high technology, (2) Long-term cooperative relationships with major customers and (3) The trend of shifting the supply chain out of China helps increase the number of orders.
- Xuan Truong II factory is expected to come into operational from 2025, reaching full capacity after 2 years. Thereby, it is expected to earn 1,500 billion VND in revenue (+30% revenue, +31% capacity compared to 2024).
- The joint venture factory in Egypt is expected to operate with more than 800 employees and 15 sewing lines by the end of 2025. It is expected that by 2027, the production scale will increase to 45 sewing lines and more than 2,000 employees.
- Healthy financial structure and stable policy dividends.

Outlook for 2025:

In 1H2025, MSH recorded net revenue of VND 2,502 billion (+19% YoY), NPAT of VND 499 billion (+80% YoY), completing 45% and 55% of the yearly plan, respectively. MSH's revenue and profit grew positively thanks to the front-loading situation before the end of the 90-day tax deferral period, which motivated importers to speed up ordering, helping to increase the number of orders in the first half of 2025. We forecast MSH's net revenue and NPAT to reach VND 5,574 billion (+6% YoY) and VND 450 billion (+2% YoY), respectively, thanks to (1) Increasing orders shifting from China, (2) Improved production capacity and (3) Focus on high value-added products.

Risks: (1) Risk of declining US textile and garment consumption demand; (2) Risk of fluctuating input material prices; (3) Risk of falling selling prices, (4) Risk of rising exchange rates and (5) Risk of customer bankruptcy.

Year to Dec.	**2022**	**2023**	**2024**	**2025F**	**2026F**
Net revenue (bn VND)	**5,521**	**4,542**	**5,280**	**5,574**	**6,338**
OP (bn VND)	359	187	441	442	647
NP (bn VND)	**338**	**245**	**440**	**450**	**643**
EPS (VND)	4,998	3,260	5,465	3,999	5,716
BPS (VND)	21,452	21,948	23,908	21,963	25,715
OPM (%)	6.5	4.1	8.4	7.9	10.2
NPM (%)	6.1	5.4	8.3	8.1	10.2
ROE (%)	**19.6**	**13.6**	**21.4**	**20.2**	**22.8**
PER (x)	5.7	11.1	9.5	14.3	10.0
PBR (x)	1.4	1.5	1.9	2.6	2.2
EV/EBITDA (x)	4.7	6.7	6.5	8.0	5.8

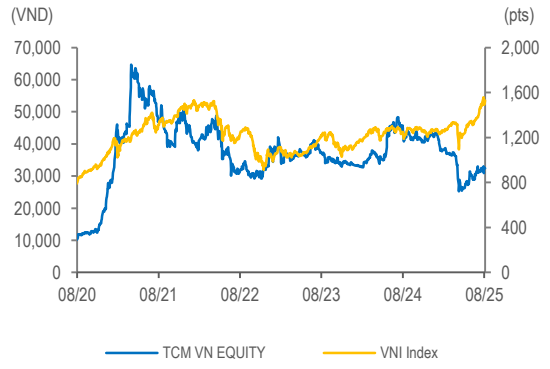
Source: Company data, Bloomberg, Shinhan Securities Vietnam

Thanh Cong Textile Garment Investment Trading JSC (HOSE: TCM)

DỆT MAY THÀNH CONG

Target Price (12 Months)	**VND 48,400**
Current Price (04/08/2025)	VND 32,450
Return (%)	34%
VNINDEX	1,507
HNXINDEX	12.0
Market Cap (bn VND)	3,636
Outstanding shares (mn)	112
Free-Floating (mn)	48
52-Wk High/Low (VND)	45,045/24,545
90-day avg. trading volume (mn)	2.20
90-day avg. turnover (bn VND)	72
Major shareholders (%) E-Land Asia Holdings Pte.,Ltd Singapore	47.0
Major shareholders (%) Nguyen Van Nghia	10.0

Performance	3M	6M	12M
Absolute (%)	24.2	-16.1	-26.9
Relative to VN-Index (%)	1.3	-35.3	-48.8



Directly benefit from the CPTPP Free Trade Agreement

Thanh Cong Textile Garment Investment Trading JSC (HOSE: TCM) is one of the leading textile and garment enterprises in Vietnam with a closed production chain from yarn-weaving/knitting-dyeing-sewing-distribution. The high level of linkage between stages in the value chain helps TCM to be self-sufficient in yarn and fabric supply, with a high speed of product supply and directly benefit from the incentives of the two free trade agreements CPTPP and EVFTA. The Asian market (Korea, Japan) is the main market accounting for more than 40% of TCM's export revenue. With a design capacity of up to 35 million products/year, TCM is among the enterprises with the largest textile and garment production capacity in Vietnam.

Investment thesis

- Diverse export market structure: 28% of TCM's export revenue comes from Korea, 13% from Japan, 8% from the EU market while exports to the US account for 18%. This helps TCM fully exploit tariff incentives in diverse export markets with which Vietnam has signed Free Trade Agreements. This brings about an increase in revenue and an expansion of profit margins for the company.
- As one of the few businesses in Vietnam that can produce fabric, TCM directly benefits from exporting textiles to CPTPP markets such as Canada and Mexico. At the same time, we believe that the demand for fabrics produced in Vietnam will increase thanks to increasingly strict regulations on the origin of textiles. This will create opportunities for TCM to boost fabric supply to the market, contributing to increasing the company's revenue.
- The TC Tower real estate project is expected to be granted a construction permit in early 2026 and open for sale in 2027. Thereby promoting revenue growth in the medium and long term. The project is expected to generate VND 2,813 billion in revenue and VND 1,106 billion in profit for TCM.

Outlook for 2025: In 1H2025, TCM recorded net revenue of VND 1,884 billion (+6% YoY), NPAT of VND 161 billion (+19% YoY), completing 42% and 58% of the year's target, respectively. This is an especially positive result as it marks TCM's highest semi-annual profit ever. The driving force behind the business results comes from the diversification of export markets, optimized production costs and improved domestic demand for fabrics. We forecast TCM's net revenue and net profit in 2025 to reach VND 4,428 billion (+16% YoY) and VND 336 billion (+21% YoY), respectively, thanks to (1) Expanding export markets to CPTPP countries, (2) Improved profit margins thanks to reduced raw material costs, (3) Improved domestic fabric demand, and (4) TC Tower project bringing revenue growth prospects in the medium and long term

Risks: (1) Risk of declining demand; (2) Risk of fluctuation in input material prices; (3) Risk of decreased selling prices and (4) Risk of increased exchange rates.

Year to Dec.	2022	2023	2024	2025F	2026F
Net revenue (bn VND)	**4,337**	**3,325**	**3,810**	**4,428**	**4,976**
OP (bn VND)	346	185	339	401	418
NP (bn VND)	**281**	**134**	**278**	**336**	**330**
EPS (VND)	2,898	1,211	2,708	3,187	3,216
BPS (VND)	24,002	21,576	22,177	14,164	14,486
OPM (%)	8.0	5.6	8.9	9.1	8.4
NPM (%)	6.5	4.0	7.3	7.6	6.6
ROE (%)	**12.9**	**5.6**	**12.2**	**14.0**	**12.4**
PER (x)	14.7	25.9	16.9	10.9	10.8
PBR (x)	2.2	1.9	2.2	2.4	2.4
EV/EBITDA (x)	9.6	11.3	10.3	9.4	9.6

Source: Company data, Bloomberg, Shinhan Securities Vietnam

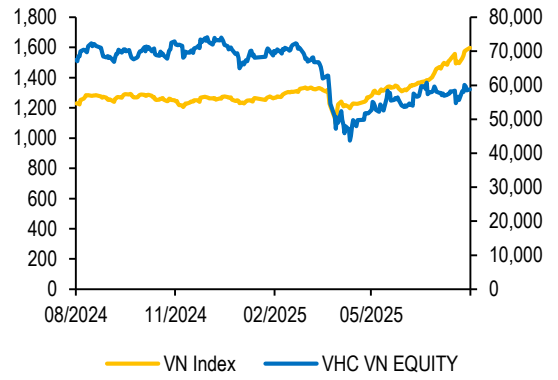
Vinh Hoan Corporation (HOSE: VHC)

VINH HOAN

Target price (12 months)	72,140 VND
Current price (08/08/25)	58,500 VND
Return (%)	23.3 %

VN-INDEX	1,584
HNX-INDEX	272
Market Cap (bn VND)	13,130
Outstanding shares (mn)	224
Free-Floating (mn)	112
52-Wk High/Low (VND)	80,300/43,750
90-day avg. trading volume (mn)	1
90-day avg. turnover (bn VND)	66
Shareholders (%) Truong Thi Le Khanh	42.3
Shareholders (%) Dragon Capital	6.8

Performance	3M	6M	12M
Absolute (%)	13.7	-16.1	-14.7
Relative to VNIndex(%)	-12.3	-42.0	-45.2



Confident plan achievement

Vinh Hoan Corporation is a leading pangasius enterprise in Vietnam, accounting for over 15% of the country's total pangasius export value. Vinh Hoan's primary export markets include the United States, the European Union, and China.

Investment thesis & Catalyst

- VHC owns a closed value chain, from fingerlings and farming to processing, consumption, and byproduct utilization. This allows them to meet traceability requirements. Their high localization rate makes VHC less susceptible to fluctuations in external supply, exchange rates, and logistics.
- In the U.S., VHC has the potential to increase its market share due to its competitive pricing, despite facing a 20% tariff. This tariff is significantly lower than those on tilapia (55%) and on Russian seafood, which is currently under an embargo. In the EU, VHC is expected to maintain its position by leveraging the EVFTA trade agreement, as Russian and Chinese whitefish are subject to a 13.7% tax.
- VHC has strong growth potential in markets like the UK, Mexico, and Brazil by leveraging new free trade agreements (FTAs) such as the CPTPP, UKVFTA, and Mercosur. Additionally, the domestic market only consumes 5-7% of its pangasius output, indicating significant room for growth, especially since the number of businesses operating in this sector is still limited.

- Outlook for 2025

- In the first half of 2025, VHC recorded a revenue of VND 5.841 trillion (-3.5% YoY). However, its after-tax profit surged to VND 734 billion (+38.7% YoY). Despite a sharp decline in export revenue to China, VHC's total revenue only saw a slight dip. This was attributed to a large volume of orders shipped to the United States ahead of the tariff deadline.Meanwhile, the robust growth in after-tax profit was primarily due to reduced production costs, mainly driven by lower prices for animal feed and raw pangasius fish.
- In the second half of 2025, despite significant challenges in the Chinese market due to competition from domestic and Russian imports, and potential tariff risks in the U.S. market, we expect VHC's total revenue to remain largely unaffected. This is due to several key factors: (1) Increased export prices: export prices to key markets are on the rise. (2) Higher profit margins: profit margins are improving as input costs for feed and raw pangasius decrease. (3) Strong market position: VHC's pangasius maintains a strong foothold in the U.S. and EU, supported by competitive pricing and stable output.Strategic Market Diversification: VHC is effectively leveraging new free trade agreements (FTAs) to expand into markets like the UK, Brazil, and Mexico, while also developing the domestic market to reduce reliance on traditional market
- Downside risks: (1) disease risks and unfavorable weather conditions for aquaculture, (2) Risk of shortage in the supply of raw pangasius, (3) Risk of high transportation costs

Year to Dec	2021	2022	2023	2024F	2025F
Revenue (VND bn)	9,054	13,231	10,039	12,535	12,518
OP (VND bn)	1,199	2,254	928	1,253	1,472
NP (VND bn)	1,107	2,013	974	1,311	1,486
EPS (VND)	5,933	10,771	3,994	5,496	6,232
OPM (%)	13.2	17.0	9.2	10.0	11.8
NPM (%)	12.2	15.2	9.5	10.5	11.9
ROE (%)	20.0	29.6	11.7	14.6	14.1
P/E (x)	10.5	6.5	15.1	11.5	11.7
P/B (x)	2.0	1.7	1.6	1.6	1.6

Source: Company data, Bloomberg, Shinhan Securities Vietnam

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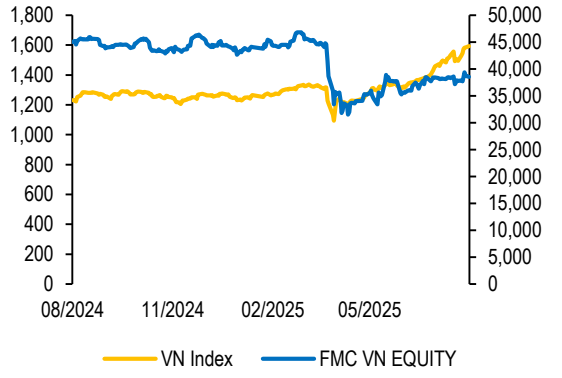
Sao Ta Foods JSC (HOSE: FMC)

FIMEX VN
A MEMBER OF THE PAN GROUP
THE PAN GROUP

Target price (12 months)	43,300 VND
Current price (08/08/25)	38,700 VND
Return (%)	11.8%

VN-INDEX	1,584
HNX-INDEX	272
Market Cap (bn VND)	2,560
Outstanding shares (mn)	65
Free-Floating (mn)	15
52-Wk High/Low (VND)	50,200/32,400
90-day avg. trading volume (mn)	0.1
90-day avg. turnover (bn VND)	5
Shareholders (%) The PAN group JSC	37.75
Shareholders (%) C.P Vietnam Breeding JSC	7.12

Performance	3M	6M	12M
Absolute (%)	3.6	-18.1	-19.0
Relative to VNIndex(%)	-22.4	-44.0	-49.5



Shinhan Securities

Timely market redirection

Sao Ta Food Corporation is one of Vietnam's leading shrimp exporters, consistently ranking among the top 5 largest shrimp exporters in Vietnam. FMC is currently self-sufficient in 30% of its raw shrimp supply and owns a vast farming area of 505 hectares

Investment thesis & Catalyst

- Deep processing helps FMC maintain business efficiency, enhance the value of exported shrimp products on the global market, thereby maintaining market share in Japan (a market that demands meticulous processing techniques) and the US (in the face of pressure from the processed shrimp of Ecuador, India, and Indonesia).
- "Green production" and the application of technology in shrimp farming. The 200-hectare farming area of FMC, certified by ASC (Aquaculture Stewardship Council), will facilitate market penetration in Western Europe. Additionally, the application of technology to increase the success rate of farming and reduce production costs will enhance competitiveness compared to shrimp from Ecuador and India.
- Diversifying Export Markets: Thanks to the advantage of achieving standardized farming areas, FMC will continue to push into new markets such as Canada and Australia.

Outlook for 2025

- In 1H/2025, revenue reached VND 3,870 billion (+43% YoY), however, profit before tax was VND 133 billion (-10% YoY). The reason for this was that high domestic raw shrimp prices affected production costs. Additionally, selling expenses increased by 120% YoY, which impacted profit, mainly due to costs related to anti-dumping (AD) duties, countervailing (CVD) duties, and reciprocal duties for the US market.
- In the second half of 2025, we assess that the business situation will remain under pressure. Diversifying markets and tightly controlling costs will be key for FMC to achieve its annual plan.We project FMC's 2025 revenue to reach 7,936 billion VND, (+14.8% YoY), NPAT to reach 395 bn, (-6.1% YoY). This projection is based on three factors:A ramp-up in inventory during the first half of 2025.A reversal of a 42 billion VND provision from 2023 for the Antidumping Duty (ADD) on the 19th Period of Review (POR19), corresponding to an ADD rate of approximately 4.58%.A slight 3% YoY increase in the average export price.

However, we note that the preliminary ADD rate from the 19th review is 35.29%, and it is currently awaiting a final decision at the end of the year. If this final rate remains unchanged, FMC will not be able to reverse the 42 billion VND provision and may have to pay an additional 300 billion VND, which would negatively impact its profits.

- Downside risks: (1) Competitive risks, (2) Risks of diseases and unfavorable weather conditions for cultivation, (3) Risks of input materials, (4) Risks of high transportation costs.

Year to Dec	2021	2022	2023	2024F	2025F
Revenue (VND bn)	5,199	5,702	5,087	6,913	7,938
OP (VND bn)	265	307	292	363	329
NP (VND bn)	287	321	302	423	395
EPS (VND)	4,677	4,605	4,221	4,675	4,375
OPM (%)	5.1	5.4	5.7	5.3	4.1
NPM (%)	5.5	5.6	5.9	6.1	5.0
ROE (%)	22.4	15.7	13.9	17.1	13.3
P/E (x)	10.8	7.0	7.6	8.8	11.8
P/B (x)	1.7	1.0	0.9	1.2	1.3

Source: Company data, Bloomberg, Shinhan Securities Vietnam

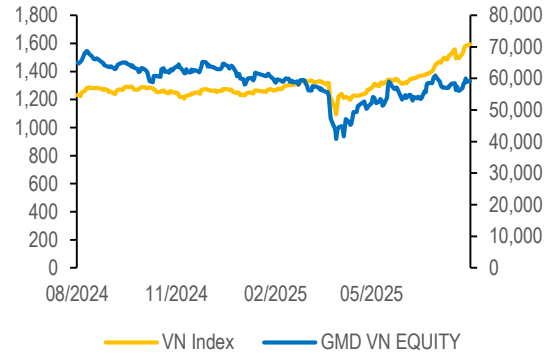
Gemadept Corporation (HOSE: GMD)

GEMADEPT CORPORATION

Target price (12 months)	**73,600 VND**
Current price (08/08/25)	59,000VND
Return (%)	24.7%

VN-INDEX	1,584
HNX-INDEX	272
Market Cap (bn VND)	24,791
Outstanding shares (mn)	420
Free-Floating (mn)	389
52-Wk High/Low (VND)	74,778/42,200
90-day avg. trading volume (mn)	1.79
90-day avg. turnover (bn VND)	119
Shareholders (%) VII FUND II,L.P	13.81
Shareholders (%) SSJ Consulting VN	7.17

Performance	3M	6M	12M
Absolute (%)	11.1	-3.3	-10.3
Relative to VNIndex(%)	-14.9	-29.2	-40.8



A solid foundation

GMD is one of the leading logistic companies in Vietnam, having modern and large-scale ports system, being located at critical economic positions. The main operating businesses: Port operation; logistic activities. GMD owns a total of 7 seaports, with an annual capacity of up to 5 million TEUs and 5 million tons of bulk cargo.

Investment thesis & Catalyst

- Because of leading position in the port industry, we believe that GMD will be less affected by the new tariffs than the industry average. This is thanks to our ports' favorable locations and superior logistics system
- Core profit is expected to continue growing thanks to port service prices, which are anticipated to maintain an upward trend of 5-8% annually. In 2025, we project GMD's output will continue to increase due to the expansion of new shipping routes and the demand for inventory buildup in the first half of the year. Additionally, Gemalink is continuously signing new partnerships with shipping lines, adding more routes, and diversifying into new markets like Europe, Africa, and Canada.
- Also in 2025, GMD will proceed with legal procedures and construction for phase 3 of Nam Dinh Vu Port and Gemalink 2A. The goal is to have these projects operational by Q1 and Q3 of 2026, respectively. This will add over 1.4 million TEUs of capacity for GMD starting in 2026, increasing their total capacity by 20% compared to current levels.

Outlook for 2025

- In 1H/2025, net revenue reached 2,774 billion VND (+29% YoY), and pre-tax profit was 1,261 billion VND (+3% YoY). Excluding the divestment, PBT is estimated to have increased by 48% YoY, and production volume is estimated to have grown by 25% YoY thanks to front-loading.
- In 2025, despite concerns over potential retaliatory tariffs from the U.S., GMD's business results are expected to grow thanks to a few key factors: (1) the launch of new international services at Gemalink and a push to expand intra-Asia routes, (2) the expectation that a proposed 10%-15% increase in handling fees at Gemalink port will be approved in Q4 2025, and (3) the divestment from the rubber business is expected to be completed this year.
- Downside risks: (1) World economic risk and (2) Slow down in demand.

Year to Dec	2021	2022	2023	2024	2025F
Core revenue (VND bn)	3,206	3,916	3,846	4,832	5,308
OP (VND bn)	693	1,104	1,116	1,345	1,585
Core NP (VND bn)	721	1,157	1,061	1,570	1,809
EPS (VND)	1,869	3,054	2,366	3,410	4,278
OPM	21.6	28.2	29.0	27.8%	29.9%
NPM	19.1	25.4	27.6	32.5%	34.1%
ROE (%)	10.0	15.0	10.1	10.7%	11.0%
P/E (x)	33.7	20.6	26.6	18.7	14.9
P/B (x)	2.9	2.6	2.2	2.1	2.0

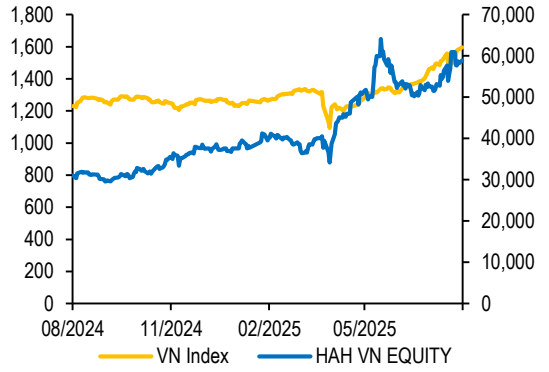
Source: Company data, Bloomberg, Shinhan Securities Vietnam

Hai An Transport & Stevedoring JSC (HOSE: HAH)

Target price (12 months)	**54,700VND**
Current price (08/08/25)	58,200 VND
Return (%)	n/a

VN-INDEX		1,5840
HNX-INDEX		272
Market Cap (bn VND)		9,827
Outstanding shares (mn)		168
Free-Floating (mn)		89
52-Wk High/Low (VND)		90,000/37,800
90-day avg. trading volume (mn)		2.2
90-day avg. turnover (bn VND)		129
Shareholders (%)	Hai Ha Investment and Transport JSC	15.7
	Vietnam Container Shipping	12.6

Performance	3M	6M	12M
Absolute (%)	14.6	44.5	90.7
Relative to VNIndex(%)	-11.4	18.6	60.2



Keep the ball rolling

Hai An Transport and Handling Joint Stock Company (HAH) is one of the leading shipping enterprises in Vietnam. Hai An is one of the few companies with a complete value chain in the shipping industry. Hai An provides a full range of shipping services including freight services (for North-South routes and international maritime routes), shipping agency, port operation services through Hai An port (such as receiving ships, loading, and unloading goods), warehousing services (withdrawing and storing goods) and logistics services. The complete value chain helps Hai An operate efficiently and optimize costs.

Investment thesis & Catalyst

- Expanding the fleet increases capacity. In February 2025, HAH added a new vessel with a capacity of 1,700 TEU, bringing its fleet to 17 ships with a total capacity of 28,200 TEU (a 10% increase in capacity compared to the present).
- Continue expanding the fleet over the next 3-4 years and conquering longer routes, such as the Mediterranean – Europe and the US West Coast lines. The development of large-sized vessels in the near future aims to meet HAH's long-term goal of expanding long-haul transport routes to the Mediterranean – Europe and the US West Coast. These are two bustling shipping lanes, estimated to account for nearly 40% of global container output.
- Working with major shareholder VSC creates synergistic value for both businesses. This partnership helps HAH effectively access and utilize VSC's large port infrastructure as HAH continues to expand many international routes in the future.

Outlook for 2025

- In 1H/2025, HAH reported a net revenue of VND 2,444 bn , a 48% YoY. Pre-tax profit reached VND 846 bn, a 204% YoY. HAH brought four new ships into operation, which, along with increased output and freight rates, contributed to the strong results.
- For the second half of 2025, we remain optimistic about business results thanks to the favorable fixed freight rates secured for newly acquired vessels and the expansion of our intra-Asia routes. Freight rates are projected to stabilize or improve, driven by continued strong growth in global trade demand.
- Downside risks: (1) World economic risk , (2) Slow down in demand and (3) Rising fuel costs

Year to Dec	2021	2022	2023	2024	2025F
Revenue (VND bn)	1,955	3,206	2,613	3,844	4,638
OP (VND bn)	629	1,308	447	807	1,115
NP (VND bn)	551	1,041	358	637	895
EPS (VND)	9,133	11,699	3,648	4,727	6,124
OPM	32.2	40.8	17.1	21.0	24.0
NPM	28.2	32.5	13.7	16.6	19.3
ROE (%)	28.9	36.1	11.2	15.8	17.7
P/E (x)	5.4	4.2	13.6	11.7	11.6
P/B (x)	1.6	1.5	2.0	21.0	2.2

Source: Company data, Bloomberg, Shinhan Securities Vietnam

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Important Disclosure

Stock

- **BUY:** Expected 12-month gain of 15% or more
- **HOLD:** Expected 12-month loss of 15% to gain of 15%
- **SELL:** Expected 12-month loss of 15% or more

Sector

- **OVERWEIGHT:** Based on market cap, largest share of sector stocks under coverage is rated BUY
- **NEUTRAL:** Based on market cap, largest share of sector stocks under coverage is rated HOLD
- **UNDERWEIGHT:** Based on market cap, largest share of sector stocks under coverage is rated SELL



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