Shinhan Securities

Investment Outlook 2026

Ascend to New Heights

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Foreword

The year 2025 marked a period of significant headwinds for Vietnam's economy amidst global trade volatility. Notably, the US implementation of reciprocal tariff policies in April 2025, targeting nations with trade surpluses, left a direct impact on Vietnam. Since August 2025, the enforcement of a 20% tariff on imports and 40% on transshipped goods has exerted substantial pressure on export activities. However, bolstered by the Government's timely support and fiscal stimulus measures, the economy has demonstrated remarkable resilience. The impressive growth recorded in the first 11 months not only affirms the transition toward a sustainable and self-reliant development model but also establishes solid momentum for the subsequent phase.

Standing firm amidst global turbulence, Vietnam's economy is confidently poised for high growth in 2026. Achieving this target necessitates synchronized coordination and agile action from the Government, enterprises and each individuals.

Research Team
Shinhan Securities Vietnam
December 09th, 2025

Macroeconomic outlook

Vietnam's National Assembly has approved a bold GDP growth target of 10% or higher for 2026, notwithstanding current economic challenges. We believe that with the Government's strong determination, the goal of double-digit growth throughout the 2026-2030 phase is fully within reach. To achieve the sustainable growth in the long-term, Vietnam needs to improve the labor productivity of the economy. In the short-term in 2026, expectations are placed on the transformation of the capital market, policy reform and infrastructure investment to create momentum for the economy. Inflation is anticipated to remain under control at approximately 3.6%, below target cap of 4.5%, while the exchange rate is expected to increase by 3% compared to 2025.

Stock market outlook

The year 2025 marks a pivotal milestone in the history of Vietnam's stock market, defined by FTSE Russell's decision to reclassify Vietnam from a Frontier Market to a Secondary Emerging Market. With the upgrade officially taking effect in September 2026, Vietnam is well positioned to attract substantial capital inflows from global funds. This transition is expected to create positive spillover effects, bolstering market liquidity, valuations, and overall market capitalization.

The stock market will be underpinned by the intrinsic strength of the economy. We project earnings growth for listed companies to reach approximately 18.5% in 2026. Based on a target P/E of 14.5x - 15x, we estimate the fair value range for the VN-Index to be between 1,930 and 2,000. In a bullish scenario, assuming a target P/E of 16x, we anticipate the VN-Index to surpass the 2,100 point threshold.

Potential Sectors

We anticipate that specific sectors and enterprises have the potential to attract robust capital inflows in 2026, including (1) the Banking and Financial services sector, (2) the companies benefiting from FDI and Public Investment, (3) the Retail sector, and (4) the companies participating in key national projects.

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Macroeconomics

Growth in uncertainties

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Macroeconomics: Growth in uncertainties

On 13 November 2025, the Vietnamese National Assembly approved a GDP growth of 10% or higher for the 2026 year target despite the current challenges that the economy was facing. The US reciprocal tariffs in 2025 increased the risk level in the global trade. The high domestic exchange rate puts pressure on domestic interest rates. In this section, three main contents would be discussed:

1. The growth direction

To achieve the sustainable growth in the long-term, Vietnam needs to improve the labor productivity of the economy. In the short-term in 2026, expectations are placed on the transformation of the capital market, policy reform and infrastructure investment to create momentum for the economy.

2. Major challenges

There are two major challenges that the economy was facing: uncertainties from reciprocal tariffs and high exchange rates. Potential challenges from the reciprocal tariffs stressed the existing problems that some sectors and businesses in Vietnam were facing. This could affect the overall growth momentum. In addition, uncertainties from the reciprocal tariffs required a strong financial market to cope with unexpected negative impacts. Moreover, the continuous increase in exchange rates would put pressure on interest rates, making the room for monetary policy support narrower.

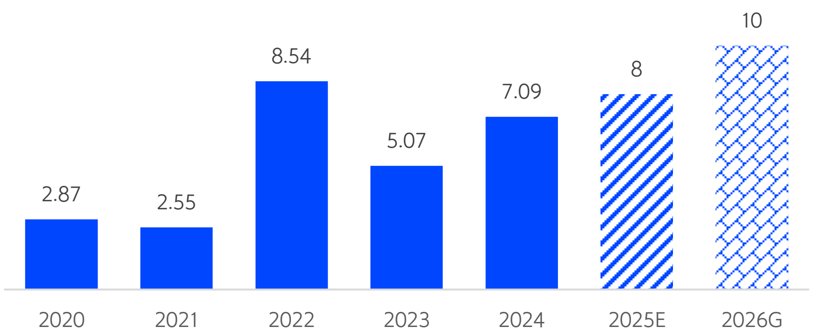
3. Our forecast and tracking factors

From the top-down macro analysis perspective, we found the potential of the banking, securities and companies participating in the key national projects.

Keeping the fire growing amid headwinds

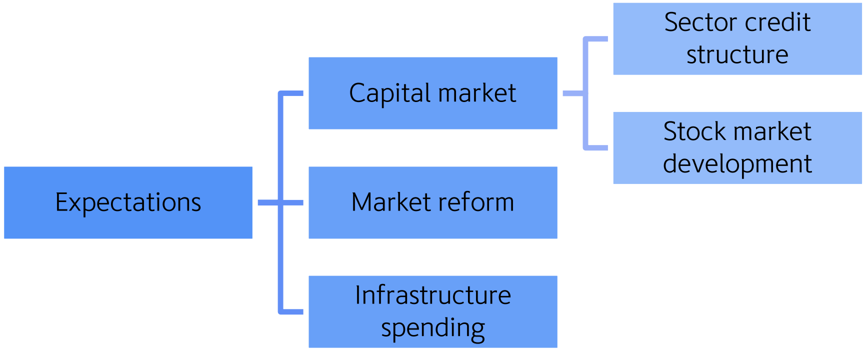
- The year 2025 marked a challenging period for the Vietnamese economy. In April 2025, the US imposed reciprocal tariffs on countries with large trade surpluses with the US, and Vietnam was among the directly affected groups. This move not only increased risks in bilateral trade relations but also reflected a profound change in the global trade structure - which is increasingly unpredictable and potentially unstable. At the same time, the domestic exchange rate was under great pressure. By the end of October 2025, the USD/VND exchange rate on the free market had increased by 7.8%.
- However, on 13 November 2025, the Vietnamese National Assembly passed the Resolution on socio-economic development in 2026. Continuing to maintain high growth, with the goal of becoming a modern, high-income economy by 2045, the GDP growth target for 2026 assigned by the National Assembly was 10% or higher regardless of global uncertainties.
- To achieve the goal, improving the country's labor productivity in the long term is the key issue. In the short term, in 2026, specific major changes were expected to materialize: (1) Strong transformation of the capital market, including changes in credit structure and stock market development, (2) Policy reforms and (3) Positive impacts from infrastructure development. These are also investment ideas from a top-down perspective for 2026.

Annual GDP growth (%)



Source: GSO, Shinhan Securities Vietnam

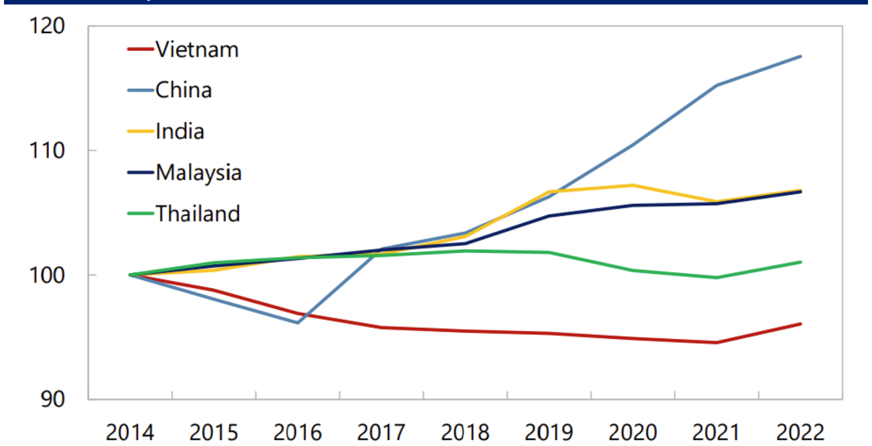
Expected changes in 2026



Improving the productivity

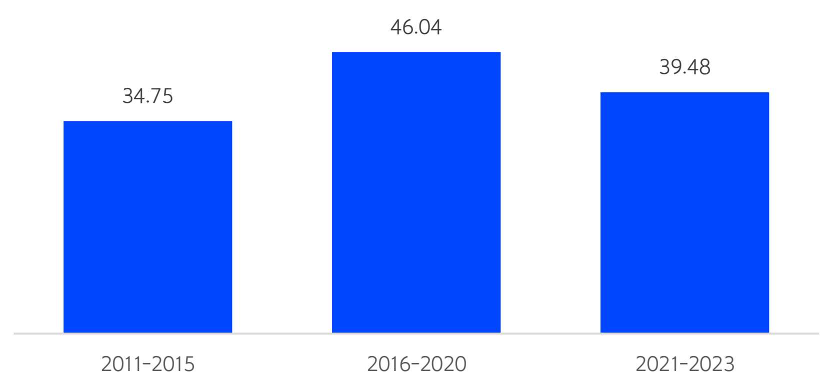
- In the 2025 strategy report, we mentioned that improving labor productivity was the key for the Vietnamese economy to achieve long-term growth. Total factor productivity (TFP) is an effective measure to evaluate labor productivity.
- Vietnam's TFP had been on a downward trend since 2015 and had lagged behind other countries in the Asian region. The contribution of TFP to Vietnam's overall growth rate in the period from 2016 to 2020 reached 46.04%, while in the period from 2021 to 2023, the proportion decreased to 39.48%.
- The IMF Country Report on Vietnam No. 25/284 in 2025 (Country Report No. 25/284) mentioned the reasons for Vietnam's low TFP along with recommendations for improvement. One of the major factors holding back Vietnam's TFP growth was the inefficiency of its labor and capital markets. The solution could come from policy reforms that could help businesses use resources better and expand with superior productivity and growth.

TFP of countries in Asia in the period 2014 – 2022 (logarithm scale, 2014 = 100)



Source: IMF, Shinhan Securities Vietnam

Contribution ratio of TFP to overall growth rate (%)



Source: GSO, Shinhan Securities Vietnam

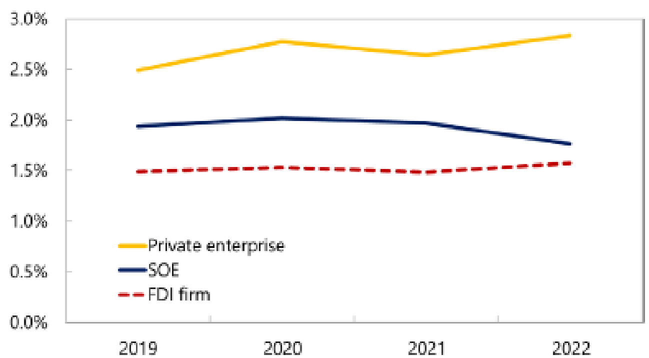
Credit structure changes

- Capital allocation has become inefficient since the Covid 2020 pandemic. There has been instabilities and distortions in capital markets, especially in the credit market. The inefficient allocation of credit were (1) between state-owned enterprises (SOEs) and private companies and (2) between sectors. The difference in borrowing costs between groups of enterprises – SOEs, FDI and the private sector – created a competitive advantage not based on productivity. SOEs accessed capital at lower costs, thereby maintaining market share, but operate less efficiently than the private sector. This reduced the efficiency of capital use in the entire economy.

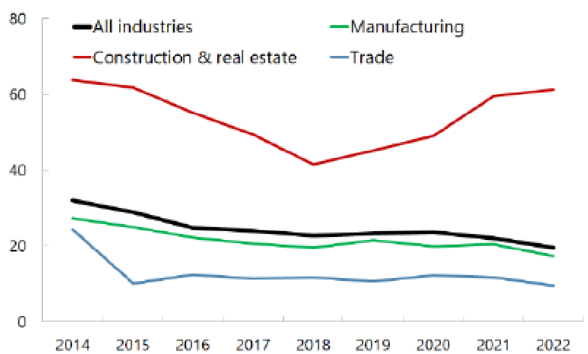
- In addition, strong credit flew into low-productivity sectors such as construction and real estate, which also restrained TFP growth. The debt to revenue ratio of the construction and real estate sector was much higher than other sectors, but the TFP growth of construction and real estate was only equivalent to other sectors. Prioritizing these sectors in capital allocation not only distorted the economic structure but also reduced the efficiency of social investment.

- These issues have been noticed by the Vietnamese Government. The Ministry of Finance announced Circulars related to the equitization of SOEs that would continue to take effect on 11 November 2025. The equitization of SOEs could increase the labor productivity of this group. In addition, the Resolution on socio-economic development in 2026 emphasized: Credit capital flows need to be directed to production and business sectors, and credit control for sectors with potential risks. We believed that there would be changes in the credit structure between sectors of the economy in 2026.

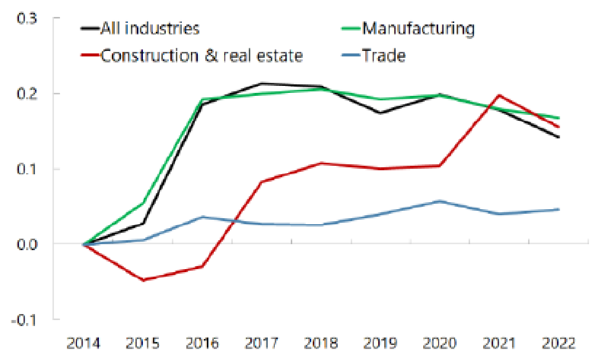
Firm's borrowing cost by ownership type (median)



Debt to revenue by industry (%)



TFP by industry (logarithm, 2014 = 0)

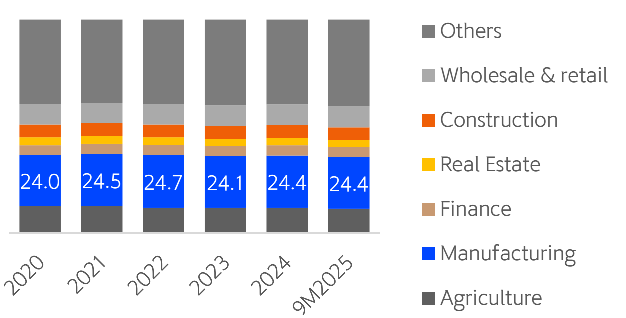


Source: IMF, Shinhan Securities Vietnam

Manufacturing is the main driver of growth

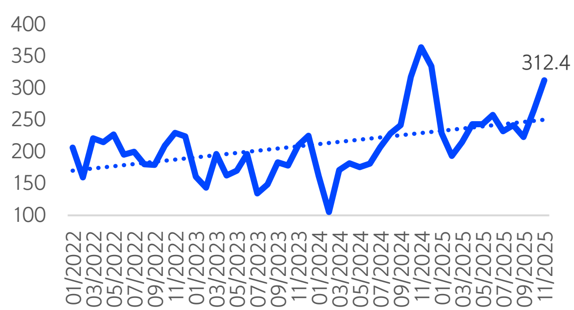
- The credit structure focusing on the manufacturing sector is consistent with the sustainable economic development in the long term. By economic sector, the manufacturing sector was always the largest group in the GDP structure. In 9M 2025, the manufacturing industry accounted for 24.40% of the GDP structure. Sector such as construction only accounted for 5.77%; finance, banking and insurance activities accounted for 4.64%; and real estate business activities accounted for 3.34%.
- The industrial production index (IIP) in the last 2 years (2024-2025) has had impressive increases over the months. Some production groups had impressive increases in the last 2 years. For example, the motor vehicle manufacturing group was the group with the highest YoY growth among the manufacturing groups, with a cumulative 10M2025 increase of 23.5% YoY. The strong development of the domestic motor vehicle manufacturing was a positive sign that Vietnam would develop and strengthen its domestic production capacity, sharing its contribution to the whole manufacturing industry alongside FDI companies that only served export purposes.
- PMI was showing that the manufacturing sector had been gradually recovering after a difficult period after 2022. In 2023, PMI was continuously below 50 points for many consecutive months, indicating a significant contraction in production. In 2024, the PMI index recovered for a period before President Trump was elected. Concerns about tariffs have affected since September 2024. After the negotiation efforts of Vietnam and the US, since June 2025, the PMI index has continuously maintained above 50 points, showing that domestic production has gradually recovered.

GDP structure in current prices by sector (%)



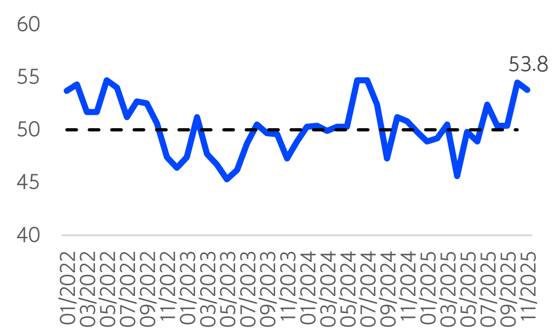
Source: GSO, S&P Global, Shinhan Securities Vietnam

Monthly IIP of vehicle motor production (sector level 4) (2015=100)



Source: GSO, S&P Global, Shinhan Securities Vietnam

PMI from 2022 to 10/2025



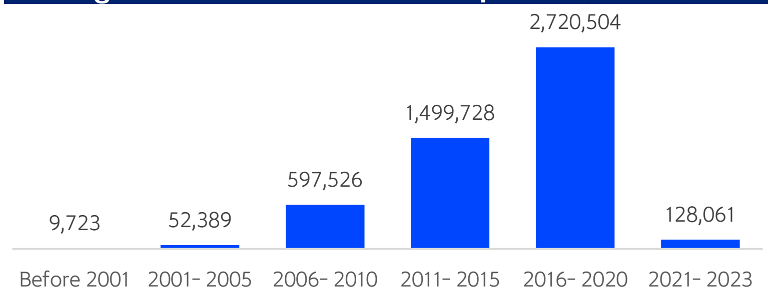
Upgrading the market accelerated equitization of SOEs and large IPO deals

- Equitization of state-owned enterprises (SOEs) in non-essential sectors – not related to defense and security – was considered one of the solutions to improve the efficiency of resource allocation and to improve productivity of the entire economy. The 2016-2020 period was a major milestone in the equitization process of SOEs with the average value of equitized SOEs reaching VND 2,721 billion. At the same time, this was also the period when the Vietnamese stock market recorded strong foreign capital inflows, with the total net buying value of foreign investors reaching VND 53.6 trillion. 2017 and 2018 were the two years when foreign investors had the highest net buying in the period 2010-2025.

- Typical deals in the SOE sector included the successful listing of large companies such as Vietnam Airlines (HVN), Petrolimex (PLX) or the successful sale of Sabeco's capital to ThaiBev. 2017 was a successful year not only for the equitization of SOEs but also witnessed major deals in the private sector. In the private sector, major deals in 2017 included the successful listing of VPBank (VPB), Vincom Retail (VRE)... or KKR's investment in MSN.

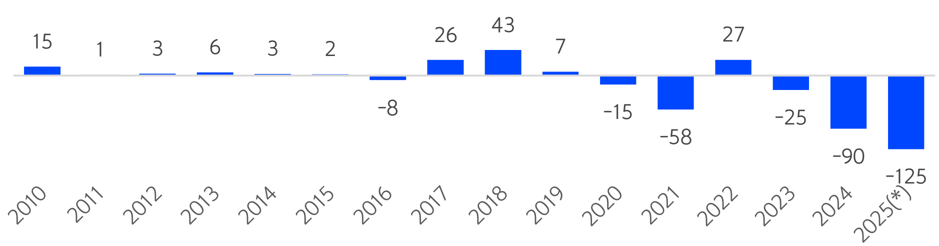
- 2025 marked a pivotal moment in the history of the Vietnamese stock market development with FTSE Russell upgrading Vietnam from a frontier market to a secondary emerging market. The upgrade will officially take effect in September 2026, Vietnam can attract more capital flows from global investment funds, creating a positive spillover effect on liquidity, valuation and market size. IPOs from large private companies and equitization of SOEs were expected to be stronger. Foreign capital was also expected to return to the Vietnamese market in 2026.

Average value of SOEs which were equitized (VND mn)



Source: Ministry of Finance, Shinhan Securities Vietnam

Foreign net buying/ selling over years (VND bn)



Source: Fiinpro, Shinhan Securities Vietnam, (*) 2025 figures updated as of the end of November 2025.

Upgrade – The Road Ahead

- Vietnam was put on the FTSE watchlist for market upgrade in September 2018. After 7 years of persistence, the upgrade had been realized. During that time, the Government had made continuous efforts to improve the market through legal reforms. Circular No. 68/2024/TT-BTC (TT68) and Circular No. 18/2025/TT-BTC on implementing non-prefunding solutions were issued. On 8 October 2025, FTSE Russell announced that Vietnam would be upgraded to a secondary emerging market.
- However, FTSE Russell stated in the announcement: Vietnam's market will be classified as a secondary emerging market effective on Monday, 21 September 2026 based on the results of the mid-term review in March 2026. FTSE will follow the progress of enabling access to global brokers in the March 2026 review. According to FTSE, accessing to global investor will support foreign investment organizations with reliable trading partners (counterparties) to be able to replicate and trade FTSE indices. Vietnam will need to make efforts to complete the legal framework to allow international brokerage firms to operate in Vietnam for the upcoming review.

Milestones

9/2018	Vietnam was added to the Watchlist for possible reclassification from Frontier market to Secondary Emerging market status
9/2024	Circular 68 solved the "pre-funding" issue and information disclosure
11/2024	Created the mechanism for establishing CCP entity
10/2025	FTSE Russell upgraded Vietnam to Secondary Emerging market status
3/2026	FTSE Russell will follow the progress of enabling access to global brokers.
9/2026	The reclassification will be effective subject to an interim review in March 2026

Source: Shinhan Securities Vietnam

Top 10 stocks would be added to FTSE Emerging Index based on data at 28/11/2025

Ticker	Adjusted free-float market capitalization (VND bn)
VIC	281,949.2
VPB	211,890.3
TCB	185,011.1
FPT	151,666.3
LPB	133,255.8
MBB	130,057.7
VCB	121,891.8
HPG	121,784.2
ACB	115,621.8
VHM	111,538.9

Source: Bloomberg, Shinhan Securities Vietnam

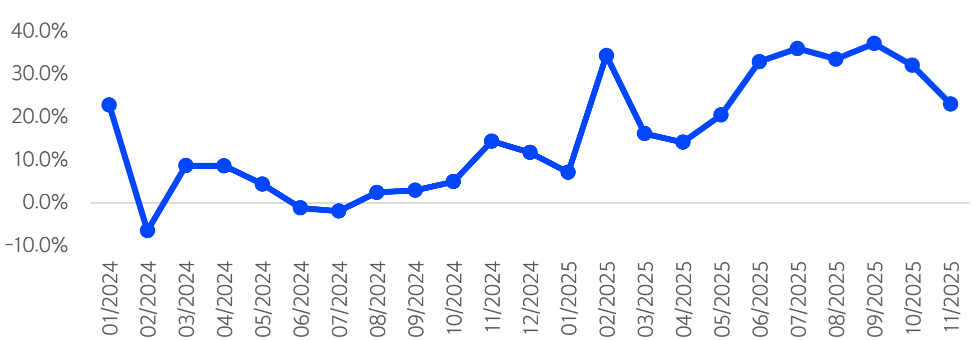
Public investment plays an important role. Policy reforms create the premise for sustainable development

- The growth rate of public investment in 2025 increased rapidly after the provinces merge in late June 2025. Key projects were the main interest of the Government. These projects were promoted to connect infrastructure between provinces and urban planning. Projects such as: North-South high-speed railway, Lao Cai - Hanoi - Hai Phong railway connecting important ports in the North with Chinese border gates; expanded metro lines in the two major cities of Hanoi and Ho Chi Minh City; Long Thanh international airport and Ninh Thuan nuclear power project (1 & 2) are key projects of Vietnam in the next 5 years.

- Comprehensive policy reforms will contribute to GDP growth. At the 9th session of the 15th National Assembly in 2025, 34 Laws and 34 Resolutions were passed, including the Law on Credit Institutions (amended) which will contribute greatly to improving the health of Vietnam's financial sector in the future. The Law stipulates that credit institutions, foreign bank branches, debt trading and settlement organizations are entitled to seize secured assets if they fully meet the conditions.

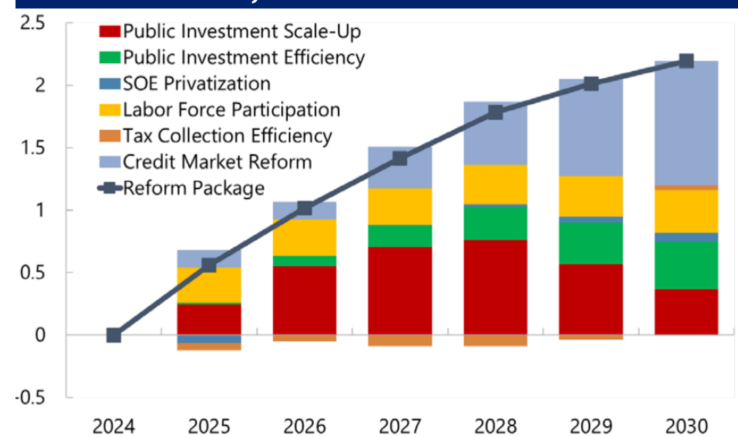
- According to the IMF, boosting public investment in the 2025-2030 period could contribute 0.8 percentage points to GDP growth in 2027 while implementing the Law on Credit Institutions (amended) will contribute up to 1 percentage point to GDP growth in 2029-2030.

Monthly YoY growth of infrastructure spending from 2024



Source: GSO, Shinhan Securities Vietnam

Real GDP growth gains from reform (%, deviation from the baseline 2024)



Source: IMF, Shinhan Securities Vietnam

Important policies

- At the end of 2024 and 2025, four important resolutions (57, 59, 66, 68-NQ/TW) often referred to as the "four pillars" were issued, creating the framework for the country's development. During the 9th session, the 15th National Assembly passed 34 Laws and 34 Resolutions. Many laws and resolutions played an important role, creating a direct driving force for the economy in the short term.

Laws, resolution were passed in 9th session, the 15th National Assembly

Documents	Content	Main ideas	Passed date
Resolution 198/2025/QH15	Special mechanisms and policies for private economic development (supplementing Resolution 68)	Regulations on many incentives for small and medium enterprises (preferential taxes, lump-sum taxes, business license fees), support for start-up businesses (land rent, corporate income tax, personal income tax)...	17/5/2025
Law 95/2025/QH15	Railway law	- Removing bottlenecks in railway system development (planning, capital mobilization, shortening investment procedures, etc.) - Regulations that large airports (over 30 million passengers/year), large seaports and large inland ports must have railway connections to the port	27/6/2025
Law 96/2025/QH15	Law on Credit Institutions (amended)	- Clearly stipulate the right to seize secured assets, handle seized assets and return evidence - SBV has the right to decide on special loans with an interest rate of 0%/year	27/6/2025
Law on 8 laws 90/2025/QH15	Amendment of laws on Bidding, PPP, Customs, VAT, Import-Export Tax, Investment, Public Investment, Management & Use of Public Assets	Clearly demonstrates the spirit of increasing decentralization (different from previous authorization), promoting public investment, supporting innovation and promoting the digital economy.	25/6/2025
Law 76/2025/QH15	Law on Enterprises (amended)	- Revise the definition of dividends and market prices - Adjust and supplement regulations on private bond offerings	17/6/2025
Law 93/2025/QH15	Law on Science, Technology and Innovation 2025	- Creating a legal framework for "innovation" activities - Legal framework for AI research activities	27/6/2025
Resolution 201/2025/QH15	Piloting specific mechanisms and policies fo r social housing development	Establishing the National Housing Fund, assigning investors without bidding, incentives on compensation, resettlement and infrastructure	29/5/2025
Resolution 222/2025/QH15	International Financial Center in Vietnam	Proposing development goals, principles of establishment and operation of the International Financial Center	27/6/2025

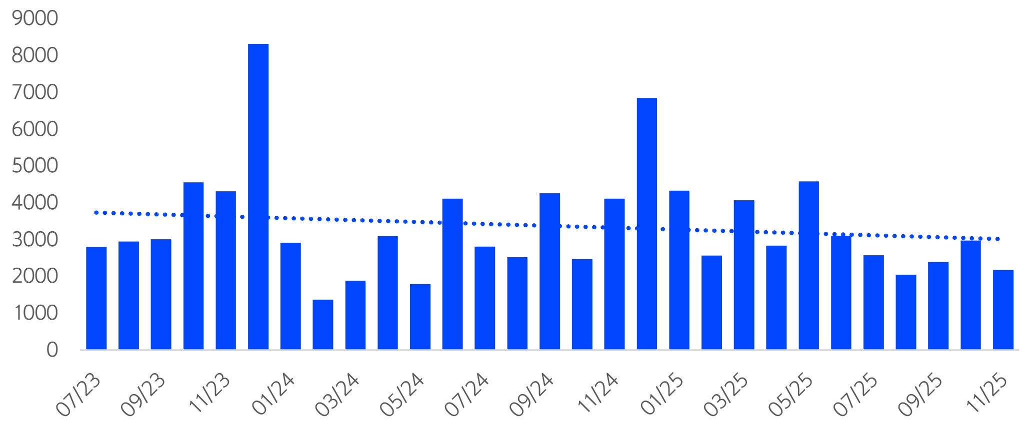
Sources: National Assembly, LuatVietnam, Shinhan Securities Vietnam

The volatility of global trade raises concerns about the resilience of export sector and the development of the banking system.

- US tariff policies and volatility in global trade pose significant challenges to Vietnam's economic growth prospects. Some key export sector to the US market may be directly affected, and foreign direct investment (FDI) flows are also at risk of being disrupted due to supply chain shifts and changes in global investment strategies. Tariffs stressed the problems of some domestic sectors and companies such as (1) heavy dependence on a single export and import market, (2) limited technological capacity, making it difficult for businesses to quickly adapt to strict standards from alternative markets, and (3) low value-added in the production chain, reducing competitiveness in the context of strong global trade differentiation.

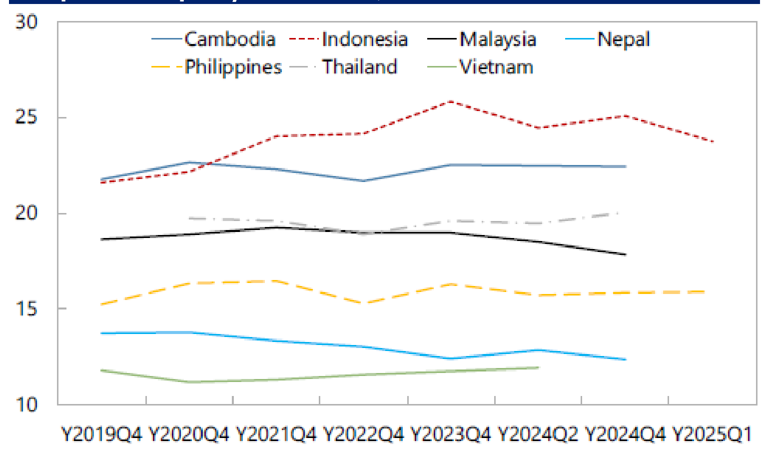
- The requirement to build a strong financial market is more urgent than ever. The banking system needs to be strengthened to be more resilient to external shocks. Although the capital adequacy ratio of Vietnamese banks has been improving over the years, it is still lower than that of banks in the region. The improvement of asset quality of the whole sector will need to continue in 2026, based on the revised laws and ensuring that credit growth does not erode the quality of bank assets.

Monthly FDI (USD million)



Source: Fiinpro, Shinhan Securities Vietnam

Capital adequacy ratio (CAR, unit %) of Asian countries

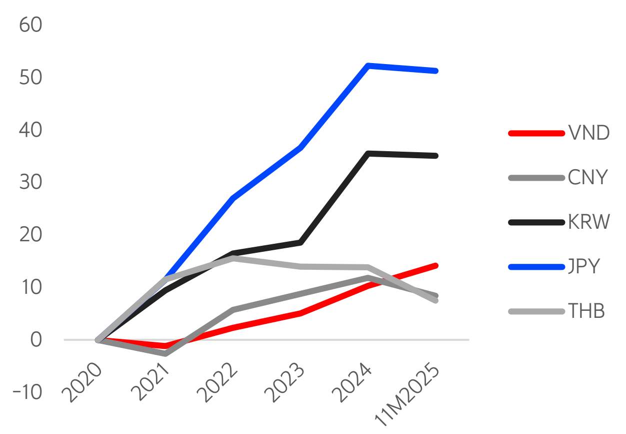


Source : IMF, Shinhan Securities Vietnam

Pressure from exchange rate

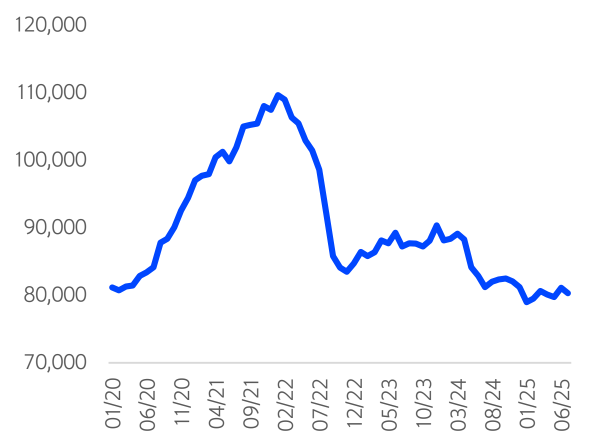
- Until October 2025, according to data from Bloomberg, the VND had depreciated 3.3% YTD against the USD. In 2024, the VND depreciated 5.0% against the USD. However, if we consider the period from 2020 to 2025, the VND was still stronger than other currencies in the Asia region. The depreciation of the VND against the USD was only higher than other currencies in the region starting in 2025.
- The pressure on the exchange rate mainly comes from the increased domestic USD demand for imports, while foreign currency capital flows tended to be net withdrawals. The State Bank of Vietnam (SBV) has repeatedly sold foreign currency forwards to intervene in the market. The effectiveness of this measure was still limited, while the room for intervention was increasingly narrowing due to the decline in foreign exchange reserves. After peaking in early 2022, Vietnam's foreign exchange reserves in the past 3 years had been on a downward trend. The YTD declines for 2024 and July 2025 were $9.1 billion and $0.9 billion, respectively. The decline in foreign exchange reserves partly reflected the consequences of the interest rate differential between Vietnam and the United States from 2023.

Change in exchange rate VND USD in comparison to other countries (2020 = 0, unit: %)



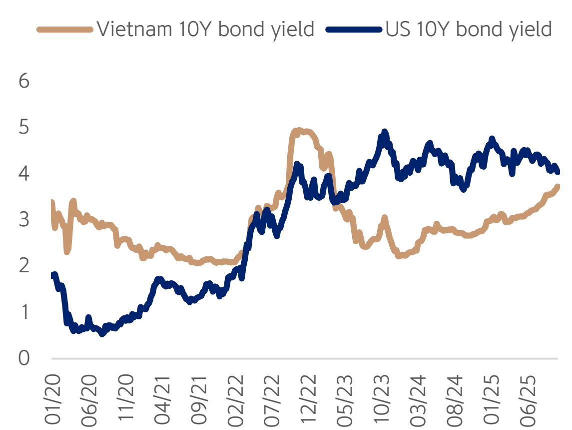
Source: Bloomberg, Shinhan Securities Vietnam

Monthly foreign reserves (USD million)



Source: Bloomberg, Shinhan Securities Vietnam

Bond yield 10Y Vietnam and US (%)

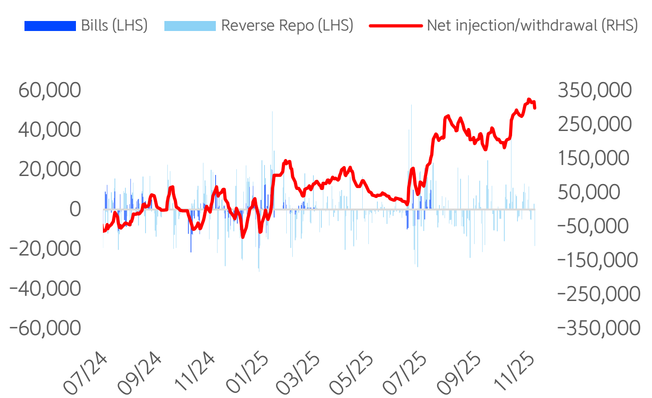


Source: Bloomberg, Shinhan Securities Vietnam

Interest rates have gradually increased in the last months of the year

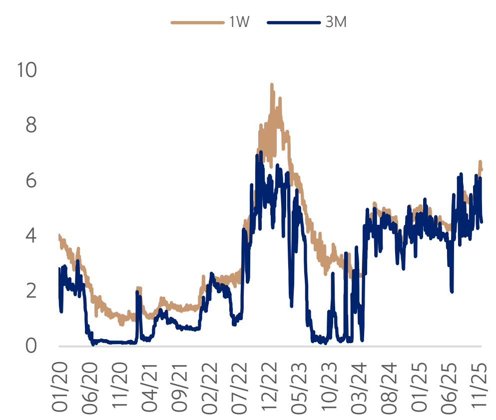
- The State Bank of Vietnam (SBV) has actively supported liquidity for the economy in the 2024-2025 period through open market operations. In 10M2025, the SBV has injected more than 198 trillion VND. Maintaining low interest rates to wait for cuts from the FED as well as supporting the economy has helped GDP growth impressively in the 2024-2025 period.
- However, with the VND constantly under pressure of depreciation, the interest rate level tends to increase again at the end of 2025, narrowing the interest rate gap between Vietnam and the US. The 10Y interest rate gap between Vietnam and the US at the end of 2022, 2023, 2024 and Sept/2025 was 0.9%, -1.6%, -1.7% and -0.6% respectively. The average 1W and 3M interbank interest rates in 2025 (as of the end of October 2025) increased by 0.77% and 0.91% compared to the average for the whole year of 2024.
- Deposit and lending interest rates of credit institutions also increased gradually. In October 2025, the average VND deposit interest rate of domestic commercial banks was 4.6-5.5%/year for deposits with terms from 6 months to 12 months (4.4-5.3%/year in January 2025). The average lending interest rate of domestic commercial banks for new and old outstanding loans was 6.5-9.0%/year in October 2025 (6.7-9.0%/year in January).

Open market (VND trillion)



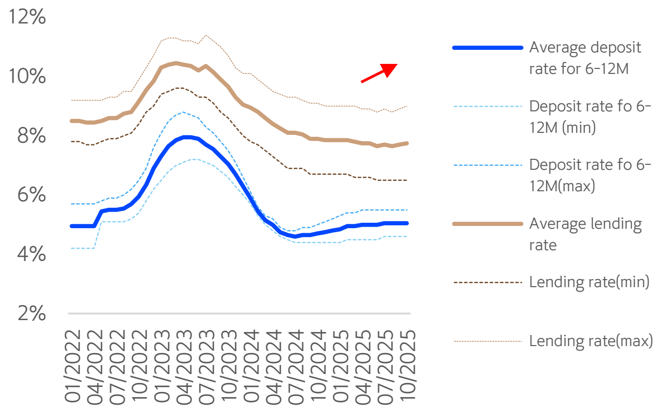
Source: Fiinpro, Shinhan Securities Vietnam

Interbank interest rate (%)



Source: Bloomberg, Shinhan Securities Vietnam

Deposit and Lending interest rate

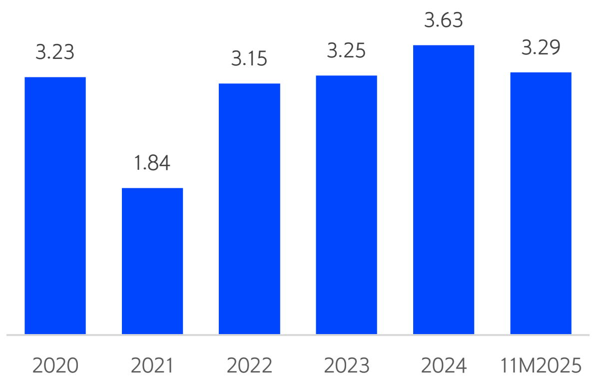


Source: SBV, Shinhan Securities Vietnam

Inflation – Factors to be closely monitored

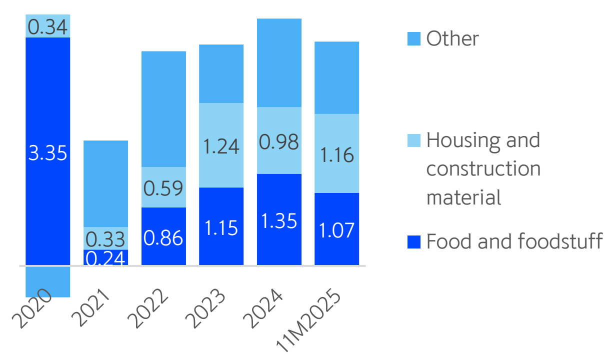
- Price adjustments of basic commodities such as electricity and healthcare services have affected the CPI in the 2024-2025 period. Inflation has been stably controlled in the 2024-2025 period in the context of a strong increase in exchange rates and the promotion of domestic consumption growth, which was a great achievement.
- There are two major groups that affect the headline CPI: (1) the food and catering services group and (2) the housing, electricity, water and construction materials group. The increase in these two groups often contributes more than 50% of the total increase in the headline inflation. Group (2) will face great pressure in the future when the price of construction materials may increase due to the Government's policy of promoting public investment. In addition, if real estate market prices continue to increase, this group will be affected indirectly. Rental costs and repair needs often increase with real estate prices. These costs will also indirectly push up inflation in the food service sector due to higher rental costs.
- The establishment of the National Social Housing Fund with the goal of creating housing, social housing. This will create a price level for the social house segment - the affordable price segment with the expectation of increasing supply to the market, contributing to reasonable control of real estate prices in the future.

Headline CPI YoY over years (%)



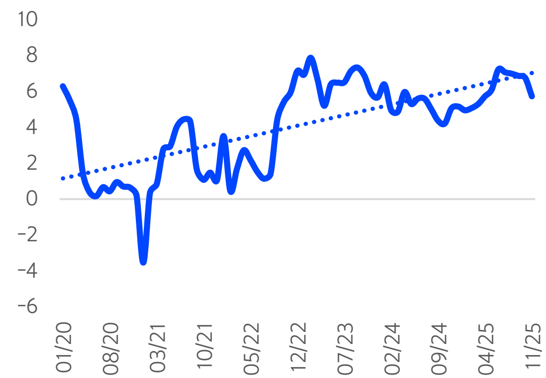
Source: GSO, Shinhan Securities Vietnam

Group contribution in CPI (%)



Source: GSO, Shinhan Securities Vietnam estimated

Monthly CPI (YoY, unit: %) of housing and construction material



Source: GSO, Shinhan Securities Vietnam

Tracking factors

- In the context of the economy facing many challenges, setting growth targets requires policy synchronization and effective implementation. To maintain the momentum of macro recovery, production indexes such as IIP and PMI need to continue to maintain a positive trend, while the credit structure between sectors must be adjusted in line with the new development orientation. The momentum of public investment spending is expected to be maintained from the end of 2025, acting as an important force driving growth. Most importantly, inflation needs to be tightly controlled amidst continued pressure on exchange rates, to ensure macroeconomic stability and market confidence.

- Based on growth expectations and macro risk analysis for 2026, we believe that some industries and businesses have the potential to attract strong cash flows from the market, specifically as follows:

  - Banking industry – As the backbone of the economy, banks will continue to have many growth opportunities in 2026. However, not all banks will benefit equally. We prioritize banks that are able to adapt to changes in the credit structure of the economy, especially those that proactively reposition their loan portfolios towards efficiency and sustainability. In addition, some banks may record extraordinary profits from collateral recovery activities, thereby significantly improving asset quality.

  - Securities industry – The development of the capital market in the coming period will open up great opportunities for the securities group. In 2026, companies that can catch the wave of IPOs and foreign capital returning to the market thanks to the upgrade may have impressive business results.

  - Companies participating in key national projects – Not limited to traditional infrastructure contractors, we pay special attention to enterprises that have a specific role in the value chain of key national projects, including companies that: (1) participate in part of the construction work chain of key projects such as designing nuclear power plants, or (2) supply raw materials for projects or (3) are investors of these projects that will attract cash flow from the market or capital from foreign investors.

Our forecast

- We believe that with the Government's determination, the target of double-digit growth in the 2026-2030 period can be achieved. To do that, domestic production needs to play a leading role in leading the economy. With a growth of 10% in 2026, the industrial production index will increase by 14% in 2026. Inflation will remain around 3.6% despite the target of below 4.5%. The exchange rate will increase by 3% compared to 2025. Public investment will experience a large increase in 2026 when it reaches VND 1,060 trillion.

Forecast table

Economic indicators	2022	2023	2024	2025F	2026F
GDP growth (% YoY)	8.5	5.1	7.1	8.0	10.0
CPI (% YoY)	3.15	3.25	3.63	3.40	3.60
IIP (% YoY)	7.4	1.3	8.2	9.5	14.0
Retail sales (% YoY)	21.4	10.4	9.0	9.6	12.0
Export growth (% YoY)	10.6	-4.6	14.4	16.0	12.5
Import growth (% YoY)	8.1	-9.2	16.7	18.0	14.0
FDI disbursement (USD billion)	22.4	23.2	25.35	25.70	27.76
Public investment (VND trillion)	512	625	661	883	1060
Credit growth (% YoY)	14.2	13.8	15.1	16.0	16.0
Refinancing central bank rate (%)	6.00	4.50	4.50	4.50	4.50
Exchange rate in free market	23,715	24,720	25,750	27,230	28,050

Source: Shinhan Securities Vietnam

Shinhan Securities

Market outlook 2026

The acceleration

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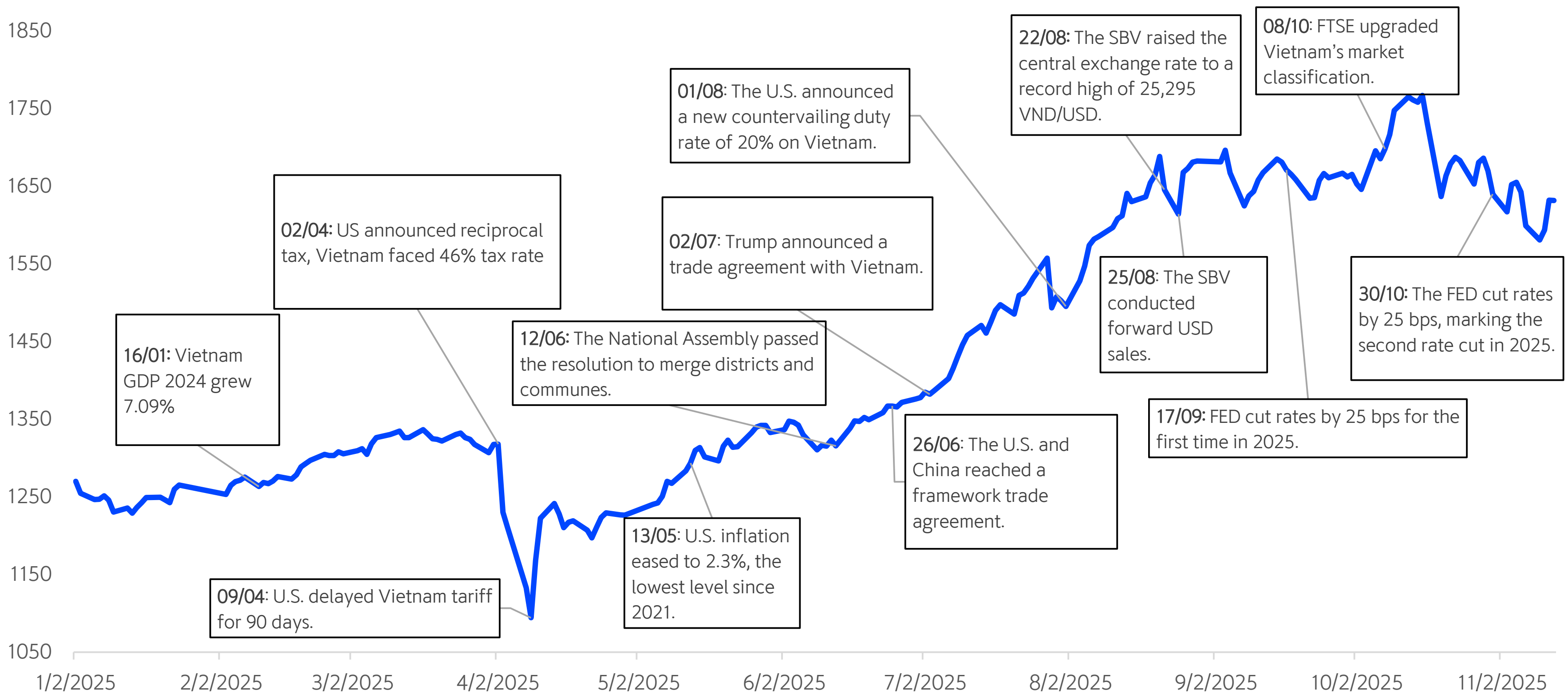
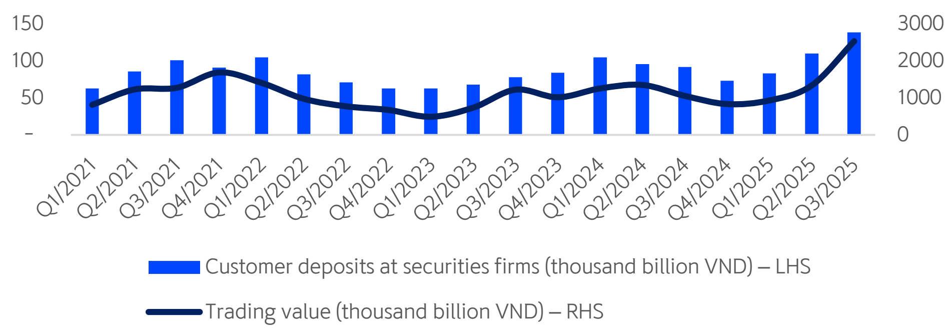
Key events for the stock market in 2025



Source: Bloomberg, Shinhan Securities Vietnam
Data as of 14/11/2025

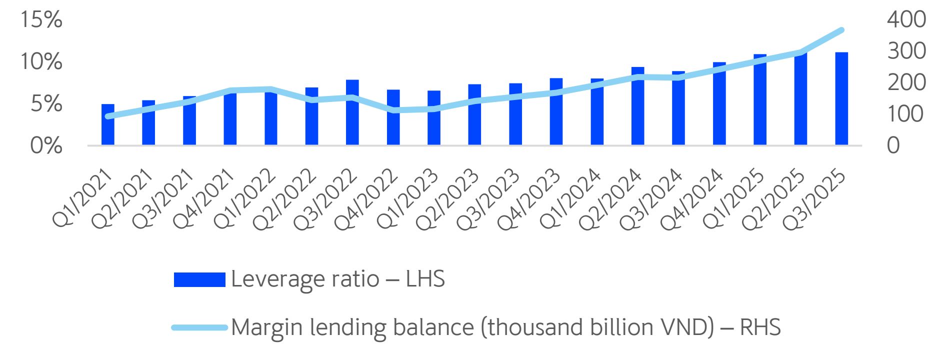
The market's surge drove multiple indicators to new record highs

Customer deposits and trading value reached record highs



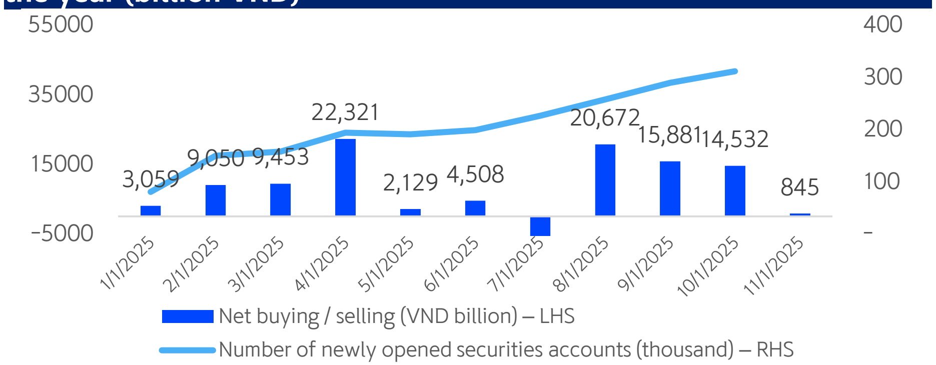
Source: Fiinpro, Shinhan Securities Vietnam
Data as of Q3/2025

Margin lending balances and leverage ratios continued to hit new record highs



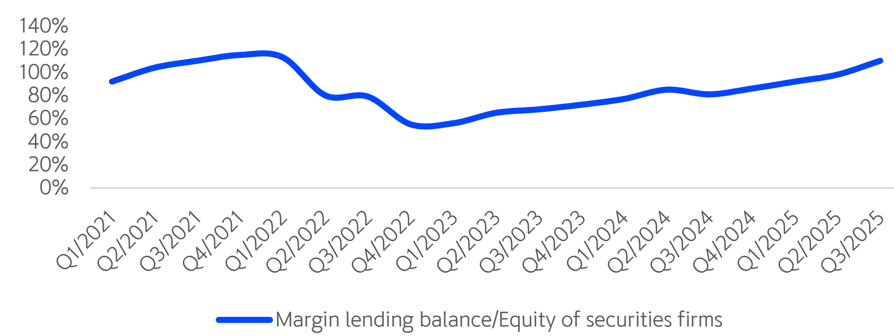
Source: Fiinpro, Shinhan Securities Vietnam; Leverage ratio = Margin lending balance / Total free-float market capitalization on HOSE and HNX

Net buying/selling activity of retail investors since the beginning of the year (billion VND)



Source: Fiinpro, VSD, Shinhan Securities Vietnam; Data as of 24/11/2025

Securities firms still have room to expand margin lending



Source: Fiinpro, Shinhan Securities Vietnam

Foreign investors recorded their biggest net selling in 2025

Net buying/selling by sectors and investor groups since the beginning of the year (billion VND)

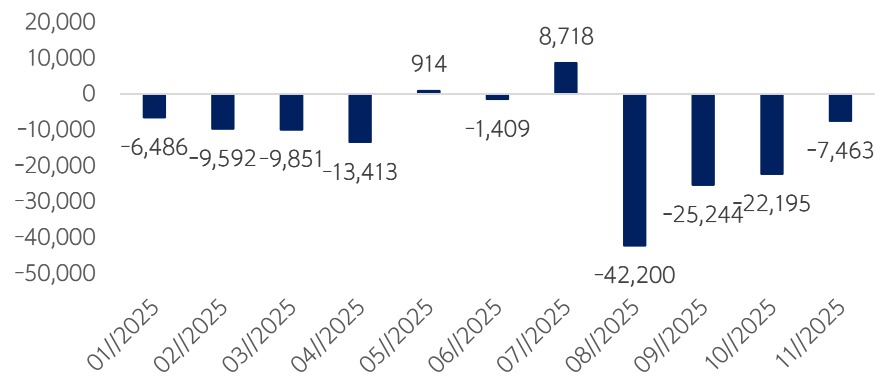
ICB Industry Level 2	Proprietary trading (VND bn)	Foreign (VND bn)	Local Individual (VND bn)	Local Institutions (VND bn)
Real Estate	-1,238	-37,603	25,397	12,206
Basic Resources	587	-6,253	1,643	4,610
Media	0	102	-218	115
Industrial Goods & Services	-705	-1,884	-939	2,823
Health care	73	291	-210	-80
Chemicals	1	-4,320	2,965	1,355
Financial Services	3,015	-16,318	9,391	6,927
Travel & Leisure	-58	-2,370	4,616	-2,246
Banks	-5,419	-34,317	33,893	424
Construction & Materials	-270	-1,094	1,213	-119
Food and Beverage	-566	-8,946	4,328	4,618
Retail	247	-1,167	-271	1,437
Utilities	186	-2,468	1,706	762
Personal & Household Goods	-253	-406	871	-465
Technology	-259	-11,984	12,145	-161
Automobiles & Parts	29	358	-514	156
Insurance	-37	-122	-348	470
Oil & Gas	-742	-1,450	1,503	-53
Total	-5,410	-129,952	97,173	32,779

Source: Fiinpro, Shinhan Securities Vietnam

The put-through transaction value is not included

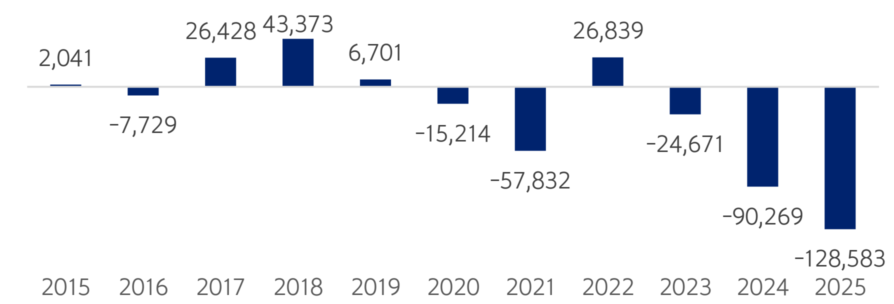
Data as of 25/11/2025

Net foreign buying/selling activity YTD (VND billion)



Source: Fiinpro, Shinhan Securities Vietnam
Data as of 25/11/2025

Net foreign buying/selling activity by year (VND billion)



Source: Fiinpro, Shinhan Securities Vietnam
Data as of 25/11/2025

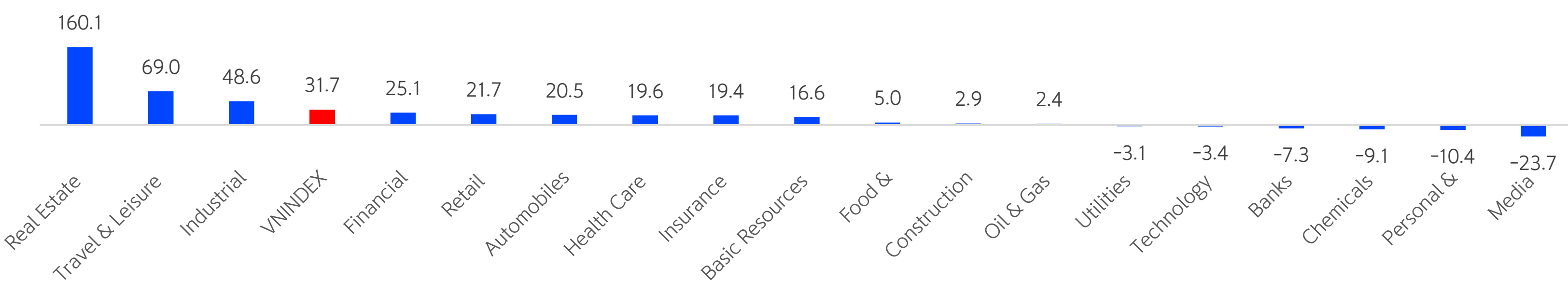
Liquidity peaked in August and has gradually declined since then – with the real estate sector outperforming

Average daily trading value by month in 2025 (billion VND)

	1	2	3	4	5	6	7	8	9	10	11
Banks	2,410	3,278	4,508	6,022	5,358	4,437	8,128	14,178	8,195	8,329	4,708
Real Estate	1,368	1,944	3,313	3,813	3,741	3,364	5,221	6,715	5,186	6,212	3,602
Financial Services	1,068	2,068	3,060	2,949	2,526	2,383	5,886	7,735	4,895	4,949	3,206
Food & Beverage	729	1,077	1,255	1,536	1,233	1,557	2,383	2,862	2,019	1,992	1,469
Basic Resources	496	1,034	1,052	1,177	922	1,024	1,942	3,124	2,984	1,721	1,137
Chemicals	398	721	692	659	663	848	1,136	1,243	557	494	639
Retail	386	520	545	731	659	718	873	1,179	848	926	673
Technology	576	753	920	1,094	872	631	1,025	1,348	1,230	1,062	813
Construction & Materials	719	997	928	965	1,175	1,061	1,857	2,907	2,000	1,821	1,087
Industrial Goods & Services	565	895	800	1,200	1,334	1,233	2,155	2,500	1,371	2,076	1,220
Utilities	138	176	188	225	240	177	235	222	138	142	115
Goods	107	169	239	260	305	286	389	508	332	190	200
Oil & Gas	190	213	214	192	209	371	372	865	508	366	479
Travel & Leisure	120	140	140	211	203	202	302	435	384	502	433
Health Care	58	69	65	45	56	58	40	39	40	44	48
Automobiles & Parts	41	86	82	109	170	157	234	272	146	153	54
Insurance	41	63	41	45	37	30	44	119	50	33	51
Media	76	40	46	36	49	52	67	93	42	24	14

Source: Bloomberg, Shinhan Securities Vietnam, Data as of 25/11/2025

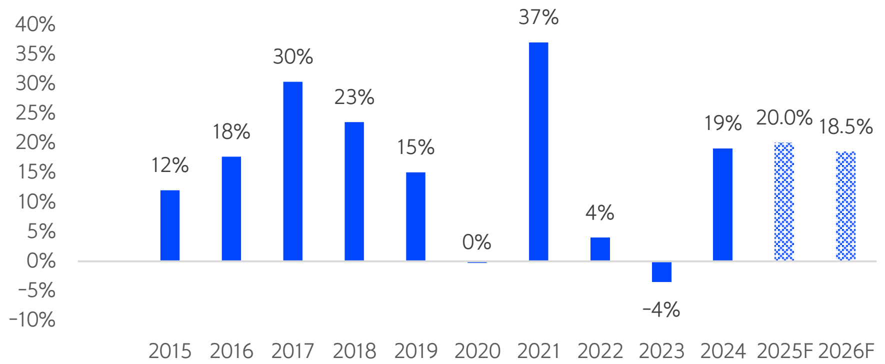
Year-to-date (YTD) sector performance (%)



Source: Bloomberg, Shinhan Securities Vietnam, data as of 25/11/2025

Most sectors posted earnings growth in 9M2025

Annual earnings growth of listed companies on HSX*



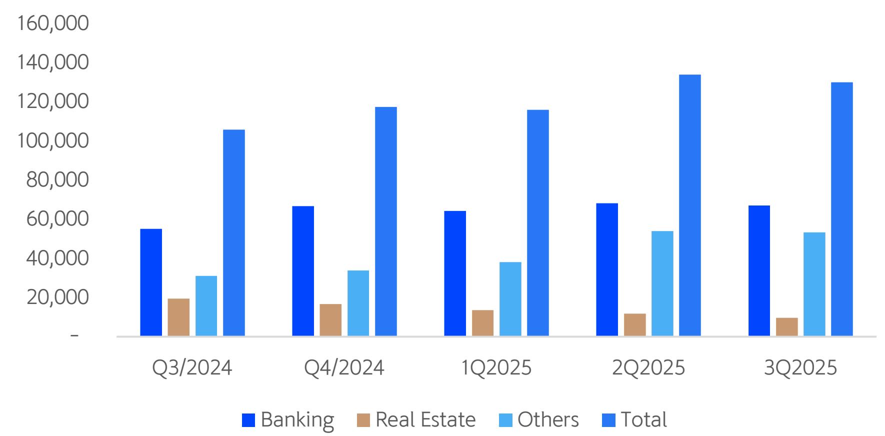
Source: FiinPro, Shinhan Securities Vietnam, *Calculated based on the VN100 as the market proxy by SSV and Bloomberg consensus, excluding companies newly listed in 2025 as well as those expected to list in the near future

Earnings growth by sector (QoQ)

	Q3/2024	Q4/2024	1Q2025	2Q2025	3Q2025
Banks	-7%	21%	-4%	6%	-2%
Real Estate	350%	-14%	-19%	-13%	-18%
Food and Beverag	2%	-6%	-20%	66%	-2%
Utilities	15%	-28%	35%	62%	-27%
Chemicals	-24%	53%	-14%	25%	5%
Basic Resources	-22%	2%	26%	24%	-14%
Financial Services	-10%	-23%	38%	28%	82%
Technology	7%	12%	9%	-9%	7%
Industrial Goods &	-30%	25%	-19%	46%	29%
Travel & Leisure	-15%	20%	135%	-10%	-64%
Construction & Ma	-7%	33%	-18%	41%	127%
Retail	-16%	3%	60%	5%	18%
Oil & Gas	-158%	-140%	15%	316%	-31%
Personal & Househ	-22%	53%	-4%	-5%	-2%
Insurance	-11%	21%	22%	4%	3%
Health Care	-21%	39%	-9%	-5%	-12%
Automobiles & Par	-64%	52%	3%	2263%	-88%
Media	11%	246%	-73%	40%	-66%
VNINDEX	5%	11%	-1%	16%	-3%

Source: Bloomberg, Shinhan Securities Vietnam

Quarterly earnings of financial and non-financial sectors



Source: Bloomberg, Shinhan Securities Vietnam

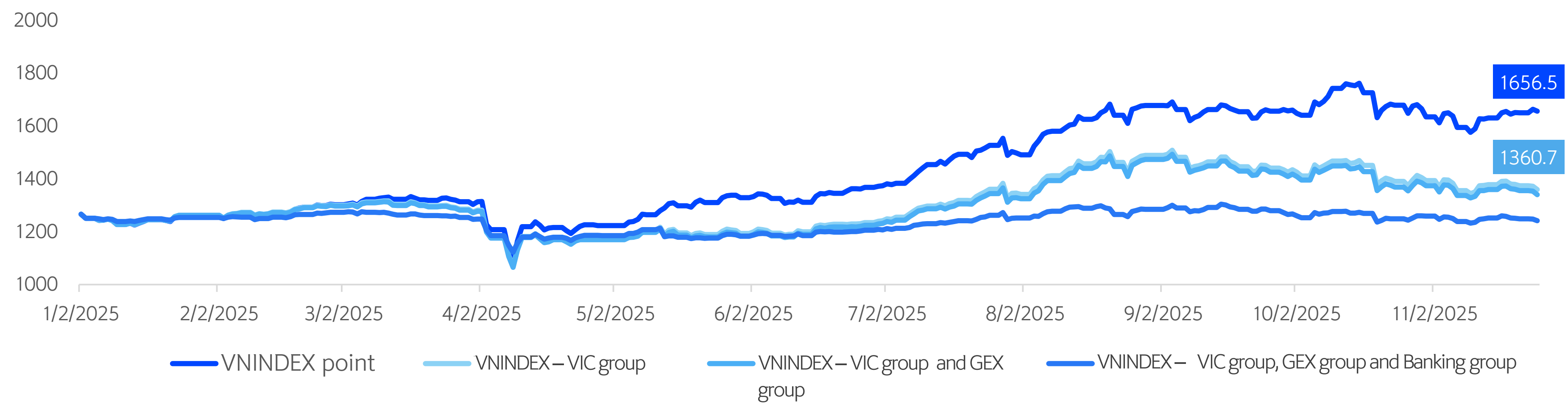
Earnings growth by sector (YoY)

	Q4/2024	Q1/2025	Q2/2025	Q3/2025	9T2025
Banks	27%	13%	16%	22%	17%
Real Estate	97%	26%	171%	-51%	1%
Food and Beverage	48%	4%	28%	23%	20%
Utilities	-16%	65%	82%	15%	51%
Chemicals	19%	38%	24%	72%	43%
Basic Resources	9%	5%	24%	38%	21%
Financial Services	21%	-1%	21%	147%	53%
Technology	29%	41%	18%	19%	25%
Industrial Goods & Service	53%	24%	5%	91%	36%
Travel & Leisure	203%	41%	-114%	8%	-10%
Construction & Materials	9%	-10%	42%	248%	86%
Retail	608%	71%	46%	104%	72%
Oil & Gas	-45%	-76%	11%	-233%	39%
Personal & Household Goc	8%	-4%	9%	36%	11%
Insurance	23%	16%	36%	58%	35%
Health Care	0%	-3%	-5%	6%	-1%
Automobiles & Parts	-59%	-42%	1234%	337%	562%
Media	172%	47%	46%	-55%	6%
VNINDEX	36%	10%	33%	23%	22%

Source: Bloomberg, Shinhan Securities Vietnam

The VIN group and the banking sector made a significant contribution to the VN-Index's gain in 2025

Estimated index performance after removing the contribution of major impact groups



Source: Bloomberg, Shinhan Securities Vietnam; VIC group includes: VIC, VHM, VRE, VPL; GEX group includes: GEE and GEX; Banking sector includes all banks listed on HOSE.

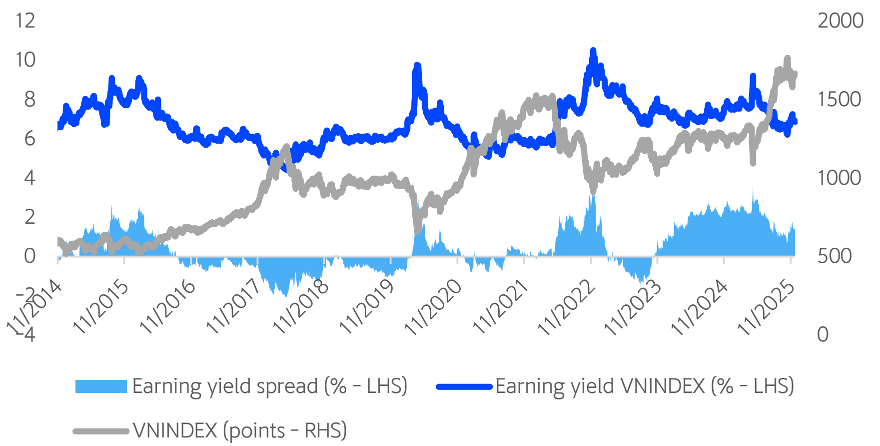
	Contribution to VN-Index return (%)	Contribution to VN-Index return (index points)	Contribution share to the VN-Index's upward momentum (%)
VIC group	17.9	230.3	56
GEX group	1.6	20.7	5
Banking group	9.1	116.1	28

Source: Bloomberg, Shinhan Securities Vietnam
Data as of 25/11/2025

	P/E (TTM)
VNINDEX	15
VNINDEX excluding VIC	12.6
VNINDEX excluding VIC and GEX	12.5
VNINDEX excluding VIC, GEX and Banking group	17.0

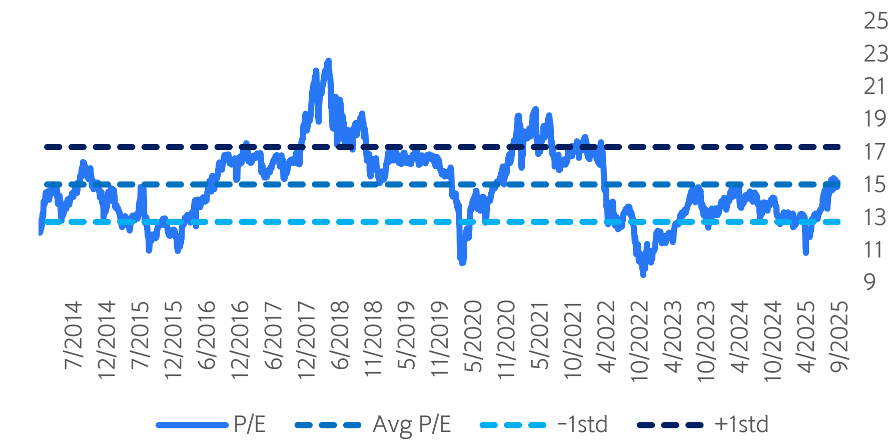
The VN-Index has returned to a more reasonable valuation level

The earning yield spread has narrowed compared to the beginning of the year



Source: Fiinpro, Bloomberg, Shinhan Securities Vietnam
"Earning yield spread = Earnings yield (E/P) of the VN-Index minus the highest 6–12 month deposit rate, data as of 25/11/2025

The market is currently trading at a P/E of 15x - equivalent to its 10-year average



Source: Fiinpro, Shinhan Securities Vietnam
Data as of 25/11/2025

The market has returned to a more reasonable valuation level following the sharp rally since April. The gap between market returns and deposit interest rates has also narrowed, indicating that overall market attractiveness has eased. However, this level only corresponds to the market's 10-year average P/E, suggesting that further upside remains possible when looking at previous bull cycles such as 2016–2018 and 2020–2022.

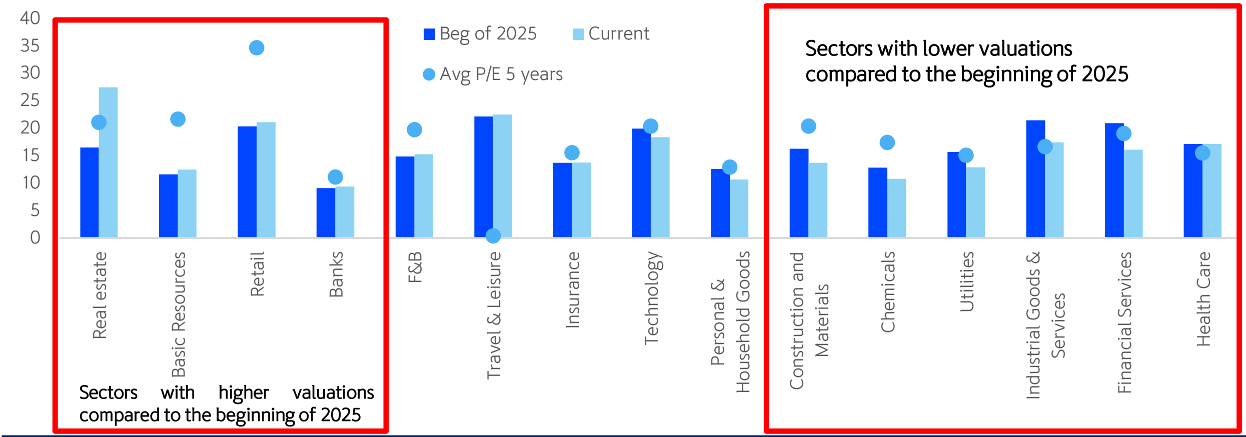
Comparison of previous bull cycles with the current VN-Index uptrend

	2016-2018	2020-2022	2025-2027F
GDP growth	2016: 6.21% 2017: 6.81% 2018: 7.08%	2020: 2.91% 2021: 2.58% 2022: 8.02%	2025F: 8% 2026F: 10%
Listed companies in HOSE' Net profit growth	2016: 18% 2017: 30% 2018: 23%	2020: 0% 2021: 37% 2022: 4%	2025F: 20.0% 2026F: 18.5%
P/E	Average: 16.7x Peak: 22.6x Trough: 10.9x	Average: 15x Peak: 19.6x Trough: 10.2x	Current: 15x
% Increase from market bottom	130%	130%	50%*
Drivers of the bull cycle	• Strong macro fundamentals • Record foreign inflows (2017) • A series of billion-dollar equity divestments (TCB, VHM, BSR, …) • Added to FTSE upgrade watchlist	• The cheap-money cycle that fueled growth during the COVID period • Strong new retail (F0) inflows while foreign investors net sold • Easing global monetary policy • Strong corporate earnings growth	• Monetary easing; Fed expected to cut rates • Government targets double-digit GDP growth • Official FTSE market-upgrade classification
End-of-cycle triggers / risks	• High valuations • U.S.–China Trade War (Phase 1) • The Fed raised interest rates four times in 2018, starting in March, amid concerns over rising inflation.	• Global inflation surged, the Fed and major central banks to begin raising interest rates. • Corporate bond crisis & banking stress • Multiple stock-manipulation scandals	**Potential risks that could end the bull cycle:** • Persistently high inflation, and exchange rate pressure delaying rate cuts • A renewed escalation of the U.S.–China trade war (Phase 2) • Unexpected shocks from global financial markets

Source: Shinhan Securities Vietnam summarized, *Calculated from the April 2025 bottom to 24/11/2025

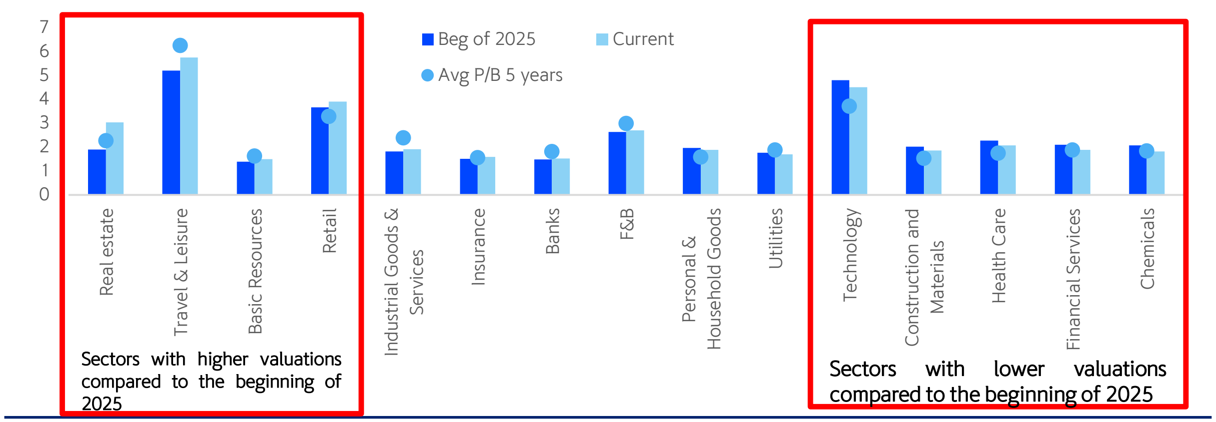
Valuations have shifted across sectors following the VN-Index's strong rally

Forward 1-year P/E valuation



Source: Bloomberg, Fiinpro, Shinhan Securities Vietnam
Data updated as of 25/11/2025; Bloomberg consensus on VN100

Forward 1-year P/B valuation



Source: Bloomberg, Fiinpro, Shinhan Securities Vietnam, Data updated as of 25/11/2025; Bloomberg consensus on VN100

Forecast NPAT – MI by sector*

	YoY 25F	YoY 26F
Banks	17%	19%
Real Estate	13%	19%
Food and Beverage	16%	10%
Utilities	52%	6%
Chemicals	40%	16%
Basic Resources	36%	34%
Financial Services	21%	33%
Technology	18%	16%
Industrial Goods & Services	13%	8%
Travel & Leisure	49%	79%
Construction & Materials	66%	-9%
Retail	53%	24%
Oil & Gas	4%	22%
Personal & Household Goods	18%	15%
Insurance	30%	28%
Health Care	8%	17%
Automobiles & Parts	-46%	75%
VN100	20.0%	18.5%

Source: Bloomberg, Shinhan Securities Vietnam,
*Calculated based on the VN100 as the market proxy by SSV and Bloomberg consensus, excluding companies newly listed in 2025 as well as those expected to list in the near future

Selecting an appropriate P/E level and estimating the VN-Index

P/E based on the return spread (E/P) versus the highest 6–12 month deposit rate

Earning yield spread (E/P) versus the highest 6–12 month deposit rate

Highest 6–12 month deposit rate	0.8%	1.0%	1.2%	1.5%
5.0%	17.2	16.7	16.1	15.4
5.20%	16.7	16.1	15.6	14.9
5.5%	15.9	15.4	14.9	14.3
5.8%	15.2	14.7	14.3	13.7
6.1%	14.5	14.1	13.7	13.2

Source: Fiinpro, Shinhan Securities Vietnam

VN-Index projection based on P/E and listed companies' earnings growth

Forecast EPS growth for 2026F

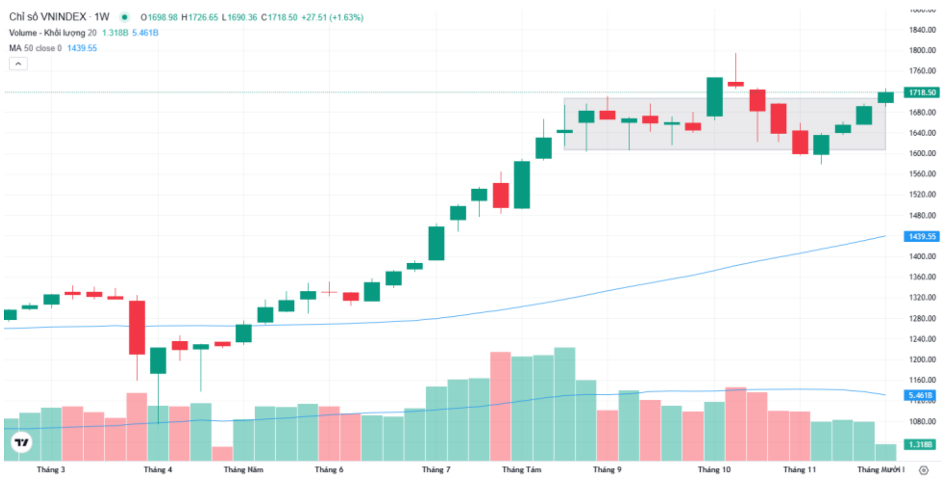
Earning yield (E/P)	P/E	14.5%	16.5%	18.5%	20.5%	22.5%
8.7%	13.0	1,679	1,708	1,738	1,767	1,796
8.0%	13.5	1,744	1,774	1,805	1,835	1,865
7.4%	14.0	1,808	1,840	1,871	1,903	1,935
6.9%	**14.5**	1,873	1,905	**1,938**	1,971	2,004
6.7%	**15.0**	1,937	1,971	**2,005**	2,039	2,073
6.5%	**15.5**	2,002	2,037	2,072	2,107	2,142
6.3%	16.0	2,067	2,103	2,139	2,175	2,211
6.1%	16.5	2,131	2,168	2,206	2,243	2,280

Source: Fiinpro, Shinhan Securities Vietnam

Updated stock market scenarios for 2026

VN-INDEX SCENARIOS CORRESPONDING TO THE EXPECTED UPSIDE OF EACH SECTOR			
Representative Sector	Base	Positive	Negative
Basic Materials	24%	34%	17%
Financial Services	33%	43%	26%
Real Estate	12%	22%	5%
Banking	20%	30%	13%
Others	13%	23%	6%
VN-INDEX (%)	17%	27%	10%
VN-INDEX Target	1,930 – 2,000	> 2,100	~1,800
Target P/E	14.5 – 15.0	16x	13.5x
EPS Growth (%)	18.5%	18.5%	18.5%

Source: Bloomberg, Shinhan Securities Vietnam, Data as of25/11/2025, VNINDEX = 1,660.36



Technical view & Trading strategy:

- After a strong rally from April 2025, the market is now trading in the 1,600–1,700 range. Following the market-upgrade announcement, the index briefly broke out and nearly touched 1,800, but quickly corrected back into the 1,600–1,700 zone. The VIC group contributed significantly to the sharp pullback, and although the market has recovered, liquidity has yet to rotate broadly into other sectors.
- Under the **base-case scenario,** the VN-Index is likely to break out and move toward the **1,930–2,000** range, supported by expectations of broader market breadth as capital rotates from the VIC group into other sectors. **From a technical view,** the market needs to show strong accumulation through sessions with liquidity significantly above the 20-day average, with gains spreading across sectors and a decisive breakout above the 1,720 area to confirm this scenario. We expect the 1,600 region to serve as the medium-term bottom for the upcoming rally, as no notable downside risks have emerged and the market has repeatedly bounced whenever it touches this area; additionally, the VIC group has even resumed its upward momentum.
- Under the **positive case**, if new foreign capital flows in aggressively following the market upgrade, the real estate sector could continue to deliver strong gains, and broad-based improvement across many sectors could drive the market above **2,100 points.**
- Under the **negative case,** unpredictable macro headwinds could trigger panic selling. However, we assess the probability of this outcome as low. Even in such a case, with expectations of resilient earnings growth, the market could still advance toward the **1,800** level, representing an increase of roughly 10%.

SSV's stock picks for 1H2026

No.	Ticker	ICB Level-2 Sector	Current Price	Target Price	Upside	P/E fw 26F	P/B fw 26F
1	BCM	Real Estate (Industrial parks)	66,700	79,100	19%	19.3	3.3
2	IDC	Real Estate (Industrial parks)	39,800	54,100	36%	8.7	2.5
3	KDH	Real Estate (Residential)	34,500	45,300	31%	38.4	1.9
4	KBC	Real Estate (Industrial parks)	35,600	41,000	15%	18.7	1.4
5	TCB	Banking	33,450	42,600	27%	8.1	1.2
6	CTG	Banking	48,150	60,000	25%	8.7	1.5
7	MWG	Retail	78,500	94,500	20%	15.8	2.9
8	PNJ	Retail	91,000	110,000	21%	14.5	2.9
9	HPG	Basic Materials	26,900	34,100	27%	12.5	1.4
10	CTD	Construction & Materials	86,900	108,900	25%	11	0.9
11	VNM	Food & Beverage	61,900	71,600	16%	17	3.5
12	POW	Utilities	14,800	18,000	22%	21.3	1.1
13	FPT	Information Technology	99,700	117,000	17%	18.3	4.3

Source: Shinhan Securities Vietnam
Data as of 25/11/2025

Shinhan Securities

Banking Sector

Discounts open up investment opportunities

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Banking Sector – Discounts open up investment opportunities

1. Business results of listed banks

1.1 Positive Credit Growth, Thinner NIM

Credit of the Vietnamese banking system reached 15% after 10 months of 2025. Compared to the same period in 2024, this figure only reached around 11.85%.

Deposit interest rates increased noticeably in Q3 and Q4/2025. Accordingly, capital costs are expected to continue rising. Bancassurance segment shows signs of positive recovery at many banks.

Overdue debt (2-5) showed a positive trend as it gradually decreases since peaking in 2023. Group 2 debt balance decreases by 5% compared to the end of 2024.

1.2 Asset quality saw positive progress

The NPL ratio reached 1.9% at the end of Q3/2025. We observe that banks have been actively writing off bad debts, handling collateral, or selling debts to remove NPLs from their balance sheets. However, some banks still showed signs of asset quality deterioration in Q3/2025.The loan loss coverage ratio (LLR) improved after several quarters of decline. Effective bad-debt resolution activities helped stabilize provisioning costs across the sector. As of 9M/2025, banks listed on HOSE achieved 74% of their full-year profit target.

2. Outlook for the period 2025-2026

9M/2025 profits of banks on HOSE remained positive, aligning with our latest forecast of 16% growth. We maintain a cautious outlook for 2026, expecting NIM to stay largely flat and credit growth to reach around 16–18% per year. The NPL ratio is projected to edge down to 1.7% in 2026. Overall, the 9M/2025 results were consistent with our expectations.

3. Investment opportunities in bank stocks

ACB, CTG, TCB

Overview of banks listed on HOSE

9 banks listed on HOSE exchange

Total industry capitalization
~~40% of market capitalization

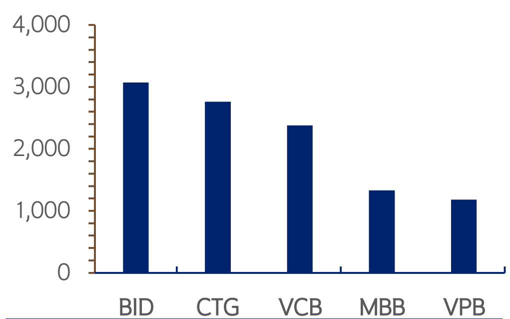
Transaction value
~26% Total market value

Trading volume
~35% Total market volume

Total assets 09/30/2025
~16.25 trillion dong

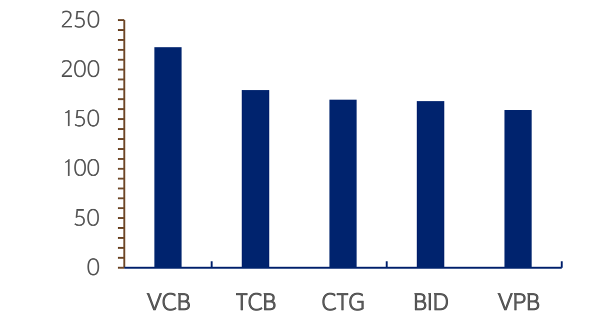
Total equity 30/09/2025
~1.43 trillion dong

Top 5 banks with the largest assets (trillions)



Source: Company data, Fiinpro, Shinhan Securities Vietnam

Top 5 banks with the largest equity (trillion)



Source: Company data, Fiinpro, Shinhan Securities Vietnam

Source: Fiinpro, Shinhan Securities Vietnam

Data as of September 30, 2025

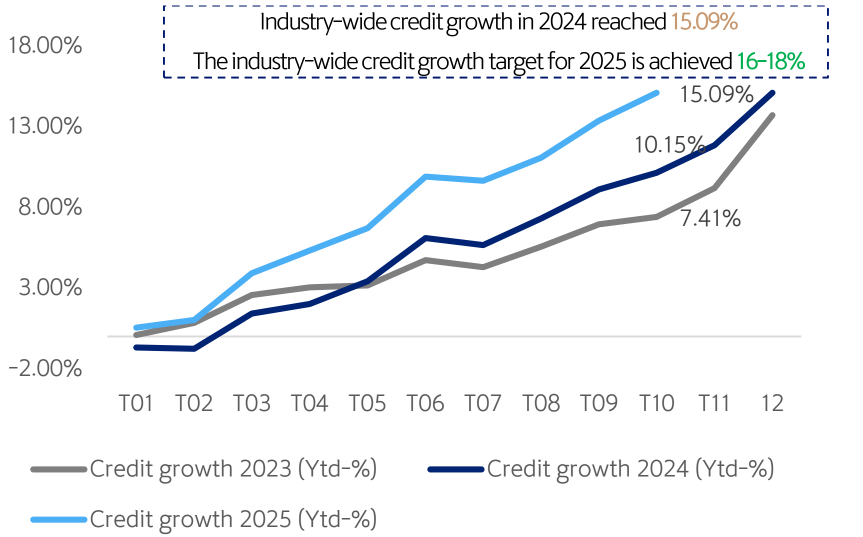
Confident in credit growth, positive in handling bad debt but NIM continues to face pressure

Summary of key points

- Most banks in our study reported credit growth at or above the industry average. Corporate lending led growth in H1/2025, while the personal segment (home loans) showed positive signals in Q3/2025. Banks expect personal lending to continue expanding as real estate supply improves in the coming quarters. The manufacturing segment also showed signs of recovery, consistent with IIP data from the General Statistics Office and PMI readings for 8–10/2025.
- Banks noted that the rise in interbank rates and deposit rates partly reflected pressure to mobilize capital for year-end credit demand. VCB highlighted that State Treasury disbursement and slight system outflows were factors affecting system liquidity. In this context, bank management agreed that system-wide funding costs will increase slightly in the near term, which may put pressure on NIM.
- Provisioning costs declined at many banks, supported by stronger debt-collection efforts amid a recovery in real estate transactions.
- Regarding bond-related inspections, ACB and OCB reported receiving no administrative penalties and confirmed that all bond lots were paid on schedule and in full to investors. They also noted that lessons have been learned for future issuances.
- Banks' 9M/2025 profits were generally within full-year target ranges.
- Banks are actively preparing for capital-raising activities and seeking strategic investors to strengthen capital adequacy. HDB and VIB reported active engagement with potential strategic investors, while VCB and BID are conducting private placements to enhance CAR ahead of the next growth phase.
- For Circular 14/2025/TT-NHNN implementation, VPB, TPB and ACB announced that they have submitted and registered their IRB implementation roadmaps. Many other banks are also preparing their implementation plans ahead of the circular's full effectiveness in 2030.

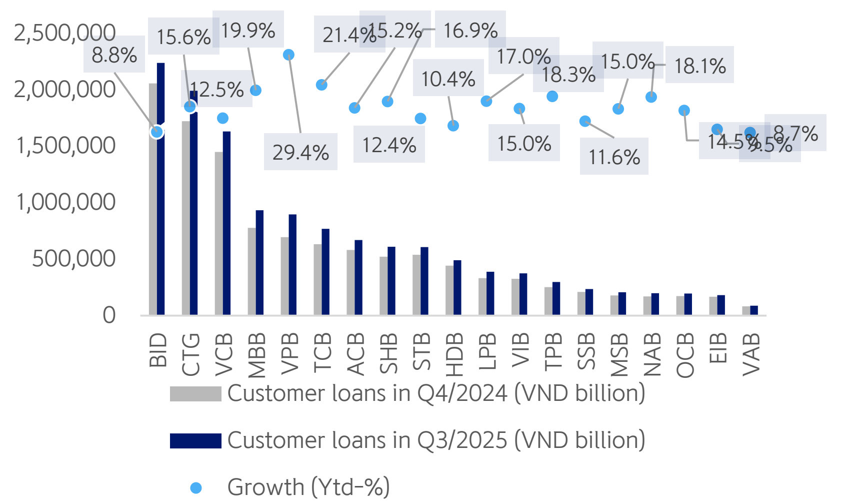
Credit growth was evenly paced over 9M/2025

Credit of the entire banking system in 2025



Source: Fiinpro, SBV, Shinhan Securities Vietnam

Loan growth of banks on HOSE reached 15%, equivalent to the whole system.

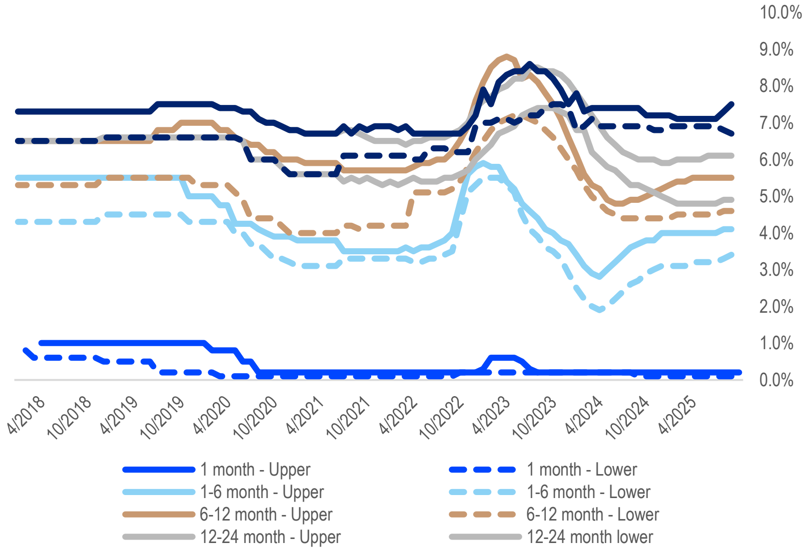


Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam
* note that this growth does not include the debt sale to weak banks at VCB MBB VPB and HDB

- In general, state-owned banks maintained more cautious credit growth compared to private banks. A notable exception was CTG, which recorded a +15% YTD increase, while BID and VCB posted growth of 9% and 12.5% in 9M/2025, respectively. Among private banks, VPB stood out with a strong credit expansion of 29.4%. Meanwhile, retail-focused banks such as ACB, VIB, and TPB saw a decline in the share of retail loans, indicating that credit demand in this segment has not shown a clear recovery. In the same trend, STB recorded relatively modest credit growth of +12.4% YTD.
- HDB grew below the industry average (+10.4%), partly due to the sale of debt to Vikki Bank (if this sale is included, HDB reported a growth rate of 22.5%). Management remains confident that credit growth will remain solid and disbursement demand will improve in Q4.
- TCB and MBB accelerated disbursement in Q3/2025. Published data indicate that both banks achieved balanced growth across corporate and retail segments. In addition, TCB noted that it plans to gradually reduce the proportion of real estate loans in the coming years.

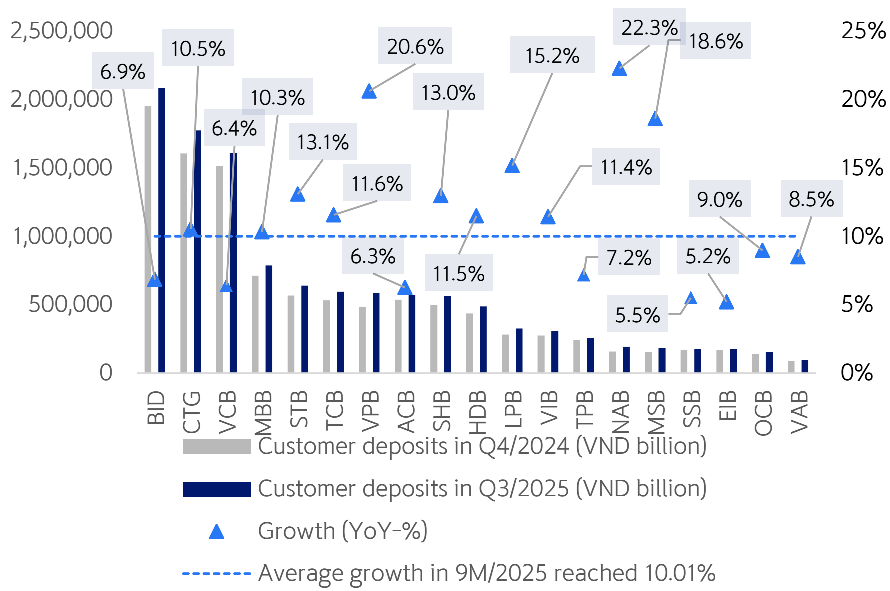
Customer deposit growth continues to lag behind loan growth

Average interest rate of the banking industry



Source: SBV, Shinhan Securities Vietnam; Detailed data will be officially updated on the SBV website until October 2025

Growth of customer deposits at banks on HOSE

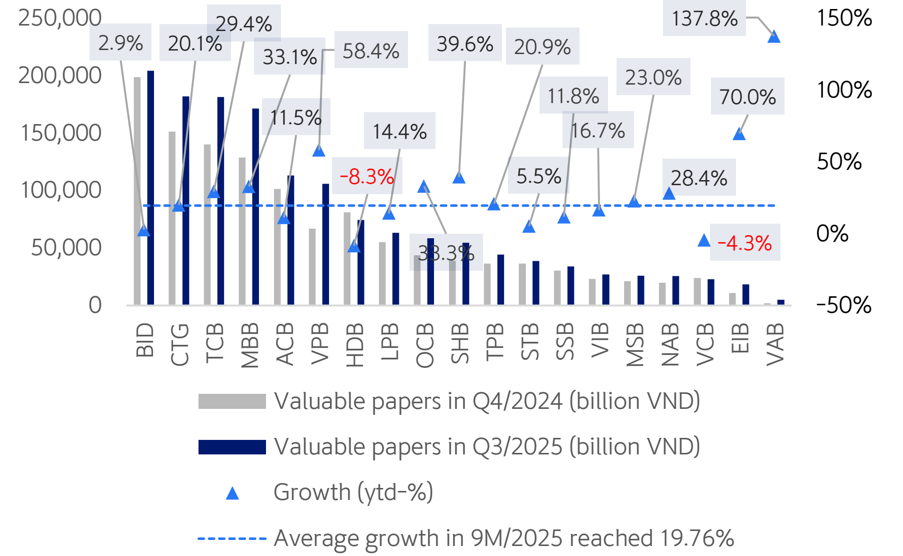


Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

- Customer deposit growth among banks listed on HOSE reached 10.0% by the end of Q3/2025. With mobilization rates still near historical lows, customer deposits continued to grow more slowly than loans (10% vs. 15%).
- Deposit rates at banks outside the Big 4 have increased slightly since Q3/2025. From mid-year to present, 6–12 month deposit rates at commercial banks have risen by roughly 20–50 bps, while state-owned banks have kept their rates stable, similar to the first half of 2025.
- Banks noted that this is a reasonable trend given improving loan demand, with outstanding customer loans increasing faster than outstanding customer deposits across the industry.

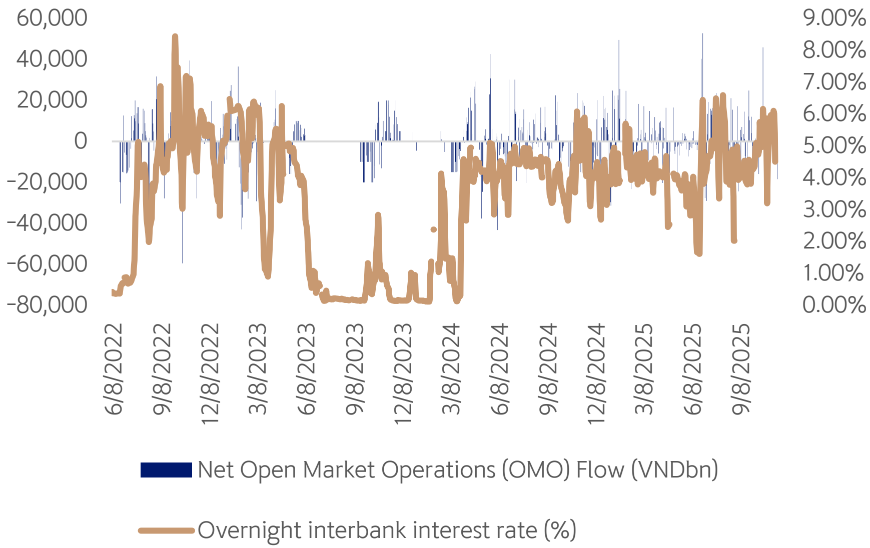
The channel of mobilizing valuable papers plays an important role, interbank interest rates increase at some points

Accelerating mobilization of valuable papers



Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

Open market operations were actively in late Q3 and Q4

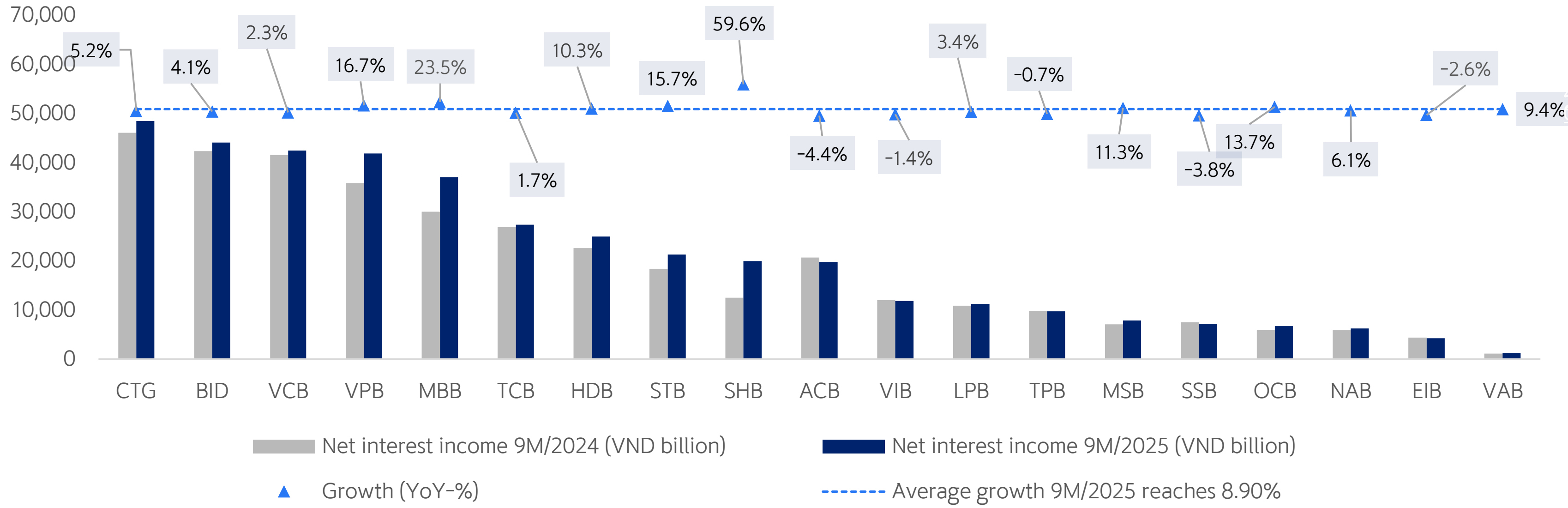


Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

- Valuable papers (CDs and bonds) have remained an important funding channel for the banking sector in recent years, especially as customer deposit mobilization has lagged significantly behind loan growth across the system. As of Q3/2025, funding through this channel increased by 19.76%.
- In the interbank market, interest rates spiked to over 6% at certain points, and market liquidity experienced localized pressures. According to VCB's management, the buildup of State Treasury deposits amid slow public investment disbursement has been one of the key factors creating stress in the interbank market. Higher interbank rates also pushed up banks' funding costs in Q3/2025.Given these developments, the SBV has been highly active in managing liquidity through open market operations (OMO). As of November 2025, total OMO outstanding reached VND 250,000–300,000 billion. In addition, the SBV introduced a longer 105-day tenor in its sessions on November 11–12, 2025 to ensure system liquidity over the coming months.

NIM compressed, interest income remained flat in 9M/2025

Net interest income of banks listed on HOSE Q3/2025

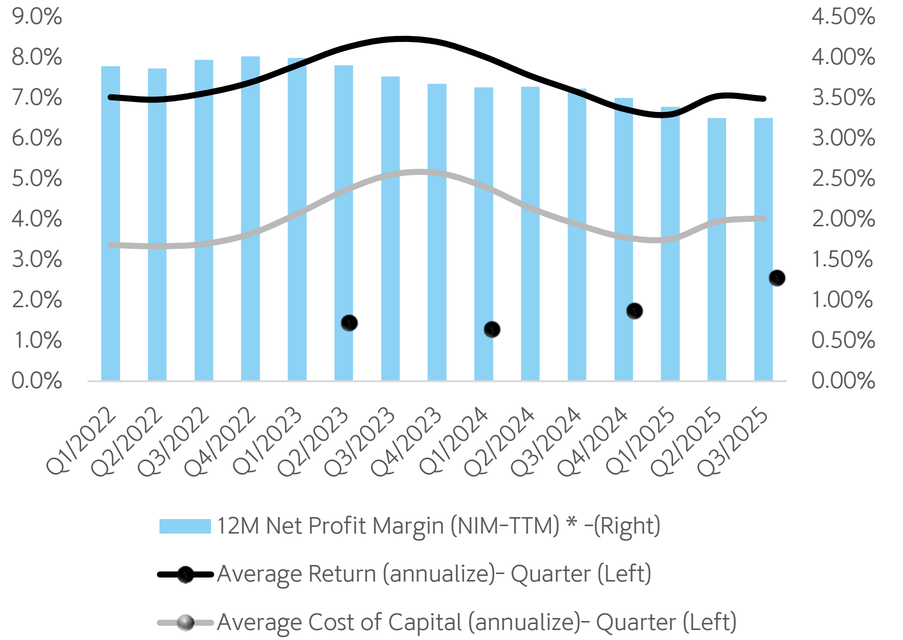


Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

- The lending structure remains centered on corporate-sector growth, while banks have increased interest-rate support measures to stimulate loan demand amid the slow recovery of the personal lending segment. Based on our observations, funding costs at many banks edged up slightly in Q3 and Q4/2025 from the previously low base across both the retail funding market and the interbank market.
- Regarding investment securities portfolios, yields improved thanks to the strong recovery in government bond yields in 2025.
- Given the policy direction of maintaining low interest rates to support the broader economy, we believe banks' NIMs are unlikely to see a strong improvement in 2026 and will likely remain stable at the current low level.

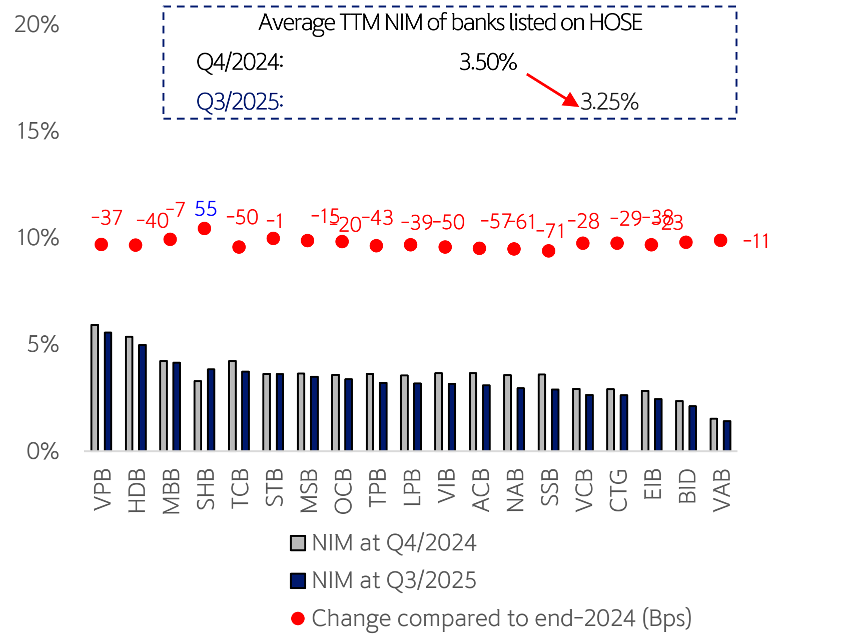
Interest spreads narrow under competitive pressure

Average Interest Earnings (IAE), Average Cost of Funds (COF), Net Profit Margin (NIM) of Banks on HOSE 2022-2025



Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

Net profit margin (NIM) – TTM

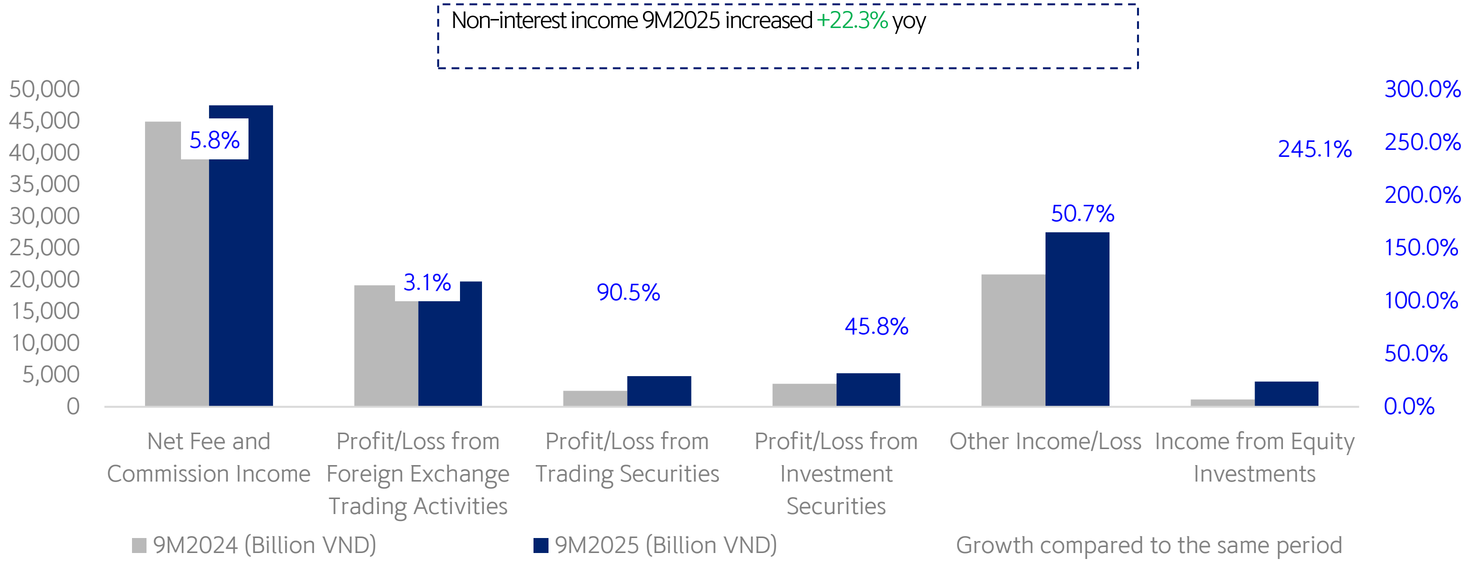


Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

- By the end of Q3/2025, the NIM of banks listed on HOSE stood at 3.25%, essentially unchanged from the previous quarter and down slightly by 15 bps compared with the end of 2024. Most banks recorded a narrowing of NIM relative to late 2024, with the exception of SHB, which saw an increase of 55 bps.
- Average asset yields have improved alongside rising government bond yields, helping prevent a sharper decline in NIM during Q2 and Q3/2025. Government bond yields rose significantly from 3.1% at the end of 2024 to over 4.0% by November 2025.
- As of October 2025, the Government successfully issued VND 283,429 billion in bonds-lower than the amount mobilized in the same period of 2024. With interest rates unlikely to fall further, government bond issuances have had to offer higher yields to secure successful auctions.

Bad debt collection improved even though Resolution 42 had yet to take effect in Q3/2025

Non-interest income to grow well in Q3/2025

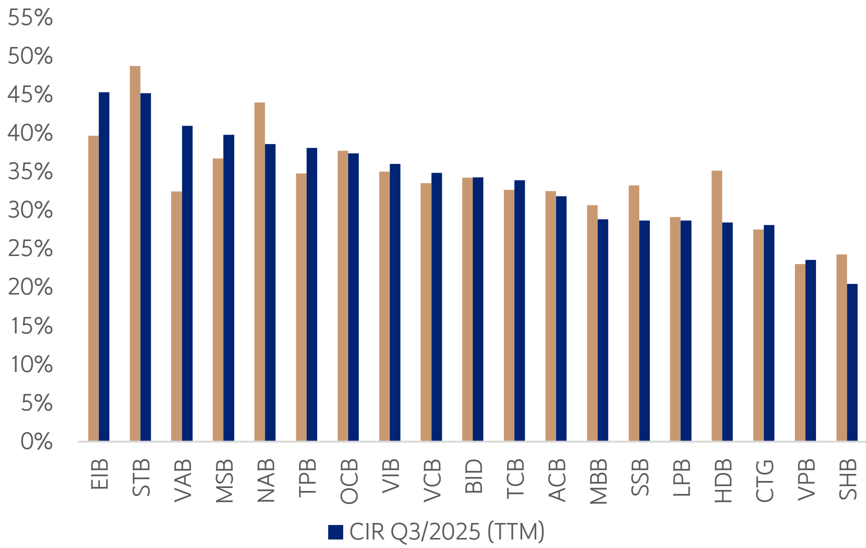


Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

- Non-interest income grew by 22.3% in 9M/2025, supported by higher other operating income (mainly from collateral handling) and gains from equity investments. After bad debts were written off the balance sheet, the recent recovery of the real estate market also helped boost other income (+50.7% YoY).
- Service fee income in 9M/2025 increased modestly by 5.8% YoY. A notable positive is the rebound in income from insurance activities. Banks showing strong recovery include MBB (+10%), VPB (+46%), TCB (+49%), and VIB (+39%).
- In October 2025, ACB's Board of Directors announced plans to establish a subsidiary in the non-life insurance segment, reflecting expectations for growth in this area. A similar expansion direction is seen at TCB, which operates both life and non-life insurance companies. Meanwhile, VPB plans to contribute capital to set up a new life insurance subsidiary (approved at the 2025 AGM) with a charter capital of VND 2,000 billion. These moves indicate banks' optimistic outlook for the insurance sector in the coming years.

ROE remains differentiated, generally underperforming the 2020–2022 period

CIR to remain stable in 2025



Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

Performance differentiation in 2025

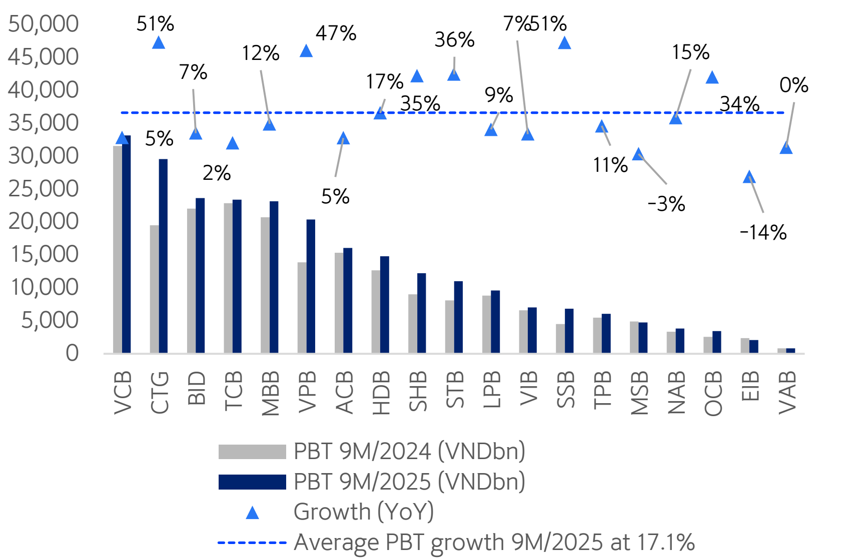
MCK	ROE TTM at Q4/2024 (%)	ROE TTM at Q3/2025 (%)	Changes (bps)
ACB	21.75%	20.42%	-132
BID	18.45%	16.89%	-156
CTG	18.38%	21.44%	307
EIB	13.99%	12.01%	-199
HDB	24.77%	23.79%	-98
LPB	25.10%	24.63%	-47
MBB	21.18%	19.99%	-118
MSB	16.21%	14.23%	-197
NAB	20.89%	20.00%	-89
OCB	10.54%	12.32%	178
SHB	17.06%	19.24%	219
SSB	14.75%	18.09%	334
STB	20.03%	21.56%	153
TCB	15.40%	13.58%	-182
TPB	17.27%	17.15%	-12
VCB	18.59%	17.00%	-159
VIB	18.06%	17.74%	-31
VPB	10.99%	13.69%	270
VAB	9.98%	8.90%	-108
Median	**18.06%**	**17.74%**	**-31**

Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

- The trend of tightening CIR and streamlining personnel has been strongly implemented by banks since late 2024 and into early 2025. Banks with high cost-to-income ratios (such as STB) indicated that staff reductions will continue in the coming years. STB's CIR has already shown initial improvement, declining from 49% to 45%. In contrast, CIR ratios at banks such as EIB, VAB, MSB, and TPB increased compared to late 2024.
- Bank performance in 9M/2025 showed clear differentiation. CTG improved ROE thanks to strong credit growth, lower provisioning expenses, and effective debt collection. OCB and STB also posted positive results due to reduced provisions. VPB recorded broad-based improvements across its business segments - its subsidiaries including VPBankS and FE Credit both reported positive growth - supporting ROE recovery from the 2023-2024 trough. Meanwhile, SSB benefited from the completed transfer of PTF to AEON Financial Services.

Profit 9M/2025 in line with target plan

Bank's net profit in 9M/2025



Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

Profit after tax compared to the target plan of banks in 2025

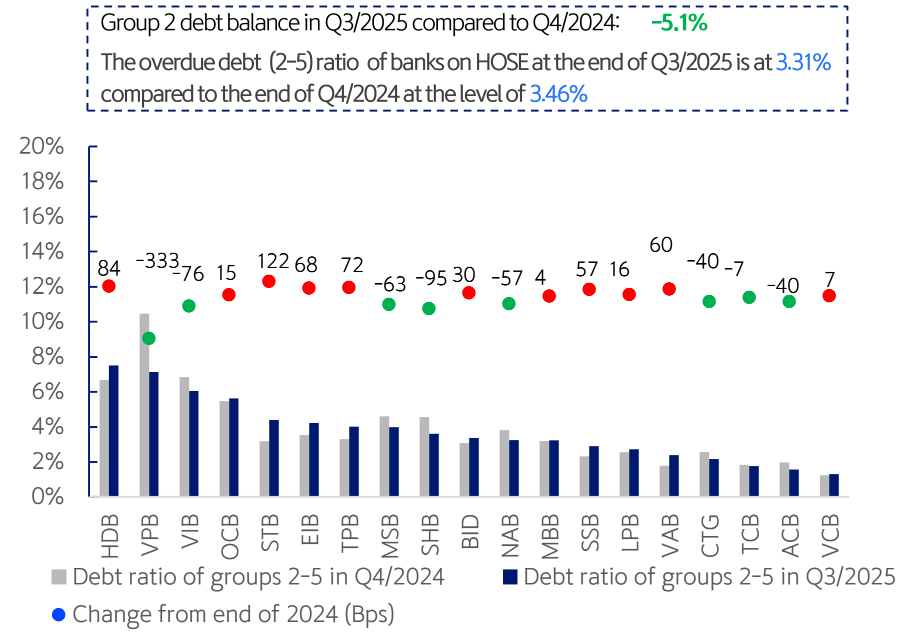
Ticker	PBT 9M2025 (VND bn)	PBT plan 2025 (VND bn)	Completion (%)
ACB	16,072	23,106	**70%**
BID*	23,632	34,224	**69%**
CTG*	29,535	33,987	**87%**
EIB	2,049	5,185	**40%**
HDB	14,803	21,247	**70%**
LPB	9,612	14,870	**65%**
MBB	23,139	31,712	**73%**
MSB	4,760	8,008	**59%**
NAB	3,811	5,000	**76%**
OCB	3,431	5,328	**64%**
SHB	12,201	14,462	**84%**
SSB	6,812	6,462	**105%**
STB	10,988	14,628	**75%**
TCB	23,385	31,504	**74%**
TPB	6,048	8,968	**67%**
VCB	33,133	43,714	**76%**
VIB	7,046	10,985	**64%**
VPB	20,396	26,817	**76%**
VAB	789	1,306	**60%**
Total	**251,641**	**341,515**	**74%**

Source: Compiled from 2025 Shareholders' Meeting, * averaged from 5-10% growth target

- In 9M/2025, the profits of banks listed on HOSE increased by 17.1%, completing 74% of the full-year targets approved at their Annual General Meetings. Notably, SSB met its full-year profit target within 9M/2025, supported significantly by gains from divesting subsidiaries. SHB delivered strong core-business growth, with interest income improving as the bank actively expanded lending and strengthened NIM. CTG also recorded a high plan completion rate, driven by a sharp reduction in provisioning costs and loan growth above the industry average.
- Several small and medium-sized banks underperformed relative to their profit plans, including EIB (40%), OCB (64%), MSB (59%), and VAB (60%).
- Overall, banks on HOSE performed broadly in line with their annual targets, achieving an aggregate completion rate of 74%.

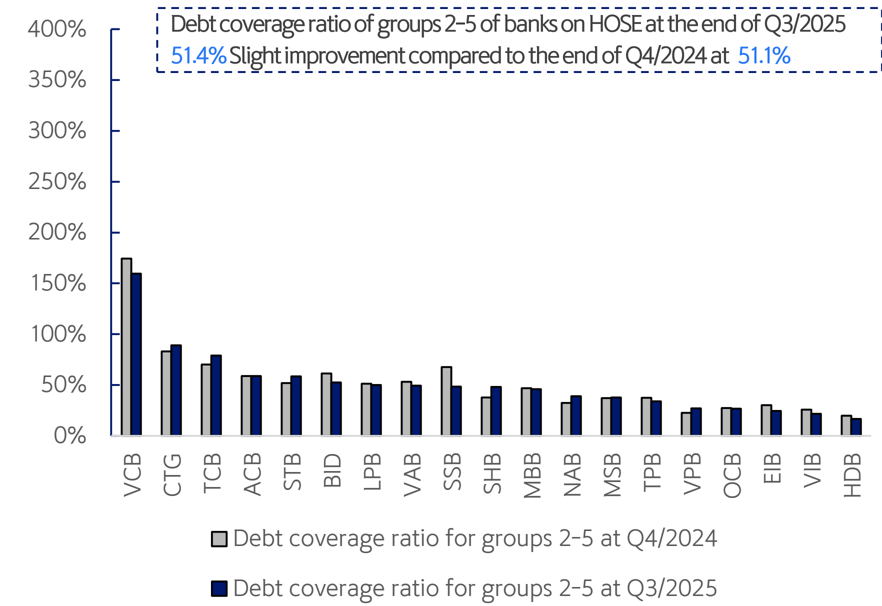
Group 2 debt is trending down compared to 2024, despite a marginal uptick in Q3/2025

Debt ratio of groups 2-5 at banks on HOSE at the end of Q3/2025



Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

Debt coverage ratio of group 2-5 at banks on HOSE at the end of Q3/2025

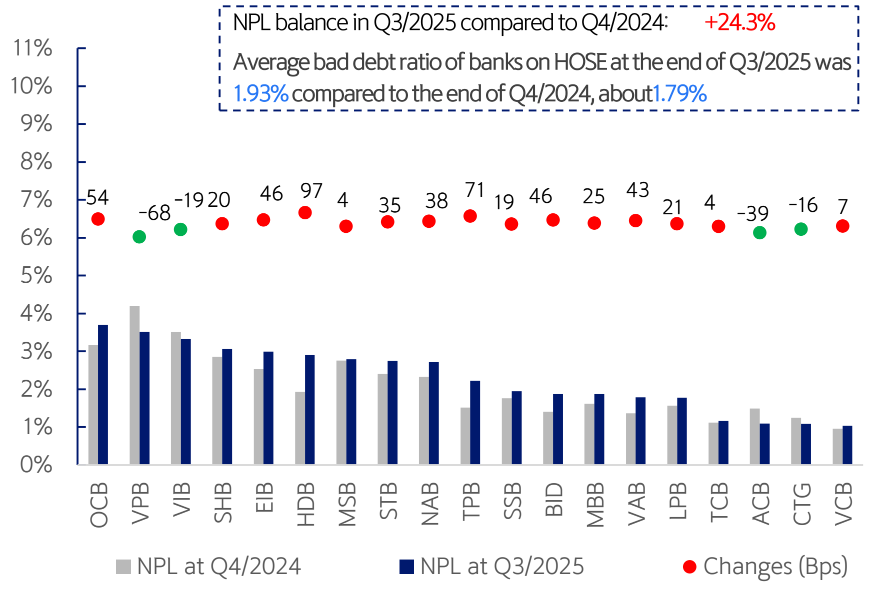


Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

- Overall, despite a modest uptick in Q3/2025, group-2 debt among HOSE-listed banks continued to trend downward (-5.1% YTD). The ratio of group 2–5 debt also improved, decreasing from 3.46% at end-Q4/2024 to 3.31% at end-Q3/2025. VPB recorded the strongest improvement in the sector, sharply reducing its overdue debt from above 10% to 7.13%, while BID, HDB, TPB, STB, and EIB faced upward pressure on overdue balances.
- The coverage ratio for group 2–5 debt inched up from 51.1% at end-Q4/2024 to 51.4% at end-Q3/2025. This improvement reflects a lower rate of new bad-debt formation and stronger debt-collection efforts during 9M/2025.

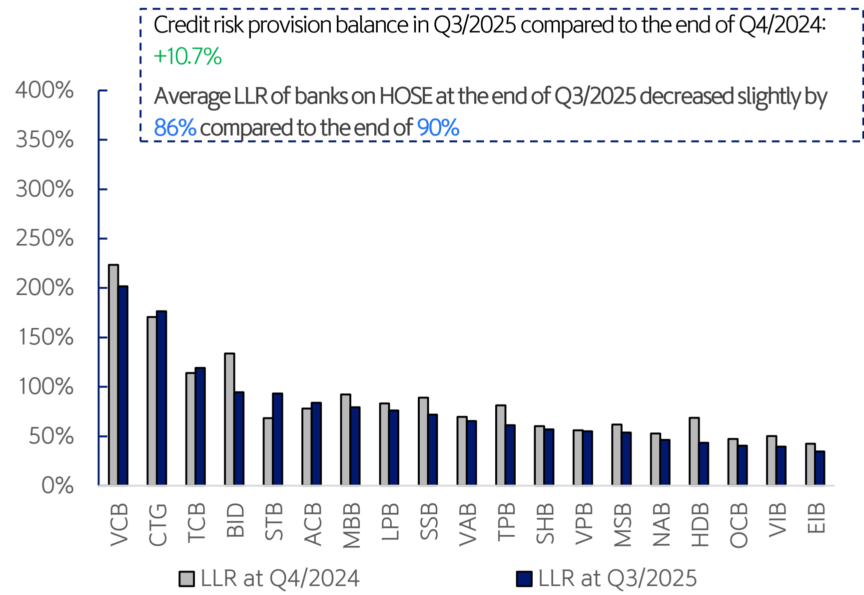
NPL ratio increased slightly, in line with our forecast

Bad debt of banks on HOSE at the end of Q3/2025



Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

LLR of banks on HOSE at the end of Q3/2025

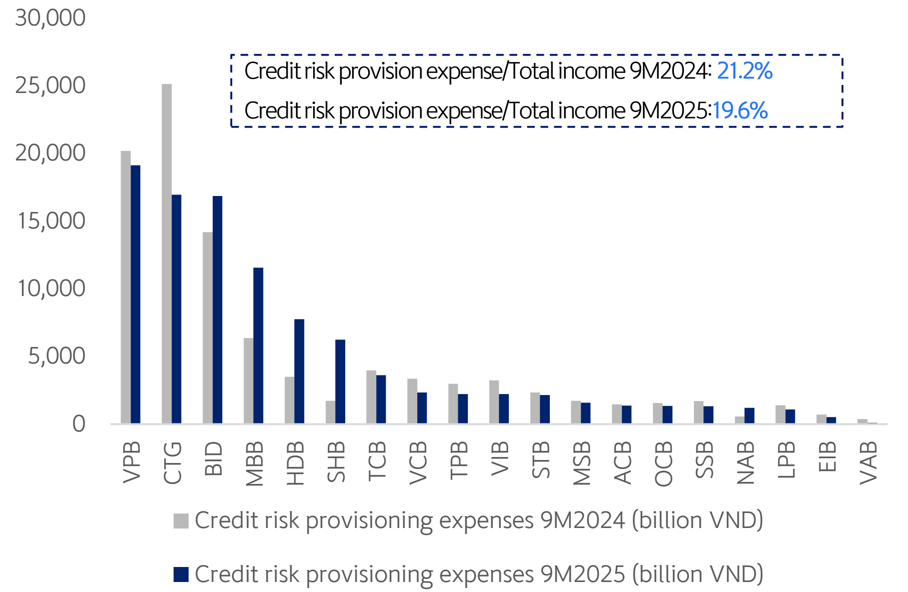


Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

- The balance of NPL at the end of Q3/2025 increased by 24.3% compared with the end of 2024. The NPL ratio rose slightly to 1.93% by the end of Q2/2025. However, the combination of a modest increase in bad debt alongside a decline in overdue loans (groups 2 – 5) suggests that overall asset quality remains under control and that upward pressure on NPLs is likely to ease going forward, given the continued downward trend in group 2 loans.
- Banks showing notable improvement include VPB, ACB, and CTG, all of which reported a decline in their NPL ratios after 9M/2025.
- The LLR remained stable at 86% at the end of Q3/2025, improving from 77% at the end of Q2/2025. Among state-owned banks, VCB, CTG, and BID continue to exhibit higher coverage ratios than the sector average, although BID saw a meaningful reduction in this ratio during Q3/2025.

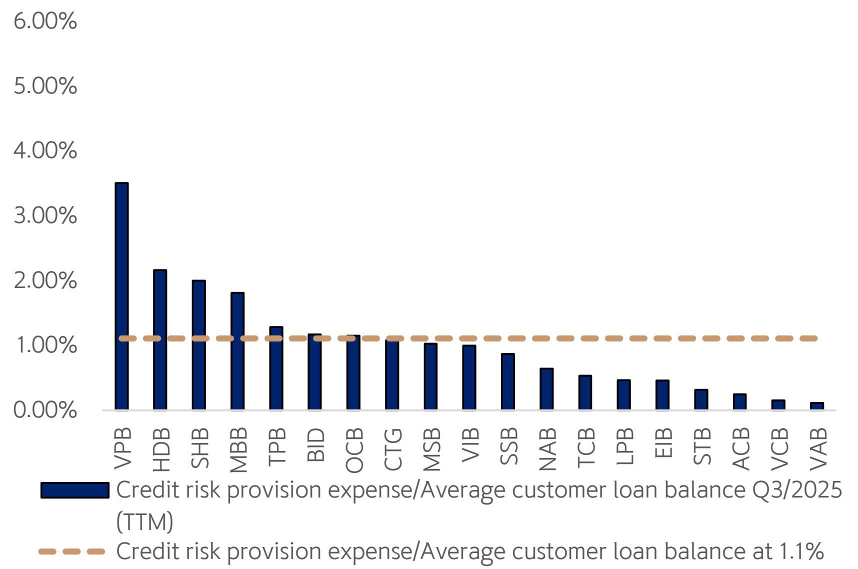
Warming real estate market helps reduce provisioning costs at some banks

Bank provisioning costs in 9M/2025



Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

Provision cost/average loan balance (%)

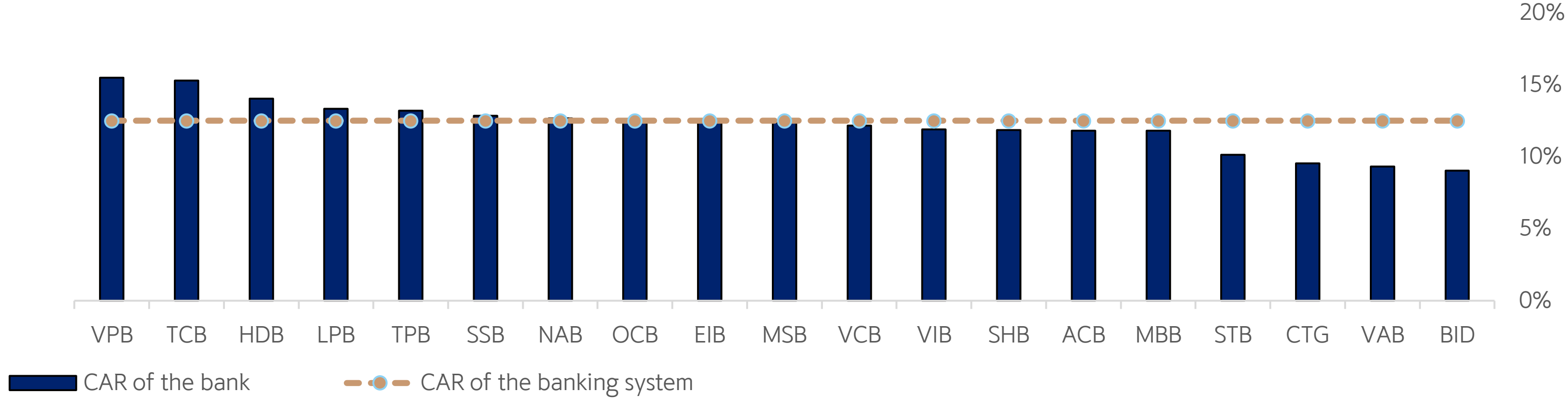


Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

- The average trailing-twelve-month credit risk cost (CRC) of banks on HOSE stands at 1.1%, down from 1.31% in the same period of 2024. This indicates that debt-collection activities have been effective. Bank management teams noted that the economic recovery and the rebound in the real estate market have helped reduce provisioning requirements during the period.
- Resolution 42 has now been officially legalized and is expected to play an important role in keeping banks' credit costs low. However, certain policy developments - such as the draft regulation prohibiting the seizure of mortgaged assets that represent a borrower’s only residence, or delays in processing documents during the administrative consolidation phase may result in slower-than-expected debt-collection activities for banks.

The system's CAR is at 12.5%

CAR ratio of the bank at the end of 2024 (%)



Source: Fiinpro, Financial reports of banks, Shinhan Securities Vietnam

- Capital-raising and equity-sale transactions are expected to support banks in improving their CAR ratios.
- Several deals are currently in progress:

State-owned banks: VCB (up to 6.5% of outstanding shares) and BID (3.84% of outstanding shares) are preparing private/public issuance plans that are likely to be implemented in 2026.

Private commercial banks::

- HDB and VIB are in the process of seeking strategic investors, with both management teams aiming to attract partners with strong retail capabilities.
- SHB plans to issue 4.35% of outstanding shares to professional investors while simultaneously offering shares to existing shareholders.

In addition, several small banks plan to list on HOSE in 2026, including KienlongBank, VietBank, BVBank, and SaigonBank. These listings may create new capital-raising opportunities for these banks in the coming years.

Economic organizations still forecast cautious GDP growth for Vietnam

Consensus projections of some economies in the world for the period 2025-2027

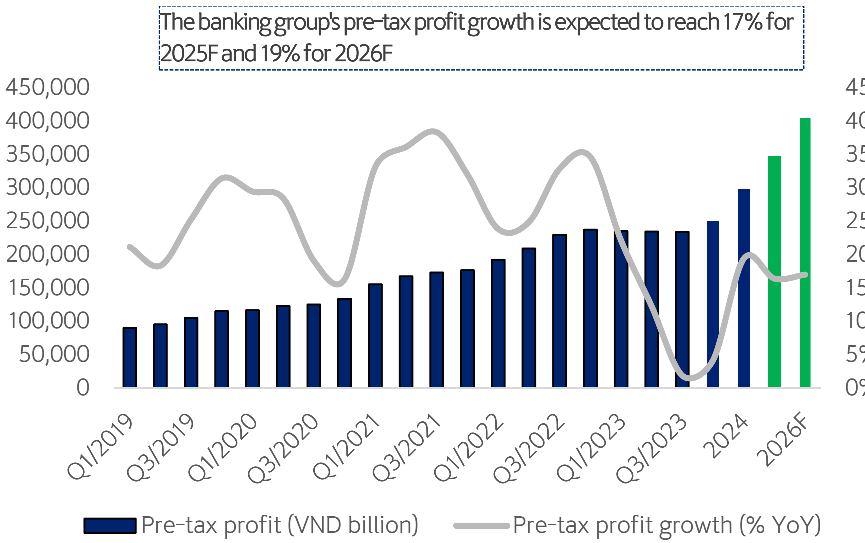
Metric	GDP Growth			CPI			Unemployment Rate		
Country/Year	**2025**	**2026**	**2027**	**2025**	**2026**	**2027**	**2025**	**2026**	**2027**
Vietnam	**7.2 %**	**6.8 %**	**6.4 %**	**3.4 %**	**3.5 %**	**3.5 %**	**2.3 %**	**2.3 %**	**2.2 %**
China	4.9 %	4.3 %	4.1 %	0.0 %	0.8 %	1.0 %	5.2 %	5.1 %	5.1 %
Hong Kong	2.8 %	2.2 %	2.3 %	1.6 %	1.9 %	1.9 %	3.4 %	3.3 %	3.4 %
India	6.4 %	6.7 %	6.5 %	4.6 %	2.4 %	4.2 %			
Indonesia	4.9 %	4.9 %	5.0 %	1.9 %	2.5 %	2.6 %	5.0 %	5.0 %	4.9 %
South Korea	1.0 %	1.9 %	1.9 %	2.0 %	1.9 %	1.9 %	2.8 %	2.9 %	2.8 %
Malaysia	4.3 %	4.3 %	4.3 %	1.8 %	2.1 %	2.0 %	3.1 %	3.2 %	3.2 %
Phillipines	5.4 %	5.7 %	6.0 %	1.8 %	2.8 %	3.0 %	4.1 %	4.2 %	4.1 %
Singapore	3.0 %	1.9 %	2.5 %	0.9 %	1.5 %	1.7 %	2.1 %	2.2 %	2.1 %
Taiwan	5.2 %	2.5 %	2.7 %	1.7 %	1.6 %	1.7 %	3.4 %	3.5 %	3.4 %
Thailand	2.1 %	1.8 %	2.5 %	0.2 %	0.8 %	1.1 %	1.0 %	1.1 %	1.1 %
USA	1.9 %	1.8 %	2.0 %	2.8 %	2.9 %	2.5 %	4.2 %	4.4 %	4.3 %
Japan	1.1 %	0.7 %	0.8 %	3.0 %	1.8 %	1.9 %	2.5 %	2.4 %	2.3 %
Euro	1.3 %	1.1 %	1.5 %	2.1 %	1.8 %	2.0 %	6.3 %	6.3 %	6.2 %
United Kingdom	1.4 %	1.2 %	1.4 %	3.4 %	2.5 %	2.1 %	4.7 %	4.8 %	4.6 %
Canada	1.2 %	1.1 %	1.9 %	2.1 %	2.0 %	2.0 %	6.9 %	6.8 %	6.3 %
Australia	1.7 %	2.2 %	2.3 %	2.6 %	2.7 %	2.5 %	4.2 %	4.4 %	4.3 %
Sweden	1.2 %	2.1 %	2.2 %	0.8 %	1.1 %	1.9 %	8.7 %	8.4 %	7.8 %
New Zealand	0.3 %	2.3 %	2.6 %	2.7 %	2.1 %	2.1 %	5.2 %	4.9 %	4.5 %
Switzerland	1.1 %	1.2 %	1.6 %	0.2 %	0.6 %	0.8 %	2.9 %	3.2 %	3.0 %
Denmark	1.8 %	2.0 %	2.0 %	1.9 %	1.8 %	2.0 %	6.2 %	6.3 %	
Norway	1.9 %	1.6 %	1.7 %	2.9 %	2.3 %	2.2 %	4.5 %	3.9 %	3.6 %
Germany	0.3 %	1.0 %	1.5 %	2.2 %	2.0 %	2.1 %	6.3 %	6.3 %	6.0 %
France	0.7 %	0.9 %	1.2 %	1.0 %	1.5 %	1.8 %	7.5 %	7.6 %	7.6 %
Italy	0.5 %	0.8 %	0.9 %	1.7 %	1.6 %	1.9 %	6.2 %	6.2 %	6.0 %

Source: Bloomberg Consensus, Shinhan Securities Vietnam

- On November 13, 2025, the National Assembly approved a target of 10% or higher economic growth for 2026, with GDP per capita expected to reach USD 5,400–5,500. Inflation is targeted at around 4.5%. For public investment, the National Assembly emphasized the need to remove bottlenecks and accelerate capital disbursement from early 2026, particularly for key projects and national target programs.
- Independent institutions, however, take a more cautious view for 2026, as global GDP growth is expected to slow. Vietnam's GDP is also projected to moderate (2025: 7.2%, 2026: 6.8%).
- Against the backdrop of ambitious growth targets, Fitch Ratings has warned about the rapid pace of credit expansion in Vietnam - outpacing GDP growth - with the credit-to-GDP ratio expected to rise to 145% by the end of 2025. Nonetheless, Fitch also highlights Vietnam's strengths, including solid medium-term growth prospects, lower debt levels relative to similarly rated peers, and a favorable external debt structure.

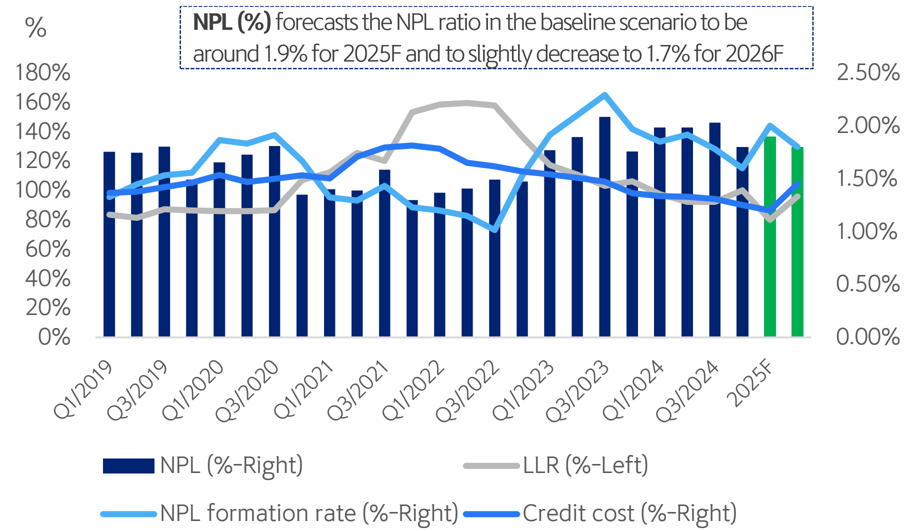
We forecast bank profits to grow 17% for 2025 and improve to 19% for 2026

Profit before tax (VND bn)



Source: Fiinpro, Shinhan Securities Vietnam

Projected bad debt ratio (NPL)



Source: Fiinpro, Shinhan Securities Vietnam

- **Key assumptions for pre-tax profit of 18 banks listed on HOSE:**

• 2025F NIM is under slight downward pressure as retail lending demand may not recover as expected. Strong competitive interest rates are also a factor that puts pressure on output interest rates. We reduce our projected 2025F NIM to 3.2% (from 3.4% in the latest report). In 2026, with funding costs under increasing pressure and difficulty in increasing output lending rates, we forecast 2026F NIM to be flat at around 3.2%.

• We maintain our credit growth target of 16-17% for 2025-2026

• Conservative NPL ratio assumed at around 1.9% for 2025F and down to 1.7% for 2026. Credit cost is assumed at 1.1% for 2025-2026

• Non-interest income growth is expected at over 20% for 2025-2026

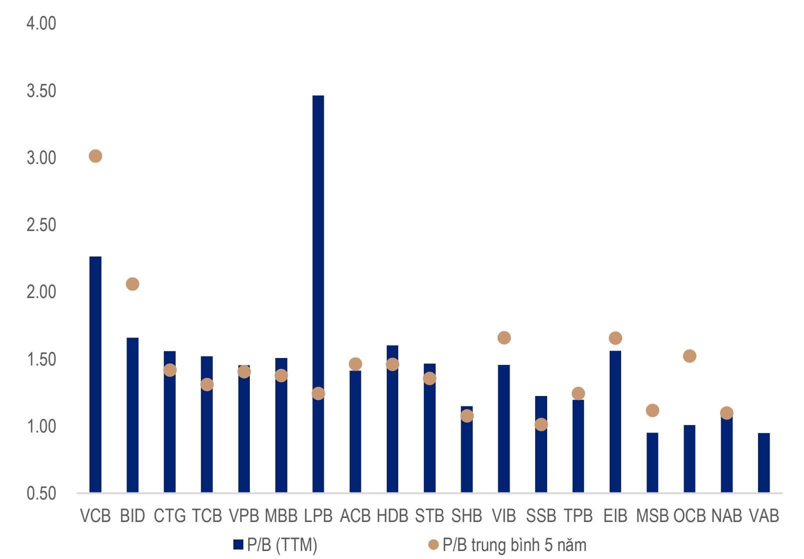
• Bank pre-tax profit growth in 2025 in the base case is expected at 17% and 19% for 2026F.

Valuations have returned to appropriate levels

Valuation of banks on HOSE (P/B)

Source: Bloomberg November 28, 2025, Shinhan Securities Vietnam

P/B of banking stocks



Source: Bloomberg, Shinhan Securities Vietnam

- The P/B valuation of banks after exceeding the 5-year average (especially the private banking group with IPO stories) has been significantly discounted (about 20% from the peak). As of now, the P/B of the whole industry is at 1.6x (5-year average around 1.7x), which in our opinion is appropriate and reflects the growth realized in 2025.
- With many positive stories about foreign capital flows after Vietnam's upgrade to emerging market status. Some banks have stories about participating in gold exchanges, digital asset exchanges and many capital sales in 2026, we expect the valuation of banks to improve. In the context of this group's profit forecast to grow by 19% for 2026 (equivalent to a 22% increase for equity), the forward P/B of the whole industry 2026F is around 1.4x – significantly lower than the average P/B of the industry.

Stock	Market Cap (VND bn)	Current price (VND)	Target price (VND)	Upside (%)	Pre-tax profit growth 9T/2025 (% YoY)	Pre-tax profit growth 2026F (% YoY)	Asset/Equity (x)	NIM (TTM)	NPL (%)	LLR (%)	CIR (TTM)	ROE (TTM)	P/B (TTM)	PB Forward 2026
VCB	479,616	57,400	72,000	25.4%	5%	12.3%	10.35	2.7%	1.0%	201.9%	34.9%	17.0%	2.26	2.13
BID	260,493	37,100	45,000	21.3%	7%	17%	19.04	2.1%	1.9%	94.5%	34.3%	16.9%	1.66	1.61
CTG	263,130	49,000	60,000	22.4%	51%	16%	16.06	2.6%	1.1%	176.5%	28.1%	21.4%	1.56	1.51
TCB	239,161	33,750	42,600	26.2%	2%	20%	9.55	3.7%	1.2%	119.2%	34.0%	13.6%	1.52	1.48
VPB	232,067	29,250	36,000	23.1%	47%	26%	12.31	5.6%	3.5%	55.1%	23.6%	13.7%	1.46	1.46
MBB	187,279	23,250	30,700	32.0%	12%	15%	11.73	4.2%	1.9%	79.2%	28.9%	20.0%	1.50	1.32
LPB	145,182	48,600	27,150	-44.1%	9%		9.64	3.2%	1.8%	76.1%	28.7%	24.6%	3.43	
ACB	124,564	24,250	34,000	40.2%	5%	16%	8.70	3.1%	1.1%	84.0%	31.9%	20.4%	1.42	1.31
HDB	123,501	32,000	38,000	18.8%	17%	22%	12.71	5.0%	2.9%	43.4%	28.5%	23.8%	1.60	1.79
STB	91,621	48,600	56,000 *	15.2%	36%	34%	8.73	3.6%	2.7%	93.3%	45.2%	21.6%	1.46	1.44
SHB	77,174	16,800			35%		12.87	3.8%	3.1%	56.9%	20.5%	19.2%	1.15	
VIB	62,974	18,500	23,300	25.9%	7%	17%	9.30	3.2%	3.3%	39.4%	36.1%	17.7%	1.46	1.32
SSB	49,219	17,300			51%		13.61	2.9%	2.0%	71.9%	28.7%	18.1%	1.22	
TPB	47,991	17,300	19,714*	14.0%	11%	16%	6.62	3.2%	2.2%	61.2%	38.1%	17.1%	1.21	1.16
EIB	40,980	22,000	23,200*	5.5%	-14%		11.12	2.5%	3.0%	34.7%	45.4%	12.0%	1.57	1.44
MSB	41,028	13,150	15,700 *	19.4%	-3%		10.63	3.5%	2.8%	53.7%	39.8%	14.2%	0.95	0.88
OCB	32,756	12,300	15,438*	25.5%	34%	22%	11.78	3.4%	3.7%	40.6%	37.4%	12.3%	1.01	0.92
NAB	24,534	14,300	17,200 *	20.3%	15%		6.27	3.0%	2.7%	46.4%	38.6%	20.0%	1.12	
VAB	8,858	10,850			0%		13.53	1.4%	1.8%	65.5%	41.0%	8.9%	0.95	

Source: Bloomberg updated on November 28, 2025, compiled by Shinhan Securities Vietnam
* Consensus target price on the market on November 28, 2025

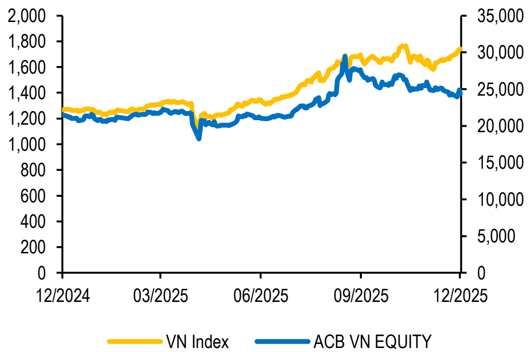
ACB

Target price (12 months)	**VND 34,000**
Current price (11/28/25)	VND 24,200
Upside (%)	40.2%

VNINDEX	1,690
PE market (26F)	13.9
Market cap (VNDbn)	125,078
Outstanding shares (shares mn)	5,137
Free Float (shares mn)	4,748
52-week high/low(VND)	26,500/ 18,043
Average trading volume 90 days (shares mn)	15.98
Average trading value of 90 days (VNDbn)	337
Foreign ownership (%)	29.01

Major shareholder(%)	Sather Gate	4.99
	Tran Hung Huy	3.94

Performance	**3M**	**6M**	**12M**
Absolute (%)	-10.3	16.0	9.0
Relative to VN-Index (%)	-14.8	-13.8	-28.4



Stable asset quality, expected non-interest growth from bancassurance and gold trading

Asia Commercial Bank (ACB) is strategically positioned to become Vietnam's leading retail bank. The bank maintains a prudent growth strategy and does not invest in corporate bonds. In 2024, ACB will continue to expand its corporate lending segment to diversify the loan portfolio and support more sustainable long-term growth. In terms of asset quality, ACB is one of the early adopters of Basel III standards. The bank maintains solid credit growth and is gradually refining its business model. Assuming an average profit growth rate of over 15% for 2024–2028 and stable performance during 2024–2025, ACB's target price for 2026 is 34,000 VND/share

Business result 9M/2025

- By the end of 9M/2025, ACB achieved 15.2% YTD credit growth.Retail loans increased by 10.9% YTD: home loans grew 17%, while business loans rose only 5% due to recent policy changes and weak domestic demand.Corporate loans showed stronger momentum, rising 19.9% YTD

-NIM (TTM) declined to 3.1% at the end of Q3/2025, from 3.68% at the end of 2024. Apart from stronger competition in lending rates, the higher contribution from corporate lending (which carries lower NIM than retail) also contributed to this decline.

- Fee income remained flat in 9M/2025. However, foreign exchange trading, gains from trading and investment securities, and other income-mainly from debt collection, helped non-interest income reach VND 5,779 billion (+36% YoY).

- Asset quality improved, with the NPL ratio falling to 1.09% at the end of Q3/2025. Provisioning expenses declined 5% YoY. As bad debt ratios improved, ACB's bad-debt coverage ratio also increased-from 78% at the end of 2024 to 84% at the end of Q3/2025.

- Operating expenses were kept nearly flat. ACB reported VND 16,071 billion in pre-tax profit for 9M/2025 (+4.8% YoY), equivalent to 70% of its full-year plan.

Outlook for 2025-2026

- ACB continues to maintain one of the strongest asset-quality profiles in the sector, supported by a sustainable lending framework and a retail-focused loan book.
- The bank plans to produce and sell gold under its own brand starting November 2025. ACB previously operated this business segment before 2012. The re-entry into gold trading is expected to enhance non-interest income. Additionally, ACB plans to establish a non-life insurance company before Q2/2026, further supporting the recovery of fee income.
- ACB's 5-year strategic orientation includes ROE (>20%), CASA (>30%), Non-interest income (>20% of total income). We believe that the profit growth of 15%/year in the coming period when the loan demand of the retail portfolio recovers is an achievable target.
- We forecast ACB's profit to grow 4.7% YoY in 2025, with further improvement in 2026, targeting 16% growth

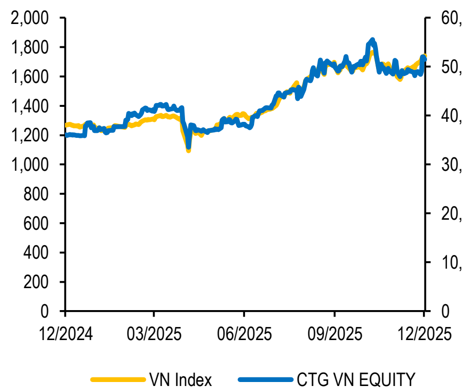
Risks: (1) Rising NPL pressure from loans to business households and individuals.; (2) Retail loan growth recovering more slowly than expected

Year	**2022**	**2023**	**2024**	**2025F**	**2026F**
Net Interest Income (VNDbn)	23,534	24,960	27,795	30,068	35,442
Non-Interest Income (VNDbn)	5,257	7,787	5,720	6,913	8,296
Total Operating Income (VNDbn)	**28,790**	**32,747**	**33,515**	**36,981**	**43,737**
Operating Expenses and Provisioning (VNDbn)	(11,676)	(12,679)	(12,509)	(14,979)	(18,197)
Profit Before Tax (VNDbn)	**17,114**	**20,068**	**21,006**	**22,002**	**25,540**
Credit growth (%)	14.31%	17.86%	18.4%	17.00%	17.00%
NIM (%)	4.26%	3.93%	3.68%	3.3%	3.4%
ROE (%)	**26.49%**	**24.39%**	**21.75%**	**19.45%**	**19.33%**

Source: Bloomberg, Shinhan Securities Vietnam

Target price (12 months)	**VND 60,000**
Current price (11/28/25)	VND 49,000
Upside (%)	22.4%
VNINDEX	1,690
PE market (26F)	13.9
Market cap (VNDbn)	276,555
Outstanding shares (shares mn)	5,370
Free Float (shares mn)	1,908
52-week high/low(VND)	56,500/ 33,800
Average trading volume 90 days (shares mn)	10.58
Average trading value of 90 days (VNDbn)	460
Foreign ownership (%)	25.58
Major shareholder(%) SBV	64.49

Performance	3M	6M	12M
Absolute (%)	2.4	33.6	41.5
Relative to VN-Index (%)	-2.1	3.8	4.1



Expectations for re-rating

Vietnam Joint Stock Commercial Bank for Industry and Trade (CTG) is one of the four state-owned commercial banks in Vietnam. The bank is accelerating the shift toward a more balanced loan portfolio between corporate and retail customers, helping diversify credit exposure. Over the past five years, CTG has demonstrated strong credit-risk management capabilities, maintaining a stable NPL ratio and one of the highest NPL coverage ratios in the sector despite economic fluctuations. We assess that CTG's proactive debt-resolution ability and asset-quality management remain key strengths. In a supportive credit environment, driven by public-investment acceleration and a recovering real-estate market, we expect CTG to continue expanding its loan book and deliver annual profit growth of around 20% in 2025–2026. CTG is also trading at a lower valuation compared with other state-owned peers such as BID and VCB. For these reasons, we recommend BUY with a target price of 60,000 VND/share.

Business result 9M/2025

- By end-9M/2025, CTG recorded 15.6% credit growth (vs. a full-year quota of 17%).Retail loans accounted for 40% of total loans, rising 16% YTD, led by home loans (+18.2% YTD).Large corporate, SME, and FDI portfolios grew 13.2%, 14.2%, and 21% YTD, respectively.
- NIM declined to 2.6% at the end of Q3/2025. Despite solid credit expansion, net interest income rose only slightly (+5% YoY) in 9M/2025. CASA improved further to 25.1% at end-Q3/2025 (up from 20% in 2020).
- Non-interest income increased 5.81% YoY.
- Bad-debt recovery reached VND 6.8 trillion (+13% YoY) in 9M/2025. CTG targets VND 8–10 trillion for the full year. In Q3/2025, recoveries were mainly related to several BOT projects.
- The NPL ratio decreased to 1.1% at end-Q3/2025 (from 1.25% at end-2024).
- Pre-tax profit for 9M/2025 reached VND 29,534.7 billion (+51% YoY), completing nearly 90% of the full-year plan.

Investment thesis

- NPL ratio remains low, and the bank expects provisioning in 2026 to remain similar to 2025, helping improve credit costs
- CTG holds the largest corporate lending market share and the third-largest retail lending market share in the banking system.
- The bank expects positive profit growth in 2026.

Outlook for 2025-2026

- We assume CTG will achieve 16% credit growth for 2025–2026. Given current funding-cost dynamics, we expect NIM in 2026 to remain flat, rather than improving. Fee income is projected to grow above 20%. We expect the NPL ratio to stay around 1–1.3%, with credit costs controlled at approximately 0.5%.Accordingly, CTG's profit is projected to grow more than 20% per year over 2025–2026. With the strong 9M/2025 results, we believe CTG may exceed our 2025 profit forecast; for 2026, we maintain a growth assumption of 17%.

Risks: (1) Pressure to keep lending rates low to support economic growth while deposit rates rise to attract capital. (2) A sharp increase in NPLs could place upward pressure on provisioning costs.

Year	2022	2023	2024	2025F	2026F
Net Interest Income (VNDbn)	47,792	53,083	62,403	69,296	81,054
Non-Interest Income (VNDbn)	16,325	17,575	19,506	20,595	24,631
Total Operating Income (VNDbn)	**64,117**	**70,659**	**81,909**	**89,891**	**105,684**
Operating Expenses and Provisioning (VNDbn)	(43,171)	(45,559)	(50,151)	(50,075)	(59,241)
Profit Before Tax (VNDbn)	**20,946**	**25,100**	**31,758**	**39,816**	**46,444**
Credit growth (%)	12.16%	15.50%	16.78%	17.96%	16%
NIM (%)	2.93	2.91	2.92	2.74	2.79
ROE (%)	16.7	17.1	18.4	19.2	18.6

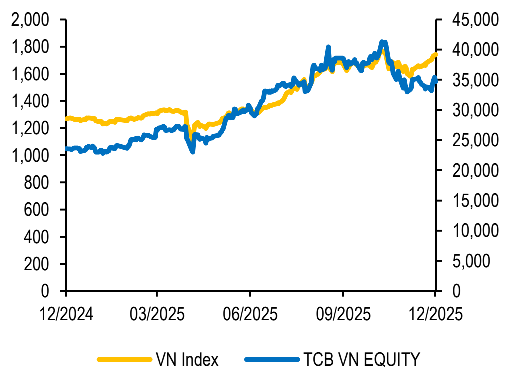
Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Technological and Commercial Joint Stock Bank (HOSE:TCB)

TECHCOMBANK

Target price (12 months)	**VND 42,600**
Current price (11/28/25)	VND 27,350
Upside (%)	25.0%
VNINDEX	1,690
PE market (26F)	13.9
Market cap (VNDbn)	245,893
Outstanding shares (shares mn)	7,086
Free Float (shares mn)	5,482
52-week high/low(VND)	42,500/ 22,300
Average trading volume 90 days (shares mn)	20.40
Average trading value of 90 days (VNDbn)	601
Foreign ownership (%)	22.52
Major shareholder(%) Masan	14.84

Performance	3M	6M	12M
Absolute (%)	4.3	3.7	30.9
Relative to VN-Index (%)	3.8	4.7	17.6



Discounts open up investment opportunities

echcombank (TCB) is one of Vietnam's largest joint-stock banks and has achieved remarkable success, driven by its strong focus on technology and digital transformation. By prioritizing digital solutions, TCB continues to enhance customer experience and expand its customer base. The bank has strategically concentrated on real estate developer loans and home loans-segments we view as offering substantial long-term growth potential.After correcting 19% from its peak, the decline occurred against the backdrop of TCBS's successful IPO and the anticipated market upgrade priced in by investors. At the current valuation, we believe TCB has sufficient upside potential, with a target price of VND 42,600/share, based on the Residual Income (RI) model and P/B peer comparison.

Business result 9M/2025

- TCB posted 16.8% YTD credit growth in 9M/2025 (including 36% growth in short-term loans), evenly split between retail and corporate segments.
- Retail lending was driven by margin lending through TCBS (+61% YTD) and home loans (+14% YTD).NIM (TTM) stood at 3.7% at end-Q3/2025, down from 4.3% at end-2024 but stable over the last two quarters.Net interest income reached VND 27,367 billion (+1.7% YoY).
- Non-interest income increased 6.6% YoY, mainly impacted by fee income from card services and LC Upass due to policy, technical, and recognition changes. A key positive in Q3/2025 was the strong recovery in bancassurance revenue (+39% YoY). Other income from collateral liquidation also improved.
- TCB's NPL ratio improved further to 1.16% at end-Q3/2025.Credit costs declined meaningfully from 0.8% at end-2024 to 0.6% at end-Q3/2025
- Pre-tax profit for 9M/2025 reached VND 23,385 billion (+2.4% YoY), completing 75% of the full-year target.

Investment thesis

- TCB is well-positioned to benefit from rising home-loan demand as the real-estate market recovers. Flexible Pricing applied to the project-loan portfolio could provide upside for future NIM.
- TCB is expanding its insurance business through its two subsidiaries (life and non-life insurance), with early signs of positive momentum.
- NPL ratio is well-controlled at approximately 1%.

Outlook for 2025-2026

- We continue to apply the assumptions from our latest report:Credit growth forecast: 19–20% for 2025–2026.NIM expected to stabilize around 3.8% (revised down from previous forecasts of ~4%).NPL ratio expected at ~1.2%, with credit costs below 1% in 2025.We forecast:2025 pre-tax profit: VND 30,593 billion (+11% YoY).2026 pre-tax profit: VND 36,809 billion (+20.3% YoY).For 2026–2028, we see potential for NIM improvement driven by Flexible Pricing in the project-loan portfolio; however, due to limited detailed disclosure, we have not incorporated this benefit into our valuation.

Risks: (1) Slow recovery of retail credit.; (2) Persistently high NPLs and ineffective debt-resolution activities.

Year	2022	2023	2024	2025F	2026F
Net Interest Income (VNDbn)	30,290	27,691	35,508	39,269	47,383
Non-Interest Income (VNDbn)	10,612	12,370	11,482	13,790	17,732
Total Operating Income (VNDbn)	**40,902**	**40,061**	**46,990**	**53,059**	**65,115**
Operating Expenses and Provisioning (VNDbn)	(15,334)	(17,173)	(19,452)	(22,467)	(28,305)
Profit Before Tax (VNDbn)	25,568	22,888	27,538	30,593	36,809
Credit growth (%)	12.53%	21.58%	20.8%	20.0%	20.0%
NIM (%)	5.2%	3.9%	4.2%	3.8%	3.8%
ROE (%)	19.52%	14.85%	15.57%	15.53%	16.45%

Source: Bloomberg, Shinhan Securities Vietnam

Real Estate

Clear growth outlook

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Real Estate – Clear growth outlook

1. Update on real estate sector

The context of the real estate industry in 2025 is to recover with positive spillovers in areas with real demand and supporting factors: (1) low interest rates stimulate the demand of real estate developers and homebuyers, leading to positive growth in real estate credit; (2) promoting public investment capital for infrastructure development and strong growth of FDI in the real estate sector; (3) large housing demand while supply continues to be in short supply, especially the affordable segment. In addition, the real estate industry also faces challenges: (1) unexpected institutional changes and (2) the issuance of real estate corporate bonds is not very active, and a large amount of real estate industry bonds will mature in 2026.

2. Listed real estate companies updates

Policies and mechanisms to support the removal of legal bottlenecks by Government have taken place drastically, helping the project implementation progress of large real estate enterprises to proceed smoothly, thereby completing the 2025 plan. By the end of Q3/2025, SSV assessed that the plans set out by enterprises are feasible given that the real estate industry having many positive supporting factors and great demand from homebuyers.

3. Prospects of the real estate industry in 2026

We maintain our optimistic view that the real estate market will continue its recovery momentum in 2026, especially when (1) legal bottlenecks are removed to boost supply, (2) attractive interest rates boost project development demand and homebuyer demand. However, real estate prices in both the North and the South have been continuously increasing in 2024-2025, leading to the possibility that Government can introduce policies to intervene in the strong growth of the market, (3) large housing demand from homebuyers, especially in big cities.

4. Update on real estate sector

KDH & NLG

5. Appendix

Interest Rate – The general interest rate for home loans is still maintained at an attractive level

According to Batdongsan.com.vn, in the first 10 months of 2025, in addition to the majority of banks continuing to maintain low interest rates, a few banks have slightly increased interest rates to attract deposits in the last months of the year. However, we believe that the current preferential interest rate for home loans is still at an attractive level, stimulating the demand of home buyers and real estate development businesses. Home loans continue to be commonly structured according to two interest rates: (1) preferential loan interest rate and (2) post-preferential interest rate, the adjustment margin between the two interest rates is in the range of **2.0%-4.0%.** Specifically, preferential interest rates for loans to buy commercial housing at banks range from **5.5% - 8.0%/year**, after the preferential period, the interest rate falls to around **7.5% -12.0%/year**.

Changes in commercial home loan interest rates at some major banks

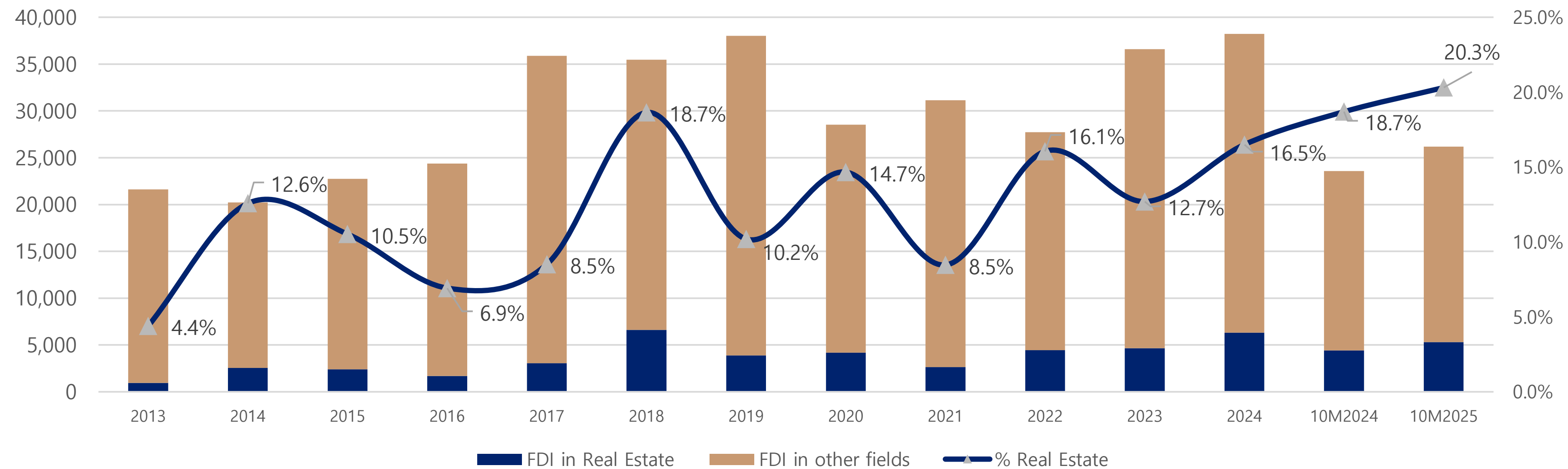
	01/2024			12/2024			10/2025		
Bank	Preferential rate (%/year)	Maximum loan rate (%)	Maximum tenor (year)	Preferential rate (%/year)	Maximum loan rate (%)	Maximum tenor (year)	Preferential rate (%/year)	Maximum loan rate (%)	Maximum tenor (year)
Vietcombank	6.7	70	20	5.5	70	20	5.7	70	20
Shinhan bank	6.6	70	30	7.0	70	30	6.6	70	50
Techcombank	10.5	70	35	6.7	80	35	6.5	70	25

Source: Batdongsan.com.vn, Shinhan Securities Vietnam

FDI – Real estate industry continues to strongly attract FDI

FDI activities in the Real Estate sector continued to maintain their second position in attracting registered foreign investment capital, but have increased significantly to **20.3%**, the highest in over 10 years. Considering the cumulative 10 months of 2025, the total investment capital in the Real Estate sector reached **USD 5.32 mn (+20.6% YoY)**, equivalent to **20.3%** of the total registered FDI capital of the sectors and ranked only behind the Processing and Manufacturing Industry with **USD 16.37 mn**, accounting for **62.5%**.

Real estate continues to hold the position of top 2 sectors attracting FDI capital (million USD)



Source: FiinPro, Shinhan Securities Vietnam

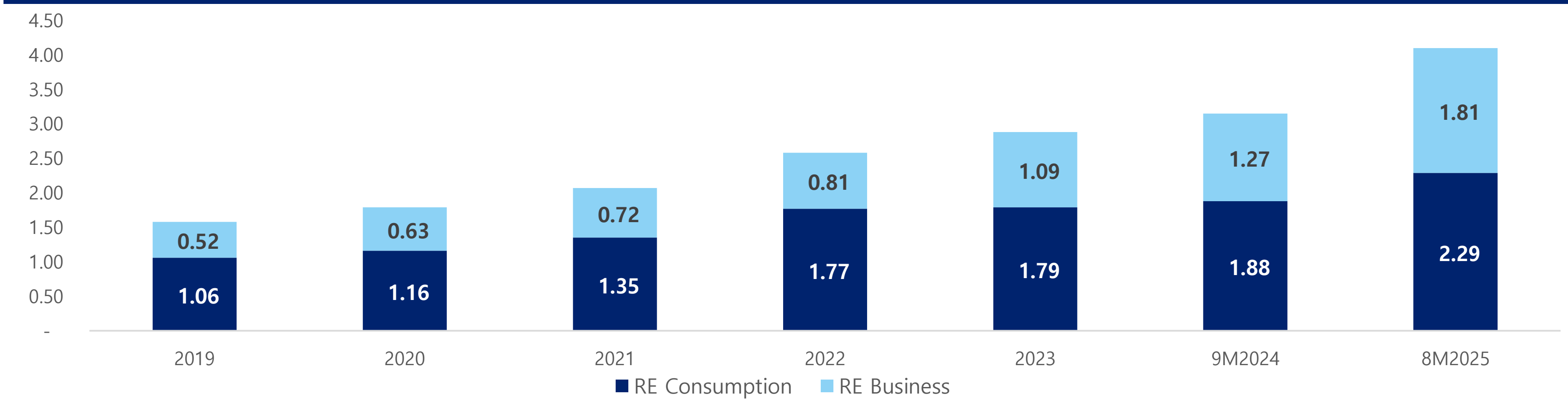
Credit – Outstanding credit for the real estate sector maintains an upward trend

By the end of 8M/2025, credit in the whole economy reached **VND 17.46 trillion (+11.78% YTD)** – an impressive credit growth rate compared to the increase of **7.31%** in 8M/2024.

Outstanding credit for the real estate sector by the end of 2024 reached **VND 3.45 trillion (+19.0% YoY)**, an impressive growth rate for the first year of market recovery after the difficult period of 2022-2023 due to market tightening measures by the management agency. Based on estimated data from the Governor of the State Bank, outstanding real estate credit at the end of August 2025 was at **VND 4.1 trillion (+19% YoY)**, it can be seen that the upward trend continues to be positive.

Specifically, by purpose of use in 8M/2025, credit for real estate business reached **VND 1.81 quadrillion (up 42.5% compared to 9M/2024)**, while credit for real estate consumption increased slightly to **VND 2.29 quadrillion (up 21.8% compared to 9M/2024).**

Real estate credit maintained impressive growth (VND quadrillions)



Souces: FiinPro, Ministry of Construction, State Bank of Vietnam, Shinhan Securities Vietnam

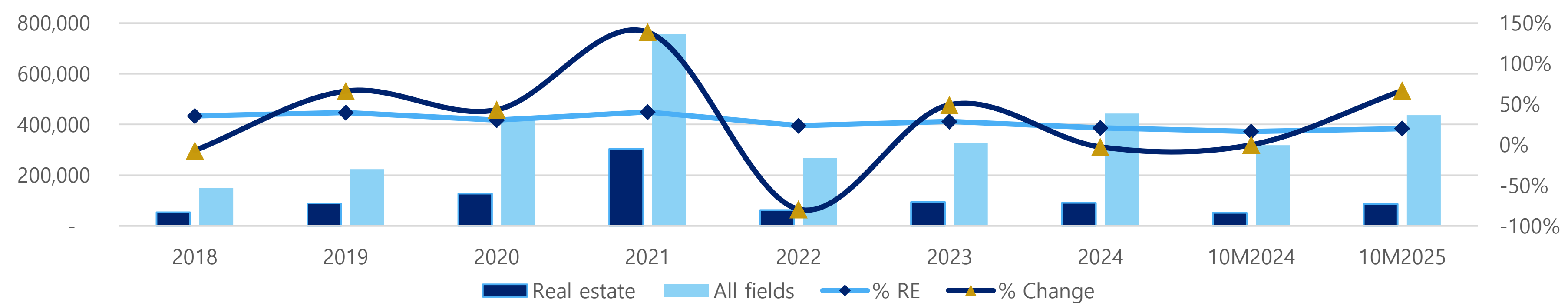
Bond – Real estate corporate bond issuance activities have recovered, although not strongly

The corporate bond issuance channel in the whole market and the real estate industry in 10M/2025 continues to recover. Specifically, the total value of corporate bonds issued in 10M/2025 reached **VND 436,465 billion (+37% YoY)**. This shows the strong recovery of the market after the difficult period of 2022-2023 due to tightening the bond capital channel due to previous violations of usage purposes. The value of bonds issued in the whole market in 10M/2025 was equal to **57.8%** compared to the value of the whole year 2021 (the year when the bond issuance value in the whole market was the highest in history).

Although the value of bonds issued in the real estate industry has shown signs of recovery compared to the difficult period. The value of bonds issued in the real estate industry in 10M/2025 reached **VND 86,717 billion (+66.8% YoY).**

However, the issuance value is only **28.5%** compared to the peak of bond issuance of the real estate industry in 2021, which was 303,979 billion VND. This comes from capital use violations of real estate enterprises, leading to management agencies tightening capital sources, along with loose fiscal policies and low interest rates, leading real estate enterprises to seek bank loans instead of bond issuance.

Real estate corporate bond issuance activities have recovered, although not strongly (VND billions)

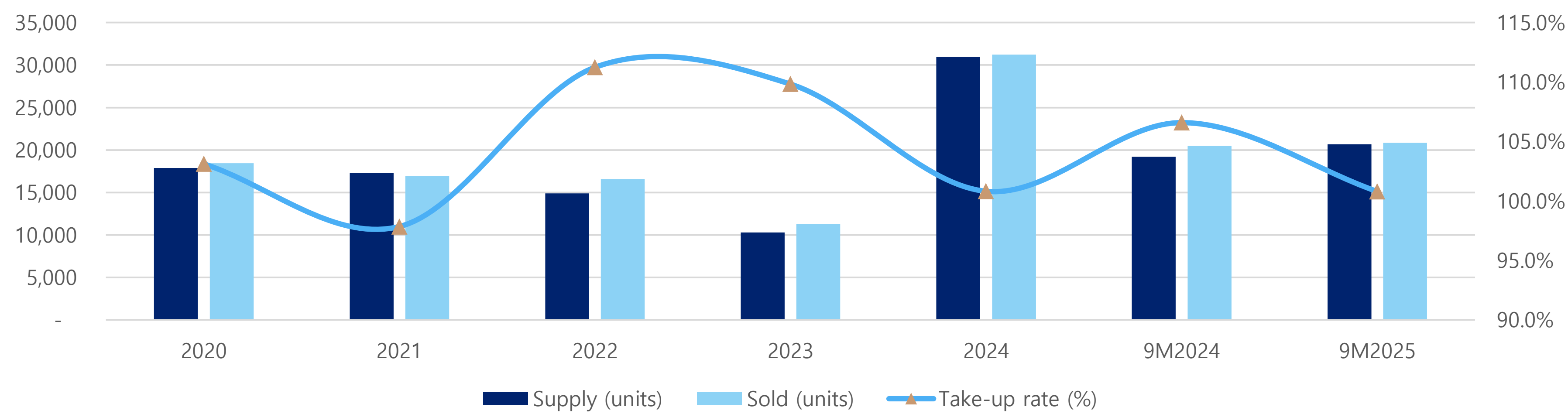


Source: HNX, Shinhan Securities Vietnam

New supply in Hanoi housing market grows strongly

In Hanoi, the new housing supply continued to record an impressive recovery in Q3/2025, reaching about **9,800 units (+19.6% YoY)**. Accumulated in 9M/2025, the supply reached about **20,700 units, up 7.6% YoY**, compared to the difficult market period of 2022-2023, the supply continued to show an impressive recovery. The market absorption level remains good with the consumption level reaching about **10,800 units** in Q3/2025 **(+36.0% YoY)** and in 9M/2025 reaching about **20,800 units (+1.8% YoY)**. This shows the positive sentiment of homebuyers towards the real estate market prospects in the context of the market maintaining a positive recovery and growth momentum.

The real estate market in Hanoi continued to show positive recovery in 9M/2025 (units)

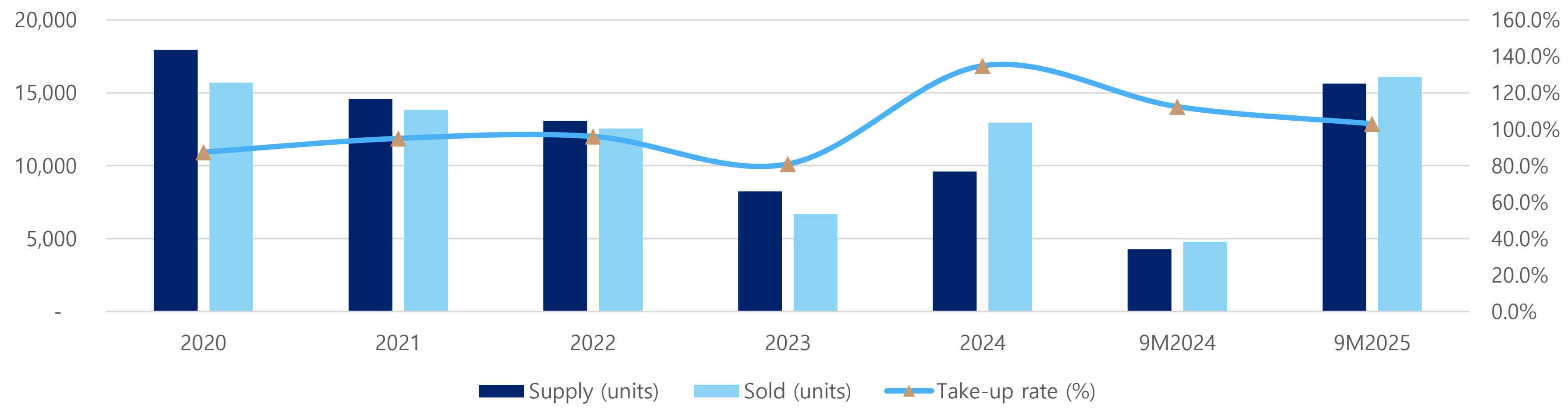


Source: CBRE, Shinhan Securities Vietnam

Housing market in HCMC has a strong recovery

Compared to the Hanoi market, in 2024, the Ho Chi Minh City market recorded a slower recovery due to the legal clearance of real estate projects in HCMC not being implemented as effectively as the Hanoi market. However, through 9M/2025, the HCMC real estate market recorded a stronger recovery than the same period. The supply in 9M/2025 in Ho Chi Minh City reached **about 15,600 units (+250% YoY)**, at the same time, the absorption rate in Ho Chi Minh City continued to reach a high level of over 100%, the number of products sold in HCMC reached **about 16,100 units (+230% YoY)**. We believe that the absorption rate in major cities such as Hanoi and HCMC will continue to remain high thanks to the high demand of homebuyers and favorable market conditions.

New supply in Ho Chi Minh market showed clear recovery in all quarters (units)



Source: CBRE, Shinhan Securities Vietnam

Real estate companies Q3/2025 and 9M2025 business results showed impressive recovery

In Q3/2025 and 9M/2025, real estate enterprises recorded increased business results compared to the period of 9M/2024 when the market was in the process of recovery and growth with many supporting factors of macro policies. Updated business results of 9M/2025:

Ticker	Revenue (Bn. VND)	Growth YoY	Net profit (Bn. VND)	Growth YoY	Note
VHM	51,092	-26.9	14,381	-26.8	- VHM's revenue in 9M2025 decreased by 26.9% YoY to VND 51.1 trillion, contributed by the handover of Royal Island, Ocean Park 2&3, Golden City projects and the contribution of the construction segment. VHM's net profit in 9M/2025 decreased by 26.8% YoY to VND 14.4 trillion. Most of VHM's revenue will be recorded in Q4/2025. - VHM's real estate sales reached a new peak, mainly thanks to the wholesale sales of Vinhomes Green Paradise project in Q3/2025 reaching VND 95 trillion with domestic partners. Part of this sales period of Vinhomes Green Paradise project will be recorded in VHM's Q4/2025 profit.
KDH	2,857	132.1	557	35.1	- In 9M/2025, KDH's revenue reached VND 2,857 billion, up 132.1% YoY, net profit reached VND 557 billion, up 35.1% YoY, contributed by the remaining part of The Privia apartment project and mostly contributed by The Gladia villa project.
NLG	3,941	376.2	354	2184.6	- 9M/2025 revenue grew significantly, reaching VND 3,941 billion, up 376.2% YoY, and net profit reached VND 354 billion, up 22 times YoY. Because NLG's revenue in 2024 is mainly concentrated in the 4th quarter of the year. - Most of NLG's revenue in 9M/2025 comes from Can Tho project (accounting for 40% including EhomeS and land plot), Southgate project (accounting for 25% including Ehome and Valora subdivisions) and Akari project (accounting for 25%).
DXG	2,727	-14.9	223	134.5	- DXG's 9M/2025 revenue reached VND 2,727 billion, decreased 14.9% YoY. However, thanks to the large contribution of the real estate brokerage segment (accounting for 49.5% of revenue, compared to 9M/2024, contributing only 25.9% of total revenue), with a high profit margin, DXG's net profit had an impressive growth of VND 223 billion, increased 134.5% YoY. Meanwhile, the real estate segment contributed less to the 2025 revenue proportion. It is forecasted that the real estate segment will contribute more to total revenue in 2026-2028 with The Privé and Gem Sky World projects.

Source: Companies, Shinhan Securities Vietnam

Real estate businesses set ambitious plans for 2025

The 2025 business plans of real estate companies are being set with relatively positive business goals in line with market developments and conditions. In addition, in terms of sales, companies are also assessing that they will grow strongly, based on a favorable macro context, the work of removing legal bottlenecks is being promoted and the interest rate level remains low. Specifically, 2025 business plans of some real estate enterprises are listed below:

	Revenue (Bn. VND)	Growth YoY	Net profit (Bn. VND)	Growth YoY	Note
VHM	180,000	76.5	42,000	19.8	- Revenue plan reaches VND 150,000 - 200,000 billion from the sale of Wonder City - Dan Phuong (Opened for sale 03/2025), Vinhomes Green City project (Hau Nghia, Tay Ninh) and Vinhomes Green Paradise project (Can Gio, Ho Chi Minh City). - 2025 profit after tax structure: most of the profit from Vinhomes' real estate handover will be recorded in Q4/2025. In Q3/2025, VHM signed a contract to bulk sell VND 95 trillion of Vinhomes Green Paradise project and will receive revenue in Q4/2025.
NLG	6,794	-6.0	701	35.0	- Sales in the year are expected to reach VND 14,645 billion (2.8 times higher than the same period) mainly from key projects such as Southgate, Mizuki, Can Tho 43ha and Paragon Dai Phuoc. Accumulated in 9M/2025, sales volume reached VND 5,004 billion, mostly from the Southgate project (completing 35% of the 2025 plan). - The main source of revenue and profit in the year will come from the handover of products at the projects: Southgate, Can Tho 43ha, Can Tho EhomeS, Akari City phase 2, Izumi City... - Nam Long approved the plan to issue more than 100 million shares to existing shareholders at VND 25,000 per share. The purpose of capital use includes: (1) Investing in Nam Long Land and Nam Long Commercial; (2) investing in the company's existing projects and (3) repaying loans. The issuance is still underway and is expected to be completed in December 2025.

Real estate businesses set ambitious 2025 plans

	Revenue (Bn. VND)	Growth YoY	Net profit (Bn. VND)	Growth YoY	Note
DXG	7,000	62.0	368	45.7	- DXG sets a 2025 business plan of VND 7,000 billion in revenue (+162% YoY) and the parent company's after-tax profit reaches VND 368 billion (+144% YoY) thanks to the handover of the remaining products previously sold from the Gem Sky World project and revenue from the real estate brokerage company (DXS). - DXS has completed the plan to issue more than 148 million shares to increase its charter capital to more than VND 10,206 billion. - Subsidiary Dat Xanh Services (HOSE: DXS): Planned revenue is VND 5,156 billion (+112% YoY) and the parent company's after-tax profit is VND 412 billion (+194% YoY). - The Privé project: completed the construction of the basement of 12 blocks and launched in 2 phases of the project (8 out of 12 blocks). - The Privé project will be the main contributor to DXG's revenue in the period 2027-2028. Gem Sky World project will be the main source of revenue for DXG in the period 2025-2026 when the projects are under construction and legal implementation.
KDH	3,800	15.3	1,000	24.5	- KDH plans to achieve VND 3,800 billion in revenue (+15.3% YoY) in 2025 and VND 1,000 billion in after-tax profit of the parent company (+23.4% YoY). - The Gladia By The Waters project (a project of nearly 12 hectares in cooperation with Keppel with more than 200 low-rise products and 600 high-rise products) will be the main revenue contributor for KDH in 2025 along with the remaining part of The Priva project. The Gladia By The Waters project has been launched and recorded revenue since Q3/2025, and is expected to contribute the main revenue to KDH in the period 2025-2027. - KDH has no plans to expand its land fund in provinces neighboring HCMC, instead it will continue to develop the company's existing land fund.

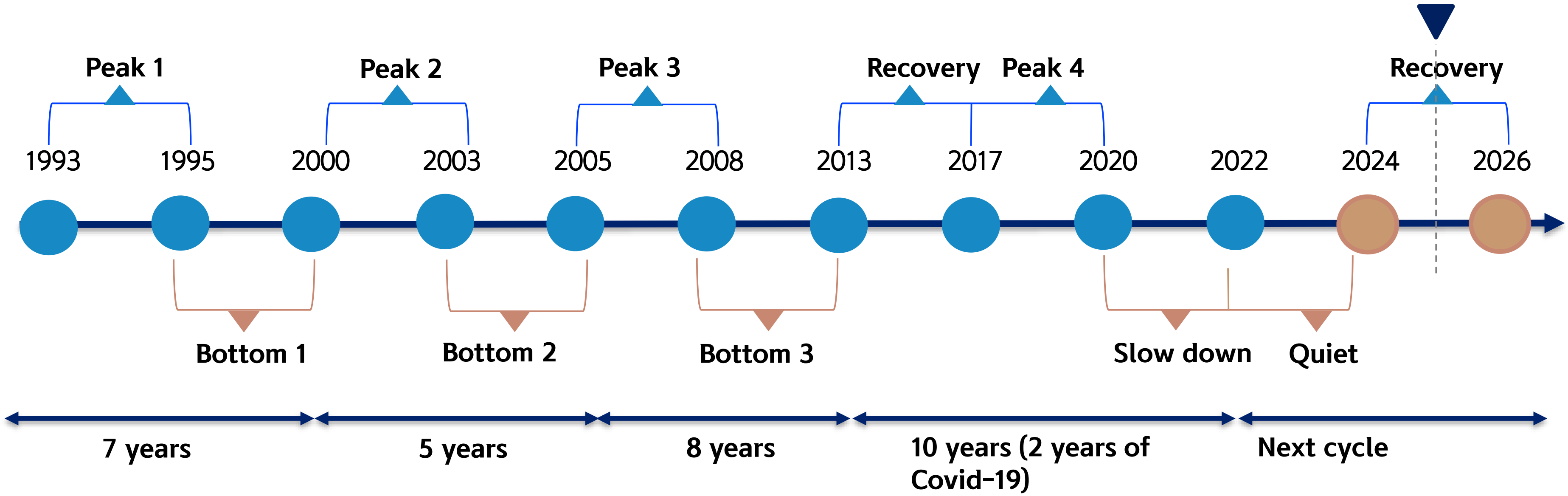
Source: Companies, Shinhan Securities Vietnam

We maintain our view that the real estate industry has entered a recovery phase from 1H2024

The real estate market has gone through a difficult period in 2022-2023 when businesses operating in the real estate sector had legal violations regarding land use purposes, bond issuance purposes and other violations. This led to management agencies taking measures to control and tighten the market, putting the market in a difficult period. Currently, as the difficult period of the market has passed, the market has entered a recovery period from the first half of 2024 with a series of supporting macro factors:

(1) Internal industry: Complete legal framework promotes real estate supply & positive market demand.

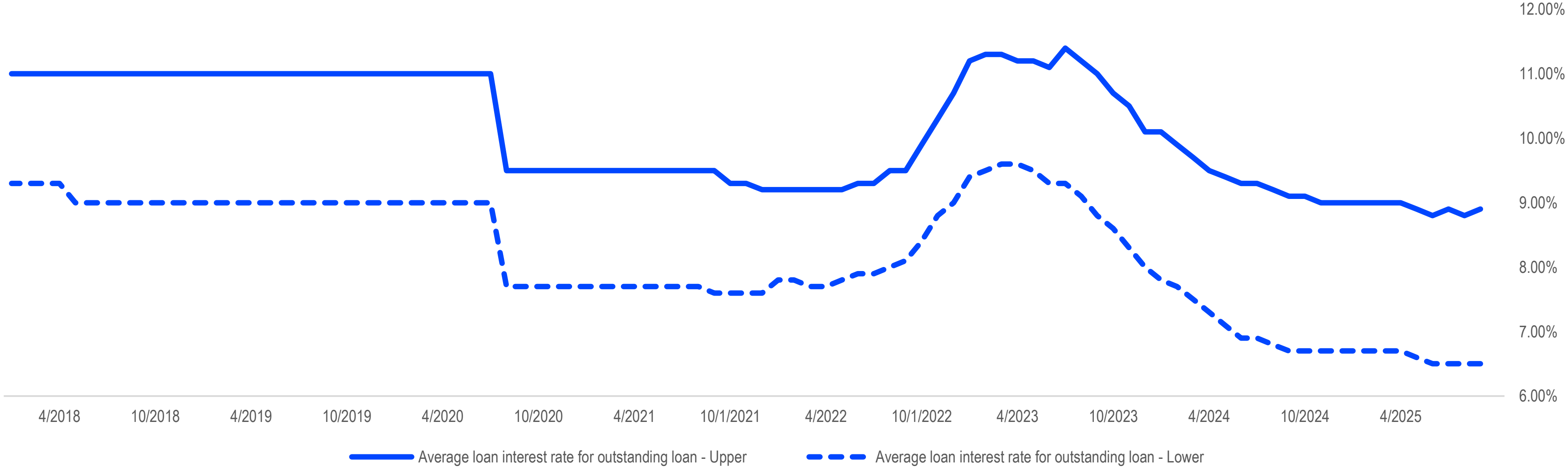
(2) Favorable environment: Interest rates continue to be attractive and the wave of public investment in infrastructure development is being promoted.



Source: Cushman &Wakefield, Shinhan Securities Vietnam

Interest rate environment remains favorable

Lending interest rates remain low and may increase slightly in late 2025 and in 2026 but will not have a significant impact on the real estate market (%)



Source: SBV, Shinhan Securities Vietnam

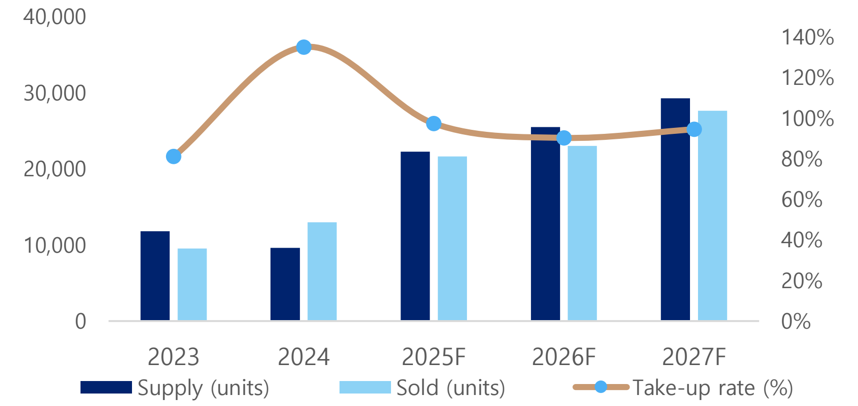
With expectations: (1) Credit growth may reach +19% to +20% YoY, led by the retail credit group; (2) Average lending interest rates will increase slightly from the current low level; and (3) Expectations of support policies to boost the domestic economy and promote public investment disbursement. We believe that 2026 will continue to be a year with a favorable interest rate environment, boosting real estate consumption demand with many supporting fundamental factors such as: (1) The completion of real estate laws helps shorten the time to complete legal procedures of projects, helping to improve the supply of the whole market and reduce financial pressure for real estate development enterprises; (2) Market supply is expected to be vibrant again and (3) Positive sentiment in the market. We believe that in 2026 when the double-digit economic growth strategy is maintained, we expect interest rates to increase slightly but not significantly affect the real estate market and the market recovery momentum will continue to be maintained.

Completed legal system promotes real estate supply

We expect that the continued improvement of the legal corridor will help remove bottlenecks in supply, and that regulators will issue specific Resolutions that will help remove obstacles and increase supply for the real estate market. A series of Resolutions and Circulars guiding the implementation of the Real Estate Laws have been issued, thereby creating a basis for putting the Law into practice and unblocking supply for the entire market.

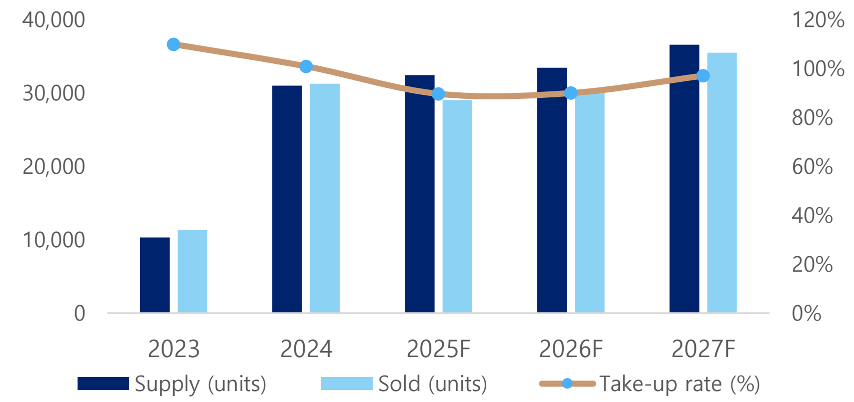
Resolution No. 171/2024/QH15 of the National Assembly on piloting the implementation of commercial housing projects through agreements on receiving land use rights or having land use rights, effective from April 1, 2025, has shown its impact on the entire market supply. Previously, Decree 75/2025/ND-CP and Decree 76/2025/ND-CP, which detailed Resolutions No. 171 and No. 170, helped to remove legal obstacles for hundreds of stagnant real estate projects in many localities such as Hanoi, Ho Chi Minh City, etc., showed a further step forward in completing the legal corridor and helping supply recover across the market.

HCMC is expected to accelerate with a sharp increase in supply (units)



Souce: CBRE, Shinhan Securities Vietnam

New supply in Hanoi is forecast to continue to accelerate (units)

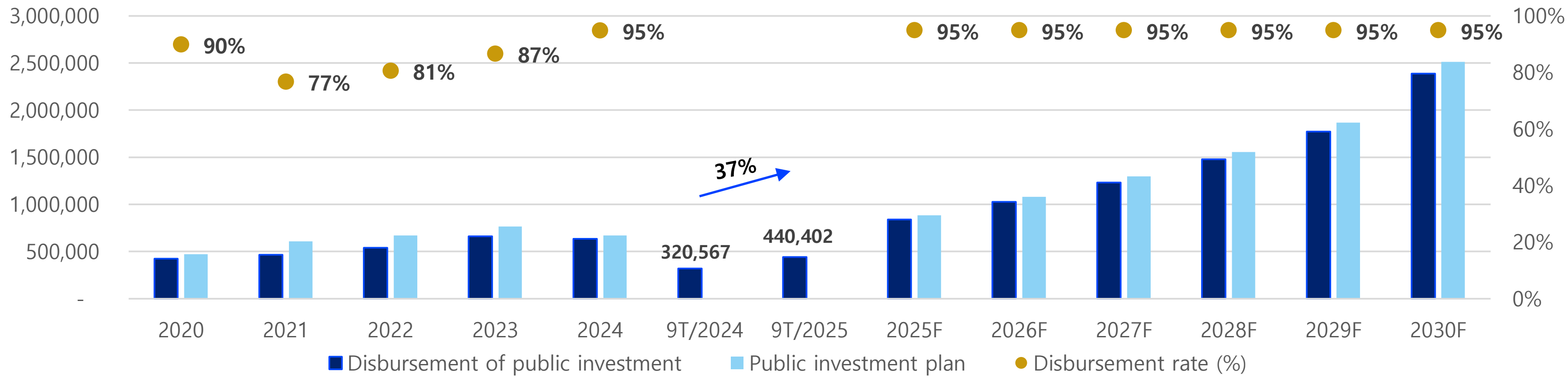


Source: CBRE, Shinhan Securities Vietnam

Boosting public investment in infrastructure is a key factor driving market growth

The Government will continue to set a target of increasing public investment disbursement over the years in the coming period, showing that the wave of public investment and infrastructure development continues to be promoted, which is a key factor contributing to strengthening the recovery and growth of the housing real estate market in the coming period. In the next 5-year period of 2026-2030, the Government sets a target of disbursing VND 8.3 quadrillion, 2.5 times higher than the past 5-year period of 2021-2025. At the same time, the actual implementation of public investment disbursement has shown a clear improvement in recent years. In 2024, the 95% completion ratio showed the regulators' determination in promoting infrastructure development to increase regional connectivity, thereby positively affecting the sentiment of the real estate market. In 9M/2025, the disbursement value reached more than VND 440 trillion (+37% YoY), we expect disbursement efficiency to continue to meet the target in the coming years.

Public investment is boosted (VND billions)



Source: Ministry of Finance, Shinhan Securities Vietnam

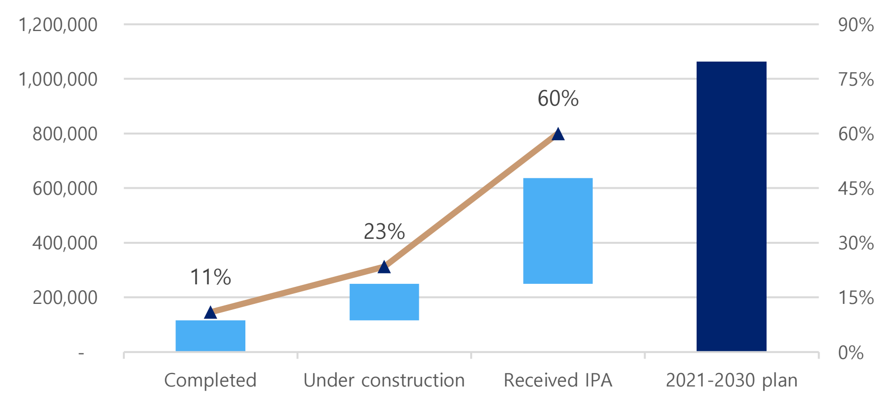
The goal is to increase the supply of affordable real estate, social housing and control housing prices to increase homebuyers' access rate

The social housing and affordable housing segments continue to be facilitated by the management agency to increase the supply of affordable housing with the aim of balancing real estate segments in the market, when the new supply in big cities has almost completely lacked the affordable and mid-range housing segment in recent years. In the Government's project to complete more than 1 million social housing apartments in the 2021-2030 period by the end of Q3/2025, according to the total number of completed projects, projects under construction and projects that have received investment approval (IPA), it has reached 60% compared to the target set in the Project of 1,062,200 social housing units.

Recently, the Government has issued Decree No. 302/2025/ND-CP dated November 19, 2025, detailing the National Housing Fund and measures to implement Resolution No. 201/2025/QH15 dated May 29, 2025 of the National Assembly on piloting a number of specific mechanisms and policies for social housing development. This is a positive move showing that the State is strengthening its role in the social housing development strategy to ensure transparency and balance in the entire market.

At the same time, the management agency is researching real estate tax policies to stabilize the price level of the entire market, helping to limit speculative activities that disrupt the market, making it impossible for people with real housing needs to access housing, which could lead to fluctuations in the real estate market due to changes in tax policies, compared to the current tax rate of only 2% on the transfer value. In addition, the management agency also continues to promote the digitalization of the real estate market to promote transparency in the market and strengthen State management in the real estate sector.

Progress of implementation of social housing project of Q3/2025 (units)



Source: Ministry of consttruction, Shinhan Securities Vietnam

Some social housing projects under development (units)

	Location	Units	Project status
VHM	Trang Cat, Hai Phong	3,804	Under construction
	Hac Thanh, Thanh Hoa	2,824	Under construction
	Bac Cam Ranh, Khanh Hoa	4,140	Under construction
	Duong Kinh, Hai Phong	8,000	Legal implementation in progress
	Tay Ninh	2,300	Legal implementation in progress
	Hung Yen	5,500	Legal implementation in progressLe
	HCMC	33,000	gal implementation in progress
NLG	EhomeS, Can Tho	1,601	Launching for sales
HQC	Khanh An, Ca Mau	996	Legal implementation in progress
KBC	Dong Anh, Ha Noi	3,100	Legal implementation in progress
BCM	Thuan Giao, HCMC	4,200	Under construction

Source: Shinhan Securities Vietnam

Listed companies

Stock information			Stock price			Forecast				Financial ratios(**)				Valuation (25F)	
	Ticker	Market cap (billion VND)	Price (VND)	Target price (VND)*	Upside (%)	Revenue 2026F	Revenue growth 2026F (%)	NPAT-MI 2026F	NPAT-MI Growth 2026F (%)	GPM TTM (%)	D/E (time)	ROA	ROE	P/B (x)	P/E (x)
1	VHM	401,705	102,900	125,400	21.8	107,066	4.9	34,953	14.3	29.4	2.27	4.17	12.66	1.8	14.8
2	KDH	38,885	35,000	45,300	29.4	6,131	87.0	1,036	27.9	48.8	0.62	3.05	5.41	1.8	37.6
3	NLG	17,152	35,950	49,100	36.6	4,955	-31.1	656	26.6	41.6	0.98	2.96	8.79	1.7	26.6
4	DXG	19,715	18,800	24,200	28.7	5,406	14.2	350	38.3	54.8	0.86	1.18	3.22	1.1	29.2
5	DXS	5,936	10,000	12,500	25.0	3,782	55.1	404	186.5	55.7	0.96	2.35	6.01	1.0	12.8

* Target price (fair value) in the next 12 months

** Data as of end of Q3/2025

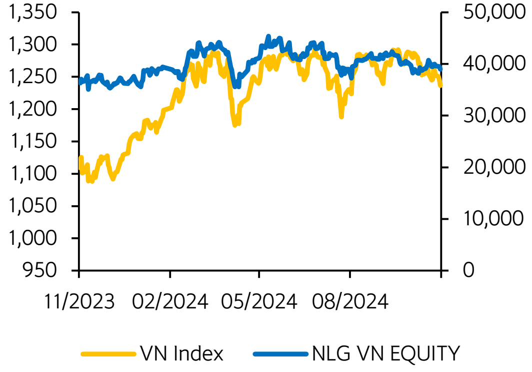
Source: SSV Research, Bloomberg

Data as of 28/11/2025

Target price (12 months) VND 49,100

Current price (28/11/25)	VND 35,950
Return (%)	36.6%
VNINDEX	1,691
Market P/E (x)	13.9
Market cap (billion VND)	17,322
Outstanding shares (mil shares)	385
Free-float (mil shares)	215
52-week high/low (VND)	44,400/25,750
90-day avg. trading volume (mil shares)	1.62
90-day avg. turnover (bn VND)	58
Major SHDs (%) BOD and related parties	21.0
Major SHDs (%) Ibeworth Pte.Ltd	7.6

Performance	3M	6M	12M
Absolute (%)	-11.2	-24.3	-4.3
Rel.to VN-Index (%)	-2.0	-0.1	0.3



Shinhan Securities

Positive growth outlook

Nam Long Investment Corporation (HOSE: NLG) is one of the investors owning a large land fund in Vietnam (more than 684ha). NLG is also a leading real estate developer in the affordable segment. We are optimistic about NLG's long-term prospects thanks to (1) owning a large land fund with clear legal status ready for medium and long-term development (684ha); (2) the real estate market in the neighboring provinces of HCMC is booming and with the support of cash flow. Based on the RNAV method, we recommend BUY with a target price of VND 49,100..

Investment Thesis

- **NLG is a reputable real estate development company with a solid financial structure, owning a clean land fund of up to 684 hectares with potential for long-term development.** NLG's land fund provides a diverse product portfolio suitable for home buyers, ensuring the company can continuously develop projects in the next 5 years. This is a great advantage of NLG in the context of clean land funds around HCMC becoming increasingly scarce, land prices increasing. Government are stepping up to remove difficulties in the industry to help market sentiment positive.
- **We forecast NLG's 2025 revenue VND 4,955 billion (-31.1% YoY) and NPAT-MI is VND 656 billion (+26.6% YoY)** mainly from the handover of Akari phase 2, Southgate, Can Tho project and revenue recognition from transferring 15% of Izumi City project shares to partners.

Update

- **9M2025 business performance :** NLG's revenue reached VND 3,941 billion (+376.2% YoY), NPAT-MI reached VND 354 billion (compared to 9M2024, only VND 15 billion profit). Thus, in 9M2025, NLG has achieved 79.5% of our revenue forecast and 53.9% of our profit forecast.
- **Valuation:** Adjusting for (1) Q3/2025 financial data and (2) maintaining a 10% discount given the risks of a slow recovery in the provincial real estate market and lower-than-expected project absorption rates, we derive a new target price for NLG shares at **VND49,100/share.**

Outlook for 2026

We assess that NLG's prospects in 2026 and the coming years will depend largely on the recovery of the real estate market in the provinces surrounding HCMC and the project development strategy in line with the market situation to optimize NLG's capital efficiency. At the same time, promoting the development of infrastructure connecting regions will be a growth driver for the real estate market. We forecast NLG's revenue in 2025 to reach VND 4,955/5,761 billion (-31.1%/+16.3% YoY) and net profit to reach VND 656/675 billion (+26.6%/+2.9% YoY).

Risks: (1) Legal bottlenecks; (2) Low absorption rate.

Year	2022	2023	2024	2025F	2026F
Revenue (bil VND)	4,339	3,181	7,196	4,955	5,761
Operating Income (bil VND)	829	582	1,664	1,155	1,484
NP (bil VND)	556	484	518	656	675
EPS (VND)	1,345	1,187	1,285	1,704	1,755
OPM	19.1	18.3	23.1	23.3	25.8
NPM	19.9	25.2	19.3	22.5	19.8
ROE (%)	6.2	5.3	5.4	6.7	6.8
P/E (x)	27.3	27.2	20.5	27.4	26.6
P/B (x)	1.7	1.4	1.1	1.7	1.7

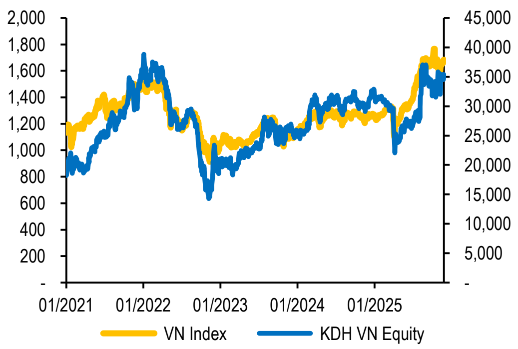
Source: Company data, Shinhan Securities Vietnam

KHANG ĐIỀN

Target price (12 months) VND 45,300

Current price (28/11/25)	VND 35,000
Return (%)	29.4%
VNINDEX	1,691
Market P/E (x)	13.9
Market cap (billion VND)	39,278
Outstanding shares (mil shares)	385
Free-float (mil shares)	215
52-week high/low (VND)	44,400/25,750
90-day avg. trading volume (mil shares)	1.62
90-day avg. turnover (bn VND)	58
Major SHDs (%) – Tien Loc Investment	21.0
Major SHDs (%) – Gamma Investment	7.6
Major SHDs (%) – A Chau Investment	7.6

Performance	3M	6M	12M
Absolute (%)	-4.5	27.3	13.4
Rel.to VN-Index (%)	-2.0	-0.1	0.3



Maintain growth momentum

Khang Dien Housing Investment and Trading JSC (HOSE: KDH) is a rare enterprise that owns a large land fund right in the urban area of HCMC (more than 600 hectares). KDH is also one of the top prestigious investors in Vietnam and is a leading listed enterprise in developing mid- and high-end housing. Based on the RNAV method, we recommend BUY KDH with a target price of VND 45,300.

Investment Thesis

- KDH is one of the top prestigious investors in Vietnam and owns a large land fund in HCMC with long-term exploitation potential. KDH is always one of the top prestigious investors with the ability to deploy and hand over to customers on time. At the same time, KDH is a rare enterprise that owns a large land fund in HCMC (more than 600 hectares) with most of the land fund having been compensated many years ago. This gives KDH an advantage when large land funds here are increasingly scarce and land prices are increasing. Large land funds allow enterprises to deploy larger-scale and more systematic projects and enough for KDH to develop projects in the next 10 years.

- We forecast KDH's revenue in 2025 to reach VND6,131 billion (+87.0%YoY) and NPAT-MI at VND 1,036 billion (+27.9%YoY) mainly from the handover of the remaining part of The Privia project and the new handover of The Gladia project (low-rise villa segment).

Update

- 9M2025 business performance : KDH's net revenue reached VND 2,869 billion (+132.9%YoY), NP reached VND 557 billion (+35.0%YoY).

- Valuation: Adjusted according to Q3/2025 financial and business data, we give a new price for KDH shares at **VND 45,300/share.**

Outlook for 2026

We assess KDH's prospects as solid in the medium and long term thanks to the large housing demand of homebuyers, especially the housing demand in big cities like Ho Chi Minh City. KDH owns a large land fund of more than 600 hectares concentrated in HCMC with clear legal status and KDH has strong project implementation capacity. With the strong recovery of the real estate market after the general difficult period of 2022-2023, the current market is supported by a series of positive macroeconomic factors including low interest rates, support for real estate legal settlement, and promoting public investment. These are important factors promoting the prospects for KDH. We forecast KDH's revenue in 2025 to reach VND 6,131/6,041 billion (+87.0%/-1.5% YoY) and net profit to reach VND 975/993 billion (+21.7%/+1.8% YoY)

Risks: (1) Legal delays, (2) Low absorption rate, (3) High compensation land costs causing input cost pressure.

Year	2022	2023	2024	2025F	2026F
Revenue (bil VND)	2,912	2,088	3,279	6,131	6,041
Operating Income (bil VND)	1,066	1,220	1,310	2,477	2,620
NP (bil VND)	1,103	716	810	1,036	1,151
EPS (VND)	1,539	895	801	975	993
OPM	36.6	58.4	40.0	40.4	42.3
NPM	37.2	34.9	24.5	29.7	27.3
ROE (%)	9.8	5.3	6.2	8.8	8.6
P/E (x)	20.2	36.8	41.5	38.4	37.6
P/B (x)	1.9	2.0	1.9	1.9	1.8

Source: Company data, Shinhan Securities Vietnam

DAT XANH GROUP

Target price (12 months)	VND 24,200
Current price (28/11/25)	VND 18,800
Return (%)	28.7%

VNINDEX		1,691
Market P/E (x)		13.9
Market cap (billion VND)		19,155
Outstanding shares (mil shares)		1,019
Free-float (mil shares)		754
52-week high/low (VND)		24,200/10,510
90-day avg. trading volume (mil shares)		23.5
90-day avg. turnover (bn VND)		157
Major SHDs (%)	BOD	17.4
	VN Enterprise Investments Ltd	2.5
	NAV Investment	4.5

Performance	3M	6M	12M
Absolute (%)	-12.0	23.3	30.6
Rel.to VN-Index (%)	-2.0	-1	0.3

Positive Outlook for Real Estate Brokerage

Dat Xanh Group Corporation (HOSE: DXG) is a large listed real estate company in the mid-range and high-end segments. DXG also has a real estate brokerage division Dat Xanh Real Estate Services Corporation (HOSE: DXS), which holds the leading primary brokerage market share in the country (33%) with strong business results recovering, contributing greatly to DXG's profits. DXG benefits greatly from the policy of merging Binh Duong into HCMC, where DXG owns a land fund of more than 100 hectares after the land fund development process in previous years. Based on the RNAV method, we recommend BUY DXG with a target price of VND 24,200 per share.

Investment Thesis

- **Two key projects in the 2025-2028 period both had positive changes:** 1) The Privé project of DXG received impressive bookings, more than 4,200 bookings even though the project only provided 3,175 products by the end of Q3/2025, the first 2 phases (8 out of 12 blocks) were launched; 2) GSW project benefited greatly from the progress of Long Thanh Airport, which will be put into commercial operation in 2026.
- **The brokerage segment (DXS) recovered strongly** thanks to strong growth in real estate transactions across the market, while DXS participated as an investor in real estate development including Regal Legend, Regal Maison, Regal Victoria, Cara River Park, ... projects, which will bring large revenue to DXG in the coming years.

Update

- **9M2025 business results:** DXG net revenue reached VND 3,941 billion (-14.9% YoY), net profit reached VND 223 billion (+134.5% YoY).
- **Valuation:** Adjusted according to Q3/2025 financial and business data, we give a target price for DXG shares of VND 24,200/share.

Outlook

DXG's revenue in 2025/2026 is forecast to reach VND 5,406/6,062 billion (+14.2%/+12.1% YoY) and NP to reach VND 350/498 billion (+38.3%/+42.3% YoY) thanks to (1) the brokerage segment continuing to have clear growth of subsidiary DXS, which is expected to contribute the main revenue in the period 2025-2026; (2) handover of previously sold products of GSW and The Privé project, which has completed tunnel construction, expected to record revenue from 2027.

Risks: (1) Delay in legal progress; (2) Low absorption rate at GSW project due to Dong Nai real estate market recovering slower than expected.

Year	2022	2023	2024	2025F	2026F
Revenue (bil VND)	5,512	3,725	4,733	5,406	6,062
Operating Income (bil VND)	830	734	1,153	1,139	1,373
NP (bil VND)	215	172	253	350	498
EPS (VND)	359	273	359	401	571
OPM	15.1	19.7	24.3	21.1	22.6
NPM	9.7	4.1	9.6	11.7	14.0
ROE (%)	2.4	1.8	2.5	3.0	3.9
P/E (x)	53.4	54.3	47.0	41.6	29.2
P/B (x)	1.2	1.0	1.1	1.2	1.1

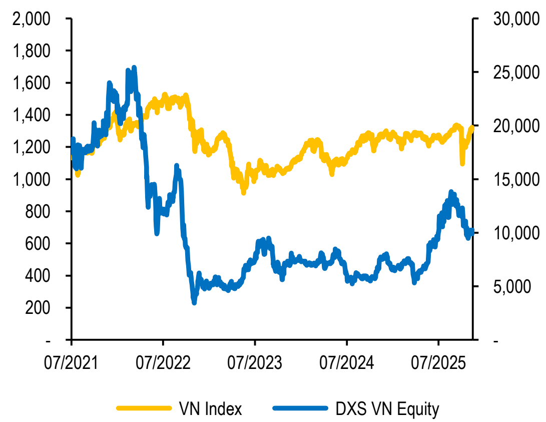
Source: Company data, Shinhan Securities Vietnam

DATXANH SERVICES

Target price (12 months)	VND 12,500
Current price (28/11/25)	VND 10,00
Return (%)	25.0%

VNINDEX		1,691
Market P/E (x)		13.9
Market cap (billion VND)		5,739
Outstanding shares (mil shares)		579
Free-float (mil shares)		203
52-week high/low (VND)		14,350/5,320
90-day avg. trading volume (mil shares)		2.7
90-day avg. turnover (bn VND)		11
Major SHDs (%)	Dat Xanh Group	55.4
	Victory Holding Investment	8.0

Performance	3M	6M	12M
Absolute (%)	-22.0	40.1	41.8
Rel.to VN-Index (%)	-2.0	-1	0.3



Bright outlook

Dat Xanh Real Estate Services JSC (HOSE: DXS) is a real estate brokerage firm with the largest primary brokerage market share in the country (accounting for 33% in 2024). We are optimistic about DXS's long-term growth thanks to: (1) DXS is a leading real estate brokerage firm with real estate distribution agents spread across Vietnam; (2) real estate transaction volume across the market is improving with the active support of macroeconomic policies; and (3) parent company DXG's projects are launching, boosting a large source of input products for DXS. Based on the DCF method, we recommend BUY DXS with a target price of VND 12,500.

Investment Thesis

- **Transactions in the whole market grew strongly thanks to the large housing demand** thanks to favorable macro policies including monetary policy easing, attractive interest rates, high demand from homebuyers in major cities and the strategy of promoting public investment to enhance regional connectivity, helping the market sentiment to be more positive, thereby helping the real estate brokerage sector to benefit.

- **DXS's deeper participation in the real estate development sector will bring good revenue in the coming period.** DXS participates as an investor in real estate development including projects Regal Legend, Regal Maison, Cara River Park, ... will bring large revenue from developing projects.

Update

- **9M2025 business results:** DXS net revenue reached VND 2,342 billion (+28.8% YoY), net profit reached VND 334 billion (+220.4% YoY). Thus, in 9M2025, DXS achieved 61.9% of our revenue forecast and 82.7% of our net profit forecast.

- **Valuation:** Adjusted according to Q3/2025 financial and business data, we give a target price for DXS stock of VND 12,500/share.

Outlook

We forecast DXS's revenue in 2025/2026 to reach VND 3,782/4,302 billion (+55.1%/+13.7% YoY) and net profit to reach VND 404/519 billion (+186.5%/+28.5% YoY) thanks to (1) the brokerage segment continuing to have clear growth thanks to strong growth in transactions across the market; (2) revenue from launching of parent company DXG's projects; and (3) DXS participating as an investor in developing projects.

Risks: (1) Policy changes negatively affect the market; (2) fierce competition affects market share.

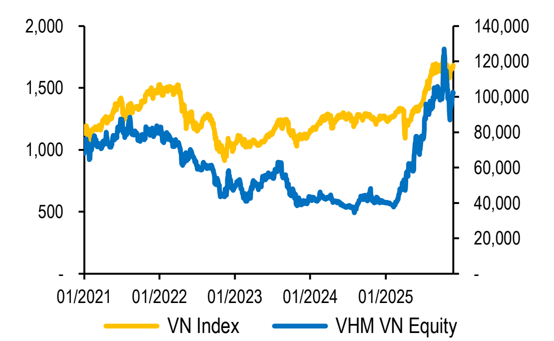
Year	2022	2023	2024	2025F	2026F
Revenue (bil VND)	4,096	1,997	2,438	3,782	4,302
Operating Income (bil VND)	729	106	445	985	1,163
NP (bil VND)	345	(168)	141	404	519
EPS (VND)	760	(293)	243	697	897
OPM	17.8	5.3	18.2	26.0	27.0
NPM	12.9	(8.0)	11.9	17.8	18.8
ROE (%)	5.9	(2.8)	2.4	6.5	7.8
P/E (x)	9.7	N/A	42.8	16.5	12.8
P/B (x)	0.6	0.7	1.0	1.0	1.0

Source: Company data, Shinhan Securities Vietnam

VINHOMES
NƠI HẠNH PHÚC NGẬP TRÀN

Target price (12 months)	VND 125,400
Current price (28/11/25)	VND 102,900
Return (%)	21.8%
VNINDEX	1,691
Market P/E (x)	13.9
Market cap (billion VND)	422,453
Outstanding shares (mil shares)	4,107
Free-float (mil shares)	576
52-week high/low (VND)	131,500/37,800
90-day avg. trading volume (mil shares)	5.9
90-day avg. turnover (bn VND)	321
Major SHDs (%) Vingroup	73.5
Government's Singapore	4.9
Viking Asia Holding II Pte	4.6

Performance	3M	6M	12M
Absolute (%)	-3.0	33.3	149.6
Rel.to VN-Index (%)	-2.0	-1	0.3



Solid growth

Vinhomes is the leading real estate company in Vietnam. Vinhomes possesses many overwhelming advantages such as: (1): Large, high-quality and continuously growing land fund (2) Outstanding capacity profile with many effective investment projects and (3) High-value brand - prestigious in the market.

Investment Thesis

- **Large, clean and continuously expanding land fund is the basis for long-term growth potential.** Currently, VHM is one of the enterprises owning the largest land fund and the most prime location in the market. Some projects that are driving long-term growth for Vinhomes include Vinhomes Green Paradise, Vinhomes Green City, Vinhomes Cam Ranh...

- **Vinhomes is the pioneer to benefit from the new phase of the real estate market.** Possessing strong financial potential, outstanding legal expertise, and a high-quality project capacity profile helps Vinhomes benefit greatly from the favorable macro environment.

Update

- **9M/2025 business results:** VHM's net revenue reached VND 51,093 billion (-26.9% YoY), NP reached VND 14,381 billion (-26.9% YoY) from the handover of Royal Island, Ocean Park 2&3, Golden City projects and the contribution of the construction segment. Thus, in 9M2025, VHM has achieved 49.3% of our revenue forecast and 44.4% of our profit forecast. Most of VHM's profit will be recorded in Q4/2025.

- **Valuation:** Adjusted according to Q3/2025 financial and business data, we give a target price for VHM shares of VND125,400/share.

Outlook

We forecast VHM's revenue in 2025/2026 to reach VND 103,585/123,190 billion (+1.2%/+18.9% YoY) thanks to the handover of most of the newly launched products at Vinhomes Royal Island, Ocean Park 2&3, Green City and Green Paradise. **NP is expected to reach VND 32,426/38,489 billion (+2.0%/+18.7% YoY).**

Risks: (1) Legal deadlock, (2) Risk of rising interest rates, (3) Risk of policy reversal and new tax policies.

Year	2022	2023	2024	2025F	2026F
Revenue (bil VND)	62,393	103,557	102,323	103,585	123,190
Operating Income (bil VND)	37,973	44,045	40,943	35,781	39,021
NP (bil VND)	28,831	33,371	31,801	32,426	38,489
EPS (VND)	6,621	7,240	7,742	7,895	9,371
OPM	49.2%	34.5%	32.2%	37.7%	42.7%
NPM	46.7%	32.4%	34.3%	31.6%	32.5%
ROE (%)	21.4%	20.6%	16.7%	14.8%	15.0%
P/E (x)	6.3	5.5	13.2	12.8	14.8
P/B (x)	1.3	1.0	2.1	1.7	1.8

Source: Company data, Shinhan Securities Vietnam

Real estate| Appendix 1 – List of some guiding documents for implementation

No.	Document	Content	Date of Issue	Effective Date
1	Decree302/2025/NĐ-CP	Regulations on the establishment and operation of the National Housing Fund and social housing.	19/11/2025	19/11/2025
2	Decree266/2025/NĐ-CP	Amending and supplementing Decrees guiding the Land Law on compensation, support and resettlement.	16/8/2025	16/8/2025
3	Decree151/2025/NĐ-CP	Regulations on abolishing an administrative procedure on land.	12/6/2025	12/6/2025
4	Resolution 201/2025/QH15	The National Assembly will test a number of specific mechanisms and policies for social housing development.	29/5/2025	29/5/2025
5	Decree 76/2025/NĐ-CP	Detailed regulations for the implementation of Resolution No. 170/2024/QH15	1/4/2025	1/4/2025
6	Decree 75/2025/NĐ-CP	Detailed regulations for the implementation of Resolution No. 171/2024/QH15	1/4/2025	1/4/2025
7	Decree 123/2024/NĐ-CP	Regulations on administrative sanctions in the land sector	4/10/2024	4/10/2024
8	Decree 112/2024/NĐ-CP	Guidelines on rice land management	11/9/2024	11/9/2024
9	Decree 104/2024/NĐ-CP	Regulations on Land Development Fund	31/07/2024	1/8/2024
10	Decree 103/2024/NĐ-CP	Regulations on land use fees and land rental fees	30/07/2024	1/8/2024
11	Decree 101/2024/NĐ-CP	Regulations on land data systems; registration, issuance of certificates, and information systems	29/07/2024	1/8/2024
12	Decree 88/2024/NĐ-CP	Regulations on compensation, support, and resettlement for state land recovery	15/07/2024	1/8/2024
13	Decree 71/2024/NĐ-CP	Regulations on land prices	27/06/2024	1/8/2024
14	Circular 12/2024/TT-BTNMT	Guidelines for training, education, and knowledge updates for professionals in the land management sector	31/07/2024	1/8/2024
15	Circular 08/2024/TT-BTNMT	Regulations on data systems, statistics, and mapping of land use status issued by the Ministry of Natural Resources and Environment	31/07/2024	1/8/2024

Sources: Vietnamese Legal Community, Shinhan Securities Vietnam

No.	Document	Content	Date of Issue	Effective Date
16	Circular 09/2024/TT-BTNMT	Regulations on content, structure, and technical standards for land database systems and national data integration software issued by the Ministry of Natural Resources and Environment	31/07/2024	1/8/2024
17	Circular 10/2024/TT-BTNMT	Regulations on cadastral records, land use rights certificates, and property ownership rights issued by the Ministry of Natural Resources and Environment	31/07/2024	1/8/2024
18	Circular 11/2024/TT-BTNMT	Regulations on valuation techniques, protection, and restoration of land issued by the Ministry of Natural Resources and Environment	31/07/2024	1/8/2024
19	Circular 56/2024/TT-BTC	Regulations on fees, collection, submission, management, and use of national land database data issued by the Ministry of Finance	31/07/2024	1/8/2024
20	Decree 94/2024/NĐ-CP	Guidelines on the Law on Real Estate Business regarding project construction and management of information systems and data on real estate markets	24/07/2024	1/8/2024
21	Decree 96/2024/NĐ-CP	Guidelines on the Law on Real Estate Business	24/07/2024	1/8/2024
22	Circular 04/2024/TT-BXD	Guidelines on training framework and knowledge updates for real estate brokerage professionals issued by the Ministry of Construction	30/07/2024	1/8/2024
23	Circular 49/2024/TT-NHNN	Amendments to Circular 11/2022/TT-NHNN dated 30/09/2022 on foreign currency credit management	25/10/2024	10/12/2024
24	Decree 95/2024/NĐ-CP	Guidelines on the Law on Housing	27/06/2024	1/8/2024
25	Decree 98/2024/NĐ-CP	Guidelines on housing renovation, reconstruction, and apartment buildings	26/07/2024	1/8/2024
26	Decree 100/2024/NĐ-CP	Guidelines on the development and management of social housing	26/07/2024	1/8/2024
27	Circular 05/2024/TT-BXD	Guidelines issued by the Ministry of Construction	31/07/2024	1/8/2024

Sources: Vietnamese Legal Community, Shinhan Securities Vietnam

The legal framework is expected to be completed, which will help boost the supply of real estate

Resolution No. 171/2024/QH15 and Resolution No. 161/2024/QH15 are supplements to the existing laws to address the issues and difficulties in projects that have not been resolved by the Real Estate Laws. Specifically:

Three Real Estate Laws

The land for the commercial housing project must have residential land (according to the amended Land Law).

Resolution No. 171/2024/QH15

The land for the project is expanded to include agricultural land, non-agricultural land that is not residential land, residential land, or other land within the same plot in the case of an agreement on land use rights transfer.

The pilot project in **urban areas or areas designated for urban development nationwide.**

The total residential land area in the pilot projects [...] does not exceed 30% of the additional residential land area in the planning period...

The resolution will be effective from **April 1, 2025**, and will be implemented for a period of **5 years**.

According to the report from the Ministry of Natural Resources and Environment, between 2014 and 2023, there were about **189 projects in Hanoi** and **126 projects in HCMC** facing issues related to the requirement of having "residential land." Therefore, we expect that the pilot program allowing other types of land to be used for projects can help resolve **some of the projects** that have been stuck in legal limbo for many years. Therefore, the approval of Decree No. 76/2025/ND-CP of the Government: Detailed regulations on Resolution No. 170/2024/QH15 is significant progress in removing difficulties.

The legal framework is expected to be completed, which will help boost the supply of real estate

Three Real Estate Laws

There are no regulations for resolving issues related to the project or land that are entangled in inspection, audit conclusions, or judgments.

Resolution No. 161/2024/QH15

There is a suitable solution to **resolve the real estate projects facing difficulties, legal obstacles, and delays** due to the prolonged implementation process and changes in the law over time.

"There are specific solutions and guidelines for ministries, sectors, and localities to **resolve obstacles related to land management and usage during the equitization of state-owned enterprises** and the divestment of state capital in enterprises [...]."

Urgently issue all detailed regulatory documents and organize effective implementation of the Resolution on specific mechanisms and policies to **resolve difficulties and obstacles related to projects, land issues in inspection, audit conclusions, and judgments** in HCMC, Da Nang City, and Khanh Hoa Province.

Obstacles highlighted in resolution, determined to resolve bottlenecks. Da Nang implements four Government Inspectorate conclusions, three court rulings, with thousands of projects stuck, some from 2013 inspections. Decree 76/2025/ND-CP, issued April 1, 2025, details solutions, expecting positive real estate impacts.

We evaluate the impact of several major policies on the real estate market, such as:

Documents	Content	Impact
Land Law	Replace the 5-year land price framework with an annual land price table that more closely aligns with market valuations.	The land price table is utilized for compensation and land clearance purposes. Therefore, adopting a new land price table that aligns more closely with market values could **expedite the land clearance process**. However, this approach may also **increase compensation costs for enterprises.**
Law on real estate trading	The law mandates a minimum equity capital requirement/total investment of 20% for projects with a land area below 20 hectares and 15% for projects with a land area exceeding 20 hectares.	Previously, the minimum equity ratio requirement was established under Decree 02/2022/ND-CP. However, its codification into law signifies a **stricter enforcement of this requirement.**
	Disclosure of information on real estate for business purposes.	Contributing to the **transparency of the real estate market and ensuring the protection of homebuyers.**
Resolution No. 302/2025/NĐ-CP	Regulations on the establishment and operation of the National Housing Fund on a number of specific mechanisms and policies for the development of social housing.	Regulations on the establishment of a non-profit national housing fund, including the Central Fund (under the Ministry of Construction) and the Local Fund (under the Provincial People's Committee). The goal is to mobilize capital from many sources (budget, proceeds from the sale of public assets, land funds) **to invest in the construction, creation, management and leasing of social housing and housing for officials, civil servants and public employees.**
Decree 71/2024/NĐ-CP on Land Prices	Additional costs to be included in the land development expenses include provisions for price escalation, interest expenses, consulting fees for investment and construction, project management costs, and other related expenditures.	We expect that incorporating additional costs incurred during the project development process into the land development costs for calculating land use fees will contribute to the **rationalization of land use fees for businesses, thereby stabilizing the real estate market.**
Resolution No. 171/2024/QH15	Land designated for projects can be expanded to include agricultural land, non-agricultural land that is not designated for residential use, residential land, or other land within the same parcel, in cases where there is an agreement regarding the right to transfer the land.	The specific resolutions are supplementary to the laws already enacted, aimed at addressing issues and difficulties in projects that have not been resolved by the Real Estate Laws. We anticipate that these resolutions, in conjunction with the Real Estate Laws, will **help alleviate bottlenecks in stalled projects, thereby stimulating market supply starting in 2025.**
Resolution No. 161/2024/QH15	Addressing the issuance of policies to resolve market obstacles in the real estate sector arising from the equitization process, changes in the legal framework, and other related factors.	

Shinhan Securities

Industrial real estate

Strong recovery after tariff fluctuations

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Industrial real estate – Strong recovery after tariff fluctuations

1. Update the industrial real estate situation

Amid the unpredictable fluctuations in tariffs, industrial land leasing activity declined in 9M2025, particularly in Q2–Q3/2025 in both the Northern and Southern regions. Consequently, the occupancy rate of industrial parks slightly decreased compared to the same period last year. However, industrial land rental prices continued to show modest growth year-on-year. Leasing activity for factories and warehouses in both regions recorded positive growth in 9M2025, with rental prices increasing slightly.

2. Potential for industrial real estate

Record FDI growth, along with the Government's efforts to cooperate with the U.S. to reduce reciprocal tariffs, are expected to boost demand for investment among foreign investors. Amid a projected surge in public investment spending during 2026–2030, Vietnam is expected to continue attracting FDI effectively, which in turn should increase demand for industrial land leases.

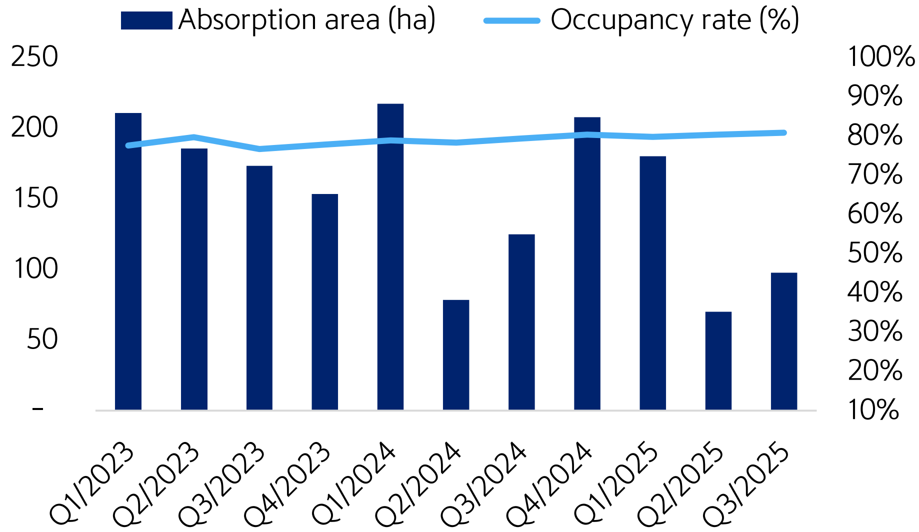
3. Update on industrial real estate stocks

Despite being negatively impacted by tariff fluctuations, companies still maintained growth in 9M2025. Companies with expanded industrial land banks, located in key provinces and cities, are expected to continue growing in 2025F and 2026F.

Stock picks: BCM, KBC, IDC, and SZC

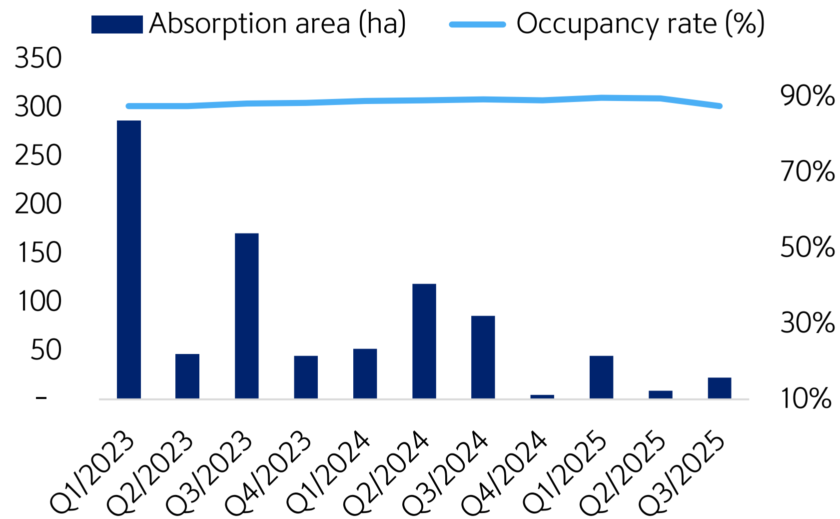
Industrial park absorption in 9M2025 declined amid global tariff uncertainties

Industrial Park Absorption and Occupancy Rate from Q1/2023 – Q3/2025 in the North



Source: CBRE, Shinhan Securities Vietnam

Industrial Park Absorption and Occupancy Rate from Q1/2023 – Q3/2025 in the South



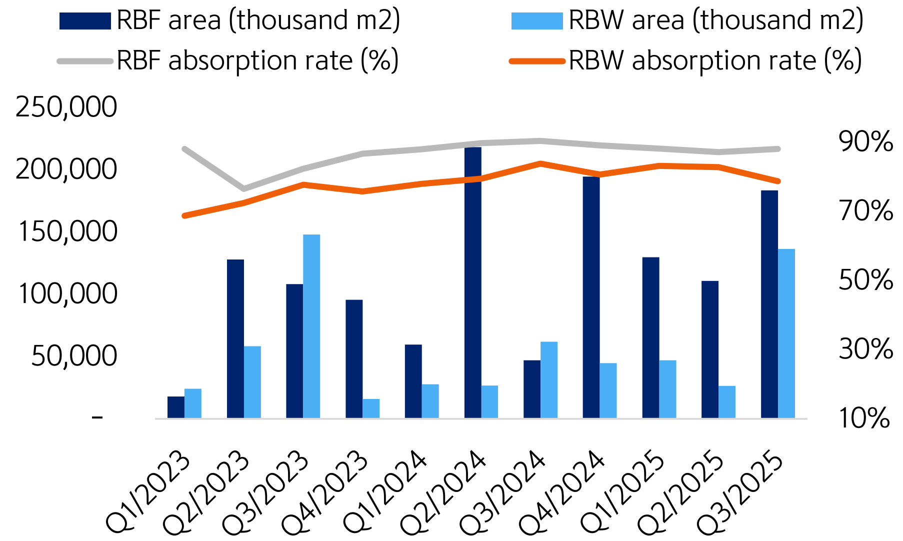
Source: CBRE, Shinhan Securities Vietnam

- In 9M2025, both the Northern and Southern regions recorded a decline in absorption areas amid tariff-related uncertainties, with most absorption concentrated in Q1/2025. Industrial land demand gradually improved in Q3/2025 as the U.S. officially announced reciprocal tariffs for various countries, stabilizing the global trade tensions. The Northern region recorded absorption in tier-1* provinces of approximately 350 ha, slightly lower than the same period last year. The Southern region recorded absorption in tier-1** provinces of 80 ha, down around 70% year-on-year. Occupancy rates in both regions showed a slight decline in Q3/2025. Average rental prices in the Northern region reached USD 142/m²/cycle (+4.1% YoY), while the Southern region recorded USD 183/m²/cycle (+5.1% YoY).

* Hanoi, Hai Phong, Hai Duong, Hung Yen, and Bac Ninh
** Ho Chi Minh, Binh Duong, Dong Nai, and Long An

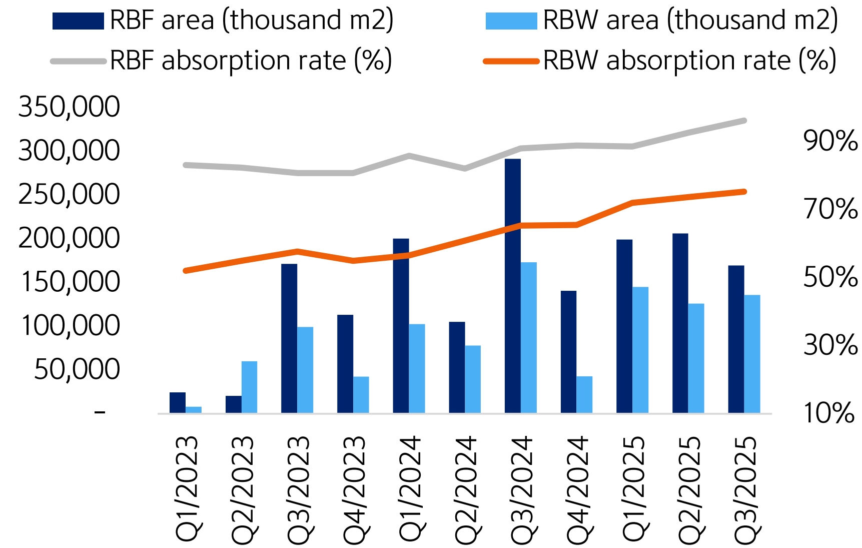
Demand for RBW/RBF rental maintained steady growth despite tariff situation

Absorption area and occupancy rate of RBW/ RBF from Q1/2023 – Q3/2025 in the North



Source: CBRE, Shinhan Securities Vietnam

Absorption area and occupancy rate of RBW/ RBF from Q1/2023 – Q3/2025 in the South

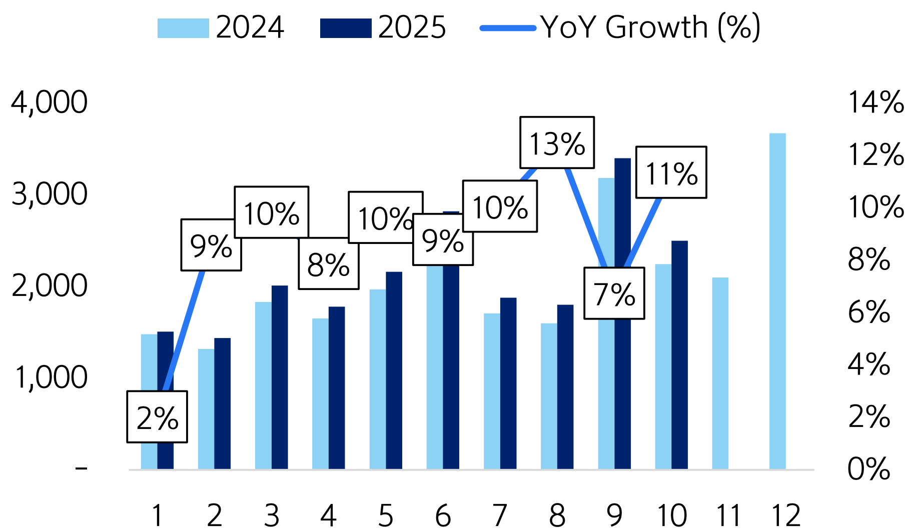


Source: CBRE, Shinhan Securities Vietnam

- The Northern region recorded strong absorption growth in 9M2025 despite fluctuations in U.S. tariff policies. Occupancy rates reached 88.4% for ready-built factories (RBF) and 79.3% for ready-built warehouses (RBW), with a slight decline compared to last year due to increased supply in the Northern market. In the Southern region, absorption of RBF and RBW saw a slight decrease for RBF but maintained solid growth for RBW, with occupancy rates of 96% for RBF and 74% for RBW.
- Rental prices for RBF and RBW increased year-on-year. In the Northern region, RBF and RBW rents reached USD 5.0/m² (+2.5% YoY) and USD 4.9/m² (+6.4% YoY), respectively, while in the Southern region, RBF and RBW rents were USD 5.2/m² (+1.6% YoY) and USD 5.0/m² (+2.2% YoY), respectively.

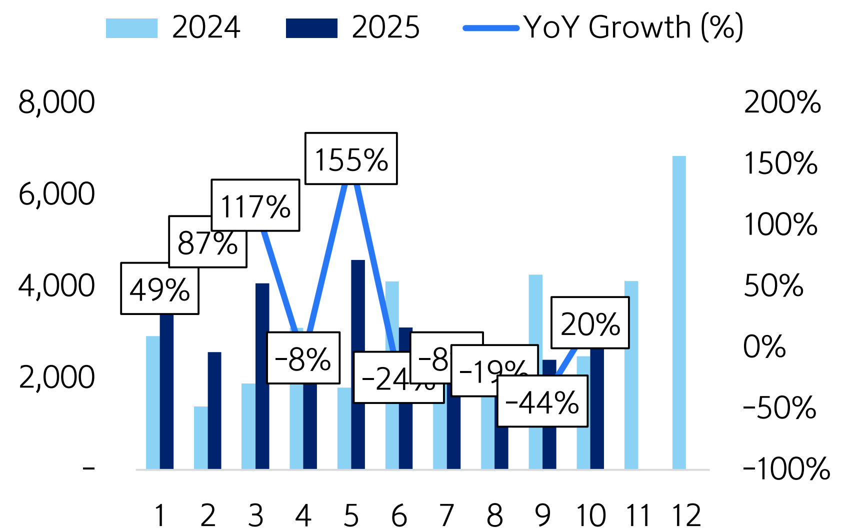
FDI flows continued to maintain positive momentum in 10M2025

FDI capital disbursed in 2024 and 10M2025 (million USD)



Source: Fiinpro, Shinhan Securities Vietnam

Registered FDI capital in 2024 and 10M2025 (million USD)

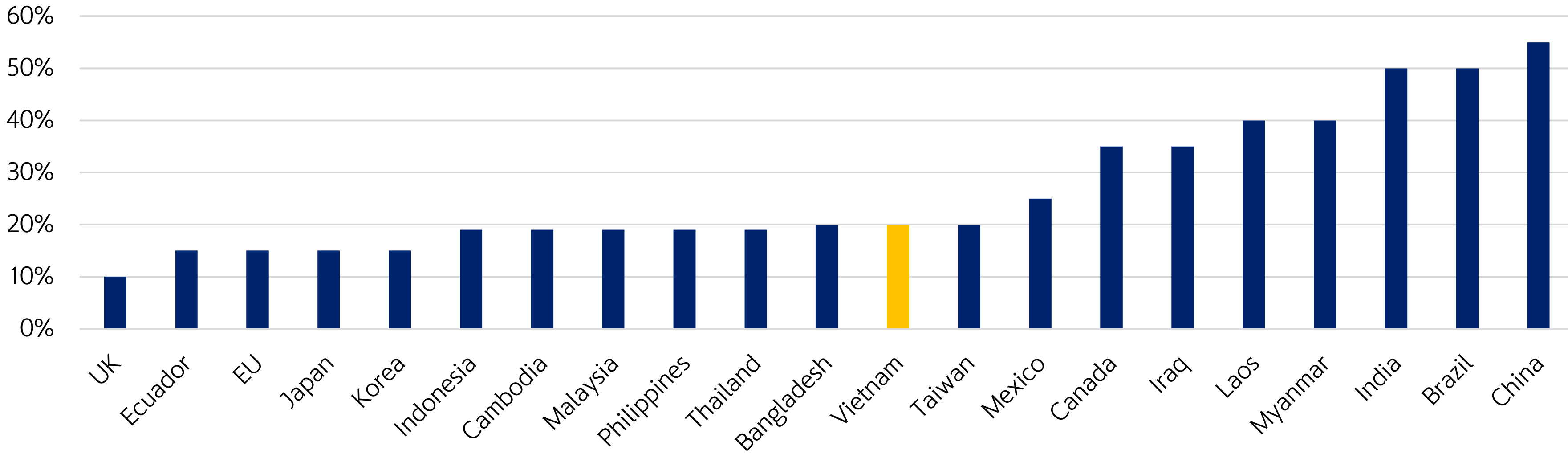


Source: Fiinpro, Shinhan Securities Vietnam

- According to data from the General Statistics Office, realized foreign direct investment (FDI) in the first ten months of 2025 reached USD 21.3 billion, up 8.8% YoY, marking the highest level in the past five years. In addition, total registered FDI-including new, adjusted, and capital contribution via share purchases-exceeded USD 31.52 billion, a strong increase of 15.6% YoY.
- Record levels of FDI disbursement and registration indicate that Vietnam continues to be an attractive destination for foreign investors. However, amid tariff fluctuations, registered FDI declined during June–September 2025. As tariff conditions gradually stabilized and the U.S. officially announced its tax policy for partner countries, registered FDI rebounded in October 2025. Furthermore, on October 26, the U.S. and Vietnam reached a new trade framework agreement, which is expected to support continued growth in FDI inflows in the future.

Competitive tax rates enhance the attraction of FDI inflows

The tax rate that the US applied to countries (%)



Source: Shinhan Securities Vietnam, Whitehouse.gov updated to August 1, 2025

- Currently, goods directly originating from Vietnam are subjected to a 20% tariff, while orders shipped via transshipment from other countries face a 40% tariff. The Government continues its negotiation efforts with the U.S. to pursue new cooperation agreements, laying the groundwork for gradually reducing reciprocal tariffs imposed on Vietnamese goods.
- Compared to the regional benchmark, Vietnam's tariff rates are considered relatively competitive and do not exert significant pressure on exporters. Notably, some countries competing directly with Vietnam for FDI inflows, such as India and Brazil, face higher tariffs of up to 50%. This allows Vietnam to maintain a relative advantage while also providing additional incentive for international investors to consider Vietnam as an alternative manufacturing destination.

Government's efforts to negotiate lower U.S. reciprocal tariffs

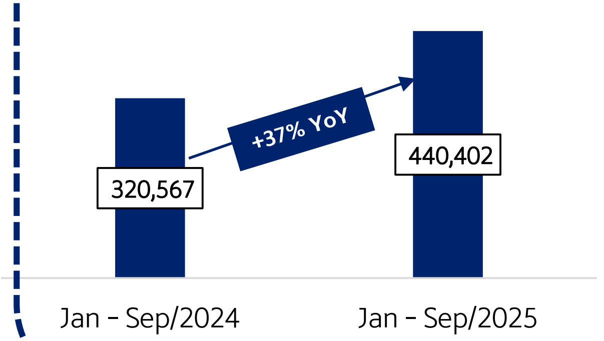
Prime Minister Pham Minh Chinh held a brief meeting with U.S. President Donald Trump on the sidelines of the ASEAN–U.S. Summit on October 26, 2025

Minister of Industry and Trade Nguyen Hong Dien during the tariff negotiation session in Washington from November 12–14, 2025

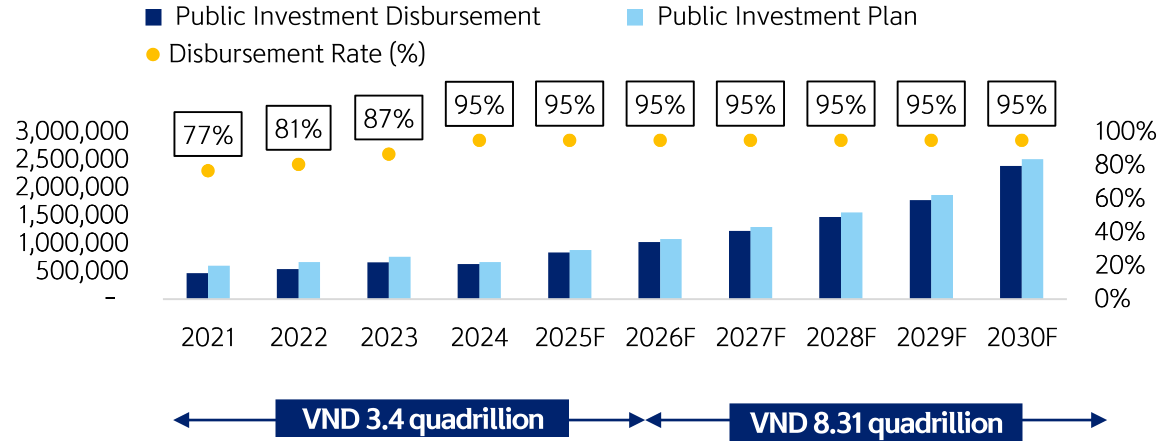
- On October 26, 2025, Vietnam and the United States announced a Joint Statement on the Reciprocal Trade Agreement Framework. Under the new agreement, import tariffs on Vietnamese exports will be applied within a 0–20% range, with certain key product groups potentially enjoying a preferential 0% tariff.
- Vietnam continues to advance negotiations with the U.S. to optimize bilateral terms. From November 12–14, 2025, the two countries conducted the 5th round of direct negotiations on the Reciprocal Trade Agreement in Washington D.C. Over the three working days, the negotiation teams made significant progress across several areas, including services, digital trade, agriculture, technical barriers to trade (TBT), and sanitary and phytosanitary standards (SPS), while narrowing differences on remaining issues.

Strong public investment contributes to promoting infrastructure development

Cumulative Public Investment Disbursement in 9M2025 (VND Billion)



Public Investment Disbursement, 2018–2030F (VND Billion)



Source: Ministry of Finance, Shinhan Securities Vietnam

- According to the Ministry of Finance, public investment disbursement from the beginning of the year through September 30, 2025, was estimated at VND 440,402 billion (+37% YoY), reaching 50% of the plan assigned by the Prime Minister. The 9M2025 disbursement rate improved compared to 9M2024, rising from 47.3% to 50%.
- The Ministry of Finance estimates that total balanced capital for development investment from the state budget in 2026 is expected to reach approximately VND 1.12 million billion, including: public investment of around VND 1.08 million billion and other development investment of about VND 40 trillion. Accordingly, total public investment in 2026 is projected to increase by approximately 22% compared to 2025, reflecting the Government's strong expansion of public investment to stimulate economic growth and accelerate the development of key infrastructure projects.

Disbursement status of important public investment projects in 2025

Project Name	Disbursement plan in 2025 (billion VND)	Accumulated disbursement up to September 30, 2025 (billion VND)	Tỷ lệ giải ngân (%)
Road Project			
North-South Expressway Phase 2	30,956	12,992	42.00%
Khanh Hoa – Buon Ma Thuot Expressway Phase 1	6,589	3,327	50.50%
Bien Hoa – Vung Tau Expressway Phase 1	3,977	1,757	44.20%
Chau Doc – Can Tho – Soc Trang Expressway Phase 1	10,737	4,596	42.80%
Ring Road 4 – Hanoi	12,722	2,017	15.90%
Ring Road 3 – Ho Chi Minh City	14,524	2,767	19.10%
Ho Chi Minh Road	4,293	1,662	38.70%
...			
Total Road Project	**170,522**	**51,771**	**30.40%**
Airline Project			
Long Thanh International Airport	254	101	39.90%
Total Aviation Project	**254**	**101**	**39.90%**
Railway Project			
High-speed Railway on the North-South Axis	150	30	20.00%
Lao Cai – Hanoi – Hai Phong Railway	3,486	365	10.50%
Hanoi Urban Railway	2,070	890	43.00%
Ho Chi Minh City Urban Railway	2,813	1,270	45.20%
Total Railway Project	**8,518**	**2,556**	**30.00%**
...			
Total	179,294	54,428	**30.40%**

Source: Ministry of Finance, Shinhan Securities Vietnam

Public investment plan to increase significantly during the 2026–2030 period

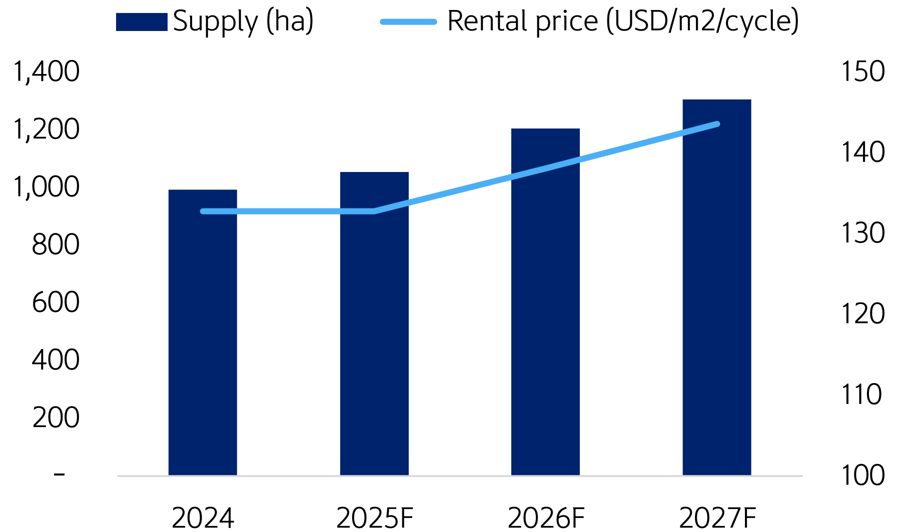
Period	2021 – 2025	2026 – 2030
Average GDP Growth Rate	6.3% (estimated)	10%
State Budget Revenue	VND9.6 trillion	VND 16.1 quadrillion
State Budget Expenditure	VND10.9 trillion	VND 20.9 quadrillion
Total Public Investment Expenditure	VND3.4 trillion	VND 8.31 quadrillion
Budget Deficit	VND3.1-3.2% GDP	5% of GDP
Total Government Debt for the Whole Period	VND2.5 trillion	Expected to mobilize about VND 6.55 quadrillion
Public Debt/GDP Ratio	VND35-36% GDP	41-42% of GDP

Source: Ministry of Finance, Shinhan Securities Vietnam

- According to the Government's orientation for the 2026–2030 period, the key economic development target is to achieve an average annual GDP growth rate of at least 10%. To realize this goal, the Ministry of Finance projects total development investment expenditure to reach approximately VND 8.51 quadrillion, equivalent to 40% of total state budget spending. Of this, the medium-term public investment capital is estimated at VND 8.31 quadrillion, marking a 144% increase compared to the 2021–2025 period.
- To meet the rising capital demand, the Government plans to raise total state budget revenue to VND 16.1 quadrillion by accelerating economic growth, with budget revenue expected to account for around 18% of GDP. At the same time, the budget deficit ratio is targeted to increase from 3.1% to 5% of GDP, leading to a rise in government debt from VND 2.5 quadrillion to VND 6.55 quadrillion-an increase of 2.62 times compared to the previous period. The public debt-to-GDP ratio is expected to rise from 35–36% to around 41–42%. We believe that with a public debt-to-GDP ratio around 40%, Vietnam will still maintain a healthy fiscal position, ensuring macroeconomic stability while achieving double-digit GDP growth and accelerating infrastructure development in the medium term.

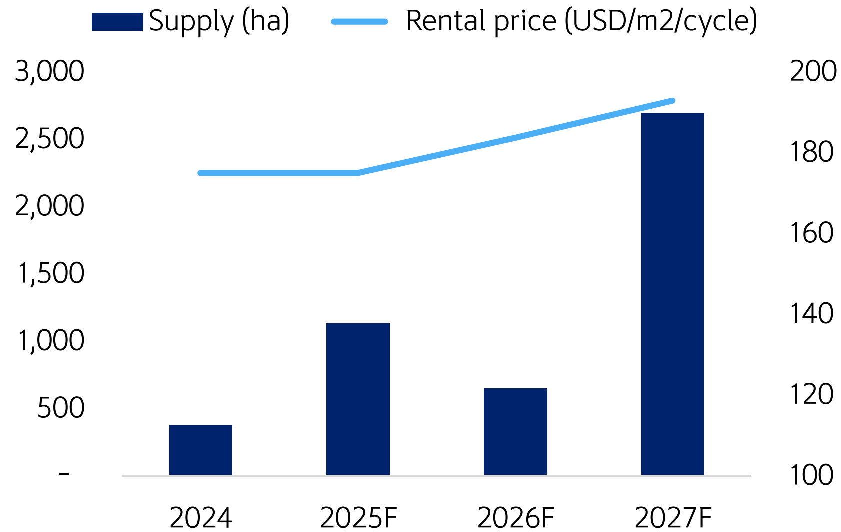
Industrial real estate prospects continue to maintain a stable growth in the future

Projected cumulative area and industrial park land rental price from 2024 – 2027F in the North



Source: CBRE, Shinhan Securities Vietnam

Projected cumulative area and industrial park land rental price from 2024 – 2027F in the South

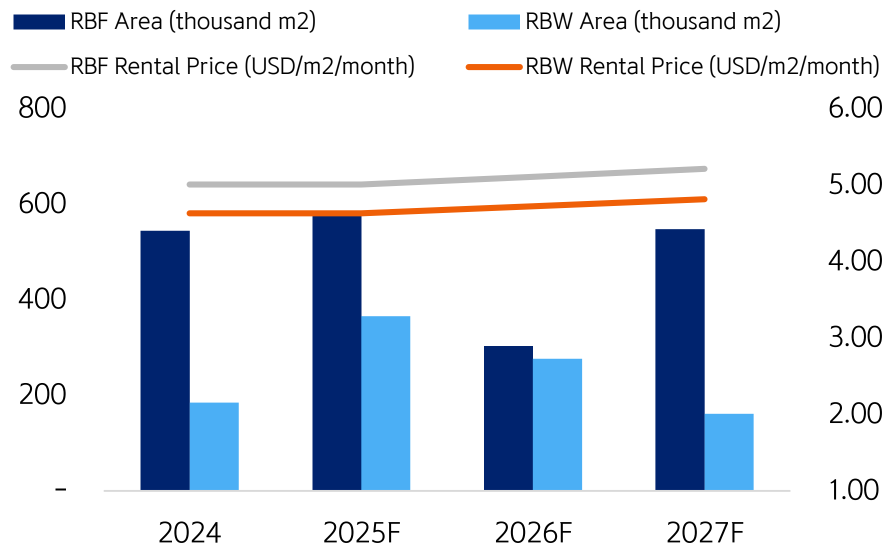


Source: CBRE, Shinhan Securities Vietnam

- We estimate that the supply of industrial real estate in 2025 will grow by approximately 1,000 hectares in the Northern region and 1,100 hectares in the Southern region. In the North, the majority of new supply will be concentrated in provinces such as Hai Phong, Vinh Phuc, and Hung Yen. In the South, the new supply is expected to be primarily located in Binh Duong, Dong Nai, and Long An.
- Industrial land prices are projected to remain flat in 2025, as uncertainties stemming from global trade tensions may lead to slower demand growth. The occupancy rate is expected to remain high, at around 83% in the Northern region and 90% in the Southern region.

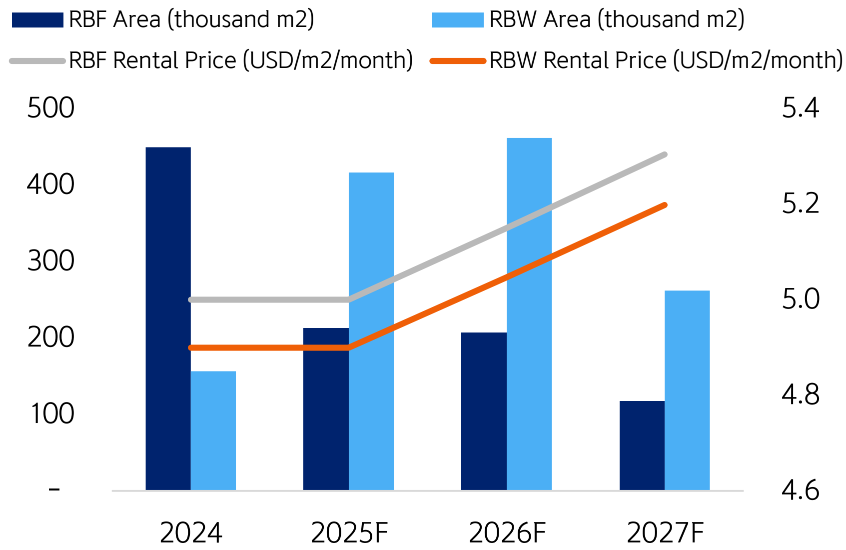
RBF and RBW supply continues to grow in line with market demand

Projected absorption area and RBF/RBW price 2024 – 2027F in the North



Source: CBRE, Shinhan Securities Vietnam

Projected absorption area and RBF/RBW price 2024 – 202F in the South

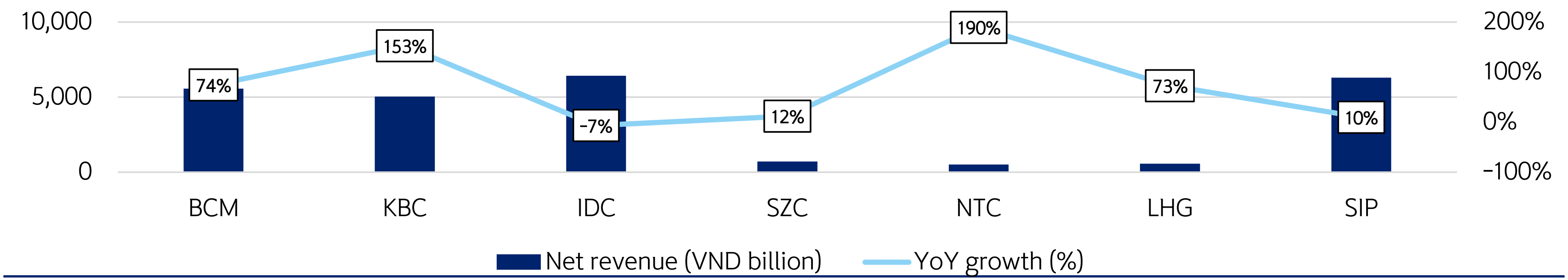


Source: CBRE, Shinhan Securities Vietnam

- According to CBRE's forecast for the 2025F–2027F period, the supply of Ready-Built Factories (RBF) is expected to remain around 500,000 m² in the Northern region, while the Southern region is projected to see approximately 200,000 m². In contrast, the supply of Ready-Built Warehouses (RBW) in the North is anticipated to reach around 300,000 m², while in the South, it is estimated at around 400,000 m².
- Rental prices and absorption rates are expected to remain flat in 2025 due to ongoing uncertainties related to global trade tensions. However, moving into 2026F, we expect rental prices to resume growth, at a projected rate of around 2%–3% per year.

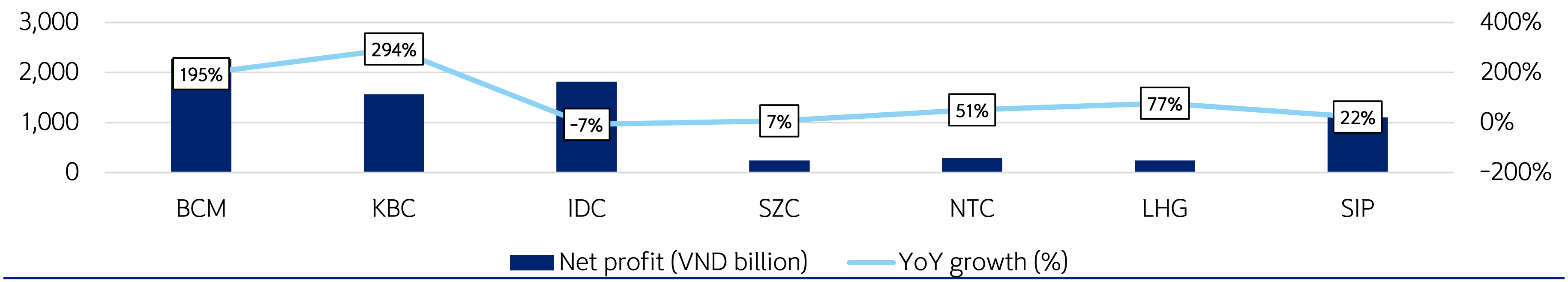
Business performance update for selected key stocks

Revenue of 9M2025 of industrial park real estate enterprises



Source: Fiinpro, Shinhan Securities Vietnam

Profit after tax 9M2025 of industrial real estate enterprises



Source: Fiinpro, Shinhan Securities Vietnam

- In 9M2025, industrial park developers recorded positive earnings growth. Although some companies posted declines in Q2–Q3/2025 (the period of tariff volatility), on a 9-month basis the industrial park sector still delivered strong results, particularly among developers with large land bank. We note that a few companies, such as IDC, reported weaker performance, mainly due to a reduction in available land bank and lower MOU contract values compared to the same period last year. However, IDC proactively doubled its land bank in 2025 and demonstrated a notable recovery in Q3/2025, with revenue rising over 60% and profit doubling versus Q1 – Q2/2025.

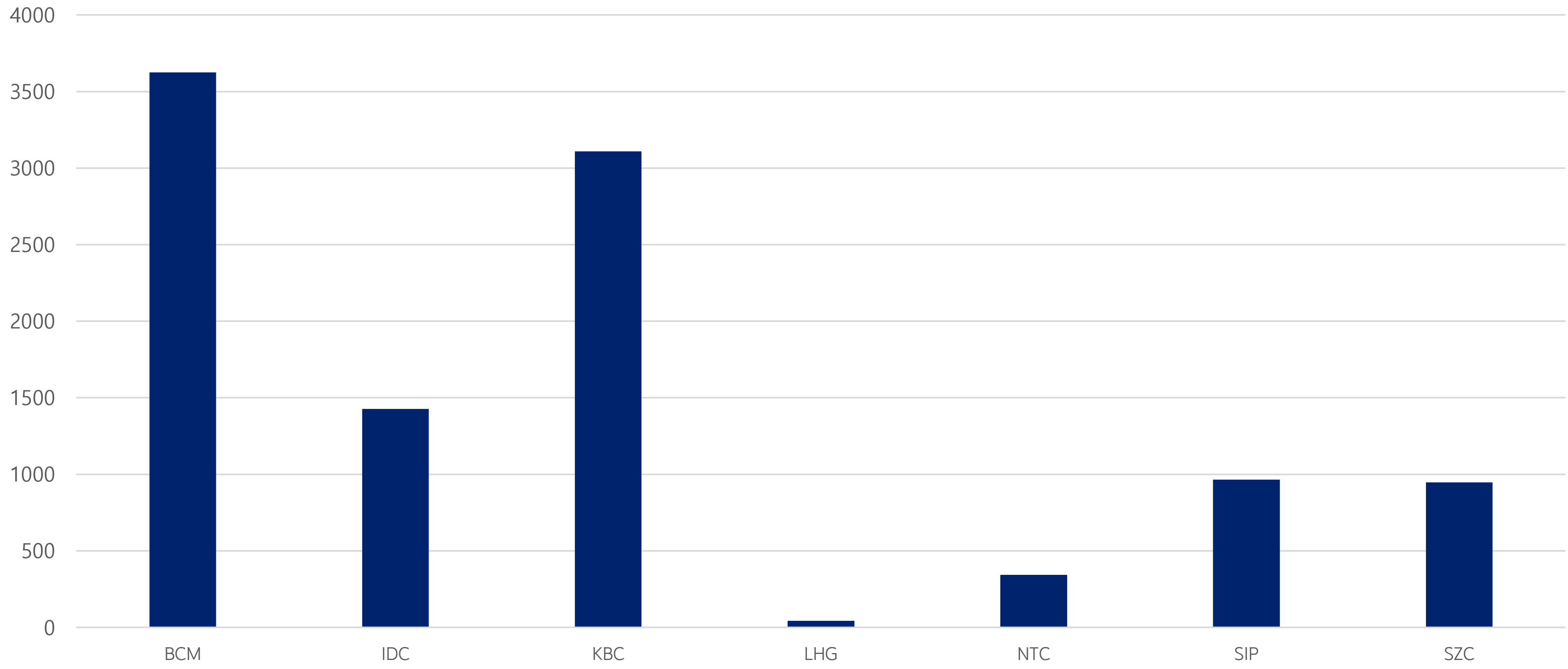
Tiker	Market price (VND)	Target price* (VND)	Upside (%)	Market cap (billion VND)	Projected net revenue 2026F (billion VND)	Net revenue growth (% YoY)	Projected net profit 2026F (billion VND)	Net profit growth (% YoY)	ROA - TTM (%)	ROE - TTM (%)	Quick ratio	D/E	P/E - TTM	P/B - TTM
BCM	66,600	79,100	19%	68,931	7,890	10%	2,703	3%	6%	18%	0.5	1	19.3	3.3
KBC	35,300	41,000	16%	33,244	14,090	96%	3,585	110%	3%	7%	2.3	1	18.7	1.4
IDC	40,300	54,100	34%	15,294	10,855	24%	2,273	20%	9%	31%	0.6	0.5	8.7	2.5
SZC	30,900	45,400	47%	5,562	1,156	32%	396	33%	4%	10%	0.3	0.7	18.5	1.9
NTC	158,200	226,700	43%	3,797	792	9%	457	10%	6%	32%	0.3	0.1	9.9	3.1
LHG	29,550	40,000	35%	1,478	917	15%	386	15%	9%	17%	0.7	0.1	5.3	0.9
SIP	56,600	73,500	30%	13,704	9,342	13%	1,597	10%	5%	28%	1.6	0.8	11.1	2.9
Total					45,043	33%	11,397	30%						

* Target price (fair value) in the next 12 months

Source: SSV Research, Bloomberg, Fiipro, Company Report
Data as of 28/11/2025

- The 2026 outlook is expected to improve as FDI enterprises accelerate land-leasing activities following the stabilization of tariff conditions. We expect Vietnam to secure additional trade agreements, thereby strengthening its competitive position in attracting FDI inflows. We recommend monitoring BCM, KBC, IDC, and SZC, supported by (1) strategic location advantages, (2) ample commercial land bank, (3) ancillary residential development potential, and (4) solid financial profiles, providing room for sustainable long-term growth.

Land bank available for lease of some industrial real estate enterprises (ha)



Source: Company report, Shinhan Securities Vietnam

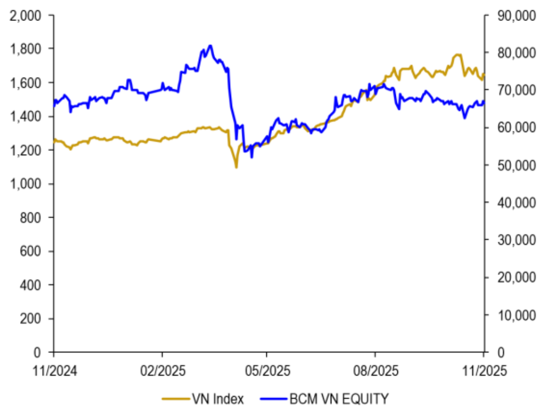
BECAMEX

Target price (2026)	**VND 79,100**
Current price (28/11/2025)	VND 66,600
Upside(%)	19%

VNINDEX	1,690
Market P/E (x)	13.9
Market Cap. (bn VND)	68,931
Outstanding Shares (mn)	1,035
Free Floating Shares (mn)	35
52-week high/low (VND)	82,400/ 49,800
Average 90-day trading volume (million shares)	0.48
Average trading value in 90 days (billion VND)	26
Foreign ownership (%)	0.32

Major shareholders (%)	Binh Duong Provincial People's Committee	95.44%
	Nguyen Van Hung	0.60%

	3M	6M	12M
Absolute	-3.6	15.5	0.9
Rel. to VNINDEX	-10.1	-17.4	-31.3



Solid growth foundation supported by an expanding landbank

Becamex IDC Corporation – Becamex (HoSE: BCM), established in 1976, is one of the leading industrial park developers in Vietnam. Becamex is a reputable brand with extensive experience in developing industrial zones in Binh Duong Province. Over the years, the company has attracted more than 500 enterprises from 30 different countries. Currently, Becamex owns six industrial parks with a total area of over 4,000 ha. In addition, BCM holds a 49% stake in a joint venture with a Singaporean partner to develop the VSIP industrial park network. VSIP is a leading developer of integrated industrial and urban parks in Vietnam, with 12 projects nationwide covering over 10,000 ha.

Business results 9M/2025

By the end of Q3/2025, BCM recorded revenue of VND 828 billion (–33% YoY) and net profit of VND 422 billion (+16% YoY). For 9M2025, total revenue reached VND 5,575 billion (+74% YoY), driven mainly by the industrial land leasing segment, which contributed VND 4,374 billion (+120% YoY), primarily from the Bau Bang Expansion Industrial Park. Profit from joint ventures and associates also showed solid growth, reaching VND 1,344 billion, with significant contributions from the VSIP industrial park group. Net profit for 9M2025 stood at VND 2,268 billion (+194% YoY).

Investment thesis

BCM holds strong long-term growth potential with approximately 944 ha of ready-to-lease industrial land, mainly from the Bau Bang Expansion (241 ha) and Cay Truong Industrial Park (490 ha). In addition, the company owns over 2,500 ha of industrial land through subsidiaries and associates. With a residential land bank of around 1,200 ha, the residential real estate segment is also expected to see notable growth, especially following the potential administrative merger of Binh Duong province into Ho Chi Minh City.

Forecast 2025F and 2026F

With the substantial industrial land bank across Bau Bang IP, Cay Truong IP, and the VSIP industrial park cluster, we estimate 2025 revenue to reach VND 7,173 billion (+37% YoY) and net profit to reach VND 2,625 billion (+20% YoY). Revenue in 2026 is forecast to reach VND 7,890 billion (+10% YoY), with net profit reaching VND 2,703 billion (+3% YoY).

Risks: (1) Declining demand for industrial park real estate; (2) High debt/equity ratio; (3) Slow progress in implementing industrial park projects.

Year to Dec	2022	2023	2024	2025F	2026F
Revenue (VND bn)	6,506	7,883	5,239	7,173	7,890
OP (VND bn)	1,437	2,783	1,785	2,648	2,630
OP margin (%)	22.1	35.3	34.1	36.9	33.3
NPATMi (VND bn)	1,685	2,423	2,187	2,625	2,703
NP margin (%)	25.9	30.7	41.7	36.6	34.3
EPS (VND)	1,482	2,341	2,113	2,536	2,612
ROE (%)	9.3	12.2	12.0	13.5	12.9
P/E (x)	54.4	29.5	34.9	27.1	26.3
P/B (x)	4.9	3.6	3.6	3.2	3.0

Source: Bloomberg, Shinhan Securities Vietnam

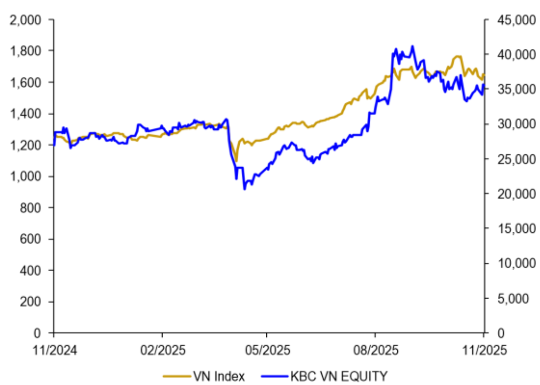
KINHBAC CITY

Target price (2026)	VND 41,000
Current price (28/11/2025)	VND 35,300
Upside(%)	16%

VNINDEX	1,690
Market P/E (x)	13.9
Market Cap. (bn VND)	33,244
Outstanding Shares (mn)	942
Free Floating Shares (mn)	660
52-week high/low (VND)	43,100/ 20,500
Average 90-day trading volume (million shares)	8.54
Average trading value in 90 days (billion VND)	329
Foreign ownership (%)	9.41

Major shareholders (%)	DTT Investment and Development JSC	9.19%
	Kinh Bac Investment and Consulting JSC	6.61%

	3M	6M	12M
Absolute	9.4	50.1	31.5
Rel. to VNINDEX	2.9	17.3	-0.8



Robust growth expected across both industrial park and residential real estate segments

Kinh Bac City Development Holding Corporation (HoSE: KBC), established in 2002, is one of the leading industrial real estate developers in Vietnam. KBC has extensive experience in collaborating with and attracting major FDI corporations into Vietnam. Over 90% of KBC's industrial park tenants are foreign enterprises, originating from countries such as Japan, Taiwan, South Korea, and China, with notable clients including Canon, Foxconn, and LG.

Business results 9M/2025

Kinh Bac recorded net revenue of VND 1,347 billion (+42% YoY) and net profit of VND 312 billion (+55% YoY) in Q3/2025. For 9M2025, total revenue reached VND 5,039 billion (+153% YoY), of which industrial park (IP) land leasing revenue accounted for VND 3,680 billion (+229% YoY). Net profit for the period was VND 1,563 billion (+294% YoY). The total leased IP land area in 9M2025 was estimated at around 110 ha, mainly from signed contracts in Nam Son Hap Linh IP, Trang Due 3 IP, and Hung Yen Industrial Cluster.

Investment thesis

We expect: (1) the total leased IP land area to reach about 158 ha in 2025 and 197 ha in 2026, mainly contributed by Nam Son Hap Linh IP, Trang Due 3 IP, industrial parks in Long An, and a series of new projects to be approved in 2025; and (2) the urban real estate segment to continue growing in 2025, driven by the Nen Social Housing and Trang Due Urban Area projects, with a significant breakthrough expected in 2026 as the Trang Cat Urban Area begins to record revenue.

Forecast 2025F and 2026F

We estimate KBC's revenue to reach approximately VND 7,200 billion (+159% YoY) in 2025 and VND 14,090 billion (+96% YoY) in 2026, with net profit expected at VND 1,710 billion (+301% YoY) in 2025 and VND 3,585 billion (+110% YoY) in 2026.

Risks: (1) Decline in demand for industrial real estate leasing; (2) High debt-to-equity ratio; (3) Weakened FDI inflows; (4) Delays in industrial project implementation progress.

Year to Dec	2022	2023	2024	2025F	2026F
Revenue (VND bn)	950	5,618	2,776	7,200	14,090
OP (VND bn)	-245	2,883	657	3,147	6,483
OP margin (%)	(25.7)	51.3	23.7	43.7	46.0
NPATMi (VND bn)	1,526	2,031	426	1,710	3,585
NP margin (%)	160.6	36.1	15.4	23.7	25.4
EPS (VND)	1,993	2,646	555	1,816	3,806
ROE (%)	10.1	11.9	2.3	7.3	13.6
P/E (x)	12.14	12.00	49.01	19.63	9.37
P/B (x)	1.16	1.34	1.12	1.44	1.27

Source: Bloomberg, Shinhan Securities Vietnam

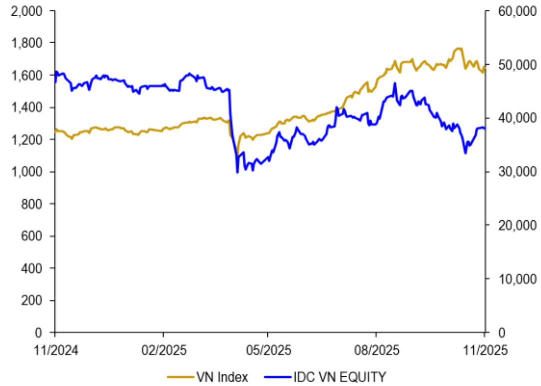
IDICO

Target price (2026)	**VND 54,100**
Current price (28/11/2025)	VND 40,300
Upside(%)	34%

VNINDEX	1,690
Market P/E (x)	13.9
Market Cap. (bn VND)	15,294
Outstanding Shares (mn)	379
Free Floating Shares (mn)	248
52-week high/low (VND)	51,391/ 27,304
Average 90-day trading volume (million shares)	2.78
Average trading value in 90 days (billion VND)	107
Foreign ownership (%)	8.5

Major shareholders (%)	SSG Group JSC	22.50%
	Bach Viet Production and Trading Company Limited	11.93%

	3M	6M	12M
Absolute	-2.7	16.5	-21.3
Rel. to VNINDEX	-9.2	-16.3	-53.5



Solid growth foundation from an expanded landbank

IDICO Corporation (HoSE: IDC) was established in 2000, formerly known as Vietnam Urban and Industrial Zone Development Investment Corporation. IDC operates mainly in the industrial park sector (accounting for 44%), the electricity business sector (accounting for 38%), and the BOT toll collection sector (accounting for 5%). IDC is investing and managing 10 industrial parks in Vietnam with a total area of nearly 3,267 ha. IDC owns 7 industrial parks in the South, and 3 industrial parks in the North spanning the provinces of Dong Nai, Ba Ria-Vung Tau, Long An, Vinh Phuc, Bac Ninh, and Thai Binh. Regarding the electricity sector, IDC owns 2 hydropower plants with a total capacity of up to 114 MW, and a system of 2 transformer stations contributing over 80% of the total electricity revenue at IDC, creating a stable source of revenue for IDC.

Business results 9M/2025

By the end of Q3/2025, net revenue reached VND 2,871 billion (+26% YoY), while net profit came in at VND 981 billion (+70% YoY). Cumulatively for 9M2025, revenue reached VND 6,428 billion (-7% YoY). Of this, revenue from the power business segment amounted to VND 2,786 billion (+18% YoY), while revenue from industrial land leasing reached VND 2,236 billion (-26% YoY). Net profit came in at VND 1,814 billion (-7% YoY). Industrial land lease volume declined in Q1–Q2/2025 due to global tariff uncertainties. However, leasing demand rebounded quickly in Q3/2025 as conditions gradually stabilized.

Investment thesis

In 2025, IDC expanded over 700 ha of industrial park land across key projects such as Tan Phuoc 1 (Tien Giang), My Xuan B1 MR (Ba Ria – Vung Tau), Vinh Quang (Hai Phong), and Phu Long (Ninh Binh), increasing its total leasable IP land bank to over 1,400 ha, laying a strong foundation for long-term growth.

Forecast 2025F and 2026F

We estimate IDC's 2025 revenue to reach VND 8,744 billion (–1.15% YoY) and net profit of VND 1,902 billion (–4.7% YoY), with approximately 110 ha of IP land expected to be leased. Moving into 2026, IDC's performance is forecast to improve as newly expanded IP land areas are put into operation. Accordingly, we project 2026 revenue at VND 10,855 billion (+24% YoY) and net profit at VND 2,273 billion (+19% YoY).

Risks: (1) Declining demand for industrial park real estate; (2) Weakening FDI inflows; (3) Slow progress in implementing industrial park projects.

Year to Dec	2022	2023	2024	2025F	2026F
Revenue (VND bn)	4,301	7,485	8,846	8,744	10,855
OP (VND bn)	477	2,726	2,939	2,813	3,419
OP margin (%)	11.1	36.4	33.2	32.2	31
NPATMi (VND bn)	454	1,768	1,996	1,902	2,273
NP margin (%)	10.6	23.6	22.6	21.8	21
EPS (VND)	1,376	5,356	5,976	5,013	5,989
ROE (%)	11.2	40.0	37.3	29.3	31
P/E (x)	48.0	5.9	9.3	7.7	6
P/B (x)	5.6	2.1	3.3	2.3	2

Source: Bloomberg, Shinhan Securities Vietnam

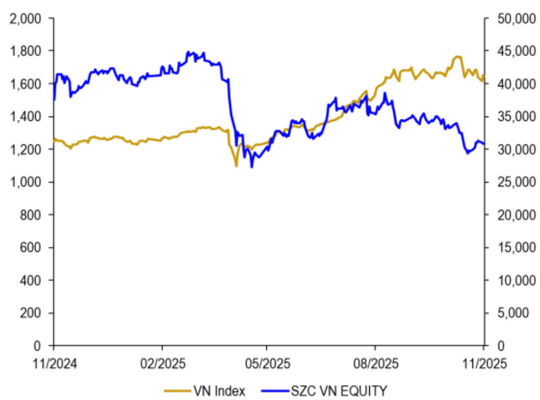
SONADEZI CHAU DUC

Target price (2026)	**VND 45,400**
Current price (28/11/2025)	VND 30,900
Upside(%)	47%

VNINDEX	1,690
Market P/E (x)	13.9
Market Cap. (bn VND)	5,562
Outstanding Shares (mn)	180
Free Floating Shares (mn)	76
52-week high/low (VND)	47,200/ 27,700
Average 90-day trading volume (million shares)	2.07
Average trading value in 90 days (billion VND)	55
Foreign ownership (%)	3.17

Major shareholders (%)	Industrial Park Development Corporation	46.84%
	Sonadezi Long Thanh JSC	10.08%

	3M	6M	12M
Absolute	-14.5	-0.5	-19.6
Rel. to VNINDEX	-20.9	-33.3	-51.8



Solid growth foundation from an expanded landbank

Sonadezi Chau Duc JSC (HoSE: SZC), established on June 26, 2007, formerly known as Sonadezi Infrastructure Development JSC, primarily operates in industrial land leasing, real estate development, and BOT project investments. The industrial real estate segment accounts for over 80% of SZC's total revenue structure. SZC owns a large land bank of 2,287 ha in Chau Duc District, Ba Ria – Vung Tau Province, of which 1,556 ha are allocated for industrial parks, while the remainder is mainly designated for residential areas and golf courses.

Business results 9M/2025

SZC reported Q3/2025 revenue of VND 86 billion (–46% YoY) and net profit of VND 20 billion (–65% YoY). For 9M2025, total revenue reached VND 718 billion (+12% YoY), of which industrial park (IP) land leasing contributed VND 568 billion (+4% YoY). Net profit for the period was VND 242 billion (+6% YoY). SZC's land leasing activities slowed down in Q2–Q3/2025 due to global tariff uncertainties between April and August 2025.

Investment thesis

We expect business performance to improve from Q4/2025 as trade policies stabilize. Moreover, Vietnam's newly established tariff agreements on October 26 are expected to enhance FDI inflows. In addition, the recovery of the real estate market is likely to boost revenue from the residential segment, particularly from the sale of townhouses and 210 social housing units in the Sonadezi Huu Phuoc Residential Project.

Forecast 2025F and 2026F

We forecast 2025 revenue to reach VND 879 billion (+1% YoY) with an IP land leasing area of 35 ha and net profit of VND 297 billion (-2% YoY). For 2026, revenue and net profit are projected to reach VND 1,156 billion (+31% YoY) and VND 396 billion (+33% YoY), respectively.

Risks: (1) Weakened demand for industrial land leasing; (2) Slowdown in FDI inflows; (3) Legal and compensation issues related to Chau Duc IP; (4) Delays in industrial park project implementation.

Year to Dec	2022	2023	2024	2025F	2026F
Revenue (VND bn)	859	818	871	879	1,156
OP (VND bn)	260	295	369	357	479
OP margin (%)	30	36	42	40.6	41.4
NPATMi (VND bn)	197	219	302	297	396
NP margin (%)	23	27	35	33.7	34.2
EPS (VND)	1,197	1,410	1,616	1,649	2,199
ROE (%)	12	13	11	9.0	10.9
P/E (x)	15	26	26	18.4	13.8
P/B (x)	2	3	2	1.6	1.5

Source: Bloomberg, Shinhan Securities Vietnam

Steel Industry

Ride the tailwind

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Steel Industry – Ride the Tailwind

1. Global steel market

The global steel industry has moved past a highly challenging period in the first 9 months of 2025, pressured by several headwinds: (1) Rising global trade protectionism; (2) A flood of low-priced steel from China and the country's persistent supply-demand imbalance. However, in Q2/2025, the Chinese government introduced policies to tighten supply and curb unfair competition, which are expected to positively impact its steel market in 2026. In addition, prices of key raw materials, including iron ore and coking coal, have remained low, helping the global steel sector stay resilient through market turbulence.

2. Vietnam steel market

In the first 9 months of 2025, domestic demand served as the main growth driver, while exports struggled due to global tariff uncertainties. Vietnam has also implemented anti-dumping measures on imported steel to protect the local steel manufacturing industry.

3. Steel industry outlook for 2026

In 2026, several factors are expected to support the sector's recovery: (1) A more active property market thanks to a favorable interest-rate environment and improved legal frameworks; (2) Acceleration of major infrastructure projects; (3) Margin improvement as raw material prices remain low; (4) Trade defense policies reducing competitive pressure from imported steel. However, global tariff waves may still constrain the industry's export volume.

4. Investment opportunities in steel stocks

HPG

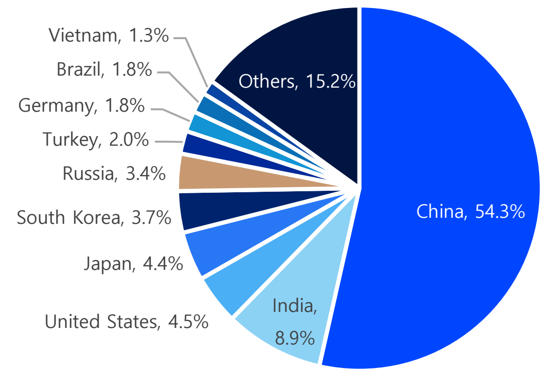
Steel output in key markets declined in the 9M/2025

- In the first 9 months of 2025, global crude steel output reached 1,373 million tons, down 1.6% YoY. Of this, China, the world's largest steel producer, recorded 746 million tons, a 2.9% YoY decline. Meanwhile, India remained a bright spot with 122 million tons, up 10.5% YoY, supported by strong infrastructure and industrial investment. Vietnam currently ranks 12th globally in steel production with 17.98 million tons, up 10% YoY.
- Overall, steel production data indicates weak global steel consumption demand, as economic recovery remains uneven across regions. Many mills have been forced to cut production amid the intensifying global trade protection measures.
- However, the WSA expects global steel demand to bottom out in 2025 and edge up by 1.3% YoY in 2026, potentially reaching 1.77 billion tons, supported by infrastructure investment and looser monetary policies in major economies.

Steel production in major countries in 9M/2025 YoY

Source: WSA, Shinhan Securities Vietnam

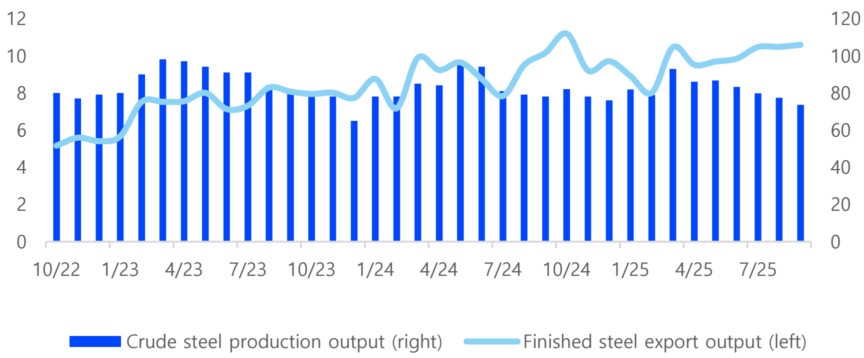
Steel production by region in 9M/2025



Source: WSA, Shinhan Securities Vietnam

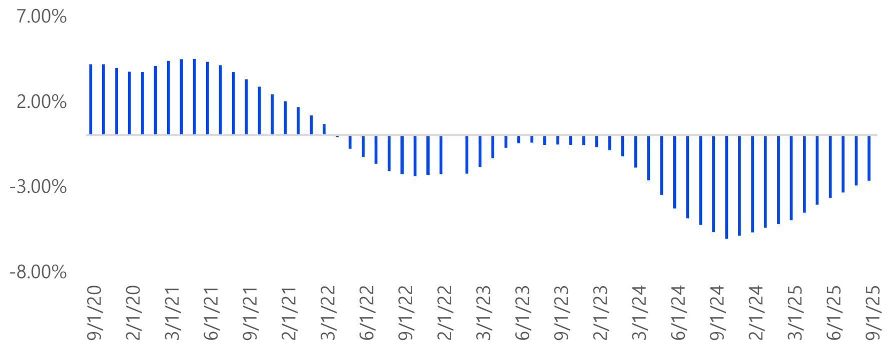
China Real Estate market: Slow recovery forecast

China's monthly steel output (million tons)



Source: Bloomberg, Shinhan Securities Vietnam

China home price growth (YoY)

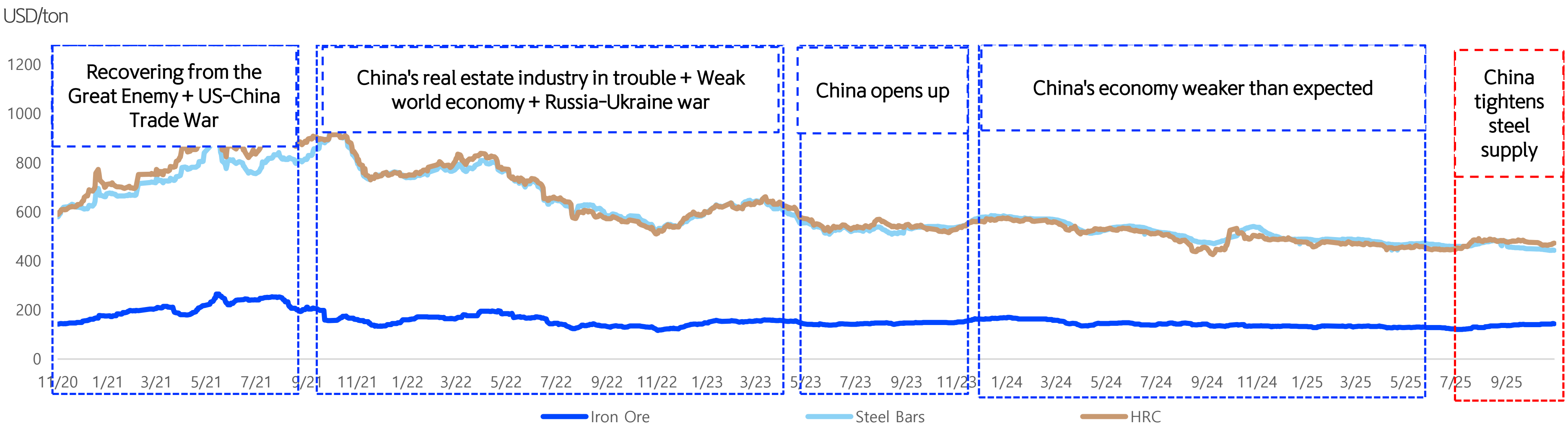


Source: Bloomberg, Shinhan Securities Vietnam

- China's crude steel production declined in 9M/2025, reaching 746.25 million tons, down 2.9% YoY, due to weak demand and government-imposed supply-tightening policies aimed at balancing supply-demand and improving steel quality. Notably, Chinese housing prices continued to fall in 9M/2025, though the pace of decline has been narrowing quarter by quarter.
- China's steel exports increased in 9M/2025, reaching 87.96 million tons (+9.2% YoY) despite rising global protectionist measures. The main reasons include: (1) A weaker CNY, which made Chinese steel more price-competitive; (2) Persistently weak domestic demand, forcing steelmakers to boost exports-often at competitive prices-to clear inventories. However, we expect China's steel exports to fall in Q4/2025 and in 2026, as many countries are set to enforce trade defense measures more aggressively.

China steel prices: Expectations that supply tightening policy will take effect in 2026

World iron ore and coking coal prices (USD/ton)

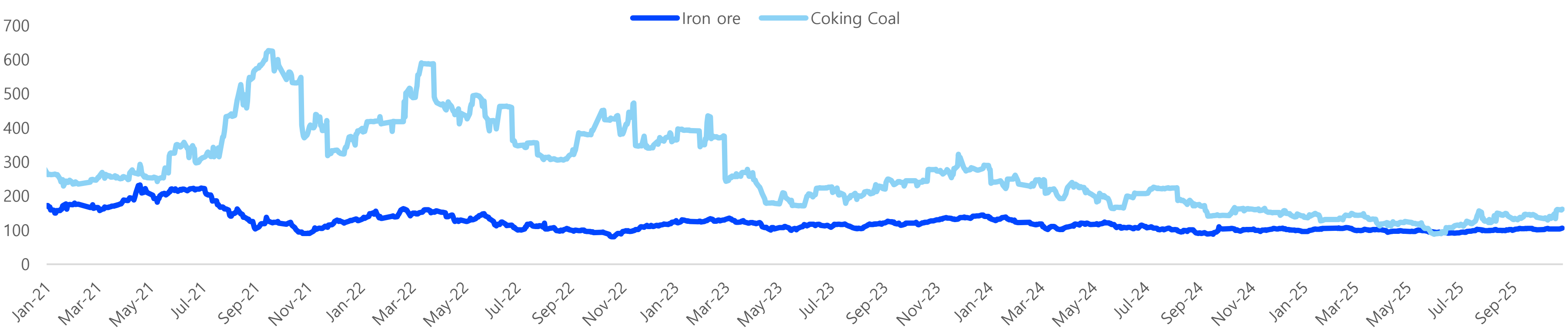


Source: Bloomberg, Shinhan Securities Vietnam

- HRC and rebar prices in China fell by 9.4% YoY and 9.3% YoY, respectively, in Q3/2025. The decline was driven by continued weakness in domestic demand, as the real estate market showed no signs of recovery. New home sales dropped 2.6% YoY in September 2025, and housing prices have recorded three consecutive years of negative growth.
- We forecast that China's steel demand will narrow its decline in 2026, falling only 1% YoY, while steel supply is expected to drop 5% YoY. Accordingly, HRC and rebar prices are expected to enter a recovery phase, as oversupply cools when Chinese mills implement production cuts in line with government policy.

Input material prices increased slightly in Q3/2025

World iron ore and coking coal prices (USD/ton)

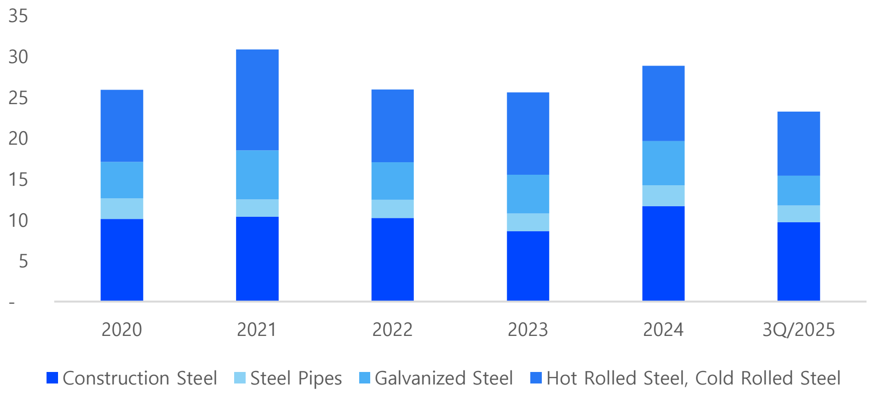


Source: Bloomberg, Shinhan Securities Vietnam

- Input material prices increased slightly QoQ but declined YoY. Specifically, coking coal prices reached 187 USD/ton (+2% QoQ, -22% YoY) as China reduced coal output amid tighter steel-production controls. Iron ore prices reached 100 USD/ton (+5% QoQ, -9% YoY) thanks to expectations of new economic stimulus measures from the Chinese government.
- Although prices saw a mild uptick in Q3/2025, we expect coking coal and iron ore prices to continue trending downward into 2026, reaching 185 USD and 90 USD per ton, respectively, driven by: (1) China's continued steel production cuts to address oversupply, reducing demand for iron ore and coking coal; (2) New iron ore supply coming online from Canada, India, and Africa, increasing global supply.

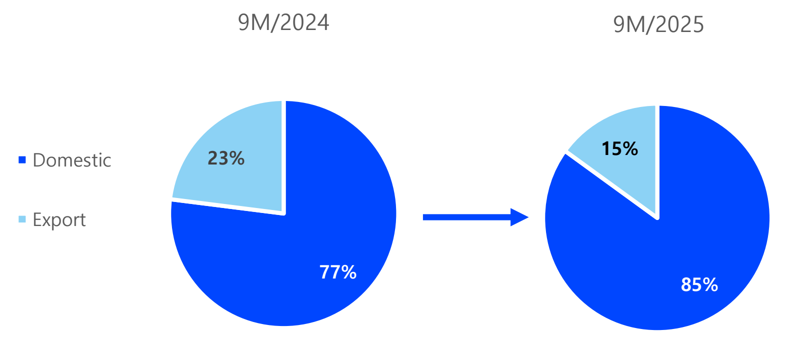
Steel output rebounds, and the domestic market is the bright spot

Finished steel sales volume by product (million tons)



Source: VSA, Shinhan Securities Vietnam

Proportion of finished steel sales by market



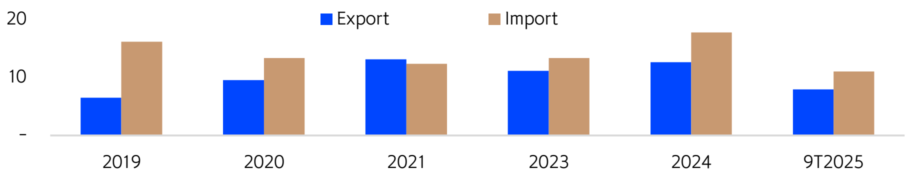
Source: VSA, Shinhan Securities Vietnam

- Domestic finished steel consumption rebounded in 9M/2025, reaching 23.25 million tons (+7% YoY), with domestic demand as the main growth driver. Breakdown by product: (1) Construction steel remained the most stable segment (9.73 million tons, +12% YoY) thanks to recovering building and infrastructure activity; (2) HRC consumption reached 5.91 million tons (+16% YoY), supported by the official imposition of anti-dumping duties on HRC imported from China and India, prompting coated-steel manufacturers to shift toward domestically produced HRC; (3) Coated steel fell to 3.66 million tons (-11% YoY) due to a sharp drop in exports to the U.S. and EU; (4) Steel pipes rose to 2.04 million tons (+11% YoY), reflecting recovering domestic demand in residential and mechanical sectors.
- The sales mix of finished steel shifted further toward the domestic market, which accounted for 85% of total volume in 9M/2025. We expect 2026 to remain a year where Vietnam's steel industry is primarily driven by domestic consumption, as export channels continue to face tariff barriers. Notably, the gross profit margin in the domestic channel (~15%) is higher than exports (~9%).

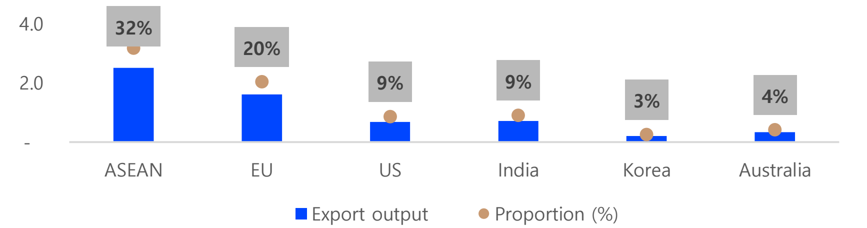
Steel exports decreased YoY

- In the first 9 months of 2025, Vietnam's total steel export volume dropped sharply, reaching 7.9 million tons (–80% YoY) due to tariff barriers in key export markets. Meanwhile, steel imports into Vietnam surged, reaching 11.19 million tons (+20% YoY).
- Export market structure (9M/2025): ASEAN remained the most active destination for Vietnam's steel products, accounting for 32% of total export value; The EU ranked second with 20%; followed by the U.S. with 9%.
- Import market structure (9M/2025): China continued to be the largest supplier (accounting for 59% of total imports), though import volume from China fell 22% YoY. We expect steel imports from China to continue declining in 2026, driven by the official anti-dumping duties imposed on imported HRC and coated steel.

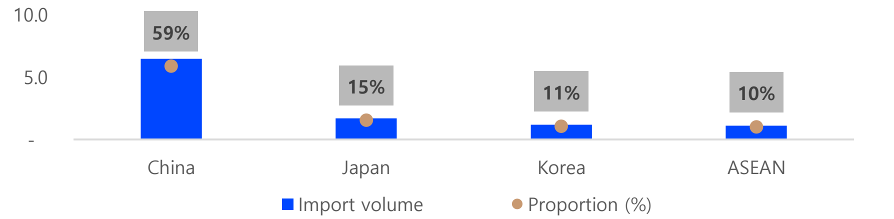
Vietnam Steel Import and Export 2019–9M/2025 (million tons)



Vietnam's steel exports by country 9M/2025 (million tons)



Vietnam's steel imports by country 9M/2025 (million tons)

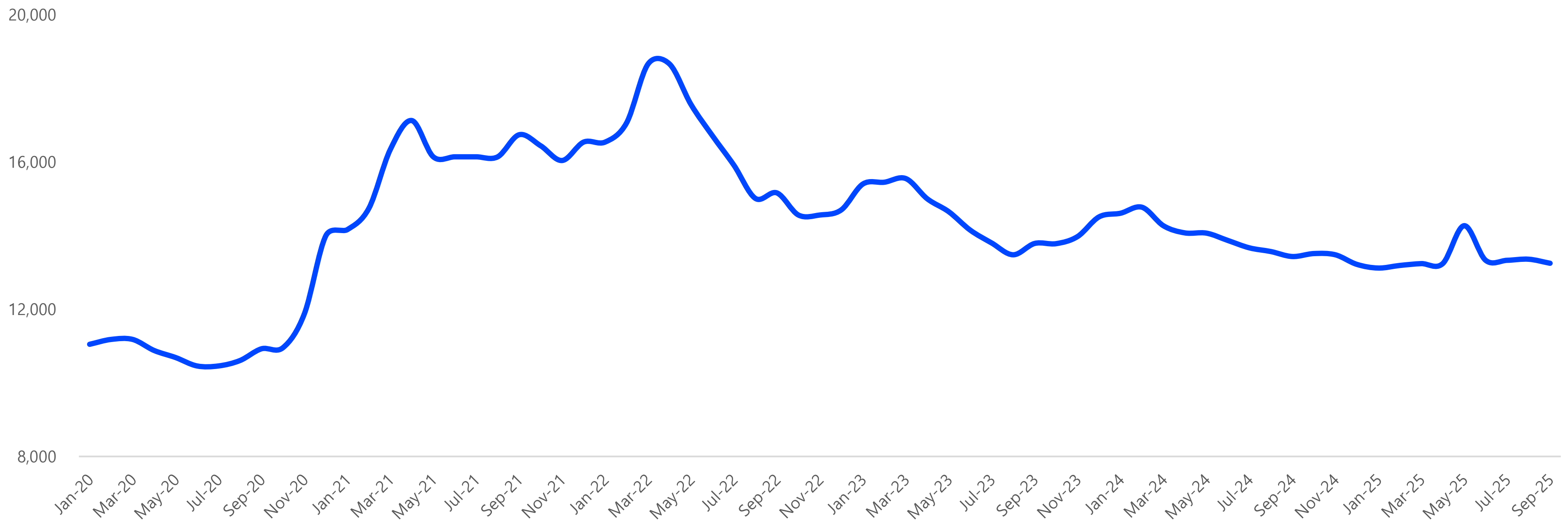


Source: VSA, Shinhan Securities Vietnam

** The above steel import and export data includes semi-finished steel and finished steel.*

Domestic steel prices hover at a 4-year low

Domestic steel price developments (VND/KG)

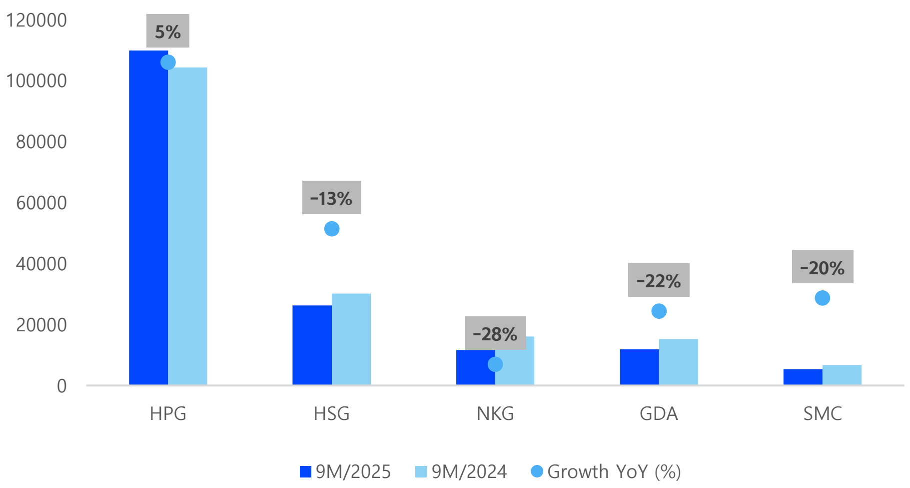


Source: Fiinpro, Shinhan Securities Vietnam

- Domestic steel prices continued to fluctuate at a four-year low range in 9M/2025, hovering around 13,000 – 13,500 VND/kg, pressured by the downtrend in Chinese steel prices. We forecast domestic steel prices to increase by 10% YoY in 2026, driven by: (1) the official imposition of anti-dumping duties on imported HRC; (2) the recovery phase of Chinese steel prices; (3) ongoing improvement in domestic civil construction and infrastructure activity.

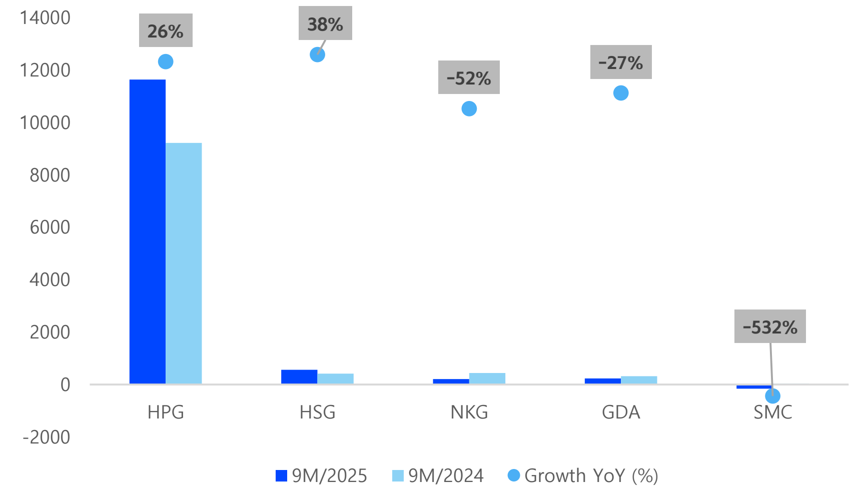
Business picture of steel industry enterprises

Revenue of typical steel enterprises (billion VND)



Source Fiinpro, Shinhan Securities Vietnam

Profit after tax of typical steel enterprises (billion VND)



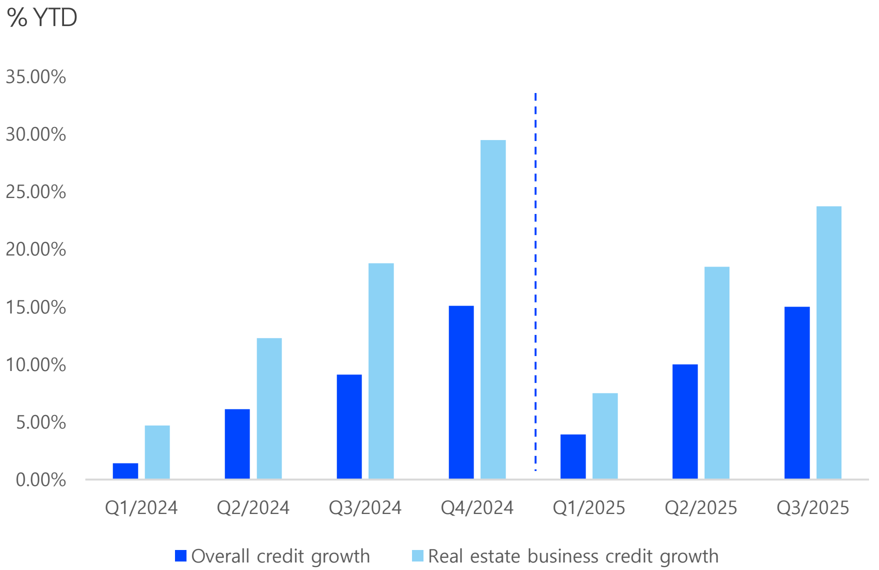
Source Fiinpro, Shinhan Securities Vietnam

The steel industry landscape in 9M/2025 shows a clear divergence between steel producers and coated-steel (galvanized steel) manufacturers.

- The only listed company manufacturing both construction steel and HRC – HPG – recorded solid growth in 9M/2025, with revenue reaching VND 109,939 billion (+5.3% YoY) and NPAT reaching VND 11,626 billion (+26% YoY). The growth was driven by strong domestic consumption (especially HRC) and declining input material prices, including coking coal and iron ore.
- In contrast, coated-steel producers such as NKG, GDA, SMC, … saw declines in both revenue and profit in 9M/2025 (except HSG, which reported one-off gains from FX differences and asset sales). The decline was caused by: (1) A sharp drop in export volume due to tariff uncertainties; (2) Intensifying domestic competition, as export-oriented orders were redirected back into the local market, increasing supply pressure.

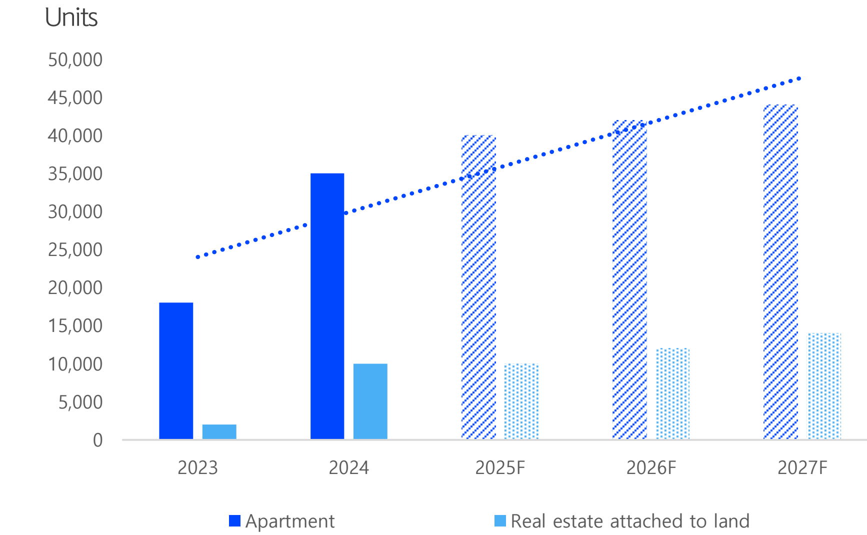
Residential real estate: starting a new cycle

Preferential interest rates for home loans in the first year of banks



Source: Ministry of Construction, Shinhan Securities Vietnam

Forecast of real estate supply in 2 major cities (*)



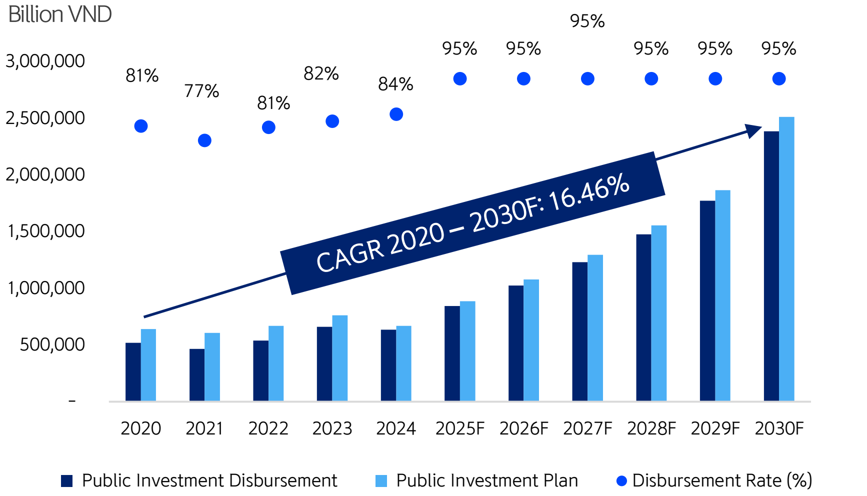
(*) Projected total supply of commercial real estate in Hanoi and Ho Chi Minh City

Source: CBRE, Shinhan Securities Vietnam

- **Credit capital is flowing strongly into the real estate sector:** In 9M/2025, real estate credit outstanding is estimated to have risen 19% YTD, with real estate business lending up 23.78% YTD (vs. 15% in the same period last year). **Real estate supply is improving, especially in the apartment segment:** According to CBRE, apartment supply in Hanoi remained high in 9M/2025 (over 21,000 units, +11% YoY), while supply in Ho Chi Minh City began to recover (4,300 units, +135% YoY) - indicating that the Government's legal-resolution measures are starting to take effect.
- 2026 will mark the beginning of a new cycle for the residential real estate market. Although liquidity risks remain, we expect real estate supply to continue increasing sharply as developers actively prepare and launch new projects for sales in late 2025 and throughout 2026. As a result, the steel industry is expected to benefit from recovering demand for construction materials in civil construction.

Promote the construction of key infrastructure projects

Public investment disbursement over the years (% YoY)



Source: Ministry of Construction, Shinhan Securities Vietnam

Key infrastructure projects

Project	Investment Capital (VND trillion)	Progress	Construction Timeline
Long Thanh Airport	336	Under construction – Phase 1	2021- 2026
North–South Expressway (Phase 3)	152	Under construction – Phase 3	2026-2030
Ring Road No. 4 (Hanoi)	86	Under construction	2023-2026
Can Gio International Port	113	Not yet started	Expected in 2026
North–South High-Speed Railway	1,714	Approved	2027 -2035 (Estimated)

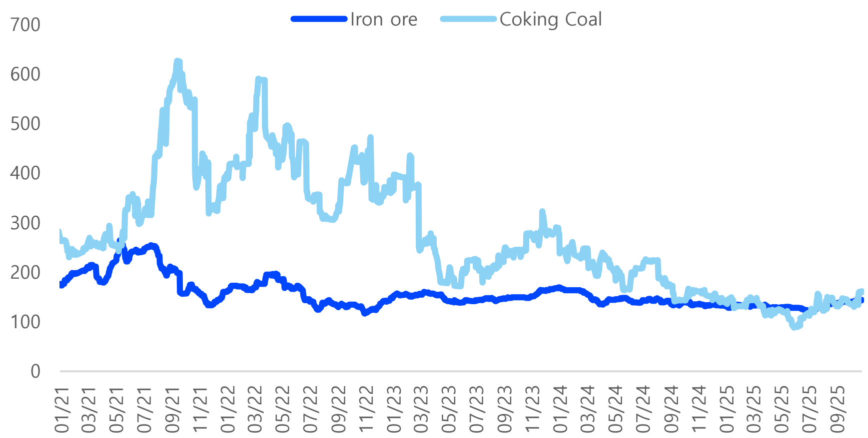
Source: GSO, Shinhan Securities Vietnam

Accelerating public investment disbursement creates major opportunities for steel companies

- According to the Ministry of Finance, public investment disbursement in 9M/2025 reached VND 440.4 trillion (+43% YoY), achieving 50% of the Prime Minister's target and 55% of the initial plan. We expect full year 2025 disbursement to reach around 90% of the plan. For 2026, the public investment plan is estimated at VND 1.08 quadrillion (+12% YoY), reflecting the government's determination to boost infrastructure development and support economic growth. Key projects in 2026 – Long Thanh Airport, Can Gio International Port, Khanh Hoa – Buon Ma Thuot Expressway, North–South Expressway, etc. - will create strong disbursement pressure, opening significant opportunities for steel companies to increase sales volumes.
- In addition, during 2026–2030, the government has set an ambitious goal with a planned public investment budget of VND 8.3 quadrillion (+158% compared to the 2021–2025 plan). Therefore, we believe the steel industry will continue to benefit from the surge in public investment disbursement over the next five years.

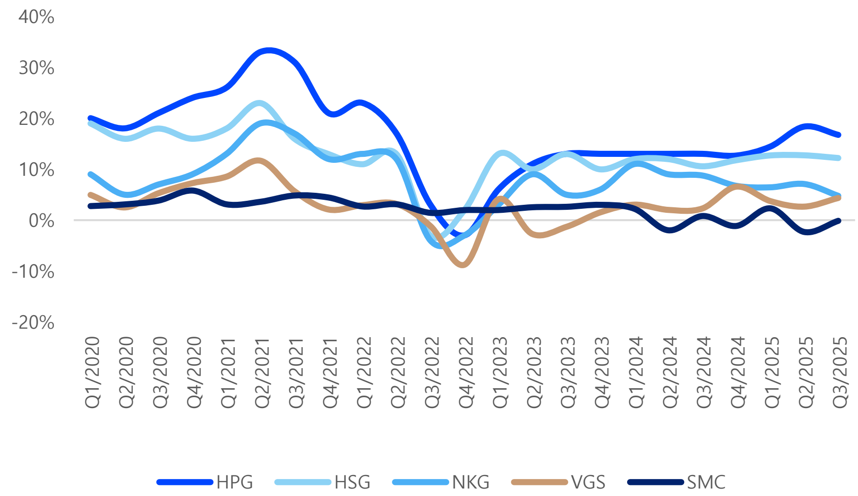
Profit margins are expected to improve

Coal and iron ore prices (USD/ton)



Source: Bloomberg, Shinhan Securities Vietnam

Gross profit margin of steel industry enterprises (%)

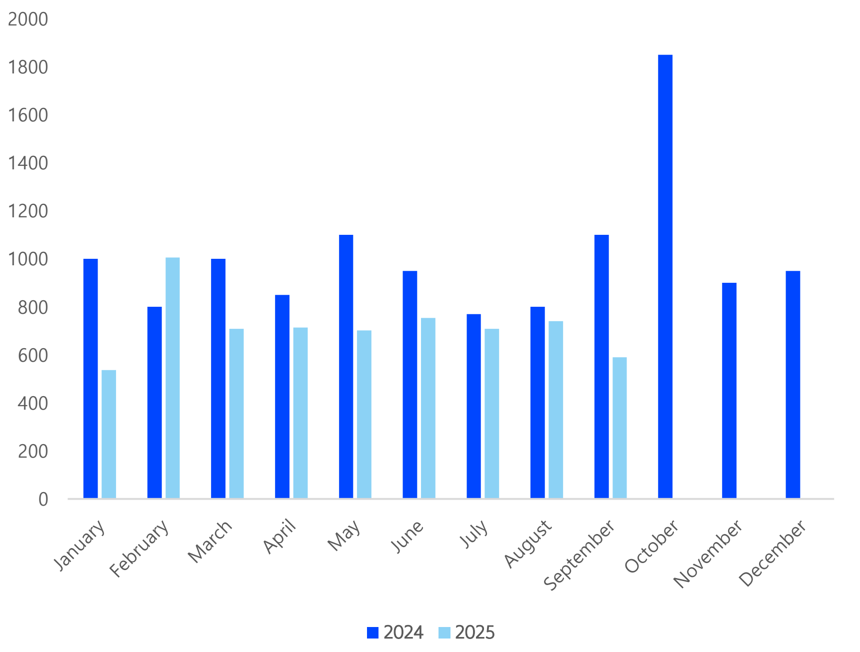


Source: Bloomberg, Shinhan Securities Vietnam

- In Q3/2025, iron ore and coking coal prices fell by 9% YoY and 22% YoY, respectively, helping HPG's gross profit margin improve from 13.93% to 16.72% YoY.
- For 2026, we expect domestic HRC prices to increase by around 10% YoY, driven by: (1) Recovery in infrastructure spending and the residential real estate market; (2) Anti-dumping duties on imported HRC and coated steel; (3) Chinese steel prices bottoming and rebounding as supply-tightening and anti–unfair competition policies take effect. However, we believe the upside potential of HRC prices is higher than that of coated steel, as the domestic coated-steel market faces rising competition and structural oversupply, especially with export markets shifting and becoming more restricted. Meanwhile, we forecast coking coal and iron ore prices to remain low in 2026, as China's demand for iron ore stays relatively weak and coking coal supply increases from Africa and Australia. As a result, profit margins for steel producers are expected to improve further.

Trade defense policy reduces competitive pressure with imported steel

Vietnam's steel output imported from China (Thousand tons)



Source: General Department of Customs, Shinhan Securities Vietnam

Vietnam's anti-dumping tax on foreign steel

Country	Year	Product
China, South Korea	2024-2029	Color-coated steel (AD04)
India, China	2025-2030	Hot-rolled steel coil (AD20)
South Korea, China	2025-2030	Coated steel (AD19)
China	Under review	H-beam steel (AD03)
Malaysia	Under investigation	H-beam steel (AD12)
China, Malaysia, Thailand	Under investigation	Prestressed steel bar (AD17)
India, China	Under investigation	Wide hot-rolled steel coil (>1,880 mm)

Source: VSA, Shinhan Securities Vietnam

Vietnam's official anti-dumping duties on HRC and coated steel will ease competitive pressure from imported steel.

- According to the General Department of Customs, Vietnam's steel imports from China reached 6.4 million tons in 9M/2025 (-23% YoY), with China's share falling from 68% to 59%. We believe this reflects the effectiveness of trade-defense measures applied to HRC and coated steel from China, thereby supporting domestic steel consumption in 9M/2025.
- During the first 9 months of the year, Vietnam issued multiple anti-dumping policies targeting imported steel to protect the domestic industry, including: Official AD19 anti-dumping duty on coated steel; Official AD20 anti-dumping duty on HRC; Safeguard duties on construction steel,... The application of these protective measures helps shield domestic manufacturers from import surges, contributing to higher domestic sales volumes and reinforcing the steel sector's recovery momentum heading into 2026.

Exports: risk of output decline due to tariff impact

Foreign anti-dumping tax on Vietnamese steel

Case	Country imposing tariff	Countries affected	Tariff period	Tariff rate	Affected stocks
Coated steel	Malaysia	Vietnam	Temporary duty applied	11.41%- 57.90%	HSG, NKG, HPG, GDA
Carbon steel (rolled)	Thailand	Vietnam, China, Taiwan	Under investigation	4.22% - 20.11%	HPG, GDA, TNS, VGS
Steel & aluminum imports	USA	Global	Tariffs applied	50%	HSG, NKG, GDA, HPG, TIS, TVN,…
Corrosion-resistant steel	USA	Vietnam, Australia, Brazil…	Tariffs applied	88.98% - 110.21%	
Hot-rolled coil (HRC)	EU	Vietnam, Egypt, Japan…	Official duty applied	0–12.1% (12.1% for Formosa; 0% for HPG)	HPG, GDA, TNS, VGS
Alloy & non-alloy steel	India	Global	Temporary duty applied	20%	HSG, NKG, HPG, GDA, TIS, TVN,…
Steel pipes	Thailand	Vietnam	02/2020- End of review period	6.97%-51.61%	HSG, HPG
Galvanized steel	USA	Vietnam	4/4-10/2025 (provisional)	39.84%-88.12%	HSG, NKG, GDA, HPG

Source:: Bloomberg, Shinhan Securities Vietnam

Global protectionism creates obstacles for Vietnam's steel industry in 2026

In 9M/2025, many trade-defense measures were tightened, especially from major partners such as the U.S. (50% tariff under Section 232) and the EU (15% export quota reduction and a proposed tariff increase to 50%). These developments negatively impacted Vietnam's steel export activities.

We believe the global wave of anti-dumping and trade-defense tariffs will continue to pose significant challenges for Vietnam's steel exporters in 2026. Steel exporters may have to: (1) Sacrifice part of their profit margin to keep prices competitive when exporting to high-tariff markets; (2) Shift to alternative markets, which will require time to adapt and rebuild market presence.

Listed steel companies

General information			Stock price			Forecast				Financial ratios (**)				Valuation (26F)	
No.	**Stock**	**Market Cap (bn VND)**	**Current price (VND)**	**Target price* (VND)**	**Upside (%)**	**Revenue 2026F**	**% YoY Revenue Growth 2026F**	**NPAT 2026F**	**% YoY NPAT Growth 2026F**	**GPM (TTM)**	**Debt to Equity (TTM)**	**ROA TTM**	**ROE (TTM)**	**P/B (x)**	**P/E (x)**
1	HPG	206,470	26,900	34,100	26.7%	215,904	29%	23,465	46.3%	15.5%	0.76	6.12%	12.02%	1.4	9.2
2	HSG	10,587	16,700	18,500	10.7%	38,643	6%	1,040	42%	12.36%	0.39	3.80%	6.68%	0.80	10.8
3	NKG	7,631	16,200	17,000	4.9%	18,307	7%	547	49%	6.2%	0.91	1.48%	3.15%	0.9	19.1
4	TVN	5,279	7,700	-	-	-	-	-	-	4.3%	0.93	2.53%	7.76%	-	-
5	DTL	873	12,400	-	-	-	-	-	-	-2.6%	1.44	-4.73%	-13.49%	-	-
6	POM	724	3,300	-	-	-	-	-	-	5.0%	-31.84	-7.37%	-1262.10%	-	-
	Total					**272,854**	**22%**	**25,052**	**46%**						

* Target price (fair value) for the next 12 months

**12-month figures as of Q3/2025

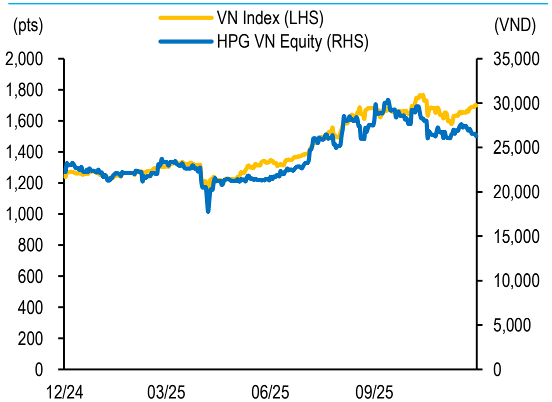
Source: SSV Research, Bloomberg

Data as of November 28, 2025

Hoa Phat Group Joint Stock Company (HOSE: HPG)

Target Price (12 months)	34,100 VND
Current price (28/11/2025)	26,900 VND
Return (%)	26.7%
VNINDEX	1,691
Market P/E (x)	14.1
Market Cap. (VND billion)	203,784
Outstanding Shares (mn)	7,675
Free Floating Shares (mn)	4,527
52-WkHigh/Low (VND)	30,850/17,750
3M Avg. Trading Vol. (mn)	60.70
3M Avg. T/O (VND billion)	1,464
Major Shareholders (%) Tran Dinh Long	25.80
Vu thi Hien	6.88

Biến động giá	3T	6T	12T
Tuyệt đối (%)	-2.0	24.5	20.7
So với VNIndex(%)	-2.6	-1.6	-15.5



Blessed timing and prosperous ground

Hoa Phat Group Joint Stock Company (HoSE: HPG) Founded in August 1992 as a construction machinery trading firm, the company later expanded into steel pipes, construction steel, furniture, refrigeration, real estate, and agriculture. Its core steel products include construction steel, hot-rolled coil (HRC), steel billets, steel pipes, and galvanized steel, with construction steel making up 59% of total steel consumption. Hoa Phat holds the largest market share in both construction steel (38%) and steel pipes (27%).

Business results: In 9M/2025, revenue reached VND 109,940 billion (+5% YoY) and net profit reached VND 11,589 billion (+30% YoY), fulfilling 78% of the 2025 profit target. HPG's total steel output reached 7.4 million tons (+22% YoY) thanks to: Strong growth in HRC (+51% YoY) driven by the contribution from Dung Quat 2 and the official anti-dumping duty AD20 on imported HRC; Improvement in construction steel (+6% YoY) as construction demand recovered. Gross profit margin improved by 3 percentage points to 16.5%, supported by input material prices declining faster than finished steel prices.

2026 Outlook: In 9M/2025, revenue reached VND 109,940 billion (+5% YoY) and net profit reached VND 11,589 billion (+30% YoY), achieving 78% of the 2025 profit target. Total steel output was 7.4 million tons (+22% YoY), driven by HRC growth of +51% YoY from Dung Quat 2 and the AD20 anti-dumping duty on imported HRC, along with +6% YoY growth in construction steel as demand recovered. Gross margin rose 3 percentage points to 16.5%, supported by input material prices falling faster than finished steel prices.

Key factors to monitor: **(1) Developments in protectionist tariffs on Vietnamese steel;(2) Chinese steel prices;(3) Input material prices, including coking coal and iron ore.**

Risks: (1) Economic slowdown risk, which could weaken steel consumption and push prices down;(2) Competitive pressure from Chinese and Indian hot-rolled steel products.

Year	2023	2024	2025F	2026F	2027F
Revenue (billion VND)	118,953	138,855	166,795	215,904	239,842
Operating profit (billion VND)	7,651	13,267	17,641	25,878	30,020
Operating profit margin (%)	6.4	9.5	10.5	11.9	12.5
Net profit after tax (billion VND)	6,800	12,020	16,034	23,465	27,072
Net profit margin (%)	5.7	8.7	9.6	10.9	11.3
EPS (VND)	1,117	1,566	2,083	2,773	2,910
ROE (%)	6.6	10.5	12.1	15.1	14.9
P/E (x)	23.8	16.4	12.3	9.2	8.8
P/B (x)	1.6	1.4	1.5	1.4	1.3

Source: Company data, Bloomberg, Shinhan Securities Vietnam

Construction Industry

Entering the growth wave

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Construction Industry – Entering the growth wave

1. Industry overview

The construction sector recorded solid growth in 9M/2025, rising 9.33% YoY, the highest since 2011. Key drivers include: (1) Accelerated infrastructure development; (2) Increasing real estate supply. Housing and construction material price indices which represent input cost fluctuations for the sector has remained stable, moving within 0–1.5% MoM throughout 2025. This creates favorable conditions for construction companies in budgeting and securing fixed-price contracts.

2. Business performance of construction companies in 9M/2025

During 9M/2025, listed construction companies showed a clear recovery: Total revenue increased by 26% YoY, net profit increased by 422% YoY. This improvement was supported by recovering backlogs and healthier financial positions across enterprises.

3. Construction industry outlook 2026

In 2026, the sector's recovery is expected to be driven by: (1) A more active real estate market thanks to a supportive interest rate environment and eased legal bottlenecks; (2) Acceleration of key infrastructure projects; (3) Remaining development potential in industrial parks. We assess that the construction sector is entering a positive phase and is well-positioned for a growth cycle during 2026–2028..

4. Investment opportunities in construction stocks

CTD

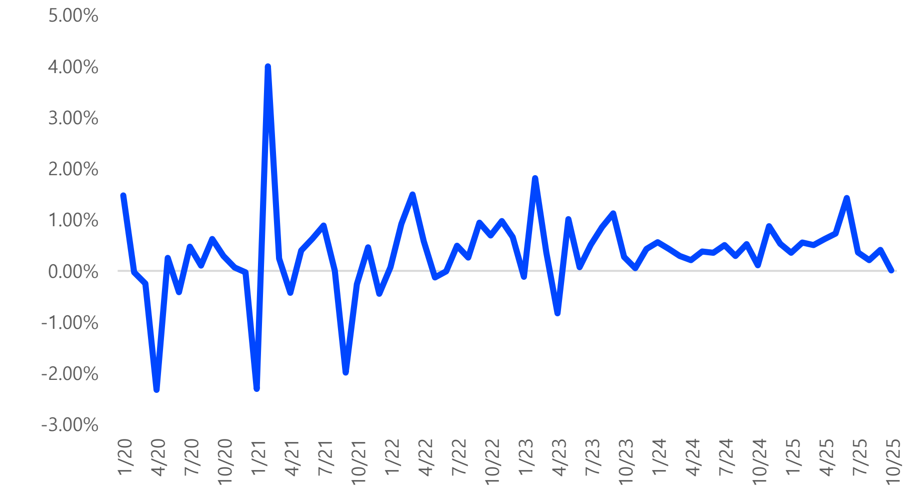
The construction sector is gaining momentum

- In 9M/2025, the construction sector posted solid growth (+9.33% YoY, +0.33 ppt above the government's full-year target), marking its highest rate since 2011. The sector also contributed significantly to Vietnam's GDP growth (7.99%) in 9M/2025. With the national GDP growth target of over 10% for 2026–2030, the construction sector is expected to remain robust, supported by rising public investment, a recovering residential real estate market, and expanding industrial construction demand.
- The housing and construction materials price index which represent the fluctuation in input costs of the construction industry has remained stable, fluctuating around 0-1.5% MoM in 2025, no longer fluctuating as strongly as in the 2021-2023 period, creating favorable conditions for construction enterprises to plan budgets and sign turnkey contracts.

GDP growth and construction industry 2015-9M/2025 (%YoY)

Source: Fiinpro, Shinhan Securities Vietnam

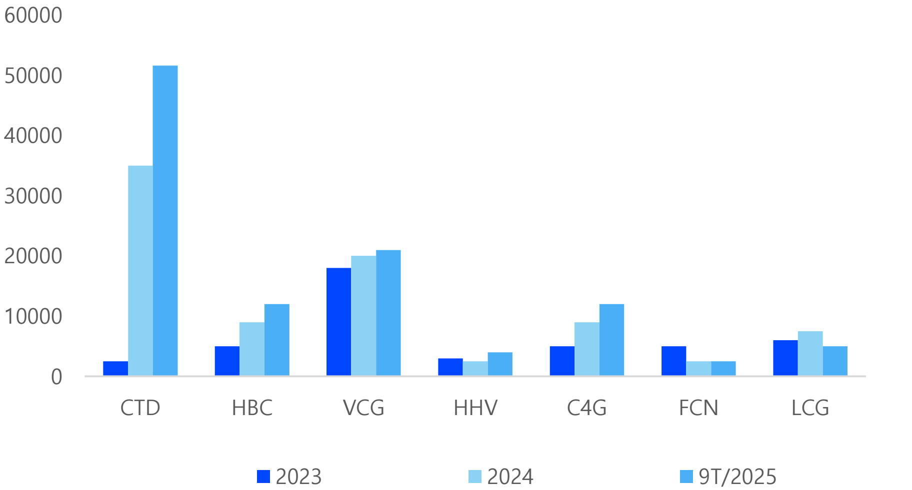
Housing and Construction materials price index (% MoM)



Source: Fiinpro, Shinhan Securities Vietnam

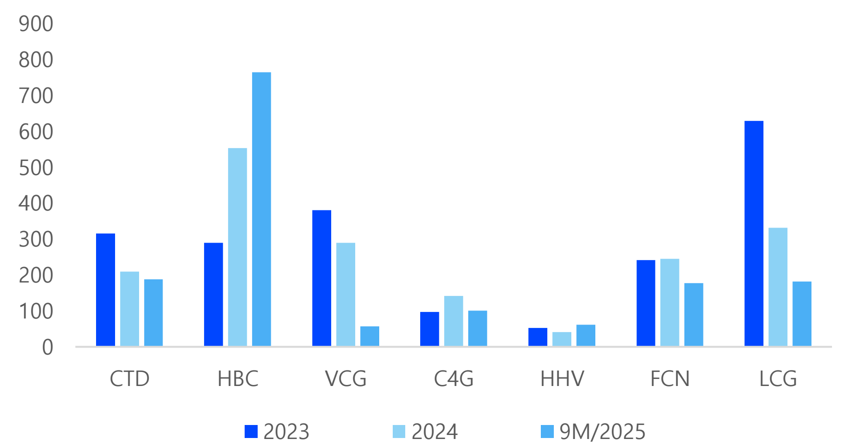
Backlogs increase, financial health gradually improves

Backlog value of construction enterprises (billion VND)



Source: Company report, Shinhan Securities Vietnam

Number of days receivables of construction enterprises (days)

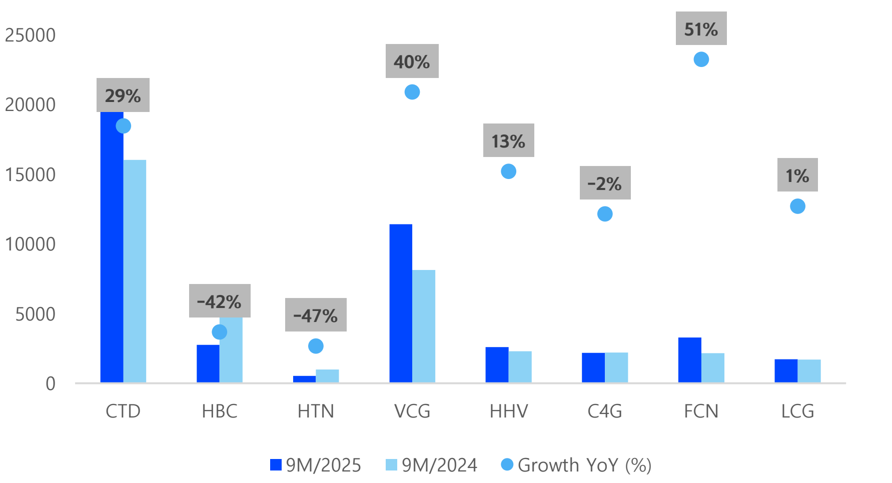


Source: Company report, Shinhan Securities Vietnam

- Newly signed but unrecognized contract value (backlogs) grew strongly (+26% YTD) in 9M/2025. Notably, leading contractors such as CTD, HBC, HHV, and C4G,… recorded backlog growth of 30–60% YTD, securing a abundant workload for the next 2–3 years.
- The financial capacity of developers plays a critical role in contractors' cash flow. From 2023 to 9M/2025, several companies with financially strong client bases–such as CTD, VCG, C4G, and LCG–saw a gradual decline in receivable days. We expect construction contractors' financial health to continue improving in 2026, as accelerated public investment and a warming real estate market should positively impact developers' liquidity.

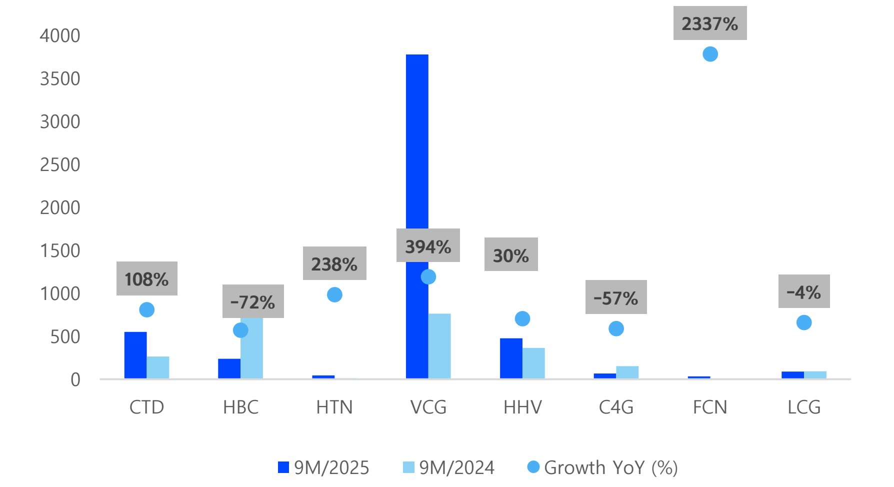
Business results of construction enterprises

Revenue of typical construction enterprises



Source: Fiinpro, Shinhan Securities Vietnam

Profit after tax of typical construction enterprises



Source: Fiinpro, Shinhan Securities Vietnam

- The business results of listed construction companies showed clear improvement, with total revenue up 26% YoY and net profit up 422% YoY in the first nine months of 2025. The sharp rise in net profit was largely driven by strong earnings from leading companies-most notably VCG, which posted VND 3,782 billion in net profit (+394% YoY), accounting for 63% of the sector's total profit thanks to its divestment from the Cat Ba Amatina resort project. Excluding this one-off gain, sector-wide net profit still recorded a solid 78% YoY increase.
- In addition, several companies recorded solid net profit growth from core operations, including: CTD (VND 553 billion, +108% YoY), HTN (VND 45 billion, +238% YoY), HHV (VND 476 billion, +30% YoY), and FCN (VND 23 billion, +2,337% YoY).

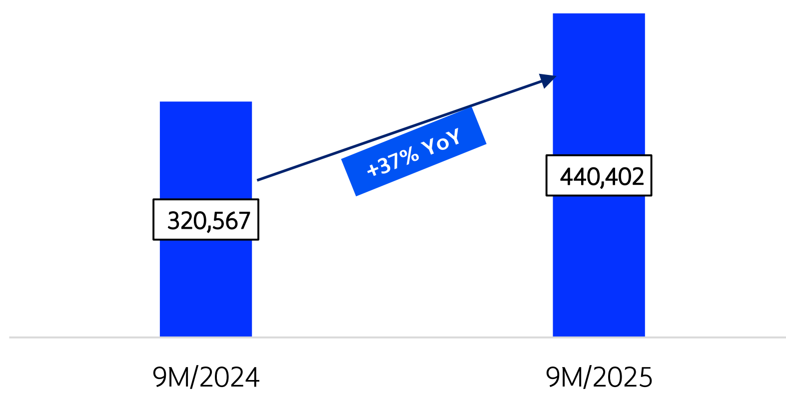
Infrastructure construction: Public Investment to accelerate in 2026–2030 based on strong capital

Public investment plan for the 2026 – 2030 period

Period	2021 – 2025	2026 – 2030
Average GDP Growth Rate	6.3% (estimated)	10%
State Budget Revenue	VND 9.6 trillion	VND 16.1 quadrillion
State Budget Expenditure	VND10.9 trillion	VND 20.9 quadrillion
Total Public Investment Expenditure	VND 3.4 trillion	VND 8.31 quadrillion
Budget Deficit	3.1-3.2% GDP	5% of GDP
Total Government Debt for the Whole Period	VND 2.5 trillion	Expected to mobilize about VND 6.55 quadrillion
Public Debt/GDP Ratio	35-36% GDP	41-42% of GDP

Source: Ministry of Construction, Shinhan Securities Vietnam

Accumulated public investment payments in 9M/2025 (billion VND)

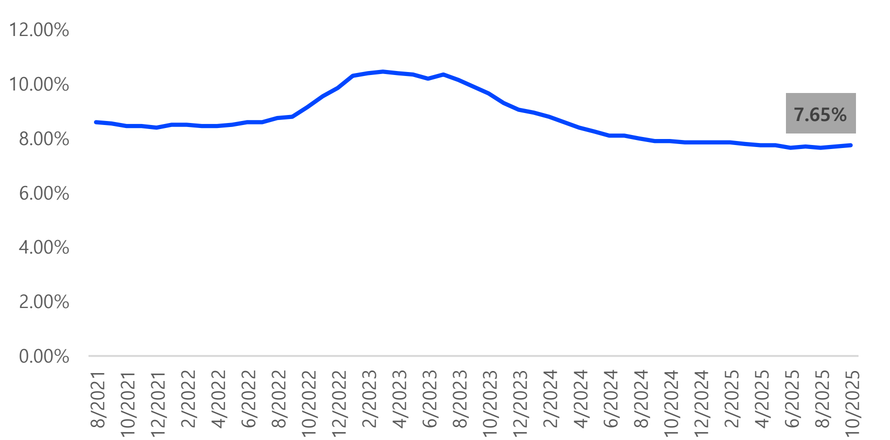


Source: Ministry of Construction, Shinhan Securities Vietnam

- In 9M/2025, public investment disbursement is estimated at VND 440,420 billion (+37% YoY), reaching 50% of the target assigned by the Prime Minister. For 2026, the Ministry of Finance projects total public investment spending at VND 1.08 quadrillion (+22% YoY), reflecting the government's strong push to drive economic growth and accelerate key infrastructure projects.
- According to the government's direction for 2026–2030, achieving an average GDP growth rate of 10% or higher per year is a key economic priority. To support this goal, the Ministry of Finance plans total public investment spending of VND 8.31 quadrillion (+144% compared with 2021–2025). This signals strong job growth for the infrastructure construction sector, especially across national key infrastructure projects.

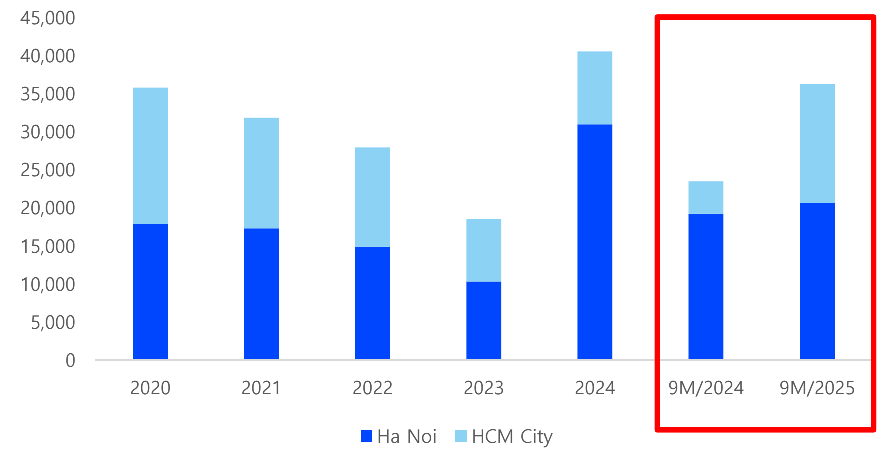
Civil construction: clear signs of recovery

Average medium- and long-term lending rates at commercial banks (monthly)



Source: General Statistics Office, Shinhan Securities Vietnam

Apartment supply in Hanoi and Ho Chi Minh City

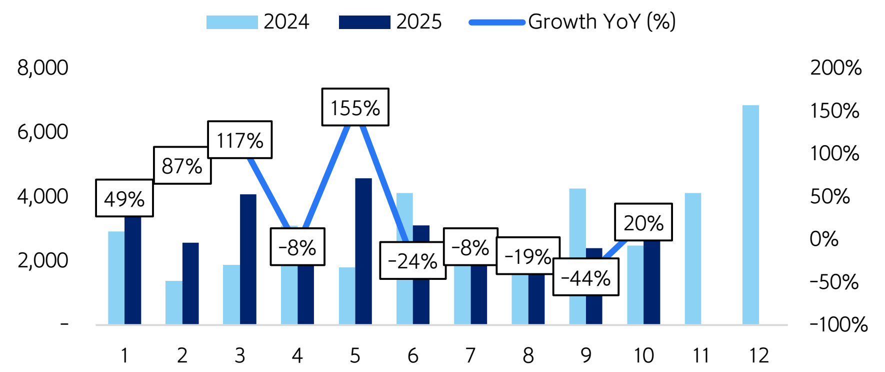


Source: General Statistics Office, Shinhan Securities Vietnam

- **A favorable interest rate environment:** Average medium and long-term lending rates stand at 7.75% per year (as of October 2025) - the lowest level in four years. We expect rates to edge up slightly in 2026 but remain supportive, providing a solid foundation for real estate developers to secure financing for new projects.
- **Legal bottlenecks easing:** Government measures to address legal obstacles in the real estate market such as Resolution 171/2024/QH15 and Decree 76/2025 are gradually showing results. According to CBRE, apartment supply in Hanoi and Ho Chi Minh City reached 36,305 units in 9M/2025, +54% YoY. Total new apartment supply is projected to reach around 40,000 units by the end of 2025.
- We remain optimistic that the real estate market's recovery will extend into 2026, thereby increasing backlogs for construction companies operating in the civil segment.

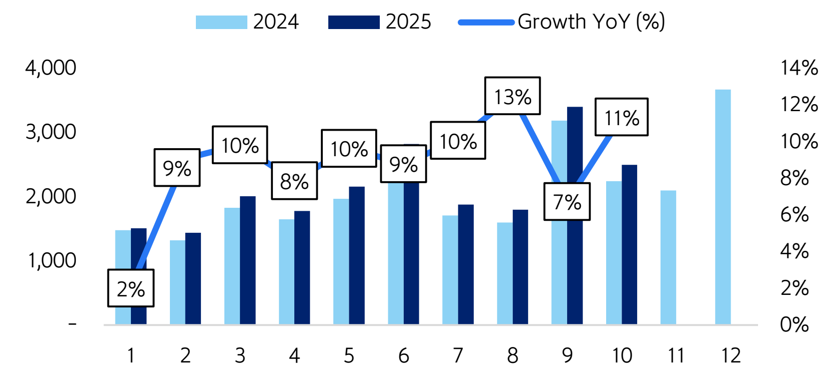
Industrial construction: There is still a lot of room for industrial park development

FDI capital registered in Vietnam



Source: VSA, Shinhan Securities Vietnam

FDI capital disbursed into Vietnam



Source: VSA, Shinhan Securities Vietnam

- According to the General Statistics Office, realized foreign direct investment (FDI) reached USD 21.3 billion in the first 10 months of 2025, up 8.8% YoY and marking the highest level in five years. In addition, total newly registered, adjusted, and capital-contribution FDI reached over USD 31.52 billion, rising 15.6% YoY.
- We expect FDI inflows to continue strong growth in 2026 (especially as the Fed cuts interest rates), supported by: (1) Vietnam's strategic geographic position; (2) competitive production costs; (3) flexible and stable diplomatic policies; and (4) government efforts to improve the investment environment through tax reductions and expanded incentives for foreign-invested enterprises.
- Additionally, we believe that from 2025-2030, the shift toward green industrial development will accelerate, accompanied by increasingly stringent construction requirements. This will create opportunities for construction companies experienced in delivering projects that meet international green standards such as LEED, LOTUS, …

Some listed construction enterprises

General information			Stock price			Financial ratio (**)				Valuation (26F)	
No.	Stock	Market cap (billion VND)	Current price (VND)	Target price* (VND)	Upside (%)	GPM TTM	D/E TTM	ROA TTM	ROE TTM	P/B (x)	P/E (x)
1	CTD	8,672	85,500	108,900	27.3%	15.5%	0.76	6.12%	12.02%	1.4	9.2
3	VCG	15,353	23,750	30,000	26.3%	10%	0.76	6%	12%	1.5	12.2
4	HHV	5,279	14,250	18,200	27.7%	17%	1.55	1%	5%	0.7	12
6	LCG	2,097	10,150	14,000	37.9%	4%	0.43	2%	5%	0.9	17.6

* Target price (fair value) in the next 12 months

** 12-month figures up to Q3/2025

Source: SSV Research, Bloomberg

Data as of November 28, 2025

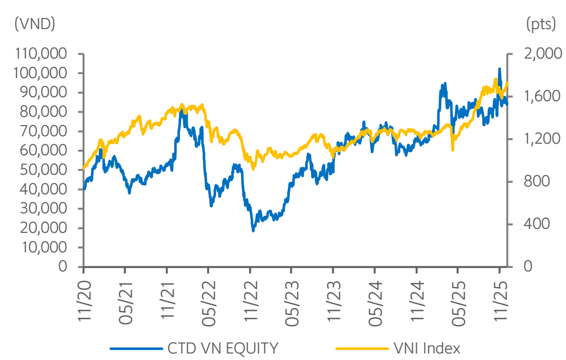
BUILDING FUTURES COTECCONS

Target Price (12 months)	**108,900 VND**
Current price (28/11/25)	85,500 VND
Return (%)	**27.3%**

VNINDEX	1,691
Market P/E (x)	14.1
Market Cap. (VND billion)	8,611
Outstanding Shares (mn)	101
Free Floating Shares (mn)	57
52-WkHigh/Low (VND)	103,500/64,300
3M Avg. Trading Vol. (mn)	1.08
3M Avg. T/O (VND billion)	93

Major Shareholders (%)	Kustoshem Pte., Ltd	17.89
	Thanh Cong Investment and Business Co., Ltd.	14.40

Price fluctuations	3T	6T	12T
Absolute (%)	8.4	4.4	27.7
Vs to VNIndex (%)	6.4	-24.2	-11.8



A remarkable breakthrough

Coteccons Construction Joint Stock Company (HoSE: CTD) formerly the Construction Division of the Construction Engineering and Building Materials Company under VICEM (Viet Nam Construction Materials Corporation No. 1) of the Ministry of Construction, the company was officially established on August 24, 2004. With extensive experience and strong execution capabilities in large-scale projects, CTD is recognized as one of Vietnam's leading construction contractors, according to Vietnam Report 2024.

Business results Q1/2026 (Financial year: July 1, 2025 – June 30, 2026): Net revenue of VND 7,452 billion (+57% YoY) and NPAT of VND 295 billion (+217% YoY). In this period, CTD recorded VND 193 billion in other income, mainly from transferring the Emerald 68 project for over VND 188 billion. Gross margin increased from 2.6% in Q4/2025 to 4.3% in Q1/2026.Total backlog reached VND 51,600 billion, the highest in CTD's history. The project portfolio continues to expand with key projects from major developers such as Sun Group, Masterise Homes, Vinhomes, Ecopark, and TTC Land. Notable projects include: Sun Urban City Hà Nam, Star City Thanh Hóa, The Gallery Giảng Võ, The Global City…In addition, CTD also participates in major national infrastructure projects such as: Passenger Terminal T2 (Phu Quoc International Airport) and the APEC Convention Center (S2, S3, S4), with a total package value of over VND 5,000 billion.

Outlook for 2026: (1) The recovery of the civil real estate market supported by low interest rates and the government's decisive efforts to resolve legal bottlenecks; (2) Stronger public investment; (3) Significant remaining potential for industrial-park development. Accordingly, we believe CTD will capture the construction sector's recovery wave in 2026-2028 thanks to its extensive design and construction capabilities, meeting investor standards across multiple segments. We forecast 2026 revenue at VND 30,112 billion (+21.0% YoY) and net profit at VND 794 billion (+73.7% YoY).

Risks: (1) Risk of slow recovery of the real estate market; (2) Risk of increasing construction material prices; (3) Risk of increasing labor costs; (4) Risk of competition.

Year	2023	2024	2025F	2026F	2027F
Revenue (billion VND)	16,528	21,045	24,885	30,112	33,609
Operating profit (billion VND)	28	132	542	739	1,041
Operating profit margin (%)	0.2	0.6	2.2	2.5	3.1
Net profit after tax (billion VND)	188	310	457	794	916
Net profit margin (%)	1.1	1.5	1.8	2.6	2.7
EPS (VND)	686	3,111	4,379	7,664	8,836
ROE (%)	2.3	3.7	5.1	8.4	9.0
P/E (x)	75.3	22.5	22.6	12.9	11.2
P/B (x)	0.6	0.8	1.1	1.0	0.9

Source: Company data, Bloomberg, Shinhan Securities Vietnam

Export-Import

Full-restructuring

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Export-Import – Full-restructuring

1. Vietnam import and export situation 9M/2025

In 9M/2025, Vietnam's total import-export turnover reached USD 680.6 bn (+17% YoY). Several key export items, such as textiles, footwear, computers, electronic products, and components, maintained double-digit growth rates. We believe the upward momentum was solidified by increasing demand and the "front-loading" effect in 1H/2025.

2. Outlook for 2026 and Opportunities

The peak season at the end of 2025 appears to have passed, largely because retailers accelerated imports before the tariffs took effect. Global merchandise growth is forecast to slow from 2.8% in 2024 to 2.4% in 2025 and 0.5% in 2026. This suggests that the impact of the tariffs will shift to 2026, and more time is needed to assess purchasing power and the ability to accept the new price level.

Exports in 2026 are forecast to grow slower than in 2025, with industrial goods continuing to be the main pillar, while non-durable goods like textiles and footwear may slow down. Besides that, several agricultural products with high competitive advantages will also play an important role

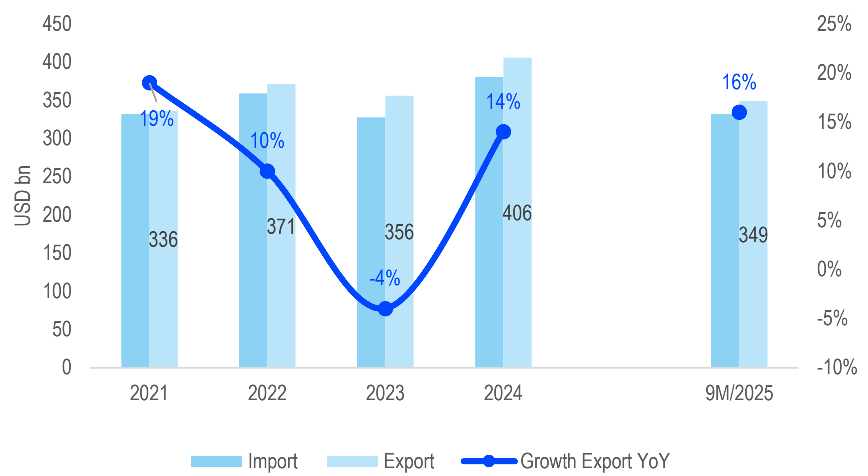
To achieve more sustainable growth in import and export, we assess that Vietnam needs comprehensive restructuring, exploring new markets, new products, and increasing the added value of its products.

3. Investment opportunities in Import-Export stocks

We prioritize stocks that have their own unique growth story as well as certain competitive advantages: GMD, HAH, ANV

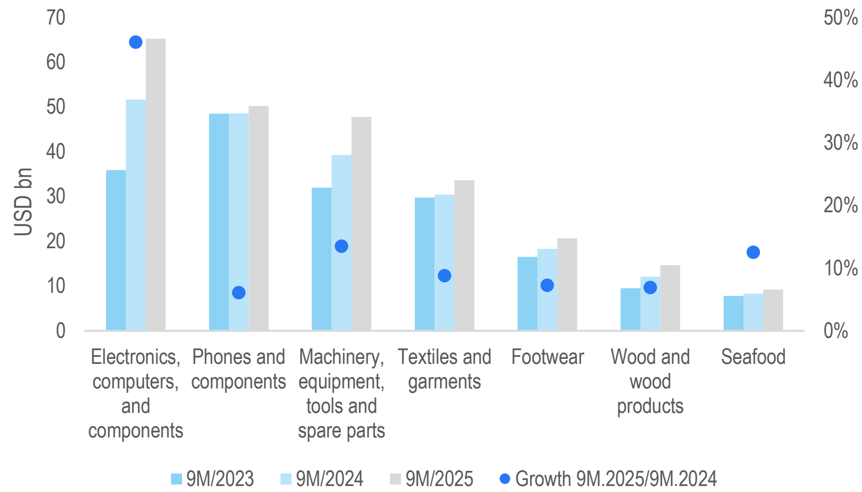
Exports maintained growth momentum thanks to key export items

Vietnam's import-export growth



Source: GSO, Shinhan Securities Vietnam

The growth of exported groups in Q1/2025



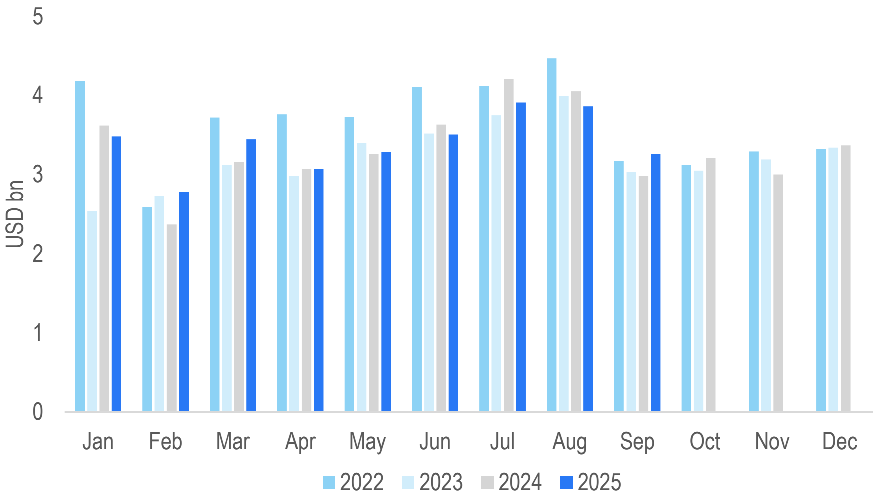
Source: GSO, Shinhan Securities Vietnam

- ❑ In 9M/2025, the total trade turnover for goods reached USD 680.6 bn, posting an increase of 17.3% compared to the same period last year. Within this figure, exports grew by 16% and imports grew by 18%, with the trade balance continuing to post a surplus of over USD 16 bn. However, since September, export turnover has reached USD 42.6 billion, a decrease of 1.7% compared to the previous month, showing a slowdown after the period of inventory accumulation in the first half of 2025.

- ❑ Key industrial export commodities continued to record good growth: computers, electronic products and components reached USD 77 bn (+46% YoY), phones and components reached USD 43.5 bn (+6.1% YoY), machinery and equipment reached USD 42.9 bn (+13.5% YoY),…

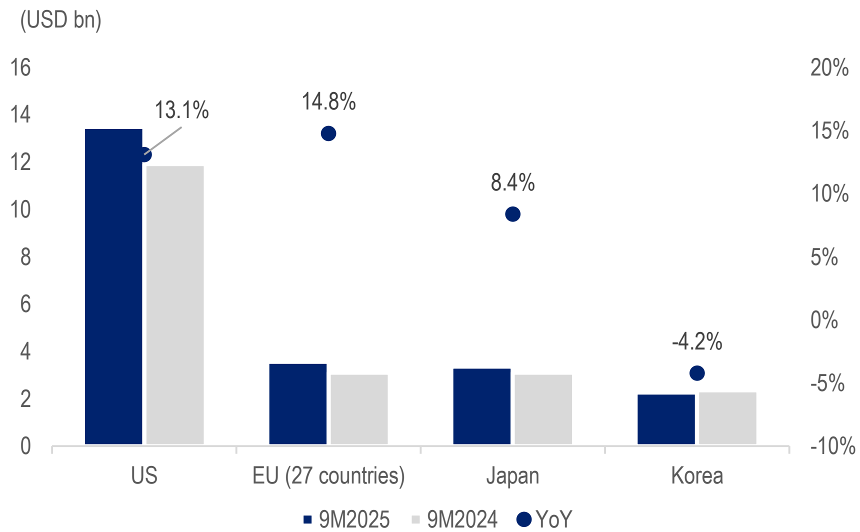
Textile and garment export saw slight growth, supported by the trend of diversifying export markets

Textile and garment export value in 9M/2025



Source: GSO, Shinhan Securities Vietnam

Textile and garment export value to key markets

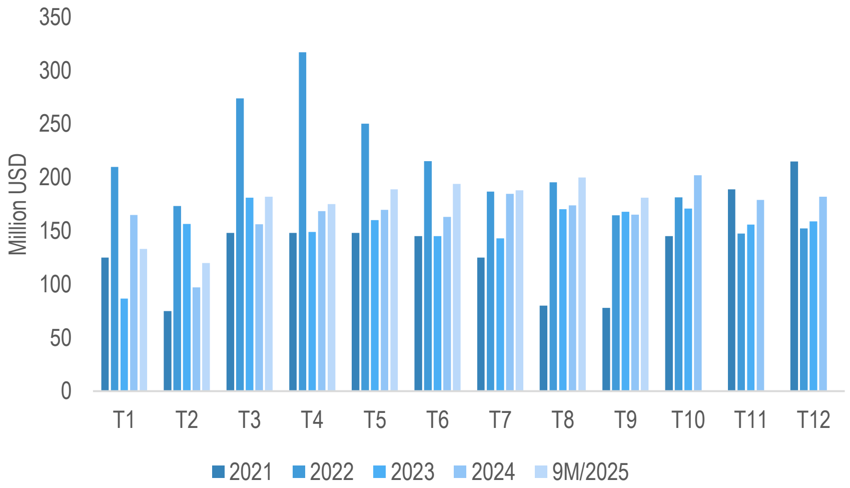


Source: GSO, Shinhan Securities Vietnam

- ❑ Textile and garment export turnover in 9M/2025 is estimated at 29.7 billion USD (+8.6% YoY). This is a positive result in the context of a volatile world market.
- ❑ Most of the key export markets grew: the EU increased impressively by 14.8% YoY supported by the trend of decreasing inflation; the US recorded an increase of 13.2% YoY thanks to increased inventory restocking and Japan achieved an increase of 8.4% YoY thanks to improved people's income. Meanwhile, the Korean market recorded a slight decline due to intense competition from low-cost Chinese products.
- ❑ This positive performance was primarily driven by: (1) Boosting exports to the EU and new markets such as the Middle East, Africa by taking advantage of tariff incentives from the EVFTA Free Trade Agreement,...; (2) Increasing exports of goods in the mid and high-end segments; (3) The trend of shifting orders out of China is increasingly strong.

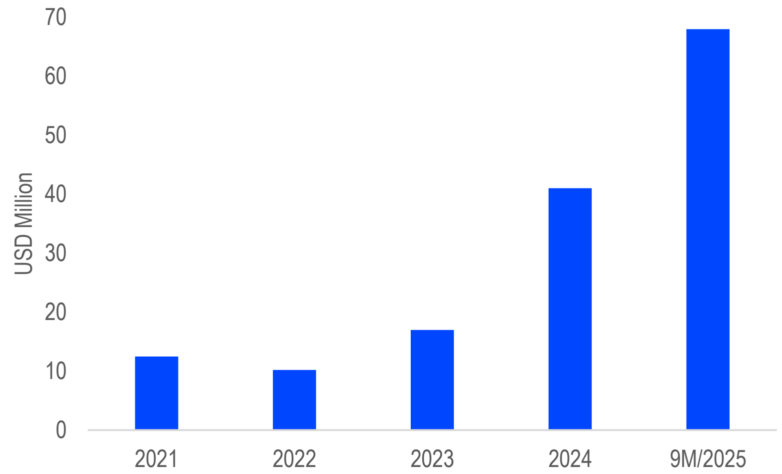
Pangasius accelerated thanks to frontloading, while tilapia achieved a record-breaking growth as Vietnam capitalized on the supply gap left by China

Pangasius exports in 9M/2025



Source: Vasep, Shinhan Securities Vietnam

Tilapia export in 9M/2025

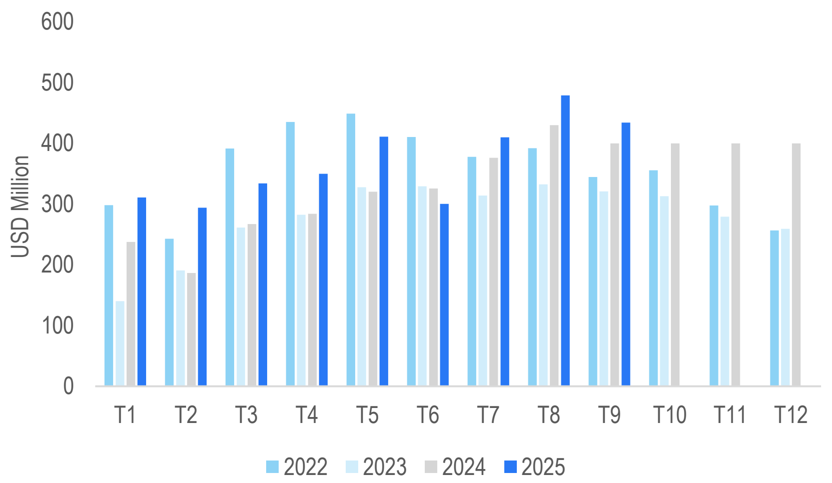


Source: AgroMonitor, Shinhan Securities Vietnam

- ❑ Accumulated pangasius export value in 9M/2025 reached USD 1.6bn (+11% YoY) - a remarkable growth rate off a high 2024 base, driven by accelerated frontloading and effective market diversification strategy. China remained the largest market but posted a slight decline to USD 410mn (-2% YoY). The U.S. reached USD 257mn (+1% YoY), and the EU recorded USD 134mn (+5% YoY). Notably, CPTPP markets and Brazil achieved outstanding growth at USD 217mn (+35% YoY) and USD 128mn (+45% YoY), respectively.
- ❑ Tilapia exports posted record-breaking growth, with 9M2025 export value reaching USD 68mn (+200% YoY), of which the U.S. market accounted for nearly 70%. This surge was driven by Vietnam capitalizing on the supply gap left by China, which was hit by sharply higher reciprocal tariff.

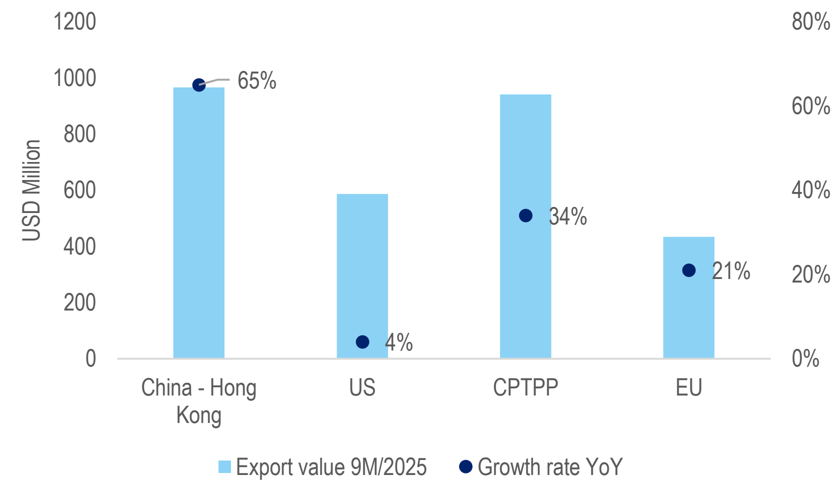
Shrimp exports grew steadily despite trade barriers

Shrimp exports in 9M/2025



Source: Vasep, Shinhan Securities Vietnam

Shrimp export value of key markets

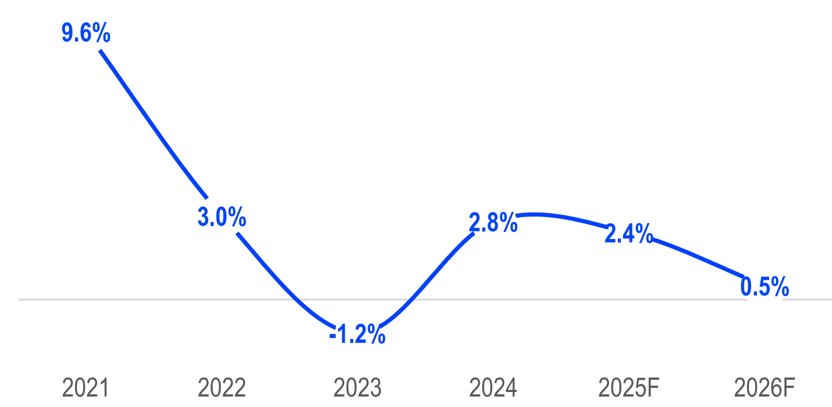


Source: Vasep, Shinhan Securities Vietnam

- ❑ Vietnam's shrimp exports reached USD 3.38bn (+20.3% YoY) in 9M/2025. The key drivers came form stable demand of US, Japan, EU and increased orders from regional markets.
- ❑ China and Hong Kong market recorded the strongest growth of 65% YoY, achieved USD 966mn in 9M/2025. The increased demand for fresh and high-end products like big-size lobster and prawn allowed Vietnam's enterprises to capitalize on their product-differentiation advantage over competitors like Ecuador and India. However, increasing inventories of China and plateauing selling prices imply a short-term market adjustment.
- ❑ Despite on-going trade policies putting more challenges to Vietnam's shrimp sector, the U.S. market still recorded a 587 million USD in revenue (+4% YoY).

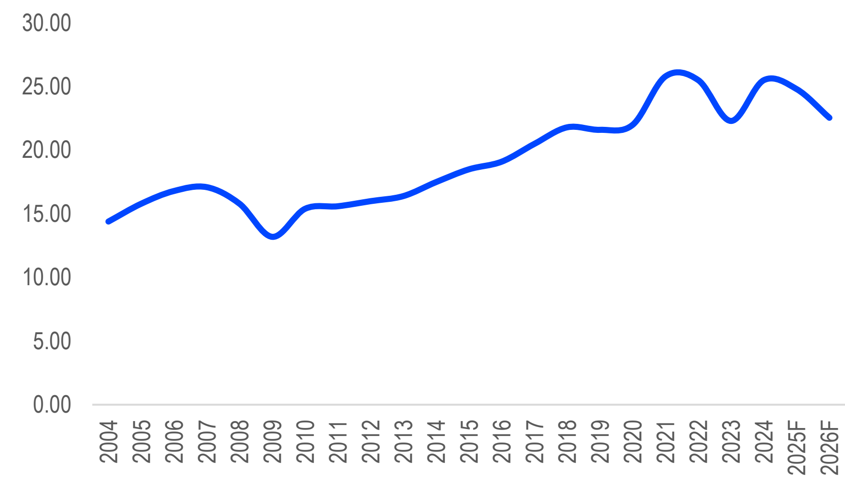
Global merchandise trade growth is forecast to slow down

Global merchandise trade growth



Source WTO, Shinhan Securities Vietnam

U.S. Market Import Volume 2004-2025 (million TEUs)



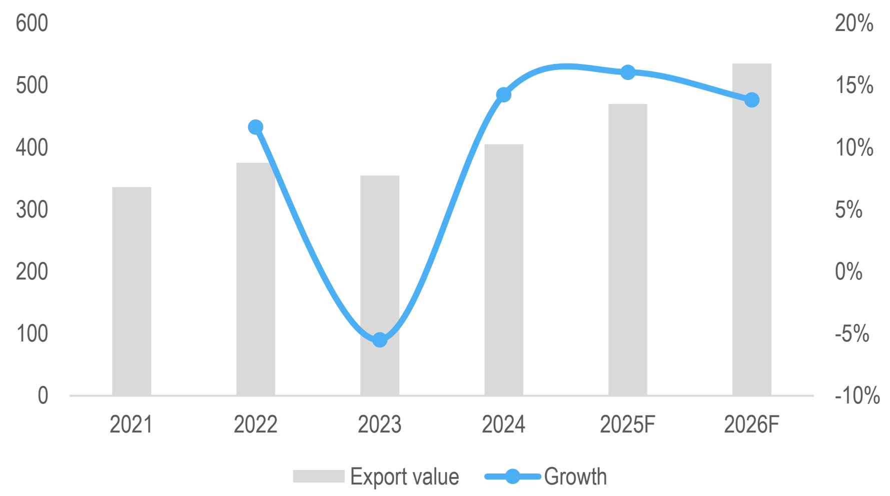
Source: NRF, Shinhan Securities Vietnam

- ❑ The year-end peak season for 2025 appears to have already passed, largely due to retailers accelerating imports before the tariffs took effect. U.S. ports processed 2.32 million TEUs in August, a 2.9% decrease from the year's high of 2.39 million TEUs in July of the same year. Cargo volume for October is projected to reach 1.97 million TEUs, a 12.3% drop compared to the same period last year; November is expected to reach 1.75 million TEUs, down 19.2%; and December is forecasted to hit 1.72 million TEUs, a 19.4% decline, which would be the lowest month since March 2023, when it was 1.62 million TEUs.

- ❑ Global merchandise trade growth is forecast to slow from 2.8% in 2024 to 2.4% in 2025 and 0.5% in 2026. This indicates that the impact of the tariffs will shift to 2026, and more time is needed to assess purchasing power and the acceptance of a new price level.

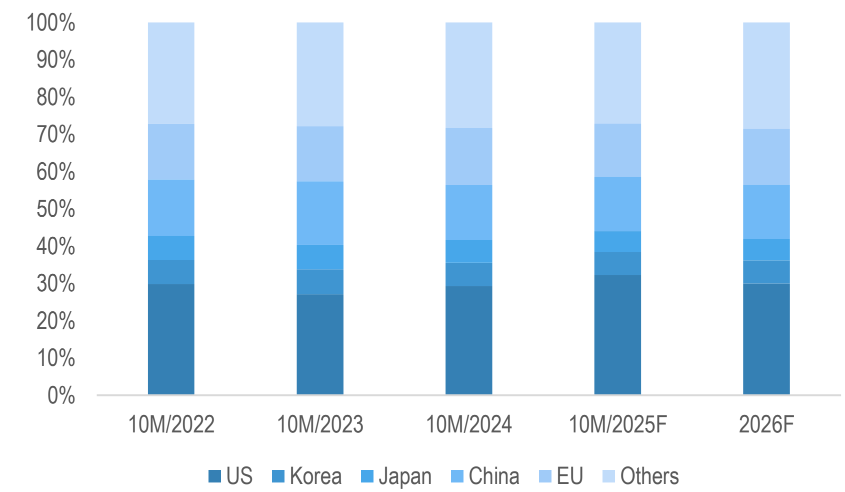
Vietnam's goods exports in 2026 are forecasted to increase slower compared to 2025

Vietnam's exports value (USD bn)



Sources: GSO, Shinhan Securities Vietnam

Exports value by Market



Sources: GSO, Shinhan Securities Vietnam

Vietnam's exports are gradually shifting from a phase of high-speed growth to a more sustainable growth phase. Exports in 2026 are forecast to grow slower than in 2025, with the U.S. market maintaining its position as the largest partner, while simultaneously expanding to new markets.

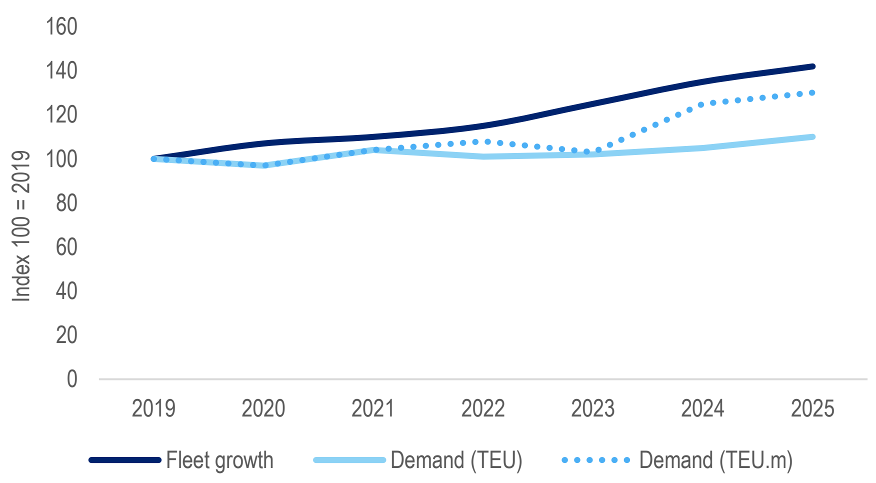
- For the US market: We anticipate that export orders may start to slow down in the first half of 2026 as US businesses complete their orders to avoid tariffs and consumer purchasing power declines under the pressure of rising prices. However, thanks to positive trade negotiation progress and the expectation that more goods will benefit from a 0% reciprocal tax, the US market is forecast to recover strongly starting from the second half of 2026.
- For the EU market, CPTPP: leveraging the FTA trade agreement to expand scale.

Vietnamese goods withstand the storm of Reciprocal tariffs when entering the US market

Items	Proportion of exports to the US	Update on the newest Reciprocal tariffs	Forecast of Export Sectors to the US in 2026	Notes
Industry: Electronic components, machinery and equipment, phones, laptops, etc.	49.8%	20%	Neutral	China's restriction on rare earth exports to developed markets will cause a large shortage of rare earths, which are input materials for the production of high-tech electronics. Vietnam can benefit indirectly, as countries will seek alternative sources of supply and cooperate with countries with rare earth potential such as Vietnam.
Textiles, footwear	15.7%	20%	Neutral	Textiles and footwear are among the products group expected to benefit from a 0% reciprocal tax in the Vietnam-US Trade Agreement being negotiated. If the results are positive, Vietnamese goods will increase their competitive advantage in price compared to other competitors. However, the general impact of tariffs and inventory space from the front-loading period will likely reduce demand in the US market and intensify competitive pressure in other markets such as Korea, Japan, etc.
Wood, wood products	9.7%	A 10% tax on solid wood and sawn timber, 25% on kitchen cabinets, bathroom sinks and upholstered wooden furniture. These tax rates will increase to 30% and 50% respectively from the beginning of 2026 for partners that have not reached a trade agreement with the US.	Negative	This tax rate negatively impacts the wood, kitchen cabinet and upholstered furniture industry, which accounts for about 35% of total wooden furniture exports to the US.
Seafood products	1.2%	20%	Neutral	The US reciprocal tariffs are expected to have varying degrees of impact across sectors: Shrimp is a key product, but is expected to slow down due to the simultaneous imposition of reciprocal tariffs, anti-dumping duties, and countervailing duties. Pangasius is expected to remain stable thanks to its competitive price advantage over other white fish. Tilapia (although only contributing ~1%) is a bright spot in 2026, benefiting from the replacement of Chinese supplies in the US.
Food and vegetables	6.1%	Some reciprocal tax-free items such as coffee, tea, tropical fruits, bananas, oranges, etc.	Positive	The US exemption of reciprocal tariffs on fruit and vegetables will create more opportunities for Vietnamese goods.

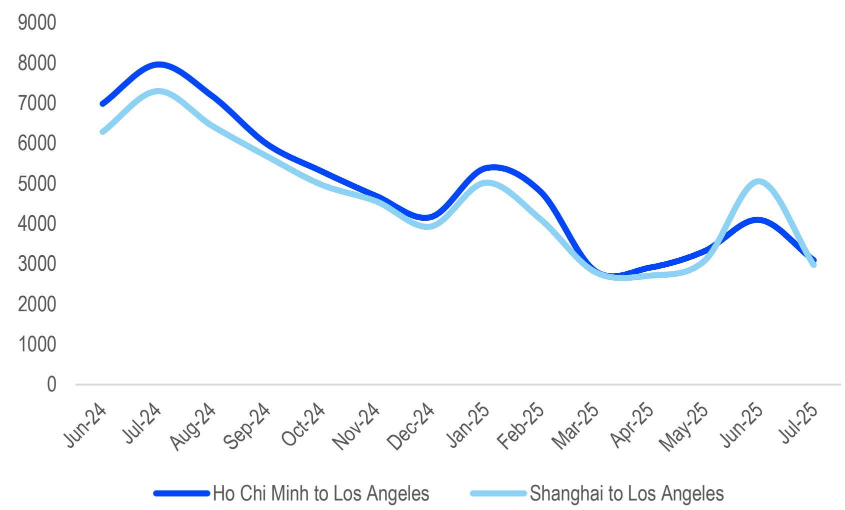
Spot freight rates are forecast to decline due to low demand following the frontloading phase

Fleet growth and world demand



Source: WTO, Shinhan Securities Vietnam

Average spot freight rate for major routes (USD/FEU)



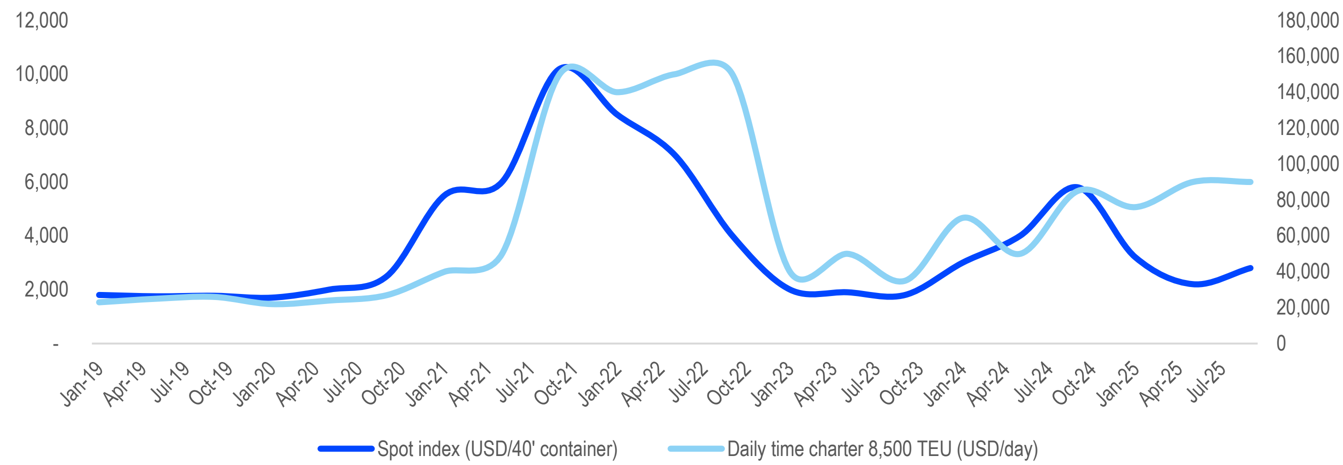
Source: NRF, Shinhan Securities Vietnam

Global container spot freight rates continue their downward trend. New US tariffs are not expected to trigger a massive surge in cargo shipments in the second half of 2025, similar to what occurred earlier in the year. The average spot rate on major routes from the Far East to the US has dropped sharply and is currently at its lowest level since December 2023.

In addition, as there are no signs indicating that a traditional peak season will push up spot freight rates in Q3/2025, shipping lines will have to contend with significant excess vessel capacity. Drewry forecasts that spot freight rates are expected to fall by 16% in 2026, primarily due to weaker trade growth combined with the increasing capacity of the global fleet.

The time charter market is forecast to remain at a good level despite a drop in spot freight rates in 2026

Time charter market



	Time charter rate USD/day	Growth YoY
8,000 TEU	84,400	2%
6,500 TEU	66,200	3%
5,600 TEU	60,200	6%
4,200 TEU	52,100	13%
2,700 TEU	36,400	17%
1,700 TEU	26,400	35%
1,100 TEU	16,500	25%

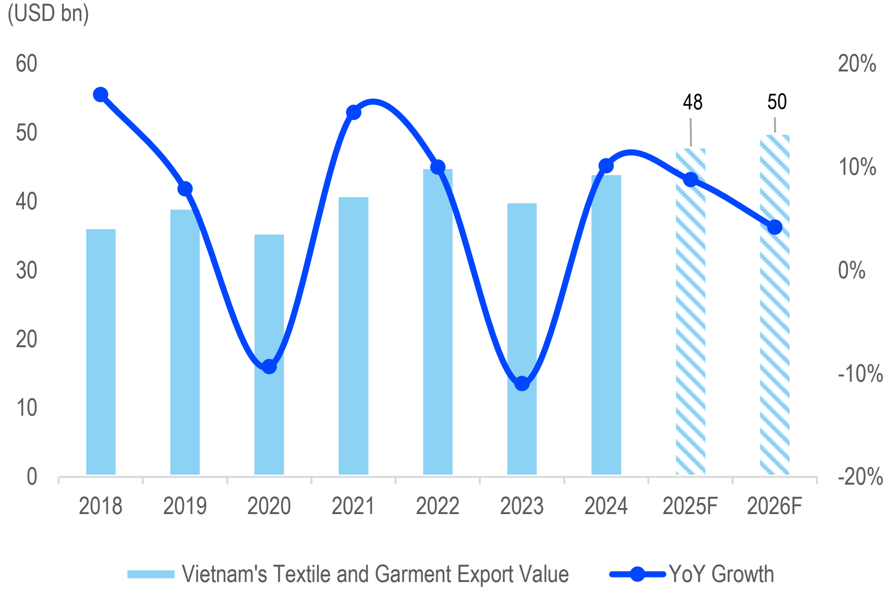
Sources: WTO, Shinhan Securities Vietnam

The time charter rates maintained a steady upward momentum in 2025 and were over 200% higher than in 2019, while spot freight rates have nearly returned to the 2019 price level. The following explains why the two markets have been moving in different directions for a period of time: spot rates are easily affected by market fluctuations, whereas time charter rates typically lag because charter agreements often last for several months, or even years.

According to forecasts from Drewry, a leading maritime consulting firm, this trend is expected to continue into 2026, but will be followed by a correction. Drewry forecasts that time charter rates will see a year-on-year increase, while spot freight rates will decrease by about 16%. Environmental regulations from the IMO and the EU FTS (Emissions Trading System) are impacting vessel choices. The limited number of dual-fuel and fuel-efficient vessels is keeping time charter rates high

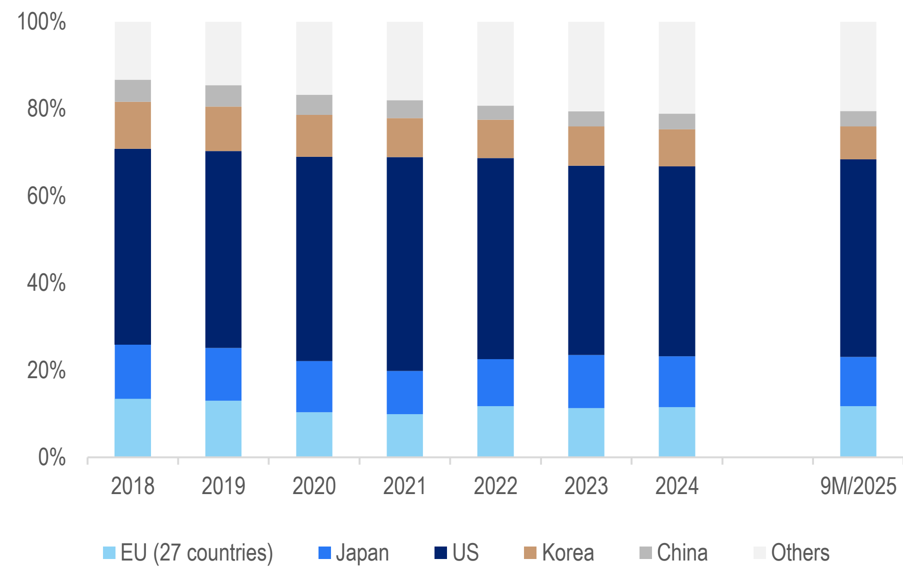
Textile and garment exports – A slowdown in export growth in 2026

Vietnam's Textile and Garment Export Value



Source: GSO, Shinhan Securities Vietnam

Vietnam's Textile and Garment Export Market Structure (%)



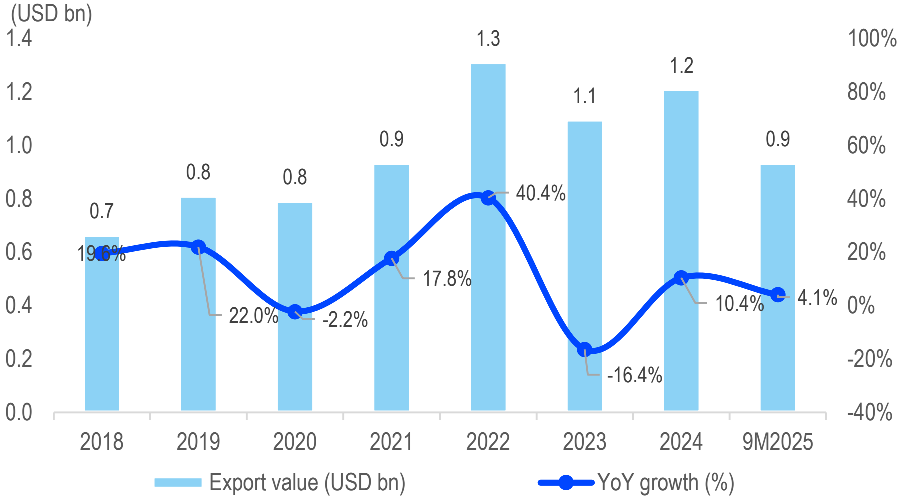
Source: GSO, Shinhan Securities Vietnam

❑ In the context of the forecasted slowdown in global economic growth and the trend of increasing trade barriers in key export markets, we cautiously forecast that Vietnam's textile and garment export value in 2026 will increase slightly by about 6% YoY, mainly due to the following factors:

- Expanding export markets through leveraging advantages from new-generation Free Trade Agreements (FTAs): Vietnam has signed and implemented 17 FTAs, expected to increase this number to 22 FTAs in the 2025 - 2026 period according to the plan of the Ministry of Industry and Trade. This not only helps domestic enterprises diversify their export market structure but also attracts FDI capital to participate in Vietnam's supply chain.
- Continue to take advantage of the trend of shifting orders out of China in the EU, the US,... thanks to inherent competitive advantages such as diverse products, highly skilled workers, fast delivery speed, stable political situation,...

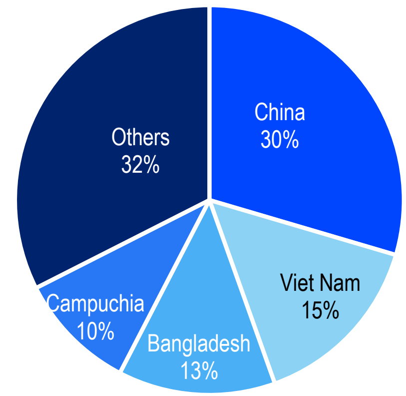
Textile and garment exports – Leveraging opportunities in CPTPP markets

Vietnam's textile and garment export value to Canada from 2019 to 9M2025 (USD bn)



Source GSO, Shinhan Securities Vietnam

Estimated market share of textile and garment imports to Canada by value in 2024

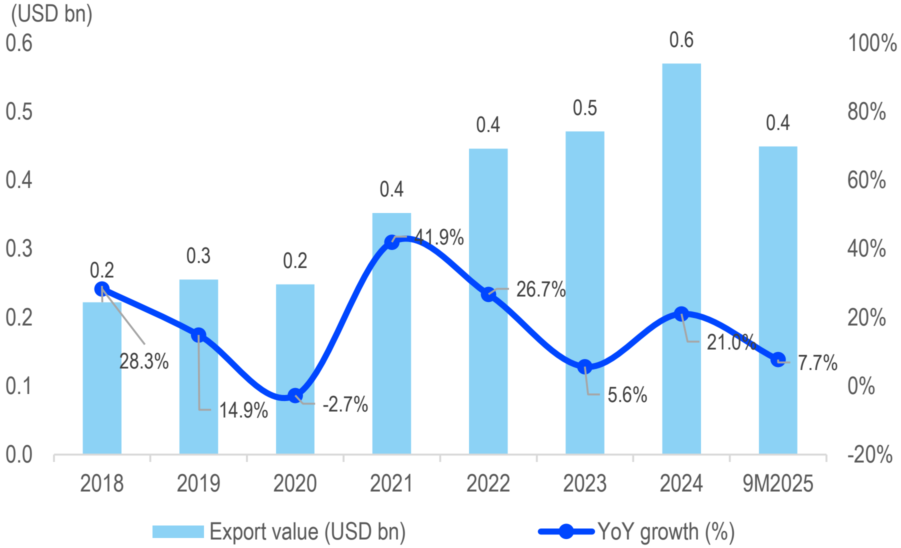


Source: ITC Trade map, Shinhan Securities Vietnam

- ❑ Vietnam is currently the second largest textile and garment exporter to Canada (after China), with export value increasing over the years, from 665 million USD in 2018 to 1,200 million USD in 2024. We assess Canada as one of the export markets with room to expand market share for Vietnamese enterprises thanks to:
- Large consumption of textile and garment products, about 13 billion to 15 billion USD per year.
- Demand for textile and garment products is expected to continue to increase as people's income improves.
- The 0% tax advantage from the CPTPP Free Trade Agreement, much lower than other competitors such as China (18%), Bangladesh (16%), helps increase price competitiveness.
- An important gateway to help Vietnamese businesses access deeper into the North American supply chain thanks to the close connection with the USMCA (US-Mexico-Canada) bloc and the most advanced logistics infrastructure.

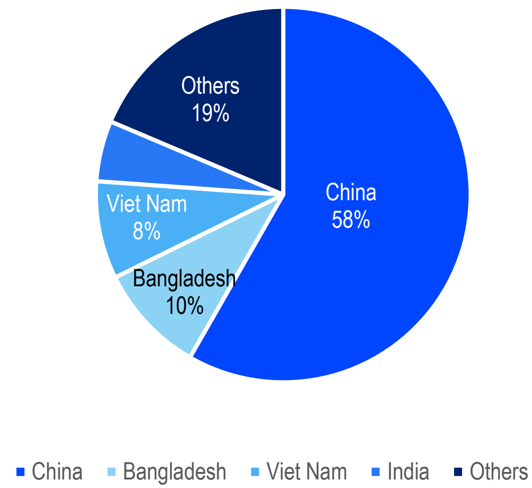
Textile and garment exports – Leveraging opportunities in CPTPP markets

Vietnam's textile and garment export value to Australia from 2019-2025 (USD bn)



Source: GSO, Shinhan Securities Vietnam

Estimated market share of textile and apparel imports into Australia by value in 2024

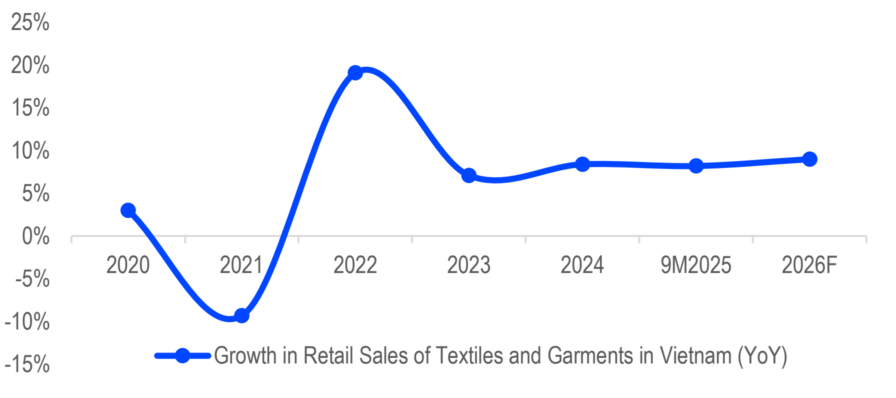


Source: ITC Trade map, Shinhan Securities Vietnam

- Australia is one of the markets with large purchasing power, high demand for textile and garment products, highlighted by the consumer trend of preferring diverse, quality and sustainable products. However, the export value of Vietnam to this market remains relatively modest due to strict regulations on sustainability, origin requirements and intense competition from other exporters such as China, Bangladesh, etc. We expect that with China's market share in Australia showing signs of decline due to the impact of the trend of shifting orders out of China, Vietnam's textile and garment industry has the opportunity to expand its market share in this country.
- At the same time, with efforts to promote green and sustainable product production and increase the localization rate of domestic enterprises, we expect that Vietnam's textile and garment products can meet Australian standards and effectively take advantage of the tax exemption incentives of the CPTPP and RCEP Free Trade Agreements; thereby increasing export value in Australia.

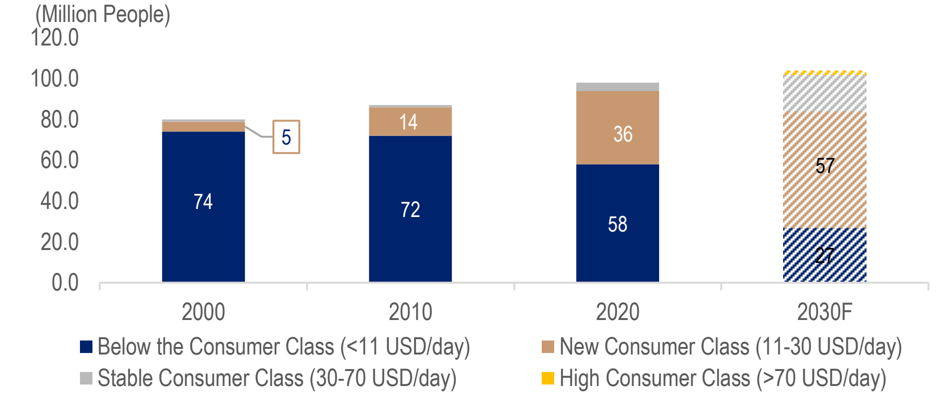
Textile and Garment Exports – Leveraging the Domestic Market

Growth in Retail Sales of Textiles and Garments in Vietnam (%)



Source: GSO, Shinhan Securities Vietnam

Population Structure by Income in Vietnam



Source: McKiney, Shinhan Securities Vietnam

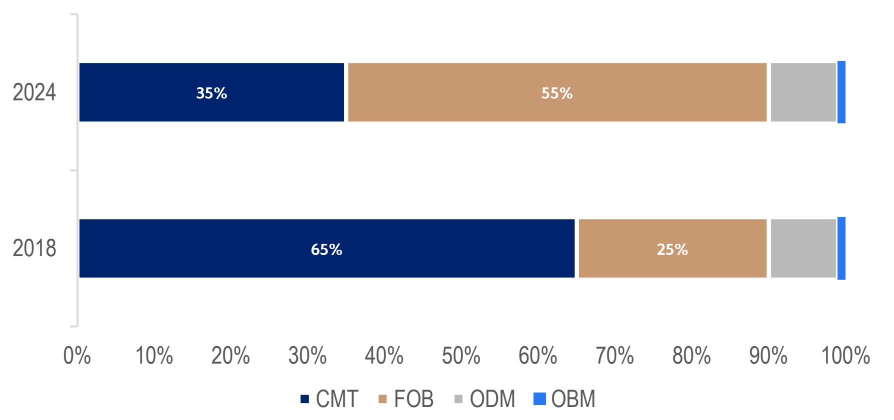
The domestic market is not only a "buffer zone" in periods of export decline but also a sustainable direction in the long term thanks to:

- **High domestic purchasing power and absorption capacity of mid- and high-end goods:** According to the Vietnam Textile and Garment Association (Vitas), annual consumption of fashion products in the domestic market is estimated at 5-5.5 billion USD/year (2024). Additionally, according to NielsenIQ research, spending on fashion in Vietnam increased by an average of 10-12%/year during the period 2020-2024. This indicates that the Vietnamese fashion market has a strong internal strength in purchasing power, opening up room for exploitation for domestic enterprises.
- **The demand for apparel is increasing thanks to the expansion of the middle class:** According to the World Bank, it is expected that by 2035, 50% of Vietnam's population will be in the middle class - a new consumer group with a tendency to focus on quality products. The expansion of this class is expected to help boost domestic consumption demand, especially in the mid- and high-end fashion segment.

Although there are still some challenges such as competition low-cost Chinese products and Vietnamese enterprises have not focused on the domestic market, we believe that with the increasing trend of Vietnamese people using Vietnamese goods and export activities expected to slow down, the domestic market will be a potential market, supporting the Vietnamese textile and garment industry to reduce its dependence on single markets and achieve sustainable development.

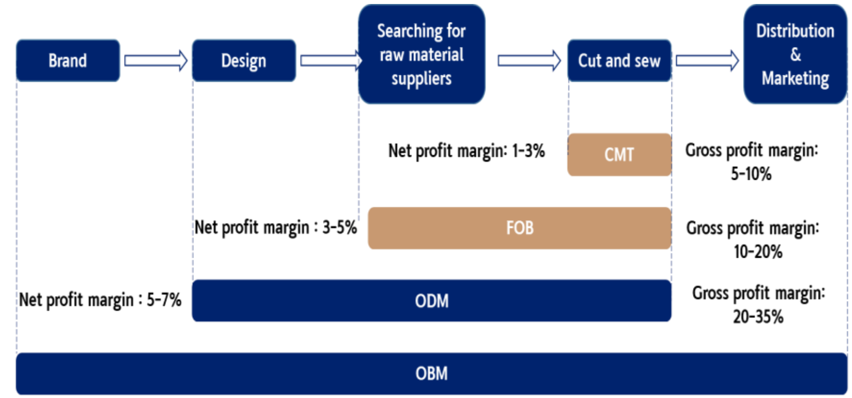
Textile and garment exports – Transitioning to high value-added production models

Proportion of production methods used by Vietnamese enterprises



Source: Company reports, compiled by Shinhan Securities Vietnam

Garment production methods

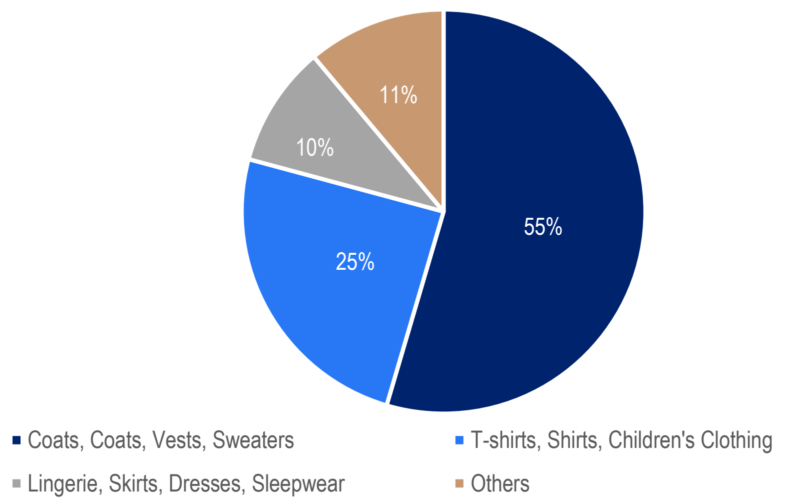


Source: Company reports, compiled by Shinhan Securities Vietnam

- Although Vietnam holds the position as the world's second-largest textile and garment exporter, the actual value that Vietnamese enterprises receive is still quite low. The reason is that small and medium-sized enterprises mainly participate in the processing stage, import most of the raw materials and lack design capacity as well as supply chain autonomy. This reduces their ability to negotiate on selling prices and narrow profit margins of manufacturing enterprises.
- Given that large fashion corporations in the world increasingly prioritize suppliers with comprehensive supply chains and play the role of strategic partners instead of pure processing, switching to high value-added models such as FOB, ODM, OBM is necessary for Vietnamese enterprises to improve their competitive position and increase their gross profit margin.
- FOB, ODM, OBM models bring high added value to enterprises thanks to: (1) Negotiating higher selling prices due to taking on additional stages with intellectual content and creative value; (2) Proactively sourcing raw materials to reduce intermediate costs, optimize production costs; (3) Strict production processes to increase quality control and enhance brand reputation.
- In addition, at the recent Prime Minister's Conference, the Vietnam Textile and Footwear Association proposed to build a center for innovation, research & development and trading of textile and garment materials. The establishment of this center will help diversify the supply of raw materials, promote innovation in design, business models and increase the connectivity of the production supply chain. We expect that this will be the driving force for the Vietnamese textile and garment industry to strongly transform to a high value-added production model in the coming time.

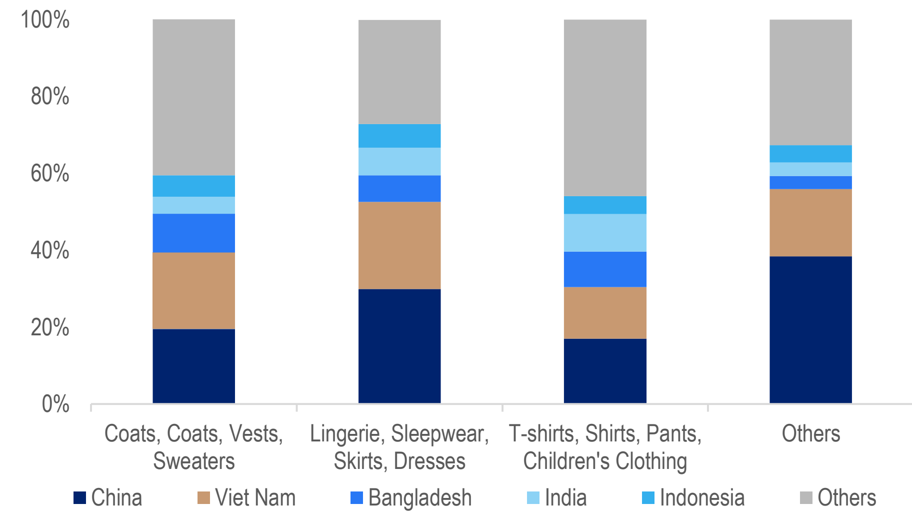
Textile and Garment Exports – Focus on Manufacturing Products in the Highly Complex Segment

US Textile and Garment Import Structure in 2024



Source: ITC Trade Map, Shinhan Securities Vietnam Estimates

Exporting countries to the US by product in 2024



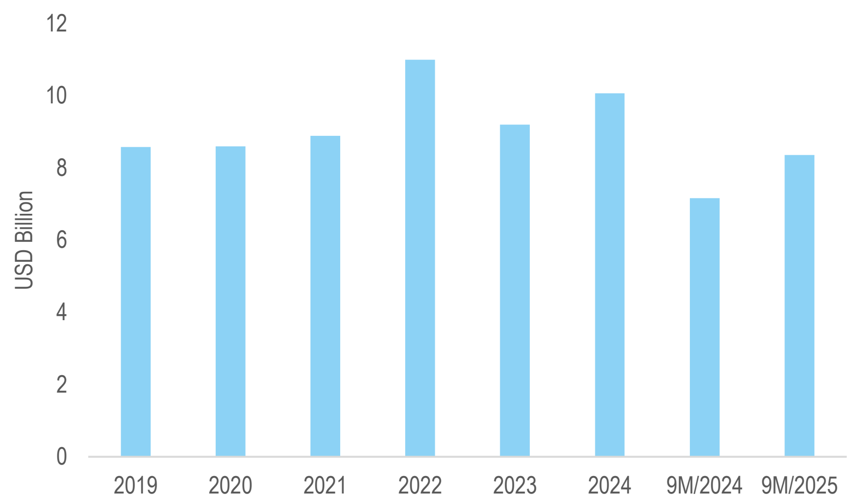
Source: ITC Trade Map, Shinhan Securities Vietnam Estimates

- The US market mainly imports items such as coats, coats, vests, sweaters, underwear, dresses, etc., accounting for about 55% of the total value of garment imports. These are products that require high technology due to complex production processes, high labor skills and strict quality control standards.
- Meanwhile, Vietnam, with the advantage of possessing high-quality human resources, the ability to meet strict technical standards, fast delivery speed and a stable political situation, is one of the two largest exporters in the high-tech segment with a market share of about 20%.
- We believe that the room to increase market share in the highly complex product segment in the US of Vietnam is expanding as China, the only competitor in this segment is gradually losing market share due to the impact of the trade war and other countries such as Bangladesh, India, and Indonesia have not yet achieved equivalent technical levels.

Focusing on developing products in highly complex segments not only helps Vietnamese businesses take advantage of market share gaps in the US, but is also a strategic direction to increase added value, strengthen brands and maintain competitiveness in the context of increasing input costs and global consumption trends gradually shifting to high quality products.

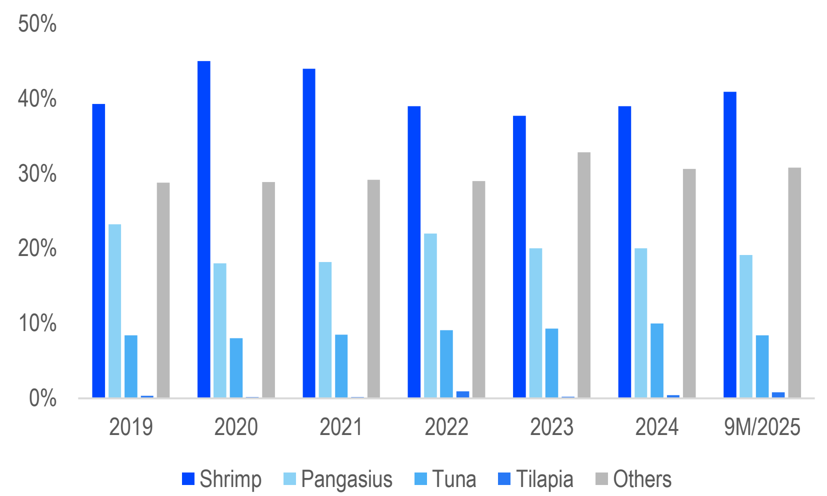
Seafood exports – Challenges amid opportunities in 2026

Vietnam's seafood export value



Source: VASEP, Shinhan Securities Vietnam

Breakdown of Vietnam's seafood exports by product



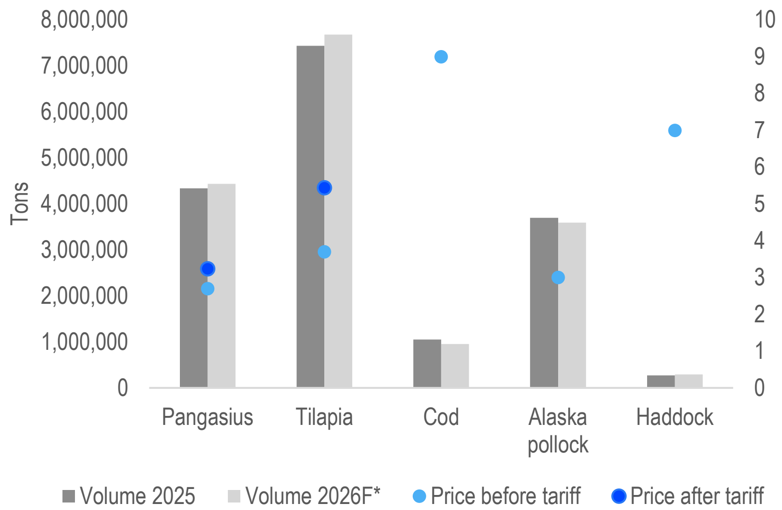
Source: VASEP, Shinhan Securities Vietnam

❑ Vietnam's seafood export sector in 2026 is expected to face more challenges, as the U.S. 20% reciprocal tariff takes effect on August 7, 2025. However, the impact will vary across different product segments. Total seafood exports are projected to increase slightly, thanks to the efforts to shift toward value-added products and diversify into CPTPP, South American, and Asian markets.

- Shrimp: Growth is expected to slow down due to multiple tariffs, including anti-dumping, countervailing, and U.S. reciprocal tariffs. High tariff rates, combined with higher product prices, will significantly reduce the competitiveness of Vietnam's shrimp products.
- Pangasius: Exports are expected to maintain stable growth, benefiting from solid cost advantages and a stable supply, amid a severe global whitefish shortage in 2026 and record-high prices for other fish.
- Tilapia: Although currently accounting for only about 1% of total seafood export value, tilapia is emerging as a new growth pillar for Vietnam's seafood sector, capitalizing on the supply gap left by Chinese tilapia facing sharply higher tariffs in the U.S. market.

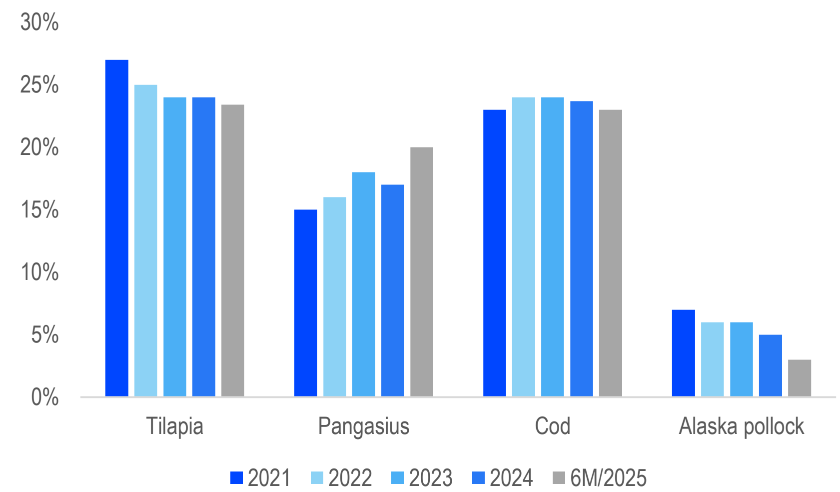
Pangasius exports – Maximizing cost and supply competitive advantages in the U.S. market

Prices and volumes of major whitefish imports in the U.S.



Source: VASEP, Agromonitor , Shinhan Securities Vietnam

U.S. Whitefish import market share (by volume)



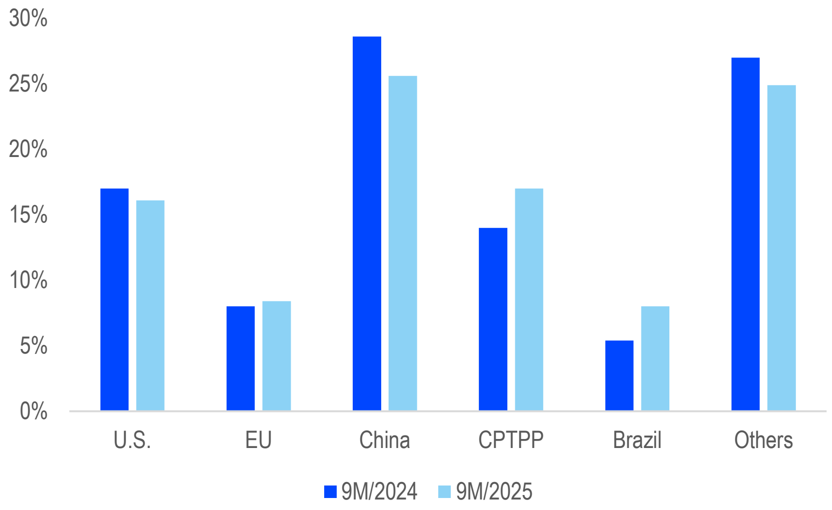
Source: NOAA, Shinhan Securities Vietnam

- ❑ As the near-monopoly supplier of pangasius globally, Vietnam has a positive outlook in 2026, especially as the global whitefish supply is forecasted to decline by 2.2% YoY (around 145,000 tons).
- ❑ Chinese tilapia faces a 47% reciprocal tariff (this rate could potentially increase to triple digits if trade negotiations fail in 11/2025). Brazilian tilapia is also subject to a 50% tariff, significantly pushing up prices.
- Norwegian cod reached a record price of USD 9.2/kg (+23% YoY) due to a 25% quota cut in 2025 and a potential further 21% reduction in 2026.
- Haddock (Russia-China) will be banned from U.S. imports under the Marine Mammal Protection Act (MMPA) from 2026.
- Alaska pollock remains the most affordable whitefish, but its import quota will also be significantly reduced in 2026.

Vietnam has strengthened its central position in the global whitefish supply, emerging as the most stable supplier offering competitive prices amid a severe global whitefish shortage and rising costs.

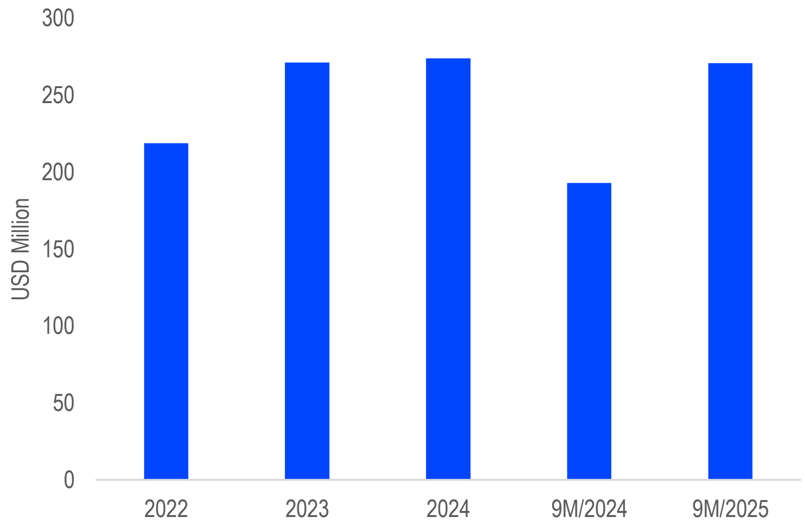
Pangasius exports – Market structure strategy: Strategic and sustainable direction

Shift in Vietnam's pangasius export market share



Source: VASEP, Shinhan Securities Vietnam

Vietnam's pangasius export value to CPTPP

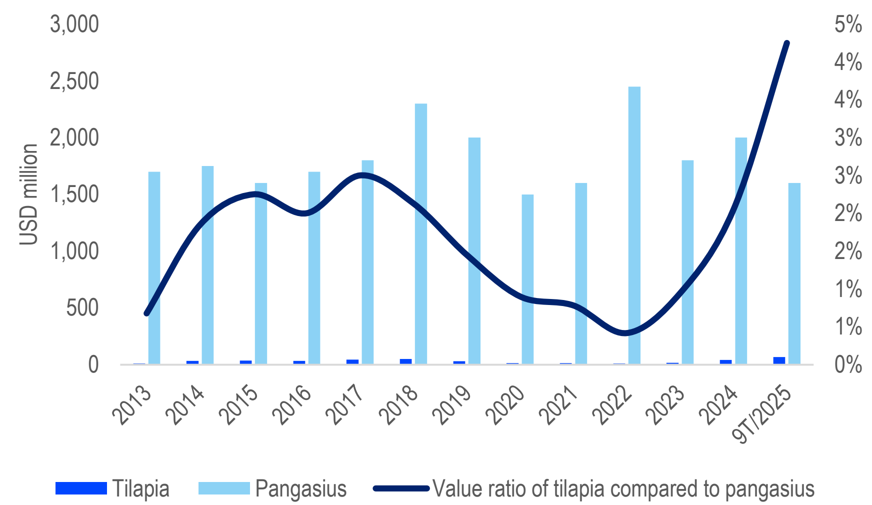


Source: VASEP, Shinhan Securities Vietnam

- ❑ Encountering volatility in the U.S. market, Vietnam's pangasius enterprises have proactively restructured their market strategy by: (1) Maintaining the U.S. as a pillar market with high profit margins; and (2) Accelerating expansion into the EU, CPTPP, and South America – regions that offer substantial growth potential.
- ❑ This strategy has demonstrated significant effectiveness in 2025 and is expected to further strengthen expansion momentum in 2026. We expect CPTPP to be the fastest-growing market in 2026, particularly Japan and the UK, driven by: (1) Preferential 0% tariff rates under existing FTAs, and (2) Increasing demand for sustainably farmed white fish.

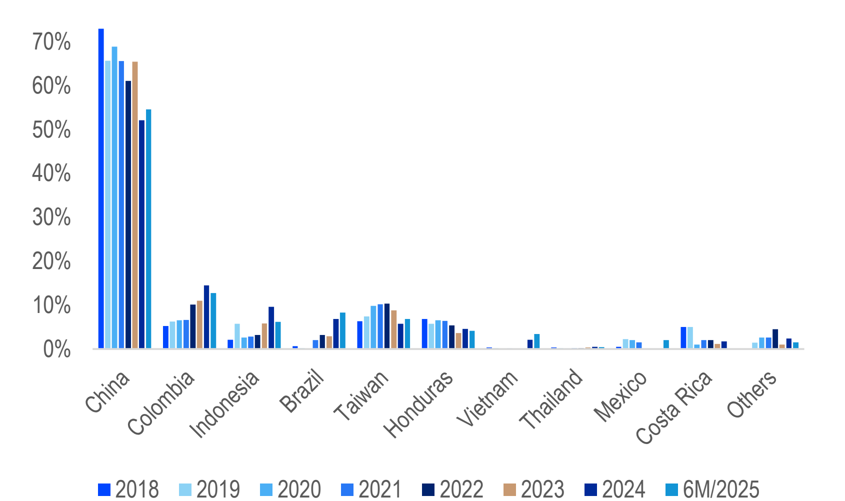
Tilapia exports – 2025: A year of transformation and breakthrough

Export value of pangasius and tilapia



Source VASEP, AgroMonitor, Shinhan Securities Vietnam

Tilapia import share by country into the U.S.



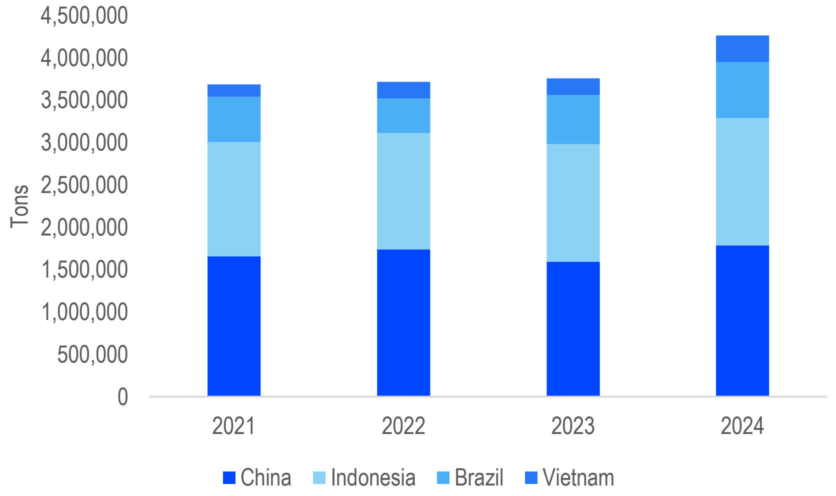
Source: NOAA, Shinhan Securities Vietnam

- ❑ After years of falling behind pangasius, 2025 marks a clear turning point for Vietnam's tilapia sector. As Chinese tilapia supply faces significant disruptions (due to high reciprocal tariffs and market volatility) and Vietnam's pangasius encounters a 20% tariff, Vietnamese exporters have proactively diversified their product portfolio – bringing tilapia back into a strategic position.
- ❑ Since the U.S. imposed a 25% tariff (Section 301) on Chinese tilapia, China's share of U.S. tilapia imports has dropped by 10% during 2018–2025, while Vietnam increased its share from nearly 0% to 3.4%. Colombia, Brazil, and Indonesia have also recorded notable growth.

This shift reflects U.S. importers' efforts to diversify supply sources to (1) reduce reliance on China and (2) secure more cost-competitive alternatives. This trend creates substantial long-term growth potential for Vietnam – even if tariffs on China are eased in the future.

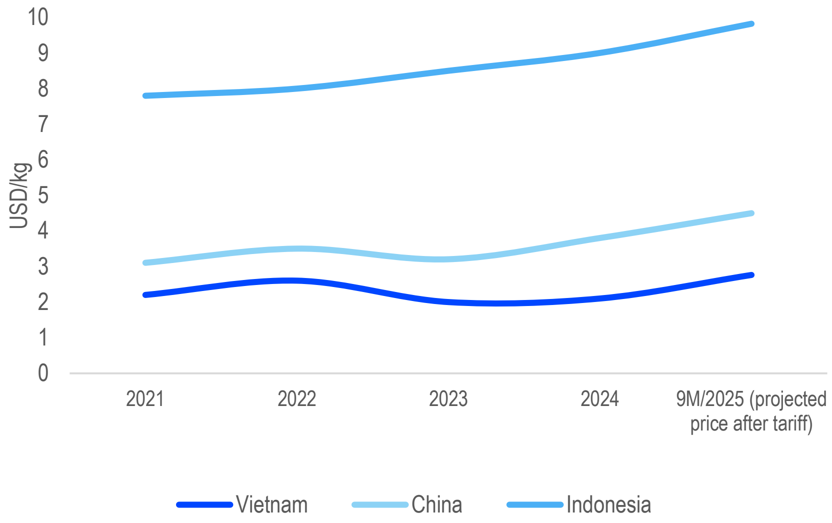
Tilapia exports – Vietnam: A promising supplier in the global tilapia supply chain

Tilapia production volume of major producers



Source: Vasep, Shinhan Securities Vietnam

Comparison of Vietnamese tilapia prices with China and Indonesia



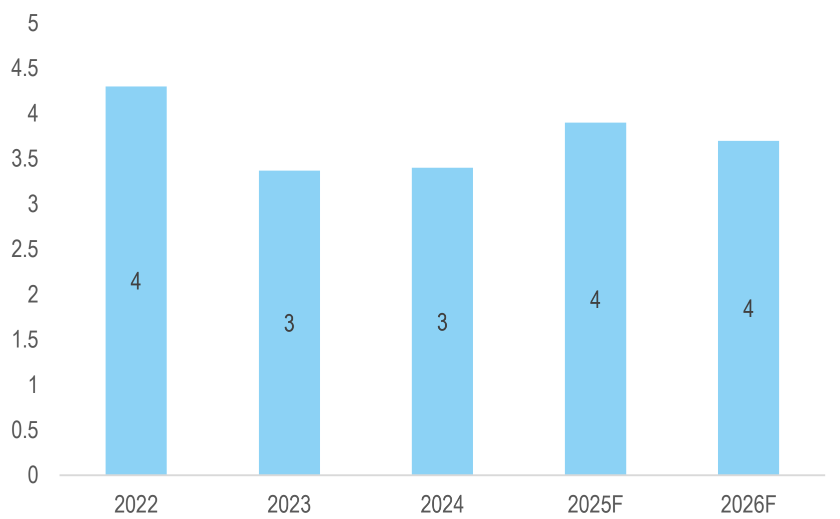
Source: AgroMonitor, Shinhan Securities Vietnam

- ❑ Vietnam is currently the third-largest tilapia producer in Asia, after China and Brazil, with an annual production of 300,000 tons (2024), and is expected to grow strongly thanks to access to high-quality broodstock. In 2024, fry production reached 1.09 billion fingerlings (+81% vs. 2020), fully meeting domestic farming demand - a significant step toward input self-sufficiency.

- ❑ Vietnam poccesses significant competitive advantages, including (1) Low production costs; (2) Frozen products tailored to U.S. preferences and meeting international standards; (3) High product quality due to geographic access to clean and abundant water sources. Compared with key competitors: (1) Latin American countries mainly export fresh tilapia and are less directly competitive; and (2) China and Indonesia remain primary competitors, but Vietnam outperforms them in both cost efficiency and product quality.

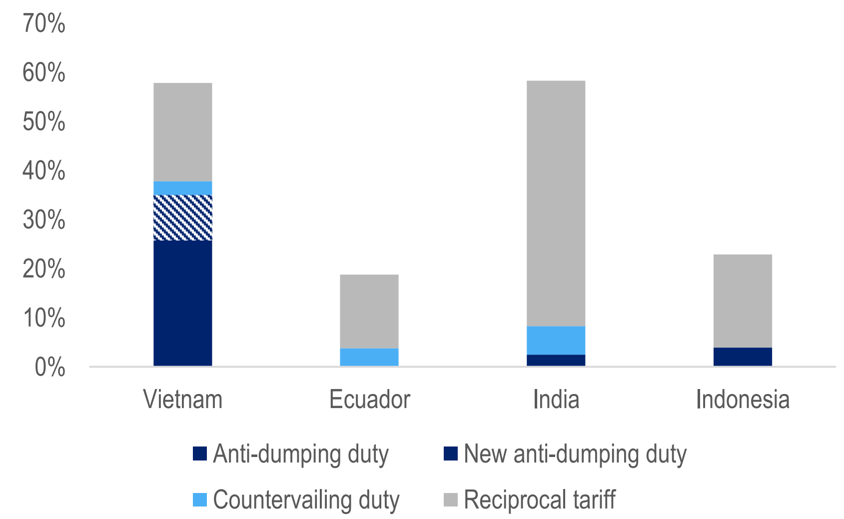
Shrimp exports: Sector outlook likely to slow in 2026

Vietnam's shrimp export value (USD bn)



Source: Vasep, Shinhan Securities Vietnam

Types of tariffs on Vietnamese shrimp exports to the U.S.

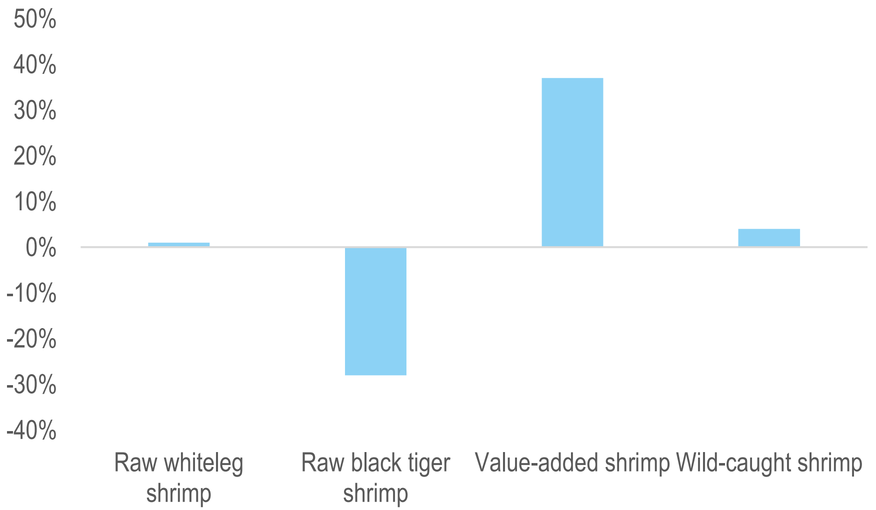


Source: Trendeconomy, Shinhan Securities Vietnam

- ❑ Vietnam's shrimp exports in 2025 are forecasted to reach USD 3.8-4 bn, driven primarily by stable demand from the U.S., Japan, and the EU, as well as increased orders from regional markets. According to exporters, shipments to the U.S. market are expected to finish on October 15, 2025, to mitigate potential tariff risks. On December 9, 2025, the U.S. Department of Commerce will announce the anti-dumping (AD) duties for Vietnamese shrimp. Although preliminary AD rates are high, certain product segments, such as fried shrimp and breaded shrimp, will remain exempt from AD duties.
- ❑ Looking ahead to 2026, the shrimp sector is generally expected to plateau, depending heavily on the upcoming AD rulings. If AD rates are higher than anticipated, in addition to retroactive duties on 2023 exports and shipments to the U.S. after December 9, 2025, companies will be required to post a cash deposit equivalent to the announced AD rate.

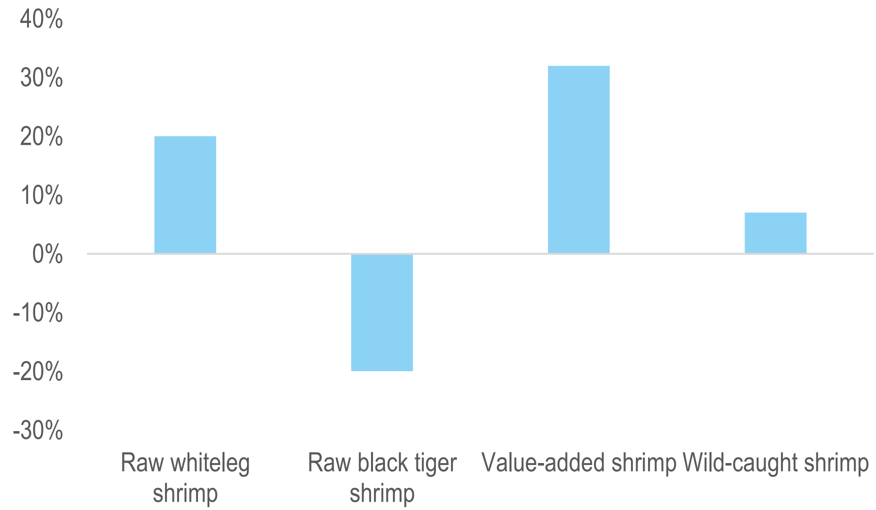
Shrimp exports – Strong shift toward value-added products

India's shrimp export value growth by product in 1H/2025 YoY



Source: NOAA, Shinhan Securities Vietnam

Indonesia's shrimp export value growth by product in 7/2025 (YoY)



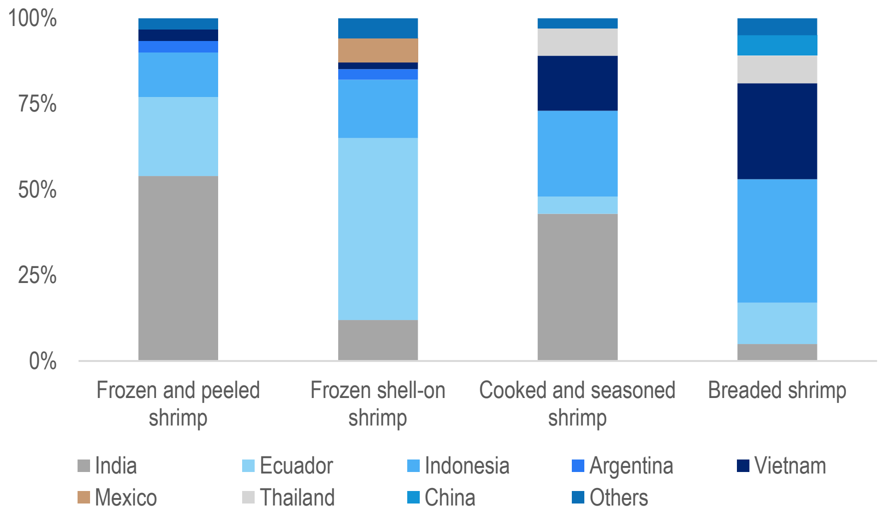
Source: EUMOFA, Shinhan Securities Vietnam

❑ According to VASEP, the global shrimp market is witnessing a strong shift from raw material products to value-added segments. This segment not only offers higher profit margins but is also less affected by strict inspection regulations applied to fresh raw shrimp.

- India: Whiteleg shrimp exports have remained nearly flat compared to the previous year, while black tiger shrimp continues to decline. The brightest spot comes from value-added products, such as cooked, marinated, or breaded shrimp, which grew 37% YoY. This demonstrates India's new competitive capability in deep processing, as the country seeks to increase profit margins rather than rely solely on raw material exports.

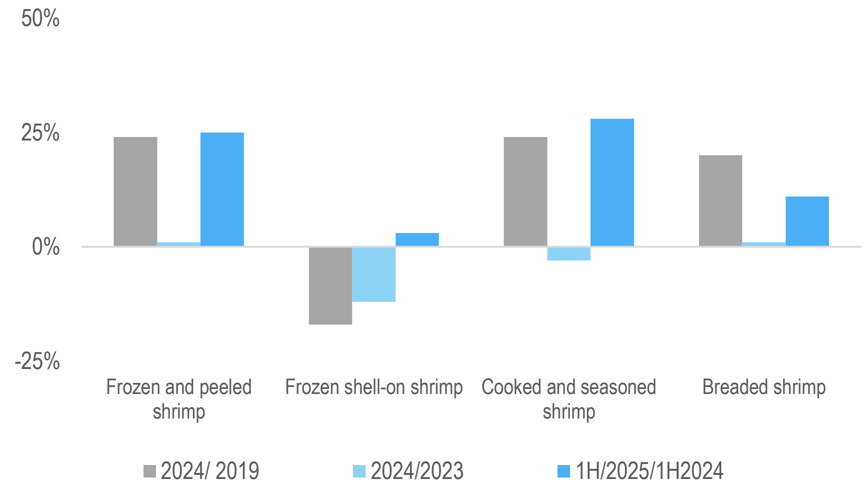
Shrimp exports – Value-added products drive Vietnam's competitiveness

U.S. shrimp supplier market share by major product categories, 2024



Source: NOAA, Shinhan Securities Vietnam

U.S. shrimp import value growth by product category

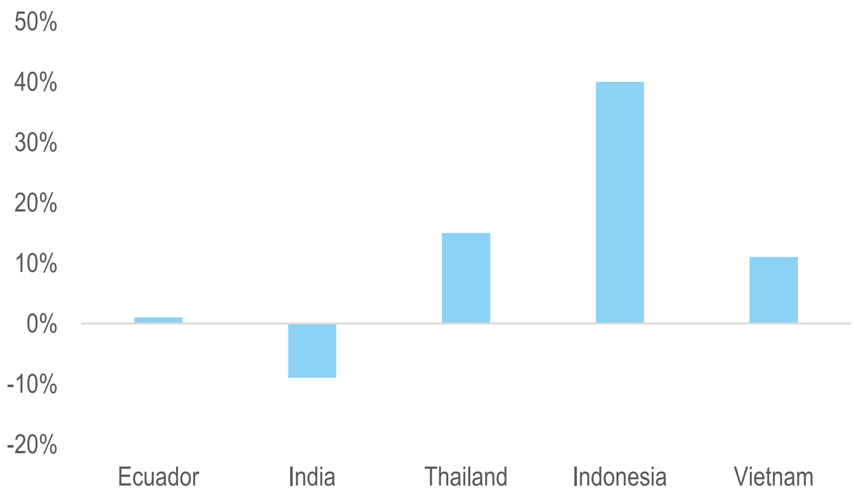


Source: EUMOFA, Shinhan Securities Vietnam

- ❑ Vietnam's shrimp sector is facing multiple challenges, particularly anti-dumping (AD) duties, countervailing duties (CVD), and U.S. reciprocal tariffs. High tariffs, combined with higher production costs compared to other countries, are exerting significant short-term pressure on Vietnamese shrimp exporters.
- ❑ Although Vietnamese shrimp faces intense competition from low-cost shrimp from Ecuador and India, it maintains a strong position due to product quality, diverse processing capabilities, and niche market segments.
- ❑ The U.S. market currently shows strong demand for value-added shrimp products, while competitors such as India and Ecuador lack sufficient deep-processing capacity. Vietnamese exporters are focusing on deep-processed shrimp, organic shrimp, and specialty products tailored for retail and premium restaurant channels.

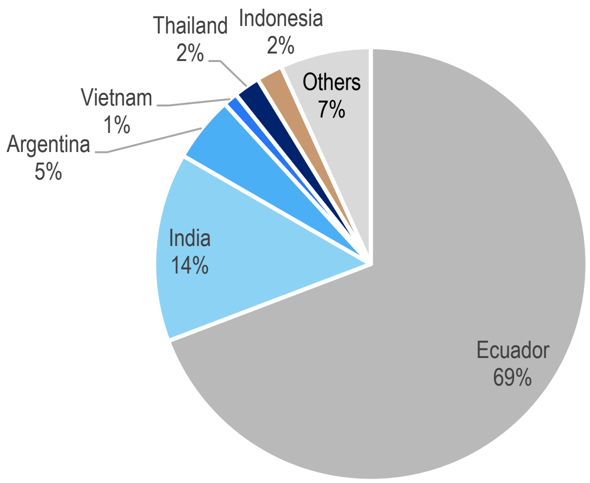
Shrimp exports – Restructuring export markets

China's shrimp import growth in 8M/2025 (USD mn)



Source: Vasep, Shinhan Securities Vietnam

Estimated China shrimp import market share by volume, 2024

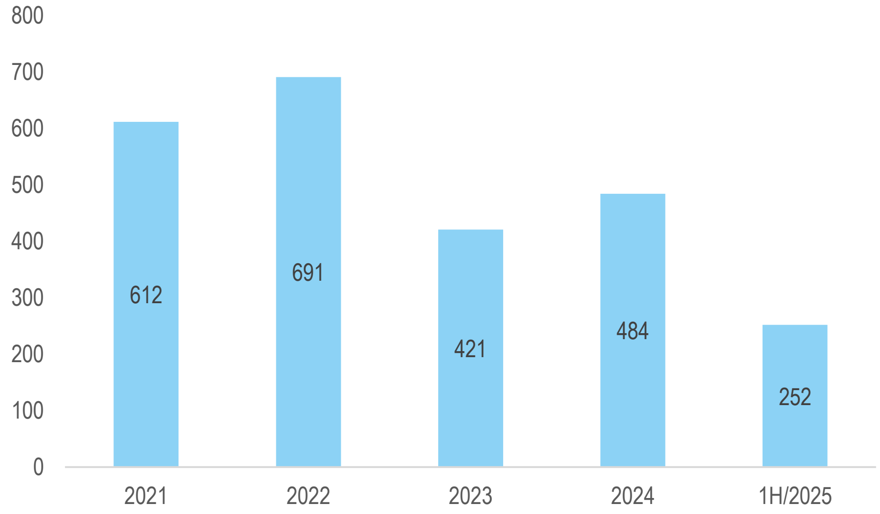


Source: EUMOFA, Shinhan Securities Vietnam

- In the Chinese market, Ecuador currently holds a strong advantage due to abundant supply, competitive pricing, and products tailored to local preferences, particularly in the frozen head-on shrimp segment. India is the second-largest supplier but is gradually losing market share due to challenges in quality control and costs, as well as dispersed supply obligations across multiple markets.
- While Ecuador and India excel in price and volume, Vietnam is preferred for high-quality products, including large black tiger shrimp, live lobsters, and value-added processed shrimp. This advantage allows Vietnamese shrimp to avoid direct competition with Ecuador in the mass market segment and opens opportunities to capture high-end niche markets in China, where demand for premium products is steadily increasing.

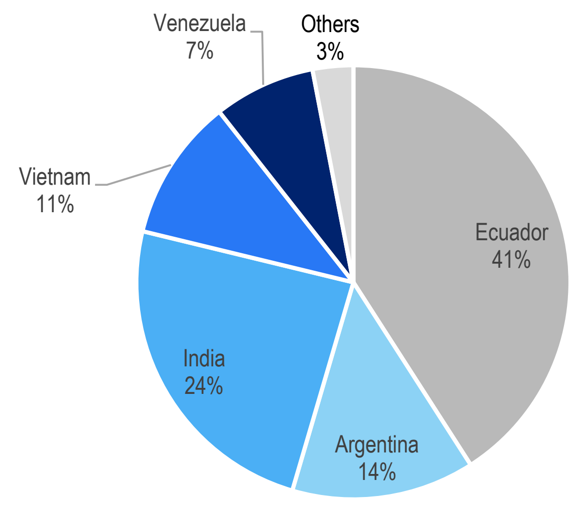
Shrimp exports – Restructuring export markets

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



Source: Vasep, Shinhan Securities Vietnam

Estimated EU shrimp import market share by value, 2024

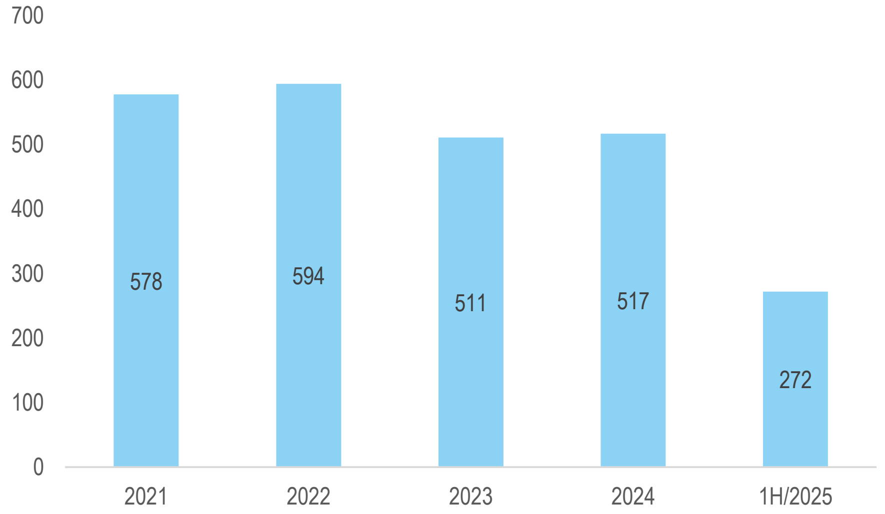


Source: EUMOFA, Shinhan Securities Vietnam

- ❑ Although the EU is the world's leading seafood consuming market, Vietnam's share remains relatively small due to strict quality standards and intense competition from other suppliers. We expect that continuous product quality improvements, combined with the effective utilization of the EVFTA, will make the EU a promising market for Vietnamese shrimp exports.
- ❑ The EVFTA provides significant competitive advantages for Vietnamese seafood through preferential tariffs, allowing for more competitive pricing compared to other suppliers. For example, in 2024, many Vietnamese shrimp products benefited from a 0% import tariff into the EU. In contrast, major competitors face tariff disadvantages: Thailand (12% basic tariff, lacking GSP and FTA), India and Indonesia (4.2% GSP tariff, no FTA), and Ecuador (12% basic tariff).

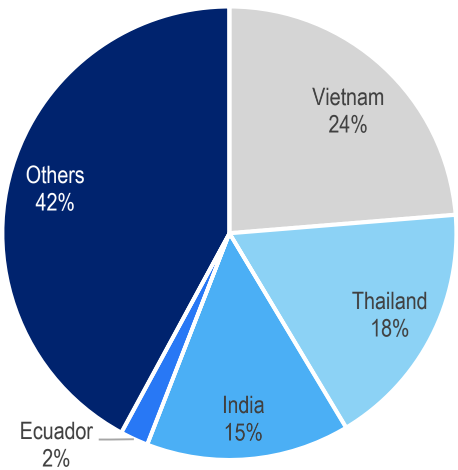
Shrimp exports – Restructuring export markets

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



Source: Vasep, Shinhan Securities Vietnam

Estimated Japan shrimp import market share by value, 2024



Source: Vasep, Shinhan Securities Vietnam

- ❑ Japan is considered a highly promising target market for Vietnamese shrimp, helping reduce dependence on traditional markets such as the U.S. Vietnam's deep-processed shrimp products, including breaded shrimp, fried shrimp, and sushi shrimp, continue to maintain a significant competitive advantage in the Japanese market

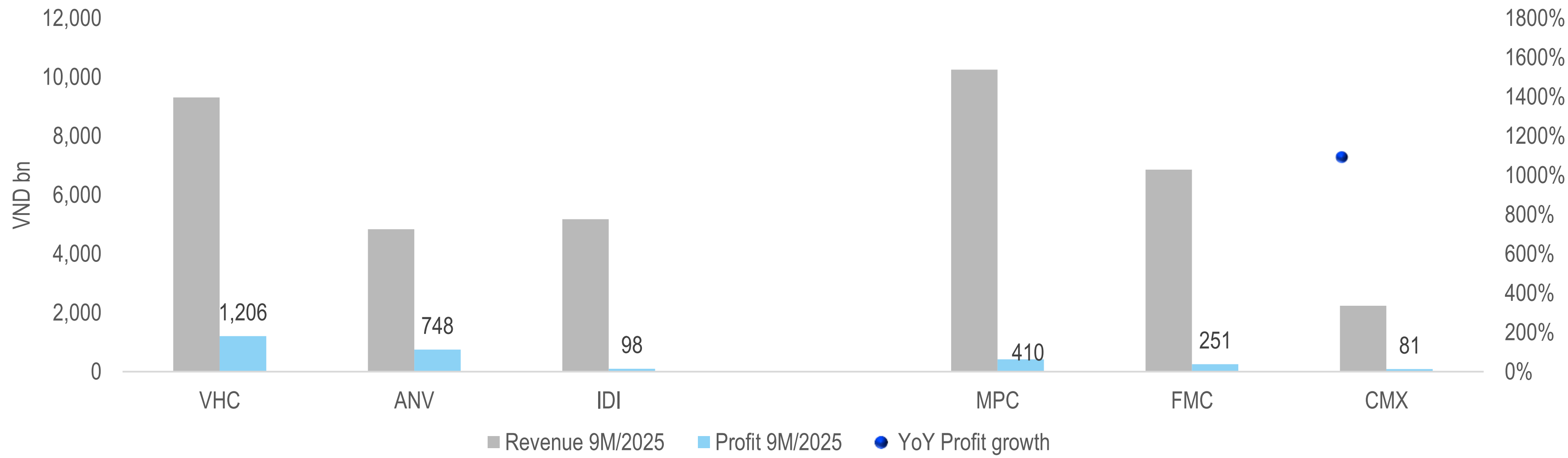
(1) While low cost semi-processed shrimp from India and Ecuador are favored in the U.S. and EU markets, Vietnam offers meticulous, high quality processing that meets Japan's market demands;

(2) Logistics costs to Japan are also lower than to distant markets such as the U.S. and EU, helping keep selling prices competitive and facilitating smoother consumption;

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

Seafood Industry 9M2025 Business Results – Strong Growth Across Companies

Business results of leading seafood companies



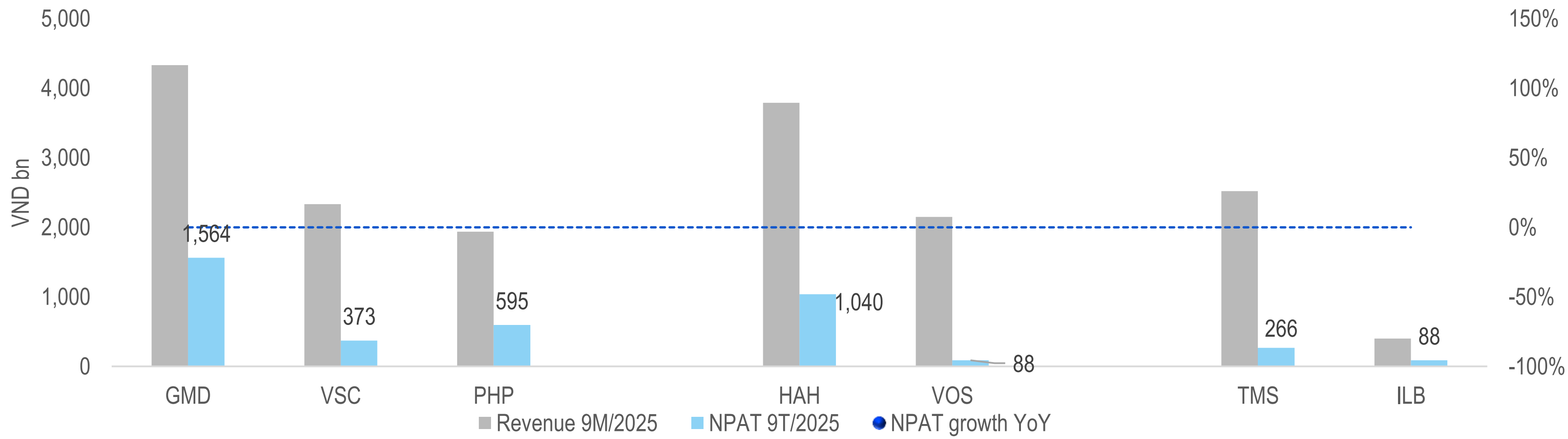
Source: Fiinpro, Shinhan Securities Vietnam

- ❑ **Pangasius exporters:** In 9M/2025, profits of pangasius exporting companies rose sharply compared to the same period last year. The positive performance was mainly driven by frontloading orders ahead of the official tariff effective date, lower cost of goods sold, particularly due to a significant drop in soybean meal prices, along with favorable exchange rates and higher selling prices. ANV recorded the strongest growth, supported by contributions from the tilapia segment, expansion into the Brazilian market, and proactive stockpiling of low-cost soybean meal. VHC and IDI's profits were primarily boosted by investment reversals, lower interest expenses, exchange rate gains, and, to a lesser extent, reduced input costs.

- ❑ **Shrimp exporters:** In 9M/2025, profits of shrimp exporting companies performed well. FMC's growth was driven by its ability to adapt flexibly to the impending retaliatory tariffs, while MPC focused on expanding the production of value-added shrimp products.

Logistics Sector Business Results 9M2025 – Mostly strong growth

Business results of some major enterprises in the logistics industry

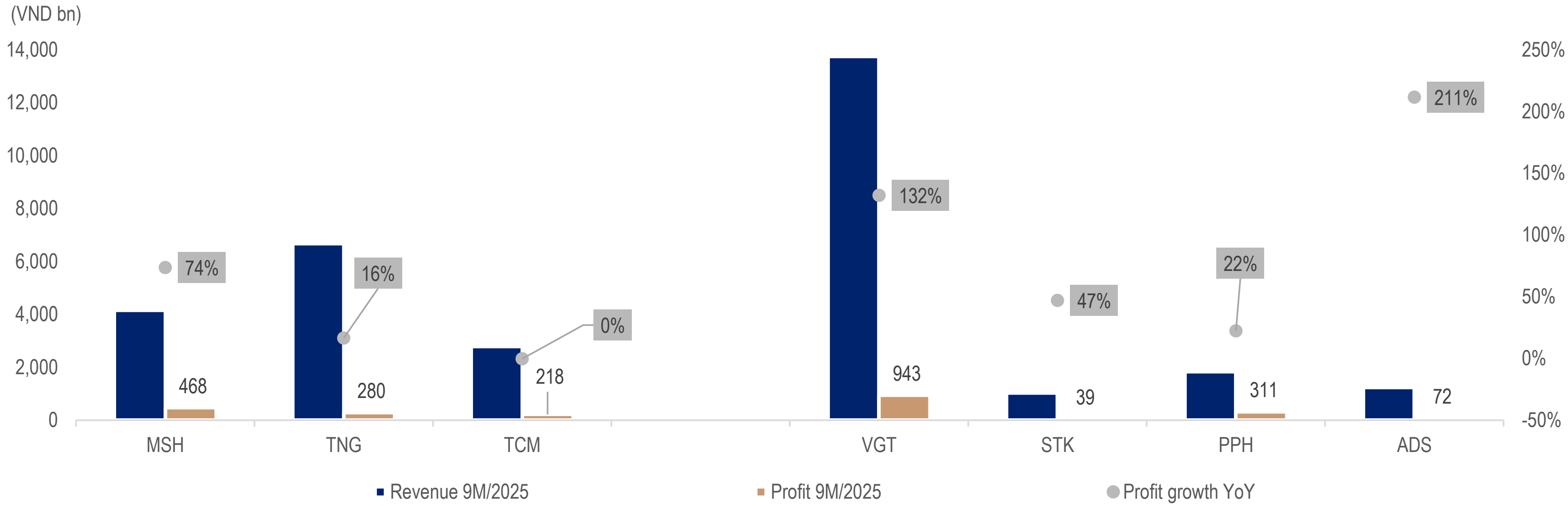


Sources: Fiinpro, Shinhan Securities Vietnam

- ❑ Port enterprises: In the 9M/2025, the port enterprise recorded thriving business results. Excluding the divestment gain, GMD's core business is estimated to have grown by 20% YoY. VSC achieved breakthrough growth after acquiring GMD's Nam Hai Dinh Vu Port and divesting from its non-core investments
- ❑ Transportation enterprises: Thanks to the buoyant seaborne transport activity and freight rates remaining at a high level, the shipping group achieved positive business results. HAH also benefited from contributions from new vessels, deployed from late 2023 to mid-2024, which generated significant revenue for the company. Furthermore, in the third quarter, HAH partnered with VSC to establish a joint venture for a shipbuilding project.
- ❑ Warehouse enterprises: TMS's profit grew well thanks to the improvement in profits from associates and joint ventures.

Textile and Garment Industry 9M2025 Business Results – Profit Growth Dominated

9M2025 Business Results of Some Large Enterprises in the Textile and Garment Industry



Source: Fiinpro, Shinhan Securities Vietnam

- ❑ Garment enterprises: In 9M/2025, most garment enterprises recorded positive business results thanks to effectively taking advantage of the trend of shifting orders out of China and effectively managing production costs. MSH expanded its processing profit margin thanks to negotiating high value-added orders and improved income from bond investments. TNG increased orders from major customer Decathlon and stable EU market demand. On the contrary, TCM was affected by reduced orders and factories not running at full capacity, causing product costs to increase.
- ❑ Yarn enterprises: In 9M/2025, yarn enterprises recorded growth momentum thanks to better exploitation of the domestic market and on-site exports to FDI enterprises. VGT promoted sales of products with good profit margins, increased orders from the domestic market and tightened production costs. STK and PPH improved their selling prices but were still under pressure from exchange rate losses. ADS increased dramatically thanks to revenue from industrial park real estate leasing segment.

Summary table of listed import-export companies with medium and large capitalization

General information				Price			Financial ratio			Business result forecast				Valuation 26F	
No.	Ticker	Sector	Mkt.Cap (VND bn)	CP (VND)	TP (*) (VND)	Upside (%)	NPM 2026F (%)	ROA 2026F (%)	ROE 2026F (%)	Revenue 2026F (VND bn)	2026F revenue growth (% YoY)	Net profit 2026F (VND bn)	Net profit growth 2026F (% YoY)	P/E (x)	P/B (x)
1	GMD	Port services	27,296	64,000	79,100	23.6	37.1	10.7	13.9	5,987	18.5	2,218	16.9	12.5	1.5
2	HAH	Port services	10,284	60,900	71,400	17.2	24.7	12.0	19.2	5,146	6.2	1,273	0.3	10.6	2.1
3	VSC	Port services	8,236	22,000	25,500	15.9	15.2	5.3	8.1	3,608	12.1	700	-0.1	15.9	2.4
4	VHC	Seafood	12,929	57,600	67,400	17.0	11.9	9.8	12.4	12,707	2.1	1,504	5.5	11,9	1.5
5	ANV	Seafood	7,788	29,250	35,700	22.1	15.0	15.8	21.8	6,906	8.8	1,039	11	8.3	1.8
6	FMC	Seafood	2,367	36,200	40,100	10.8	5.0	6.6	13.3	7,458	-6.6	361	13.6	11.8	1.3
7	MSH	Textile & garment	4,512	40,100	42,600	11.4	12.7	12.4	22.1	5,406	-3.0	686	3.2	6.3	1.4
8	TCM	Textile & garment	3,159	28,200	31,800	12.8	7.9	6.5	11.0	4,364	9.0	346	13.0	10.4	1.3
9	TNG	Textile & garment	2,485	19,300	24,000	24.4	4.5	6.9	18.5	8,505	6.3	386	11.5	7.7	1.2
10	STK	Textile & garment	2,368	16,900	18,196	7.7	13.1	6.0	14.0	1,345	5.0	76	49.6	7.9	1.5
	Total									**61,432**	**4.5**	**8,589**	**8.8**		

(*) Target price (fair value) in the next 12 months

Source: Fiinpro, Shinhan Securities Vietnam

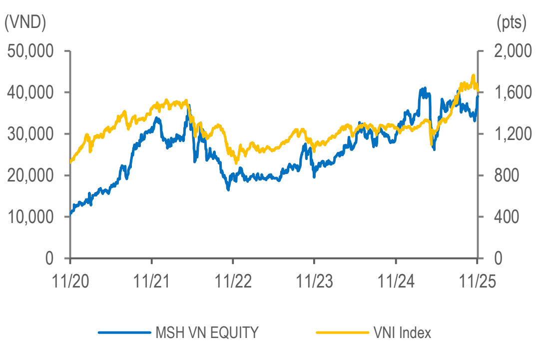
Data as of November 28, 2025

SONG HONG
CÔNG TY CỔ PHẦN MAY SÔNG HỒNG

Target Price (12 Months)	**VND 42,600**
Current Price (28/11/25)	VND 40,100
Return (%)	11%
VNINDEX	1,691
HNXINDEX	260
Market Cap (bn VND)	4,512
Outstanding shares (mn)	113
Free-Floating (mn)	55
52-Wk High/Low (VND)	41,867/25,167
90-day avg. trading volume (mn)	0.43
90-day avg. turnover (bn VND)	13
VNINDEX	0.8

Major shareholders (%)	Bui Duc Thinh	23.9
	FPT Securities JSC	10.7

Performance	3M	6M	12M
Absolute (%)	7.8	5.7	14.8
Relative to VN-Index (%)	7.2	-20.3	-21.3



Slower Growth

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:

In 2026, we believe that MSH's export activities to the US market will slow down due to the impact of tariffs shifting to 2026 and the market needs more time to test actual consumer demand and the acceptance of new price levels.

Additionally, due to the characteristics of durable consumer goods, textile and garment products often have a slower inventory consumption rate than other products such as seafood, causing the new order cycle to be longer. In the context of high inventory levels and fluctuating logistics costs, US importers tend to be more cautious in their import plans.

2026 outlook:

In the first 9 months of 2025, MSH recorded net revenue of VND 4,149 billion (+8% YoY), profit after tax of VND 468 billion (+74% YoY), completing 75% and 95% of the yearly plan, respectively. In particular, Q3/2025 recorded the highest quarterly profit after tax in the company's history thanks to the negotiation of high value-added CMT orders and increased financial income. Q4/2025 is forecast to continue to be stable thanks to the peak import season in preparation for the year-end holidays.

We forecast MSH's revenue in 2026 to reach VND 5,406 billion (-3% YoY). However, we believe that profit after tax will move in the opposite direction to revenue, expected to reach VND 686 billion, a slight increase of 3% YoY thanks to: (1) Effective production cost control capacity; (2) Input material prices remain stable and (3) Financial income from bond investments continues to increase.

Risks: (1) Risk of declining demand for US textile and garment products; (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	5,406
OP (bn VND)	359	187	441	612	651
NP (bn VND)	**338**	**245**	**440**	**664**	**686**
EPS (VND)	4,998	3,260	5,465	5,904	6,095
BPS (VND)	21,452	21,948	23,908	24,214	27,487
OPM (%)	6.5	4.1	8.4	11.0	12.0
NPM (%)	6.1	5.4	8.3	11.9	12.7
ROE (%)	**19.6**	**13.6**	**21.4**	**22.8**	**22.1**
PER (x)	5.7	11.1	9.5	6.6	6.3
PBR (x)	1.4	1.5	1.9	3.9	1.4
EV/EBITDA (x)	4.7	6.7	6.5	4.6	4.5

Source: Company data, Bloomberg, Shinhan Securities Vietnam

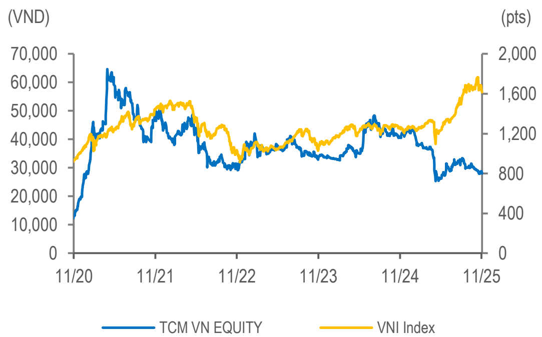
Thanh Cong Textile Garment Investment Trading JSC (HOSE: TCM)

DỆT MAY THÀNH CONG

Target Price (12 Months)	VND 31,800
Current Price (28/11/25)	VND 28,200
Return (%)	13%
VNINDEX	1,691
HNXINDEX	260
Market Cap (bn VND)	3,159
Outstanding shares (mn)	112
Free-Floating (mn)	48
52-Wk High/Low (VND)	45,045/24,545
90-day avg. trading volume (mn)	1.72
90-day avg. turnover (bn VND)	43
VNINDEX	0.8

Major shareholders (%)	E-Land Asia Holdings Pte.,Ltd Singapore	47.0
	Nguyen Van Nghia	10.0

Performance	3M	6M	12M
Absolute (%)	-6.2	-10.3	-34.1
Relative to VN-Index (%)	-6.8	-36.4	-70.2



Leveraging the CPTPP and domestic markets

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: In 2026, we believe that TCM will focus on market diversification strategy, expanding exports to Canada and exploiting the potential of the domestic market.

- Regarding the Canadian market, this is a niche market with large product consumption, the demand for garment consumption continues to increase as people's income improves and enjoys tax exemption incentives while other competitors are subject to higher tax rates (China - 18%, Bangladesh - 16%).
- Regarding the domestic market, we believe that with its position as one of the few Vietnamese enterprises that can produce standard fabrics, TCM's fabric segment will benefit from the increasing trend of increasing the localization rate in Vietnam. At the same time, the SY Vina factory, which is not yet operating at full capacity, will open up room for capacity increase in the coming time, helping TCM meet large orders when fabric demand improves.

TC Tower real estate project is expected to bring in VND 2,800 billion in revenue and VND 1,100 billion in profit for TCM in case of favorable market conditions and on-schedule implementation.

2026 outlook: In 9M2025, TCM recorded net revenue of VND 2,786 billion (-3% YoY), profit after tax of VND 218 billion (-0.4% YoY), completing 62% and 78% of the year's target, respectively. Revenue decreased due to high inventory levels in key markets and customers' cautious mentality, prioritizing small orders. Profits were affected by reduced orders and factories not running at full capacity, causing product costs to increase.

We forecast TCM's net revenue and net profit in 2026 to reach VND 4,364 billion (+9% YoY) and VND 346 billion (+13% YoY), respectively, thanks to (1) Expanding export markets to CPTPP and RCEP countries; (2) Improved domestic fabric demand; (3) Closed production chain brings outstanding competitive advantages.

Risks: (1) Risk of declining demand; (2) Risk of poor business performance of major customer Eland; (3) Risk of rising exchange rates.

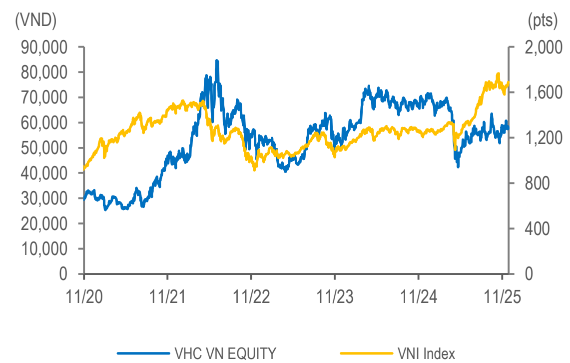
Year to Dec.	2022	2023	2024	2025F	2026F
Net revenue (bn VND)	**4,337**	**3,325**	**3,810**	3,993	4,364
OP (bn VND)	346	185	339	352	406
NP (bn VND)	**281**	**134**	**278**	306	346
EPS (VND)	2,898	1,211	2,708	2,713	3,068
BPS (VND)	24,002	21,576	22,177	23,988	25,346
OPM (%)	8.0	5.6	8.9	9	9
NPM (%)	6.5	4.0	7.3	8	8
ROE (%)	**12.9**	**5.6**	**12.2**	11.3	11.0
PER (x)	14.7	25.9	16.9	11.7	10.4
PBR (x)	2.2	1.9	2.2	1.3	1.3
EV/EBITDA (x)	9.6	11.3	10.3	6.3	5.8

Source: Company data, Bloomberg, Shinhan Securities Vietnam

Target Price (12 Months)	**67,400 VND**
Current Price (28/11/2025)	57,600 VND
Return (%)	17%
VNINDEX	1,691
HNXINDEX	260
Market Cap (bn VND)	12,929
Outstanding shares (mn)	224
Free-Floating (mn)	124
52-Wk High/Low (VND)	75,300/43,750
90-day avg. trading volume (mn)	1.67
90-day avg. turnover (bn VND)	86

Major Shareholders (%)		
	Truong Thi Le Khanh	42.3
	Mitsubishi Corporation	6.42

Performance	3M	6M	12M
Absolute (%)	0.2	1.2	-19.4
Relative to VN-Index (%)	-0.4	-24.8	-55.6



Maintaining strong performance

Vinh Hoan JSC (HOSE: VHC) is the leading Vietnamese pangasius exporter, accounting for approximately 14% of the country's total pangasius export value. VHC operates a fully integrated value chain, with large-scale production and compliance with multiple international standards.

Investment Thesis

- Cost advantage and stable supply will remain key drivers in 2026, amid a severe global white fish supply shortage and rising fish prices due to reciprocal tariffs.
- Market diversification strategy has proven effective in 9M/2025 and is expected to further strengthen expansion momentum in 2026. EU and CPTPP markets are projected to grow strongly, benefiting from 0% preferential tariffs under FTAs, rising demand for affordable seafood, and VHC's quality leadership.
- Diversified revenue structure supports sustainable growth and reduces dependence on pangasius, with by-products and Sa Giang segments expected to achieve double-digit growth in 2026.

2026 Outlook

- In 9M/2025, VHC recorded revenue of VND 9.3 trillion (-0.2% YoY) and net profit after tax (NPAT) up 39% YoY, completing 87% of the high-case profit plan (VND 1,300 billion). The slight revenue decline was mainly due to pangasius: (1) sharp drop in the Chinese market due to domestic competition, and (2) a high base in 2024. NPAT surged thanks to the reversal of financial investment provisions, while core profit increased 22% due to lower input costs.
- We expect VHC's profit margins to expand by end-2025 due to: (1) higher export fish prices (+10-15%) entering peak consumption season and rising juvenile fish prices due to storms, and (2) stable input costs thanks to self-sufficient supply.
- In 2026, pangasius is expected to maintain stable growth in key markets:
  - U.S. market: Pangasius will continue leveraging competitive pricing and stable supply, as (1) tilapia faces high tariffs (47% for China, 50% for Brazil), creating substitution opportunities, and (2) Norwegian cod prices hit a record USD 9.2/kg (+23% YoY) and are expected to rise further in 2026 due to continued quota reductions.
  - EU and CPTPP markets: Core markets are expected to see strong growth, benefiting from FTA incentives, demand for affordable seafood, and VHC's quality leadership.
- By-products and Sa Giang are expected to achieve double-digit growth (+15-20% YoY), contributing about 20% of revenue and reducing reliance on pangasius fillet performance.

Risks: (1) Trade barriers; (2) Competition from India and Bangladesh; (3) Climate change and disease; (4) Rising logistics costs

Year	2022	2023	2024	2025F	2026F
Net revenue (bn VND)	13,231	10,033	12,535	12,445	12,707
OP (bn VND)	2,254	969	1,253	1,403	1,521
NP (bn VND)	2,013	974	1,311	1,425	1,523
EPS (VND)	10,771	4,914	5,496	5,977	6,387
OPM (%)	17.0	9.7	10	11.3	12
NPM (%)	15.2	9.7	10.5	11.5	12.
ROE (%)	29.6	11.3	14.6	13.6	12.6
P/E (x)	6.5	15.3	13.6	12.5	11.7
P/B (x)	1.7	1.7	1.9	1.7	1.4

Shinhan Securities

NAVICO
NAM VIET CORPORATION

Target Price (12 Months)	35,700 VND
Current Price (28/11/2025)	29,250 VND
Return (%)	22%
VNINDEX	1,691
HNXINDEX	260
Market Cap (bn VND)	7,788
Outstanding shares (mn)	266
Free-Floating (mn)	90
52-Wk High/Low (VND)	34,500/12,400
90-day avg. trading volume (mn)	4.00
90-day avg. turnover (bn VND)	91
Major Shareholders (%) Doãn Toi	53.95
Major Shareholders (%) Doãn Chi Thanh	13

Performance	3M	6M	12M
Absolute (%)	4.5	85.7	63.4
Relative to VN-Index (%)	3.9	59.7	27.3

Pioneering the new growth trend

Nam Viet JSC (HOSE: ANV) is a leading Vietnamese seafood exporter, with pangasius as its core product. Since expanding into tilapia in 2014, 2025 marked a breakthrough year for this segment, opening new growth potential for the future.

Investment Thesis

- Integrated value chain: ANV is the only company in the sector that controls the entire value chain – from broodstock production and high-tech farming areas to feed production and export processing – allowing maximal cost control and the highest industry profit margins.
- Tilapia market at a tipping point: ANV is a pioneer in Vietnam, with over 10 years of technological investment and value chain development. ANV tilapia boasts superior quality and capacity to supply up to 45% of U.S. import demand.
- Sustained pangasius growth: Leveraging low cost, stable supply, and a market diversification strategy pioneered since 2019. Beyond the U.S., Brazil, Thailand, Russia, and domestic markets show positive growth potential.

2026 Outlook

In 9M/2025, ANV reported VND 4,832 bn in revenue (+36% YoY) and VND 748 bn in net profit (+167% YoY), achieving record growth driven by: (i) Accelerated pangasius exports ahead of reciprocal tariffs; (ii) Capturing tilapia supply opportunities due to high Chinese tariffs; (iii) Strong revenue growth in Brazil via bilateral trade agreements; và (iv) Significant feed cost savings from falling soybean meal prices, expanding gross margins.

Looking ahead to 2026, ANV is expected to maintain strong growth, driven by three key factors:

(1) Superior competitive advantage as a pioneer in tilapia: ANV is the only Vietnamese company that has fully developed the tilapia value chain and can supply up to 45% of the U.S.'s average tilapia import demand – currently seeking alternatives to China. Tilapia is expected to contribute 25-30% of 2026 revenue and serve as a powerful new growth driver.

(2) Severe global whitefish supply shortage: Barents cod quotas may face an additional 21% reduction in 2026 (following a 25% cut in 2025), while Russian and Chinese seafood sanctions increase U.S. and global demand for pangasius and tilapia.

(3) Continued reduction in input costs: Thanks to abundant soybean meal supplies from the U.S. and South America and full self-sufficiency in feed production, feed costs are expected to decline 5-10% in 2026, supporting continued expansion of profit margins.

Risks: (1) Trade barriers; (2) Raw material price volatility; (3) Quality regulations; (4) Rising logistics costs.

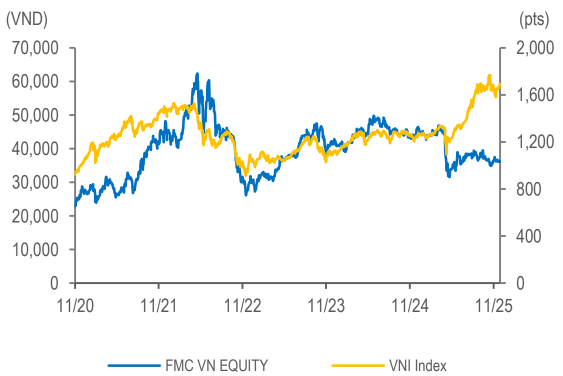
Year	2022	2023	2024	2025F	2026F
Net revenue (bn VND)	4,897	4,439	4,911	6,350	6,906
OP (bn VND)	863	183	194	1,130	1,205
NP (bn VND)	674	39	48	936	1,039
EPS (VND)	5,300	293	179	3,511	3,897
OPM (%)	17.6	4.1	4.0	17.8	17.4
NPM (%)	13.8	0.9	1.0	14.7	15.0
ROE (%)	23.4	1.4	1.7	25.1	21.8
P/E (x)	6.1	110.4	180.7	9.2	8.3
P/B (x)	1,4	1.5	3.1	2.3	1.8

FIMEX VN

Target Price (12 Months)	40,100 VND
Current Price (28/11/2025)	38,200 VND
Return (%)	11%
VNINDEX	1,691
HNXINDEX	260
Market Cap (bn VND)	2,367
Outstanding shares (mn)	65
Free-Floating (mn)	15
52-Wk High/Low (VND)	50,200/32,400
90-day avg. trading volume (mn)	0.09
90-day avg. turnover (bn VND)	2

Major Shareholders (%)	PAN Group JSC	37.75
	C.P. Vietnam Livestock JSC	24.9

Performance	3T	6T	12M
Absolute (%)	-2.6	-4.7	-22.6
Relative to VN-Index (%)	-3.2	-30.8	-58.8



Breaking through the barrier of tariffs

Sao Ta Foods JSC (HOSE: FMC) is among Vietnam's leading shrimp exporters, consistently ranking in the top five. FMC currently self-supplies 30% of its shrimp raw materials and operates 505 ha of farming areas.

Investment Thesis

- FMC's advanced processing capabilities help maintain business efficiency and increase the global value of exported shrimp, sustaining market share in Japan (which demands meticulous processing) and the U.S. (amid pressure from Ecuadorian, Indian, and Indonesian raw shrimp).

- "Green production" and technology adoption in shrimp farming. FMC's 200-ha farming area is ASC-certified (Aquaculture Stewardship Council), facilitating access to Western European markets. In addition, the application of technology improves survival rates and reduces production costs, thereby enhancing competitiveness against shrimp from Ecuador and India.

- Market diversification: Leveraging certified farming areas, FMC continues to expand into new markets such as Canada and Australia.

2026 Outlook

- In 9M/2025, FMC recorded revenue of VND 6,856 billion (+23% YoY) and pre-tax profit of VND 251 billion (+6.8% YoY). The modest pre-tax profit growth relative to revenue was due to a near doubling of selling expenses to over VND 511 billion, including a new 193-billion-VND countervailing tariff expense. Finished shrimp production reached 19,554 tons (+18% YoY), with estimated selling prices up (+10% YoY), driven mainly by stable demand from the U.S., Japan, and growing regional orders.

- We note that the preliminary anti-dumping (AD) rate from the 19th review is 35.29%. If this rate remains, FMC will not recover the VND 42 billion tax and may have to pay an additional VND 300 billion, negatively affecting profits.

- In 2026, the shrimp sector is expected to stabilize, heavily dependent on the outcome of the upcoming AD review. A high AD rate could result in retroactive AD payments for 2023 shipments and, for exports to the U.S. after 9/12/2025, a required cash deposit equivalent to the AD rate.

Risks: (1) Competitive pressure, (2) Disease and unfavorable farming conditions, (3) Raw material supply risks, (4) Rising logistics costs.

Year to Dec	2022	2023	2024	2025F	2026F
Net revenue (bn VND)	5,702	5,087	6,913	7,982	7,458
OP (bn VND)	307	292	363	233	229
NP (bn VND)	321	302	423	317	361
EPS (VND)	4,605	4,221	4,675	3,511	3,989
OPM (%)	5.4	5.7	5.3	2.9	3.1
NPM (%)	5.6	5.9	6.1	4.0	4.8
ROE (%)	15.7	13.9	17.1	11.1	10.8
P/E (x)	7.0	7.6	8.8	12.6	11.1
P/B (x)	1.0	0.9	1.2	1.2	1.0

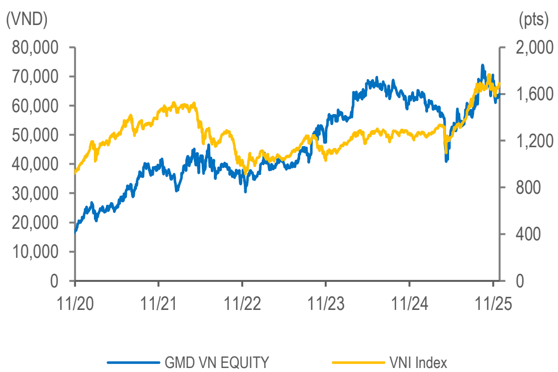
Gemadept JSC (HOSE: GMD)

GEMADEPT CORPORATION

Target price (12 months)	**79,100 VND**
Current price (28/11/25)	64,000 VND
Return (%)	24%

VN-INDEX		1,691
HNX-INDEX		260
Market Cap (bn VND)		27,296
Outstanding shares (mn)		426
Free-Floating (mn)		391
52-Wk High/Low (VND)		74,500/42,200
90-day avg. trading volume (mn)		2.93
90-day avg. turnover (bn VND)		171
Shareholders (%)	VII FUND II,L.P	13.81
	SSJ Consulting VN	7.17

Performance	3M	6M	12M
Absolute (%)	-7.1	5.1	-1.1
Relative to VNIndex(%)	-7.7	-20.9	-37.2



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

- Core profit is expected to continue growing, thanks to port service prices which are anticipated to maintain an upward momentum of 5-8% per year, along with increasing throughput/volume. Furthermore, Gemalink is continuously signing cooperation agreements with shipping lines, adding many new vessel routes, and diversifying its markets to regions such as Europe, Africa, Canada, and others.
- The Phase 3 project of Nam Dinh Vu Port will officially commence operations from Q4 2025, and Gemalink 2A is expected to add capacity starting from 2027, thereby increasing the capacity by 10% and 24% respectively compared to the current level. Phase 3 also includes a dedicated area for oversized/overweight (OOG) cargo, creating a significant competitive advantage for GMD in the Hai Phong area. Furthermore, Nam Dinh Vu Port is located within the master plan for the Hai Phong Free Trade Zone (FTZ), opening up substantial potential in the coming time.
- Accelerate key port projects in preparation for the upcoming growth phase.The leadership announced that for the next five-year plan, GMD will maintain a minimum compound profit growth rate consistent with the 2021-2025 period, with deep-water port projects being the key focus for the future.The company plans to invest in key national projects such as the Cai Mep Ha deep-water port, Nam Do Son, and Lien Chieu, and will calculate the efficiency level for each specific project.

Outlook for 2026

- In the 9M/2025, core pre-tax profit grew by 30% year-over-year (YoY), with estimated output/throughput rising 32% YoY amid robust import-export activities. Business results for Q4 are expected to reach a favorable level, driven by the peak consumption season during the Christmas and Tet holidays.
- In 2026, GMD's business results are expected to grow thanks to: (1) new international service routes at Gemalink and the expansion of intra-Asia routes, (2) exploiting at least 50% of the capacity of Nam Dinh Vu Port Phase 3, and (3) the completion of the divestment from the rubber segment.

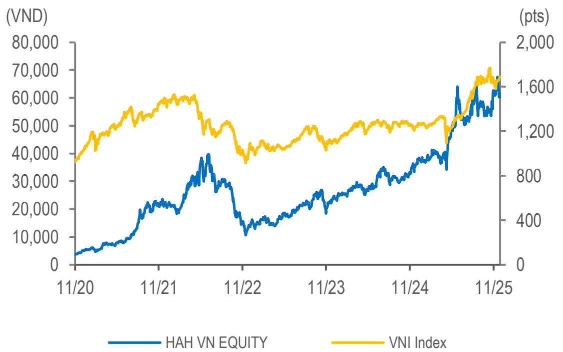
Downside risk: (1) Global economic situation risk and (2) Slow down in demand

Year to Dec	2022	2023	2024	2025F	2026F
Core revenue (VND bn)	3,916	3,846	4,832	5,054	5,987
OP (VND bn)	1,104	1,116	1,345	1,357	1,559
Core NP (VND bn)	1,157	1,061	1,594	1,896	2,218
EPS (VND)	3,054	2,366	3,483	4,715	5,450
OPM	28.2	29.0	27.8	26.8	26.0
NPM	25.4	27.6	33.0	37.5	37.1
ROE (%)	15.0	10.1	10.7	13.3	13.9
P/E (x)	20.6	26.6	22.7	14.4	12.5
P/B (x)	2.6	2.2	2.6	1.7	1.5

Target price (12 months)	71,400 VND
Current price (28/11/25)	60,900 VND
Return (%)	17%

VN-INDEX		1,691
HNX-INDEX		260
Market Cap (bn VND)		10,284
Outstanding shares (mn)		169
Free-Floating (mn)		127
52-Wk High/Low (VND)		69,231/34,654
90-day avg. trading volume (mn)		3.31
90-day avg. turnover (bn VND)		140
Shareholders (%)	Hai Ha Investment and Transport JSC	15.7
	Vietnam Container Shipping	12.6

Performance	3M	6M	12M
Absolute (%)	6.3	-1.7	66.1
Relative to VNIndex(%)	5.7	-27.7	30.0



Investing for the future

Hai An Transport and Handling Joint Stock Company (HAH) is one of leading shipping enterprises in Vietnam. Hai An is one of the few companies with a complete value chain in the shipping industthery. 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 helps to increase capacity. In October 2025, HAH received an additional new vessel with a capacity of 1,100 TEU, bringing its fleet up to 18 ships with a total capacity of 29,300 TEU (a 4% increase in capacity compared to the present).
- VSC cooperates with HAH to establish the joint venture Hai An Green Shipping Line, in which HAH contributes 40% of the capital to invest in the construction of new large-capacity transport vessels, starting with two 7,000 TEU container ships, equivalent to approximately 4,700 billion VND. The planned delivery dates for the ships are June 30, 2028, and September 30, 2028. This is considered a strategic step to expand the fleet, focusing on large-tonnage vessels, to serve long-haul routes such as Europe, America,…
- The time charter market is forecast to remain strong despite a drop in spot freight rates in 2026. This trend, according to projections from leading maritime consultancy Drewry, is expected to continue throughout the next year, but a correction will follow thereafter. Drewry forecasts that time charter rates will see year-on-year increase, while spot freight rates are expected to decline by approximately 16%

Outlook for 2026

- In 9M2025, driven by buoyant commercial demand, HAH achieved VND 3,791 billion in revenue (+36.3% YoY), and its profit after tax reached VND 1,040 billion (+130% YoY).
- We maintain a positive outlook for HAH's business performance in Q4 2025 and the full year 2026, driven by the following factors: (1) Time charter contracts signed at favorable rates in 2024, coupled with the addition of two new vessels in 2025. (2) The forecast that time charter rates will remain at a good/favorable level. (3) The cooperation with VSC, which enables HAH to access and efficiently leverage VSC's substantial port infrastructure, thereby increasing throughput.

Downside risks: (1) Global economic situation risk, (2) Slow down in demand and (3) Rising fuel costs.

Year to Dec	2022	2023	2024	2025F	2026F
Revenue (VND bn)	3,206	2,613	3,844	4,847	5,146
OP (VND bn)	1,308	447	807	1,583	1,588
NP (VND bn)	1,041	358	637	1,269	1,273
EPS (VND)	11,699	3,648	4,727	6,683	6,702
OPM	40.8	17.1	21.0	32.7	30.9
NPM	32.5	13.7	16.6	26.2	24.7
ROE (%)	36.1	11.2	15.8	24.4	19.2
P/E (x)	4.2	13.6	11.7	10.7	10.6
P/B (x)	1.5	2.0	2.1	2.8	2.1

Shinhan Securities

Technology Sector

Overcoming obstacles

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Technology Sector - Overcoming obstacles

1. Update on global IT trends

In 2025, data centers and IT hardware are expected to recover more strongly than software and services. Gartner forecasts global IT spending growth of 10% in 2025 and 9.8% in 2026.

2. IT Industry in Vietnam

Vietnam's ICT industry revenue in 2025 is estimated at USD 160 billion (+11.4% YoY). Growth is expected to remain solid as the Government positions IT as a core national economic pillar.

According to Mordor Intelligence and IMARC, Vietnam's ICT market is projected to grow 10–14% annually during 2025–2030..

3. Preferred Stocks

FPT

Global IT spending trends are forecast to grow well for the period 2026-2027

Global IT Spending 2025-2026 (USD Million)

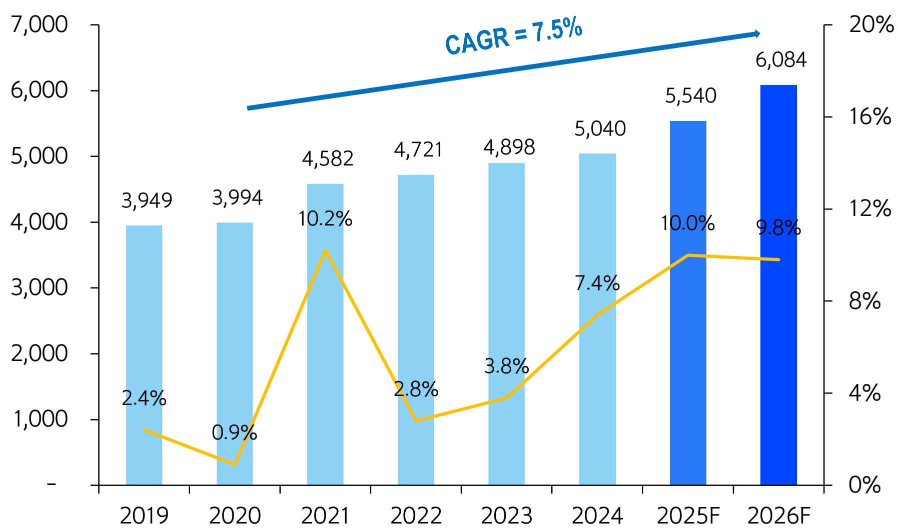
	2024 Expenditure	2024 Growth (%)	2025F Expenditure	2025F Growth (%)	2026F Expenditure	2026F Growth (%)
Data Center	333,372	40.3	489,451	46.8	582,446	19
IT Equipment	720,681	4.6	783,157	8.4	836,275	6.8
Software	1,114,604	11.9	1,244,308	11.9	1,433,037	15.2
IT Services	1,614 756	4.8	1,719,340	6.5	1,869,269	8.7
Telecommunications Services	1,256,287	2.2	1,304,165	3.8	1,363,058	4.5
Total Expenditure	**5,039,699**	**7.4**	**5,540,421**	**10**	**6,084,085**	**9.8**

Source: Gartner (October 2025), Shinhan Securities Vietnam

- Gartner previously lowered its IT spending growth forecast for mid 2025 due to concerns over tariff impacts. However, demand improved in Q3, and Gartner now expects stronger IT spending toward the end of the year. Global IT spending is projected to grow 10% in 2025 and 9.8% in 2026.
- In 2025, data centers and IT hardware are expected to recover more strongly than software and services. AI-enabled devices and robust smartphone demand are set to drive global hardware spending to USD 783 billion in 2025, while investment in AI infrastructure continues to rise despite constrained server supply.
- **Technology services are forecast to grow 8.7% in 2026 (accelerating from 6.5% in 2025) -** FPT's core business segment.

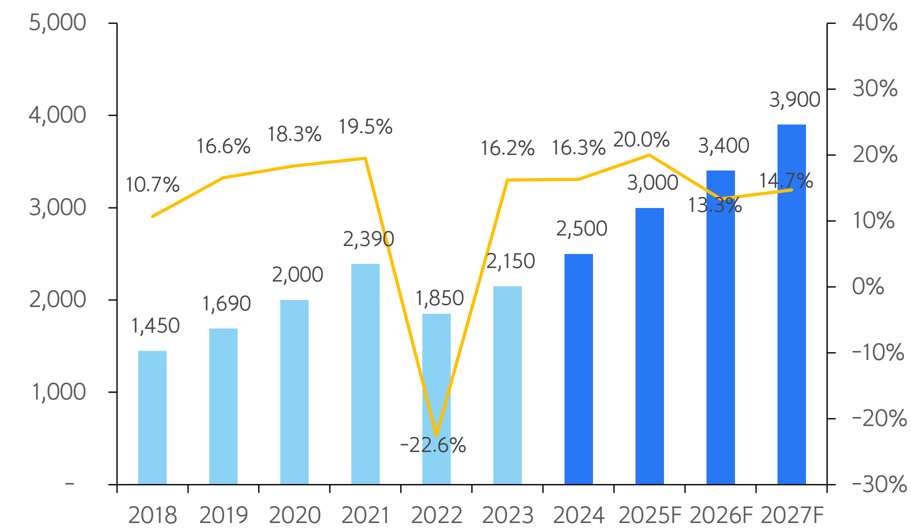
Digital transformation continues to play a pivotal role with GenAI as a key growth driver

Global IT spending (trillions of USD)



Source: Gartner (October 2025), Shinhan Securities Vietnam

Global spending on DX activities (billion USD)

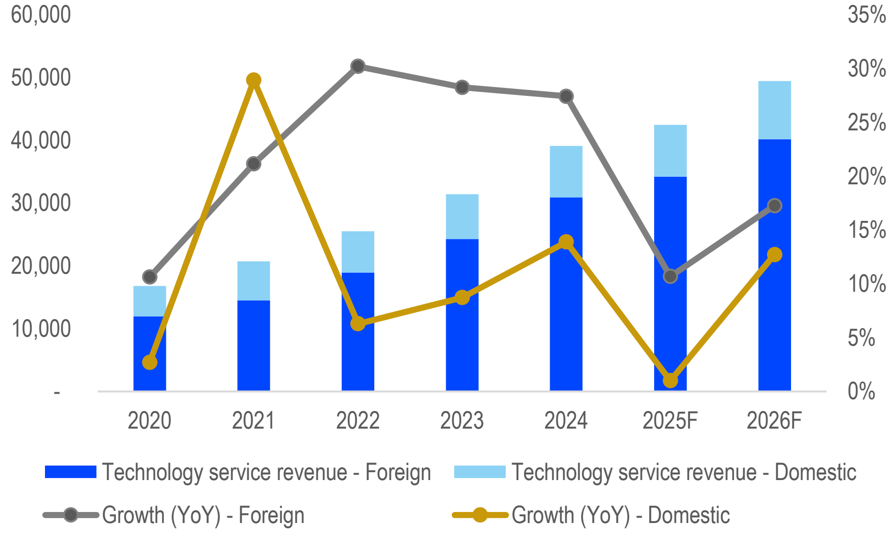


Source: IDC (2024), Shinhan Securities Vietnam

- IT industry spending grew at an average rate of 7.2% per year during 2019-2024. Gartner forecasts IT spending to expand by 9.8% in 2026. The recovery is expected to be led by the software and IT services segments, while data centers will continue to be the main growth driver next year.
- The Digital Transformation (DX) trend remains firmly intact. DX-related investments continue to play a pivotal role, driving advancements across personal devices, connectivity, IoT, cloud computing, and AI. According to IDC, GenAI is currently the strongest growth catalyst, posting a CAGR four times higher than the overall digitalization market. This indicates that despite the emergence of new technologies, DX remains the core strategic direction for enterprises as they reshape operating models and business frameworks. IDC expects global DX spending to reach USD 3.9 trillion by 2027, representing a 16.1% CAGR for 2023-2027. For the EMEA region (Europe, Middle East, and Africa), DX spending is projected to reach USD 1.2 trillion by 2028, with a 15.8% CAGR for 2024-2028.

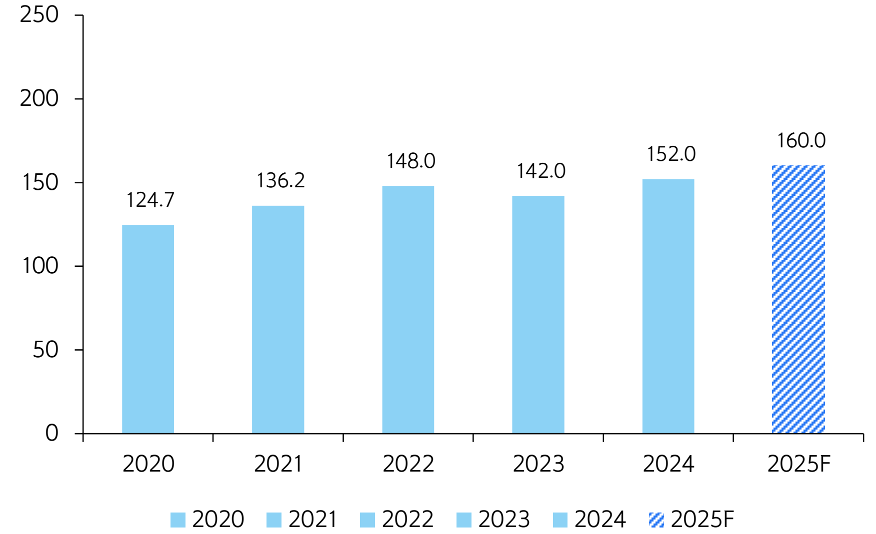
Short-term growth slowdown, long-term trend positive

FPT's IT services revenue (VNDbn)



Source: Shinhan Securities Vietnam synthesis

Vietnam ICT industry revenue (USDbn)



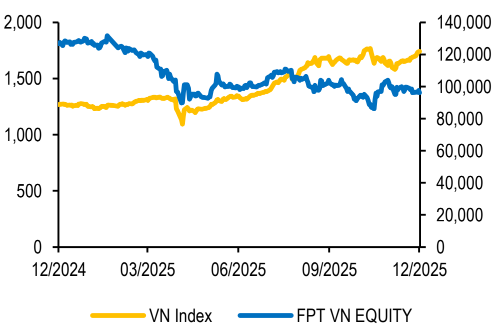
Source: Ministry of Information and Communications, Shinhan Securities Vietnam

- Vietnam's ICT market is projected to grow 10–14% during 2025–2030 period, according to Mordor Intelligence and IMARC.
- The country targets raising localization value to 50% by 2030 (from the current 32%). Vietnam's IT industry aims to move away from being primarily a low-value and low-cost processing hub.
- National goals include nationwide 5G coverage, laying the groundwork for 6G, and expanding investment in data centers and cloud computing.
- In terms of human resources, Vietnam will implement the High-Tech Workforce Training Project for 2025-2035 period, with a long-term vision to 2045. The Government also continues to promote nationwide digital transformation and complete national database infrastructure.
- ICT industry revenue in 2025 is estimated at USD 160 billion (+11.4% YoY). Growth is expected to remain solid as the Government identifies IT as one of the country's key economic pillars.

Target price (12 months)	**VND 117,254**
Current price (11/28/25)	VND 96,100
Upside (%)	22.1%
VNINDEX	1,690
PE market (26F)	13.9
Market cap (VNDbn)	163,877
Outstanding shares (shares mn)	1,704
Free Float (shares mn)	1,524
52-week high/low(VND)	135,652/ 85,043
Average trading volume 90 days (shares mn)	10.15
Average trading value of 90 days (VNDbn)	957
Beta	0.8

Major shareholder(%)	Trương Gia Bình	6.99
	SCIC	5.75

Performance	3T	6T	12T
Absolute (%)	-7.0	-5.3	-25.5
Relative to VN-Index (%)	-11.4	-35.0	-62.9



Positive signs return from newly signed projects

Investment thesis

FPT Corporation (HSX: FPT) is a leading technology company in Vietnam with three main business segments: Technology; Telecommunications; Education. FPT plays a pivotal role in technology and digital transformation consulting for many domestic and international enterprises. With strong technological capabilities, stable financial health, and a regular dividend policy, FPT is not only a leading technology company in Vietnam but also a worthy investment for the long term.

Update 9M2025 business results: Net revenue and profit after tax reached VND 56,404 billion (+19.5% YoY) and VND 10,239 billion (+19.8% YoY), respectively, completing 91.2% and 94.2% of the 2024 target. Specifically:

- **Technology segment**: Revenue reached VND 30,949 billion (+11% YoY), contributing 62% of consolidated revenue. Of which, revenue from foreign markets reached VND 25,574 billion (+12.8% YoY); domestic market recorded VND 5,376 billion (+1.5% YoY).

Overseas: FPT has recorded a good recovery from new contracts signed in Q3/2025 (up 14% YoY, a strong improvement compared to the increase of only 5% in Q2/2025). The Japanese market continues to be the market leading growth for FPT in 2025.

Domestic: FPT recorded positive signals from state agencies in Q3/2025 and expects to benefit from the merger of administrative units. The company plans to close more new contracts and set a double-digit revenue growth target for this domestic segment in 2026.

- **Telecommunications segment**: Revenue recorded VND 14,287 billion (+12% YoY), accounting for 29% of consolidated revenue. FPT expects the telecommunications segment to grow about 10% YoY in 2026, mainly thanks to the broadband Internet segment continuing to expand its market share. HCM02 Data Center in Ho Chi Minh City High-Tech Park has completed phase 1 of operation; phase 2 is planned to be exploited from Q2/2026

- **Education, investment, other**: Revenue reached VND 5,534 billion (+14.1% YoY). New enrollment in 2025 generally remained the same compared to the same period, in which university and vocational training remained almost unchanged, while inter-level general education recorded a slight increase.

2025-2026 Outlook: We forecast FPT revenue growth for 2025 at 9.4% (and recover to 15% for 2026), lower than forecast due to weak demand from the technology services segment.

On the positive side, we see FPT's new contracts re-emerging with large contracts such as the record $250 million contract with an Asian energy group and $100 million with a US company. Therefore, we assume that IT services revenue growth will return to 18% for 2026. The telecommunications segment still shows steady growth thanks to broadband internet services and advertising, we are assuming growth of over 10% for 2025-2026. We assume that 2026 education revenue will be flat.

In the context of the decline in IT services in 2025, the group's profits are still guaranteed thanks to the telecommunications and education segments. We forecast FPT's 2025 PBT at 16%, and maintain 2026 profit growth at 20% (but with more contribution from IT services)

Risks: (1) Risk of slow recovery in demand for IT services; (2) Risk from AI technology that can reduce the average project bidding price, thereby affecting FPT's profit margin; (3) Changes in ownership structure at FPT Telecom and new business strategy

Year	2022	2023	2024	2025F	2026F
Revenue (VND bn)	**44,401**	**52,618**	**62,849**	**68,755**	**79,058**
Operating profit (VNDbn)	7,589	9,112	11,025	13,003	15,600
Net income (VNDbn)	**6,491**	**7,788**	**9,427**	**11,074**	**13,264**
Gross profit margin (%)	39.0	38.6	37.7	37.3	37.7
NPM (%)	14.7	14.8	15.0	16.1	16.8
ROE (%)	**27.8**	**28.2**	**28.7**	**28.1**	**29.2**
Revenue growth (%)	23.4	19.6	19.4	9.4	15.0
Profit growth(%)	21.3	20.0	21.0	17.5	19.8

Source: Company data, Bloomberg, Shinhan Securities Vietnam

Shinhan Securities

Retail

Modernization trend

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Retail – Modernization trend

1. Retail sector Update in 9M2025

In 2025, the Vietnamese retail sector maintained stable growth compared to 2024. The cumulative nine-month revenue from retail sales of goods and services at current prices reached 5,176 trillion VND (+9.5% YoY). Excluding the price factor, the actual growth rate is estimated at approximately 7.2%.

2. Outlook for Vietnam's retail industry in 2026

Retail sector growth is expected to reach 12% YoY for the full year 2026 thanks to:

(1) Positive growth expectations for the economy

(2) The strengthening presence of modern retail along with the development of e-commerce

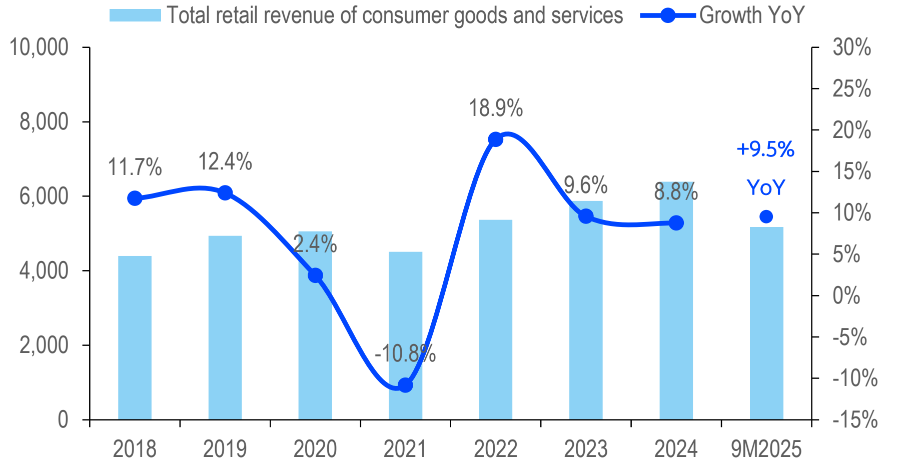
(3) Consumer confidence is bolstered by rising incomes and supportive policies.

3. Retail stock investment opportunity:

MWG and FRT

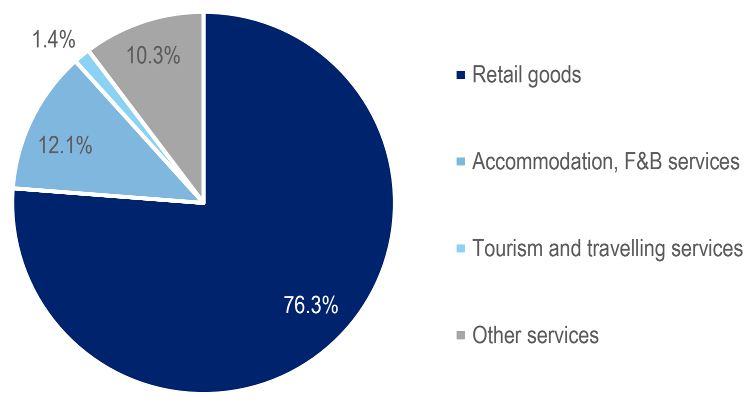
The consumer and retail market is recovering strongly

Sales of retail goods and services in Vietnam (trillion VND)



Source: GSO, Shinhan Securities Vietnam

Sales contribution by retail segments in 9M2025

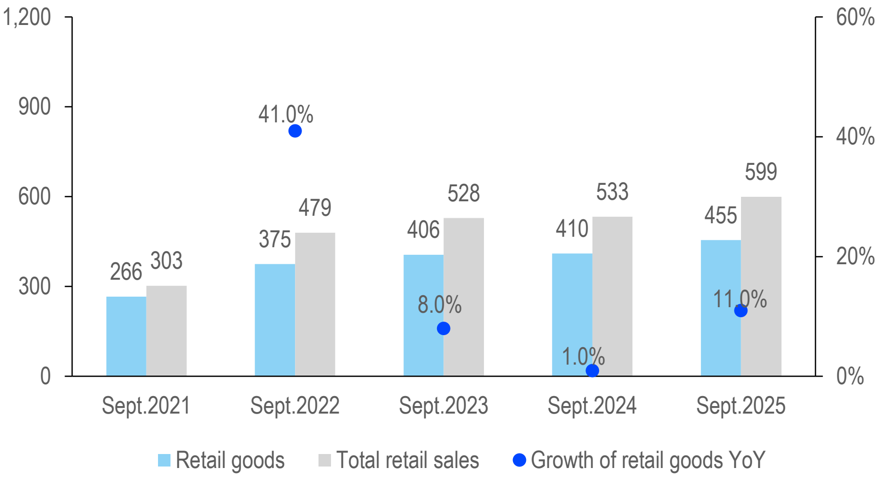


Source: GSO, Shinhan Securities Vietnam

- In the first 9 months of 2025, Vietnam's cumulative revenue from retail sales of goods and services at current prices reached 5,194 trillion VND, an increase of 9.5% compared to the same period, recording consistent growth across all industry groups. Excluding the price factor, the actual increase is estimated at around 7.2%.
- Retail sales of goods: Retail sales of goods reached VND 3,947 trillion, an increase of 8.3% YoY, indicating a recovery in domestic consumption.
- Revenue from accommodation and food services reached VND 624.4 trillion, an increase of 14.8% YoY. This service group is benefiting strongly from signs of international tourism recovery and vibrant domestic consumer demand

The consumer and retail market is recovering strongly

Sales of retail in September every year (trillion VND)



Source: GSO, Shinhan Securities Vietnam

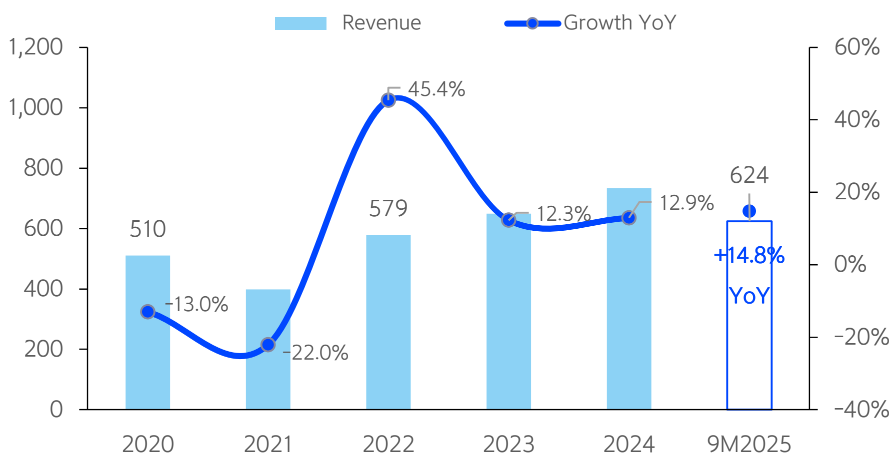
Accumulated 9M sales of retail goods every year (trillion VND)

Source: GSO, Shinhan Securities Vietnam

- Retail sales of goods in September 2025 reached VND 455 tn (+10.4% YoY). Accumulated over the first 9 months of 2025 (9T2025), retail sales of goods were recorded at VND 3,947 tn (+8.3% YoY), contributing 76.3% of the total retail sales of goods and services.
- Despite facing many domestic and global economic fluctuations in 2025, the retail sector still maintained good growth momentum compared to 2024. This stable growth is reinforced by demand-stimulating policies, most notably the extension of the 2% VAT reduction policy until the end of 2026 and its expanded application to sectors such as transportation, logistics, and information technology services.

Breakthrough in revenue from accommodation, food and beverage, and travel

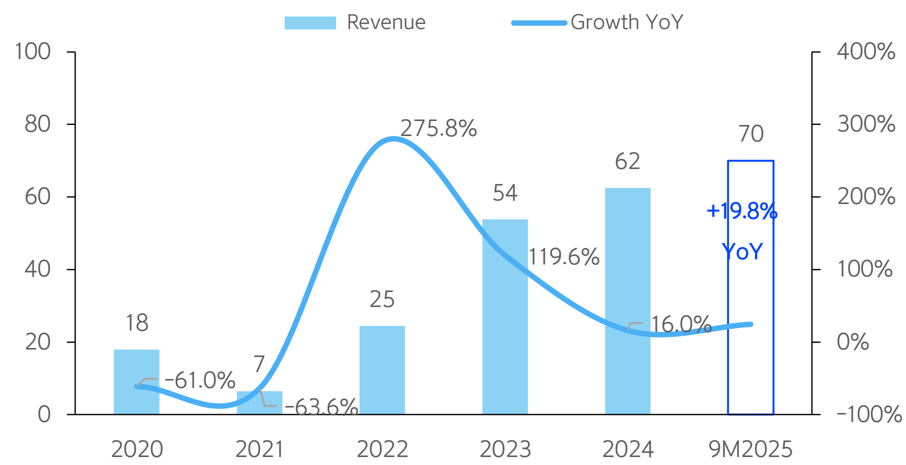
Revenue from accommodation & food services (trillion VND) (*)



(*) includes revenue from accommodation services (hotels, resorts, villas, serviced apartments, homestays, etc.) and food and beverage services (restaurants, eateries, small food stores, etc.)

Source: GSO, Shinhan Securities Vietnam

Revenue from Tourism activities (trillion VND) (**)



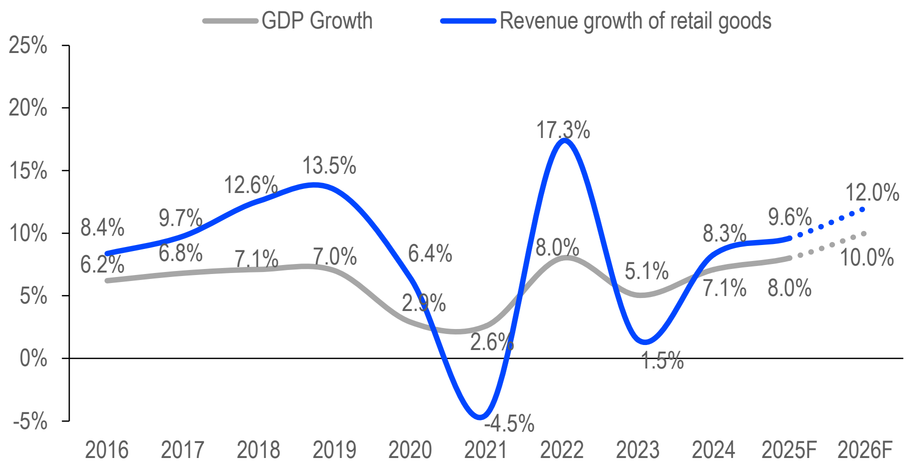
(**) only includes service revenue of travel companies, not including expenses outside of travel services (food, shopping, transportation, other entertainment services, etc.)

Source: GSO, Shinhan Securities Vietnam

- Total revenue from accommodation and catering services in the first 9 months of 2025 reached VND 624 trillion (+14.8% YoY). Travel and tourism revenue recorded VND 70 trillion (+19.8% YoY).
- Thanks to the effective implementation of various demand stimulation programs and the diversification of tourism products to meet consumer tastes, Vietnam's tourism industry has achieved impressive results. Specifically, in the first 9 months of 2025, Vietnam welcomed over 15.4 million international visitors, an increase of 21.5% compared to the same period last year. This growth momentum is expected to be further consolidated in the final months of the year, thanks to the peak tourist season along with a series of events and festivals.

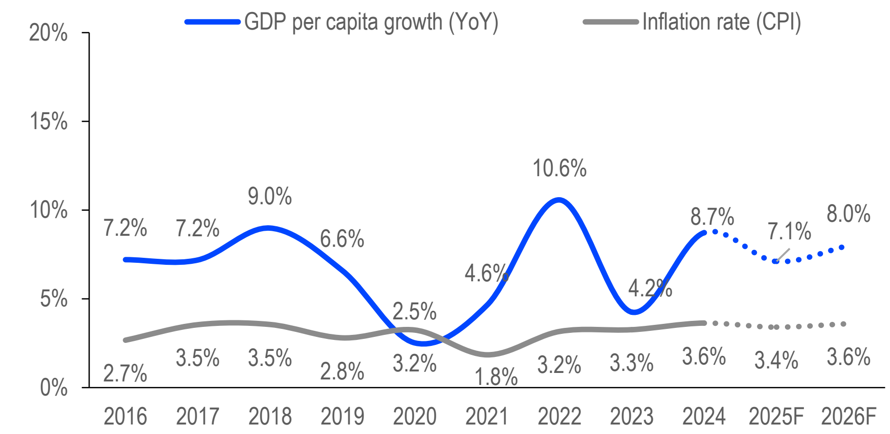
Economic growth leads to increased consumption

Growth of Vietnam GDP and revenue of retail goods



Source: World Bank, GSO, Shinhan Securities Vietnam

Vietnam GDP per capita growth and CPI rate

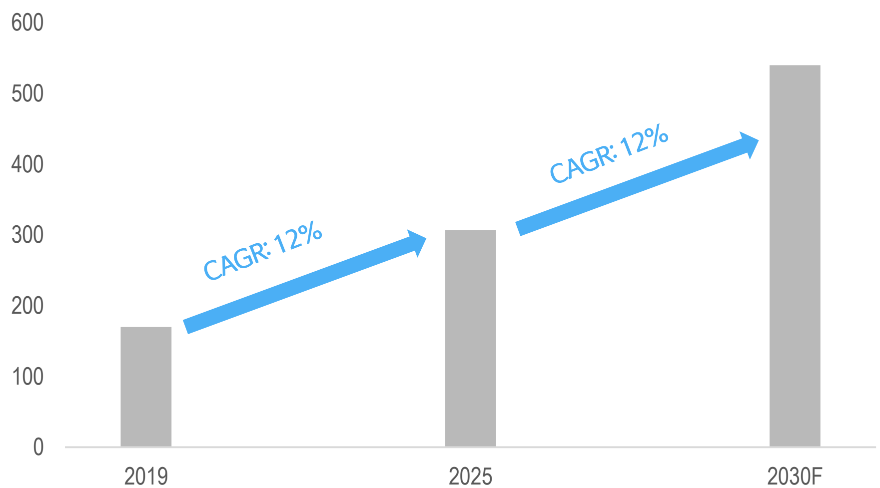


Source: World Bank, IMF, GSO, Shinhan Securities Vietnam

- Vietnam aims for a GDP growth rate of 10% and GDP per capita to reach USD 5,400 – 5,500 by 2026. The rapidly increasing middle class and rising urbanization rate have created a solid foundation for the growth of the retail sector.
- Measures to promote sustainable, long-term growth include: (1) Promote credit growth; (2) Continue to reduce VAT by 2% until the end of 2026; (3) Maintain annual increase in regional minimum wage; (4) Develop infrastructure (completed and put into operation Tan Son Nhat T3 terminal; continue to develop Metro lines in Hanoi and Ho Chi Minh City; accelerate the progress of Long Thanh airport project, to be completed in 2026; approve investment policy for North-South high-speed railway project). These will be catalysts to help the retail industry and Vietnam's economy continue to grow sustainably in the coming years.

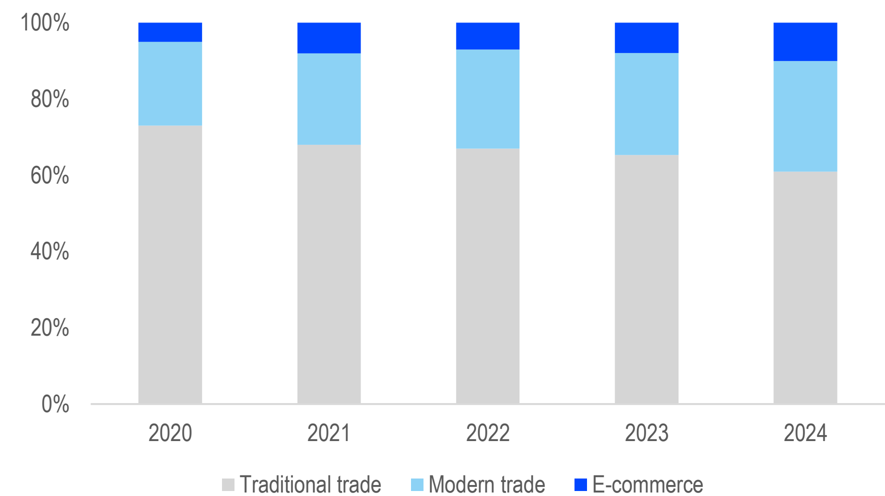
Modern retail enhances its presence

Vietnam's retail market revenue (USD bn)



Source: Modern Intelligence, Shinhan Securities Vietnam

Vietnam's retail market revenue from 2020 to 2024 by type

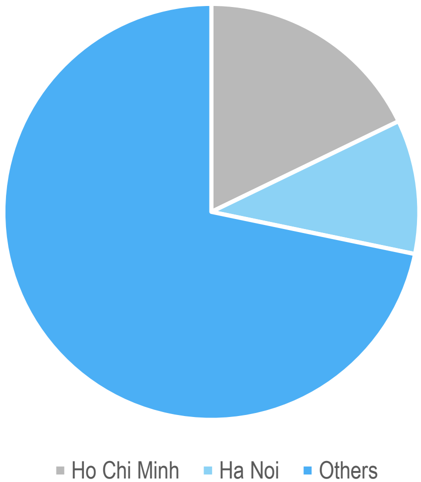


Source: Q&Me, Shinhan Securities Vietnam

- The Vietnamese retail market has experienced strong growth, rising from USD 161 bn (in 2019) to over USD 309 billion (in 2025). It is forecasted to reach USD 540 bn by 2030, with a compound annual growth rate (CAGR) of approximately 12%.
- Over the past half-decade, Vietnam has undergone a significant shift from traditional markets to e-commerce and modern retail. The modern retail channel has grown at a compound annual growth rate (CAGR) of 5% (2020-2024), reaching USD 57 billion, and is expected to grow at a CAGR of 6% (2026-2030). Vietnam still has substantial room for growth as the modern retail penetration rate is only 12%, much lower than the 20-45% seen in neighboring ASEAN countries (same case as Indonesia in 2010).

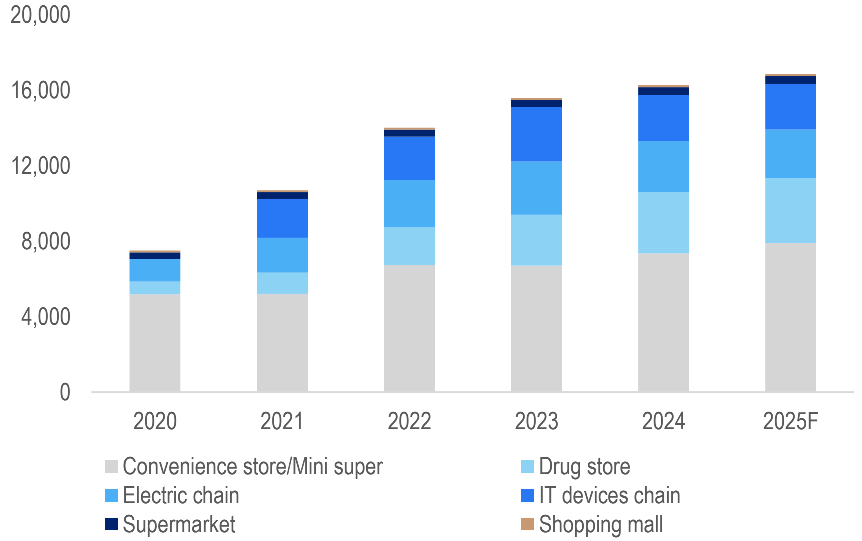
Modern retail enhances its presence

Market share of modern trade stores by region



Source: Q&Me, Shinhan Securities Vietnam

Number of modern trade stores from 2020 to 2025



Source: Q&Me, Shinhan Securities Vietnam

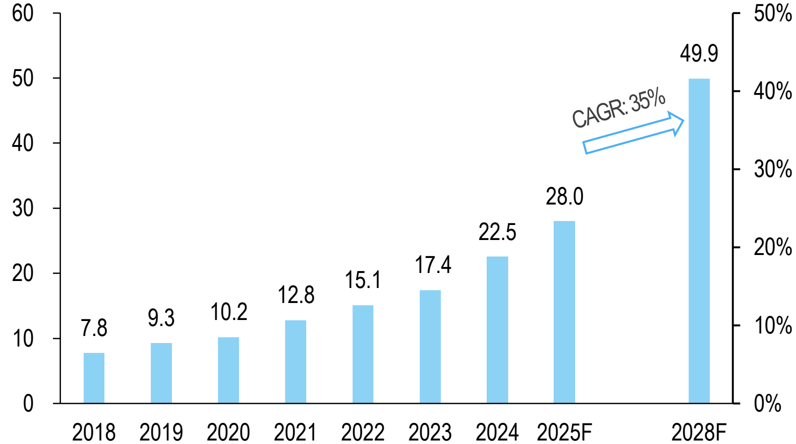
- By 2025, the number of modern commercial stores had doubled compared to 2020, with a high concentration in major cities. This suggests that rural and sub-urban markets remain a large and untapped potential area.
- Convenience stores and minisupermarkets continue to be the main pillar of the retail network, accounting for more than 45% of the total. Meanwhile, the pharmaceutical, electronics, and IT segments witnessed significant structural shifts. Specifically, the number of pharmacies is expected to increase by 15% by the end of 2025 compared to the previous year, mainly due to the expansion of Long Chau. The convenience store/mini-supermarket segment was further strengthened by the growth in the number of Bach Hoa Xanh stores, while electronics chains faced a 15% decrease due to the closure of FPT Shop.

Consumer confidence was bolstered by supportive policies

	The new guidelines	Validity	Impact
Standardization of business household operations			
The mandatory regulation requiring the connection of electronic invoices for enterprises with annual sales revenue exceeding one billion VND	Decree No. 70/2025/NĐ-CP Decree No. 70/2025/ND-CP	01/06/2025	Enhance the effectiveness of tax administration and counter fraud
Addressing counterfeit, imitation, and substandard goods	Decree 98/2020/ND-CP	26/08/2020	Create a level playing field and reduce competitive pressure from goods without clear origins
Standardization of e-commerce operations			
E-commerce platforms are responsible for declaring and submitting taxes on behalf of the sellers doing business on their platforms.	Decree No. 117/2025/ND-CP	01/07/2025	Create equality among business forms: traditional enterprises (which usually fully comply with tax obligations) and individuals/business households operating on digital platforms
Abolish the policy of exempting value added tax (VAT) for imported goods with a value of less than 1 million VND/order when transported via express delivery service	Decision No. 01/2025/QD-TTg	18/02/2025	Increase competitiveness of domestic goods
Gold market			
Eliminate the gold monopoly and license more qualified businesses to participate in production	Decree No. 232/2025/ND-CP	10/10/2025	Narrow the gap between domestic and international gold prices

E-commerce channels are growing in importance for retail

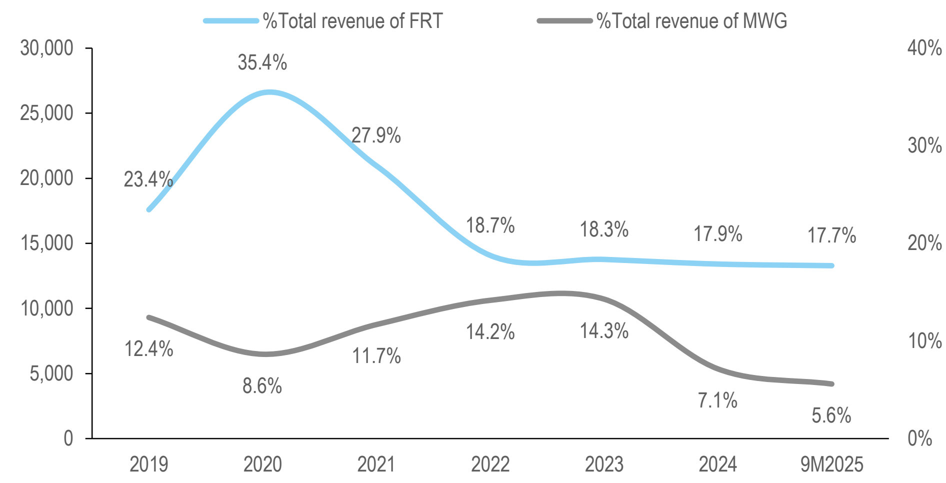
Vietnam e-commerce revenue (USD billion) (*)



(*) The revenue mentioned here only includes retail merchandise revenue (B2C) generated through e-commerce channels (excluding online revenue from activities such as payments, services, banking, credit, insurance, online games, advertising, etc.)

Source: MoIT, Shinhan Securities Vietnam

Online revenue of typical retail firms in Vietnam (billion VND)

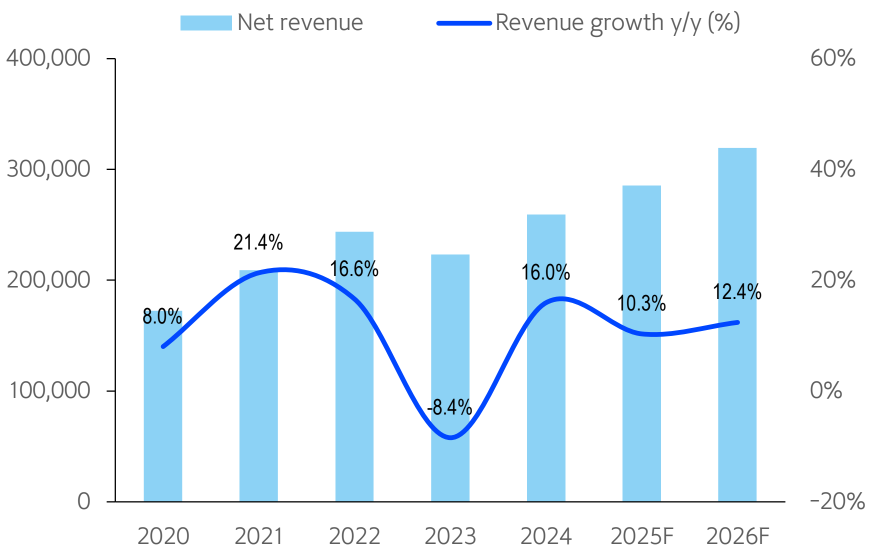


Source: Company data, Shinhan Securities Vietnam

- The 2021-2025 period has witnessed an explosion in e-commerce in Vietnam, with an average growth rate of 20% per year. E-commerce currently contributes about 10% to the country's total retail sales of goods and consumer services. This robust development is reshaping shopping habits, as consumers increasingly speed, convenience, and highly personalized experiences.
- The Vietnamese retail sector is entering a phase of strong omnichannel consolidation between offline (in-store) and online shopping. While e-commerce continues to be a core growth driver, the traditional retail channel still maintains an irreplaceable role.
- Vietnam's retail market development strategy for the 2025-2030 period focuses on building a modern retail market, closely aligned with the trend of e-commerce. The Government has set ambitious targets for e-commerce, including an annual sales growth of 15-20% and the participation of 40-45% of small and medium-sized enterprises (SMEs) on e-commerce platforms by 2030.

Update on the Business Results of Retail Companies

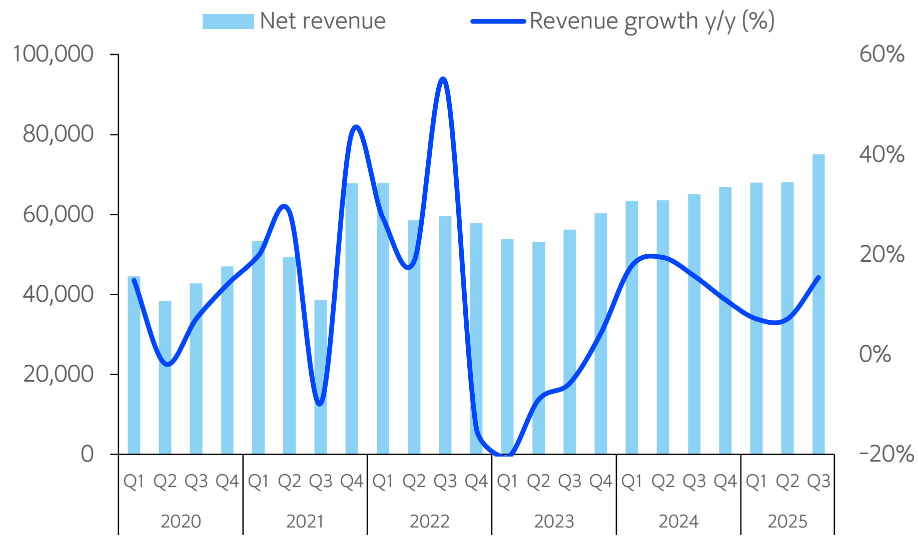
Revenue of typical listed retail firms (*) (VND billion)



Source: FiinPro, Shinhan Securities Vietnam

(*) Including typical retail firms listed on HoSE: MWG, FRT, DGW, PET, PNJ.

Quarterly revenue of typical listed retail firms (*) (VND billion)

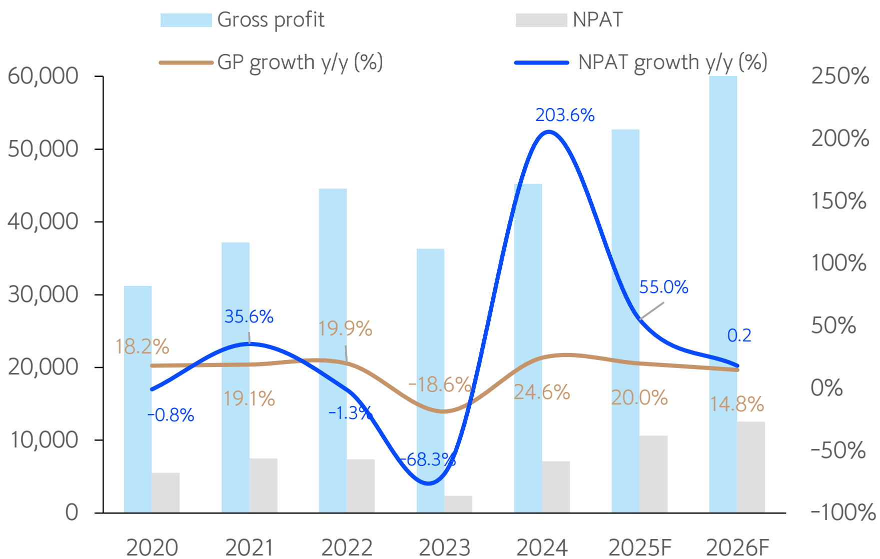


Source: FiinPro, Shinhan Securities Vietnam

- Updating the 9M/2025 business results, the retail business group's revenue still recorded positive growth, increasing by 9.9% YoY.
- Many retail businesses have achieved breakthrough business results, with modern retail chains leading the growth.
  - ❖ ICT-CE segment: the number of FPT Shop, Mobile World, and Dien May Xanh stores decreased slightly.
  - ❖ Pharmaceutical segment: Long Chau is actively opening new stores, while An Khang and Pharmacity are focusing on optimizing their models.
  - ❖ Mini-supermarket and convenience store segment: Bach Hoa Xanh and Winmart are accelerating their store openings, focusing heavily on the central region and rural areas.

Update on the Business Results of Retail Companies

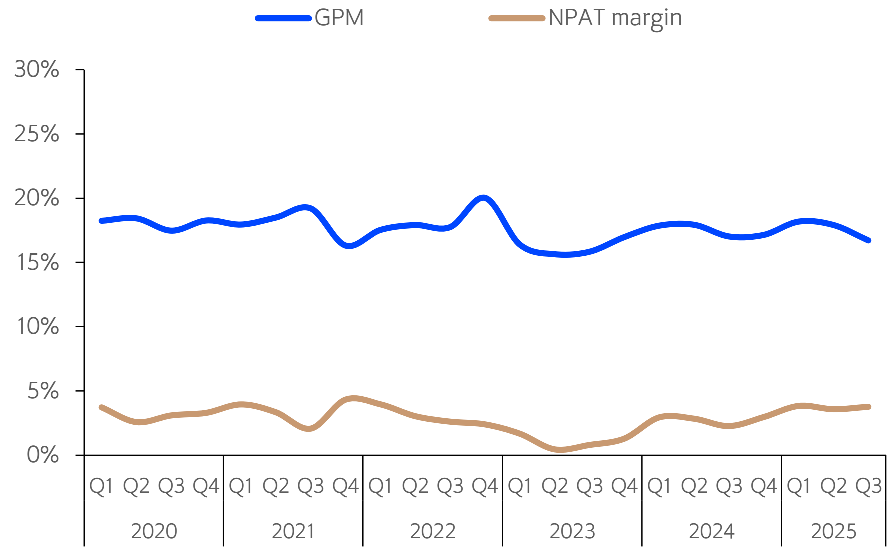
Profit of typical listed retail firms (VND bn)



Source: FiinPro, Shinhan Securities Vietnam

(*) Including typical retail firms listed on HoSE: MWG, FRT, DGW, PET, PNJ.

Profit margins of typical listed retail firms



Source: FiinPro, Shinhan Securities Vietnam

- The retail group's 9M/2025 profit has surpassed the level of full year 2024, thanks to efficient business segment operations. MWG's Bach Hoa Xanh chain recorded positive net profit and plans to expand the chain into the Northern region, starting from 2026. The Long Chau pharmacy and vaccination chain continues to open new stores, with expectations to maintain double-digit growth momentum in revenue and profit over the next 3-5 years.
- ICT chains saw improved revenue per store thanks to good cost control and upgraded shopping experiences.
- The PNJ store chain maintained a stable scale, but the quality of the stores continued to improve, thanks to a strategy focused on optimizing business operation efficiency and network quality, combined with the OMNI channel.

General information				Share price			Key financials			Projected business results				Valuation 26F	
No.	Ticker	Retail industries	Mkt. Cap. (VND bn)	CP (VND)	TP* (VND)	Return (%)	GPM 26F	ROA 26F	ROE 26F	Revenue 2026F	Revenue growth 2026F	NPAT 2026F	NPAT growth 2026F	P/B (x)	P/E (x)
1	MWG	ICT	118,128	79,900	94,500	18.2	22.6	8.5	18.2	174,823	13.0	7,674	19.4	2.9	15.8
2	FRT	ICT, pharmacy	25,034	147,000	163,500	11.2	19.6	5.6	23.7	57,585	18.7	1,175	36.0	3.5	30.5
3	DGW	ICT distribution	9,665	43,700	46,500	6.4	9.5	8.3	18.7	28,773	14.5	708	25.3	2.1	11.9
4	PET	ICT distribution	3,436	32,200	35,000	8.6	4.2	2.1	7.5	22,000	8.2	380	9.5	1.7	9.2
5	PNJ	Jewelry	31,044	91,000	110,000	20.8	21.1	13.3	18.2	39,253	10.5	2,670	11.1	2.9	14.5
Total										**322,434**	**13.4**	**12,603**	**18.3**		

* Target price (fair value) for the next 12 months

Source: Shinhan Securities Vietnam, Bloomberg

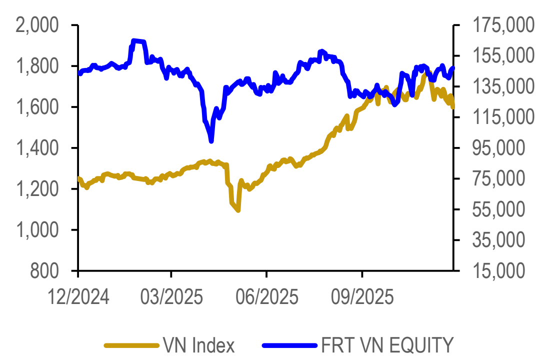
Data as of November 28th, 2025

FPT Retail

Target price (12 months)	**VND 163,500**
Current price (11/28/2025)	VND 147,000
Return (%)	**11.2%**
VNINDEX	1,690
HNXINDEX	259
Market Cap. (bn VND)	25,034
Outstanding Shares (mn)	170
Free Floating Shares (mn)	84
52-WkHigh/ Low (VND)	167,520/96,880
3M Avg. Trading Vol. (mn)	0.59
3M Avg. T/O (bn VND)	78
Beta (12M)	0.9

Major Shareholders (%)	FPT Corporation	46.53
	Group of Dragon Capital Funds	13.80

Performance	3M	6M	12M
Absolute(%)	12.6	9.4	2.9
Relative to VN-Index (%)	12.0	-17.5	-32.3



Long Chau chain and the strategic long-term game

Investment points

FPT Digital Retail JSC (FRT Retail, HSX: FRT) is one of the leading retailers of ICT equipment and products in Vietnam. FRT owns two ICT retail chains, FPT Shop and F. Studio, with a total of 628 stores. Additionally, FRT's Long Chau pharmacy chain has become a familiar brand, leading the market with 2,022 pharmacies nationwide.

Update 3Q/2025: Net Revenue and PBT reached VND 36.17 trillion (+26% YoY) and VND 804 billion (+125% YoY), respectively, completing 75% and 89% of the 2025 target.

ICT chain: ICT segment revenue recorded a slight increase of 6% YoY, reaching VND 11.551 trillion, mainly driven by an 11% yoy growth in Q3/2025. The growth momentum was fueled by the expansion of the electronics, services, and laptop product categories.In Q3, the average revenue per store improved to VND 2.4 billion per month, marking a 14% increase yoy and a 30% increase compared to Q2, thanks to optimized operations and upgraded shopping experience. FRT's growth momentum is expected to be sustained and will continue to accelerate into the year-end peak season.

Long Chau chain: Revenue reached VND 24.804 trillion (maintaining double-digit growth, +38% YoY); average monthly revenue stood at VND 1.2-1.3 billion. Long Châu opened 451 new pharmacies and vaccination centers, surpassing the full-year system expansion plan.

Outlook for 2026: We project FRT's 2026 revenue and NPAT to reach VND 57,585 billion (+18.7% YoY) and VND 1,175 billion (+35.9% YoY), respectively, with the Long Chau chain remaining the key growth driver.

ICT Retail Chain: focus on stabilizing and improving business efficiency.

Long Chau Chain: Long Chau Chain: FRT's key growth driver lies in its strategy to develop and expand the Long Chau healthcare ecosystem. Additionally, FRT benefits significantly from the consumer shift toward reputable chains, amidst tighter management and crackdowns on pharmaceuticals of unknown origin by authorities.

Risk: (1) High leverage exposure; (2) Competitive risk; (3) Weak retail consumption; (4) Risk from impairment of inventory.

FY	2022	2023	2024	2025F	2026F
Revenue (bn VND)	30,166	31,850	40,104	48,506	57,585
OP (bn VND)	474	-297	543	1,085	1,486
NPAT (bn VND)	398	-329	408	864	1,175
EPS (VND)	2,865	-2,537	2,331	3,946	5,365
BPS (VND)	17,115	12,021	14,486	18,301	25,203
OPM (%)	1.6	-0.9	1.4	2.2%	2.6%
NPM (%)	1.3	-1.0	1.0	1.8%	2.0%
ROE (%)	19.4	-19.1	19.3	24.6%	23.7%
PER (x)	20.8	-42.2	79.6	41.4	30.5
PBR (x)	3.5	8.9	12.8	8.9	6.5
EV/EBITDA (x)	12.7	91.7	28.2	10.0	8.3

Source: Company data, Bloomberg, Shinhan Securities Vietnam

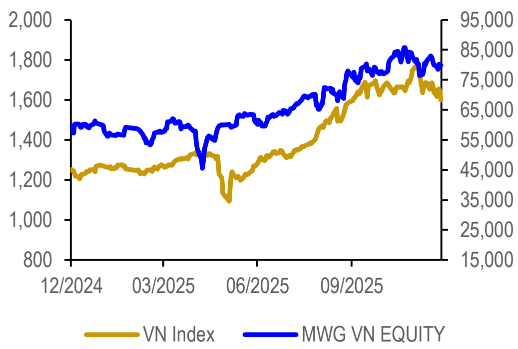
Mobile World Investment Corporation (HSX: MWG)

MWG

Target price (12 months)	**VND 94,500**
Current price (11/28/2025)	VND 79,900
Return (%)	**18.2%**
VNINDEX	1,690
HNXINDEX	259
Market Cap. (bn VND)	118,128
Outstanding Shares (mn)	1,478
Free Floating Shares (mn)	1,223
52-WkHigh/ Low (VND)	87,900/45,750
3M Avg. Trading Vol. (mn)	8.65
3M Avg. T/O (bn VND)	608
Beta (12M)	1.1

Major Shareholders (%)	Retail World Investment Consulting	10.49
	Group of Dragon Capital Funds	7.95

Performance	3M	6M	12M
Absolute(%)	2.4	28.7	32.1
Relative to VN-Index (%)	1.9	1.8	-3.2



Improving the efficiency of the chains

Investment points

Mobile World Investment Corporation (Mobile World, HSX: MWG) is a leading retail enterprise in Vietnam, offering an ecosystem that meets the diverse needs of customers. MWG remains the leading retailer of mobile phones and electronics in Vietnam, holding over 50% of the market share; also to be the largest consumer goods retailer nationwide.

Update 3Q.2025 business results: Revenue and PAT (Profit After Tax) reached VND 113 trillion (+14% YoY) and VND 4,989 billion (+73% YoY), respectively, completing 76% and exceeding the annual plan by 3%, respectively.

- ICT-CE Chains: The Gioi Di Dong and Dien May Xanh chains recorded revenues of 76 trillion VND (+22.2% YoY) and 15.972 trillion VND (+9.8% YoY), respectively. This growth came from optimizing operational efficiency, boosting the online segment, and an integrated services strategy. As of the end of Q3 2025, the ICT-CE chains had 3,031 stores (-130 stores YTD). MWG will continue to optimize existing stores and ramp up the development of the household appliance retail group in 2026
- BHX chain: Revenue reached VND 34 trillion (+14% YoY), with growth driven by both core product groups: fresh food and FMCG (Fast-Moving Consumer Goods). By the end of September, MWG (Mobile World Group) had accelerated the opening of 520 new stores-with more than 50% of these concentrated in the Central region. All new stores have recorded a positive total operating profit at the store level.

Outlook for 2026

ICT-CE chain: continues to improve revenue per store by focusing on a strategy of service quality, offering lifetime product services, and developing the SuperApp – a multi-service platform.

Bach Hoa Xanh chain continues its expansion focusing on several key areas: (1) Strong growth in both online and offline channels, (2) Enhancing the quality of existing stores:, (3) Managing operational costs, reducing the rate of merchandise write-offs/cancellations (or loss/spoilage), and lowering logistics expenses and (4) The consumer trend of increasingly prioritizing safe and traceable food (or food with clear origins) will be the main impetus for traditional markets to give way to the modern retail model.

Risk: (1) Competitive risk; (2) Risk from weak retail consumption; (3) Risk from having many diversified retail chains; (4) Risk from impairment of inventory.

FY	2022	2023	2024	2025F	2026F
Revenue (bn VND)	133,405	118,280	134,341	154,712	174,823
OP (bn VND)	6,575	1,047	5,227	8,424	9,982
NPAT (bn VND)	4,102	168	3,733	6,427	7,674
EPS (VND)	2,810	115	2,546	4,386	5,237
BPS (VND)	16,321	15,944	19,921	23,378	28,626
OPM (%)	4.9	0.9	3.9	5.4	5.7
NPM (%)	3.1	0.1	2.8	4.2	4.4
ROE (%)	18.5	0.7	14.5	18.6	18.2
PER (x)	29.8	729.2	33.1	18.8	15.8
PBR (x)	5.1	5.2	4.4	3.5	2.9
EV/EBITDA (x)	10.6	28.6	20.7	15.5	13.2

Source: Company data, Bloomberg, Shinhan Securities Vietnam

Shinhan Securities

Food and Beverages

Growth momentum from the stimulus wave

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Food and Beverages: Growth momentum from the stimulus wave

1. Update on 9M/2025: Prices increase amid declining consumption output

Consumption output showed declines across most industries in both Urban and Rural areas, Beverages was the sector with the heaviest decline.

2. Outlook for 2026

Sugar sector: Despite good production output, sugar prices decreased amid sluggish consumption and increased inventories.

Beer sector: Beer production output recovered in Q3, Excise tax increases from 2027 according to the roadmap of 5%/year.

Dairy sector: Domestic market showed signs of recovery and expectations of lower milk powder prices support profit growth.

Meat sector: Pork prices fluctuated during the year, demand is forecast to continue to grow, especially for high-quality branded products.

3. Investment opportunities

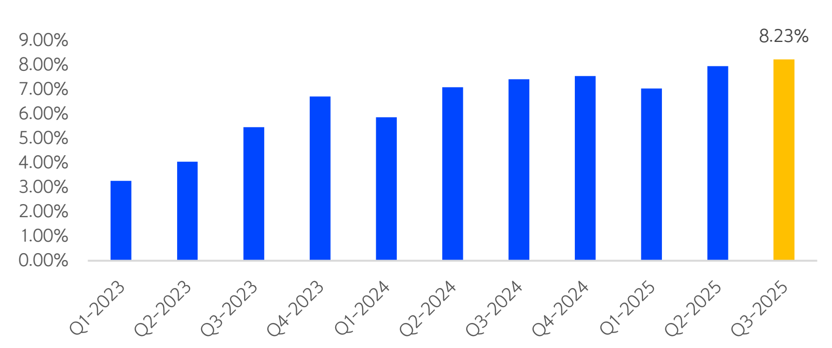
SAB, VNM & MSN

Summary of macroeconomic situation and income

Q3 continued to record impressive GDP growth of 8.23% YoY. The Consumer Price Index (CPI) in October increased by 3.25% YoY, of which the food and foodstuff group increased by 2.09% YoY. For the first 10 months of 2025, CPI increased by 3.27% YoY, while the food and foodstuff group increased by 3.18% YoY.

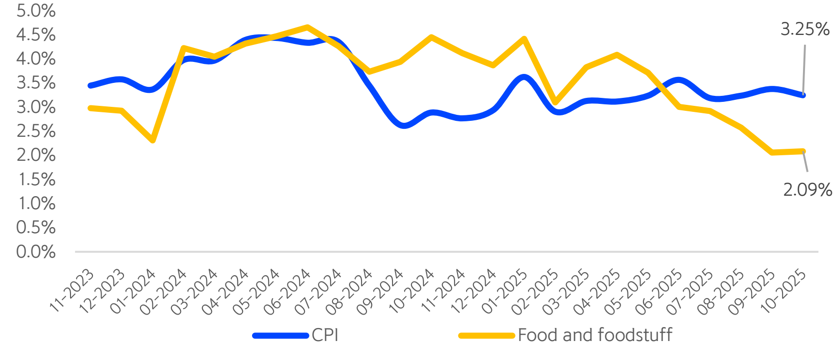
Average labor income per capita in Q3 increased slightly compared to the previous quarter, at VND 8.4 million/person, unemployment rate was at 2.22%. Overall, average income in Q3 increased by VND 124,000 compared to the previous quarter and increased by VND 748,000 YoY.

Quarterly GDP growth (YoY)



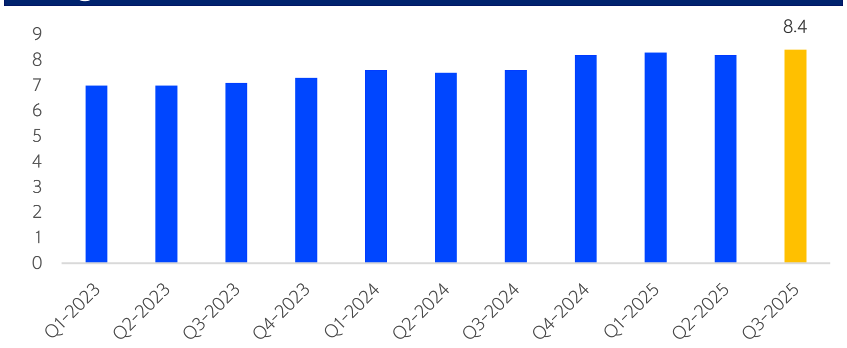
Source: GSO, Shinhan Securities Vietnam

Monthly CPI growth (YoY)



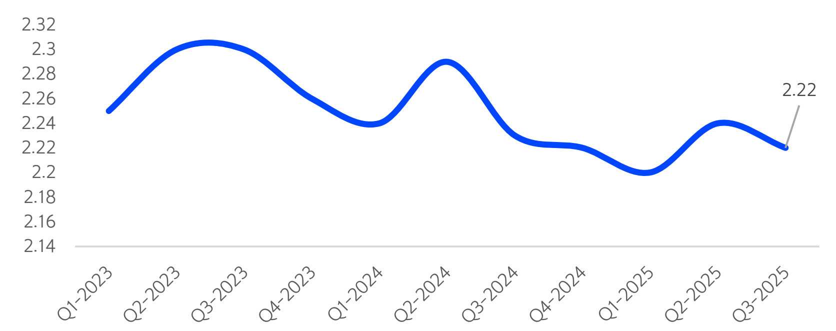
Source: GSO, Shinhan Securities Vietnam

Average labor income per capita nationwide (million VND)



Source: GSO, Shinhan Securities Vietnam

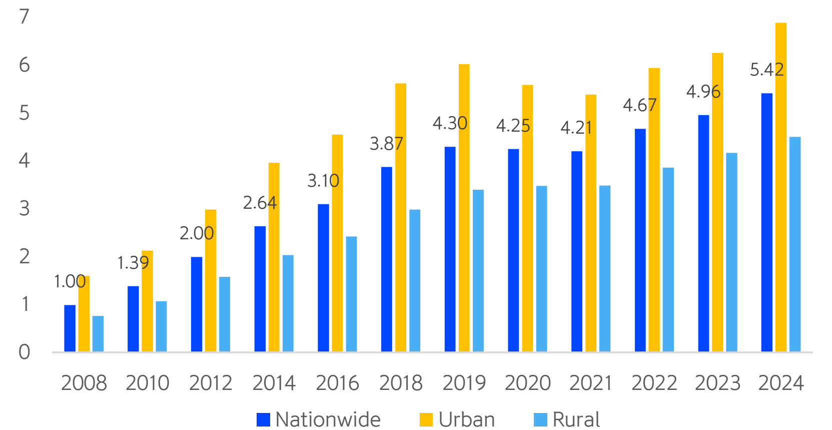
Unemployment rate among working age (%)



Source: GSO, Shinhan Securities Vietnam

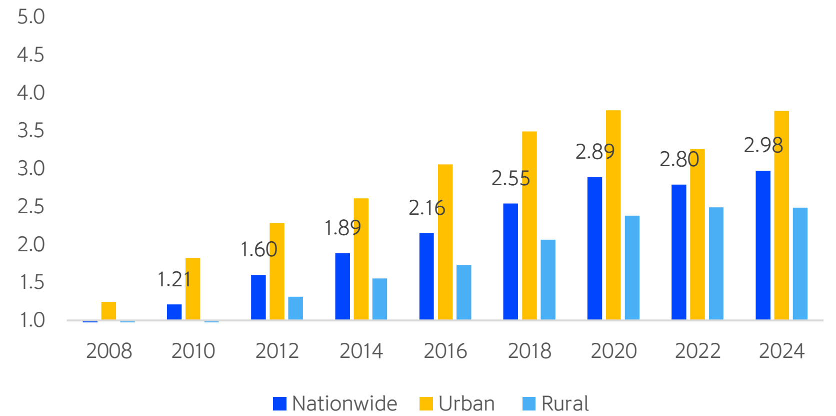
Summary of household income and expenditure

Average disposable income (million VND/person/month)



Source: Survey on household living standards (GSO), Shinhan Securities Vietnam

Average expenditure (million VND/person/month)



Source: Survey on household living standards (GSO), Shinhan Securities Vietnam

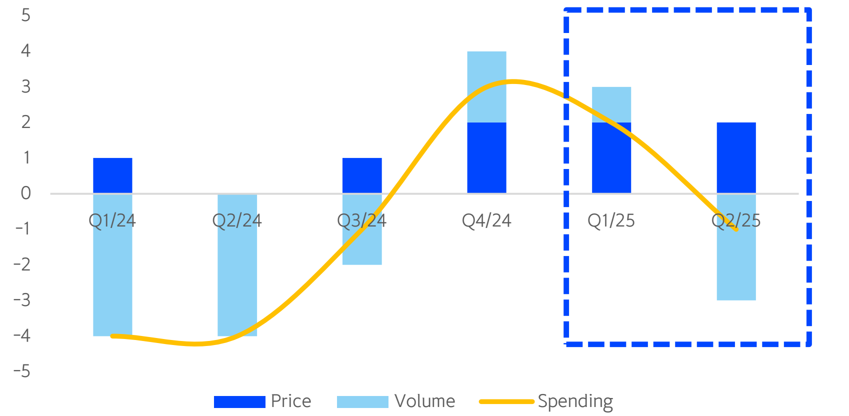
The average disposable income continued to improve in 2024. Accordingly, the average per capita income nationwide was 5.42 million VND/month. However, the disparity between the two areas remains quite significant, with the urban area being more than 1.5 times higher than the rural one.

Household consumption increased in 2024, mainly driven by the urban area. The average per capita expenditure nationwide reached 2.98 million VND per month, an increase of 6.5% compared to 2022. The average per capita expenditure in urban areas reached nearly 3.8 million VND (an increase of 15.4% compared to 2022), whereas the average per capita expenditure in rural areas did not increase, remaining at approximately 2.5 million VND (showing a slight decrease of 0.3% compared to 2022).

In 2024, the average per capita living expenditure per month was VND 2.8 mn, comprising 94.5% of total household expenditure, posting an increase of 5.5% compared to 2022. Of this, expenditure on food and beverages accounted for nearly half of this figure.

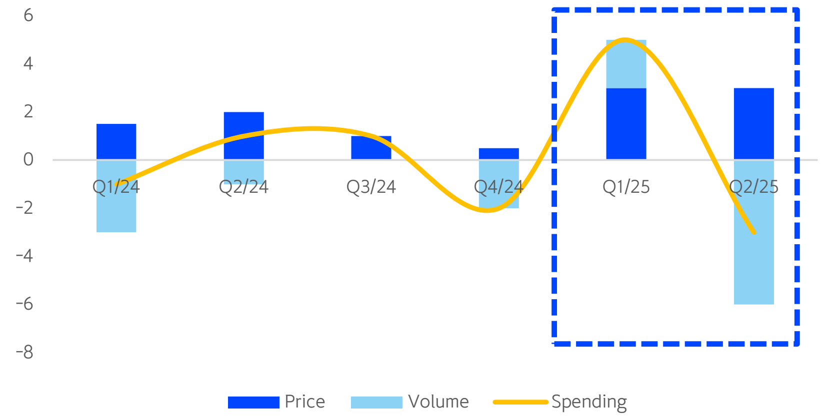
Prices increased amid falling consumption in both Urban and Rural areas

FMCG spend in Urban (% YoY)



Source: Kantar, Shinhan Securities Vietnam

FMCG spend in Rural (% YoY)



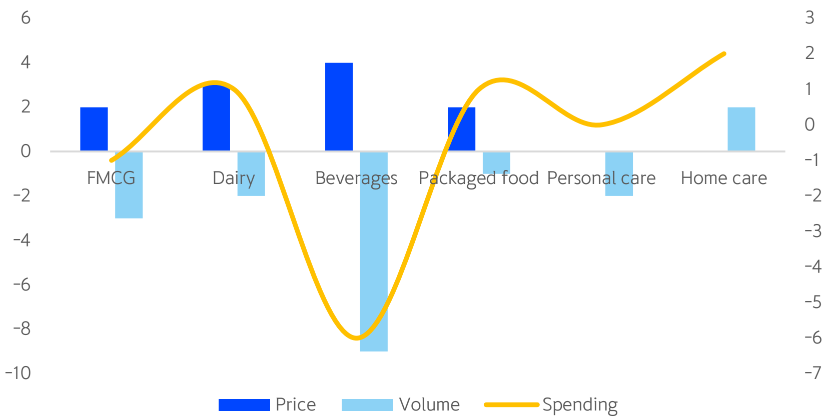
Source: Kantar, Shinhan Securities Vietnam

Urban areas saw a decline in consumption in Q2/25 after two consecutive quarters of recovery. The biggest decline was in Beverages, while the Home care was an exception which maintained steady growth. Most categories recorded growth in spending, supported by price increases amid falling consumption volumes. Rural areas experienced a similar trend. Consumers' growing concerns about costs and finances were affecting even essential consumer goods.

This trend aligns with the performance of the F&B sector, where major players such as VNM, SAB, QNS, and MCH all witnessed a revenue decline in Q2. This was partially attributed to new invoice regulations, which prompted many agents to temporarily suspend operations and destock. However, with signs of recovery emerging in Q3, VNM for instance, we expect the regulatory impact to be transitory. **Looking ahead, industry growth will be driven by consumption recovery, tourism promotion, government stimulus, and the wealth effect from rising asset prices (real estate, gold), which boosts disposable income.**

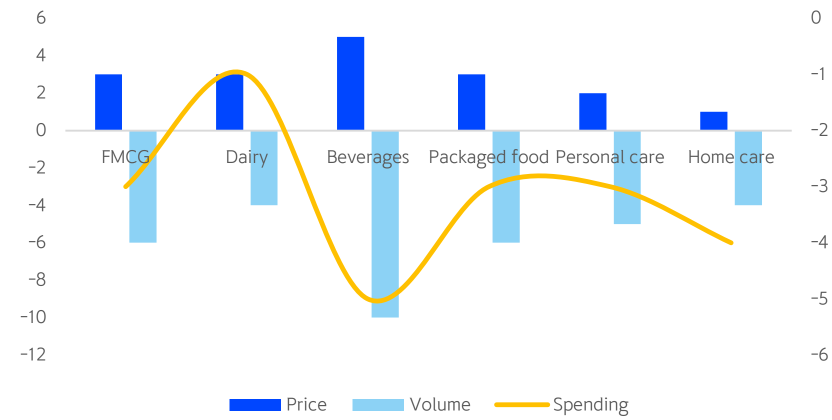
Beverages recorded the heaviest decline

Change in spending by sector in Urban in Q2 (% YoY)



Source: Kantar, Shinhan Securities Vietnam

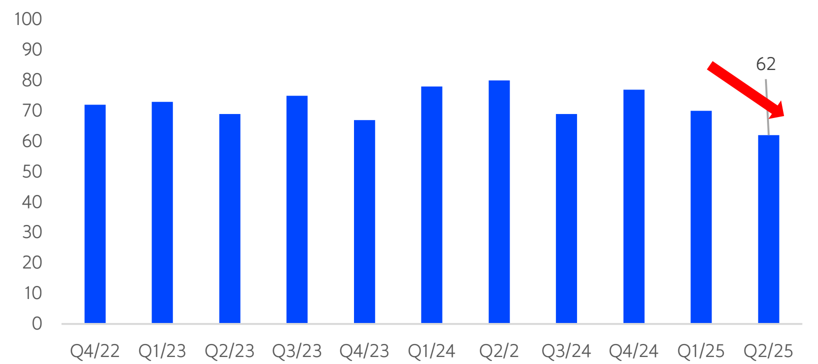
Change in spending by sector in Rural in Q2 (% YoY)



Source: Kantar, Shinhan Securities Vietnam

Consumer confidence continued to decline in Q2

Consumer confidence (on 100 scale)



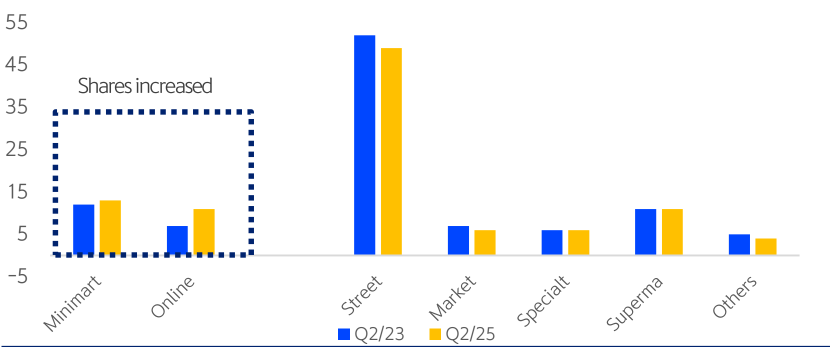
Source: Kantar, Shinhan Securities Vietnam

Survey data shows that consumer confidence went on declining to its lowest level since COVID. This is an important indicator in measuring and forecasting purchase power.

The factors affecting consumer sentiment were the world's macro-economic and political fluctuations, as well as the crackdown on counterfeit and poor-quality goods implemented by Government authorities.

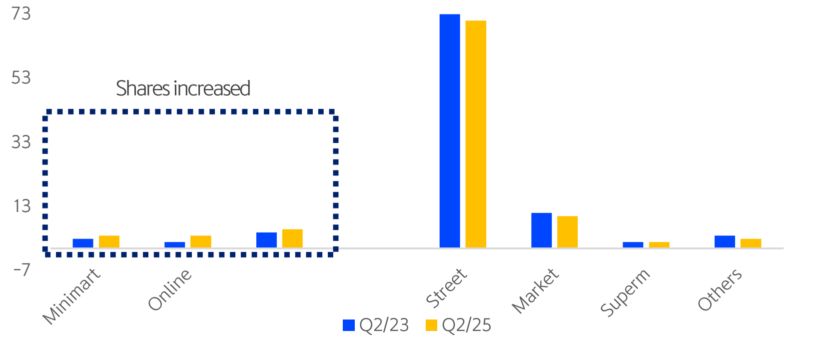
Shifting market share from traditional channels (GT) to modern channels (MT) as an inevitable trend

Distribution channel structure in Urban



Source: Kantar, Shinhan Securities Vietnam

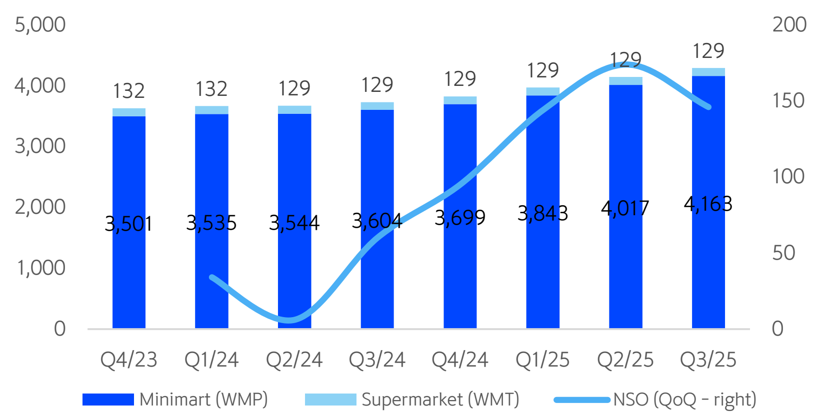
Distribution channel structure in Rural



Source: Kantar, Shinhan Securities Vietnam

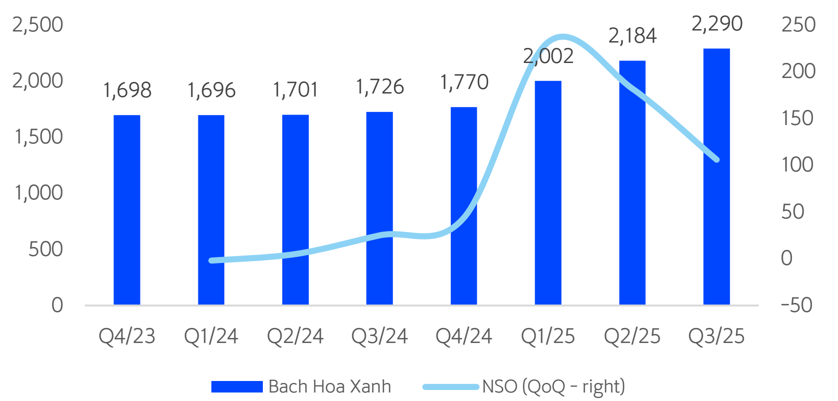
Retail chains such as WinCommerce (WCM) and Bach Hoa Xanh (BHX) both accelerated their store opening speed this year, with the cumulative number of new stores opened (NSO) by the end of Q3 reaching 464 and 520 stores, respectively, representing a sharp increase. Revenue also achieved good improvement in Q3, with WCM's revenue reaching VND 10.54 trillion (+22.6% YoY), and BHX's revenue reaching VND 34.4 trillion (+14% YoY).

WinCommerce's stores



Source: Company data, Shinhan Securities Vietnam

Bach Hoa Xanh's stores



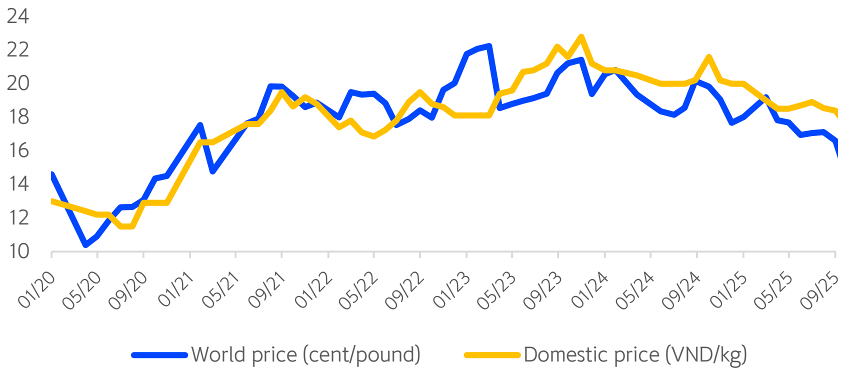
Source: Company data, Shinhan Securities Vietnam

Policies and impacts

Policies	Status	Impact
Decree 174/2025/NĐ-CP: Continues to maintain the 8% VAT rate	Effective until: The end of 2026	Reduces the price of goods and services, stimulates consumption, especially for items with high price sensitivity.
Strengthen inspection and control of counterfeit and poor-quality goods	On-going	Increases market transparency, boosts consumer confidence, and creates an equal competitive environment.
Resolution 110/2025/UBTVQH15: Increases the deduction levels for Personal Income Tax (PIT) - Raises the personal exemption (standard deduction) to 15.5 million VND/month. - Raises the dependent deduction to 6.2 million VND/month.	Effective from: January 1, 2026	Reduces the tax burden, increases disposable income, and stimulates consumption.
Streamline the PIT tariff schedule from 7 tax brackets to 5 tax brackets, and adjust the tax thresholds for each bracket.	The Ministry of Finance is submitting it to the National Assembly for consideration.	Makes tax calculation simpler and more transparent, accurately reflecting the capacity of the taxpayer. Reduces the tax burden, increases disposable income, and stimulates consumption..
Resolution 198/2025/QH15: Shifts from a fixed-amount tax to a declaration-based tax for individual business households.	Effective from: January 1, 2026	Long-term: Helps standardize and increase transparency in the market and tax declaration. Short-term challenge: The transition phase may cause some short-term bottlenecks, with some business households temporarily suspending operations due to fear of higher taxes or tax arrears.
Decree 70/2025/NĐ-CP: Business households and individuals with annual revenue exceeding 1 billion VND must use e-invoices generated from cash registers.	Effective from: June 1, 2025	
Law on Excise Tax 2025: - Excise tax on beer will increase from the current 65% to 70% in 2027, then increase by 5% annually up to 90% in 2031 - Sugar-sweetened beverages will be subject to Excise Tax 8% from 2027 and 10% from 2028.	Effective from: January 1, 2027	Excise tax is considered an indirect tax, so the tax increase will typically be passed on to consumers through a higher selling price. This may affect demand if consumers are price-sensitive or tighten spending (for the goods subject to the tax).

World sugar prices and domestic sugar prices both decreased in 2025

Sugar price

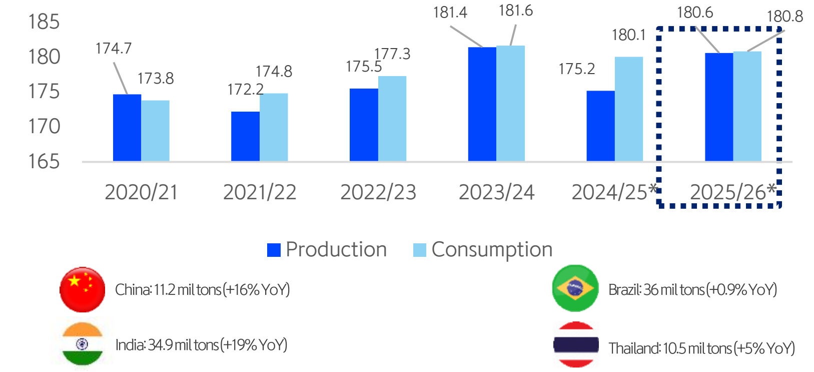


Source Bloomberg, Agromonitor, Shinhan Securities Vietnam

**Domestic sugar price reference is RS An Khe sugar price at factory warehouse*

** World sugar price reference is Sugar No. 11 contract on ICE exchange*

Estimated global sugar production and consumption (million tons) and 2025/26 production forecasts for some countries



Source: ISO, Shinhan Securities Vietnam

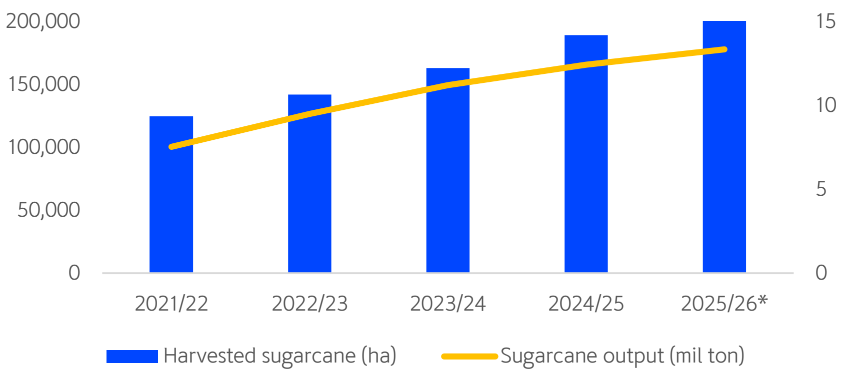
Global sugar prices have corrected by approximately 18% Ytd, driven by raised production forecasts in key exporters like Brazil, Thailand, and India, alongside demand concerns amidst global economic volatility and US tax policy uncertainties.

Domestically, prices mirrored this downtrend due to high inventories and sluggish trading, further aggravated by the substitution effect as beverage companies switch to high-fructose corn syrup (HFCS). Trading volume was also dampened by rampant smuggling and destocking activities among retailers and agents in response to the new invoice regulations (Decree 70)

For the 2025/26 season, the International Sugar Organization (ISO) forecasts a significantly narrowed deficit of 0.231 million tons (down from 4.88 million tons in the prior season). Production is projected to rise to 180.6 million tons, bolstered by Thailand, India, and Pakistan, closely matching consumption at 180.8 million tons. Consequently, the combination of rising supply and stagnant demand suggests limited upside potential for sugar prices in 2026.

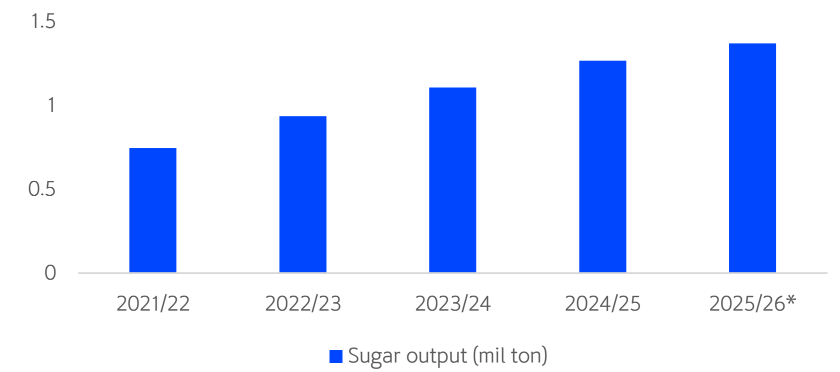
In terms of production, cultivated area and output have improved strongly over the crop seasons

Planting area and yield by crop season



Source: VSSA, Shinhan Securities Vietnam
*VSSA: Vietnam Sugarcane and Sugar Association

Sugar production by crop season



Source: VSSA, Shinhan Securities Vietnam

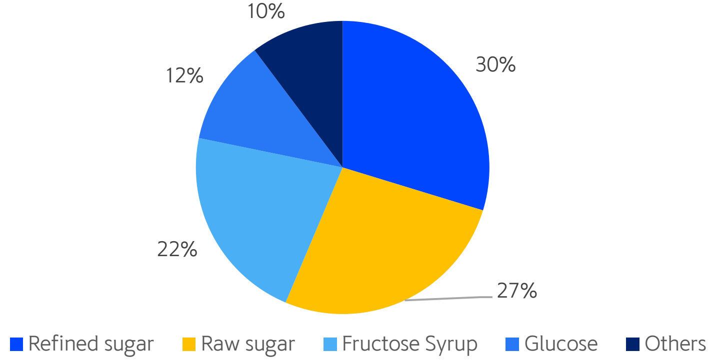
Since the implementation of trade remedy measures in 2021, the sugarcane industry has witnessed a robust revival. Cultivation area has consistently expanded, driving up cane crushing volumes. Consequently, sugar production has surged, registering a 5-year CAGR of 13%, alongside significant improvements in yield.

The 2024/25 crop season concluded in June 2025 with strong results. On the supply side, harvested area reached 189,360 hectares, with crushing volume hitting 12.43 million tons (+16.2% YoY), yielding 1.26 million tons of finished sugar (+14.3% YoY). Notably, average commercial cane sugar (CCS) improved to 10.19%, up 3% from the previous season. Farm-gate prices ranged between VND 1.2–1.3 million/ton, securing farmer profitability and incentivizing acreage expansion. Looking ahead to the 2025/26 season, the outlook remains positive: cultivation area is projected to reach 201,287 hectares (+6% YoY), with crushing volume estimated at 13.34 million tons, resulting in 1.37 million tons of sugar (+8% YoY).

Imports in the first nine months of the year decreased amid abundant inventories

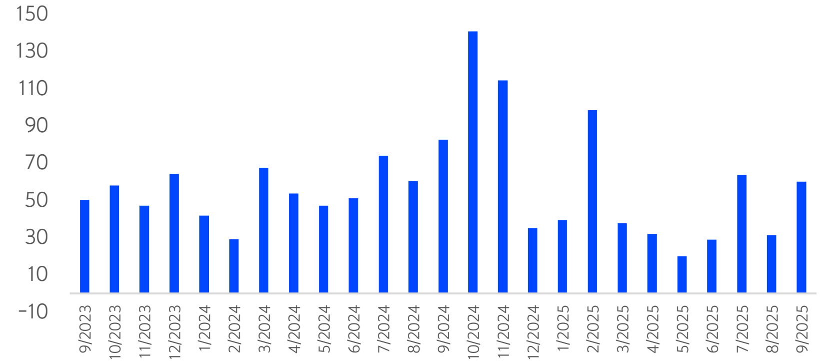
In the first nine months of 2025, sugar imports witnessed a shift toward refined sugar. However, total import volumes consistently tracked lower than the same period last year, dampened by ample domestic inventories. Consequently, total imports (both raw and refined) reached approximately 417,000 tons, marking a 13% YoY decline.

Structure of imported sugar by category 9M/2025



Source: Agromonitor, Shinhan Securities Vietnam

Official import output of raw sugar and refined sugar (thousand tons)



Source: Agromonitor, Shinhan Securities Vietnam

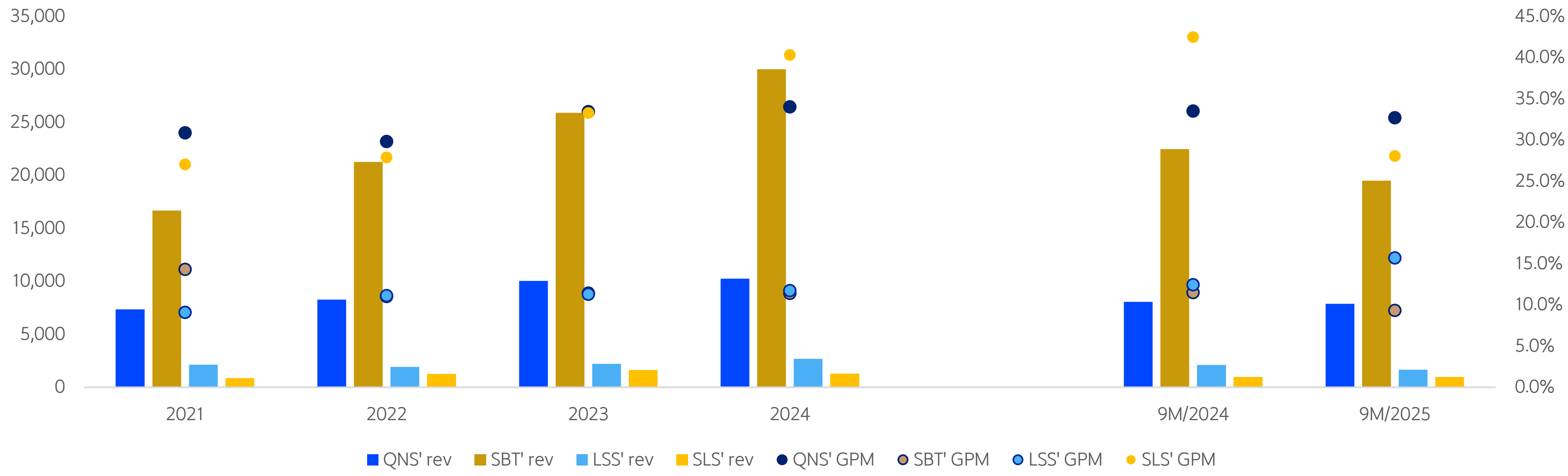
Review and propose to continue implement Anti-Dumping and Countervailing duties on Thai sugar

To protect local production, the Ministry of Industry and Trade (MOIT) imposed an anti-dumping duty of 42.99% and a countervailing duty of 4.65% on Thai sugar (effective from June 16, 2021, to June 2026). Furthermore, sugar imported from Cambodia, Indonesia, Laos, Malaysia, and Myanmar using Thai raw materials has also been subject to these tax rates since 2022.

On June 13, 2025, the MOIT decided to review the application of these duties. With a maximum review period of nine months, the results regarding the duty extension are expected to be announced around March 2026.

Enterprises recorded negative results in 9M/2025

Update on business results of listed sugar companies in 9M/2025 (VND bn)



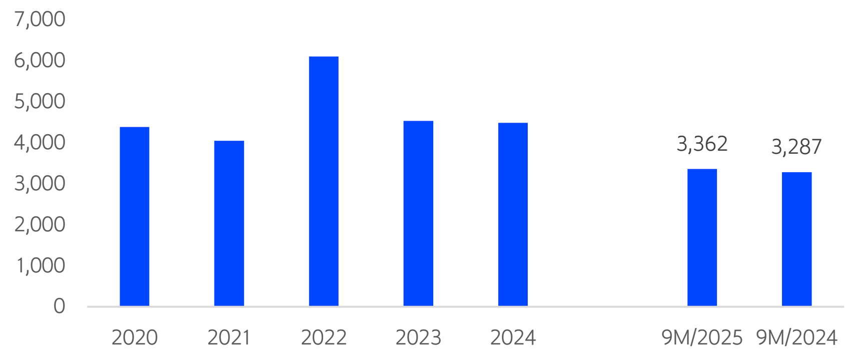
Source: Company data, Shinhan Securities Vietnam

Weighed down by falling sugar prices, sugar producers and distributors broadly reported top-line declines and gross margin compression in the first nine months of 2025, with the notable exception of LSS.

SBT posted a 13% revenue drop in 9M/2025. Similarly, QNS faced headwinds in its sugar division; however, this was partially offset by robust growth in the soy milk segment, limiting the company's overall revenue decline to just 2.4% for the period.

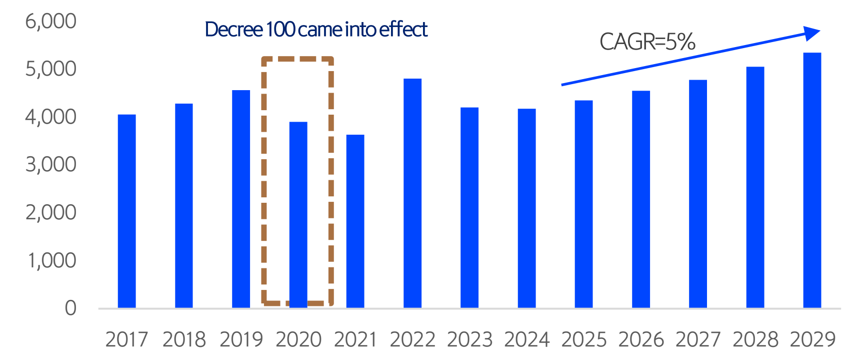
Beer production recovered in Q3/2025

Beer production over the years (million liters)



Source: GSO, Shinhan Securities Vietnam

Beer consumption volume (million liters)



Source: Euromonitor, Shinhan Securities Vietnam

Beer consumption volume dipped slightly in 2024, signaling that the industry continued to grapple with persistent headwinds limiting its growth potential. Notably, beer is excluded from the 2% VAT reduction policy, meaning it received no fiscal support from this government measure.

Nevertheless, Euromonitor forecasts a consumption CAGR of 5% for the 2025-2029 period. This positive outlook is underpinned by the recovery of domestic demand and rising discretionary spending. Furthermore, consumer behavior is adapting to strict regulations (such as Decree 100/2019 on drunk driving) through the increased adoption of ride-hailing services like XanhSM and Grab for social engagements.

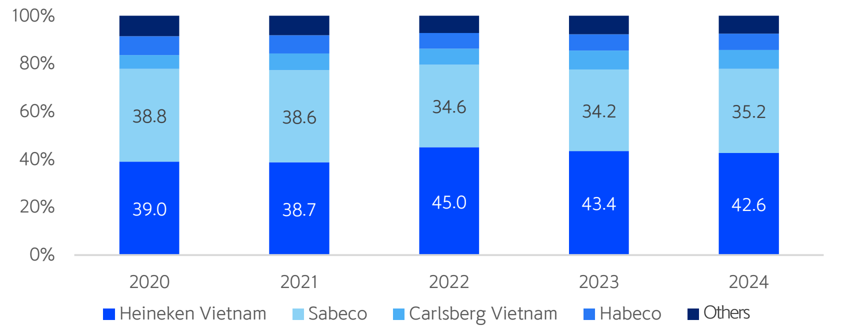
On the supply side, production data from the General Statistics Office (GSO) mirrored consumption trends. Beer output rebounded in Q3, reaching 1,230 million liters (+9% YoY). Buoyed by this recovery, cumulative output for the first nine months of 2025 edged up by 2.3% YoY to 3,362 million liters.

Off-trade channels play an increasingly important role in the distribution system

According to statistics from Euromonitor, Sabeco gained additional market share in 2024. In 2024, Sabeco launched a new product: 333 Pilsner, a lighter and smoother version of the familiar 333 brand. In 2025, SAB also launed a 250 ml version of Saigon Chill, offering more choices to consumers, especially those who are more price-sensitive.

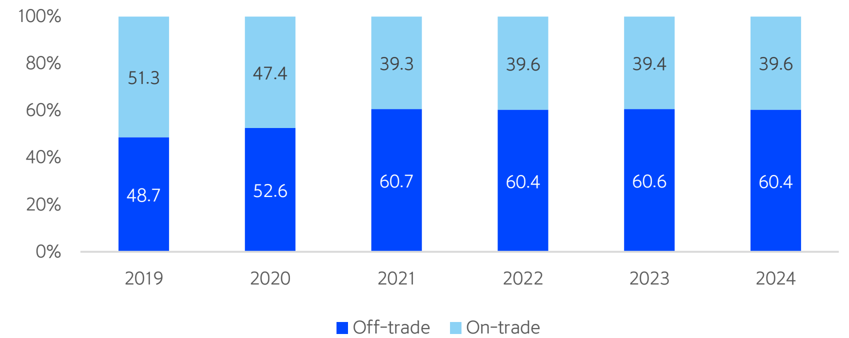
Heineken maintains its leading market share thanks to its diverse product portfolio, including Heineken, Tiger, and Larue. Heineken has also positioned itself as a brand associated with Gen Z through various promotional campaigns, such as the Heineken Silver Night events in Ho Chi Minh City, Hanoi, Hai Phong, Da Nang, and Vung Tau. It is also the pioneer in launching the 250 ml volume with its Heineken Silver label.

Market shares (%)



Source: Euromonitor, Shinhan Securities Vietnam

Distribution channel (%)



Source: Euromonitor, Shinhan Securities Vietnam

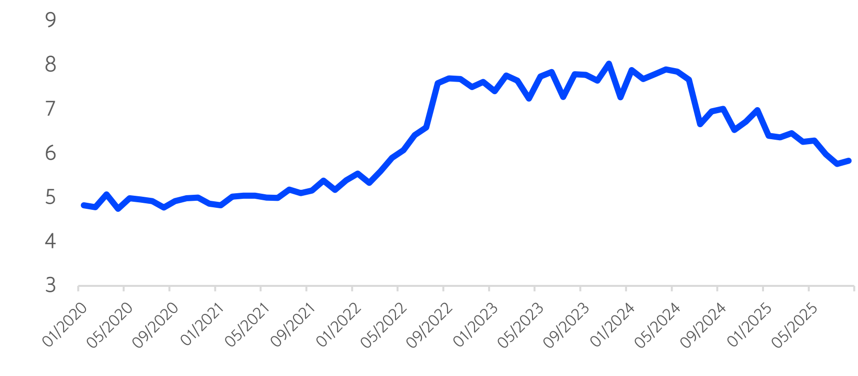
Social distancing measures and the strict enforcement of drunk driving regulations have catalyzed a structural shift in consumer habits, leading to the dominance of Off-trade channels (grocery stores, supermarkets, and e-commerce). Notably, the e-commerce segment registered the most robust growth, fueled by the proliferation of major platforms like Shopee and Lazada.

Raw material prices trended in opposite directions

Aluminium price (USD/ton)

Source: Bloomberg, Shinhan Securities Vietnam

Malt price (USD/bushel)



Source: Bloomberg, Shinhan Securities Vietnam

Raw material prices have trended in opposite directions during the year. While malt prices have fallen – a supporting factor that has helped improve gross profit margins for beer producers during the period – aluminum prices have been relatively volatile. These two materials account for about half of production costs.

Aluminum prices fell sharply in April due to the impact of tariff announcement, reaching a bottom of below 2,400 USD/ton. However, prices have increased again since May amid supply shortages and increased demand in China, especially as aluminum smelters in China, which accounts for more than half of the world's output, are reaching government-mandated capacity limits.

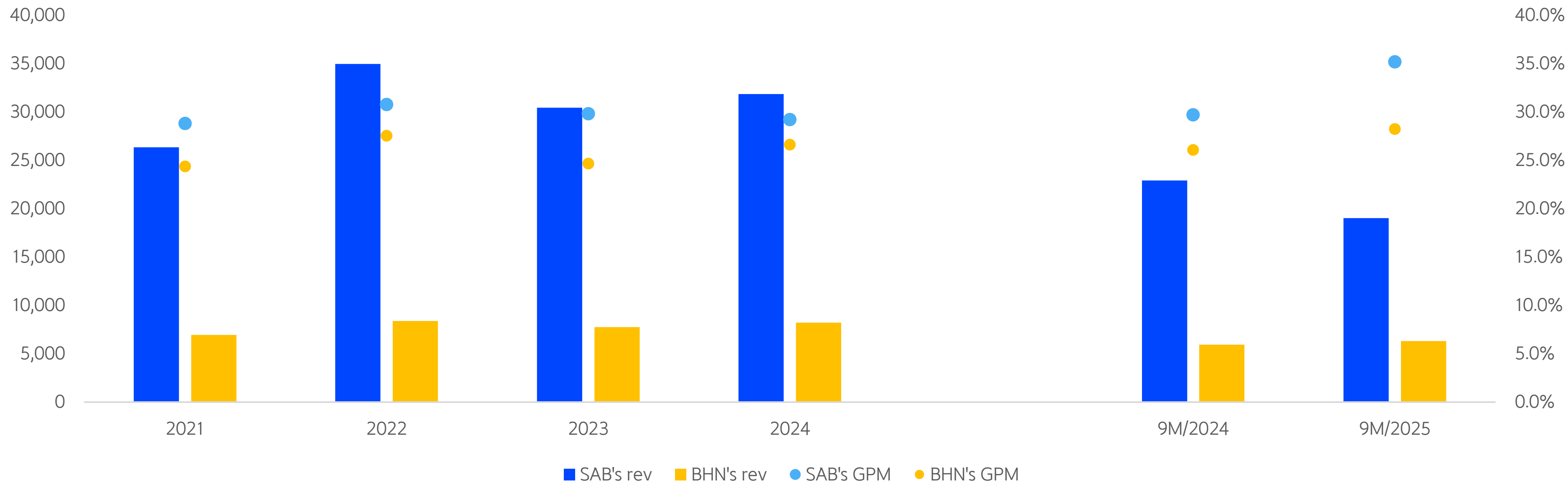
Appendix: Penalties for alcohol concentration violations while driving according to Decree 168/2024/ND-CP

	Alcohol Concentration Level	Fine
Cars	< 50 mg/100 ml blood or < 0.25 mg/liter breath	VND 6-8 mn, minus 6 driving license points
	50 to 80 mg/100 ml blood or 0.25 - 0.4 mg/liter breath	VND 18-20 mn, minus 10 driving license points
	> 80 mg/100 ml blood or > 0.4 mg/liter breath	VND 30-40 mn, minus 12 driving license points
Motorbikes	< 50 mg/100 ml blood or < 0.25 mg/liter breath	VND 2-3 mn, minus 6 driving license points
	50 to 80 mg/100 ml blood or 0.25 - 0.4 mg/liter breath	VND 4-5 mn, minus 10 driving license points
	> 80 mg/100 ml blood or > 0.4 mg/liter breath	VND 6-8 mn, minus 12 driving license points

Appendix: Roadmap for tax increasing according to the Excise Tax Law 2025

Products	Current tax rate	Roadmap
Wine (20 degrees ABV and above)	65%	Increase from 70% to 90% during the 2027-2031 period (increasing by 5% each year)
Wine (below 20 degrees ABV)	35%	Increase from 40% to 60% during the 2027-2031 period (increasing by 5% each year)
Beer	65%	Increase from 70% to 90% during the 2027-2031 period (increasing by 5% each year)
Sugar-sweetened beverages with sugar content over 5g/100ml	Not applicable	8% starting from 2027, and 10% starting from 2028

Update on business results of listed brewers in 9M/2025 (VND bn)



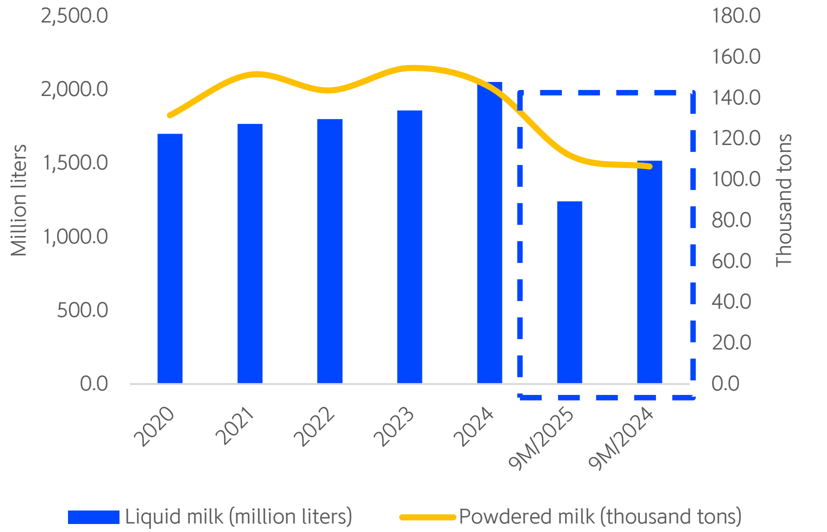
Source: Company data, Shinhan Securities Vietnam

Among the two listed brewers we observe, SAB recorded a revenue decline of nearly 17% in the first 9 months of 2025 due to the impact of recalculating excise tax after consolidation with Sabibeco as a subsidiary instead of an associate. Although revenue decreased, GPM margin improved, partly due to the use-up of high-priced barley inventory and the consolidation impact.

In contrast, BHN recorded a revenue growth of 6.3%, and profit margin also improved compared to the same period thanks to the easing of raw material prices during the period.

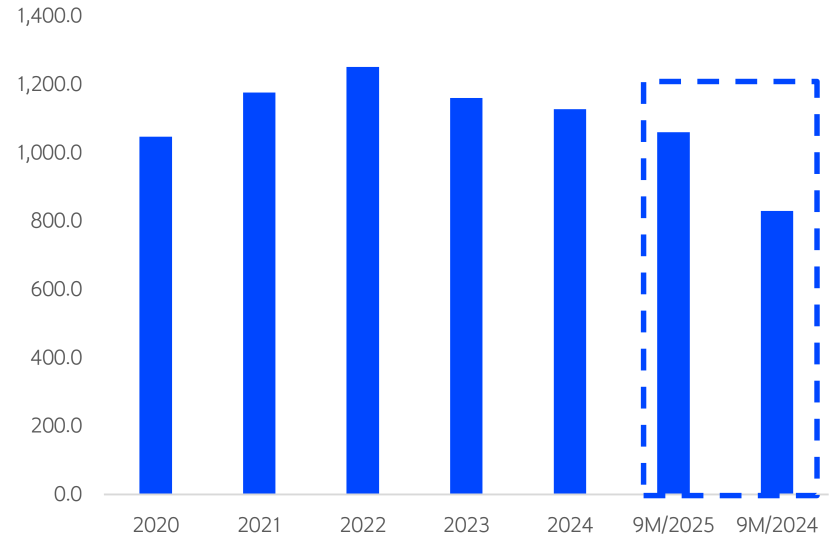
Imports increased sharply in the first nine months of the year to offset the decline in production

Milk production output



Source: GSO, Shinhan Securities Vietnam

Import value of milk and dairy products (USD mn)



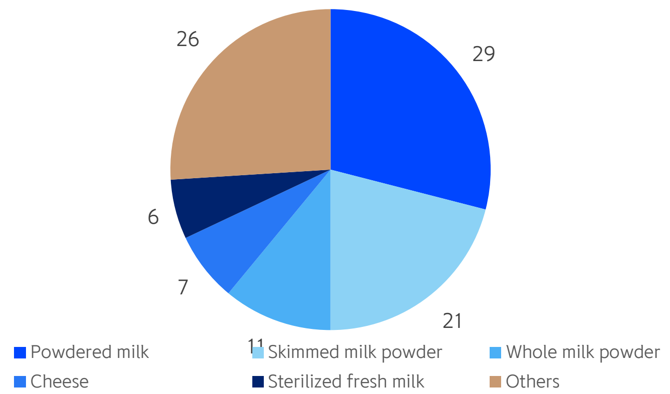
Source: GSO, Shinhan Securities Vietnam

In the first 9 months, the amount of fresh milk produced decreased sharply compared to the same period, reaching only 1,243 million liters (-18.1% YoY), so businesses had to increase imports to compensate for the decrease in output, resulting in the import value of milk and dairy products growing 28% YoY, partly due to concerns about tariffs and the unstable world political environment causing businesses to increase inventory accumulation.

The decline in output comes amid a sharp decline in the total dairy herd nationwide, with the current total herd at about 326,000, of which Ho Chi Minh City alone has 37,300, recording the most severe decline.

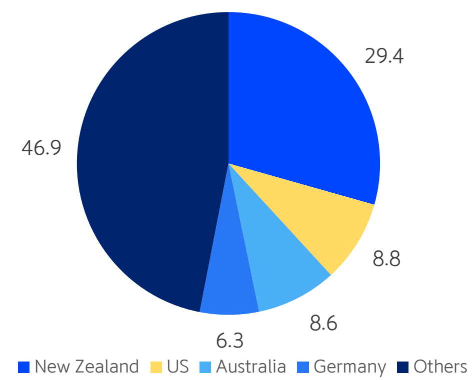
Import structure in 9M/2025

Import structure by category in 8M/2025(%)



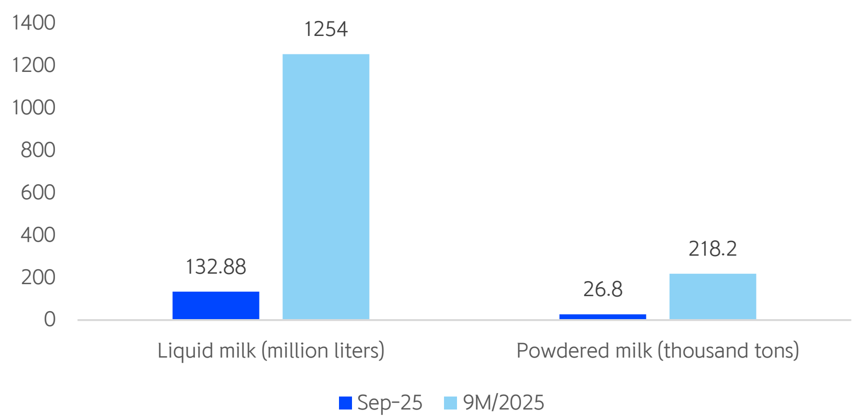
Source: GSO, Shinhan Securities Vietnam

Main import markets in 9M/2025 (%)



Source: GSO, Shinhan Securities Vietnam

Domestic consumption



Source: Vietnam Dairy Association (VDA), Shinhan Securities Vietnam

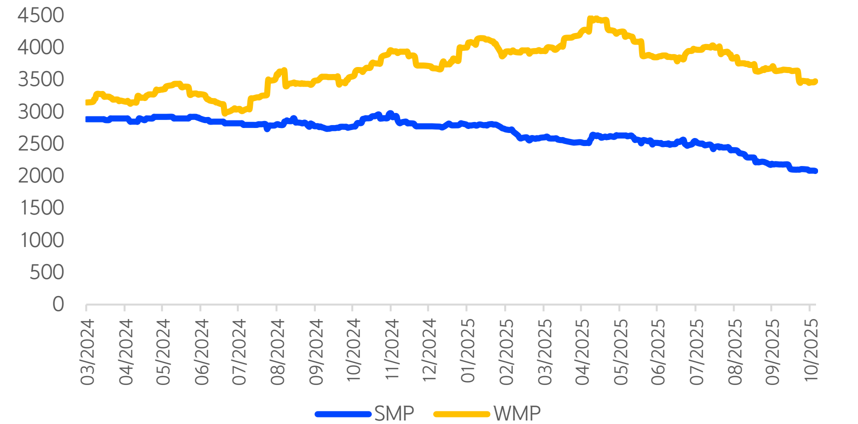
New Zealand remains Vietnam's primary dairy supplier, accounting for nearly 30% of total imports in 9M2025. Notably, key categories recorded robust growth in the first eight months: powdered milk (+32.6%), skimmed milk powder (+25.6%), and whole milk powder (+74.8%).

In September 2025, domestic fresh milk consumption was estimated at 132.8 million liters (-3.2% MoM) and VND 4,611 billion (+39.4% MoM). The 9M total reached 1,252 million liters and VND 35,220 billion. Powdered milk consumption in September reached 26.8 thousand tons and VND 1,743 billion, down 3.4% in volume and 3.9% in value compared to August. For 9M2025, total powdered milk consumption is estimated at 218.2 thousand tons and VND 12,929 billion.

Dairy market estimated to grow at CAGR of 2% during 2025-2030

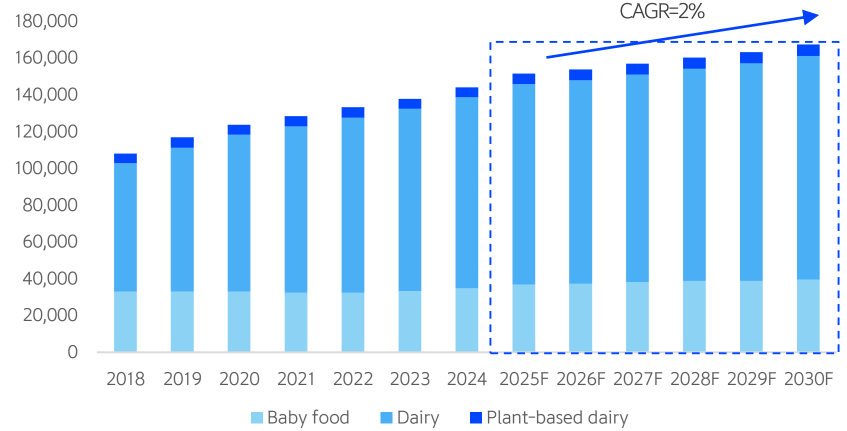
According to Euromonitor, the sales revenue of Vietnam's dairy market in 2025 is estimated at VND 151,710 billion. The sector is led by liquid dairy products (72%), followed by Baby Food (24%) and Plant-based dairy (4%). The market is forecast to grow at a CAGR of 2% during 2025-2030, with liquid dairy showing the strongest momentum at 2.2% per year. A key consumption trend is the rising focus on health and food safety. Fully aware of this demand, companies like VNM and IDP have launched numerous products to meet market needs, such as low-sugar options or functional milk.

Milk powder price (USD/ton)



Source: Bloomberg, Shinhan Securities Vietnam
* SMP: skim milk powder, WMP: whole milk powder

Vietnam's milk market turnover (billion VND)



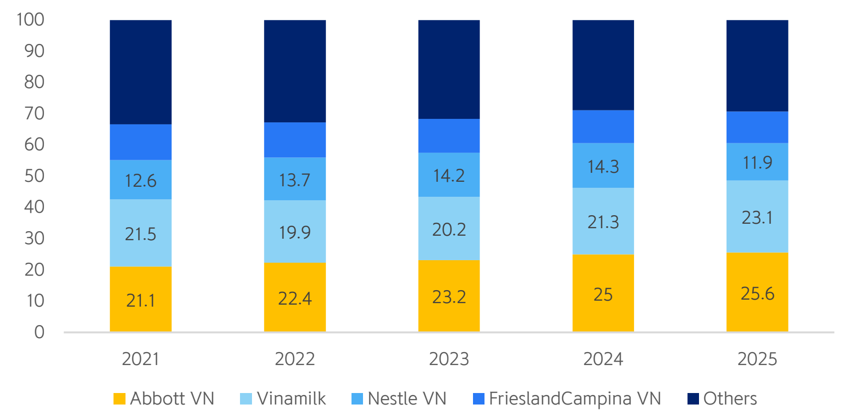
Source: Euromonitor (Sept 2025), Shinhan Securities Vietnam

Opportunity to expand profit margins thanks to lower raw material prices

Meanwhile, milk powder prices have fallen nearly 20% since the peak in May. Since domestic fresh milk supply falls short of demand, making powder a crucial raw material, this sharp price drop will open up opportunities for manufacturers to improve their profit margins.

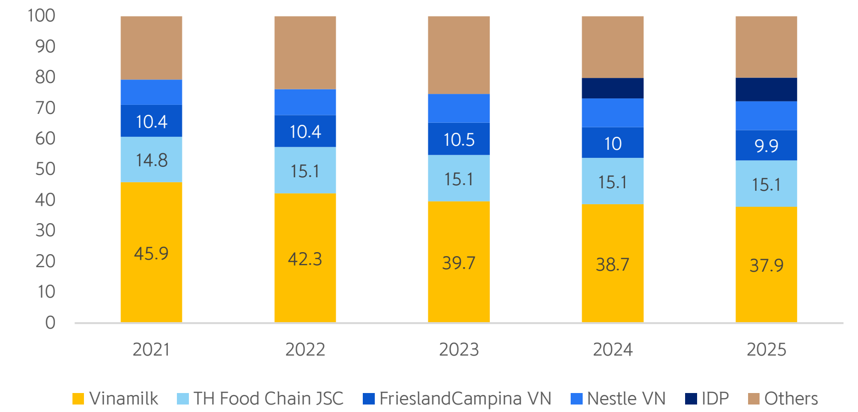
Vinamilk leads the market in most segments, except for Baby food. Especially in the condensed milk segment, VNM almost dominates the market share with more than 83%.

Baby food market shares (%)



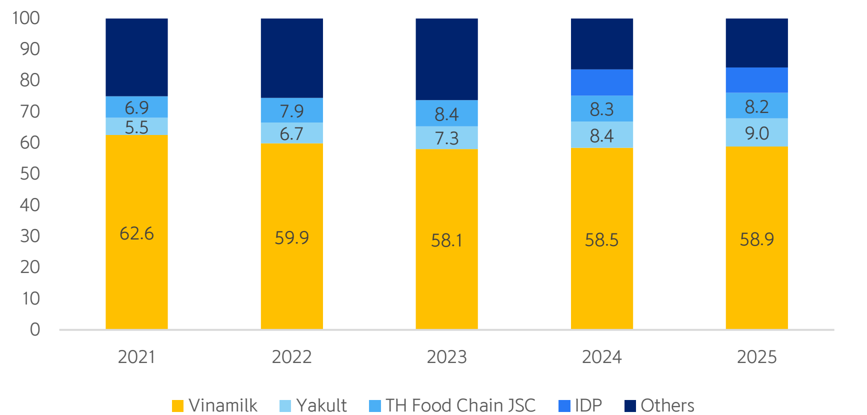
Source: Euromonitor (Sept 2025), Shinhan Securities Vietnam

Drinking milk market shares (%)



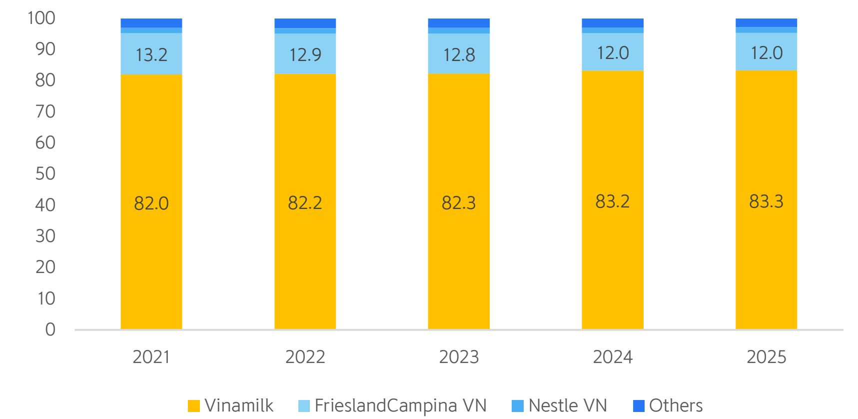
Source: Euromonitor (Sept 2025), Shinhan Securities Vietnam

Yogurt market shares (%)



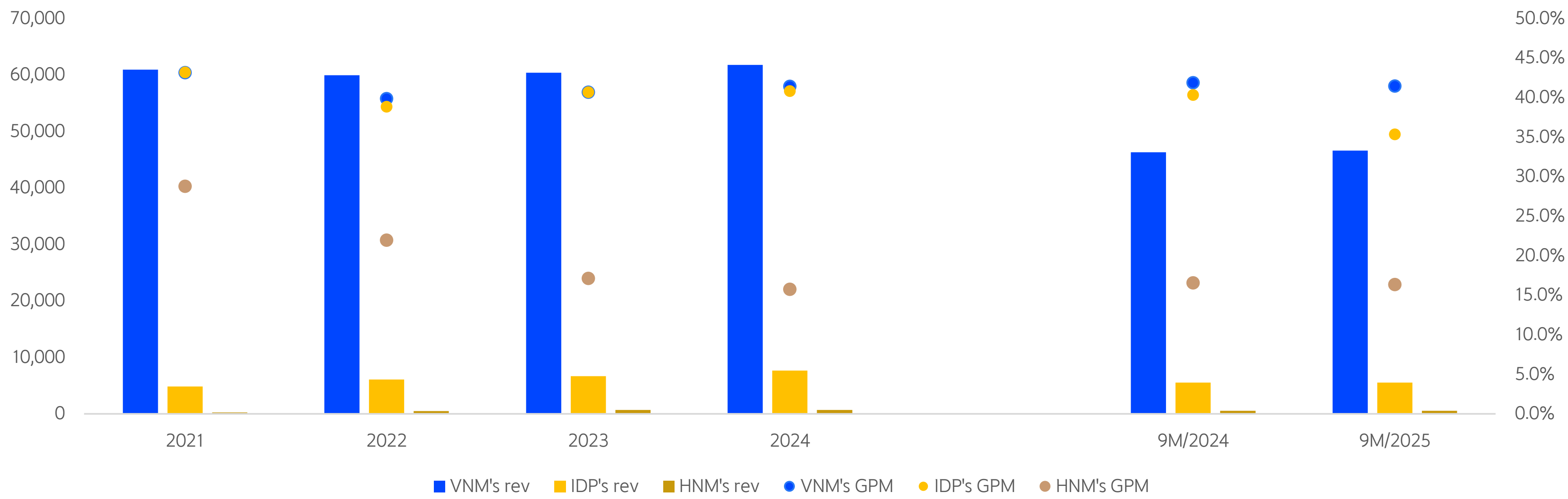
Source: Euromonitor (Sept 2025), Shinhan Securities Vietnam

Condensed milk market shares (%)



Source: Euromonitor (Sept 2025), Shinhan Securities Vietnam

Update on business results of listed dairy companies in 9M/2025 (VND bn)

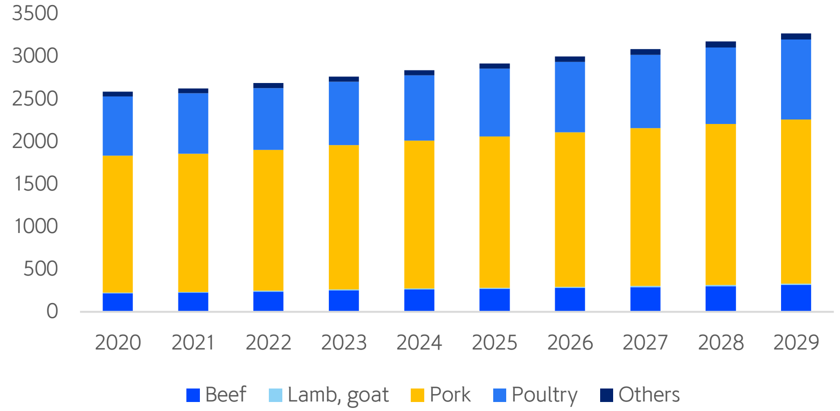


Source: Company data, Shinhan Securities Vietnam

Revenue across the listed dairy sector remained largely stagnant in 9M2025 compared to the same period last year. Notably, market leader VNM experienced a top-line dip in Q1 attributed to distribution channel restructuring. However, performance rebounded in the subsequent two quarters, driven by strong momentum in both domestic and overseas markets (including exports and subsidiaries Driftwood & Angkormilk).

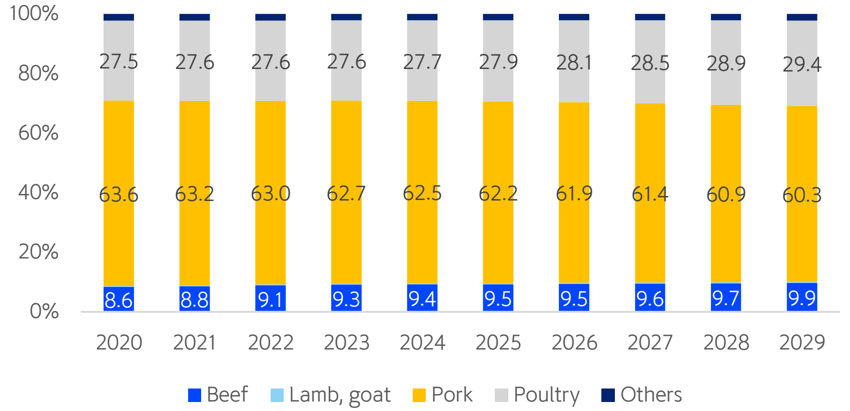
Despite the flat top-line, aggregate gross margins contracted YoY. This was primarily due to elevated raw milk powder prices relative to the previous year's base

Retail sales of meat (thousand tons)



Source: Euromonitor (Jan 2025), Shinhan Securities Vietnam

Market structure



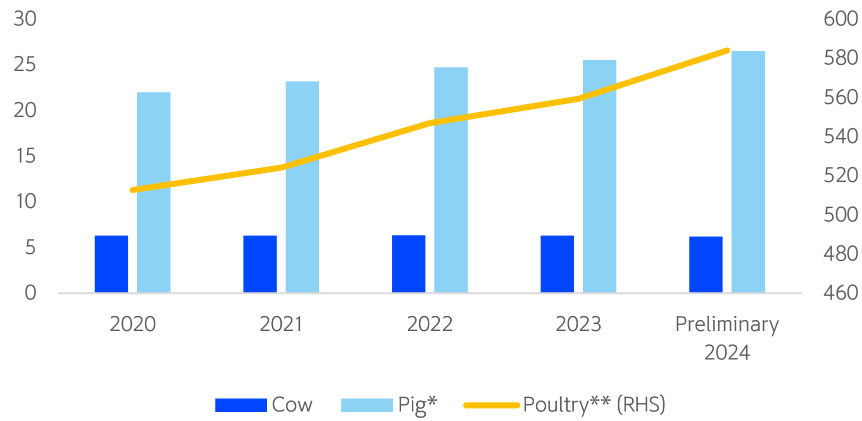
Source: Euromonitor (Jan 2025), Shinhan Securities Vietnam

The meat market grew at a compound annual growth rate (CAGR) of 2.3% during the 2020-2024 period, with lamb & goat and beef recording the strongest growth at 5.1% and 4.8%, pork growing at 1.9% and poultry at 2.6%. In terms of consumer market structure, pork is still the most popular meat thanks to its abundant supply and relatively affordable price. In addition, high-quality chilled meat products are also preferred by consumers as health factors are increasingly emphasized. This segment is also expected to grow strongly in the coming period.

For the 2025-2029 period, the meat market is forecast to grow at a CAGR of 2.9%/year, with pork growing at 2.1%/year. The pork retail market is expected to reach an output of 1.9 million tons and reach VND 220 trillion by 2029.

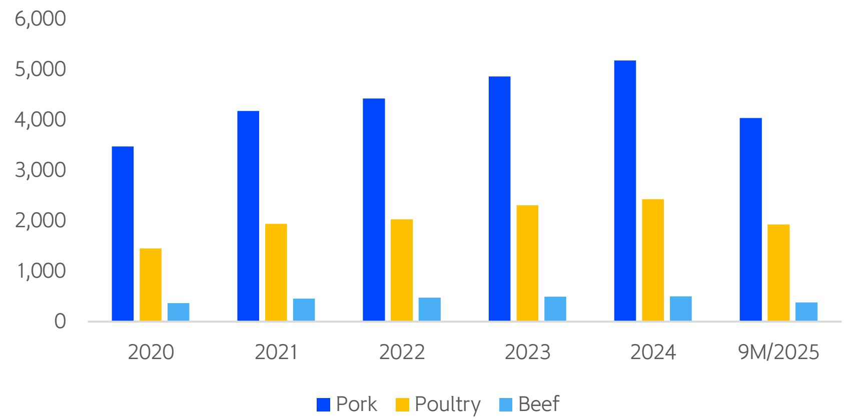
Improved performance of livestock farming

Livestock herd size (million unit)



Source: GSO, Shinhan Securities Vietnam
(*) Excluding unweaned piglets (**) Including chickens, ducks, geese

Livestock slaughter output (thousand tons)



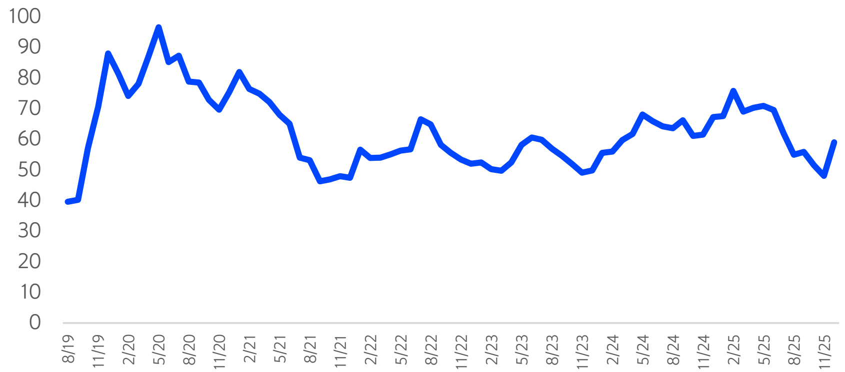
Source: GSO, Shinhan Securities Vietnam

The scale of the livestock herd recorded mixed growth, with the pig herd growing at the largest rate, averaging 4.75% per year, and the poultry herd also recording growth of 3.3% per year. Meanwhile, the cow herd contracted in size, with the total herd decreasing by 1.7% after four years.

Despite modest single-digit herd growth and even a decline in cow herds, slaughter output recorded robust expansion. This implies that output growth has outpaced herd expansion, driven by enhanced productivity and farming efficiency. Key drivers include lower mortality rates via better disease control and a structural shift from smallholders to industrial-scale enterprises equipped with superior capital and technology.

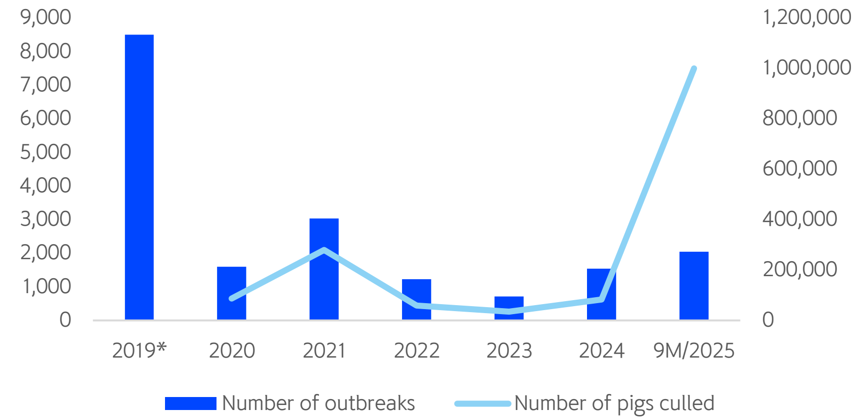
Hog price fluctuated during the year

Average hog price nationwide (VND/kg)



Source: Anova Feed, Shinhan Securities Vietnam

Asian swine fever (ASF) development (heads)

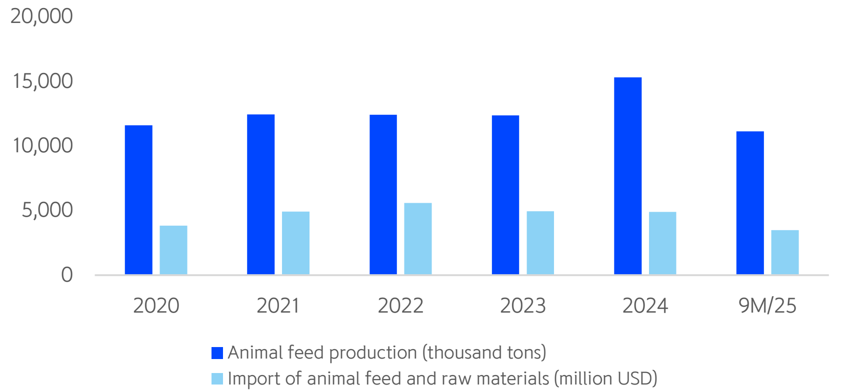


Source: Department of Animal Husbandry and Veterinary Medicine, Shinhan Securities Vietnam
(*) 2019 was the peak of the epidemic, about 6 million sick pigs destroyed

The live hog market was significantly affected by the resurgence of African Swine Fever (ASF), particularly in Q2. The epidemic severely impacted Northern provinces such as Lang Son, Quang Ninh, and Hoa Binh, primarily ravaging smallholder farms. According to the Department of Animal Health, in September 2025 alone, 827 outbreaks were recorded across 31 provinces. Year-to-date, the country has witnessed 2,040 outbreaks, resulting in the culling of nearly 1 million pigs. Consequently, live hog prices experienced substantial volatility in the first three quarters. Prices peaked in February, nearing VND 80,000/kg, but have since undergone a correction. Currently, prices are fluctuating around the VND 59,000-60,000/kg (data as of 8th December, 2025) after reaching the bottom at 48,000 established in November.

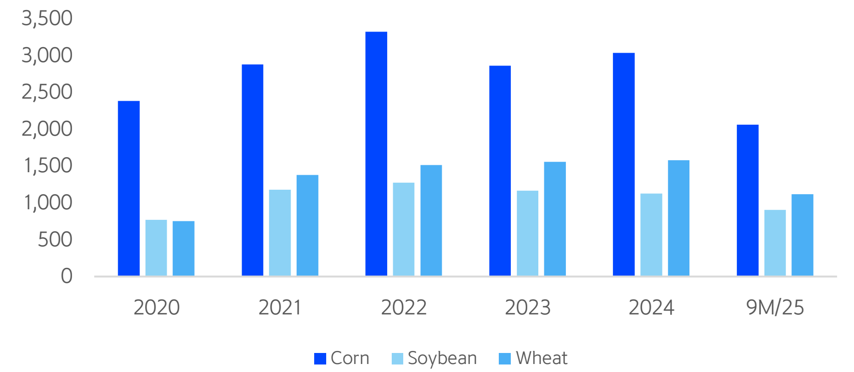
Structurally, the industry is witnessing a rapid consolidation from household farming to industrial enterprises. The share of household production is shrinking significantly, with a projected split of 25% households versus 75% enterprises by 2030. Concurrently, the sector is moving up the value chain through modernized processing. Notably, the Law on Animal Husbandry, with strict zoning regulations effective from early 2025, has erected higher entry barriers, rendering small-scale farming less viable and accelerating the reshaping of the national livestock landscape.

Production and import of animal feed



Source: GSO, Shinhan Securities Vietnam

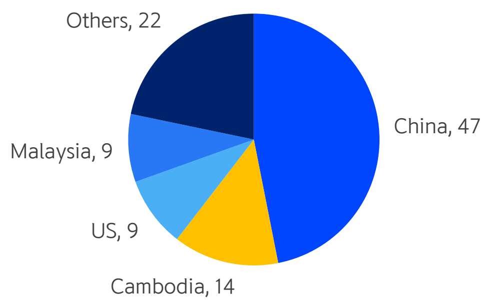
Import of animal feed ingredients (USD mn)



Source: GSO, Shinhan Securities Vietnam

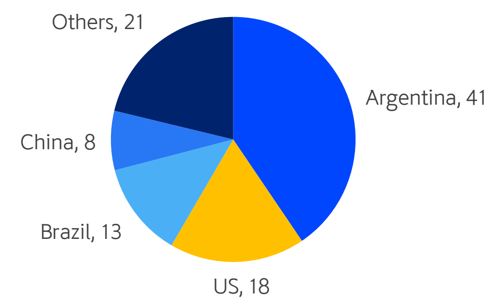
The import of animal feed ingredients recorded growth in the first 9 months, specifically: import of all kinds of corn reached over USD 2.06 bn (+4.1% YoY) with an average import price of USD 252.1/ton (+2.7% YoY); soybeans reached over USD 905 mn (+9.6% YoY) with an average price of USD 463.7/ton (-10.5% YoY); wheat imports reached USD 1.12 bn (-10.6% YoY) with an average price of USD 264.5/ton (-1.4% YoY).

Export market structure of animal feed and raw materials (%)



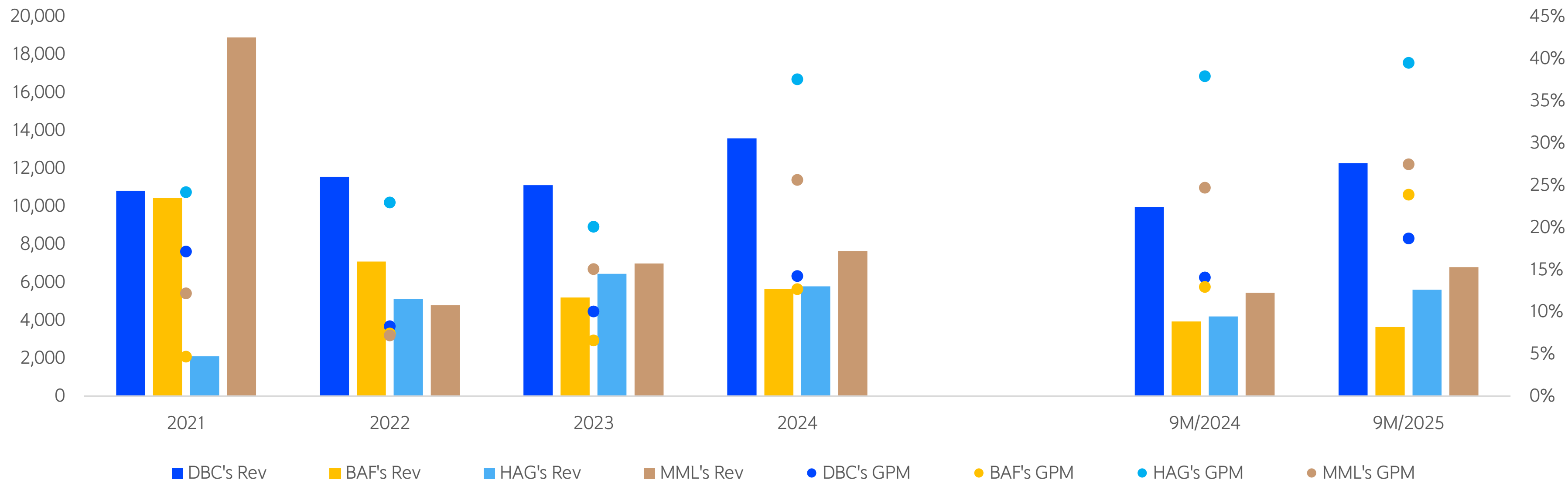
Source: GSO, Shinhan Securities Vietnam

Import market structure of animal feed and raw materials (%)



Source: GSO, Shinhan Securities Vietnam

Update on business results of listed farming companies in 9M/2025 (VND bn)



Source: Company data, Shinhan Securities Vietnam

Across the sector, listed livestock companies posted robust cumulative revenue growth in 9M2025, driven by favorable live hog prices in the first half of the year. BAF was a notable exception, reporting a top-line contraction due to the strategic scaling down of its animal feed trading segment; however, its core livestock revenue continued to expand robustly.

Gross margins expanded significantly YoY, underpinned by the 'double support' of elevated selling prices and stable animal feed costs. Nevertheless, as hog prices have corrected sharply since Q3, profit margins are expected to face compression in the final quarter.

Forecast 2026F

Ticker	Market cap (VND bn)	Current price (VND/share)	Target price 2026 (VND/share)	Upside (%)	Revenue 2026F (VND bn)	Revenue growth (YoY) (%)	Net profit 2026F (VND bn)	Net profit growth (YoY) (%)	Debt/Equity	P/B (2026F)	P/E (2026F)
VNM	133,757	64,000	71,600	11.9%	64,320	1.9%	9,861	5.1%	0.22	3.5	17
SAB	59,511	46,400	55,100	18.8%	28,497	3.6%	4,724	2.8%	0.01	3.3	15.9
QNS	16,140	43,900	56,000	27.6%	10,221	2.1%	2,023	-1.5%	0.24	1.5	8.7
MSN	111,914	77,400	92,800	19.9%	89,308	9.1%	7,716	24.5%	1.42	3.7	30
BAF	9,577	31,500	34,200	8.6%	6,890	36.2%	644	11.2%	0.82	2.0	16.2
DBC*	10,257	26,650	31,700	18.9%	17,793	4.8%	1,296	14.0%	0.73	1.0	7.0
	Total				**217,029**	**6.1%**	**26,264**	**9.7%**			

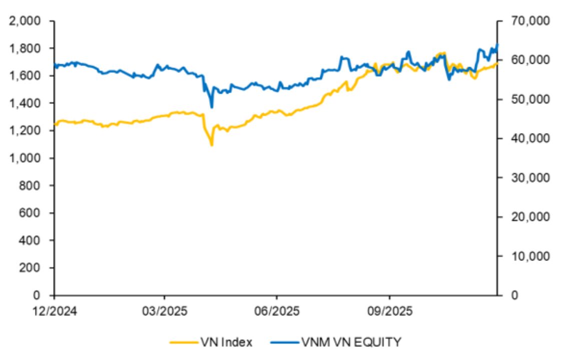
(*) Consensus data
Source: Bloomberg, Fiinpro, Shinhan Securities Vietnam
Data as of 28/11/2025

Vinamilk

Target price (2026F)	**71,600 VND**
Current price (28/11/25)	64,000 VND
Return (%)	11.9%
VNINDEX	1,691
PE market	14.2
Market cap (billion VND)	133,757
Outstanding shares (mil shares)	2,090
Free-float (mil shares)	737
52-week high/low (VND)	66,200/51,400
90-day avg. trading volume (mil shares)	5.32
90-day avg. turnover (bn VND)	301
Foreign ownership (%)	50

Major shareholders (%)	State Capital Investment Corporation	36.0
	F&N Dairy Investments Private Limited	17.69

Performance	3M	6M	12M
Absolute (%)	6.1	16.6	-0.9
Rel. to VN-Index (%)	5.6	-10.3	-36.2



Shinhan Securities

Get back on track

Investment thesis

Vietnam Dairy Products JSC (Vinamilk, HOSE: VNM) is the leading dairy company in Vietnam with the largest distribution system and dairy cow herd in the country. VNM has a leading market share in most segments with a healthy asset structure and a regular dividend payout. Based on the FCFF and P/E methods, we update our valuation with a target price of VND 71,600.

Update on 9M/2025

In Q3/2025, VNM recorded a new peak in consolidated net revenue of VND16,953 billion (+9.1% YoY), with both domestic and overseas markets recording growth. However, Q3 net profit reached VND2,511 billion, up only 4.5% YoY due to the impact of losses from associates arising in the quarter related to the provision for investment in Miraka in New Zealand.

The domestic market continued to recover well with revenue growing 4.4% YoY, contributed by e-commerce, new products and effective marketing campaigns. Exports remained the main driver of growth in overseas regions with Q3 revenue increasing 46.8%, key markets in Asia and Africa increased strongly, especially the Cambodian market. The operations of overseas subsidiaries also grew again compared to the same period after the first two quarters of the year.

Thus, in the first 9 months, VNM recorded revenue of VND 46,613 billion (+0.7% YoY) and net profit of VND 6,587 billion (-9.8% YoY). VNM has maintained a good recovery momentum for two consecutive quarters after a sharp decline in Q1 due to the impact of restructuring. However, net profit is still decreasing compared to the same period due to poor results in Q1.

Forecast 2025F and 2026F

Imported milk powder prices have been on a downward trend since May 2025. By locking in raw materials 3-6 months in advance, we believe that the movement of raw material prices can support VNM's gross profit margin in Q4 and Q1 next year; at the same time, we expect Q4 revenue to maintain YoY growth thanks to the momentum from new products and good development of modern channels (MT). We forecast 2025 revenue to reach VND63,134 billion (+2.2%) and net profit to reach VND9,379 billion (-0.8% YoY), with the whole year's gross profit margin at 41.6%. In 2026, we expect the company to maintain growth with revenue of VND64,320 billion (+1.9% YoY) and net profit to reach VND9,861 billion (+5% YoY).

Risks: (1) Risk of dependence on imported raw materials; (2) Falling birth rate and restrictions on advertising for children under 2 years old; (3) Competition; (4) Weaker-than-expected consumption recovery rate.

Year	2022	2023	2024	2025F	2026F
Revenue (bil VND)	**59,956**	**60,369**	**61,782**	**63,134**	**64,320**
Operating Income (bil VND)	9,753	9,771	10,405	10,411	11,018
NP (bil VND)	**8,577**	**9,019**	**9,452**	**9,379**	**9,861**
EPS (VND)	3,632	3,796	4,022	4,013	4,219
BPS (VND)	14,282	15,166	15,444	15,891	16,359
OPM (%)	16.3	16.2	16.8	16.5	17.1
NPM (%)	14.3	14.9	15.3	14.9	15.3
ROE (%)	**25.0**	**26.6**	**26.6**	**25.6**	**26.3**
P/E (x)	19.2	17.0	15.8	17.8	17.0
P/B (x)	4.9	4.3	4.1	3.6	3.5

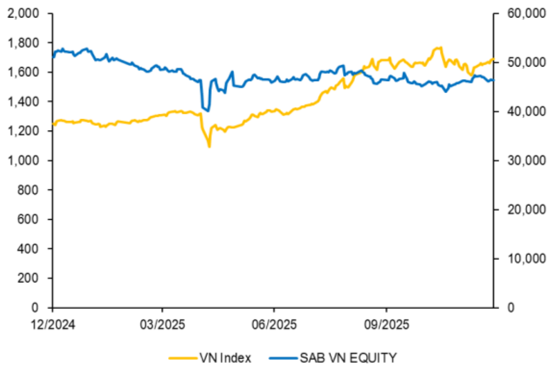
Source: Company data, Shinhan Securities Vietnam

SABECO

Target price (2026F)	**55,100 VND**
Current price (28/11/25)	46,400 VND
Return (%)	**18.8%**
VNINDEX	1,691
PE market	14.2
Market cap (billion VND)	59,511
Outstanding shares (mil shares)	1,283
Free-float (mil shares)	134
52-week high/low (VND)	58,500/41,500
90-day avg. trading volume (mil shares)	0.91
90-day avg. turnover (bn VND)	33
Foreign ownership (%)	58.4

Major shareholders (%)	Vietnam Beverage Company Limited	54
	SCIC	36

Performance	3M	6M	12M
Absolute (%)	-0.3	-4.8	-17.3
Rel.to VN-Index (%)	-0.8	-31.7	-52.5



Attractive dividend yield

Investment thesis

Saigon Beer - Alcohol - Beverage Corporation (HOSE: SAB) is the second largest beer producer in Vietnam by production scale, with a market share of 35% (Euromonitor, 2024). SAB leads in the number of breweries with a capacity of 3.1 billion liters/year, supplying products ranging from popular to premium. SAB possesses a healthy financial structure and a consistently high cash dividend payout ratio. We use a combination of the Discounted Cash Flow (DCF) and P/E methods to value SAB, with the target price of VND 55,100.

Update on 9M/2025

Sabeco recorded revenue in Q3/2025 of VND 6,437 billion (-16% YoY) and net profit of VND 1,404 billion (+21% YoY). Beer revenue continued to decline by 12% YoY due to the impact of the merger with Sabibeco and reduced output in the context of a difficult consumer market. Thanks to the impact of the merger, combined with lower prices of raw materials such as barley and rice, the beer gross profit margin in Q3 also improved significantly to 38.8%, pushing the total gross profit margin to 37.1% (up 7 percentage points YoY).

Net profit growth was supported by lower financial expenses after completing the allocation of the purchase price of the SBB acquisition. However, these positive factors were also affected by increased selling and administrative expenses as SG&A margin in the period increased to 18.8% (+4.6% YoY). Thus, in the first 9 months, SAB recorded VND 19,052 billion in net revenue and VND 3,454 billion in after-tax profit, completing 60% and 71% of the plan set out at the Shareholders' Meeting, respectively.

Forecast 2025F and 2026F

We believe that Q4 revenue may continue to grow and achieve better results than Q3 due to the peak season before Tet, but may be affected by storms and floods in the quarter, disrupting the supply chain and affecting consumer behavior. Accordingly, we forecast 2025 revenue to reach VND27,511 billion, down 13.7% YoY and full-year gross profit to reach VND9,602 billion (+3% YoY) thanks to favorable raw material price trends and continued benefits from post-merger synergies supporting GPM. Moving into 2026, we forecast revenue to return to single-digit growth at VND28,497 billion (+3.6% YoY) and NPAT to reach VND4,724 billion (+2.8% YoY) when the consumer market recovers more positively.

Risks: (1) Risk of increasing raw material prices; (2) Risk of increasing excise tax; (3) Policy risks; (4) Risk of domestic consumption recovering weaker than expected

Year	2022	2023	2024	2025F	2026F
Revenue (bil VND)	**34,979**	**30,461**	**31,872**	**27,511**	**28,497**
Operating Income (bil VND)	5,498	3,811	4,437	4,704	4,982
NP (bil VND)	**5,499**	**4,255**	**4,494**	**4,597**	**4,724**
EPS (VND)	7,980	3,132	3,291	3,362	3,455
BPS (VND)	36,083	18,877	18,152	16,534	16,515
OPM (%)	15.7	12.5	13.9	17.1	17.5
NPM (%)	15.7	14.0	14.1	16.7	16.6
ROE (%)	**22.4**	**17.0**	**18.0**	**19.6**	**20.9**
P/E (x)	18.8	18.4	16.9	16.4	15.9
P/B (x)	4.0	4.2	3.0	3.1	3.3

Source: Company data, Shinhan Securities Vietnam

MASAN GROUP

Target price (2026F)	**92,800 VND**
Current price (28/11/25)	78,000 VND
Return (%)	19%
VNINDEX	1,691
PE market	14.2
Market cap (billion VND)	111,914
Outstanding shares (mil shares)	1,446
Free-float (mil shares)	741
52-week high/low (VND)	94,000/50,300
90-day avg. trading volume (mil shares)	10.13
90-day avg. turnover (bn VND)	742
Foreign ownership (%)	23

Major shareholders (%)	Masan Group	31.03
	Sunflower Construction Company Limited	13.15

Performance	3T	6T	12T
Absolute (%)	30.9	22.6	7.9
Rel.to VN-Index (%)	5.6	-6.3	-23.3

Maintain growth momentum

Investment thesis

Masan Group Corporation (Masan, HOSE: MSN) is one of the largest private multi-industry economic groups in Vietnam with a focus on retail - consumption, expected to benefit from demographics and the expansion of the middle class, in addition to the mining - resources sector and associated interests at Techcombank. Established in 1996, the group has expanded its scale through strategic M&A deals.

We expect: (1) Core consumer - retail segment to grow positively as WinCommerce (WCM) and Masan MEATLife (MML) start to make profits from Q3/2024 and continue to maintain growth momentum in the forecast period; (2) Although Masan Consumer (MCH) recorded negative growth results in the first 9 months of the year due to the impact of new regulations on invoices and taxes for business households, we expect revenue to start growing again from Q4; (3) Reduced losses from Masan High-tech (MHT) after restructuring, even recording positive NPAT from Q2; (4) Motivation from MCH changing floors and attracting foreign capital in the scenario of market upgrade.

Update on 9M/2025

Q3 revenue reached VND 21,164 billion (-1.5% YoY), mainly due to two reasons: (1) MHT revenue decreased after divesting from HC.Starck and (2) Contribution from one of the important pillars, Masan Consumer (MCH), decreased by -5.9%., offset by growth in other segments such as WCM (+22.6% YoY) and MML (+23.2% YoY). Excluding the impact of this divestment, LFL (Life-for-like) revenue in Q3 increased by 9.7% YoY. In the first 9 months, MSN recorded consolidated net revenue of VND 58,375 billion (-3.5% YoY). Despite the decrease in revenue, gross profit and NPAT improved significantly, reaching VND 18,325 billion (+4.2% YoY) and VND 4,468 billion (+63.9% YoY), respectively. Profit after distribution to minority shareholders (NPAT-Mi) 9M/25 also reached VND 2,634 billion (doubled).

Forecast 2025F and 2026F

We estimate 2025 revenue to reach VND81,826 billion, NPAT to reach VND6,196 billion (+45% YoY) and NPAT-Mi to reach VND3,594 billion (+79.7% YoY). We expect sustainable growth momentum to come from the WCM chain as it accelerates new openings and increases profit margins per store, offsetting MCH's slowdown due to short-term disadvantages. In 2026, we forecast DT and NPAT to continue to grow by 9.1% and 24.5%, respectively.

Risks: (1) Risk of weak consumer demand affecting the consumer retail sector, (2) Exchange rate and interest rate risks, (3) Raw material risks, (4) Competition risks.

Year	2022	2023	2024	2025F	2026F
Revenue (bil VND)	**76,189**	**78,252**	**83,178**	**81,826**	**89,308**
Operating Income (bil VND)	4,669	4,179	6,174	7,063	8,227
NP (bil VND)	**4,754**	**1,870**	**4,273**	**6,196**	**7,716**
EPS (VND)	2,511	294	1,345	2,487	3,097
BPS (VND)	18,366	18,560	21,031	22,311	25,255
OPM (%)	6.1	5.3	7.4	8.6	9.2
NPM (%)	6.2	2.4	5.1	7.6	8.6
ROE (%)	**13.0**	**4.9**	**10.5**	**13.4**	**14.6**
P/E (x)	37.0	227.9	51.9	37.3	30.0
P/B (x)	5.1	3.6	3.3	4.2	3.7

Source: Company data, Shinhan Securities Vietnam

Power

Policy-driven growth momentum

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Glossary of abbreviations

COD	Commercial operation date
CAN	Capacity Add-on Price
CfD	Contract for Difference
EPTC	Electricity Power Trading Company
ERAV	Electricity Regulatory Authority of Vietnam
EVN	Vietnam Electricity Corporation
FDP	Field Development Plan
FID	Final Investment Decision
FMP	Full Market Price
GSA	Gas Sales Agreement
IEA	International Energy Agency
LNG	Liquefied Natural Gas
MOIT	Ministry of Industry and Trade
NCHMF	National Center For Hydro-Meteorological Forecasting
Pc	Contractual Price
Pmax	Maximum Capacity
PPA	Power Purchase Agreement (signed between EVN/EPTC)
PSC	Production Sharing Contract
PVN	Vietnam Oil and Gas Group
Qc	Contract Quantity
Qm	Metered Quantity
SMP	System Marginal Price
TKV	Vietnam National Coal and Mineral Industries Group
VCGM	Vietnam Competitive Generation Market

Power sector – Policy-driven growth momentum

I. Power Industry Update 2025

The IIP index has recorded growth of over 8% YTD, while total electricity generation reached 268.45 billion kWh (+3.9% YoY) in 10M2025, equivalent to 77% of the MOIT's full-year target of 347.5 billion kWh.

In 9M2025, the sector's business results improved significantly, particularly in hydropower benefiting from favorable weather conditions, and in gas-fired power, with a sharp increase in contracted output (Qc).

II. 2026 Power Sector Outlook and 2030 Strategic Orientation

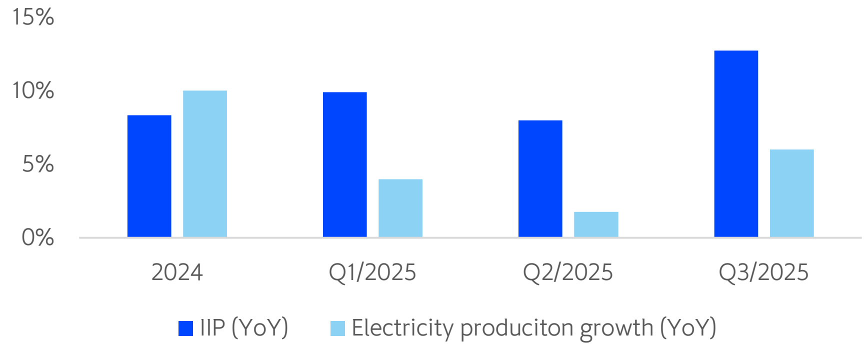
To achieve the target of expanding renewable energy capacity (solar, wind,...) and LNG power capacity by 2030 as outlined in the revised PDP VIII, numerous policies have been issued, demonstrating the government's increasing determination to resolve bottlenecks and accelerate practical project deployment. Notable examples include: issuance of price frameworks for each type of power source in 2025, and proposed solutions to remove obstacles for 173 renewable energy projects,…

III. Investment opportunities – POW

A leading enterprise in LNG power development.

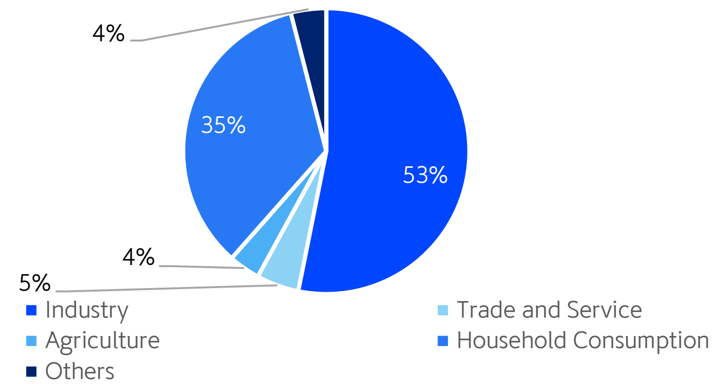
Slower electricity output growth in the first 10M/2025

Growth in electricity production and industrial production index (IIP)



Source: EVN, Fiinpro, Shinhan Securities Vietnam

Average structure of commercial electricity output, 2020–2024

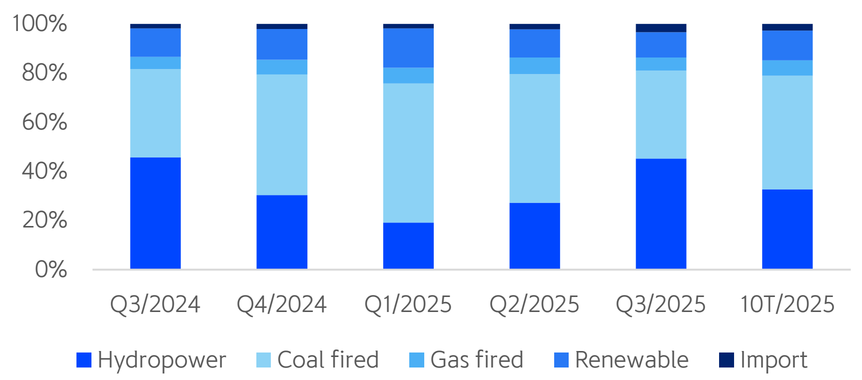


Source: EVN, Shinhan Securities Vietnam estimates

- The IIP index has recorded growth of over 8% YTD, while total electricity generation reached 268.45 billion kWh (+3.9% YoY) in 10M2025, equivalent to 77% of the MOIT's full-year target of 347.5 billion kWh. The primary reason is that nationwide temperatures have been lower than the same period and lower than previous years, leading to actual load demand falling short of the early-year forecast.
- According to the November 2025 report from the Electricity Regulatory Authority (Ministry of Industry and Trade), NSMO has updated its load forecast, estimating that total electricity consumption across the national power system will reach 322.6 billion kWh (+4.5% YoY).
- At the June 2025 meeting, the Electricity Regulatory Authority outlined three electricity-demand growth scenarios. In the base-case scenario, electricity output is expected to grow 10–12%, corresponding to GDP growth of around 6.5–7%, assuming normal weather conditions.

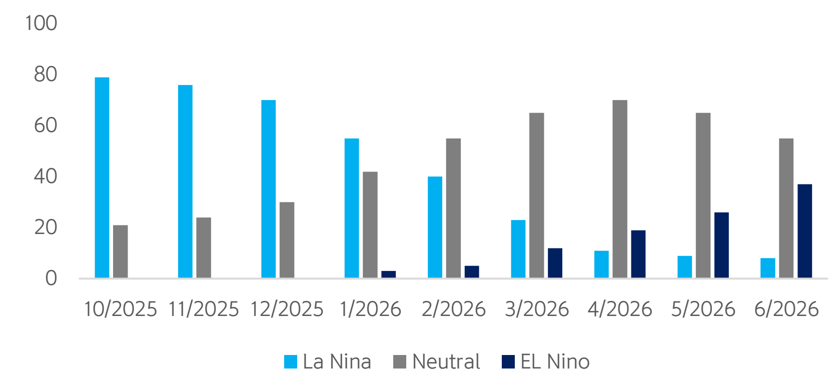
Hydropower was the primary source of dispatch in Q3/2025, surpassing coal-fired generation

A sharp increase in hydropower's share in the generation mix during Q3/2025



Source: EVN, Shinhan Securities Vietnam

Official NOAA CPC ENSO probabilities (%)

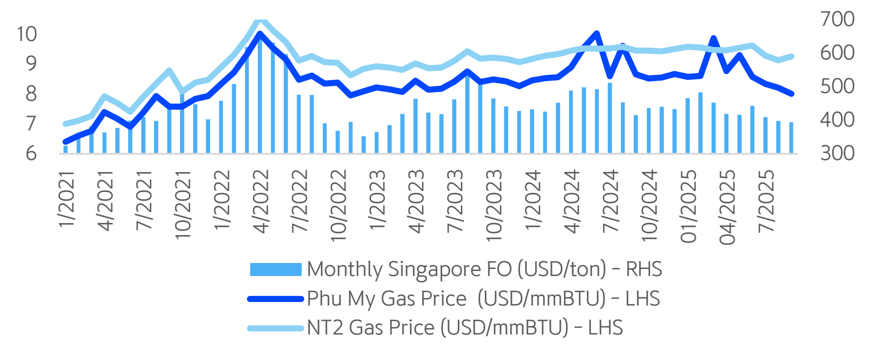


Source: IRI, Shinhan Securities Vietnam

- **Hydropower generation was ramped up significantly from Q2/2025**, reaching 38.65 billion kWh (accounting for 45%, a sharp increase from 14% in Q1/2025, and surpassing coal-fired generation's share of 36%). For 10M/2025 period, hydropower output reached 87 billion kWh (33%), while coal-fired generation totaled 124.2 billion kWh (46%).
- The La Niña phase remains ongoing and is forecast to persist over the next three months, with a 50–60% probability, while the likelihood of neutral conditions stands at 40–50%. According to the National Hydro-Meteorological Service, during 09-10/ 2025, nationwide rainfall was 20–90% above the long-term average (LTA), with some northern regions recording levels 3–5 times higher than the LTA. For the period from December 2025 to February 2026, rainfall across the country is expected to be roughly equivalent to the LTA, with the Central Highlands and Southern regions forecast to remain above the LTA. We expect hydropower generation to gradually decline in dispatch priority as the system moves into 2026.

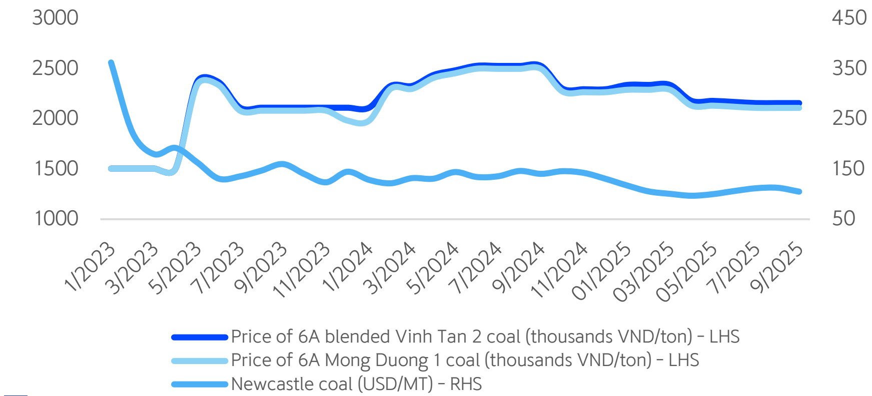
Input coal and gas prices remain at low levels

Natural gas prices and Singapore FO oil prices



Source: Bloomberg, Genco3, EVN, Shinhan Securities Vietnam

Coal prices remain at low levels (VND/kWh)



Source: Bloomberg, NT2, Genco3, EVN, Shinhan Securities Vietnam

- Coal and gas input prices remain low, supporting the dispatch of these two generation groups in the competitive electricity market.
- However, the FMP in 2025 is only 1,730.56 VND/kWh (-6% YoY); yet the actual trading price on the CGM is estimated at only around 1,097 VND/kWh (-17% YoY), driven by the higher share of low-cost hydropower dispatch, expected to reach 33–38% in 2025 (versus 29% in 2024).
- **For coal and gas-fired power,** power plant with a high Qc ratio will benefit from securing a Pc while input fuel costs remain low.
- **For hydropower power,** power plant with a low Qc ratio gain an advantage as they can sell a larger portion of electricity through the CGM, where prices are typically higher than Pc.

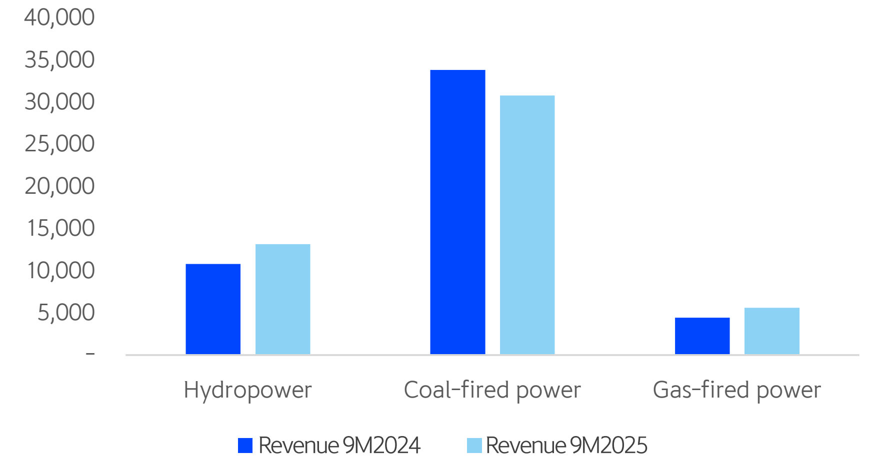
FMP (VND/kWh) and Qc ratio by year

	SMP	CAN	FMP = SMP + CAN	Hydropower Qc ratio	Coal-fired power Qc ratio
2025	1,682.6	47.96	1,730.56	98%	80%
2024	1,510	330.5	1,840.5	98%	70%
2023	1,778.8	293	2,071.8	90%	80%
2022	1,602.3	379.4	1,981.7	90%	80%
2021	1,503.5	150.7	1,654.2	90%	80%
2020	1,342.3	63.5	1,405.8	90%	80%
2019	1,319	140.9	1,459.9	80%	80%

Source: Annual electricity market operation plan, Shinhan Securities Vietnam

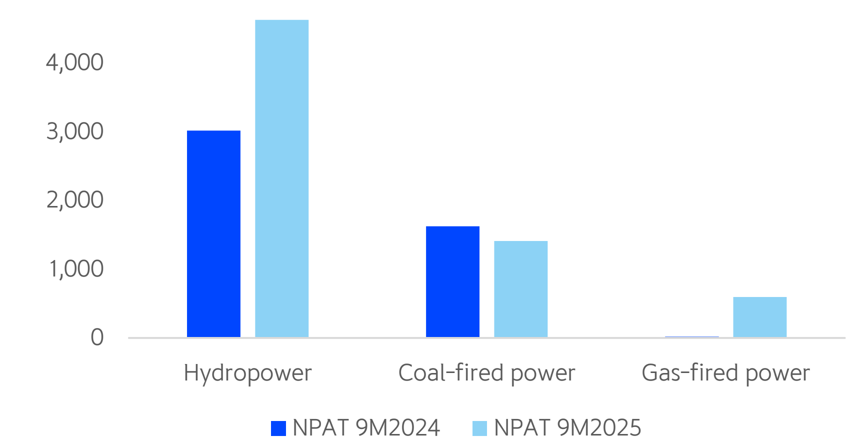
9M2025 results highlight a strong recovery in the hydropower and gas-fired power segments

Hydropower and gas-fired power revenue posted a strong recovery in 9M2025 (VND bn)



Source: Fiinpro Shinhan Securities Vietnam,
*Data compiled from 43 publicly listed power companies

Gas-fired power net profit rebounded sharply (VND bn)



Source: Fiinpro, Shinhan Securities Vietnam

- **Hydropower:** In 9M2025, hydropower revenue (+22% YoY) and profit (+53% YoY) rebounded strongly, driven by the high level of hydropower dispatch during the period.
- **Gas-fired power:** Revenue and profit in the gas-fired power segment recovered sharply, mainly thanks to NT2's outperformance relative to the sector average due to its high Qc ratio, despite total industry generation declining 13% YoY.
- **Coal-fired power:** Revenue and net profit declined 9% and 13% YoY, respectively, primarily because coal-fired generation volumes were unchanged YoY while the estimated CGM selling price dropped by around 15%.
- **Renewable energy:** The renewables segment operated stably, with most assets belonging to diversified companies and/or those owning multiple generation types. Renewable output increased 1% YoY in 9M2025, while financial performance varied depending on each company's characteristics.

EVN has completed the Proposal on "Developing a two-component electricity pricing system"

In accordance with the directive of the Ministry of Industry and Trade, EVN has completed the Proposal on "Developing a two-component electricity pricing system (capacity charge and energy charge) and the implementation roadmap for Vietnam's power sector, starting with industrial customers consuming more than 200,000 kWh/month." Specifically:

1. Phase 1 (from October 2025): Begin pilot invoice simulation. EVN will calculate charges under both mechanisms and display them in parallel on the invoice, but payment under the new mechanism will not yet be applied.

2. Phase 2 (January – June 2026): Issue parallel (non-payment) invoices to all participating customers, accompanied by detailed instruction materials.

3. Phase 3 (July 2026 – July 2027): One-year official trial implementation.

4. Phase 4 (from August 2027): The Ministry of Industry and Trade will finalize and comprehensively evaluate the trial results.

Voltage Level	Capacity Charge (VND/kW/month)	Normal (VND/kWh)	Peak (VND/kWh)	Off-peak (VND/kWh)
High voltage (U ≥ 110kV)	209.459	1,253	2,162	843
Medium voltage (22kV ≤ U < 110kV)	235.414	1,275	2,182	859
Medium voltage (6kV ≤ U < 22kV)	240.050	1,280	2,189	871
Low voltage (U < 6kV)	286.153	1,332	2,251	904

I. Total electricity bill = (Capacity charge × Maximum demand) + (Energy charge × Electricity consumption)

_ Capacity charge: A fixed fee calculated based on the customer's maximum demand (kW), either registered or actual, within the billing period. This fee is intended to recover investment costs and maintain the readiness of the generation and grid system.

_ Energy charge: A variable fee based on actual electricity consumption (kWh). This fee reflects fuel costs and operating costs required to produce electrical energy.

II. Impacts on the power sector: (1) This mechanism clearly separates fixed costs and variable costs in electricity supply; customers placing greater pressure on the system during peak hours (high maximum demand) will share a proportional portion of system investment costs; (2) Reduces investment pressure on peak-load power sources; (3) Promotes fairness in the competitive electricity market.

III. Impacts on industrial manufacturing enterprises: Enterprises with stable, continuous load profiles-such as cement, steel, and chemicals-are expected to benefit, as reductions in energy charges will outweigh the additional capacity-related cost. Seasonal industries (agricultural processing, textiles) may face higher fixed costs due to elevated registered capacity requirements even during low-production months.

Power sector development objectives toward 2030

Revised PDP VIII indicators compared with the original PDP VIII

To 2030	PDP VIII	Revised PDP VIII
GDP growth 2026-2030	7.00%	10%
Electricity production output and imports (bn kWh)	566.9	560.4 - 624.6
Commercial electricity output (bn kWh)	505.2	500.4 - 557.8
CAGR of electricity production output	8.6%	10.4%
Pmax (MW)	90,512	89,655 - 99,934
Installed capacity (MW)	155,544	183,291 – 236,363

Source: Revised PDP VIII, compiled and estimated by Shinhan Securities Vietnam estimates

Some key targets under Resolution 70-NQ/TW

Total installed capacity (GW)	183 – 236
Total electricity generation (billion kWh)	560 – 624
Greenhouse gas emission reduction	15–35%
Share of renewables in total primary energy supply	25–30%
Total primary energy supply (million TOE)	150 – 170

Source: EVN, compiled and estimated by Shinhan Securities Vietnam

_ The revised PDP VIII was issued on April 15, 2025, and the Implementation Plan for PDP VIII was approved shortly thereafter. Overall, the adjusted indicators are higher than those in the original PDP VIII, reflecting very strong electricity demand in the context of the national objective of achieving 10% annual economic growth through 2030.

_ **Resolution 70-NQ/TW**, issued by the Politburo on August 20, 2025, is an important document that outlines Vietnam's strategic national energy development orientation to 2030, with a vision to 2045:

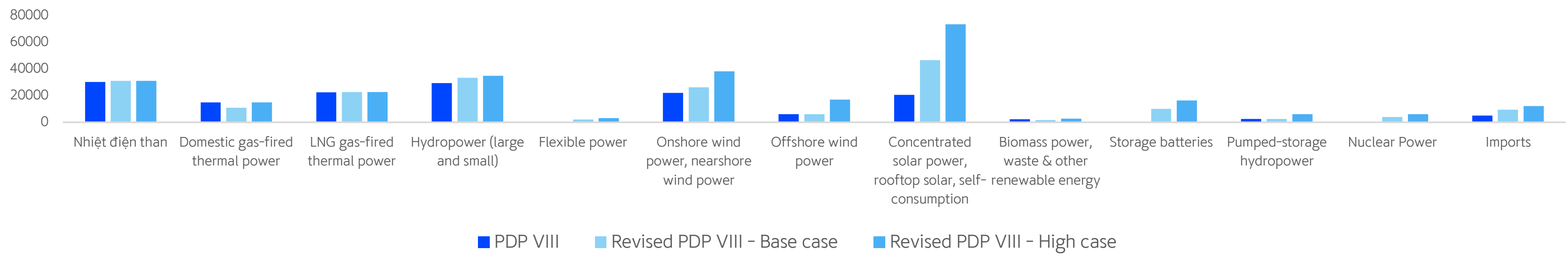
+ Improving the institutional framework and policies to create competitive advantages that promote energy development. Developing energy supply and infrastructure, ensuring robust energy security, and supporting economic growth.

+ Developing energy supply and infrastructure, ensuring strong energy security, and meeting growth requirements.

+ Strongly encouraging private-sector participation in energy development.

The Revised PDP VIII is determined to promote renewable energy

Power capacity sources 2023–2030 (MW)



Source: MoiT, Shinhan Securities Vietnam

According to the Revised PDP VIII, the total power capacity serving domestic demand (excluding exports, cogeneration sources, and risk thermal power) is projected at 183,291–236,363 MW, an increase of approximately 27,747–80,819 MW compared to the original PDP VIII. The main changes are as follows:

- **Solar power**: by 2030, total centralized solar power capacity is expected to reach about 46,459–73,416 MW, increasing by approximately 25,867–52,825 MW compared to the original PDP VIII. With rising electricity demand, solar power is once again prioritized for development due to its rapid deployment advantage.
- **Offshore wind power**: The Revised PDP VIII maintains the development capacity target of about 6,000–17,032 MW but shifts this to the 2030–2035 period. However, we believe that achieving the 6,000 MW target by 2030 is unlikely due to high investment costs and long implementation timelines for this technology.
- **LNG-fired thermal power**: Nearly unchanged from PDP VIII, with total capacity reaching 22,524 MW by 2030.
- **Onshore wind power**: development is accelerated with capacity ranging from 26,066 to 38,029 MW, compared to 21,880 MW in PDP VIII
- **Storage and flexible sources**: PDP VIII approves two pumped storage projects, Bac Ai and Phuoc Hoa, scheduled for operation between 2026–2030. Battery energy storage systems (BESS) have fast installation times (about 3 months), so their expected commissioning is in 2026–2027.Nuclear power: the nuclear power program has been approved by the 15th national assembly. Two nuclear power projects, Ninh thuan 1 & 2 (4,400 MW), are planned to be completed after 2030.
- **Electricity imports**: Electricity imports from Laos and China are expected to increase significantly to about 9,360–12,100 MW (accounting for 4–5.1% of total capacity), compared to 5,000 MW in PDP VIII.

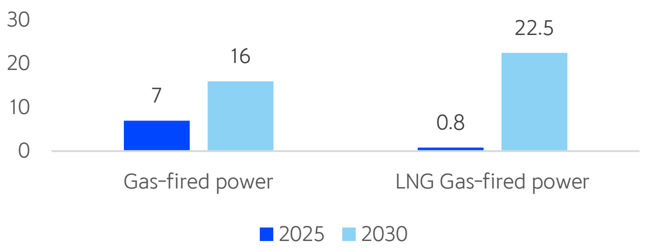
LNG-to-power capacity targets for 2030 are significantly large

Table: List of LNG-to-power projects and progress updates

Project	Capacity (MW)	Notes / Implementation Progress	Developer
LNG Quang Ninh	1,500	Expected COD: 19/12/2025	Consortium: POW, Colavi, Tokyo Gas, Marubeni
LNG Thai Binh	1,500	Construction started on 10/10/2025. Expected COD: Q4/2029	Consortium of Tokyo Gas, Kyuden, Truong Thanh Industry JSC
LNG Quang Trach II	1,500	Planned construction start: 12/2025, full completion by 2030	EVN
LNG Hai Lang Phase 1	1,500	Site clearance underway, expected construction start: Q1/2027	T&T Group, HANWHA, KOSPO, KOGAS
Nhon Trach 3&4	1,624	In operation since 12/2025	POW
LNG Hiep Phuoc Phase I	1,200	Construction and equipment installation 60% + 20% completed; awaiting PPA approval; expected COD within 2029	Hai Linh
LNG Long An 1	1,500	Completing technical feasibility study (FS), planned COD 2029	VinaCapital GS Energy
BOT Son My I	2,250	Site clearance underway	EDF, Kyushu, Sojitz, Pacific Vietnam
BOT Son My II	2,250	Site clearance underway	AES Corporation
LNG Bac Lieu	3,200	Completing procedures for 500kV transmission line (Bac Lieu – Thot Not)	DeltaOE
LNG Nghi Son	1,500	Completing dossier & reviewing options for submission to the Government for consideration	N/A
LNG Ca Na	1,500	Completed investor selection assessment	N/A
LNG Quynh Lap	1,500	People's Committee has approved the investment proposal	N/A
LNG Hai Phong Phase I	1,600	Under construction, expected COD late 2030	VinEnergo
LNG Hiep Phuoc Phase II	1,500	Investor is finalizing the implementation dossier	N/A

Source: Revised PDP VIII, Compiled by Shinhan Securities Vietnam

Gas-fired power and LNG-to-power capacity targets for 2030 are exceptionally high



Source: Revised PDP VIII, Shinhan Securities Vietnam

Several supportive policies with positive impacts on LNG-to-power development

Document	Key points
Decision 1313/QĐ-BCT (2025)	Sets the maximum LNG-to-power electricity price at **3,327.42 VND/kWh**.
Decree 56/2025/NĐ-CP	Requires contracted quantity (Qc) ≥ **65%** (during the loan repayment period, principal + interest, up to 10 years) for LNG power projects to improve bankability and financing capability.
Decree 100/2025/NĐ-CP	Minimum Qc of **65%** for gas-fired power plants during the capital recovery period.
Decree 73/2025/NĐ-CP (issued 31/03/2025)	Reduces LNG import tax from **5% → 2%**. Supports lowering fuel costs for **new and ongoing LNG power projects**.

Source: Compiled by Shinhan Securities Vietnam, ***The government is proposing to raise the Qc ratio to 75% and apply it during the 15-year loan principal and interest repayment period**

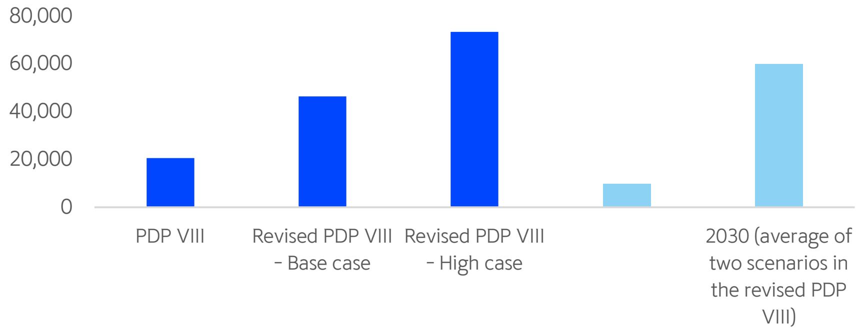
There is a need for solutions that harmonize the interests of investors and regulators in LNG-to-power development

No.	Key Issue	Investor Proposal	Response from Power-Sector Regulators
1	Long-term contracted quantity (Qc)	Investors want Qc ≥ 90% of annual electricity output during stable operation.	With Qc at 90%, the share of renewable energy must be reduced, which contradicts sector targets and power prices for end-users. The latest draft proposes a minimum Qc of **75%** for LNG-to-power.
2	Capacity charge	Investors want to apply capacity charges/fees similar to FC & FOMC, compensating for capacity when the plant is not dispatched.	The 2024 Electricity Law stipulates that Vietnam has a capacity market. Currently, only the CAN pilot applies, with payments per kWh not generated. The capacity market pilot will begin issuing capacity invoices to customers from **October 2025** and run until **June 2026**.
3	Transition from gas supply obligations to PPA	Investors want NSMO to dispatch the plant such that the project can fulfill gas take-or-pay obligations under the GSA; any shortfall must be compensated by EVN.	Domestic suppliers (Lo B…) already operate with take-or-pay terms based on domestic gas sources. No regulatory provisions yet exist for LNG take-or-pay support.
4	Contract termination and project buy-out mechanism	If the contract is terminated without fault of the investor, the Government must buy out the project at the remaining value (land use rights, equity already invested, take-or-pay commitments, etc.).	Investors want a BOT-style mechanism for IPP projects. EVN will only commit within the scope of the PPA.
5	FX adjustment mechanism	Investors propose an FX adjustment for USD-denominated electricity prices and monthly settlement of FX differences.	FX settlement in Vietnam is allowed only in foreign currency accounts, and only when approved by the State Bank of Vietnam (SBV).
6	Governing law for disputes	Investors prefer foreign law (e.g., English law) for dispute resolution; they want PPA to allow non-Vietnamese governing law.	PPAs are commercial contracts. EVN will consider legal risk safeguards and ensure State-interest protection.

Source: ERAV, Compiled by Shinhan Securities Vietnam

Multiple policy measures and regulatory mechanisms are being implemented to unlock bottlenecks and achieve renewable-energy capacity targets by 2030

Solar power capacity expansion (MW)



Source: Revised PDP VIII and PDP VIII, Shinhan Securities Vietnam

Renewable energy capacity development by region through 2030

Areas	Onshore wind power (MW)	Offshore Wind power (MW)	Solar farm (MW)	Rooftop solar power (MW)	Waste-to-energy power
North	2,194	N/A	10,306	17,950	523
Central	9,740	N/A	13,922	1,791	323
South	4,212	N/A	3,654	6,635	425
Total	16,146	6,000	27,882	26,376	1,271

Decree 57/2025/ND-CP on DPPA, replacing Decree 80/2024/ND-CP

Content	Decree 80/2024/ND-CP (old)	Decree 57/2025/ND-CP (new)	Key Differences
Eligible power sources	Only wind & solar	Adds biomass	Broader scope for renewables
Eligible customers	Only manufacturing enterprises	Expanded: includes service, commercial, and other sectors	More participant types
Electricity consumption requirement	≥200,000 kWh/month; ≥22 kV (both required)	MOIT may flexibly adjust by phase	More flexible framework
Rooftop solar (surplus power)	Not clearly defined	Clearly regulated: allowed to sell excess electricity to industrial clusters/parks and/or to distribution units; negotiated price but must stay within regulatory caps	Clearer regulations
Bilateral price cap	None	Has a cap	Prevents excessively high/low prices
Direct PPA model	Exists but unclear	Defines responsibilities & rights of both parties	Clearer legal framework
Electricity tariff structure	Single-component (bundled)	Moving toward two-component pricing (separating transmission fees and other charges from energy price)	Greater transparency & fairness

Source: Compiled by Shinhan Securities Vietnam

Update on the settlement plan for 173 renewable energy projects facing tariff bottlenecks

- Recently, 23 foreign investors in the wind and solar sectors (with a combined capacity of over 4,182 MW, from major corporations in Japan, Thailand, South Korea, etc.) petitioned for a dialogue with ministry leaders due to delayed or unpaid receivables, which have put several projects at risk of bankruptcy. At the meeting on September 4, the investors agreed not to file complaints, not to initiate legal proceedings, and not to request late-payment interest, on the condition that EVN/EPTC settles all outstanding payments under the signed PPAs before October 31.
- According to Conclusion No. 1027/KL-TTCP dated April 28, 2023, issued by the Government Inspectorate, the recognition of COD before obtaining the CCA was deemed a violation of Decree 46/2015/NĐ-CP, Article 123(4) of the Construction Law, and Circulars 16/2017/TT-BCT and 39/2015/TT-BCT. **The Ministry of Industry and Trade provided guidance stating that projects currently enjoying FIT prices but found to be in violation will lose FIT eligibility and must have their purchase price re-determined in accordance with regulations; any FIT incentives already received must be clawed back via electricity invoice offsets.**

In July 2025, **EVN proposed two settlement options for these plants:**

- **Option 1:** Adopt a new COD date. The applicable tariff would be determined based on the time the CCA is issued (tariff aligned with the new COD).
- **Option 2:** Maintain the original COD tariff, but apply administrative penalties and recover all illegitimate gains. These gains would be calculated as the difference between: the FIT price at the original COD, and the effective FIT/transitional price cap at the time the CCA was issued, multiplied by the electricity output generated between COD and the CCA date, adjusted for VAT differences.
- We believe Option 2 is more appropriate, as it offers a balanced approach that protects the interests of all parties and helps restore investor confidence in Vietnam's renewable energy sector. Adopting Option 2 would have the most positive impact on **HDG**, which operates two plants currently subject to tariff reductions, while the impact on REE and GEG would be minimal.

Plants under listed companies with CCA issued after COD	Capacity (MW)	Listed Companies	Impact	Revenue Contribution 2023–2024
Truc Son Solar Power Plant	35	GEG	Reduced from **FIT1 (9.35 US cent/kWh)** to **FIT2 (7.09 US cent/kWh)**	6%
Krong Pa Solar Power Plant	55	GEG	No impact	-
Ia Bang 1 Wind Power Plant	50	GEG	No impact	-
Hong Phong 4 Solar Power Plant	48	HDG	Reduced from **FIT1 (9.35 US cent/kWh)**, payments temporarily suspended	7%
Srepok Infra 1 Solar Power Plant	50	HDG	From **FIT2 (7.09 US cent/kWh)** down to **transitional price cap** (1,184.9 VND/kWh)	7%
Phu Lac Wind Power Plant – Phase 1	24	REE	No impact	-
Phu Lac Wind Power Plant – Phase 2	25.2	REE	Reduced from **FIT (8.5 US cent/kWh)** down to **transitional price cap** (1,587.12 VND/kWh)	2%

Source: Compiled by Shinhan Securities Vietnam

Update on the settlement plan for 173 renewable energy projects facing tariff bottlenecks

Selling prices by type and region (VND)

Type	Northern Region	Central Region	Southern Region	Average
Ground-mounted solar power (without storage batteries)	1,382.7	1,107.10	1,012.00	1,059.6
Floating solar power (without storage batteries)	1,685.80	1,336.10	1,228.20	1,416.7
Ground-mounted solar power (with storage batteries)	1,571.98	1,257.08	1,149.86	1,326.3
Floating solar power (with storage batteries)	1,876.57	1,487.18	1,367.13	1,577.0
Offshore wind power*	3,975,1	3,078,9	3,868,5	3,473.7

	Selling Price (VND/kWh)	Source
Onshore wind power	1,643.89	EVN proposed approval based on EPTC's calculation results
Nearshore wind power	1,913.67	
Biomass power	2.091,74 (excluding VAT)	QD1008/QD-BCT
LNG gas power	3,327,42	EVN uses parameters from NT3&4
Solid waste power	2,575.18 (excluding VAT)	
Pumped storage hydropower	3,457.02 (excluding VAT)	Circular 09/2025/TT-BCT

Source: 988/QD – BCT, MOIT, Shinhan Securities Vietnam
* EVN's preliminary calculations

Table: Planned LNG-to-power project pipeline

Project	Expected capacity (MW)	Operation stage	Note
O Mon Thermal Power I	660	2025-2030	Using gas from Block B
O Mon Thermal Power II	1,050	2025-2030	
O Mon Thermal Power III	1,050	2025-2030	
O Mon Thermal Power IV	1,050	2025-2030	
Dung Quat CCPP& I	750	2025-2030	Using gas from Ca Voi Xanh, synchronized with upstream Ca Voi Xanh source development
Dung Quat CCPP II	750	2025-2030	
Dung Quat CCPP III	750	2025-2030	
Central Region CCPP I	750	2025-2030	
Central Region CCPP II	750	2025-2030	
Quang Tri CCPP	340	2025-2030	Using gas from Bao Vang field, synchronized with upstream source development

Source: Revised PDP VIII, Shinhan Securities Vietnam
*CCCP: Combined Cycle Power Plant

Table: Notable policies with positive impact on the renewable energy sector

Document	Date	Summary	Impact
Decree 56/2025/ND-CP	3/3/2025	Provides detailed guidance on key provisions of the Electricity Law: power-source and grid development planning; power project investment; regulations on **fuel switching for LNG power plants**; rules on **minimum contracted quantity (Qc)** for LNG-to-power projects.	Power-source and transmission development becomes more specific and aligned with planning. Establishes a clearer regulatory basis for accelerating LNG-to-power development.
Decree 57/2025/ND-CP	3/3/2025	Establishes the legal framework for **Direct Power Purchase Agreements (DPPA)**, replacing Decree 80/2024. Expands eligible participants and clarifies the renewable transaction mechanism.	Streamlines administrative procedures, enables broader participation in DPPA, and clearly sets out rights and responsibilities of stakeholders, ensuring balanced interests.
Decree 58/2025/ND-CP	3/3/2025	Completes the **legal framework to promote renewable energy** such as ground-mounted solar, onshore wind, offshore wind, and self-consumption RE systems.	Strengthens incentives for **new RE sources** such as green hydrogen and green ammonia; prioritizes dispatch for RE projects with storage systems.
Decision 599/QD-EVN	10/5/2025	EVN raised the average retail electricity price to **2,204.07 VND/kWh (+4.8% vs. current level),** aligned with the level applied in October 2024.	Improves EVN's financial performance, supporting further investment in power sources and transmission, and enabling mechanisms such as renewable energy procurement.
Decision 1508/QD-BCT	30/05/2025	Official issuance of the **wind power** price framework. For onshore wind, the maximum price (excluding VAT) in 2025 for each region is: **North: 1,959.4 VND/kWh, Central: 1,807.4 VND/kWh, South: 1,840.3 VND/kWh.**	Provides clear pricing guidance for investors to plan feasible wind power projects, promoting strong investment in wind energy.
Decision 768/QD-TTg	16/04/2025	Approval of the **Revised PDP VIII**	Focuses on expansion and capacity targets with diversified energy sources. The plan was promptly approved after land use obstacles were resolved, demonstrating the government's strong commitment to achieving the stated energy development goals.
Decision 1509/QD-BCT	30/05/2025	Approval of the **Revised PDP VIII Implementation plan**	
Decree 225/2025/ND-CP	15/08/2025	Amends provisions related to the Bidding Law, including mechanisms for selecting investors for RE projects.	Resolves key "bottlenecks" in the bidding/selection process, making procedures clearer and more transparent.

Source: Shinhan Securities Vietnam

Ticker	Segment	Capacity (MW)	Market Cap (VND bn)	Current Price (VND/share)	Target Price 2026 (VND/share)	Upside (%)	Revenue Growth 2026F (%)	NPAT-MI Growth 2026F (%)	NPM (TTM)	D/E (x)	ROE (%)	ROA (%)	P/B 2026F (x)	P/E 2026F (x)
VSH	Hydropower	356	10,489	44,400	50,600	14.0	-1%	5%	40.4	0.7	19.5	11.1	2.0	17.0
REE	Diversified	1,091	35,316	65,200	75,172	15.2	10%	19%	34.5	0.6	13.2	7.0	1.6	13.5
HDG	Renewable Energy	444	11,746	31,750	34,950	10.1	22%	20%	17.8	0.8	5.5	2.5	1.5	8.4
POW	Gas-fired Power	4,208	35,714	15,250	18,100	19.0	65%	-10%	6.7	1.4	5.8	2.3	1.1	20.7
NT2	Gas-fired Power	750	6,708	23,300	27,700	18.9	-12%	-29%	9.0	0.9	15.4	7.9	1.4	9.9
QTP	Coal-fired Power	1,200	5,805	12,900	15,300	18.6	0%	0%	5.1	0.3	10.6	7.8	1.2	9.4
PPC	Coal-fired Power	1,040	3,206	10,000	NA	NA	6%	112%	3.4	0.1	5.0	4.1	0.7	14.1
PC1	EPC / Power Construction	313	8,925	21,700	24,800	14.3	9%	21%	7.9	1.8	10.0	2.6	1.1	10.2
GEG	Renewable Energy	503	5,124	14,300	18,800	31.5	-13%	-32%	29.1	1.3	13.6	4.2	1.4	26.4
TV2	Consulting	170	2,465	36,500	43,700	19.7	129%	84%	5.5	0.6	5.1	3.2	1.7	15.7
Total							**+27%**	**+4%**						

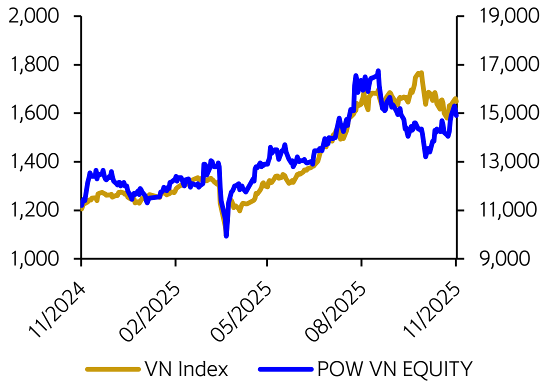
Source: Bloomberg; financial indicators sourced from Fiinpro; compiled by Shinhan Securities Vietnam; * Bloomberg consensus
Data as of 11/28/2025

Petrovietnam Power Corporation (HOSE:POW)

Target price (12 months)	18,100 VND
Current price (28/11/2025)	15,250 VND
Return (%)	19%

VNINDEX	1,691
Market P/E (26F)	14.2
Market cap (billion VND)	35,714
Outstanding shares (mil shares)	2,342
Free-float (mil shares)	470
52 week high (VND)	17,450
52 week low (VND)	9,920
90-day avg. trading volume (mil shares)	11.79
90-day avg. turnover (bn VND)	135
Beta	0.9

Performance	3T	6T	12M
Absolute (%)	-7.3	16.4	23.0
Rel.to VN-Index (%)	-7.8	-10.5	-12.2



Commencement of operations at Vietnam's first LNG power plant

_ **Q3/2025 business results:** Commercial electricity output reached 3.9 billion kWh (+28% YoY), Qc output reached 4.0 billion kWh (+44% YoY), and the average selling price reached 2,011 VND/kWh (+1% YoY). Revenue reached 7,855 billion VND (+30% YoY). Gross profit reached 1,291 billion VND (4.4x YoY), mainly driven by the strong increase in Qc output and an estimated 8% YoY decrease in fuel costs. **9M/2025 business results**: Commercial electricity output reached 12.9 billion kWh (+13% YoY), Qc output reached 12.4 billion kWh (+43% YoY), and revenue reached 25,404 billion VND (+17% YoY). NPAT-MI reached 1,856 billion VND (+74% YoY), mainly thanks to a 133% YoY increase in gross profit. Accordingly, POW's NPAT-MI has reached 206% of the company's 9M preliminary estimate and 251% of the 2025 full-year plan.

Outlook for 2026F and direction to 2030F:

_ At the 11/2025 investor meeting, POW provided the following 2025 earnings outlook: electricity output of 18.6 billion kWh, revenue of VND 36 trillion, and NPAT of approximately VND 2,500 billion.

_ **Vung Ang 1 plant**: POW is still renegotiating the PPA tariff with EVN. The company has received VND 100 billion in insurance compensation for the Vung Ang plant (remaining balance: VND 211 billion). POW expects to import an additional 700–800 thousand tonnes of coal from Laos at prices lower than TKV. Current coal prices are around VND 2.6–2.7 million/tonne.

_ **Ca Mau 1 & 2 plants**: POW is expected to record VND 381 billion in O&M payments from EVN by year-end. The PM3-CAA gas field is expected to be depleted by 2027. POW is working with the Nam Du U Minh and Khanh My Dam Doi gas fields and aims to sign a gas supply agreement with GAS in 2028.

_ **NT3 & 4 projects**: NT3 achieved official COD on 21/11/2025. NT4 is currently running oil-fired test operations and is expected to begin commercial operations in mid-December. NT3 & NT4 do not have a take-or-pay PPA with EVN. POW expects the final construction settlement (capex reconciliation) to come in below VND 34.5 trillion. Minimum Qc is currently 65%, equivalent to 6.05 billion kWh over 10 years. POW has submitted a proposal to raise Qc to 75% for 15 years; if approved, the outlook would improve significantly. Recently, the Ministry of Industry and Trade issued preliminary dispatch scenarios for NT3 & NT4, ranging from a low 30 million kWh up to 1.7 billion kWh depending on the case. However, given the 65% Qc, the official dispatch plan will likely be revised and announced in the near term. We estimate that NT3 and NT4 will record losses of approximately VND 566 billion in 2026 and VND 319 billion in 2027, before turning profitable from 2028 onward.

_ **Other projects**: POW plans to develop additional LNG-to-power plants, including Quynh Lap LNG (1,500 MW; ~USD 2.15 billion investment) and Quang Ninh LNG (1,500 MW; ~USD 2.2 billion investment).

Risks: (1) Risks related to NT3 & NT4 (low dispatch,...); (2) Delayed payments from EVN; (3) High gas prices; (4) Weather-related risks.

Year	2022	2023	2024	2025F	2026F
Revenue (bil VND)	28,224	28,329	30,306	33,454	55,463
OP (bil VND)	2,765	1,290	883	2,420	2,534
NPAT - MI (bil VND)	2,061	1,038	1,112	2,061	2,042
EPS (VND)	871	443	475	880	872
BPS (VND)	13,030	13,414	13,668	15,101	15,973
OPM	9.8	4.6	2.9	7.2	4.6
NPM	9.0	4.5	4.0	7.5	4.1
ROE (%)	6.7	3.3	3.5	5.8	5.5
P/E (x)	13.1	32.0	25.3	20.6	20.7
P/B (x)	0.8	0.8	1.0	1.2	1.1
EV/EBITDA (x)	4.7	7.3	9.6	6.7	5.8

Source: Company data, Bloomberg, Shinhan Securities Vietnam

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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