Investment Outlook 2H2026

"Overlooked opportunities"

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Foreword

The year 2026 began against a backdrop of persistent challenges and uncertainties in the global economy. Geopolitical tensions in the Middle East, coupled with the risk of disruptions to energy supplies, have driven oil prices higher, intensifying inflationary pressures, increasing transportation costs, and affecting economies across the world.

Nevertheless, Vietnam has demonstrated considerable resilience to external shocks. Supported by timely growth-enhancing policies and strong determination to stimulate investment, consumption, and domestic production, the economy has continued to maintain a positive recovery momentum.

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
June 05th, 2026

Macroeconomic outlook

Despite ongoing uncertainties in the global economy, Vietnam remains committed to achieving double-digit economic growth in 2026 and in the years leading up to 2030. Given the Government's strong determination and appropriate policy measures, we believe that this growth target is well within reach. To achieve this objective, industrial production, public investment, and the capital market are expected to serve as the key growth drivers of the economy in 2026. Under a 10% GDP growth scenario, Vietnam's Industrial Production Index (IIP) is projected to increase by approximately 14% in 2026. Meanwhile, inflation is expected to remain under control at around 4.5%, while the exchange rate is forecast to stay relatively stable, depreciating by only about 1% over the year.

Stock market outlook

In April 2026, FTSE Russell officially reaffirmed Vietnam's progress toward its upgrade from a Frontier Market to a Secondary Emerging Market. With the official reclassification taking effect in September 2026, Vietnam is expected to attract additional inflows from global investment funds, generating positive spillover effects on market liquidity, valuations, and overall market size.

The stock market will be underpinned by the intrinsic strength of the economy. We project earnings growth for listed companies to reach approximately 22% 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 1,975 and 2,043. In a bullish scenario, assuming a target P/E of 15.7x, we anticipate the VN-Index to surpass the 2,146 point threshold.

Potential sectors

Following the strong market leadership of the Vingroup-related stocks in the first half of 2026, we expect market liquidity and investor interest to expand to other sectors, including banking, basic materials, and securities, in the second half of the year. At the same time, stocks that stand to benefit from foreign capital inflows driven by the anticipated upgrade of Vietnam's stock market are likely to emerge as key investment highlights in the coming period.

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Macroeconomics

Committed to the growth target

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Macroeconomics| Committed to the growth target

Despite the challenging global situation, Vietnam remains committed to its goal of double-digit growth in 2026 and subsequent years until 2030. The consistent aligning both short-term and long-term targets reflects the growth mindset of the Vietnamese government. Driven by the goal of economic growth, significant institutional and administrative adjustments were implemented in 2024-2025 to lay the groundwork for further shifts. Major changes in Vietnam's production structure, labor productivity, and capital market would be seen in the coming years.

Specific drivers from domestic production, public investment, and foreign direct investment (FDI), along with an upgrade in the stock market classification, would help Vietnam achieve its short-term growth target in 2026. Inflation would be the biggest risk to this growth target. However, we believed that with the government's management, inflation would be controlled under the 4.5% target.

From a macroeconomic perspective and with confidence in the development of the Vietnamese economy as planned, the stock market in 2026 presents an opportunity to invest in businesses that follow that development trend. When the market adjusts due to short-term fluctuations, leading companies in manufacturing, technology, and finance will emerge as potential investment opportunities.

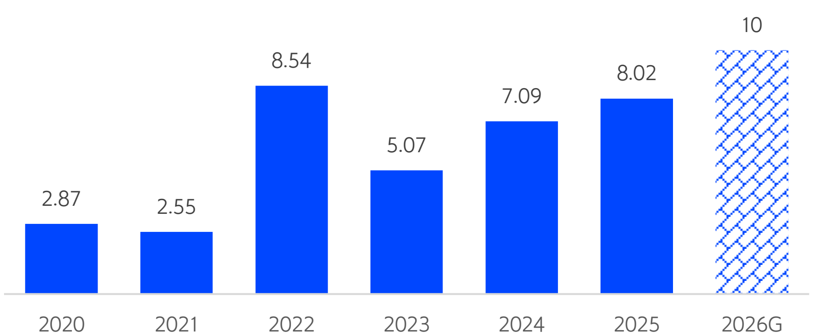
Vietnam remains committed to high growth targets

- Despite the challenges posed by the current global situation, Vietnam remains steadfast in its goal of achieving double-digit growth in 2026 and throughout the 2026-2030 period. Setting high growth targets requires fundamental changes. Long-term economic growth targets are viewed entirely from the perspective of aggregate supply growth, with a focus on increasing total factor productivity (TFP), labor growth, and investment capital.

- On 2nd April 2026, Conclusion No. 18-KL/TW was issued regarding the five-year plan for socio-economic development, national finance, public borrowing and repayment, and public investment for 2026-2030. The conclusion assessed the feasibility of these long-term goals. Besides the target of over 10% growth within 5 years, some other notable targets include:
    - Industrial Production Index (IIP) growth of 11-12%
    - Average growth of total retail sales of goods and consumer service revenue of 14-15%
    - Average labor productivity growth rate of the private sector reaching 8.5-9.5%
    - 1655 km of completed expressways
    - 645 km of railway lines (including 200 km of urban railways)

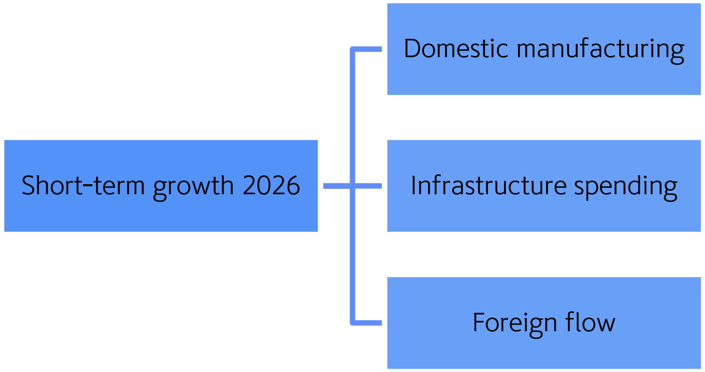
- In the short term 2026 with many challenges ahead, the main growth drivers will be domestic production, public investment and foreign capital inflows from the development of the stock market.

Annual GDP growth (%)



Source: GSO, Shinhan Securities Vietnam

Expected changes in 2026

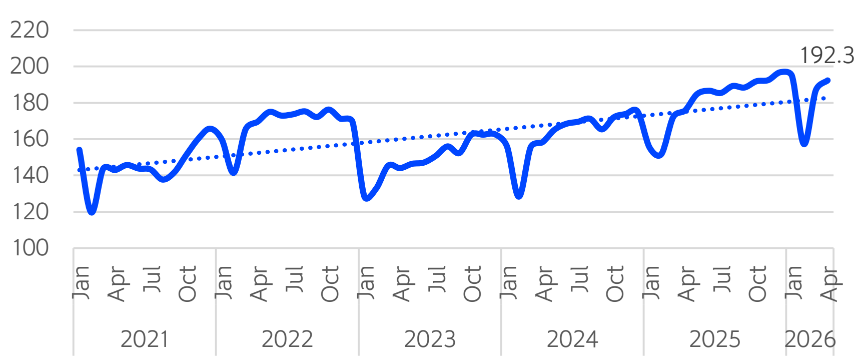


Source: GSO, Shinhan Securities Vietnam

Manufacturing plays a crucial role in the short and long term

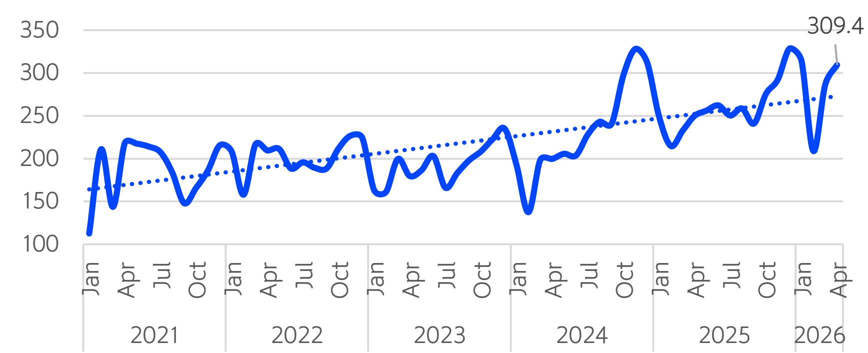
- To achieve sustainable double-digit growth, Vietnam will need a shift in the direction of domestic manufacturing. Vietnam will participate more deeply in global value chains with an increased proportion of domestic value added, develop domestic R&D and design, master core technologies, and form Vietnamese enterprises with global brands. Some enterprises that will benefit from this shift are large corporations such as Vingroup (VIC).
- Domestic industrial production has seen strong growth since 2025. The industrial production index is expected to continuously increase by double digits in 2025. The overall industrial production index in the first four months of 2026 is projected to increase by 9.2% YoY. The manufacturing sector is projected to increase by 9.9% YoY, contributing 7.8 percentage points to the overall growth. The increase in the industrial production index is not concentrated in individual provinces across Vietnam; all 34 provinces achieved growth in the industrial production index.
- Most impressive is the increase in the motor vehicle manufacturing sector. The automotive manufacturing industry has shown significant development, as reflected in the Industrial Production Index (IIP). The IIP for the motor vehicle manufacturing sector is projected to increase by 22% YoY in 2025 and 17% in 4M2026. Over the past five years, the industrial production index for this sector, compared to the base average of 2015, has risen from around 200 points in 2021-2023 to 300 points in 2026.

Overall IIP (monthly compared to base monthly average of 2015) (%)



Source: GSO, Shinhan Securities Vietnam

Motor vehicle manufacturing IIP (monthly compared to base monthly average of 2015) (%)

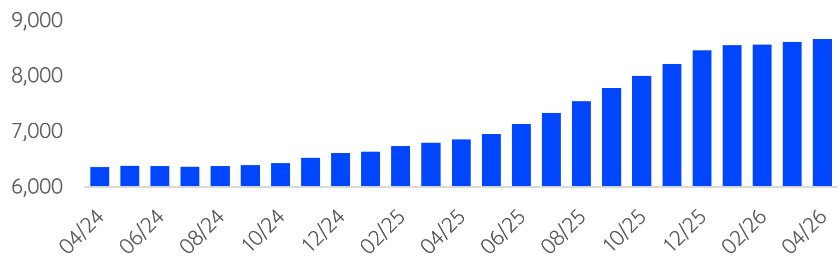


Source: GSO, Shinhan Securities Vietnam

Public investment – the backbone of sustainable development

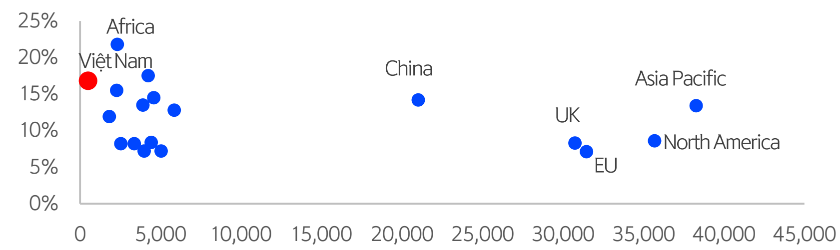
- Changes in administrative structure, provincial mergers, and institutional reforms have had a positive impact on public investment. Disbursement of public investment has grown rapidly following provincial mergers in 2025. This growth trend is expected to continue in 2026. In 4M2026, public investment disbursement is projected to increase by 12.0% YoY.
- During the 2026-2030 period, the Government aims for an average total social investment/GDP ratio of 40%. The proportion of public investment to total social investment is projected at around 20-22%, equivalent to VND 8.22 trillion (~USD 298 billion). Several localities are planned to receive high allocations under Resolution 27/2026/QH16, including Tay Ninh, An Giang, and Can Tho – provinces in the Mekong Delta. Key projects in the 2026-2030 period include expressways and railways connecting economic regions, such as Hanoi's Ring Road 4, Ho Chi Minh City's Ring Road 3, the Chau Doc – Can Tho – Soc Trang Expressway, and North-South expressway projects, as well as the Lao Cai – Hanoi – Hai Phong expressway projects.
- These expressways will connect regions, creating specialized clusters. This will generate economies of scale. The economies of scale will help reduce fixed costs for each product because the investment costs for shared infrastructure such as airports, seaports, expressways, and power plants will be evenly distributed. As a result, Vietnam can participate more deeply in the global value chain. Vietnam's estimated logistics cost as a percentage of GDP is around 16.8%, according to VLA. The target for 2030 is to reduce this rate to 12-15%, approaching developed countries.
- Logistics and infrastructure construction companies will benefit from the government's investment plan. Listed companies involved in construction and logistics have the opportunity for strong growth over the next five years.

Public investment disbursement over 12 months (TTM) (VND trillion)



Source: GSO, Shinhan Securities Vietnam

GDP size (x axis, USD bn) and logistics costs over GDP (y axis)

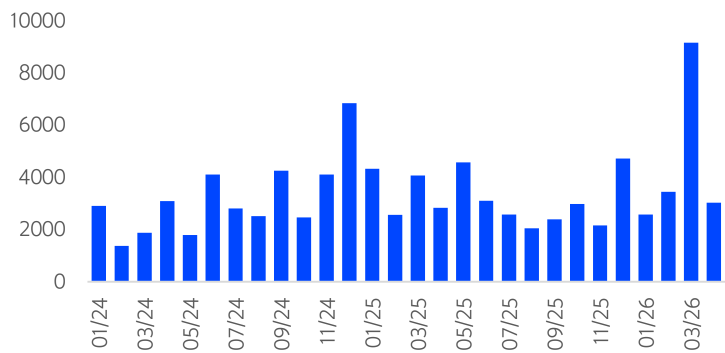


Source: Armstrong & Associates, VLA, Shinhan Securities Vietnam

Foreign direct investment (FDI) flows: expectations from market upgrade

- FDI flows play a crucial role in attracting USD into Vietnam. In 4M/2026, disbursed FDI reached USD 7.4 billion, showing a 9.8% increase YoY. Notably, registered FDI reached USD 18.24 billion, a 32% increase YoY. This is also the highest registered FDI level in the last five years. Newly registered capital reached USD 12.15 billion, a 2.2-fold increase. The sector with the largest number of newly licensed investment projects accounted for USD 8.12 billion, representing 66.8% of the total newly registered capital.
- The upgrade of the stock market by FTSE plays a significant role in the broader, long-term picture. To achieve continuous double-digit growth over the next five years, social investment needs to increase by approximately 35-40% annually, along with improved capital efficiency. The Vietnamese economy's current capital base relies primarily on bank credit. Developing other market channels such as bonds and stocks helps provide long-term capital, diversify risk, and improve capital allocation efficiency. High growth requires long-term capital. Long-term capital requires a developed capital market. Upgrading the market is a crucial step in this plan.
- The upgrade will officially begin in September 2026. Vietnamese stocks will be removed from one Frontier Market index and moved into eight indices related to Secondary Developing Markets. These additions and removals will occur over four consecutive periods, not as a single event in September 2026.

Monthly registered FDI (USD billion)



Source: Fiinpro, Shinhan Securities Vietnam

Estimated stocks to be added to the new FTSE indices after upgrading and their corresponding market capitalization (VND trillion)

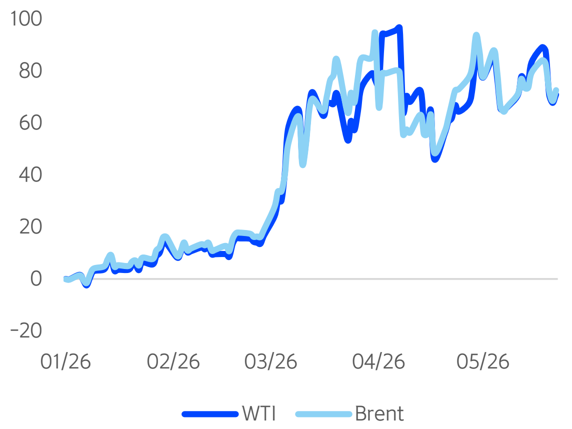
Ticker	Market cap	Ticker	Market cap	Ticker	Market cap	Ticker	Market cap
BID	311	BSR	151	STB	134	GEE	70
VCB	534	GEX	43	SHB	70	VRE	72
VIC	1625	KDH	25	SSI	69	VIX	47
VHM	627	KBC	29	VCI	29	VND	26
FPT	131	MSN	116	VJC	101		
HPG	203	NVL	35	VNM	123		

Source: FTSE, Shinhan Securities Vietnam

Rising oil prices put pressure on global inflation

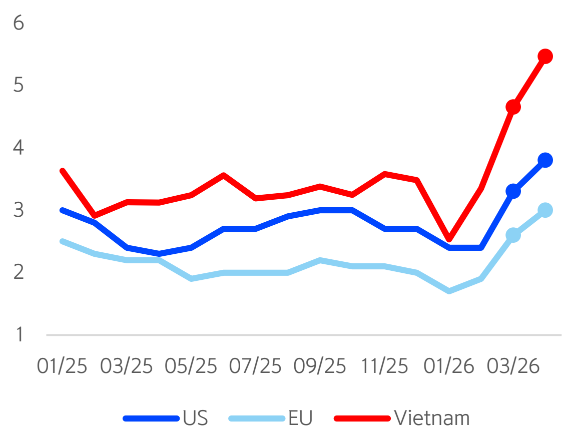
- The Iran war has caused oil prices to rise by more than USD 100 per barrel due to the blockage of the Strait of Hormuz, where 20% of the world's oil flow is disrupted. On 18 May 2026, WTI crude oil prices had increased by 77.64% YTD and Brent crude oil prices by 81.08% YTD. The high oil prices are putting pressure on the prices of other commodities. Oil plays a crucial role as a raw material for fertilizers and chemicals and accounts for a large proportion of logistics costs in the value chains of other industries.
- According to the data released in April, it is clear that inflation is rising globally. US inflation rose to 3.8% in April from 3.3% in March. In the Eurozone, inflation increased to 3% in April from 2.6% in March. Vietnam also saw a similar trend, with April inflation rising to 5.46%, a high in recent years.
- Inflation will be a major issue in 2026 and will persist until the Strait of Hormuz is reopened for free trade. Global yields on 10Y Treasury bonds have also risen sharply, reflecting expectations of higher inflation in the future. This puts pressure on central banks' decisions to cut interest rates. Interest rate decisions by central banks are awaiting progress in the conflict, as both the US and Iran have taken initial steps in negotiations to end the war.

YTD oil increase in 2026 (%)



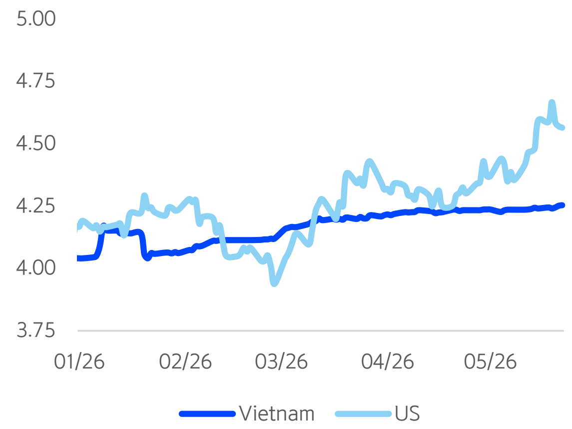
Source: Bloomberg, Shinhan Securities Vietnam

Inflation in the last 12 months (%)



Source : Bloomberg, Shinhan Securities Vietnam

10Y Government bond yield (%)

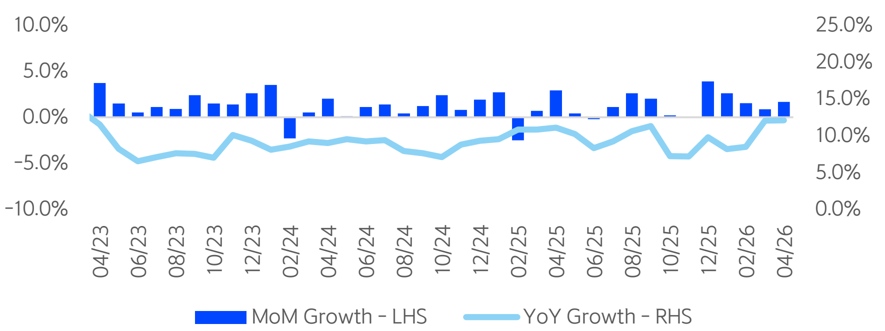


Source : Bloomberg, Shinhan Securities Vietnam

Concerns about inflation impacting consumption and interest rates

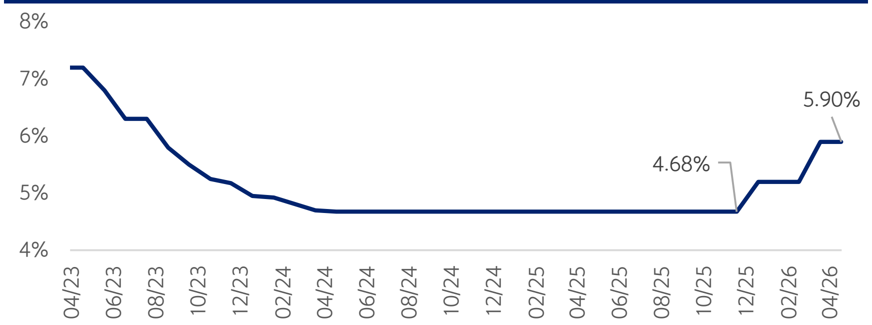
- The energy cost shock has largely transfer from suppliers to consumers through a passthrough effect. In April 2026, the transportation group saw the highest increase among the CPI components, rising 11.08% YoY. Fuel costs have driven increases in other groups, particularly housing, utilities, fuel, and building materials. The housing, utilities, fuel, and building materials group increased 8.0% YoY in April 2026. The beverages and tobacco group also increased 4.21% YoY due to higher import, raw material, and transportation costs.
- To mitigate the transmission impact, the government has implemented measures to adjust import tariffs related to petroleum products and change the timing of fuel price adjustments. Average monthly inflation in April 2026 increased by 3.99% YoY, still below the government's target of 4.5% for 2026.
- High inflation raises concerns about its negative impact on the purchasing power of the entire economy. However, overall consumption has not been significantly affected by rising prices. Total retail sales of goods and consumer service revenue increased sharply by 12.1% YoY and 1.7% MoM in April 2026.
- Interest rates are unlikely to fall sharply to stimulate the economy given the current inflation situation. The average 12-month deposit interest rate of state-owned commercial banks has increased from 4.68% in 2025 to 5.9% in April 2026. Interest rates will tend to remain pegged at their current, higher levels until 2025 to play a more stabilizing role rather than a growth-supporting role for the economy.

Retail sales growth



Source: GSO, Shinhan Securities Vietnam

Average interest rate on 12-month term deposits at state-owned commercial banks



Source: Fiinpro, Shinhan Securities Vietnam

Our forecast

- We believe that with the Government's determination, the double-digit growth target for the 2026-2030 period can be achieved. To do that, domestic production, public investment, and the capital market will play a leading role in driving the economy in 2026. With a 10% growth rate in 2026, the industrial production index will increase by 14%. Inflation will be at 4.5%. The exchange rate will remain stable in 2026, increasing by only nearly 1%. Public investment will see a significant increase in 2026, reaching VND 1,060 trillion.

Forecast table

Economic indicators	2022	2023	2024	2025	2026G
GDP growth (% YoY)	8.5	5.1	7.1	8.0	10.0
CPI (% YoY)	3.15	3.25	3.63	3.31	4.50
IIP (% YoY)	7.4	1.3	8.2	9.2	14.0
Retail sales (% YoY)	21.4	10.4	9.0	9.2	16.5
Export growth (% YoY)	10.6	-4.6	14.4	17.0	17.1
Import growth (% YoY)	8.1	-9.2	16.7	19.4	20.0
FDI disbursement (USD billion)	22.4	23.2	25.4	27.6	35.3
Public investment (VND trillion)	512	625	661	846	1060
Credit growth (% YoY)	14.2	13.8	15.1	19.1	15.0
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	26,750	26,950

Market outlook 2H2026

Money follows opportunity

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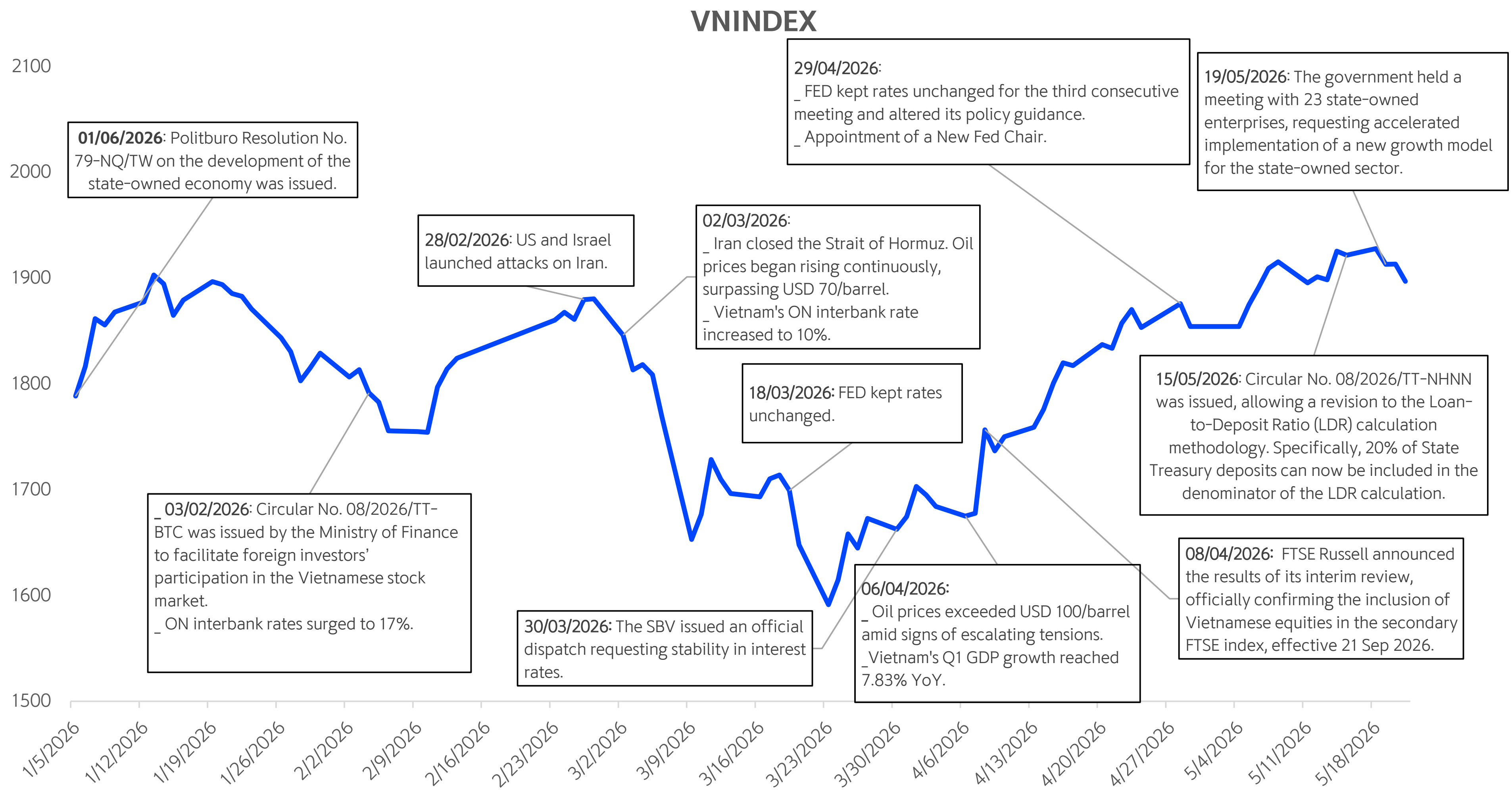
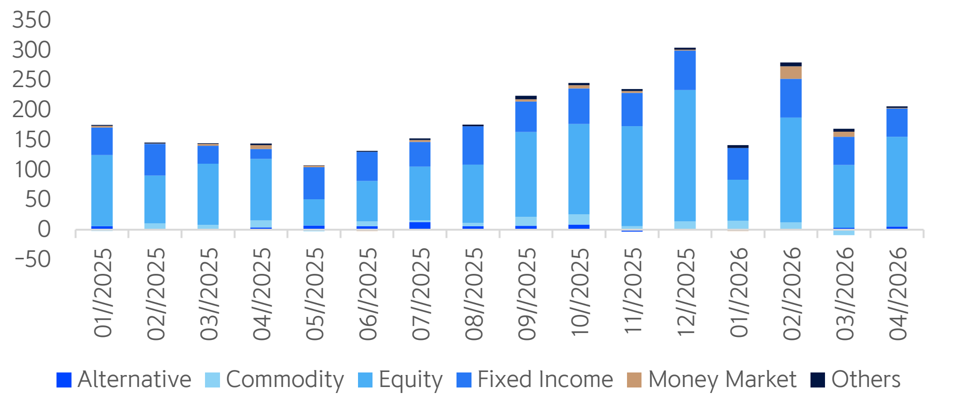
Key events driving the VN-Index during the first five months of 2026



Source: Bloomberg, Shinhan Securities VietNam
Data as of 21/05/2026

The market has shown signs of reverting to a risk-on sentiment

ETF flow by asset class



Source: Bloomberg, Shinhan Securities Vietnam

Share of net ETF flows by asset class

	Alternative	Commodity	Equity	Fixed Income	Money Market	Others
1/30/2025	3.4%	-1.0%	68.7%	26.5%	1.6%	0.8%
2/28/2025	-0.4%	7.3%	55.1%	36.4%	0.3%	1.3%
3/30/2025	-0.2%	5.8%	70.5%	20.8%	2.1%	0.9%
4/30/2025	2.5%	8.2%	71.5%	11.6%	4.4%	1.7%
5/30/2025	6.6%	-2.5%	41.9%	51.1%	2.1%	0.9%
6/30/2025	4.7%	6.0%	51.7%	37.4%	-1.4%	1.5%
7/30/2025	8.6%	1.5%	59.2%	26.8%	2.3%	1.6%
8/30/2025	3.3%	3.3%	55.4%	36.3%	0.2%	1.6%
9/30/2025	2.8%	6.7%	63.4%	22.8%	1.8%	2.5%
10/30/2025	3.6%	7.0%	61.5%	24.2%	2.1%	1.6%
11/30/2025	-1.3%	2.6%	71.9%	24.1%	1.3%	1.4%
12/30/2025	0.3%	4.3%	72.0%	21.6%	0.5%	1.2%
1/30/2026	0.2%	10.7%	49.3%	37.9%	-1.6%	3.5%
2/28/2026	0.1%	4.4%	62.7%	23.1%	7.4%	2.4%
3/30/2026	2.1%	-5.6%	65.6%	29.6%	5.2%	3.1%
4/30/2026	2.7%	-0.3%	72.8%	22.9%	0.6%	1.2%

Source: Bloomberg, Shinhan Securities Vietnam

ETF flows have started to recover and rotate back into riskier asset classes following the pause in the escalation of hostilities between the U.S.-Israel alliance and Iran. Specifically:

_ Global ETF inflows into equities improved significantly in April 2026, reaching nearly USD 150 billion (+43% MoM), rebounding as signs emerged of easing tensions between the US and Iran.

_ ETF flows into bonds remained stable, indicating that investors continue to maintain a balanced and cautious positioning.

_ ETF allocations to cash and money market instruments fell sharply to USD 1.2 billion (-85% MoM), suggesting a renewed search for higher-yielding investment opportunities. Meanwhile, commodity ETFs recorded net outflows in both March and April, pointing to ongoing profit-taking activity.

Capital flows into Asia have shown signs of improvement since April

Net flow by countries (bn USD)

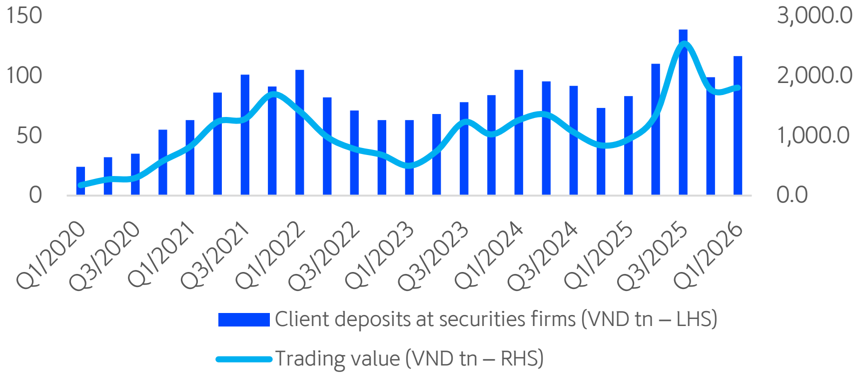
	Vietnam	Taiwan	Thailand	Philipines	Indonesia	India	Japan	Malaysia	China
05/26	(284)	4,447	153	1	522	(1,703)	9,175	(2)	-
4/2026	(544)	8,423	(80)	(211)	(990)	(5,221)	63,373	76	-
3/2026	(593)	(28,720)	(1,243)	(231)	(1,380)	(14,218)	(52,163)	(11)	(64,427)
2/2026	(304)	7,999	1,743	144	21	1,688	21,615	43	18,497
1/2026	(211)	1,809	141	226	(589)	(3,260)	18,856	259	63,808
12/2025	80	(1,599)	191	(210)	732	(2,633)	(3,814)	(502)	31,524
11/2025	(266)	(11,047)	(386)	78	730	40	6,310	(271)	(5,777)
10/2025	(842)	(2,588)	(136)	(100)	782	1,255	47,557	(647)	(1,456)
9/2025	(937)	7,335	(373)	46	(235)	(2,132)	(31,291)	19	20,370
8/2025	(1,543)	(2,246)	(670)	(74)	676	(4,314)	3,790	(813)	51,150
7/2025	298	8,274	499	(29)	(511)	(2,852)	16,137	(221)	(2,692)
6/2025	(44)	4,963	(244)	(72)	(511)	2,373	5,444	(305)	17,630
5/2025	18	7,567	(488)	(259)	337	1,738	12,429	237	24,991
4/2025	(512)	(170)	(432)	(54)	(1,233)	1,271	26,478	(417)	(23,983)
3/2025	(374)	(13,144)	(647)	50	(490)	234	(24,723)	(1,045)	4,335
2/2025	(375)	(3,884)	(195)	(145)	(1,111)	(5,353)	(16,511)	(495)	17,861
1/2025	(255)	(1,261)	(330)	(114)	(229)	(8,418)	3,888	(702)	(13,438)

Source: Bloomberg, Shinhan Securities Vietnam
Data as of 14/05/2026; *China: Data are reported with a one-quarter lag; Japan: Data are reported with a one-week lag.

ETF flows were withdrawn from Asian markets, particularly net energy-importing economies such as Vietnam, India, and South Korea during the escalation of tensions between the U.S. and Iran, which drove a sharp increase in oil prices in March. Capital flows tended to rotate back into the United States as the U.S. dollar strengthened and the country benefited from its position as a net energy exporter. Following signs of progress toward a ceasefire beginning in April, oil prices started to decline, leading to indications that capital flows were gradually returning to Asian markets.

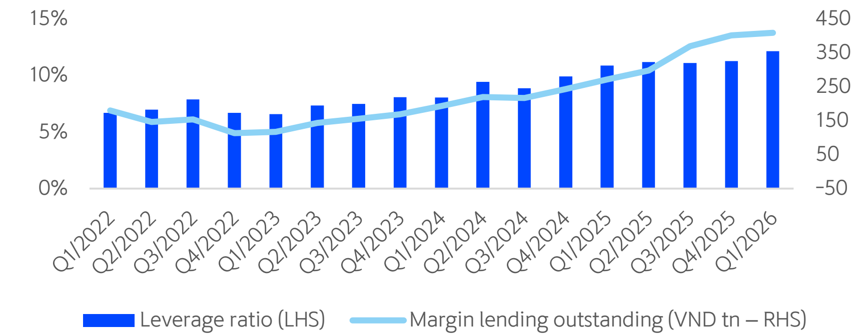
Vietnam's equity market remained cautious in Q1 2026

Client deposits and trading liquidity recorded modest growth in Q1/2026



Source: Fiinpro, Shinhan Securities Vietnam
Data as of Q1/2026

Margin lending balances and leverage ratios continued to reach record highs

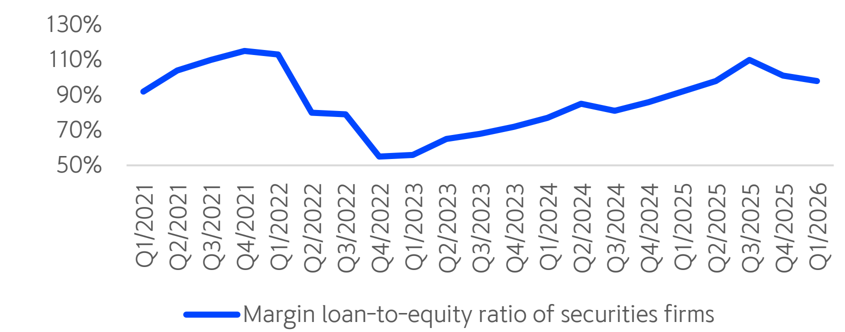


Source: Fiinpro, Shinhan Securities Vietnam; Leverage ratio = Margin loans outstanding divided by the total free-float market capitalization of HOSE and HNX

Margin lending outstanding reached VND 407.7 trillion in Q1 2026 (+1.7% QoQ). However, the pace of growth has moderated and lagged the increase in securities firms' equity capital (+4.3% QoQ), resulting in improved margin lending capacity across brokerage firms.

Market sentiment remained somewhat cautious, as average trading value increased only marginally during Q1 2026.

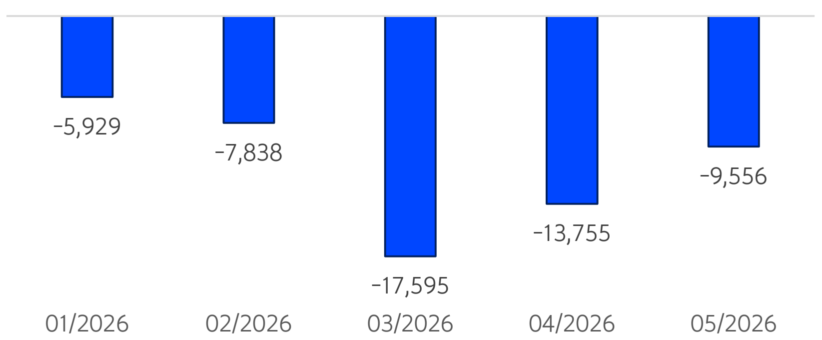
Brokerage firms' margin lending capacity improved



Source: Fiinpro, Shinhan Securities Vietnam

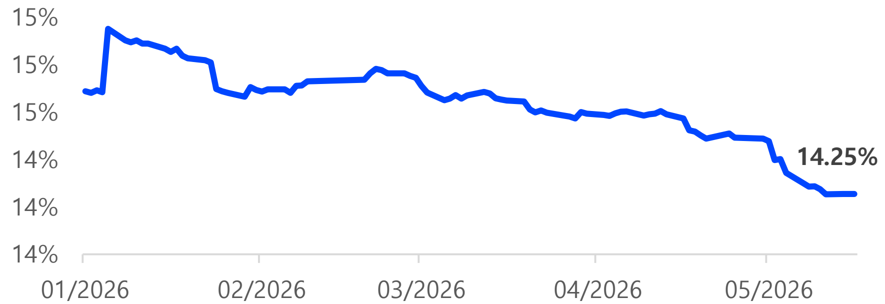
Foreign investors maintained net selling pressure in 5M2026

Cumulative YTD net buying/selling activity of foreign investors (VND bn)



Source: Fiinpro, Shinhan Securities Vietnam
Data as of 21/05/2026

Foreign ownership ratio continued to decline steadily



Source: Fiinpro, Shinhan Securities Vietnam
Data as of 21/05/2026

ETF Name	AUM (USD mn)	Fund flow (USD mn) 1W	1M	3M	YTD
Total	**2,530**	**-26.9**	**-41.4**	**-149.4**	**-140.6**
Foreign	**1,767**	**-16.6**	**-27.6**	**-135.7**	**-114.6**
VanEck Vectors Vietnam ETF	570	0.0	18.0	-60.4	-24.4
Fubon FTSE Vietnam ETF	391	-9.6	-36.7	-65.2	-89.4
iShares MSCI Frontier and Select EM E	188	0.0	0.0	0.0	0.0
Xtrackers FTSE Vietnam Swap ETF	382	-2.6	-4.0	-5.2	6.4
KIM KINDEX Vietnam VN30 ETF	217	-4.4	-4.4	-4.4	-6.7
Premia MSCI Vietnam ETF	6	0.0	-0.5	-0.5	-0.5
KIM KINDEX Vietnam VN30 Future	2	0.0	0.0	0.0	0.0
Asian Growth CUBS ETF	10	0.0	0.0	0.0	0.0
Local	**763**	**-10.2**	**-13.8**	**-13.6**	**-26.1**
DCVFMVN Diamond ETF	444	0.0	0.0	0.0	0.0
DCVFMVN30 ETF Fund	231	-3.3	-6.9	-5.0	-18.0
SSIAM VNFIN LEAD ETF	21	0.0	0.1	0.3	1.1
MAFN VN30 ETF	25	-6.9	-6.9	-9.7	-9.7
SSIAM VNX50 ETF	6	0.0	0.0	0.0	-0.1
VinaCapital VN100 ETF	27	0.0	0.0	0.0	0.0
SSIAM VN30 ETF	9	0.0	-0.1	0.7	0.6

Source: Bloomberg, Shinhan Securities Vietnam

Foreign investors maintained net selling pressure in 5M2026

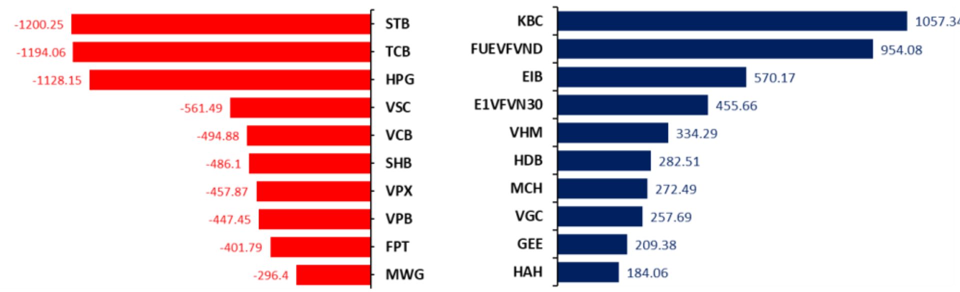
Net buying/selling by sectors and investor groups since the beginning of the year (billion VND)

ICB Industry Level 2	Proprietary trading (VND bn)	Foreign (VND bn)	Local Individual (VND bn)	Local Institutions (VND bn)
Real Estate	1,486	-27,574	2,201	25,373
Basic Resources	-1,096	4,749	-2,125	-2,623
Media	0	-29	1	28
Industrial Goods & Services	-956	98	-1,094	996
Health care	1	14	-57	43
Chemicals	-315	1,849	-1,132	-717
Financial Services	1,134	-2,812	2,386	427
Travel & Leisure	16	-1,587	8,107	-6,520
Banks	-3,032	-17,080	13,365	3,715
Construction & Materials	18	-1,436	1,687	-251
Food and Beverage	440	-607	-1,006	1,613
Retail	-492	1,449	184	-1,633
Utilities	151	-321	386	-65
Personal & Household Goods	-102	-275	-321	596
Technology	-358	-14,776	7,949	6,827
Automobiles & Parts	9	-57	-140	196
Insurance	-4	242	-210	-32
Oil & Gas	-202	157	-582	426
Total	-3,303	-57,997	29,598	28,398

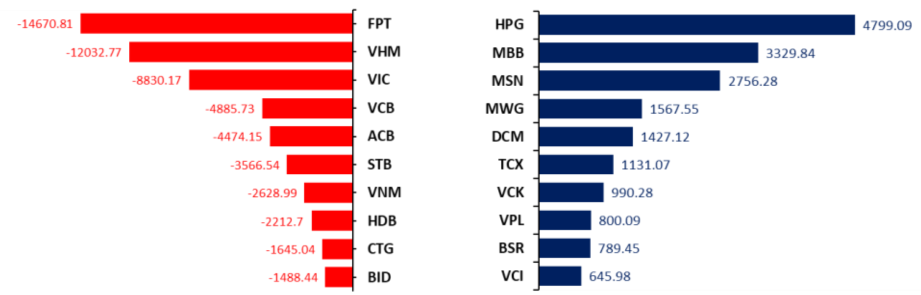
Source: Fiinpro, Shinhan Securities Vietnam

The put-through transaction value is not included

Top net buying & selling of proprietary trading (VND billion)



Top net buying & selling foreign investors (VND billion)



Data as of 20/05/2026

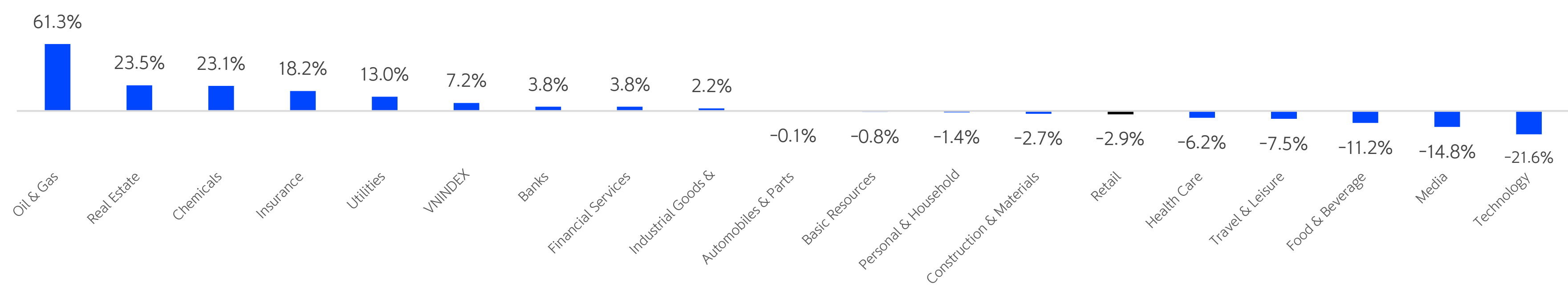
Liquidity surged in January and then gradually declined, while the market posted only modest gains amid strong sectoral divergence

Average daily trading value by month in 05/2025–05/2026 (VND bn)

	05/2025	06/2025	07/2025	08/2025	09/2025	10/2025	11/2025	12/2025	01/2026	02/2026	03/2026	04/2026	05/2026
Banks	5,358	4,437	8,128	14,178	8,195	8,329	4,708	5,032	9,141	6,561	6,271	5,190	4,995
Real Estate	3,741	3,364	5,221	6,715	5,186	6,212	3,602	3,752	4,794	3,525	3,396	3,955	4,626
Financial Services	2,526	2,383	5,886	7,735	4,895	4,949	3,206	2,904	4,243	2,759	4,070	2,690	2,373
Food & Beverage	1,233	1,557	2,383	2,862	2,019	1,992	1,469	1,525	2,301	1,765	1,639	1,173	1,247
Basic Resources	922	1,024	1,942	3,124	2,984	1,721	1,137	962	1,361	1,771	1,501	1,200	790
Chemicals	663	848	1,136	1,243	557	494	639	687	1,183	1,090	1,774	655	729
Retail	659	718	873	1,179	848	926	673	212	318	440	302	152	167
Technology	872	631	1,025	1,348	1,230	1,062	813	564	1,180	1,531	1,088	642	746
Construction & Materials	1,175	1,061	1,857	2,907	2,000	1,821	1,087	874	1,271	1,260	1,586	1,402	1,443
Industrial Goods & Services	1,334	1,233	2,155	2,500	1,371	2,076	1,220	1,047	1,413	1,478	1,707	1,093	1,421
Utilities	240	177	235	222	138	142	115	135	321	432	276	165	96
Personal & Household Goods	305	286	389	508	332	190	200	258	903	665	973	389	558
Oil & Gas	209	371	372	865	508	366	479	391	1,554	1,298	1,584	578	840
Travel & Leisure	203	202	302	435	384	502	433	629	502	308	332	336	368
Health Care	56	58	40	39	40	44	48	59	46	34	38	50	49
Automobiles & Parts	170	157	234	272	146	153	54	43	70	62	91	91	54
Insurance	37	30	44	119	50	33	51	43	139	111	78	66	69
Media	49	52	67	93	42	24	14	26	21	18	16	11	7
Total	19,752	18,587	32,288	46,343	30,927	31,035	19,947	19,143	30,761	25,108	26,721	19,838	20,579

Source: Bloomberg, Shinhan Securities Vietnam, Data as of 13/05/2026

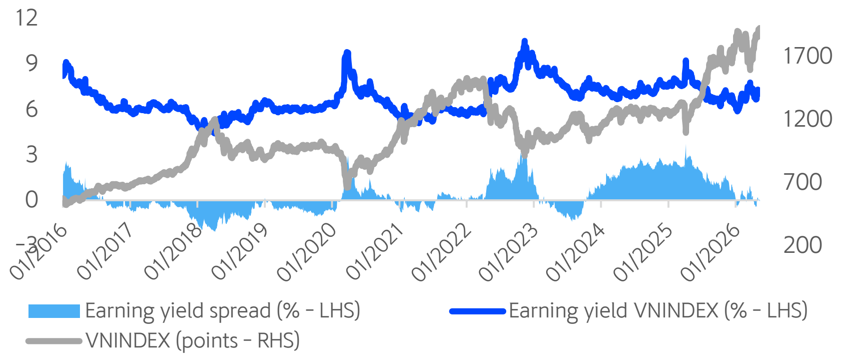
Return performance of sector YTD (%)



Source: Bloomberg, Shinhan Securities Vietnam, Data as of 19/05/2026

The VN-Index has reverted to a more reasonable valuation level, appearing particularly attractive when the Vingroup-related stocks are excluded

The earning yield spread continues to narrow

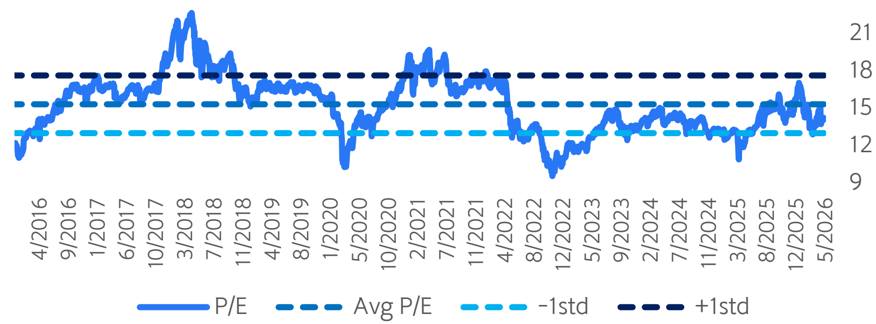


Source: Fiinpro, Bloomberg, Shinhan Securities Vietnam
“Earning yield spread = Earnings yield (E/P) of the VN-Index minus the highest 6–12 month
Update on 15/05/2026

The VN-Index’s earning yield spread versus bank deposits has turned slightly negative, following the recent market rally and rising deposit rates across banks.

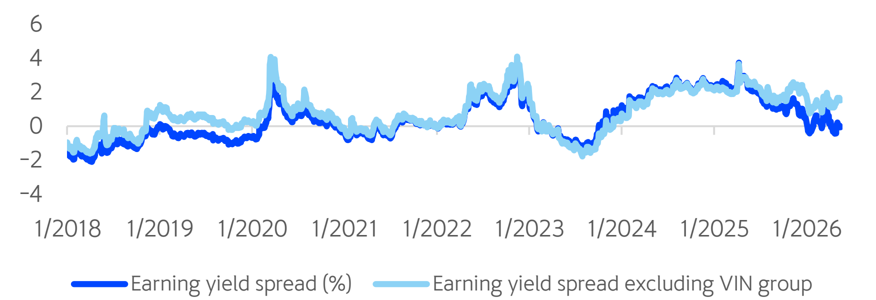
However, strong market dispersion implies that the equity risk premium excluding the VIN group remains at 1.52%, above the long-term average of 0.78% since 2018, highlighting the attractiveness of non-VIN stocks.

The market is currently trading at a P/E of 14.2x, slightly below its 10-year average of 15.0x



Source: Fiinpro, Shinhan Securities Vietnam
Data as of 15/05/2026

The earning yield spread excluding the Vingroup



Source: Fiinpro, Shinhan Securities Vietnam
Data as of 15/05/2026

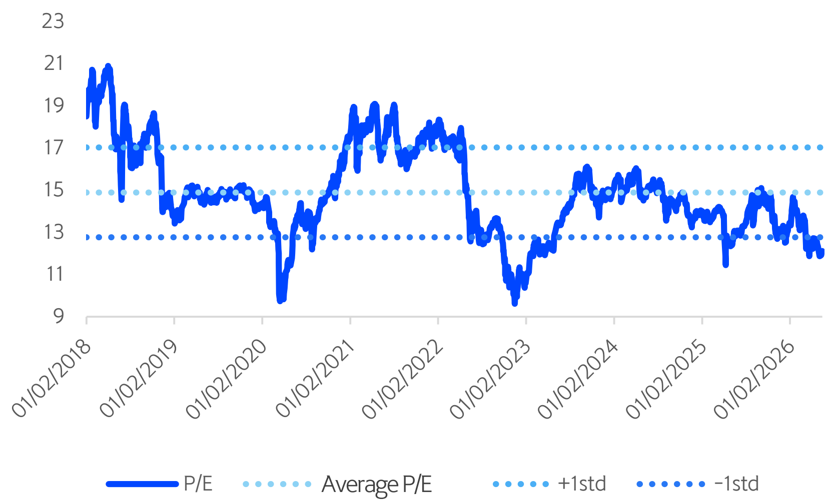
Updated key investment theses for the 2026F–2027F cycle

	2025-2027F (investment outlook 2026*)	2026F–2027F	Assessment
GDP growth	2025F: 8% 2026F: 10%	2025: 8.02% 2026F: 10%	• Ambitious targets reflect strong government commitment
HOSE net profit growth	2025F: 19.5% 2026F: 20%	2025: 27.3% 2026F: 22%	• Earnings growth of HOSE-listed companies exceeded expectations, driven by real estate, oil & gas, and basic resources. However, when incorporating listed companies' profit guidance, the overall growth outlook appears more conservative
P/E	15x	14.2x	
% Increase from market bottom	From the 04/2025 bottom to 11/24/2025: +50%	From the 04/2025 bottom to 05/27/2026: +70%	• The outperformance was largely driven by the Vingroup
Drivers of the bull cycle	• Monetary easing; Fed expected to cut rates • Government targets double-digit GDP growth • Official FTSE market-upgrade classification	• Monetary policy is no longer easing, with the Fed expected to hold rates, and even a 58% probability of a rate hike according to CME FedWatch • The government targets double-digit GDP growth, supported by accelerated public investment • On April 8, 2026, FTSE's semi-annual review officially confirmed the maintained upgrade roadmap, ensuring improved foreign investor access via global brokers and enhancements to non-prefunding regulations • IPO activity remains highly active, with several notable listings underway (e.g., VPL, TCX, etc.)	• The Fed shifted its stance as U.S. inflation rose again in April, mainly due to higher energy prices stemming from the US–Iran conflict. • Vietnam's inclusion and weight adjustment in FTSE indices will officially take effect on Monday, September 21, 2026. We expect foreign investors to engage in front-running, with capital inflows likely starting before September 2026
End-of-cycle triggers / risks	**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	Key risks that could end the current market upcycle: • Rising energy prices, adding inflationary pressure. • Unexpected global shocks, including the U.S.–Israel–Iran conflict. • Escalation of the U.S.–China trade war (Phase 2)	• Unexpected risks from the US–Israel–Iran conflict have delayed the market's upward momentum. Any signs of de-escalation could act as a strong catalyst for market sentiment

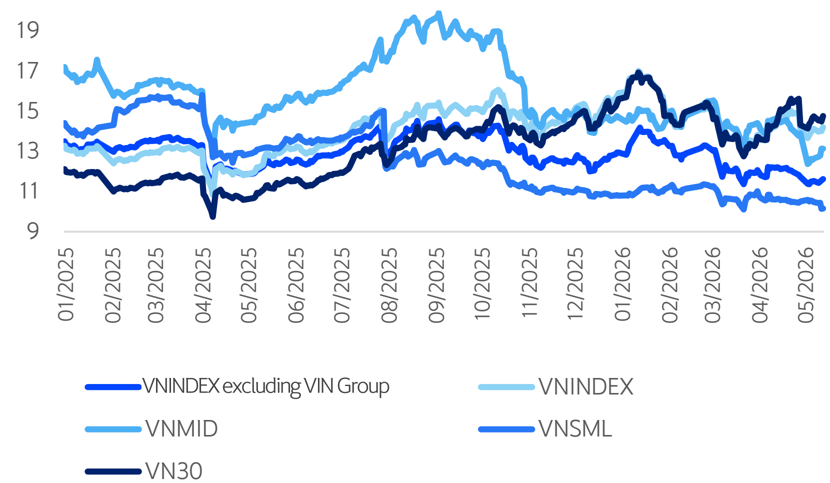
Source: Shinhan Securities Vietnam compilation, Data as of 27/05/2026; (*) *Data estimated in our previous outlook*

Excluding the VIN group, the VN-Index is currently trading at a P/E of 11.6x

VN-Index P/E excluding the VIN group (2018-May 2026)



P/E valuation of some indexes

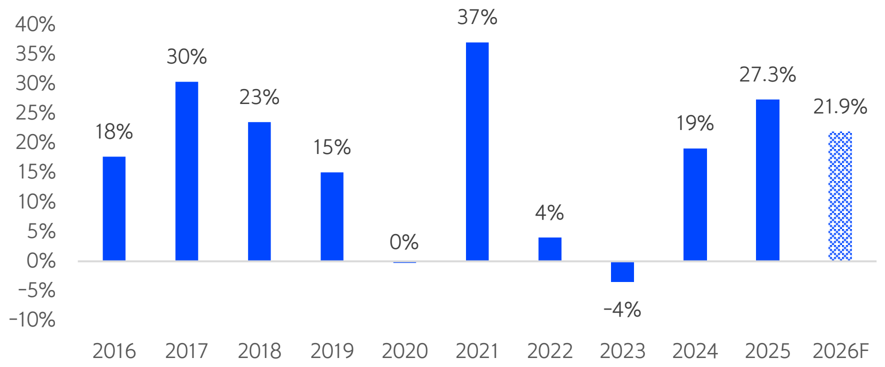


Source: Fiinpro, Shinhan Securities Vietnam
Data as of 15/05/2026

Since the beginning of 2025, VIC's P/E has increased sharply from 16.4x to 151.3x as of May 15, 2026, making a significant contribution to the elevated valuation of indices that include VIC, and by extension the broader Vingroup (VIN) cluster. As a result, VN30's valuation has expanded from a low of 12.1x since early 2025 to a peak of 14.7x. Meanwhile, excluding the VIN group, the VN-Index is currently trading at 11.6x, which is below -1 standard deviation (12.2x) of its 2018-present historical average, and only slightly above the VN Smallcap index at 10.1x. Overall, non-VIN stocks are trading at relatively attractive valuation levels; despite earnings growth since the start of the year, share prices have largely moved sideways, leading to continuous P/E compression.

Q1 2026 earnings continued to show strong growth momentum

Annual earnings growth of HOSE-listed companies*



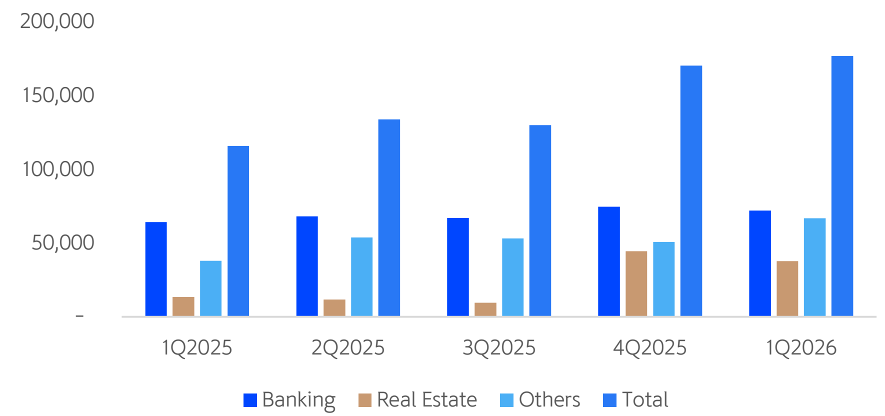
Source: FiinPro, Shinhan Securities Vietnam, *Calculated based on the VN100 as the market proxy by SSV and Bloomberg consensus, excluding companies newly listed in 2025 as well as those expected to list in the near future

Earnings growth by sector (QoQ)

	1Q2025	2Q2025	3Q2025	4Q2025	1Q2026
Banks	-4%	6%	-2%	12%	-4%
Real Estate	-19%	-13%	-18%	364%	-15%
Food and Beverage	-20%	66%	-2%	37%	0%
Utilities	35%	62%	-27%	18%	1%
Chemicals	-14%	25%	5%	-48%	123%
Basic Resources	26%	24%	-14%	0%	126%
Financial Services	38%	28%	82%	-42%	-17%
Technology	9%	-9%	7%	10%	-8%
Industrial Goods & Services	-19%	46%	29%	-29%	-4%
Travel & Leisure	135%	-10%	-64%	-28%	599%
Construction & Materials	-18%	41%	127%	-35%	-48%
Retail	60%	5%	18%	16%	26%
Oil & Gas	15%	316%	-31%	139%	107%
Personal & Household Goods	-4%	-5%	-2%	76%	-1%
Insurance	22%	4%	3%	-20%	23%
Health Care	-9%	-5%	-12%	3%	18%
Automobiles & Parts	3%	2263%	-88%	-40%	27%
Media	-73%	40%	-66%	162%	-57%
VNINDEX	-1%	16%	-3%	31%	4%

Source: Bloomberg, Shinhan Securities Vietnam

Quarterly earnings of financial and non-financial sectors (VND bn)



Source: Bloomberg, Shinhan Securities Vietnam

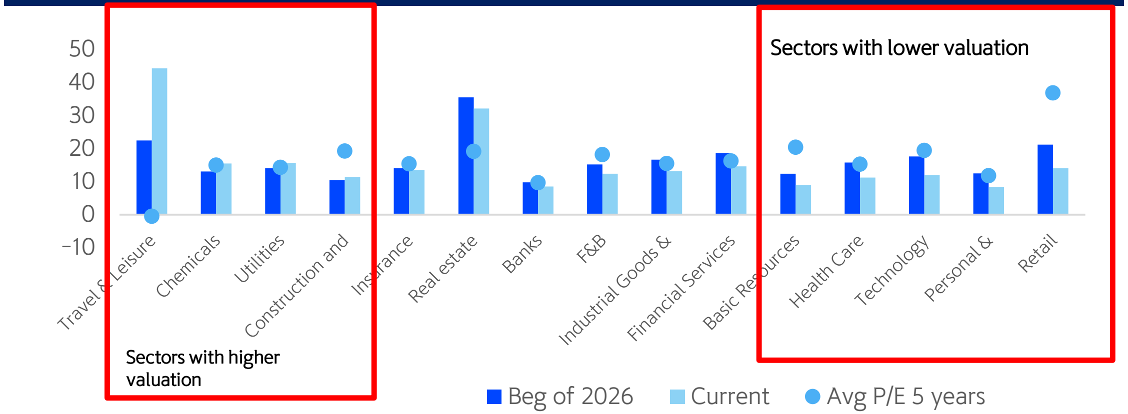
Earning growth by sectors (YoY)

	1Q2025	2Q2025	3Q2025	4Q2025	1Q2026
Banks	13%	16%	22%	12%	12%
Real Estate	26%	171%	-51%	167%	180%
Food and Beverage	4%	28%	23%	79%	122%
Utilities	65%	82%	15%	87%	40%
Chemicals	38%	24%	72%	-41%	53%
Basic Resources	5%	24%	38%	34%	141%
Financial Services	-1%	21%	147%	86%	11%
Technology	41%	18%	19%	16%	-3%
Industrial Goods & Services	24%	5%	91%	8%	27%
Travel & Leisure	41%	-114%	8%	45%	-65%
Construction & Materials	-10%	42%	248%	69%	8%
Retail	71%	46%	104%	129%	81%
Oil & Gas	-76%	11%	-233%	686%	1310%
Personal & Household Goods	-4%	9%	36%	57%	62%
Insurance	16%	36%	58%	4%	6%
Health Care	-3%	-5%	6%	-21%	2%
Automobiles & Parts	-42%	1234%	337%	72%	112%
Media	47%	46%	-55%	-66%	-46%
VNINDEX	10%	33%	23%	45%	53%

Source: Bloomberg, Shinhan Securities Vietnam

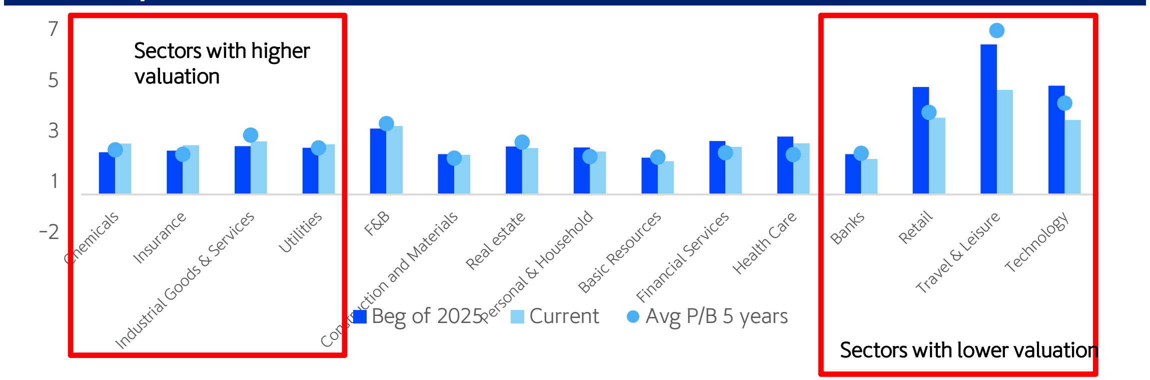
Valuation changes by sector versus the beginning of 2026

Forward 1-year P/E valuation



Source: Bloomberg, Fiinpro, Shinhan Securities Vietnam
Data as of 18/05/2026, Bloomberg consensus of VN100

Forward 1-year P/B valuation



Source: Bloomberg, Fiinpro, Shinhan Securities Vietnam, Data as of 18/05/2026, Bloomberg consensus of VN100

Forecasted NPAT – MI by sector*

	YoY 26F
Banks	17%
Real Estate	15%
Food and Beverage	24%
Utilities	5%
Chemicals	8%
Basic Resources	33%
Financial Services	14%
Technology	14%
Industrial Goods & Services	40%
Travel & Leisure	5%
Construction & Materials	-7%
Retail	30%
Oil & Gas	242%
Personal & Household Goods	19%
Insurance	33%
Health Care	32%
Automobiles & Parts	53%
VN100	21.6%

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	-0.6%	-0.3%	0.00%	0.3%
6.5%	16.9	16.1	15.4	14.7
6.70%	16.4	15.6	14.9	14.3
7.0%	15.6	14.9	14.3	13.7
7.3%	14.9	14.3	13.7	13.2
7.6%	14.3	13.7	13.2	12.7

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)		17.5%	19.5%	22%	23.5%	25.5%
8.7%	**13.0**	1,712	1,741	1,770	1,800	1,829
8.0%	**13.5**	1,778	1,808	1,839	1,869	1,899
7.4%	**14.0**	1,844	1,875	1,907	1,938	1,969
6.9%	**14.5**	1,910	1,942	**1,975**	2,007	2,040
6.7%	**15.0**	1,976	2,009	**2,043**	2,076	2,110
6.5%	**15.5**	2,041	2,076	**2,111**	2,146	2,180
6.3%	16.0	2,107	2,143	2,179	2,215	2,251
6.1%	**16.5**	2,173	2,210	2,247	2,284	2,321

Source: Fiinpro, Shinhan Securities Vietnam

Updated Vietnam equity market outlook for 2026

VN-INDEX SCENARIOS UNDER DIFFERENT VIN GROUP ASSUMPTIONS	Positive (25%)	Base (60%)	Negative (15%)
VIN Group	0%	-20%	-48%
Basic Resources	33%	33%	28%
Financial Services	13%	13%	8%
Real Estate (including the VIN Group)	3%	-14%	-41%
Banks	18%	18%	13%
Others	14%	14%	9%
VN-Index	***12%***	***6%***	***-6%***
VN-Index Target	**2,146**	**1,975-2,043**	**1,803**
Target P/E	15.7	15.0	13.2
EPS Growth (%)	22%	22%	22%

VNINDEX excluding VIN Group	
Upside	*17%*
Target points	**1,568.4**
P/E target	11.0
EPS growth (%)	23.9
P/E forward	9.4

Source: Bloomberg, Shinhan Securities Vietnam. Assumes a 5% downward revision in earnings across all other sectors relative to the base-case scenario; data as of May 19, 2026, when the VN-Index closed at 1,912.9.

Technical outlook and trading strategy:

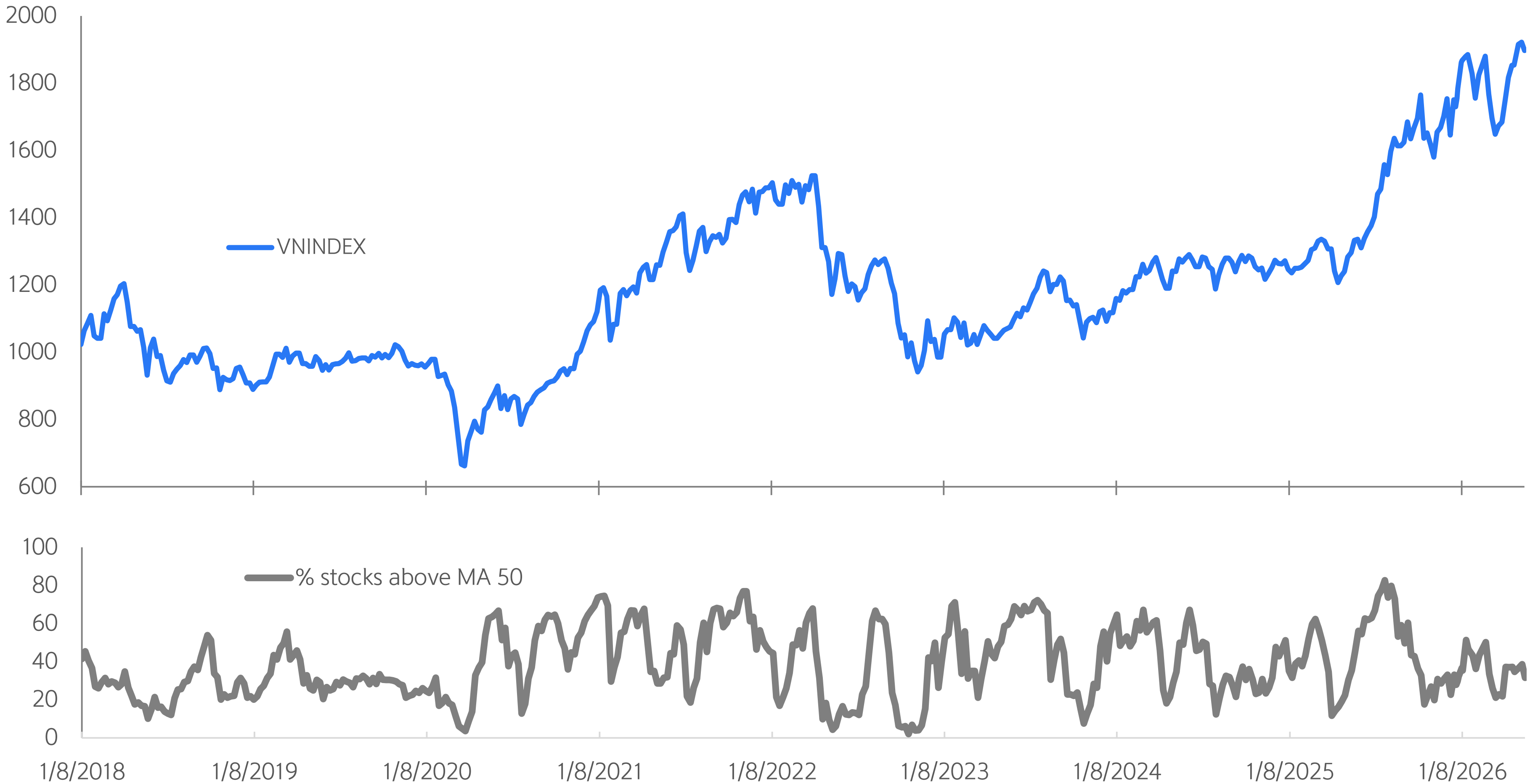
- Although the market has broadly followed our base-case scenario outlined in the 2026 strategy report, market breadth across sectors has yet to improve meaningfully. In particular, the index's performance has been largely driven by the real estate sector, which has risen by 23%, nearly double our base-case assumption of 12%. As a result, the VN-Index may appear expensive at the headline level, while the growth potential of many other sectors remains substantial.
- **Under our base-case scenario**, the VN-Index is likely to advance toward the 2,040 level, representing an upside of approximately 6% from the closing level on May 19, 2026. Even under the assumption of a 20% correction in the VIN group, the market could still achieve this target, supported primarily by the solid earnings outlook across other sectors.
- We expect capital flows to gradually broaden into other sectors such as banking and basic materials, aided by catalysts from foreign fund reallocations following Vietnam's market upgrade. Excluding the VIN group, the market's forward P/E of approximately 9.0x remains attractive relative to historical levels.
- **From a technical perspective, improving market breadth and stronger liquidity will be the most important signals confirming this scenario**. Notably, many large-cap stocks in the banking, food & beverage, and basic materials sectors have remained largely range-bound and could potentially emerge as new market leaders, replacing the VIN group.
- Strategy: We view the 1,800–1,850 range as a medium-term support zone for the next leg of the market uptrend. Any pullbacks toward this area should be viewed as opportunities to accumulate fundamentally strong stocks with attractive valuations.
- A downside scenario could materialize if unforeseen macroeconomic shocks trigger panic selling and market breadth fails to improve. **Nevertheless, we believe the probability of such an outcome remains relatively low.**

SSV's stock picks for 2H2026

No.	Ticker	ICB Level-2 Sector	Current Price	Target Price	Upside (%)	P/E fw 26F	P/B fw 26F
1	VPB	Banking	26,500	38,000	43.4	7.6	1.1
2	HDB	Banking	25,450	34,000	33.5	5.6	1.4
3	VCB	Banking	62,200	79,800	28.3	12.7	2.0
4	PDR	Real estate	15,100	20,000	32.5	29.9	1.4
5	HPG	Basic Resources	23,950	34,500	44.0	9.4	1.3
6	CTD	Construction & Materials	72,100	94,500	31.0	12.5	1.0
7	SAB	Food & Beverages	47,800	59,900	25.3	17.1	3.7
8	MSN	Food & Beverages	74,000	103,300	39.6	26.1	3.8
9	POW	Utilities	13,700	16,400	19.7	11.8	1.2
10	PVS	Oil & Gas	39,000	47,800	22.5	25.1	3.0

Source: Shinhan Securities Vietnam, Data as of 06/04/2026

Market breadth remains weak, with only around 33% of stocks trading above their 50-day moving average



Source: Bloomberg, Shinhan Securities Vietnam, Data as of 19/05/2026

Most stocks are in a neutral short-term trend, while maintaining their medium-term upward momentum

Banks

Ticker	RSI	Short-term	Med-term
SHB	42	Neutral	Weak
MBB	42	Neutral	Weak
HDB	45	Neutral	Neutral
VPB	52	Neutral	Neutral
MSB	83	Too hot	Strong
TCB	52	Neutral	Strong
EIB	46	Neutral	Neutral
ACB	67	Strong	Strong
TPB	52	Neutral	Neutral
STB	48	Weak	Strong
CTG	47	Neutral	Neutral
VIB	54	Neutral	Neutral
SSB	63	Strong	Strong
VCB	57	Neutral	Strong
NAB	59	Neutral	Strong
OCB	62	Strong	Strong
BID	53	Neutral	Strong
LPB	61	Neutral	Strong

Real Estate

Ticker	RSI	Short-term	Med-term
DXG	50	Neutral	Neutral
NVL	39	Weak	Weak
DIG	39	Weak	Weak
VRE	51	Weak	Strong
PDR	52	Neutral	Neutral
VIC	56	Neutral	Strong
KDH	38	Neutral	Weak
VHM	57	Neutral	Strong
TCH	38	Weak	Weak
KBC	31	Weak	Weak
HDG	34	Weak	Weak
HDC	42	Neutral	Neutral
NLG	48	Neutral	Weak
DXS	49	Neutral	Strong
NTL	51	Neutral	Neutral
SIP	23	Weak	Weak
SZC	27	Weak	Weak
BCM	51	Neutral	Neutral

Insurance & Financial services

Ticker	RSI	Short-term	Med-term
BVH	41	Neutral	Neutral
BMI	42	Neutral	Weak
BIC	57	Neutral	Strong
VIX	45	Weak	Neutral
SSI	49	Neutral	Neutral
VND	66	Strong	Strong
VCI	44	Neutral	Weak
HCM	50	Neutral	Strong
TCX	45	Neutral	Neutral
ORS	45	Neutral	Neutral
VDS	50	Neutral	Neutral
FTS	46	Neutral	Neutral
CTS	54	Neutral	Strong
BSI	50	Neutral	Neutral
TCI	67	Neutral	Strong
TVB	38	Neutral	Neutral
DSE	47	Neutral	Neutral

Basic materials and Constructions & Materials

Ticker	RSI	Short-term	Med-term
HPG	42	Neutral	Neutral
NKG	46	Neutral	Neutral
HSG	59	Neutral	Strong
SMC	34	Weak	Weak
CII	40	Weak	Weak
HHV	41	Neutral	Weak
VCG	38	Weak	Weak
PC1	40	Neutral	Weak
FCN	45	Neutral	Neutral
VGC	41	Neutral	Weak
DPG	42	Weak	Weak
CTD	37	Weak	Weak
CTR	51	Neutral	Strong
HT1	33	Weak	Weak
CTI	29	Weak	Weak
BMP	41	Weak	Neutral

Industrial Goods & Services and Personal & Household goods

Ticker	RSI	Short-term	Med-term
GEX	53	Neutral	Strong
VSC	29	Weak	Weak
PVT	45	Weak	Neutral
GMD	38	Weak	Weak
HAH	43	Neutral	Neutral
GEE	46	Weak	Neutral
VOS	46	Neutral	Neutral
APH	43	Neutral	Neutral
VTP	55	Neutral	Neutral
SBG	61	Neutral	Strong
REE	45	Neutral	Weak
PAC	46	Neutral	Weak
TV2	25	Weak	Weak
TCM	33	Neutral	Weak
TLG	41	Neutral	Neutral
PNJ	38	Weak	Weak
MSH	34	Weak	Weak

Technology & Retails

Ticker	RSI	Short-term	Med-term
FPT	42	Neutral	Weak
SAM	35	Neutral	Weak
ELC	34	Weak	Weak
CMG	44	Neutral	Neutral
MWG	43	Neutral	Neutral
DGW	42	Neutral	Weak
PET	55	Neutral	Strong
FRT	27	Weak	Weak

Oil & Gas and Utilities

Ticker	RSI	Short-term	Med-term
PVD	40	Weak	Weak
BSR	50	Neutral	Strong
PLX	46	Neutral	Neutral
POW	54	Neutral	Strong
NT2	44	Neutral	Weak
GAS	49	Neutral	Neutral
GEG	43	Neutral	Weak
PPC	46	Neutral	Weak

Food & Beverages

Ticker	RSI	Short-term	Med-term
MSN	46	Neutral	Neutral
VNM	44	Neutral	Neutral
DBC	36	Neutral	Weak
BAF	39	Neutral	Neutral
SAB	51	Neutral	Neutral
ANV	33	Weak	Weak
VHC	44	Neutral	Neutral
MCH	39	Neutral	Weak

Media & Healthcare

Ticker	RSI	Short-term	Med-term
YEG	55	Neutral	Neutral
DCL	33	Neutral	Weak
DBD	59	Neutral	Neutral
TNH	20	Weak	Weak
JVC	28	Weak	Weak

Travel & Leisure & Automobile parts

Ticker	RSI	Short-term	Med-term
VPL	59	Neutral	Strong
VJC	47	Neutral	Neutral
HVN	47	Neutral	Neutral
SCS	38	Neutral	Neutral
VNG	40	Neutral	Weak
HAX	43	Neutral	Neutral
DRC	41	Neutral	Weak

Source: Bloomberg, Shinhan Securities Vietnam, Data as of 19/05/2026

Banking Sector

Valuation remains low

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Banking Sector – Valuation remains low

1. Business results of listed banks

Loan growth reached 3.54% in Q1/2026. Meanwhile, Tier 1 deposit growth remained largely flat at only 0.48%, prompting banks to accelerate the issuance of valuable papers to offset slower funding growth from the retail deposit market. The inclusion of 20% of term Treasury deposits in the funding base provides short-term support for state-owned commercial banks in 2026.

NIM continued to face pressure in Q1/2026.

NPL ratios showed a slight increase by the end of Q1/2026. However, this trend is typically seasonal and requires further monitoring in the coming quarters.

Banks are targeting approximately 17% pre-tax profit growth for 2026. As of end-Q1/2026, the sector had completed around 23% of its full-year targets.

2. Outlook for the period 2026-2027

We forecast pre-tax profit growth of 17% and 16% for 2026 and 2027, respectively. A higher interest rate environment could place pressure on asset quality in 2027.

3. Investment opportunities

HDB, MBB, VPB

Overview of banks listed on HOSE

20 banks listed on HOSE exchange

Total industry capitalization
~30% market capitalization

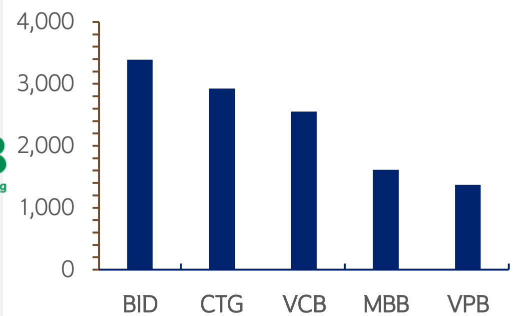
Transaction value
~26% total market value

Trading volume
~35% total market volume

Total assets Q1/2026
~20.6 trillion VND

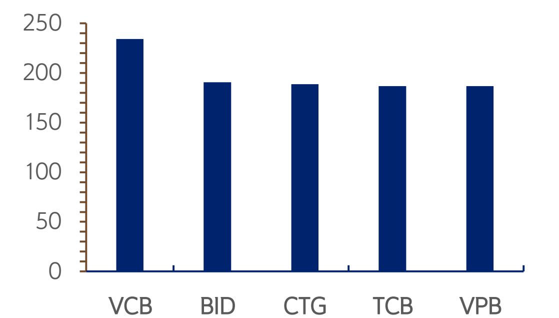
Total equity Q1/2026
~1.8 trillion VND

Top 5 banks with the largest asset (trillion VND)



Source: Company data, Fiinpro, Shinhan Securities Vietnam

Top 5 banks with the largest equity (trillion VND)



Source: Company data, Fiinpro, Shinhan Securities Vietnam

Source: Fiinpro, Shinhan Securities Vietnam
Data as of Q1/2026

Cautious credit growth targets, accelerating capital raising and stake sales

Key Takeaways

- Banks generally remain cautious on the 2026 NIM outlook, as loan growth continues to outpace deposit growth while deposit rates have rebounded sharply from the low base seen in 2025.
- Given the unpredictable developments surrounding the US-Iran conflict and its impact on oil prices and supply, inflation expectations could remain elevated if the conflict persists. Amid such uncertainties, some banks such as TCB have introduced two profit scenarios depending on the outcome of the conflict and its impact on domestic demand.
- Credit growth orientation is expected to become more selective toward the real estate sector. Credit growth quotas for banks (excluding those participating in the restructuring of weak banks such as MBB, HDB, and VPB) have been granted at around 11–13% for 2026.
- As interest rates trend upward again, VPB's management stated that the bank will closely monitor non-performing loan developments going forward.
- Following the meeting between the SBV and commercial banks, banks simultaneously reduced deposit rates by 0.5–1.0% from the peak levels recorded in April 2026.
- Fee income continues to be driven mainly by payments and guarantees. Bancassurance has generally yet to recover evenly across the sector, although TCB has shown the clearest recovery through both life and non-life insurance products from its subsidiaries TCLife and TCGIns. Recovery income from collateral liquidation may slow as the real estate market becomes less buoyant.
- VIB, VPB, and HDB plan to raise substantial offshore funding in 2026, targeting approximately USD1bn, USD1.2bn, and at least USD1bn, respectively, from international markets.
- HOSE-listed banks are guiding for profit growth of around 17%.

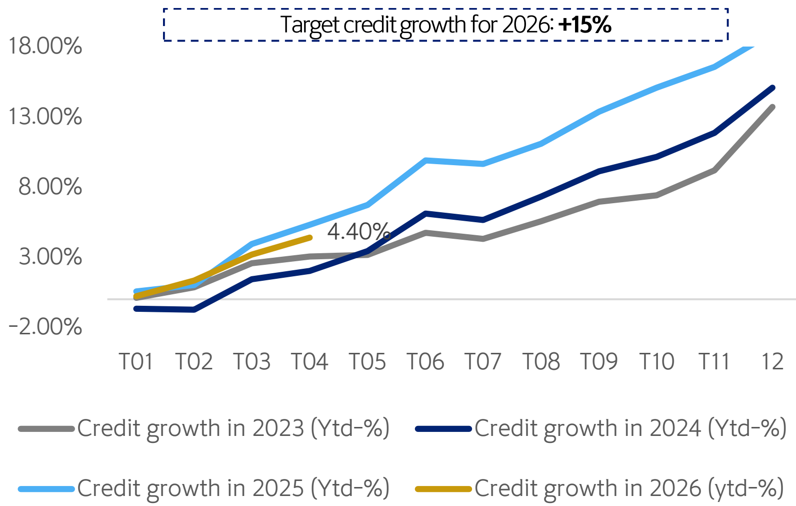
Cautious credit growth targets, accelerating capital raising and stake sales

Key Takeaways

- Private placements are expected to remain active in 2026 as many banks accelerate capital raising plans to improve capital adequacy ratios and expand credit growth capacity. In 1H2026, BIDV completed a private placement of more than 258.7mn shares, equivalent to 3.75% of pre-issuance outstanding shares, achieving a 98.24% subscription rate and raising over VND10tn.
- SHB also completed a private placement of 200mn shares to institutional investors, equivalent to around 4.35% of pre-issuance outstanding shares, thereby raising approximately VND3.37tn. Participating investors included several major funds such as Dragon Capital, Korea Investment Management (KIM), VinaCapital, and PVI Asset Management.
- Meanwhile, Vietcombank (VCB) is implementing a private placement plan equivalent to up to approximately 6.5% of charter capital in order to strengthen its financial capacity and support medium- to long-term credit growth demand.
- Among private banks, HDBank and VIB are both in the process of seeking foreign strategic investors to support capital raising plans and enhance competitiveness.
- VPBank is also planning a private placement for a foreign investor, while MBBank is considering a private placement targeting professional investors.
- In addition, several other banks such as TCB and OCB have left open the possibility of selling stakes to foreign investors, although no detailed issuance plans have yet been disclosed.

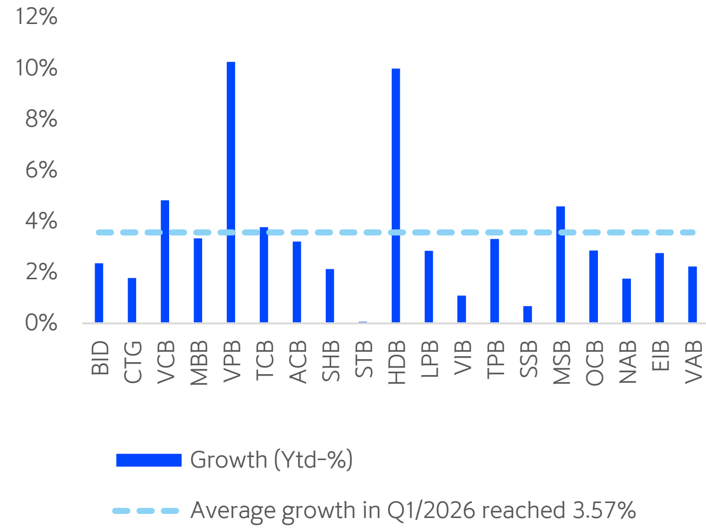
Credit growth in the first four months of 2026 was slower compared with the same period last year

Total banking system credit



Source: Fiinpro, SBV, Shinhan Securities Vietnam

Growth is differentiated among HOSE-listed banks



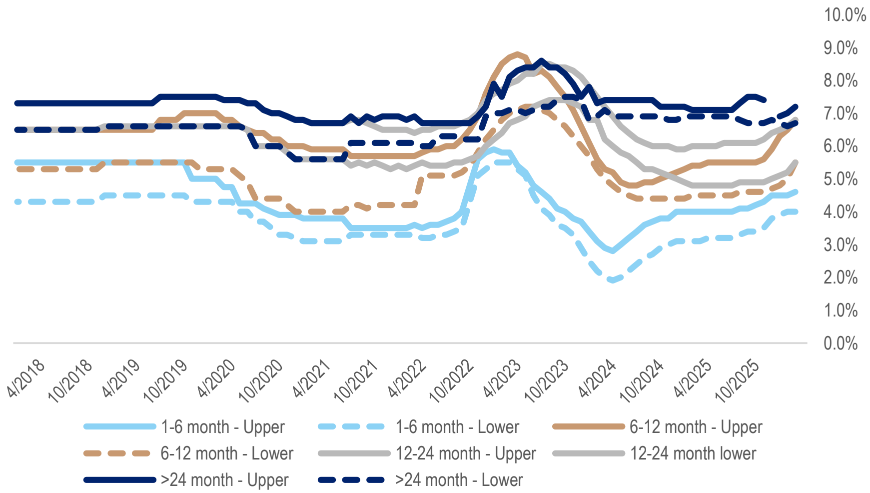
Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

*Note: This growth does not include the sale of bad debts to weak banks at VCB, MBB, VPB, and HDB.

- Industry-wide credit growth reached 4.4% as of April 2026. While this was stronger than the 2023–2024 period, it remained slower than in 2025. The slower pace may reflect the SBV's efforts to regulate credit expansion, particularly to avoid overheating in real estate lending, alongside the implementation of quarterly credit growth quotas. According to discussions with banks, quarterly credit quotas are expected to be loosened starting from Q2/2026, which could support stronger growth in the remainder of 2026, although this will still depend on annual credit limits and each bank's funding capacity.
- VPB and HDB recorded the strongest loan growth in the sector, benefiting from superior credit growth quotas due to their participation in the restructuring of weak banks, alongside VCB and MBB, which also delivered solid growth in Q1/2026. HOSE-listed banks posted average credit growth of 3.6% in Q1/2026.

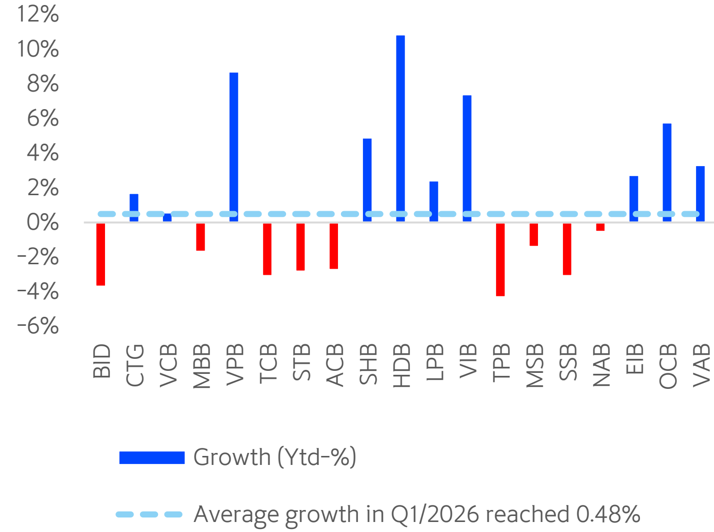
Deposit mobilization remained divergent, with slower growth in market 1 funding

Average deposit interest rate across the entire industry



Source: SBV, Shinhan Securities Vietnam; Detailed data is officially updated on the SBV website as of March 2026.

Deposit growth shows a clear divergence.

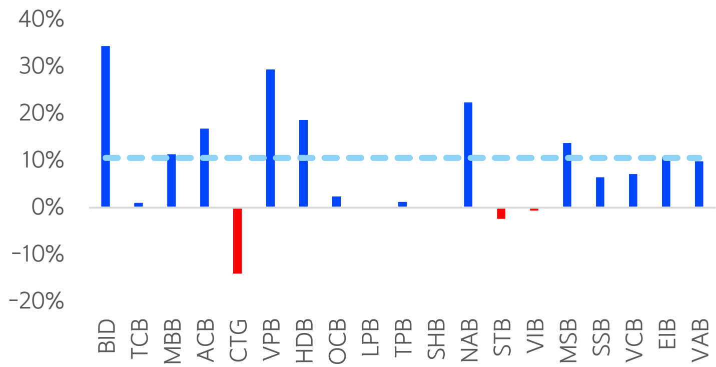


Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

- Deposit rates increased significantly during late 2025 and early 2026, with 6-12 month deposit rates rising by 120bps as of end-March 2026 according to SBV data. Based on our observations, private joint-stock banks raised rates by around 200bps during the same period, while state-owned commercial banks increased rates by approximately 100bps, based on publicly disclosed online rates, although actual rates may have been higher. Following the meeting with the SBV, 12-month deposit rates declined slightly by around 0.5% from their peak levels. Nevertheless, many bank executives indicated that there is limited room for further rate cuts for the remainder of 2026.
- Deposit growth remained highly divergent across banks. Banks targeting strong loan growth such as VPB and HDB accelerated deposit mobilization through promotional interest rate packages, resulting in robust deposit growth in Q1/2026. Meanwhile, state-owned commercial banks maintained relatively low deposit rates compared with the market average, leading to weaker deposit growth than the industry average and putting pressure on their LDR ratios by the end of Q1/2026.

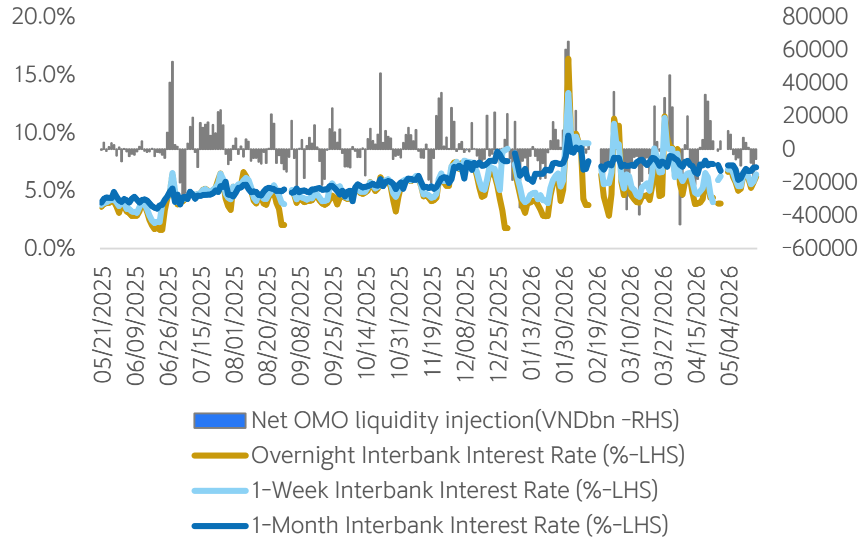
The issuance of valuable papers continued to play an important role in funding activities

Boosting the mobilization of valuable papers



Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

Interbank interest rates stabilize after volatile period

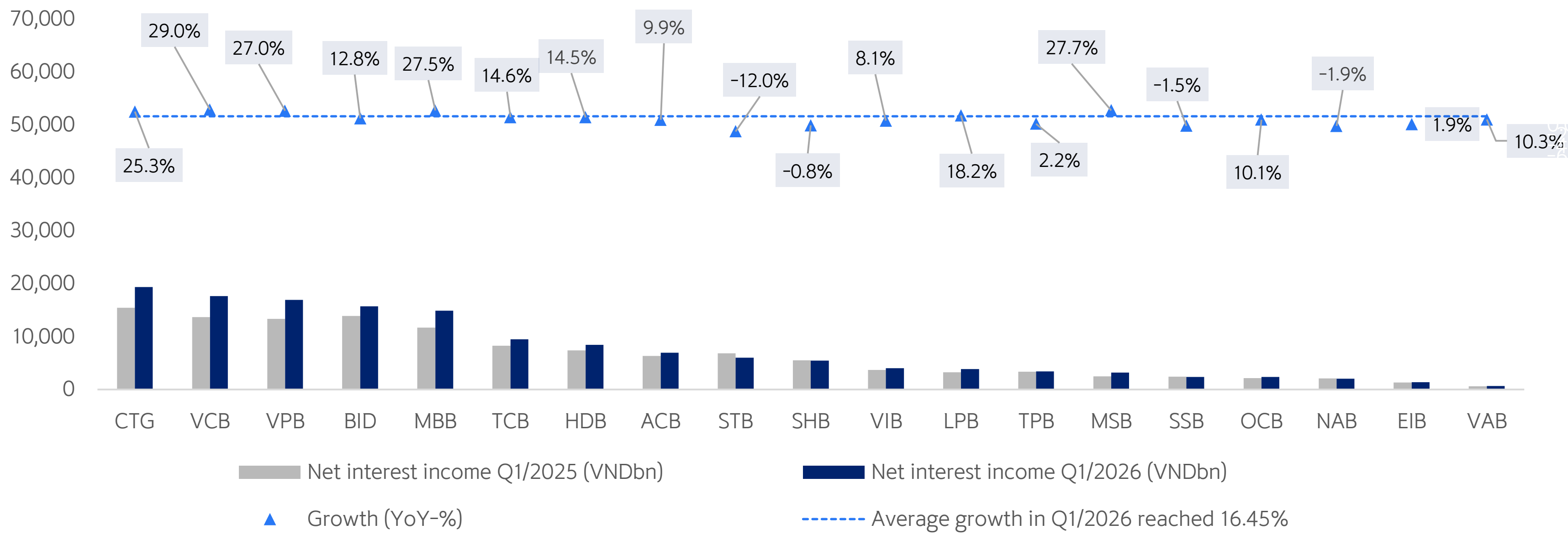


Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

- Bank bond issuance yields have repriced to a higher level. While issuances in late Q3/2025 were recorded around 6%, bond issuances in April 2026 have risen to around 8-9%.
- Issuance of valuable papers continued to accelerate across most banks, with industry-wide growth reaching 10.54% compared to end-2025. BID, ACB, VPB, HDB, NAB, and SSB recorded stronger-than-industry-average growth in valuable paper issuance.
- Interbank rates normalized following sharp volatility during the pre-Tet period driven by seasonal factors and traded around 5-6% during April to May 2026.

NIM improved among SOBs, while growth at private banks was driven by asset scale expansion

Net interest income of banks listed on HOSE in Q1/2026

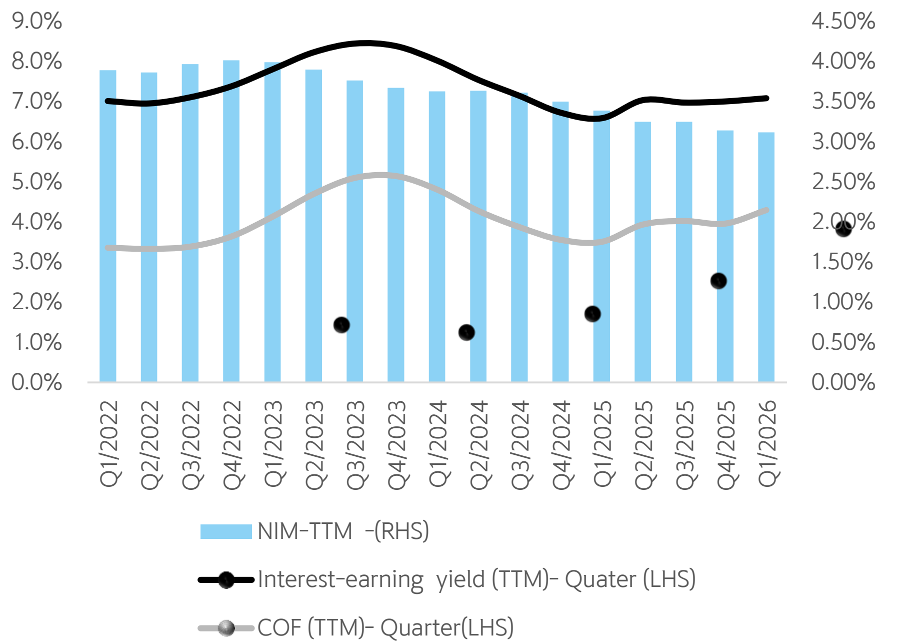


Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

- Industry-wide net interest income in Q1/2026 increased 16.45% YoY. While VPB and MBB's growth was mainly driven by balance sheet expansion, CTG and VCB benefited from NIM improvement supported by medium- and long-term loan growth and low funding costs.

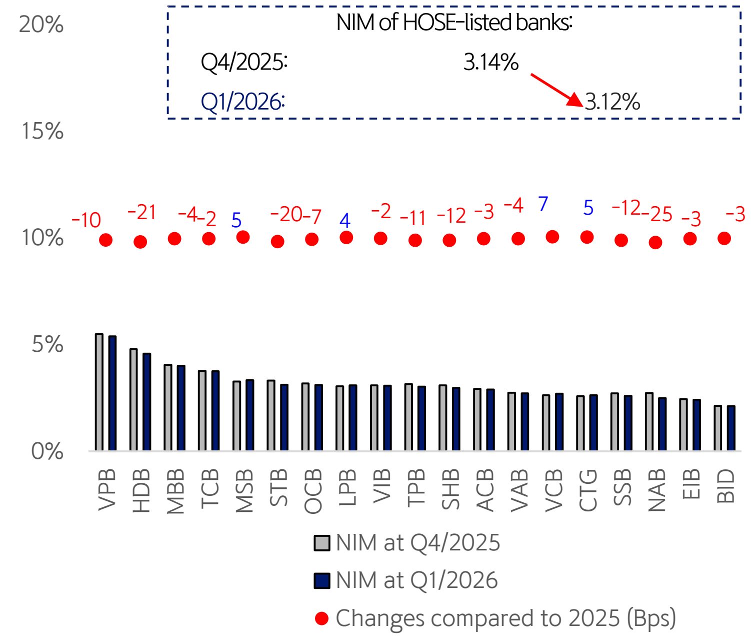
NIM remained stable in Q1/2026, but is expected to face pressure due to rising capital costs

Interest-earning yield (IAE), cost of funds (COF), and net interest margin (NIM) of HOSE-listed banks from 2022 to Q1 2026



Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

Net interest margin – TTM

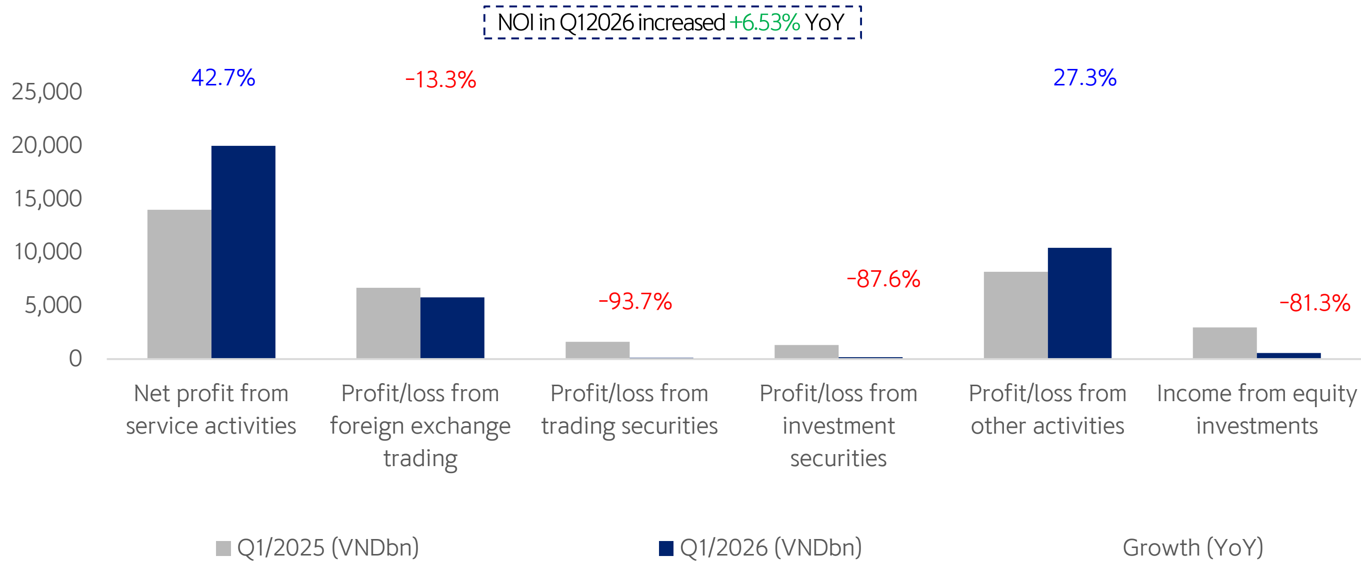


Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

- Rising funding costs were quickly reflected in banks' financial statements, while lending rates did not increase proportionately. This trend generally pressured NIMs across many banks in Q1/2026. With interest rates moving higher, competition among banks is expected to intensify during the remainder of the year, particularly for banks that recorded negative deposit growth in Q1/2026.
- During investor meetings, management teams across most banks indicated that NIMs are expected to remain under pressure in 2026 and could decline slightly.

Non-interest income was mainly driven by fee income and bad debt recovery income

Non-interest income

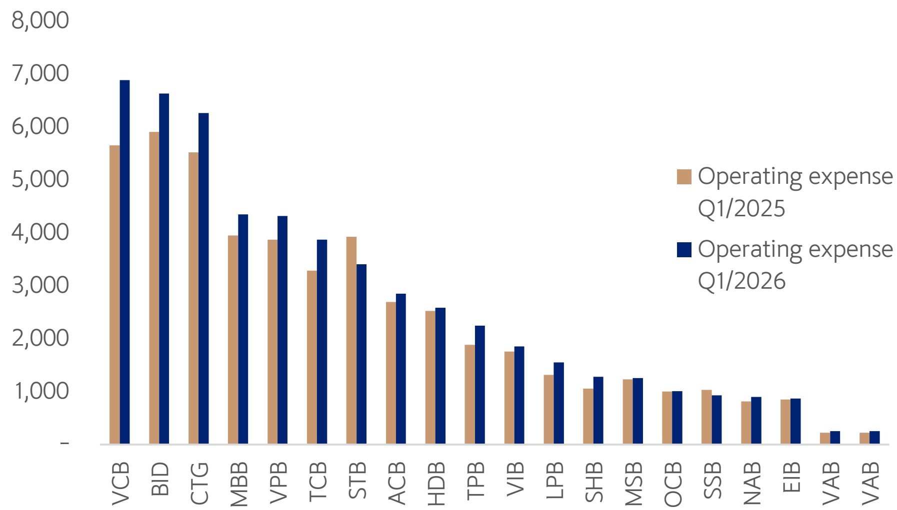


Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

- Fee income recorded positive growth across most banks, supported mainly by continued strong momentum in payment and bancassurance services, particularly at TCB and VPB.
- Amid rising Vietnam government bond yields, trading and investment securities businesses recorded negative growth in Q1/2026.
- Geopolitical tensions altered expectations regarding global rate cuts and global capital allocation trends, partially affecting banks' foreign exchange businesses during Q1/2026.
- Income from bad debt recovery continued to show positive growth following the codification of Resolution 42 into law.

Banks are increasingly streamlining branch networks and tightening personnel cost controls

Operating expense (VNDbn)



Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

Operating performance diverged in Q1 2026.

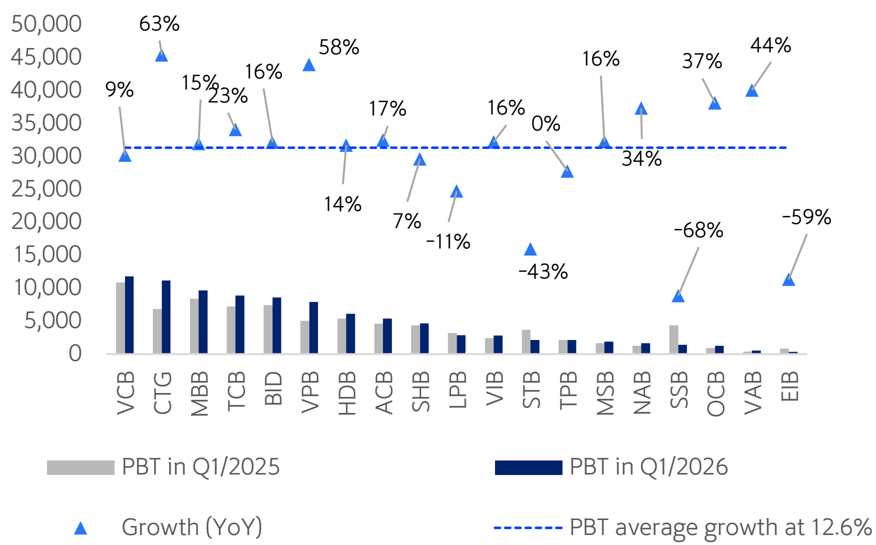
Stock	ROE TTM end of Q1/2025 (%)	ROE TTM end of Q1/2026 (%)	Changes (bps)
ACB	20.46%	17.51%	-296
BID	17.33%	17.84%	51
CTG	18.13%	22.23%	410
EIB	14.19%	2.86%	-1133
HDB	25.08%	23.62%	-146
LPB	24.20%	23.43%	-77
MBB	21.93%	20.28%	-164
MSB	15.90%	14.33%	-157
NAB	20.92%	20.12%	-80
OCB	9.48%	12.76%	328
SHB	16.56%	18.32%	176
SSB	20.26%	7.99%	-1227
STB	20.56%	7.75%	-1280
TCB	14.56%	15.27%	71
TPB	17.09%	16.81%	-28
VCB	17.94%	16.37%	-156
VIB	17.40%	16.36%	-104
VPB	10.95%	15.57%	462
VAB	9.98%	8.90%	334
Median	**17.40%**	**16.37%**	**-103**

Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

- Operating expenses of HOSE-listed banks rose modestly by around 9.5% in Q1/2026, while total operating income increased 14.1% over the same period. As a result, the sector's CIR improved from 30.7% in Q1/2025 to 29.4% in Q1/2026. STB stood out in this trend, as management has consistently emphasized cost optimization and operational efficiency during AGMs over the past two years. In Q1/2026, STB reduced operating expenses by 13.2% YoY, improving its CIR from 50.4% in Q1/2025 to 45.2% in Q1/2026.
- Sector-wide operational efficiency continued to decline. EIB and STB experienced sharp declines due to ongoing restructuring processes, while SSB recorded extraordinary income related to the sale of its finance company in Q1/2025. Broadly speaking, slowing core business growth, particularly in net interest income, has been the key factor behind the multi-year decline in ROE.

Banks overall targeted 17% PBT growth

PBT of banks in Q1/2026



Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

PBT in Q1/2026 compared to the full year profit target

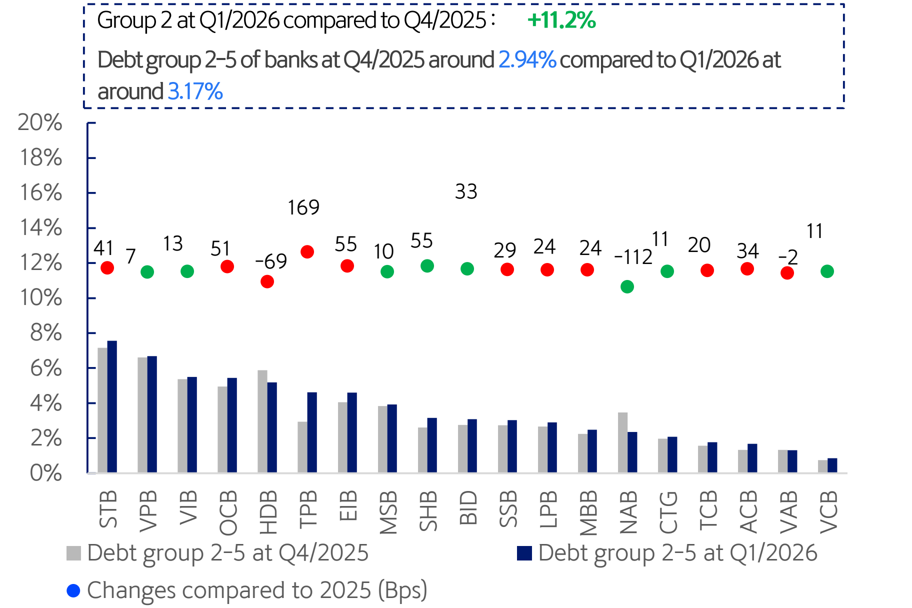
Stock	PBT Q12026 (VNDbn)	PBT plan for 2026 (VNDbn)	Complete(%)
ACB	5,368	22,338	24%
BID*	8,572	39,755	22%
CTG*	11,139	45,618	24%
EIB	338	1,515	22%
HDB	6,107	30,100	20%
KLB	522	2,600	20%
LPB	2,826	16,695	17%
MBB	9,628	39,400	24%
MSB	1,890	7,976	24%
NAB	1,643	6,200	26%
OCB	1,224	6,960	18%
SHB	4,656	17,665	26%
SSB	1,388	7,068	20%
STB	2,106	8,100	26%
TCB	8,870	37,500	24%
TPB	2,106	10,000	21%
VCB	11,803	46,221	26%
VIB	2,803	11,550	24%
VPB	7,921	41,323	19%
VAB	508	1,900	27%
Total	**91,419**	**400,484**	**23%**

Source: Compiled from the 2026 Annual General Meeting, * averaged from the 5-10% growth target.

- Industry-wide pre-tax profit in Q1/2026 increased 12.6% YoY. Relative to full-year profit guidance, the sector completed around 23% of annual targets. Typically, banks' Q1 earnings growth tends to be softer as both credit growth and non-interest income (including bad debt recovery income) generally expand more slowly in the early months of the year.
- CTG and VPB recorded the strongest profit growth in Q1/2026, while STB, SSB (due to extraordinary income in the comparable period), and EIB posted the steepest declines

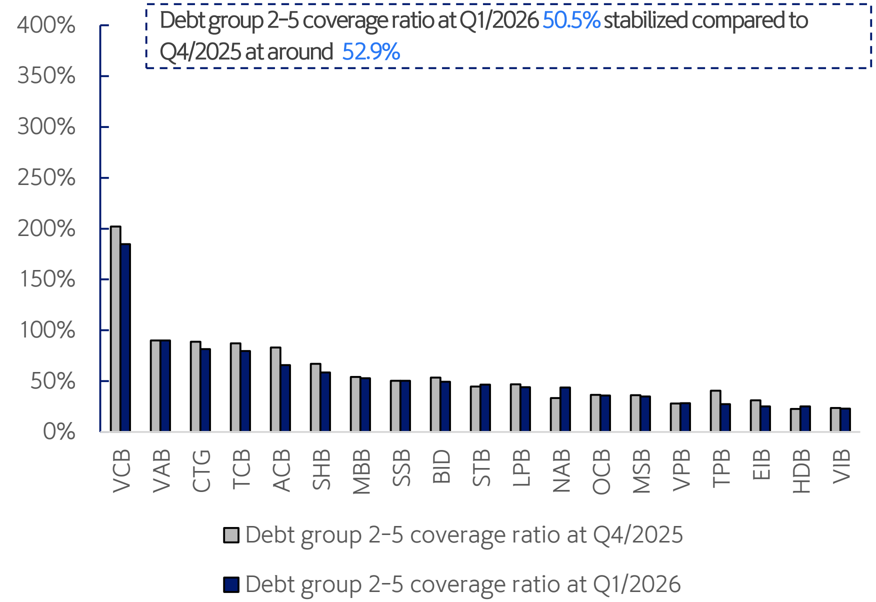
Group 2 loans increased slightly, while asset quality requires further monitoring in a higher interest rate environment

Debt group 2-5 end of Q1/2026



Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

Debt group 2-5 coverage ratio end of Q1/2026

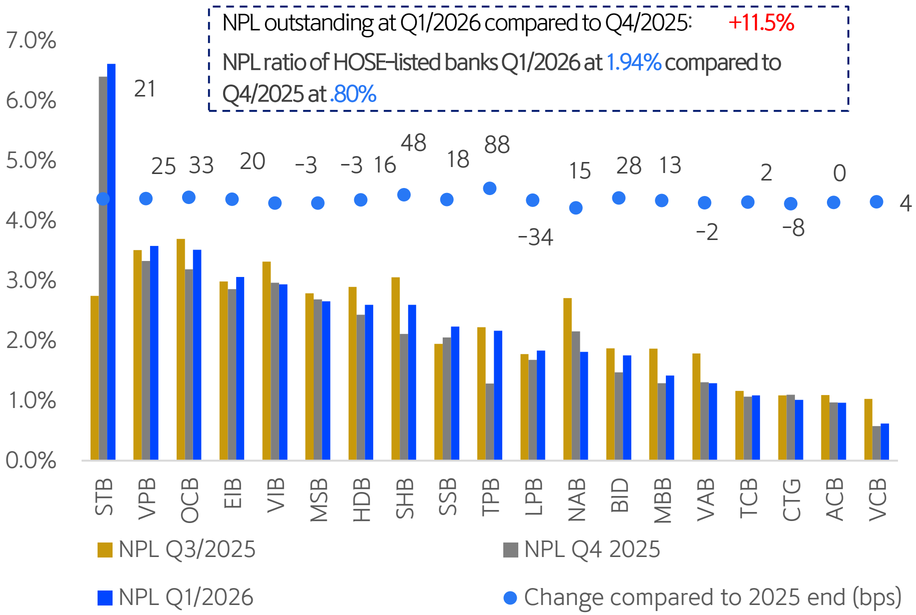


Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

- Group 2 loans increased slightly in Q1/2026. However, this is typically seasonal following the period of aggressive asset resolution usually carried out in Q4 each year. While it is still early to observe the full impact, a higher interest rate environment would generally place pressure on the banking sector's asset quality in subsequent quarters/years. Therefore, asset quality (particularly the formation of Group 2 loans) will remain an important factor to monitor in the coming period.
- The Group 2-5 loan coverage ratio remained relatively stable compared to previous quarters and currently stood at around 50% at the end of Q1/2026.

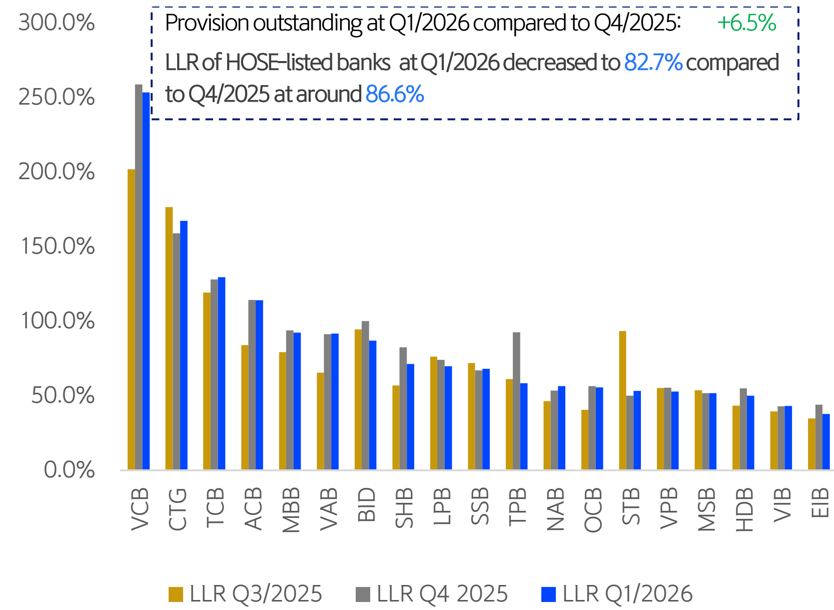
Overall NPL ratios remained relatively stable over the past three quarters

NPL ratios of HOSE-listed banks at end of Q1/2026



Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

LLR of HOSE-listed banks at end of Q1/2026

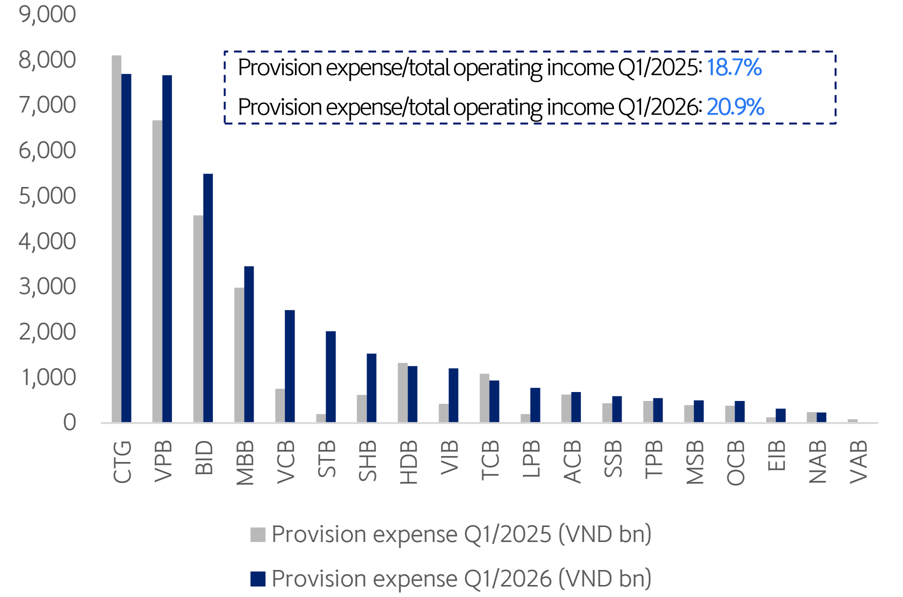


Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

- Following the bad debt resolution phase at year-end, the sector's NPL ratio increased slightly at end of Q1/2026. However, compared with end of Q3/2025, the NPL ratio remained broadly flat at 1.9%. During this period, STB recorded a sharp increase in NPL recognition and made 100% provisioning related to Bamboo Airways. Meanwhile, the remaining banks generally saw limited changes in NPL ratios compared with end of Q3/2025.
- The sector's loan loss coverage ratio declined to 82.7% at end of Q1/2026. Excluding STB, whose NPLs rose sharply in Q4/2025, the coverage ratio of the remaining banks stood at 88%, remaining stable compared to Q3/2025.

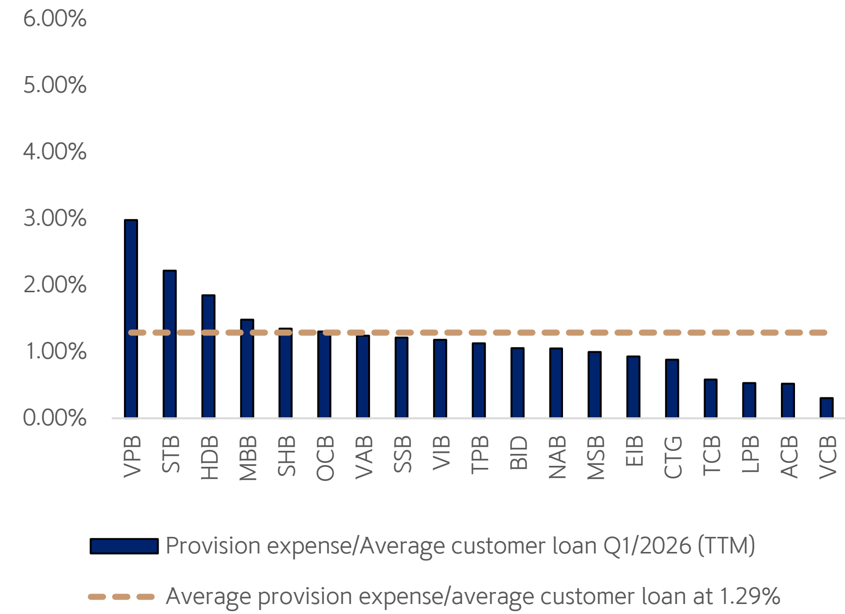
Provision expense/Average customer loan stayed relatively stable

Bank provisioning expenses in Q1/2026



Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

Provision expense/average customer loan (%)



Source: Fiinpro, Financial Reports of Banks, Shinhan Securities Vietnam

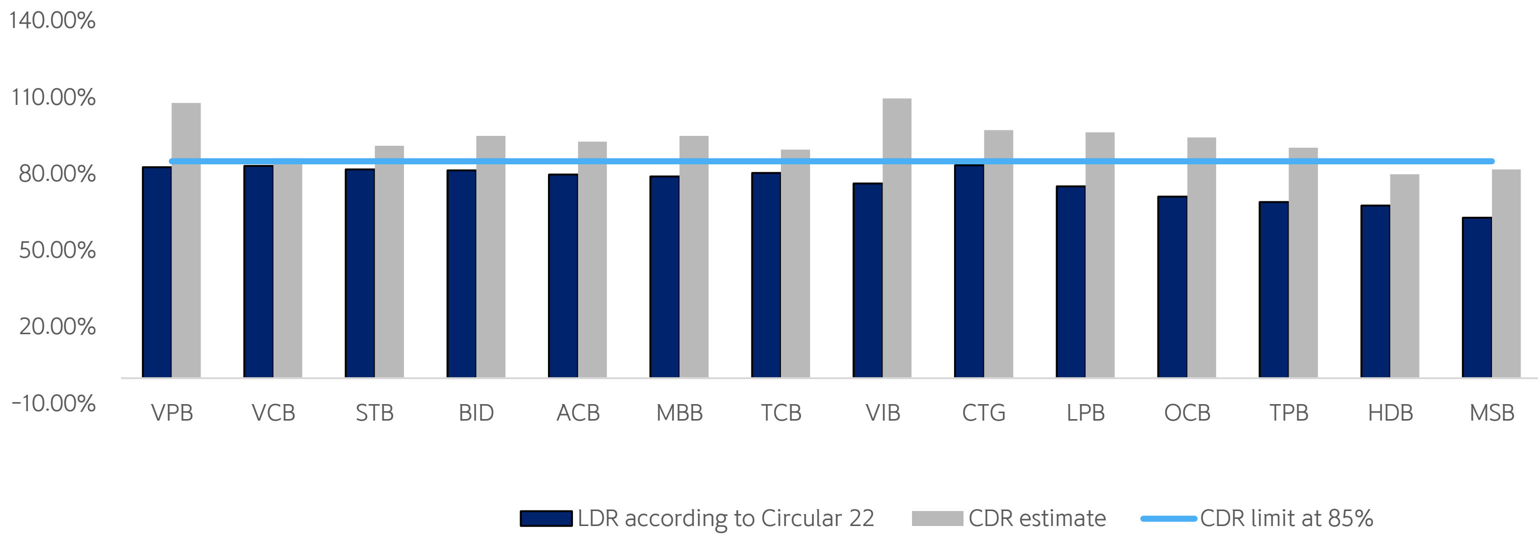
- Provisioning expenses diverged significantly in Q1/2026, with VCB, STB, VIB, and LPB accelerating provisioning recognition during the quarter. The sector's average provisioning expense-to-loan ratio stood at 1.29% at the end of Q1/2026, largely unchanged from Q1/2025.

Draft Amendments to Circular 22/2019/TT-NHNN

Indicators	Implementation roadmap	Ratio and summary	Assessment
CDR to Replace LDR	Applicable during the transition period before 2028. Banks would not be required to comply with the ratio and would only need to report it if both **LCR >=100%** and **NSFR >=100%.**	Summary of the CDR formula: $\frac{Credit\ outstanding, including\ corporate\ bonds - equity - funded\ portion}{Tier\ 1\ deposits + issuance\ of\ valuable\ papers\ (excluding\ holdings\ by\ other\ credit\ institutions) + 20\%\ of\ term\ Treasury\ deposits)}$ Key changes in the CDR formula include: + Expanding the scope from only Tier 1 loans to total credit exposure. Equity is then adjusted accordingly. + Excluding interbank deposits, removing valuable papers held by other credit institutions from the funding base, while adding 20% of term Treasury deposits.	As the proportions of interbank deposits and valuable papers held by other credit institutions are larger than the additions from Treasury deposits and equity adjustments, the CDR of most banks is expected to face upward pressure.
Liquidity Coverage Ratio (LCR) Replacing the current 30-day liquidity ratio requirement.	**2028: 90%** **2029: 95%** **From 2030 onward: 100%**	LCR will be calculated based on High-Quality Liquid Assets (HQLA) and net cash outflows over the next 30 days. This metric measures short-term liquidity resilience under a 30-day stress scenario.	
Net Stable Funding Ratio (NSFR) Replacing the current short-term funding ratio for medium- and long-term lending (<=30%).	**2028: 90%** **2029: 95%** **From 2030 onward: 100%**	NSFR is calculated based on Available Stable Funding (ASF) and Required Stable Funding (RSF). ASF= $\sum Book\ value\ of\ ASF\ components \times Available\ Stable\ Funding\ factor\ (ASF\ factor)$ RSF=$\sum Book\ value\ of\ RSF\ components \times Required\ Stable\ Funding\ factor\ (RSF\ factor)$	**ASF factors:** Retail funding, particularly longer-tenor deposits, provides an advantage due to higher weighting factors. In contrast, corporate deposits, interbank funding, and short-term funding sources carry lower factors. **RSF factors:** Long-term or higher-risk credit exposures require more stable funding. Banks with larger maturity mismatches between short-term funding and medium-/long-term lending would face greater disadvantages.
High-Quality Liquid Assets (HQLA)		- Simplified liquidity asset framework with a 100% weighting. - HQLA classification into Level 1/2A/2B assets with weightings, haircuts, and caps aligned with Basel III standards. The Level 2B category additionally includes RMBS, debt securities rated from A to BBB-, common equities, and government, central bank, and PSE bonds rated BBB- or above.	HQLA regulations are expected to move closer to Basel III standards, broadening the eligible asset universe while applying more appropriate weightings across different asset classes, rather than the static approach under Circular 22.
Leverage Ratio (LEV) Newly introduced.	Detailed guidance has not yet been released.	**LEV >=3% =** Tier 1 Capital / Total Exposure Measure This serves as a supplementary metric to CAR, without applying risk weightings as in the CAR framework.	**The leverage ratio is unlikely to become a major constraint for Vietnamese banks, given their traditional banking models and limited use of complex derivatives.**

Applying the CDR during the transition period could create short-term pressure across the banking sector

The average CDR of HOSE-listed banks could exceed the 90% threshold



Source: Estimates are based on Q1/2026 financial statements and may not fully reflect the detailed requirements under the draft circular. For holdings of valuable papers issued by other credit institutions, we assume a 50% ratio.

- Overall, CDRs are expected to face upward pressure at most banks, as the new calculation method excludes interbank deposits, which previously accounted for a significant portion of funding calculations. Banks that have already adopted Basel III standards with LCR and NSFR ratios above 100%, such as ACB, would likely hold an advantage if the CDR regulations are officially implemented without further revisions.
- While the draft circular replacing Circular 22 is still under consultation, the SBV issued Circular 08/2026/TT-NHNN in May 2026, allowing 20% of KBNN term deposits to be included in banks' LDR calculations. Based on Q1/2026 data, the circular could help SOCBs reduce their LDRs by approximately 1-1.5%.

Vietnam is projected to remain one of the fastest-growing economies in the region, although growth is expected to fall short of the government's official target

Consensus forecasts for selected global economies for the 2026-2028 period

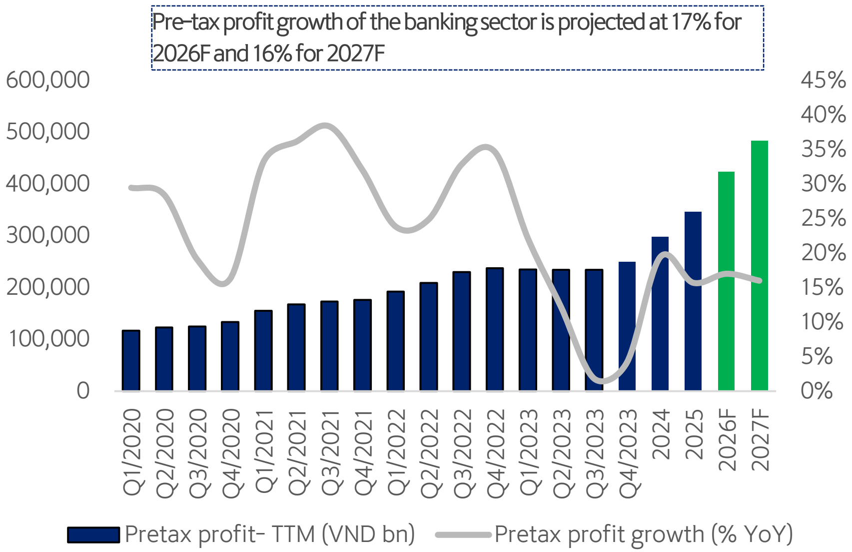
Indicator	GDP Growth			CPI			Unemployment rate		
Country/Year	**2026**	**2027**	**2028**	**2026**	**2027**	**2028**	**2026**	**2027**	**2028**
Vietnam	**7.0 %**	**7.0 %**	**6.7 %**	**4.3 %**	**3.6 %**	**4.0 %**	**2.3 %**	**2.2 %**	**2.0 %**
China	4.6 %	4.4 %	4.3 %	1.0 %	1.1 %	1.4 %	5.1 %	5.1 %	5.0 %
Hong Kong	3.0 %	2.6 %	2.3 %	1.9 %	1.9 %	1.8 %	3.6 %	3.4 %	3.1 %
India	7.5 %	6.5 %	7.0 %	2.0 %	4.6 %	4.3 %			
Indonesia	5.0 %	5.0 %	5.2 %	3.1 %	2.8 %	2.8 %	4.9 %	4.9 %	4.8 %
South Korea	2.4 %	2.0 %	2.0 %	2.6 %	2.1 %	2.0 %	2.9 %	2.8 %	2.8 %
Malaysia	4.5 %	4.5 %	4.5 %	2.1 %	2.0 %	2.1 %	3.1 %	3.1 %	3.0 %
Phillipines	4.0 %	5.4 %	5.7 %	6.2 %	3.9 %	3.1 %	4.8 %	4.5 %	4.1 %
Singapore	3.0 %	2.4 %	2.5 %	1.9 %	1.9 %	1.6 %	2.1 %	2.1 %	2.1 %
Taiwan	7.1 %	3.7 %	3.1 %	1.9 %	1.7 %	1.7 %	3.3 %	3.3 %	3.3 %
Thailand	1.6 %	2.2 %	2.8 %	2.5 %	1.6 %	1.4 %	1.1 %	1.1 %	
USA	2.2 %	2.0 %	2.1 %	3.3 %	2.4 %	2.2 %	4.4 %	4.3 %	4.2 %
Japan	0.7 %	0.9 %	0.9 %	2.0 %	2.0 %	1.9 %	2.5 %	2.5 %	2.4 %
Euro	0.8 %	1.3 %	1.4 %	2.8 %	2.1 %	2.0 %	6.3 %	6.2 %	6.0 %
United Kingdom	0.8 %	1.2 %	1.5 %	3.2 %	2.4 %	2.0 %	5.3 %	5.3 %	5.2 %
Canada	1.2 %	1.7 %	1.8 %	2.5 %	2.0 %	2.0 %	6.6 %	6.3 %	6.1 %
Australia	2.0 %	1.9 %	2.2 %	4.3 %	2.8 %	2.7 %	4.4 %	4.6 %	4.7 %
Sweden	2.2 %	2.1 %	1.9 %	0.8 %	1.7 %	2.5 %	8.5 %	8.0 %	7.5 %
New Zealand	1.7 %	2.6 %	2.7 %	3.4 %	2.1 %	2.1 %	5.2 %	4.8 %	4.9 %
Switzerland	1.1 %	1.4 %	1.6 %	0.6 %	0.7 %	0.8 %	3.1 %	3.0 %	3.1 %
Denmark	2.4 %	2.1 %	2.4 %	1.4 %	1.9 %		6.5 %	6.4 %	
Norway	1.5 %	1.6 %	1.8 %	3.3 %	2.4 %	2.4 %	4.5 %	4.2 %	4.0 %
Germany	0.7 %	1.2 %	1.4 %	2.8 %	2.3 %	2.0 %	6.3 %	6.0 %	5.7 %
France	0.8 %	1.0 %	1.2 %	2.3 %	1.8 %	1.8 %	7.9 %	7.9 %	7.7 %
Italy	0.5 %	0.7 %	0.9 %	2.8 %	1.9 %	1.8 %	5.6 %	5.7 %	5.8 %

Source: Bloomberg Consensus, Shinhan Securities Vietnam

- Vietnam is expected to continue outperforming most Southeast Asian economies in terms of growth, despite remaining below the targets set by the National Assembly. Growth drivers in 2026 are expected to come from public investment, exports, and FDI inflows.
- Persistently high oil prices due to geopolitical conflicts could push CPI higher across many countries, including Vietnam, compared to the initial forecasts of international organizations. Vietnam's CPI for April 2026 reached 5.46%, driven by rising fuel, transportation, and dining-out costs. Sustained inflationary pressure could lead to a higher interest rate environment in Vietnam, thereby affecting banking sector operations and profitability.

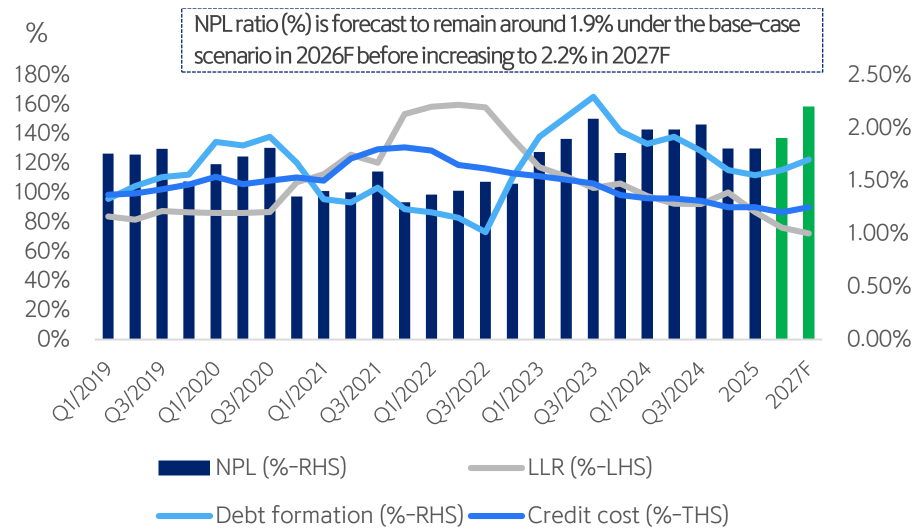
Pre-tax profit of banks is projected to grow by 17% in 2026

Profit before tax (VND bn)



Source: Fiinpro, Shinhan Securities Vietnam

NPL forecast



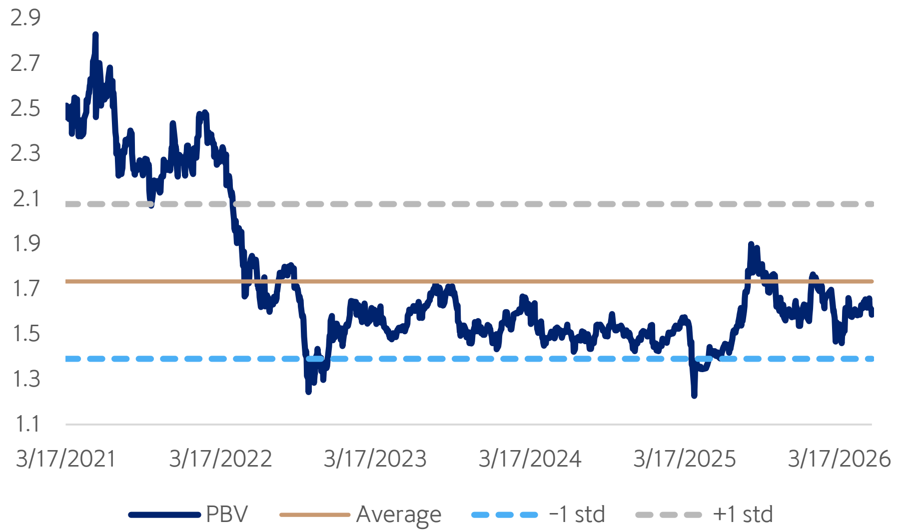
Source: Fiinpro, Shinhan Securities Vietnam

Key assumptions for the pre-tax profit forecasts of HOSE-listed banks:

- We assume credit growth of 15% for the 2026–2027 period.
- NIM is expected to remain broadly stable at around 3.15% during 2026–2027.
- We maintain a cautious outlook, forecasting NPLs to resume an upward trend in 2027 as interest rates return to higher levels.
- Pre-tax profit growth could reach 17% in 2026 and around 16% in 2027.

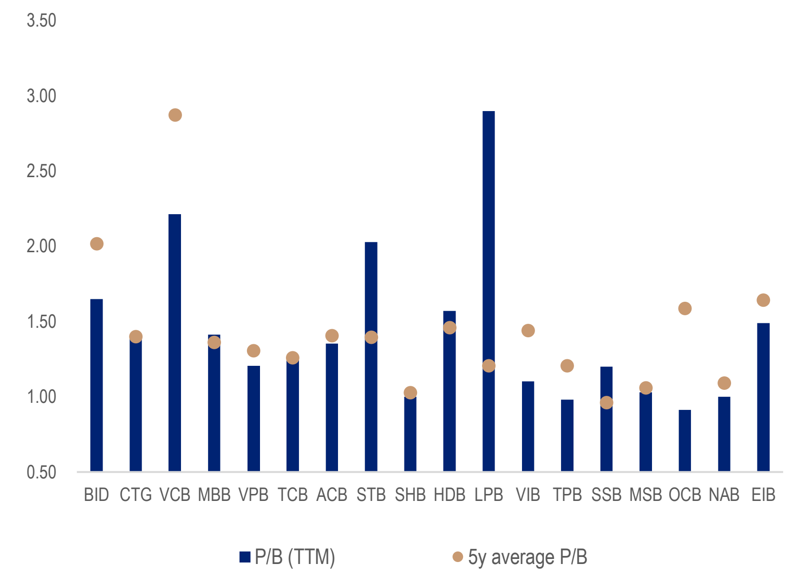
The valuation continues to be discounted

Valuation of HOSE-listed banks (P/B)



Source: Bloomberg 04/06/2026, Shinhan Securities Vietnam

P/B of banks



Source: Bloomberg, Shinhan Securities Vietnam

- Banks' P/B valuations have declined to below the 5-year average, reaching 1.7x at the end of May. Overall, the sector has undergone a significant de-rating from the peak levels seen at the end of Q3/2025. Forward P/B for 2026 and 2027 currently stands at 1.3x and 1.0x, respectively, suggesting that investment opportunities are re-emerging at current valuation levels.
- Excluding STB, LPB, HDB, and SSB, which are trading at premiums to their 5-year average valuations, most bank stocks are currently trading around or below their historical 5-year average P/B levels.

Stock	Market cap (VNDbn)	Close price (VND)	Target price (VND)	PBT growth Q12026 (% YoY)	PBT Growth 2026F (% YoY)	Asset/Equity (x)	NIM (TTM)	NPL group 3-5 (%)	LLR (%)	CIR (TTM)	ROE (TTM)	P/B (TTM)	PB Forward 2026
VCB	519,723	62,200	79,800	8.7%	14.9%	10.9	2.71%	0.62%	253.36%	34.59%	16.37%	2.22	2.0
BID	310,495	42,650	50,000	15.6%	12.5%	17.8	2.12%	1.76%	86.89%	33.13%	17.84%	1.68	1.6
CTG	264,853	34,100	43,700	63.3%	15.6%	15.5	2.64%	1.02%	167.19%	29.68%	22.23%	1.41	1.3
TCB	222,862	31,450	43,700	22.6%	16.9%	6.4	3.76%	1.09%	129.39%	30.69%	15.27%	1.26	1.2
VPB	210,249	26,500	38,000	58.0%	26.7%	7.4	5.39%	3.58%	52.80%	24.15%	15.57%	1.21	1.1
MBB	201,375	25,000	34,100	14.8%	16.7%	10.8	4.02%	1.42%	92.24%	28.77%	20.28%	1.40	1.2
LPB	138,759	46,450	25,700*	-11.0%		11.7	3.09%	1.84%	69.65%	28.77%	23.43%	2.80	2.8
ACB	134,837	26,250	30,400	16.8%	21.4%	10.4	2.91%	0.97%	113.97%	31.86%	17.51%	1.37	1.1
HDB	127,384	25,450	34,000	14.0%	29.7%	11.8	4.59%	2.60%	50.00%	26.88%	23.62%	1.59	1.4
STB	132,719	70,400	65,562*	-42.7%		14.0	3.13%	6.62%	53.21%	39.39%	7.75%	2.16	1.9
SHB	73,743	13,800	19,022*	6.5%		13.0	2.99%	2.60%	71.20%	22.15%	18.32%	1.03	
VIB	55,315	16,250	20,920	15.8%	23%	11.5	3.09%	2.94%	43.10%	35.40%	16.36%	1.13	1.0
SSB	49,203	14,350		-68.1%		9.7	2.61%	2.24%	68.00%	40.02%	7.99%	1.19	
TPB	44,246	15,950	20,699*	-0.1%		11.0	3.05%	2.17%	58.39%	35.76%	16.81%	1.00	0.8
EIB	39,397	21,150	26,000*	-59.3%		10.2	2.42%	3.07%	37.80%	60.97%	2.86%	1.49	1.4
MSB	45,396	14,550	14,583*	15.9%		9.4	3.33%	2.66%	51.61%	35.28%	14.33%	1.03	0.9
OCB	32,889	12,350	13,850*	37.0%		9.9	3.12%	3.52%	55.56%	34.91%	12.76%	0.94	0.8
NAB	24,912	12,100		34.2%		16.6	2.49%	1.82%	56.45%	33.73%	20.12%	1.01	
VAB	8,735	10,700		44.1%		13.5	2.72%	1.29%	91.55%	26.34%	14.37%	0.83	

Source: Fiinpro, Bloomberg, data collected by Shinhan Securities Vietnam
* Number from Bloomberg Consensus

Ho Chi Minh City Development Joint Stock Commercial Bank (HOSE: HDB)

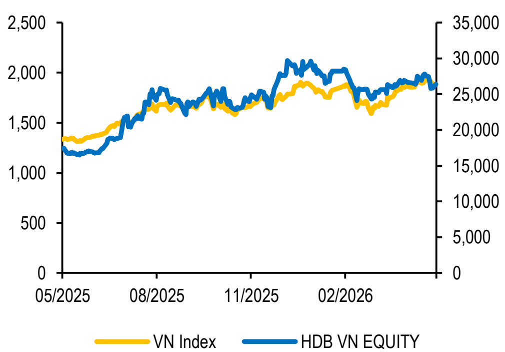
HDBank

Target price (2026)	**VND 34,000**
Current price (06/04/26)	VND 25,450
Upside (%)	**34%**

VNINDEX	1,832
PE market (26F)	12.9
Market cap (VNDbn)	127,384
Outstanding shares (shares mn)	5,005
Free Float (shares mn)	3,749
52-week high/low(VND)	30,000/ 16,462
Average trading volume 90 days (shares mn)	15.51
Average trading value of 90 days (VND bn)	366
Foreign ownership (%)	21.71

Major shareholder(%)	Sovico	9.99

Performance	**3M**	**6M**	**12M**
Absolute (%)	-7.2	7.7	54.9
Relative to VN-Index (%)	-7.5	-4.6	13.4



Ambitious targets with multiple large transactions underway

HDBank follows a diversified retail banking strategy, targeting SMEs and retail customers in tier-2 cities and rural areas by developing specialized financial products and services tailored to their needs. At the same time, HDB is strengthening its digital banking platform to improve customer accessibility. This targeted strategy has been clearly reflected in its strong performance in recent years, with asset and profit growth exceeding 25% annually during 2019–2025. Supported by its advantage in credit growth quota allocation, we expect HDB to deliver strong growth in 2026. With multiple planned listings of subsidiaries and strategic stake sales, we believe HDB remains a highly attractive investment opportunity.

Q1/2026 business performance

HDB recorded credit growth of 8%, driven mainly by corporate clients and consumer finance, while retail lending grew only 4.8% in Q1/2026. Total funding increased 11.9% YTD, supported by strong retail deposit inflows and issuance of valuable papers. As a result, HDB's LDR under Circular 22 declined to 67.7%, a very safe level compared with the industry average LDR of around 75–80%.

The bank's NIM declined to 4.6% at the end of Q1/2026 (from 4.8% at end-Q4/2025), resulting in net interest income growth of 15.1% YoY. HDB's NPL ratio stood at 2.6% at the end of Q1/2026, remaining relatively stable over recent quarters. Operating expenses and provisioning expenses in Q1/2026 saw limited changes, increasing 2.5% YoY and declining 5% YoY, respectively.

Accordingly, PBT reached VND 6,107bn (+14% YoY), completing 20% of the full-year target. HDB targets 2026 PBT of VND 30.1tn (+41% YoY), with targeted credit growth of 37%.

Investment thesis

- HDS and HDSaison are preparing for listing in 2026. HDB plans to increase its ownership in HDS to 90% (deal completed as of June 2026).
- HDB is also in the process of executing a strategic stake sale in 2026. If successful, the deal would further strengthen its capital buffer and support future growth.
- HDB was among the banks with the strongest customer deposit growth in Q1/2026, while maintaining a relatively low LDR versus the industry average.
- Moody's upgraded the outlook to "Positive" based on expectations that HDBank will continue strengthening its financial profile through equity capital expansion while maintaining strong profitability.

2026 outlook

- We adopt a more conservative view than management guidance, forecasting loan growth and deposit growth of 30% in 2026. As deposit rates and funding costs from valuable paper issuance trend higher, we forecast HDB's NIM to decline slightly to 4.4%. NPL ratio is expected to improve to 2.2%. Credit cost is projected at 1.7%, while CIR remains around 25%. Accordingly, we forecast 2026 PBT at VND 27,654bn, representing 30% growth YoY.

Risks: (1) Inflation remains elevated and interest rates continue increasing, putting pressure on asset quality; (2) Failure to mobilize sufficient funding to support loan growth.

Year	**2022**	**2023**	**2024**	**2025**	**2026F**
Net interest income (VNDbn)	18,012	22,184	30,856	34,746	43,002
Non interest income (VNDbn)	3,956	4,230	3,172	7,941	8,461
Total operating income (VNDbn)	21,967	26,414	34,028	42,687	51,463
Profit before tax (VNDbn)	10,268	13,017	16,731	21,322	27,654
Profit before tax - Growth (%)	27.24	26.77	28.53	27.44	29.70
Customer loan – Growth (%)	29.84	30.15	28.85	23.48	30.00
NIM (x)	5.01	4.98	5.38	4.80	4.44
ROE (%)	23.5	24.2	25.7	25.3	25.3

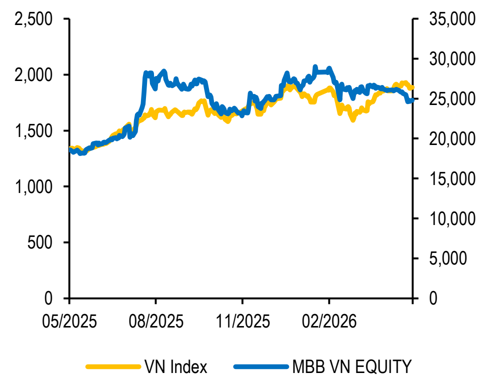
Source: Bloomberg, Shinhan Securities Vietnam

MB

Target price (2026)	**VND 34,100**
Current price (06/04/26)	VND 25,000
Upside (%)	**36%**
VNINDEX	1,832
PE market (26F)	12.9
Market cap (VNDbn)	201,375
Outstanding shares (shares mn)	8,055
Free Float (shares mn)	5,574
52-week high/low(VND)	29,500/ 18,182
Average trading volume 90 days (shares mn)	24.54
Average trading value of 90 days (VND bn)	515
Foreign ownership (%)	22.6

Major shareholder(%)	VIETTEL Group	14.7
	SCIC	9.8

Performance	**3M**	**6M**	**12M**
Absolute (%)	-13.7	8.5	32.8
Relative to VN-Index (%)	-14.1	-3.7	-8.7



Asset Growth Advantage

Military Commercial Joint Stock Bank (MBB) has delivered outstanding achievements in recent years, reflected in stable asset quality, superior profitability, and strong credit ratings from international rating agencies. MBB continues focusing on IT development and digital transformation toward its goal of becoming a "Leading Digital Enterprise and Financial Group." In 2025, management plans to focus more on the retail lending segment while continuing to improve CASA quality. Using the Residual Income (RI) method and P/B valuation approach, we update our 2026 target price for MBB to VND 34,100/share.

Q1/2026 business performance

Total operating income reached VND 17.4 tn, up 14% YoY. Net interest income increased 28% YoY, while fee income rose 38% YoY, mainly driven by payments, treasury services, and securities brokerage. CAR stood at 10.9% at the end of Q1/2026.

Credit growth reached 3.3%, mainly driven by medium- and long-term lending. NIM declined slightly to 4.0% at the end of Q1/2026. Funding growth in Q1/2026 mainly came from valuable paper issuance, while customer deposits in market 1 declined. MBB will need to accelerate market 1 deposit mobilization to support targeted loan growth of around 30%. Therefore, we believe the bank's COF will face upward pressure, limiting NIM recovery during the remainder of 2026. NPL ratio remained low and stable at 1.4%, having declined significantly since Q3/2025. Loan loss coverage ratio stood at 92% at the end of Q1/2026.

PBT reached VND 9,628 bn (+15% YoY), completing over 24% of the annual profit target. MBB's ROE stood at 21%, among the highest within listed banks.

Investment Thesis

- MBB possesses a relatively comprehensive ecosystem with subsidiaries in insurance, securities, and consumer finance. Its industry-leading CASA helps funding costs remain more stable, while NIM continues to rank among the highest in the sector.
- With higher credit growth quota allocation versus the industry average, MBB is well-positioned to attract new customers and projects in 2026. Asset growth remains the key growth driver this year.
- MBB plans to conduct a rights offering to existing shareholders equivalent to 10% and a private placement of 200 million shares.
- Asset quality remains among the best in the industry, with high ROE while trading at only 1.17x 2026 forward P/B.

2026 Outlook

- We forecast MBB's credit growth at 30% in 2026, more conservative than management's 35% target, as the bank has shown signs of liquidity pressure in recent quarters. In the context of gradually rising interest rates, together with MBB's strategy of maintaining low lending rates to prioritize asset growth, we expect NIM to narrow slightly further in 2026 to 3.9%.Benefiting from additional growth room through participation in the restructuring of MBV Bank, we assume MBB will have room to raise its loan loss coverage ratio to 111% in 2026, while CIR remains below 29% thanks to improving operational efficiency. Accordingly, we forecast 2026 PBT at VND 39,995bn, up 16.7% YoY.

Risks: (1) Slower-than-expected credit growth; (2) Rising bad debts from large corporate clients; (3) Slower-than-expected funding growth.

Year	2022	2023	2024	2025	2026F
Net interest income (VNDbn)	36,023	40,964	41,152	51,610	67,627
Non interest income (VNDbn)	9,570	7,433	14,261	16,083	18,754
Total operating income (VNDbn)	45,593	48,397	55,413	67,693	86,381
Profit before tax (VNDbn)	22,729	26,306	28,829	34,268	39,995
Profit before tax - Growth (%)	37.5%	15.7%	9.6%	18.9%	16.7%
Customer loan – Growth (%)	26.7%	32.7%	27.1%	39.6%	30.0%
NIM (x)	5.6%	4.8%	4.2%	4.1%	3.9%
ROE (%)	25.6%	23.9%	21.5%	21.1%	20.5%

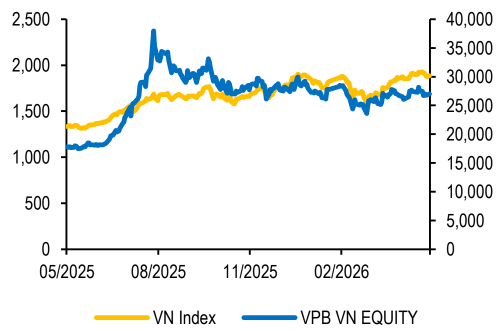
Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Prosperity JSC (HOSE: VPB)

Target price (2026)	**VND 38,000**
Current price (06/04/26)	VND 26,500
Upside (%)	43%

VNINDEX	1,832
PE market (26F)	12.9
Market cap (VNDbn)	210,249
Outstanding shares (shares mn)	7,934
Free Float (shares mn)	7,242
52-week high/low(VND)	38,900/ 17,300
Average trading volume 90 days (shares mn)	19.08
Average trading value of 90 days (VNDbn)	447
Foreign ownership (%)	24.5
Major shareholder(%) Sumitomo Mitsui	15.0

Performance	3M	6M	12M
Absolute (%)	-6.4	-4.3	49.2
Relative to VN-Index (%)	-6.8	-16.5	7.6



Strong funding growth in 1H2026 provides foundation for 2H2026 expansion

Established in 1993, VPBank pursues a modern retail banking strategy. VPB has expanded rapidly through its nationwide branch and transaction network, along with diversified product offerings. As the market leader in consumer finance, FE Credit is expected to recover more clearly during 2026–2028. Two other subsidiaries, VPBankS (securities) and OPES (insurance), are also contributing increasingly to the bank's operations. Based on the Residual Income method and P/B valuation approach, we estimate VPB's 12-month target price at VND 38,000/share.

Q1/2026 business performance

- Consolidated loan growth reached 10.2% in Q1/2026. The bank outperformed peers in attracting market 1 deposits, with funding growth of 11.8% YTD. Loan growth was driven mainly by corporate and SME customers, while retail lending grew at a lower pace of 8.4% and 7%, respectively, supported by mortgage and unsecured lending products. Supported by strong deposit growth, VPB maintained its LDR at 82.7% and short-term funding for medium- and long-term loans ratio at 28.3%, in line with SBV regulations.
- Net interest income increased 26.7% in Q1/2026, while NIM came under pressure and declined to 5.4%. Fee income surged 80.8% from a low base. Total operating income reached VND 19,908bn (+27.9% YoY).
- VPB's NPL ratio stood at 3.58% at the end of Q1/2026, slightly higher than end-2025. Credit cost stood at 2.98%. Operating expenses remained well controlled, increasing only around 11% in Q1/2026.
- PBT reached VND 7,921bn (+57.9% YoY), completing 19% of the annual target. VPBankS recorded profit of VND 515bn, OPES recorded VND 261bn, while FE Credit posted profit of VND 77.5bn.

Investment thesis

- VPB has been highly active in deposit mobilization during 1H2026 and is currently among the few banks with a positive funding-credit gap. The bank also plans to raise foreign funding in 2026. While stronger funding mobilization may increase COF, VPB would gain a significant advantage in loan disbursement during the remainder of 2026, especially as the bank targets asset growth above 30%.
- Comprehensive ecosystem with improving earnings contributions from subsidiaries.
- VPBank plans to privately place 624 million shares to foreign investors to strengthen its capital buffer.

2026 Outlook

- Our key assumptions for VPB's 2026 performance include: consolidated loan growth of 30%; deposit growth of 30%; NIM declining slightly to 5.4% (from 5.5%); CIR around 24%; credit cost/average loans at 2.7%; and consolidated NPL ratio maintained around 3.5%.Accordingly, we forecast VPB's 2026 PBT at VND 38,790bn (+27% YoY), more conservative than management guidance.

Risks: (1) Higher interest rates may negatively impact retail asset quality; (2) Rising funding costs continue eroding VPB's NIM.

Year	2022	2023	2024	2025	2026F
Net interest income (VNDbn)	41,021	38,175	49,080	58,663	75,540
Non interest income (VNDbn)	16,776	11,569	13,175	15,991	19,016
Total operating income (VNDbn)	57,797	49,743	62,255	74,654	94,557
Profit before tax (VNDbn)	(36,577)	(38,756)	(42,242)	(44,029)	(55,767)
Profit before tax - Growth (%)	47.73	(48.22)	82.15	53.03	26.66
Customer loan – Growth (%)	23.38	29.19	22.36	36.23	30.00
NIM (x)	7.50	5.58	5.94	5.48	5.44
ROE (%)	17.8	7.1	11.1	14.9	15.8

Source: Bloomberg, Shinhan Securities Vietnam

Real Estate

Selective market recovery

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Real Estate – Selective market recovery

1. Update on real estate sector

Residential real estate sector in 2025 is recovering with positive spillover effects in areas with real demand, along with supporting factors: (1) low interest rates stimulate demand from developers and homebuyers, leading to positive growth in real estate credit; (2) increased public investment in infrastructure development and strong growth in FDI into the real estate sector; (3) streamlined legal frameworks and strong supply recovery.

2. Prospects of the real estate industry in 2026

Real estate market outlook for 2026,: (1) interest rates for home loans and real estate project development increase; (2) credit control in the real estate sector leads to a slowdown in market transactions, and bond issuance is expected to be a channel for raising additional capital; (3) however, legal easing helps increase overall market supply, reducing pressure on capital costs for real estate development businesses.

3. Update on real estate sector

VHM, PDR, NLG, KDH, DXG

4. Appendix

Interest Rate – Interest rates for home loans have surged

Interest rate pressure is evident in Q1/2026 as interest rates are no longer as attractive as in the first quarters of 2025. Preferential interest rates have increased sharply from an average of **6-8%/year** in the first three quarters of 2025 to **8-10%/year** by the end of Q1/2026. Home loans continue to be structured commonly with two interest rate levels: (1) preferential interest rate and (2) floating interest rate after the preferential period, the adjustment margin between the two interest rates is currently in the range of **2.0%-4.0%**, so when the preferential period ends, the floating interest rate will increase to around **10-14%/year**.

The market is entering a period of slower transactions, and homebuyers' sentiment is becoming more cautious due to the pressure of high interest rates. Therefore, the absorption rate in the coming period by developers may be slower than expected. However, developers with strong financial foundations, appropriate policies to support homebuyers during periods of high interest rates will achieve good absorption.

Changes in commercial home loan interest rates at some major banks

	12/2024			10/2025			3/2026		
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	5.5	70	20	5.7	70	20	9.2	70	30
Shinhan bank	7.0	70	30	6.6	70	50	8.5	70	50
Techcombank	6.7	80	35	6.5	70	25	9.2	70	25

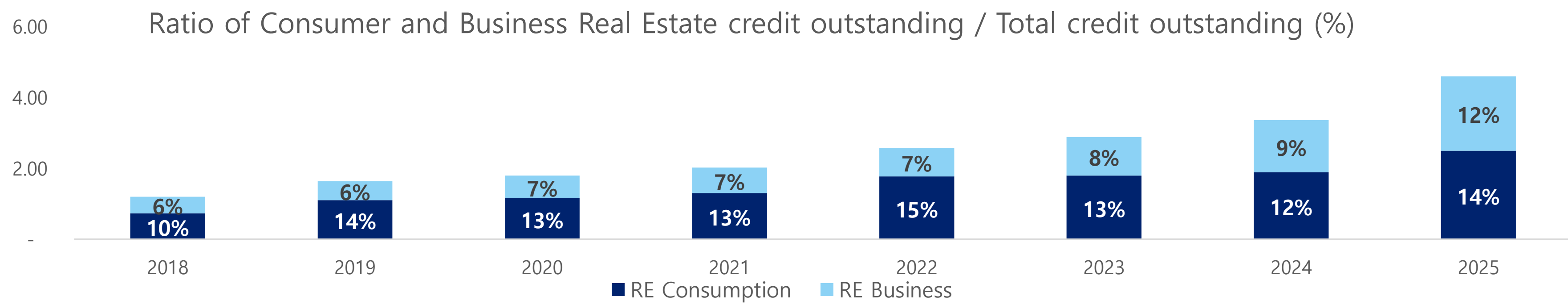
Source: Batdongsan.com.vn, Shinhan Securities Vietnam

Credit – Credit growth for the real estate sector far outpaced overall credit growth

Outstanding credit in the real estate sector is projected to reach approximately **VND 4.6 trillion (+36.0% YoY)** by the end of 2025, compared to a **19% growth in overall economic credit**. This represents strong growth in the first year of market recovery following the difficult period of 2022-2023 due to tightening measures. In terms of capital utilization in 2025, credit for real estate business operations is expected to reach **VND 2.1 trillion (+43.0% YoY)**, while credit for real estate consumption will grow at a lower rate of **VND 2.5 trillion (+32.0% YoY)**. By the end of April 2026, total system credit outstanding exceeded **VND 19.4 trillion (+4.42% compared to the end of 2025)**. By the end of February 2026, credit outstanding for real estate business activities reached **VND 2,235 trillion (+11.7% compared to the end of 2025)**, remaining a sector attracting significant capital from the banking system.

In 2025, real estate credit experienced strong growth thanks to low interest rates, leading to rapid increases in property prices in many areas. Despite a positive recovery in supply, those seeking to buy a home lacked the financial means to do so. In early 2026, the government goal to tighten credit growth in the real estate sector to curb speculation, hoping to cool down the rapid rise in house prices.

Real estate credit maintains impressive growth (VND quadrillions)



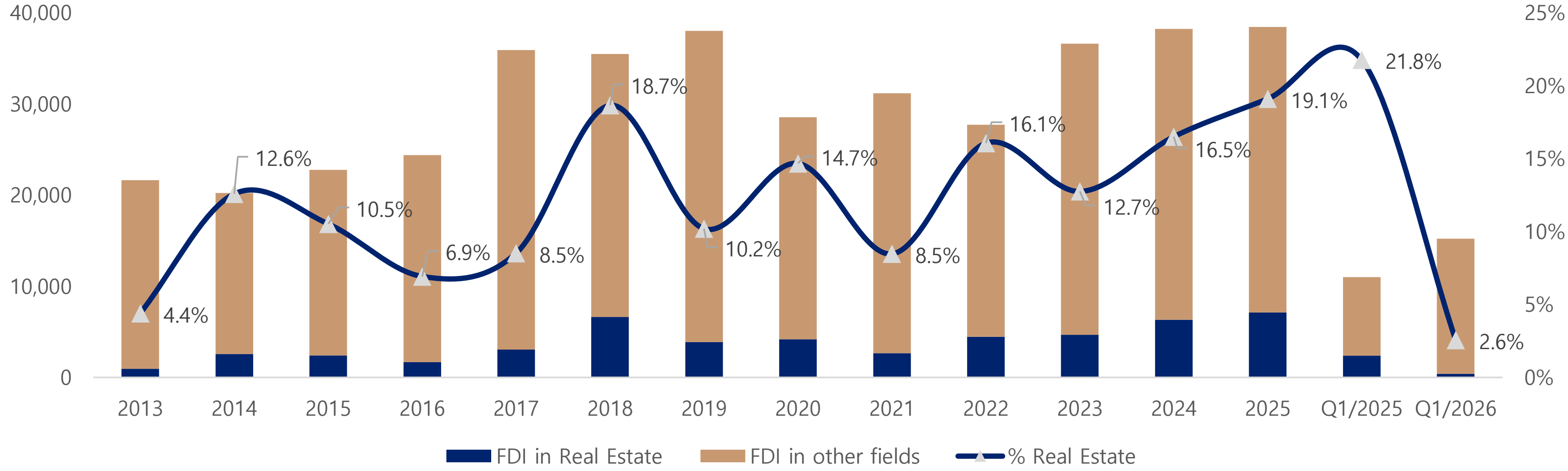
Souces: FiinPro, Ministry of Construction, State Bank of Vietnam, Shinhan Securities Vietnam

FDI – Real estate industry continues to strongly attract FDI

Real estate sector FDI activities continue to maintain its position as the second largest sector attracting registered foreign direct investment (FDI), with a significant increase in its share to **19.1%**, the highest in over 10 years. In 2025, total investment in the real estate sector is projected to reach **USD 7.11 billion (+12.7% YoY)**, accounting for 19.1% of total registered FDI across all sectors, second only to the manufacturing sector at USD 21.01 billion (-17.9% YoY), representing 54.7% of total FDI. Total registered FDI in 2025 is projected at **USD 38.42 billion (+0.5% YoY)**.

In Q1/2026, registered capital in the real estate sector is expected to decline sharply, reaching approximately **USD 400 million (-83.7% YoY)**, with the real estate sector accounting for only 3% of total new FDI registrations. Total FDI in Q1/2026 grew strongly, reaching **USD 15.2 billion (+38.4% YoY)**, the highest level in 5 years.

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



Source: GSO, FiinPro, Shinhan Securities Vietnam

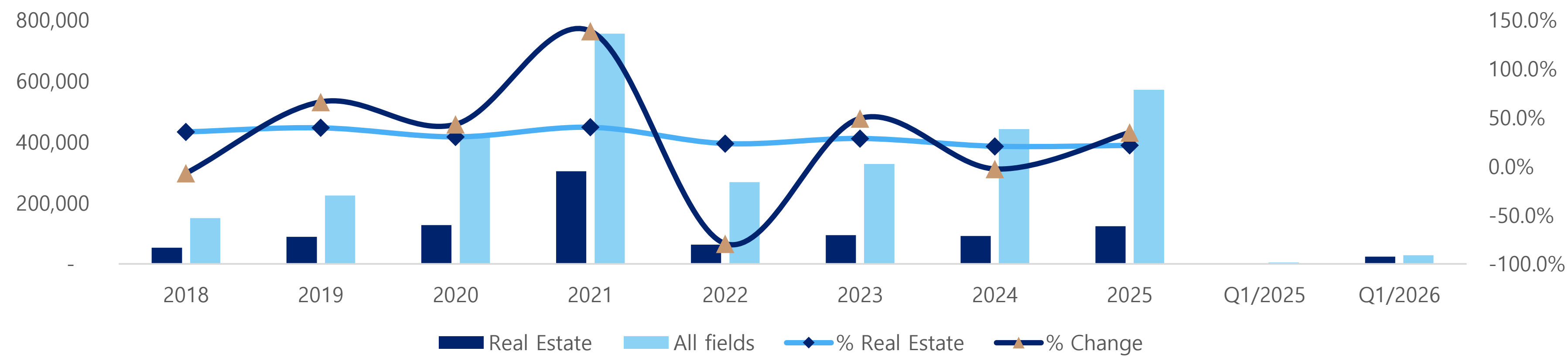
Bond – Real estate corporate bond issuance activities have recovered, although not strongly

The corporate bond issuance channel across the market and the real estate sector continue recovering in 2025. The total value of corporate bonds issued in 2025 reached **VND 572 trillion (+29.1% YoY)**. This demonstrates a strong recovery of the market after the difficult period of 2022-2023 due to the tightening of the bond market because of previous violations of capital utilization purposes. The total market bond issuance value in 2025 is already **75.7%** of the value for the entire year of 2021 (the year with the highest bond issuance value in history).

Of which, the value of bonds issued in the real estate sector in 2025 reached **VND 124 trillion (+34.8% YoY)**. However, the issuance value is only **40.7%** compared to the peak bond issuance of the real estate sector in 2021, which reached **VND 304 trillion**. Loose fiscal policy and low interest rates have led real estate businesses to seek bank loans instead of bond issuance.

In 2026, policies will be adjusted, stipulating that credit growth in the real estate sector cannot exceed the overall credit growth. The government will direct credit growth towards the production and business sector. Bond issuance will play an important role for real estate businesses as an alternative source of capital. We expect the value of bond issuance in the coming period to grow well to meet the capital needs for project development, thereby reducing their dependence on credit and easing pressure on the banking system. In Q1/2026, the real estate sector's gross sales reached **VND 23.8 trillion** out of a total market gross sales of **VND 28.7 trillion**.

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



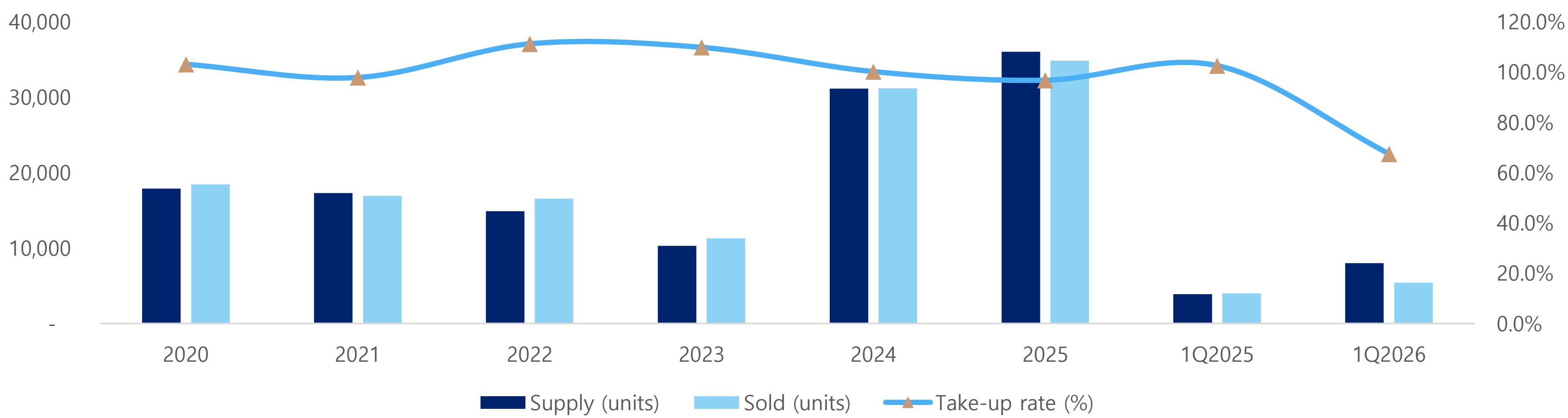
Source: HNX, Shinhan Securities Vietnam

New housing supply in Hanoi continues to grow strongly

In Hanoi, the housing supply is expected to continue its impressive recovery in 2025, reaching approximately **36,000 units (+16.0% YoY)**, compared to the challenging market period of 2022-2023. This recovery is driven by a favorable legal environment and efforts by regulatory agencies to remove bottlenecks, facilitating the flow of supply across the market. Market absorption in 2025 is projected to remain impressive, reaching approximately **35,000 units (+12.0% YoY)**, representing an absorption rate exceeding 95%. This is supported by low interest rates in 2025, stimulating buyer demand and fostering positive market sentiment.

New supply in Hanoi in Q1/2026 reached approximately **8,000 units (+105.0% YoY)**, while sales in Q1/2026 reached at around **5,500 units (+35.0% YoY)**. However, the absorption rate indicates a slowdown in the market, having fallen from over **100% in Q1/2025** to approximately **70% in Q1/2026**.

The real estate market in Hanoi continues to show positive recovery in 2025 (units)



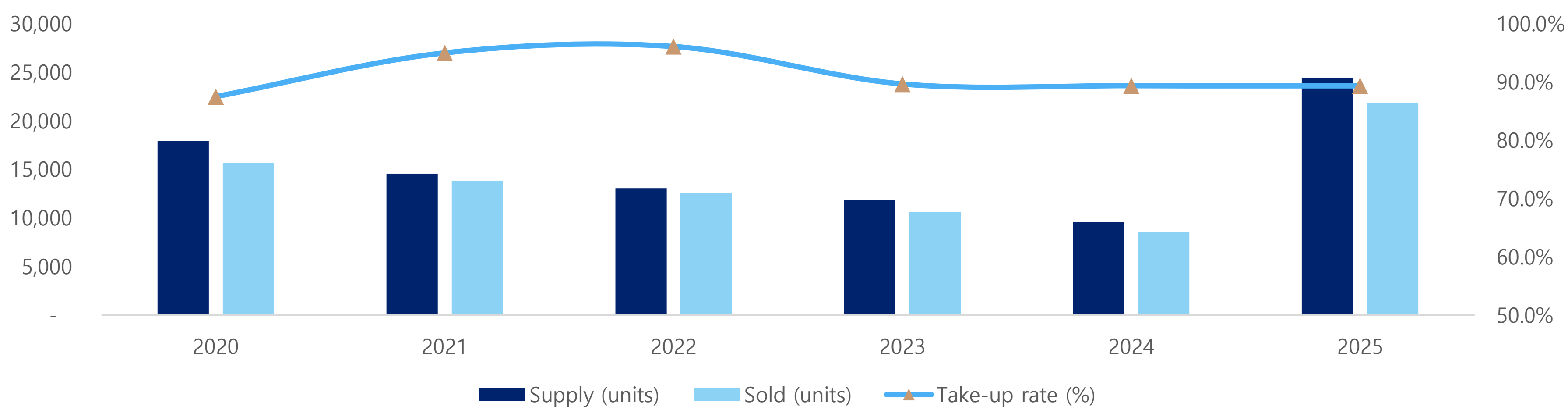
Source: CBRE, Shinhan Securities Vietnam

Housing market in HCMC has a strong recovery

Compared to the Hanoi market, HCMC market experienced a slower recovery in 2024 due to less effective legal procedures for real estate projects compared to Hanoi. However, in 2025, HCMC real estate market saw a strong recovery compared to the same period. The supply in HCMC is projected to reach **24,443 units (+155% YoY)**, while the absorption rate is expected to remain high at around 90%, with **approximately 22,000 units sold (+155% YoY)**. We believe that the absorption rate in major cities like Hanoi and HCMC will continue to be high thanks to strong demand from homebuyers and favorable market conditions this year.

New supply in HCMC in Q1/2026 reached **3,840 units (+93% YoY)**, while sales in Q1/2026 reached approximately **3,100 units (+45% YoY)**. However, the absorption rate shows a slowdown in the market, having decreased from **over 105% in Q1/2025** to **around 80% in Q1/2026**.

New supply in Ho Chi Minh market shows clear recovery every quarter (units)



Source: CBRE, Shinhan Securities Vietnam

Real estate companies 2025 business results showed impressive recovery

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

Ticker	Revenue (VND bn)	Growth YoY	Net profit (VND bn)	Growth YoY	Note
VHM	153,271	49.8	43,335	23.6	- VHM's revenue in 2025 increased by 26.9% YoY to VND 153.3 trillion, driven by the handover of the Royal Island and Ocean Park 2&3 projects, the sale of large lots in the Green Paradise project, and contributions from the construction segment. VHM's NPAT in 2025 is projected to increase by 23.6% YoY to VND 43.3 trillion. Both revenue and NPAT in 2025 reached their highest levels. - VHM's presales reached a new peak, primarily thanks to wholesale sales at the Green Paradise project, with total signed sales in 2025 reaching VND 205.3 trillion (+98% YoY).
PDR	1,325	61.2	515	231.7	- In 2025, PDR's revenue reached VND 1,325 billion (+61.2% YoY), and NPAT reached VND 515 billion, (+231.7% YoY). This is primarily driven by the recognition of the transfer of the Bac Ha Thanh project, the divestment of the Tran Phu project, and service provision activities.
NLG	5,645	-21.6	946	-31.8	- NLG's 2025 revenue decreased by 21.6% YoY to VND 5,645 billion and NPAT decreased by 31.8% YoY to VND 946 billion. Revenue was largely achieved thanks to the handover of the Can Tho, Southgate, and Akari Phase 2 projects. - NLG's presales in 2025 reached VND 11,855 billion (+127.8% YoY), contributed by the Southgate project (VND 4,807 billion), Izumi (VND 2,059 billion), Can Tho (VND 1,655 billion), Mizuki Park (VND 1,112 billion), and other projects (VND 2,222 billion).
KDH	4,651	41.9	1,627	102.4	- KDH's revenue in 2025 reached VND 4,651 billion (+41.9% YoY), and NPAT reached at VND 1,627 billion, (+102.4% YoY), primarily driven by the Gladia by the Waters low-rise project. - The Gladia by the Waters project, spanning 11.8 hectares (226 villas and townhouses already handed over apart from 2025 and 616 high-rise apartments already under construction from 2025, to be launched in 2026 and handed over in 2027), will continue to be the main source of revenue and profit in 2026-2027.

Source: Company data, Shinhan Securities Vietnam

Real estate companies 2025 business results show impressive recovery

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

Ticker	Revenue (VND bn)	Growth YoY	Net profit (VND bn)	Growth YoY	Note
DXG	4,192	-12.6	595	31.2	- DXG's revenue in 2025 decreased by 12.6% YoY to VND 4,192 billion, while NPAT reached VND 595 billion (+31.2% YoY). The revenue decline was due to the real estate sales segment having few products to deliver in 2025, with revenue from real estate sales decreasing by 38.5% YoY to VND 2,049 billion. Meanwhile, the real estate brokerage segment showed an impressive recovery, reaching VND 1,844 billion (+54.8% YoY) thanks to favorable market conditions. - Thanks to the real estate brokerage segment's good profit margin, despite the decrease in DXG's revenue in 2025, its net profit recorded a strong recovery.
DXS	3,966	62.7	523	111.0	- DXS's revenue in 2025 reached VND 3,966 billion, (+62.7% YoY), and NPAT reached VND 523 billion, (+111.0% YoY). This is primarily driven by brokerage revenue of VND 2,407 billion (+95.3% YoY) and a more modest contribution from real estate sales of VND 1,181 billion (+6.1% YoY). - DXS's revenue and NPAT in 2025 are expected to recover strongly amidst a favorable market environment supported by macroeconomic factors including attractive interest rates and proactive regulatory support in removing legal bottlenecks, thus improving overall market supply.

Source: Company data, Shinhan Securities Vietnam

Real estate businesses set ambitious plans for 2026

The 2026 business plans of real estate developers are showing great ambition in the face of market headwinds as interest rates are no longer at the low levels of 2024-2025. At the same time, these companies also aim for strong sales growth thanks to favorable conditions for removing legal barriers. Specifically, the business plans of some listed real estate companies are as follows:

	Revenue (VND bn)	Growth YoY (%)	Net profit (VND bn)	Growth YoY (%)	Note
VHM	285,000	85.9	60,000	43.2	- 2026 revenue plan aims for an all-time high of VND 285,000 billion (+86% YoY) from the launch of the next phase and new launches of numerous projects including Vinhomes Green Paradise, Vinhomes Green City, UIT, Phuoc Vinh Tay, Vinhomes Cam Ranh Bay, Vinhomes Cam Lam, Global Gate Ha Long, and Saigon Park. - 2026 NPAT plan aims for VND 60,000 billion (+43% YoY), also the highest in VHM's history. Simultaneously, VHM aims for presales of VND 300,000-350,000 billion (+46%-65% YoY) through both retail and wholesale activities of projects in 2026. **- By the end of Q1/2026, VHM had completed 22.8%/42.7% of its 2026 revenue and profit after tax plans, respectively.**
PDR	8,830	566.4	868	68.5	- 2026 revenue plan is to reach VND 8,830 billion (+566% YoY) and after-tax profit of VND 868 billion (+69% YoY), including financial revenue and share transfers. Six projects will be implemented during the year, including: Thuan An 1 project, Phuoc Hai project, Poulo Condor Con Dao project, 239 CMT8, Quy Nhon Iconic, and Han River. - PDR plans to offer nearly 200 million shares, raising nearly VND 2,000 billion in 2026. The capital will be used to implement the Han River waterfront project (with a total allocation of VND 1,550 billion) and purchase shares in the 239 CMT8 project (total VND 300 billion), with the remainder used as working capital. **- By the end of Q1/2026, PDR had completed 1.2%/15.8% of its 2026 revenue and profit after-tax plans, respectively.**

Real estate businesses set ambitious plans for 2026

	Revenue (VND bn)	Growth YoY (%)	Net profit (VND bn)	Growth YoY (%)	Note
NLG	7.630	35.2	720	2.7	- Revenue plan for 2026 of VND 7,630 billion (+35% YoY) and NPATMI of VND 720 billion (+3% YoY) from handover of Southgate, Can Tho, Izumi, and Mizuki projects. - Ambitious presales plan: VND 23,460 billion (+98% YoY) from the launch of the next phase and new sales of Southgate, Izumi, Mizuki, Sol Garden, and Can Tho projects. **- By the end of Q1/2026, NLG had completed 16.8% and 9.5% of its revenue and NPAT-MI plans for 2026, respectively.**
KDH	4,200	(9.7)	1,500	43.5	- 2026 revenue plan is VND 4,200 billion (-10% YoY) and NPAT is VND 1,500 billion (+43.5% YoY), largely driven by the sale and handover of low-rise units in the Gladia by the Waters project. - The high-rise section of the Gladia by the Waters project is currently under construction and is expected to contribute revenue from late 2027 to early 2028. The Gladia By The Waters project (a nearly 12-hectare project in collaboration with Keppel, featuring over 200 low-rise and 600 high-rise units) will be the main revenue contributor for KDH in 2026-2028. - The next project in KDH's development plan is the Solina project. KDH has no plans to raise capital in 2026. **- By the end of Q1/2026, KDH had completed 6.7%/21.8% of its 2026 revenue and profit after-tax plans, respectively.**

Source: Company data, Shinhan Securities Vietnam

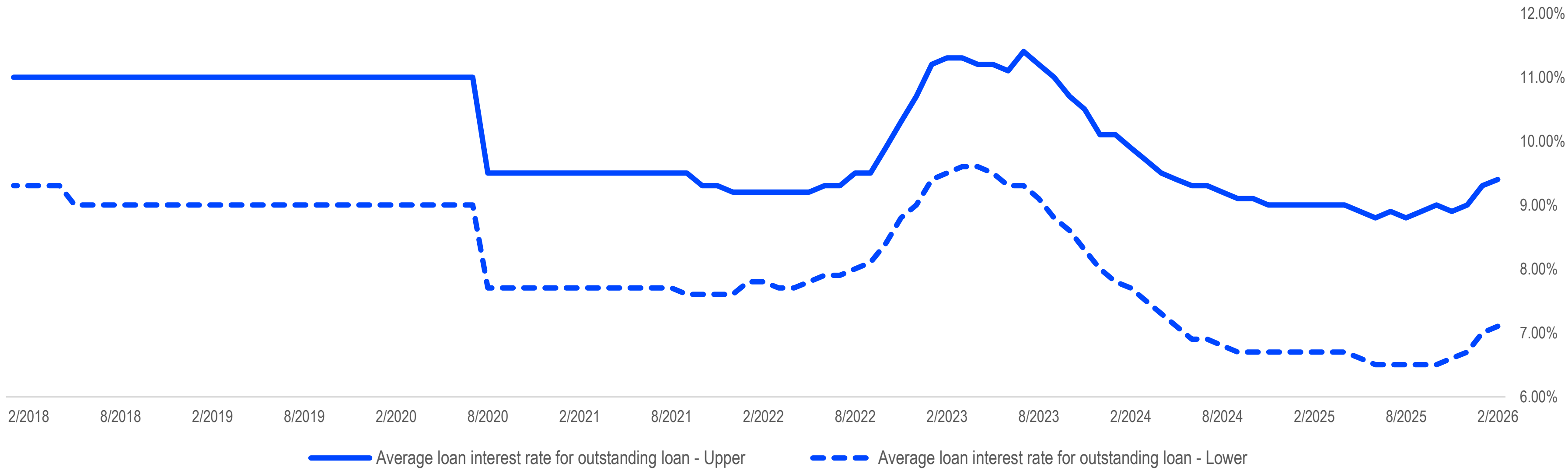
Real estate businesses set ambitious plans for 2026

	Revenue (VND bn)	Growth YoY (%)	Net profit (VND bn)	Growth YoY (%)	Note
DXG	5,000	19.3	268	16.1	- 2026 revenue plan is to reach VND 5,000 billion (+19% YoY), and NPATMI plan is to reach VND 268 billion (+16% YoY) thanks to the handover of remaining previously sold units from the Gem Sky World project (currently 1,800 units out of a total of 4,000 units remaining) and revenue from the real estate brokerage company (DXS). - The Privé project will be the main contributor to DXG's revenue in the 2027-2029 period. The project has launched its first two phases (8 out of 12 blocks) and has sold almost all of its units. Gem Sky World project benefits from the rapid development of the Long Thanh International Airport project, which will be the main contributor to DXG's revenue in 2026 as other projects are undergoing legal procedures. **- By the end of Q1/2026, DXG had completed 27.1% and 14.1% of its 2026 revenue and NPATMI plans, respectively.**
DXS	5,300	33.6	527	49.9	- 2026 revenue plan is to reach VND 5,300 billion (+34% YoY), and NPATMI plan is to reach VND 507 billion (+50% YoY), benefiting from the strong supply recovery across the market and following the corporate restructuring phase. - The main drivers in 2026 will come from: 1) the distribution of The Privé and Gem Sky World projects from parent company DXG, acting as the primary source of supply; 2) the accelerated development of its own projects, giving DXS more control over supply and profit margins; 3) the expectation of recognizing profits from investments in subsidiaries, creating additional contributions beyond brokerage activities. **- By the end of Q1/2026, DXS had completed 26.7%/35.9% of its 2026 revenue and NPATMI plans, respectively.**

Source: Company data, Shinhan Securities Vietnam

Credit growth in the real estate sector is subject to control.

Lending interest rates remained low for most of 2025 but reversed in Q4/2025 and surged in Q1/2026 (%)



Source: SBV, Shinhan Securities Vietnam

Given the reality that (1) the State Bank of Vietnam plans to achieve credit growth of approximately +15% in 2026, lower than the 2025 target (16%), with actual growth in 2025 reaching (19.1%), and the real estate sector is not allowed to grow beyond the overall credit growth; (2) Interest rates on home loans and project development are increasing; and (3) the Government is directing credit growth towards the production and business sector. Issuing shares and bonds will be an additional option to the familiar bank credit channel for project development.

We assess that 2026 will be a challenging time for real estate development businesses due to: (1) The impact of rising interest rates may slow down absorption, however, the regulatory authorities have taken measures to help cool things down; (2) legal procedures are streamlined to reduce financial pressure and the overall market supply is recovering strongly. In early April 2026, banks agreed to reduce deposit and lending interest rates after a meeting with the Governor. We believe that during the remainder of 2026, the upward trend in interest rates will cool down, easing pressure on homebuyers and real estate businesses. However, we believe that interest rates will remain above the low levels seen in 2025.

Bond – Pressure to meet real estate sector bond obligation is increasing

Although real estate companies have made efforts to fulfill their bond obligations ahead of schedule to reduce cash flow risks, with repurchase values in 2026/2027 reaching **VND 30.4 trillion/VND 9.4 trillion**, bond maturity pressure remains high, with maturing bonds in 2026/2027 reaching **VND 80.7 trillion (+20.7% YoY)/VND 64.6 trillion (-20% YoY)**. The largest maturing bonds are concentrated in the last three quarters of 2026, putting pressure on the operating cash flow of real estate companies.

In particular, the largest concentration of maturing loans in the last three quarters of 2026 will put pressure on the operating cash flow of developers.

In the coming period, tightening of real estate credit growth will make bond issuance a crucial source of capital. Therefore, the commitment to fully fulfill bond obligations in the coming period will significantly impact the ability of businesses to successfully issue bonds.

Bond maturity pressure during a period of high interest rates is causing difficulties in securing funding for real estate deve lopers (VND billion)

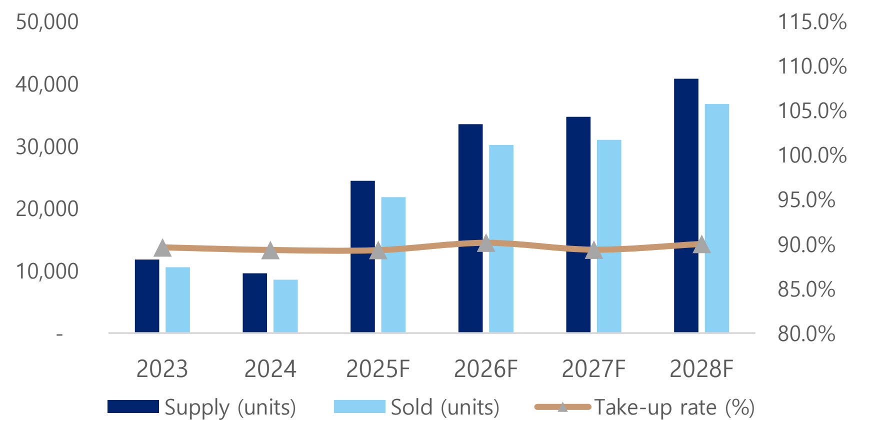
Source: HNX, Shinhan Securities Vietnam

Completed legal system promotes real estate supply

A series of Decrees, Circulars, and Resolutions have been issued to remove bottlenecks and overlaps in legal regulations. A notable example is Resolution No. 171/2024/QH15 on piloting the implementation of commercial housing projects through agreements on land use rights or existing land use rights. This is considered a key to resolving the biggest legal bottlenecks in the real estate market over the past many years.

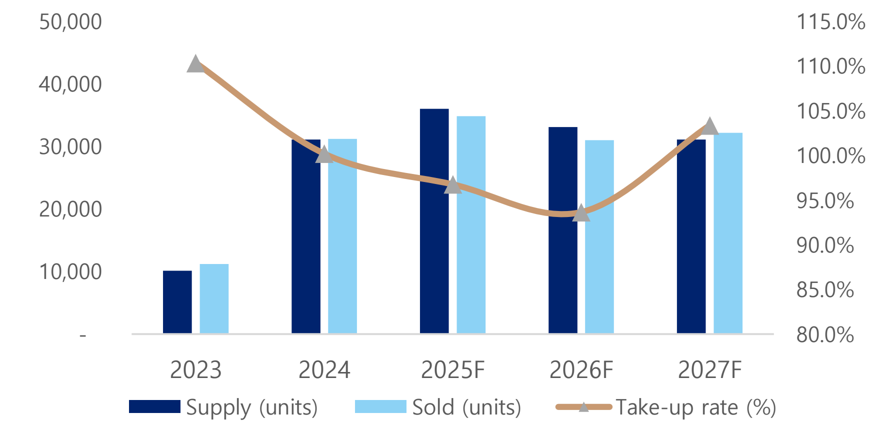
Resolution 171/2024/QH15 brings many benefits to the overall market supply, such as: 1) unblocking frozen projects, including hundreds of agricultural land projects with residential land that can be converted into commercial housing; 2) shortening the time for approving investment policies, helping to reduce financial costs for businesses; 3) increasing transparency in land access, creating a fair agreement mechanism between people and real estate development businesses; and 4) promoting urbanization in localities to increase supply for the entire 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)

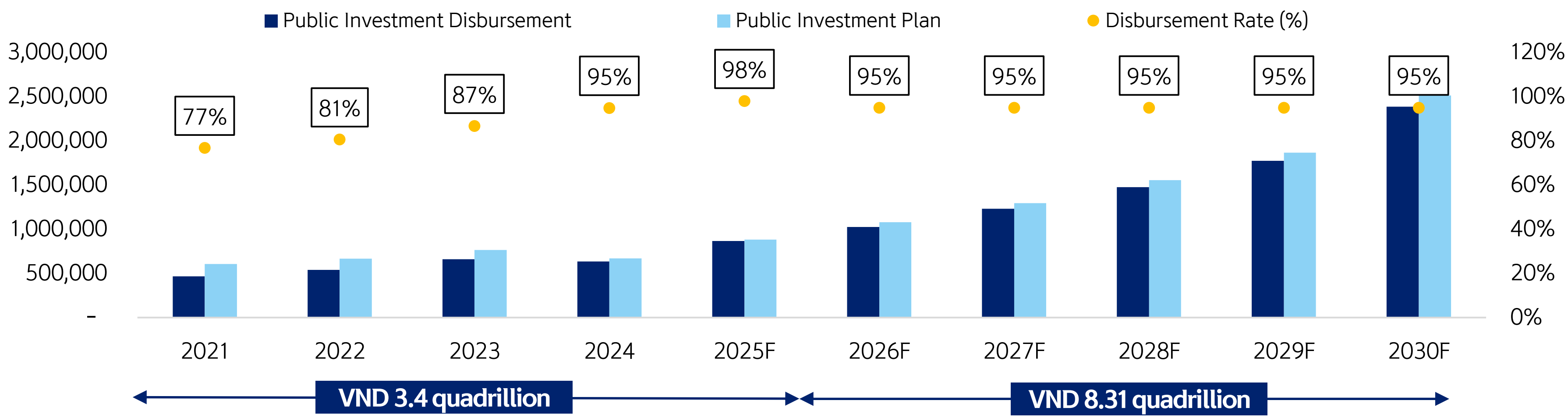


Source: CBRE, Shinhan Securities Vietnam

Boosting public investment in infrastructure 2026-2030 is a key factor in driving market growth.

The government will continue to set targets for a significant increase in public investment disbursement over the coming years, demonstrating that the continued push for public investment and infrastructure development is a key factor contributing to the recovery and growth of the residential real estate market. Over the next five years (2026-2030), the government aims to disburse **VND 8.3 trillion**, **2.5 times** more than the previous five-year period (2021-2025). The actual disbursement of public investment capital has shown a clear improvement in recent years. Completing 95% of the plan in 2024 demonstrates the government's determination to promote infrastructure development to enhance regional connectivity, thereby positively impacting the real estate market sentiment. In 2025, the disbursed value reached **VND 858 trillion (+35% YoY)**, achieving 98% of the set plan, a record high for public investment disbursement. We believe the disbursement efficiency to continue to achieve strong growth targets in the coming years.

Public investment is boosted



Source: Ministry of Finance, Shinhan Securities Vietnam

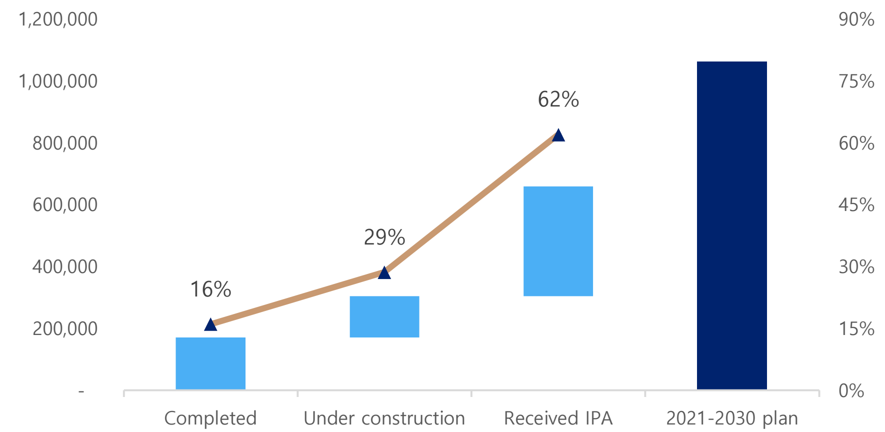
The goal is to increase the supply of affordable real estate, social housing and control housing prices to increase homebuyers' access rate

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 period of 2021-2030 by the end of 2025, according to the total number of completed projects, projects under construction and projects that have received investment approval (IPA), it has reached 62% 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.

Besides tightening credit in the residential real estate sector, real estate tax policies are being studied to stabilize prices and curb speculation, helping those with genuine housing needs to access housing. At the same time, the real estate sector is being digitized to enhance transparency and strengthen state management of the market.

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



Source: Ministry of consttruction, Shinhan Securities Vietnam

Some social housing projects under development (units)

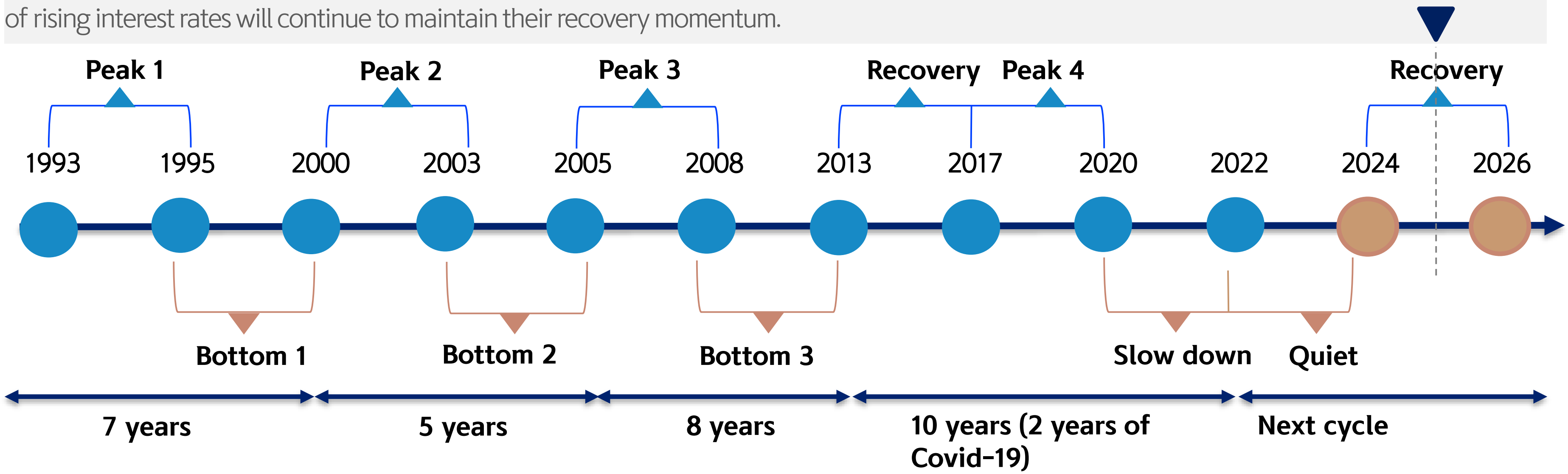
	Location	Units	Project status
VHM	Trang Cat, Hai Phong	3,804	Under construction
	Hac Thanh, Thanh Hoa	2,824	Under construction
	Bac Cam Ranh, Khanh Hoa	4,140	Under construction
	Duong Kinh, Hai Phong	8,000	Legal implementation in progress
	Tay Ninh	2,300	Legal implementation in progress
	Hung Yen	5,500	Legal implementation in progress
	HCMC	33,000	Legal 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

We maintain our view that the real estate sector will continue its recovery in 2026

The real estate market experienced a difficult period in 2022-2023 when real estate businesses committed legal violations, including violations related to land use, bond capital utilization, and other irregularities. This led to regulatory agencies implementing measures to control and tighten the market, causing it to fall into a challenging phase. Currently, the difficult period has passed, and the market is entering a recovery phase from the beginning of 2024, with an impressive rebound in 2025. This is driven by increased supply thanks to the decisive removal of legal bottlenecks and the maintenance of attractive interest rates in 2025, stimulating demand from homebuyers and real estate developers.

We believe the real estate market will continue its recovery in 2026 with a strong improvement in overall market supply, supported by strong demand from homebuyers, especially in major cities, and the support of regulatory authorities to help lower interest rate hikes. During this market recovery phase, real estate companies with sound financial structures and the ability to implement policies to support homebuyers during periods of rising interest rates will continue to maintain their recovery momentum.



Source: Cushman &Wakefield, Shinhan Securities Vietnam

Listed companies

Stock information			Stock price			Forecast				Financial ratios(**)				Valuation (26F)	
	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	616,112	150,000	155,100	3.4	242,816	57.6	52,105	23.7	30.24	38.67	6.2	19.01	2.34	13.30
2	PDR	15,067	15,100	20,000	32.5	2,989	125.6	593	15.1	54.35	41.60	2.01	4.41	1.30	30.43
3	KDH	25,586	22,800	32,500	42.5	5,428	16.7	1,624	55.4	59.2	34.93	3.23	5.82	1.58	27.82
4	NLG	12,736	26,250	36,100	37.5	6,774	20.1	716	2.1	41.76	(8.72)	2.47	6.28	1.09	15.82
5	DXG	16,359	12,900	19,600	51.9	4,827	15.1	251	8.7	54.59	6.73	0.69	1.87	1.16	64.59

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

** Date as of end of Q1/2026

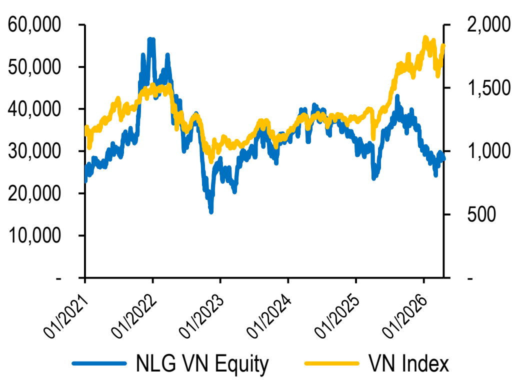
Source: SSV Research, Bloomberg

Data as of 06/04/2026

Target price (12 months)	VND 36,100
Current price (04/06/26)	VND 26,250
Return (%)	37.5%
VNINDEX	1,825
Market P/E (x)	12.5
Market cap (billion VND)	12,736
Outstanding shares (mil shares)	485
Free-float (mil shares)	379
52-week high/low (VND)	45,633/24,200
90-day avg. trading volume (mil shares)	3.1
90-day avg. turnover (bn VND)	85

Major SHDs (%)	BOD and related parties	21.0
	Ibeworth Pte.Ltd	7.6

Performance	3M	6M	12M
Absolute (%)	2.1	-27.3	-24.6
Rel.to VN-Index (%)	1.4	-32.7	-60.7



Positive growth outlook

Nam Long Investment Corporation (HOSE: NLG) is one of the largest land bank owners in Vietnam (over 684 hectares). It is also a leading real estate developer in the affordable housing segment. We are optimistic about NLG's long-term prospects thanks to (1) its large land bank with clear legal status ready for development in the medium and long term, (2) the booming real estate market in provinces surrounding HCMC, and the support of capital flows. Based on the RNAV method, we recommend BUY NLG with a target price of VND 36,100/share.

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 forecasted NLG revenue for 2026 to reach VND 6,774 billion (+20.1% YoY) and NPATMI is VND 716 billion (+2.1% YoY),** mainly driven by the handover of the Southgate project, the Can Tho project, the Mizuki project, and the Izumi project.

Update

- **Q1/2026 business results:** NLG's Q1/2026 revenue reached VND 1,279 billion (-0.9% YoY) and NPATMI reached VND 68 billion (-37.0% YoY). The profit was largely driven by the handover of the Mizuki Park, Southgate, and Izumi City projects... Presales as of April 20th reached VND 3,500 billion (+36% YoY), contributed by the Sol Garden Hai Phong project (35%), Mizuki Park (21%), Izumi City (19%), Southgate (11%), and Elyse Island (10%).
- **Valuation:** Adjusting to (1) Q1/2026 financial data and (2) maintaining a 20% discount with risks of interest rate hike adjustments, slow recovery of the provincial real estate market and lower-than-expected project absorption rates, we recommend BUY NLG with target price of **VND 36,100/share.**

Outlook

We assess that NLG's prospects in 2026 and beyond will largely depend on the recovery of market in provinces surrounding HCMC and a project development strategy that aligns with market conditions to optimize NLG's capital utilization. The accelerated development of infrastructure connecting these areas will be a driving force for real estate market growth. We forecast NLG's revenue for 2026/2027 to reach VND 6,774/7,528 billion (+20.1%/+11.1% YoY) and NPATMI to reach VND 716/771 billion (+2.1%/+7.7% YoY).

Risks: (1) legal procedures are slower than expected; (2) the recovery momentum depends on the warming of market in neighboring provinces of HCMC such as Dong Nai and Long An affecting the absorption rate.

Year	2023	2024	2025	2026F	2027F
Revenue (bil VND)	3,181	7,196	5,645	6,774	7,528
Operating Income (bil VND)	582	1,664	1,065	1,272	1,418
NPATMI (bil VND)	484	518	701	716	771
EPS (VND)	1,256	1,346	1,446	1,476	1,589
OPM	18.3	23.1	18.9	18.8	18.7
NPM	25.2	19.3	16.8	17.8	18.4
ROE (%)	5.3	5.4	6.3	6.4	6.6
P/E (x)	27.2	21.1	20.3	18.8	17.4
P/B (x)	1.4	1.1	1.1	1.1	1.0

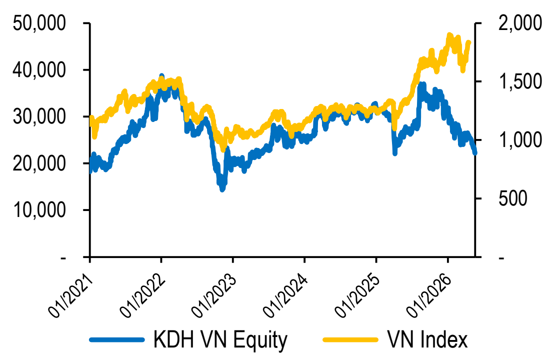
Source: Company data, Shinhan Securities Vietnam

KHANG ĐIỀN

Target price (12 months)	VND 32,500
Current price (04/06/26)	VND 22,800
Return (%)	42.5%
VNINDEX	1,832
Market P/E (x)	12.5
Market cap (billion VND)	25,586
Outstanding shares (mil shares)	1,122
Free-float (mil shares)	724
52-week high/low (VND)	38,100/21,600
90-day avg. trading volume (mil shares)	4.9
90-day avg. turnover (bn VND)	113

Major SHDs (%)	Tien Loc Investment	21.0
	Gamma Investment	7.6
	A Chau Investment	7.6

Performance	3M	6M	12M
Absolute (%)	-13.1	-33.8	-17.8
Rel.to VN-Index (%)	-13.9	-39.2	-53.9



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 32,500.

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 for 2026 is VND 5,428 billion (+16.7% YoY) and NPATMI is VND 1,624 billion (+55.4% YoY), mainly driven by the continued sales and handover of low-rise products and the launch of the high-rise section of The Gladia by the Water project.

Update

- Q1/2026 business results: Q1/2026 KDH revenue reached 281 billion VND (-60.4% YoY), profit after tax reached VND 281 billion (+130.7% YoY) mainly contributed by The Gladia by the Waters low-rise subdivision project. At the same time, KDH recorded other income of VND 285 billion in profit from the cheap purchase of shares of an 8.2ha project in Cat Lai ward of An Lap Real Estate Development JSC.

- Valuation: Adjusted according to Q1/2026 financial and business data, we give a new price for KDH shares at **VND 32,500/share.**

Outlook

We assess KDH's prospects as solid in the medium and long term thanks to strong housing demand from homebuyers, especially in big cities like HCMC. KDH owns a large land bank of over 610 hectares concentrated in HCMC with clear legal status and possesses strong project implementation capabilities. With the strong recovery of the real estate market after the difficult period of 2022-2023, the current market is supported by the easing of legal obstacles in the real estate sector and the acceleration of public investment. Projected revenue for KDH in 2026/2027 is VND 5,428/VND 7,163 billion (+16.7%/+32.0% YoY) and NPATMI is VND 1,624/VND 1,957 billion (+55.4%/+20.5% YoY).

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

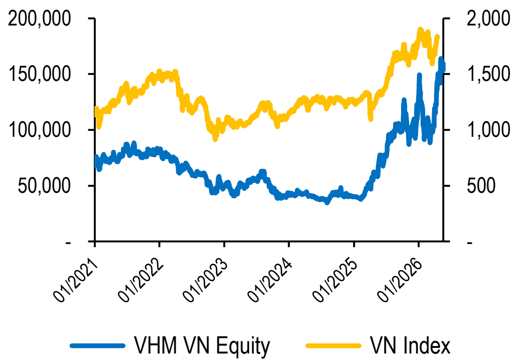
Year	2023	2024	2025	2026F	2027F
Revenue (bil VND)	2,088	3,279	4,651	5,428	7,163
Operating Income (bil VND)	1,220	1,308	2,160	2,317	2,881
NP (bil VND)	716	810	1,045	1,624	1,957
EPS (VND)	895	801	932	1,447	1,746
OPM	58.4	39.9	46.4	42.7	40.2
NPM	34.9	24.5	35.0	33.4	36.2
ROE (%)	5.7	5.3	5.8	7.8	8.9
P/E (x)	38.6	34.1	28.1	25.2	20.9
P/B (x)	2.1	1.6	1.6	1.4	1.3

Source: Company data, Shinhan Securities Vietnam

Target price (12 months) VND 155,100

Current price (04/06/26)	VND 150,000
Return (%)	3.4%
VNINDEX	1,832
Market P/E (x)	12.5
Market cap (billion VND)	616,112
Outstanding shares (mil shares)	4,107
Free-float (mil shares)	1,147
52-week high/low (VND)	173,300/66,300
90-day avg. trading volume (mil shares)	6.5
90-day avg. turnover (bn VND)	797
Major SHDs (%) Vingroup	73.5
Government's Singapore	5.0
Viking Asia Holding II Pte	4.6

Performance	3M	6M	12M
Absolute (%)	60.4	42.6	94.6
Rel.to VN-Index (%)	59.7	37.2	58.5



Propelling growth through flagship projects

Vinhomes JSC (HOSE: VHM) is a leading real estate enterprise in Vietnam, possessing many overwhelming advantages such as: (1) Large land bank in strategic locations, (2) Proven strong project implementation capacity and (3) A strong brand value, reputation trusted by 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 (total landbank of 29,500ha end of 2025) and the most prime location in the market. Some projects that are driving long-term growth for Vinhomes include Vinhomes Green Paradise, Green City, Cam Ranh, Làng Vân, Global Gate, IUT...

- **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

- **Q1/2026 business results:** VHM's Q1/2026 revenue reached VND 65,114 billion (+314.8% YoY) and profit after tax reached VND 25,625 billion (+866.3% YoY), largely contributed by large block sales at Ocean Park 2&3 and Green Paradise projects, and retail handover at Ocean Park 2&3, Royal Island, and Wonder City projects.
- Sales contracts signed in Q1/2026 are expected to reach approximately VND 70-80 trillion (+64%-87% QoQ and +100%-129% YoY). VHM will launch the first phase of at the Hai Van Bay project at the end of Q1/2026, which will contribute to the total revenue in 2026.
- **Valuation:** financial and business data, we give a target price for VHM shares of VND155,100/share.

Outlook

We forecast VHM's revenue in 2026/2027 to reach VND 242,816/282,314 billion (+57.6%/+16.3% YoY) thanks to the handover of most products at Vinhomes Royal Island, Ocean Park 2&3, Wonder City, Green City, and Green Paradise projects. **NPAT is forecasted to reach VND 52,105/61,163 billion (+23.7%/+17.4% YoY).**

Risks: (1) Interest rates for home loans increase; (2) Credit is tightened in the residential real estate sector.

Year	2023	2024	2025	2026F	2027F
Revenue (VND billion)	**103,557**	**102,323**	**154,102**	**242,816**	**282,314**
Operating Income (VND billion)	27,951	24,583	37,742	52,715	64,152
NPAT (VND billion)	**33,533**	**35,073**	**42,111**	**52,105**	**61,163**
EPS (VND)	7,664	7,742	10,008	12,485	14,691
OPM	34.5	32.2	29.5	30.1	30.3
NPM	32.4	34.3	27.3	21.6	22.5
ROE (%)	20.3	17.4	18.0	20.1	21.8
P/E (x)	5.5	13.8	9.9	10.9	9.2
P/B (x)	1.0	2.2	1.7	2.2	2.0

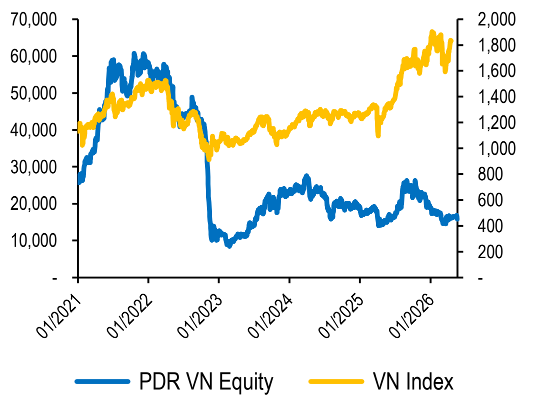
Source: Company data, Shinhan Securities Vietnam

Phat Dat Real Estate Development Corporation (HOSE: PDR)

Target price (12 months)	VND 20,000
Current price (04/06/26)	VND 15,100
Return (%)	32.5%
VNINDEX	1,832
Market P/E (x)	12.5
Market cap (billion VND)	15,067
Outstanding shares (mil shares)	988
Free-float (mil shares)	631
52-week high/low (VND)	27,200/13,700
90-day avg. trading volume (mil shares)	10.5
90-day avg. turnover (bn VND)	179

Major SHDs (%)	Nguyen Van Dat	27.2
	Phat Dat Holdings	8.6

Performance	3M	6M	12M
Absolute (%)	-3.2	-33.2	-11.6
Rel.to VN-Index (%)	-3.9	-38.6	-47.7



Challenging trust

Phat Dat Real Estate Development JSC (HOSE: PDR) is a large real estate development company in Vietnam, with most of its projects concentrated in the southern provinces. PDR focuses on developing mid-range, high-end, and resort real estate products with a total land bank of over 6,200 hectares.

Investment Thesis

- The successful comprehensive restructuring strategy has solidified PDR's financial structure.
- Legal obstacles to real estate projects have been removed, accelerating project development progress.
- Abundant land in prime locations and the potential for rental income generation offer significant growth potential.

Update

- **Q1/2026 business results:** PDR's Q1/2026 revenue reached VND 104 billion (-76.2% YoY), and Q1/2026 profit after tax reached VND 138 billion (+171.7% YoY). The majority of Q1/2026 profit came from capital transfer activities, contributed by financial revenue of VND 907 billion from the transfer of shares in Thien Long High-Rise Building Investment and Development JSC.
- **Valuation:** Adjusted according to Q1/2026 financial data, we give a target price for PDR shares of **VND20,000/share.**

Outlook

We project 2026-2027 to be a period of strong growth for PDR thanks to projects with high absorption rates upon launch, strategically located in major cities and cities attracting large numbers of tourists, thereby generating strong rental income. Projected revenue for 2026-2027 is VND 2,989/VND 4,130 billion (+125.6%/+38.2% YoY), and net profit after tax is VND 593/VND 707 billion (+15.1%/+19.0% YoY).

Risks: (1) Project legal risks; (2) Macroeconomic changes affecting project absorption rate; (3) Limited project development progress.

Year	2023	2024	2025	2026F	2027F
Revenue (bil VND)	**618**	**822**	**1,325**	**2,989**	**4,130**
Operating Income (bil VND)	330	167	459	861	1,270
NPAT (bil VND)	**684**	**155**	**515**	**593**	**707**
EPS (VND)	926	178	516	594	708
OPM	53.4	20.3	34.6	28.8	30.8
NPM	110.5	18.8	38.8	19.8	17.1
ROE (%)	7.7	1.5	4.4	4.7	5.6
P/E (x)	20.1	99.7	34.4	29.9	25.1
P/B (x)	1.4	1.4	1.4	1.4	1.4

Source: Company data, Shinhan Securities Vietnam

DAT XANH GROUP

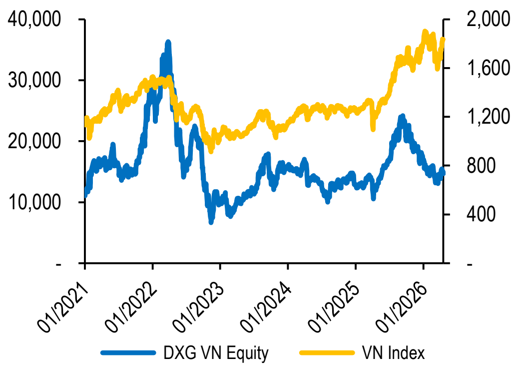
Target price (12 months) VND 19,600

Current price (04/06/26) VND 12,900

Return (%) 51.9%

VNINDEX		1,832
Market P/E (x)		12.5
Market cap (billion VND)		16,359
Outstanding shares (mil shares)		1,268
Free-float (mil shares)		1,051
52-week high/low (VND)		21,491/11,228
90-day avg. trading volume (mil shares)		19.0
90-day avg. turnover (bn VND)		258
Major SHDs (%)	BOD	17.5
	VN Enterprise Investments Ltd	5.9
	NAV Investment	4.5

Performance	3M	6M	12M
Absolute (%)	1.1	-23.3	-8.1
Rel.to VN-Index (%)	0.3	-28.6	-44.2



Building momentum for growth

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 19,600 per share.

Investment Thesis

- 2 key projects in the 2026-2028 period are showing positive progress: 1) DXG's The Privé project, supply 3,175 high-end apartments divided into 3 sales phases, has recorded good sales in the first two phases (8 out of 12 blocks) with an absorption rate of over 90%; 2) Gem Sky World project is benefiting greatly from the progress of Long Thanh International Airport, which is expected to begin 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

- Q1/2026 Business Results: DXG's net revenue reached VND 1,353 billion (+46.2% YoY), and NPATMI reached VND 37 billion (-21.6% YoY), contributed by the strong recovery of the real estate brokerage segment with revenue reaching VND 604 billion (+208.8% YoY) and the real estate handover segment from the Gem Sky World project showing a significant recovery, reaching VND 860 billion (+29.1% YoY).

- Valuation: Adjusted according to Q1/2026 financial and business data, we give a target price for DXG shares of **VND 19,600/share**.

Outlook

We forecasted DXG's revenue for 2026/2027 is VND 4,827/VND 10,871 billion (+15.1%/+125.2% YoY) and NPATMI is VND 251/VND 2,183 billion (+8.7%/+769.7 YoY) thanks to (1) the brokerage segment of subsidiary DXS continuing to have clear growth, expected to contribute the main revenue in 2026; (2) handover of previously sold products of the Gem Sky World project and The Privé project, which is currently under construction, projected 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	2023	2024	2025	2026F	2027F
Revenue (bil VND)	3,725	4,795	4,192	4,827	10,871
Operating Income (bil VND)	734	1,140	872	932	3,061
NPATMI (bil VND)	172	256	231	251	2,183
EPS (VND)	273	352	214	230	1,981
OPM	19.7	23.8	20.8	19.3	28.2
NPM	4.6	5.3	5.5	5.2	20.1
ROE (%)	1.8	2.6	1.9	2.1	18.1
P/E (x)	54.3	43.5	73.9	65.2	7.6
P/B (x)	1.0	1.1	1.2	1.2	1.1

Source: Company data, Shinhan Securities Vietnam

Shinhan Securities

No.	Document	Content	Date of Issue	Effective Date
1	Resolution 254/2025/QH15	Regulations stipulating certain mechanisms and policies to address difficulties and obstacles in the organization and implementation of land law.	19/11/2025	19/11/2025
2	Decree 302/2025/NĐ-CP	Regulations on the establishment and operation of the National Housing Fund and social housing.	19/11/2025	19/11/2025
3	Decree 266/2025/NĐ-CP	Amending and supplementing Decrees guiding the Land Law on compensation, support and resettlement.	16/8/2025	16/8/2025
4	Decree 151/2025/NĐ-CP	Regulations on abolishing an administrative procedure on land.	12/6/2025	12/6/2025
5	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
6	Decree 76/2025/NĐ-CP	Detailed regulations of Resolution No. 170/2024/QH15.	1/4/2025	1/4/2025
7	Decree 75/2025/NĐ-CP	Detailed regulations of Resolution No. 171/2024/QH15.	1/4/2025	1/4/2025
8	Resolution 141/2024/QH15	Pilot implementation of commercial housing projects through agreements on land use rights or existing land use rights.	4/10/2024	4/10/2024
9	Decree 112/2024/NĐ-CP	Guidelines on rice land management.	11/9/2024	11/9/2024
10	Decree 104/2024/NĐ-CP	Regulations on Land Development Fund.	31/7/2024	01/8/2024
11	Decree 103/2024/NĐ-CP	Regulations on land use fees and land rental fees.	30/7/2024	01/8/2024
12	Decree 101/2024/NĐ-CP	Regulations on land data systems; registration, issuance of certificates, and information systems.	29/7/2024	01/8/2024
13	Decree 88/2024/NĐ-CP	Regulations on compensation, support, and resettlement for state land recovery.	15/7/2024	01/8/2024
14	Decree 71/2024/NĐ-CP	Regulations on land prices.	27/6/2024	01/8/2024
15	Circular 12/2024/TT-BTNMT	Guidelines for training, education, and knowledge updates for professionals in the land management sector.	31/7/2024	01/8/2024

Sources: Vietnamese Legal Community, Shinhan Securities Vietnam

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

No.	Document	Content	Date of Issue	Effective Date
16	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.	31/7/2024	01/8/2024
17	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.	31/7/2024	01/8/2024
18	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.	31/7/2024	01/8/2024
19	Circular 11/2024/TT-BTNMT	Regulations on valuation techniques, protection, and restoration of land issued by the Ministry of Natural Resources and Environment.	31/7/2024	01/8/2024
20	Circular 56/2024/TT-BTC	Regulations on fees, collection, submission, management, and use of national land database data issued by the Ministry of Finance.	31/7/2024	01/8/2024
21	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.	24/7/2024	01/8/2024
22	Decree 96/2024/NĐ-CP	Guidelines on the Law on Real Estate Business.	24/7/2024	01/8/2024
23	Circular 04/2024/TT-BXD	Guidelines on training framework and knowledge updates for real estate brokerage professionals issued by the Ministry of Construction.	30/7/2024	01/8/2024
24	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
25	Decree 95/2024/NĐ-CP	Guidelines on the Law on Housing.	24/7/2024	01/8/2024
26	Decree 100/2024/NĐ-CP	Guidelines on the development and management of social housing.	26/07/2024	01/8/2024
27	Decree 10/2023/NĐ-CP	Issuing land use right certificates and certificates of ownership for real estate construction projects for accommodation and tourism purposes, specifically for Condotel products..	20/5/2023	20/05/203

Sources: Vietnamese Legal Community, Shinhan Securities Vietnam

No.	Document	Content	Date of Issue	Effective Date
28	Land Law Amended Number 31/2024/QH15	Regulations: - Land ownership regime, rights and responsibilities of the State as the represent ative owner of land for the entire population; - Unified land management, land management and utilization regime; - Rights and obligations of citizens and land users with respect to land within the territory.	18/01/2024	01/08/2024
29	Real Estate Business Law Amended Number 29/2023/QH15	Regulations: - Decisions on investment policy or approval of investment policy or approval of investment in real estate projects; - Decisions on land allocation, land lease, and permission for land use conversion by competent state agencies; - Information on detailed planning approved by competent state agencies; - Standard contracts used for signing in real estate business transactions as prescribed.	28/11/2023	01/08/2024
30	Housing Law Amended Number 27/2023/QH15	Regulations: - Ownership, development, management, and use of housing; - Policies on social housing, housing for workers and the armed forces; - Housing transactions, management, and operation of apartment buildings; - Conditions for owning housing in Vietnam by domestic and foreign organizations and individuals, and the responsibilities of state management of housing.	27/11/2023	01/07/2024

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:

<table>
<tr><th>Documents</th><th>Content</th><th>Impact</th></tr>
<tr><td>Land Law</td><td>Replace the 5-year land price framework with an annual land price table that more closely aligns with market valuations.</td><td>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.</td></tr>
<tr><td rowspan="2">Law on real estate trading</td><td>The law mandates a minimum equity capital requirement/total invesrment of 20% for projects with a land area below 20 hectares and 15% for projects with a land area exceeding 20 hectares.</td><td>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.</td></tr>
<tr><td>Disclosure of information on real estate for business purposes.</td><td>Contributing to the transparency of the real estate market and ensuring the protection of homebuyers.</td></tr>
<tr><td>Resolution No. 302/2025/NĐ-CP</td><td>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.</td><td>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.</td></tr>
<tr><td>Decree 71/2024/NĐ-CP on Land Prices</td><td>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.</td><td>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.</td></tr>
<tr><td>Resolution No. 171/2024/QH15</td><td>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.</td><td rowspan="2">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.</td></tr>
<tr><td>Resolution No. 161/2024/QH15</td><td>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.</td></tr>
</table>

Shinhan Securities

Industrial real estate

FDI flows are reshaping the game

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Industrial real estate – FDI flows are reshaping the game

1. Update the industrial real estate situation

In 2025, tariff-related uncertainties significantly weigh on industrial land absorption across both Northern and Southern industrial parks (IPs). Entering Q1/2026, geopolitical tension continued to keep leasing demand cautious, with the North recording a sharp decline in absorption while the South saw a modest recovery. Despite weaker demand, occupancy rates remain healthy, while average rental prices in both regions continued to rise year-over-year.

Meanwhile, leasing activity for ready-built factories (RBFs) and ready-built warehouses (RBWs) recorded positive growth across both regions, reflecting a shift toward lower-risk and lower-cost asset classes amid ongoing global uncertainties.

2. FDI inflows remain positive

FDI inflows recorded strong growth despite accelerated tariff uncertainties and escalating geopolitical concerns, underscoring Vietnam's continued attractiveness as a destination for foreign enterprises. However, FDI flows have shown an increasing divergence towards high-tech industries and provinces benefiting from significant infrastructure investment.

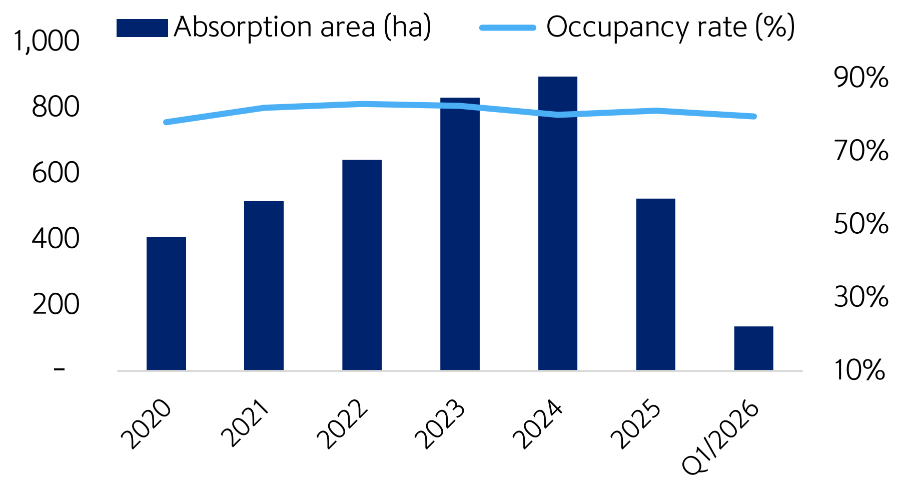
3. Update on industrial real estate companies

Q1/2026 earnings of industrial park developers declined sharply amid geopolitical concerns, tariff uncertainties, and regulatory changes under Circular 99/2025/TT-BTC. However, the outlook for full-year 2026 remains positive, supported by expectations of sustained FDI inflows, particularly into high-tech manufacturing hubs.

Recommendation: BCM, KBC, IDC, and SZC

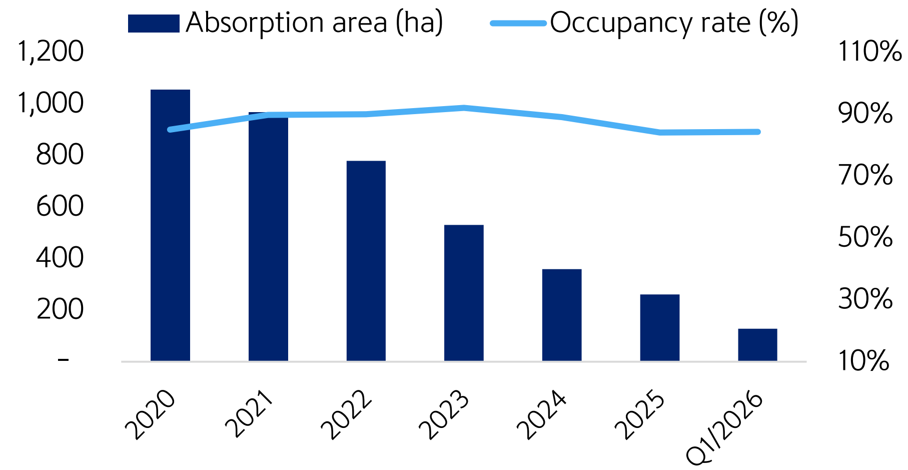
Leasing absorption declined while rental rates remained resilient

Industrial Park absorption area and occupancy rate from 2020 – Q1/2026 in Northern Vietnam



Source: JLL, Cushman & Wakefield, Shinhan Securities Vietnam

Industrial park absorption area and occupancy rate from 2020 – Q1/2026 in Southern Vietnam

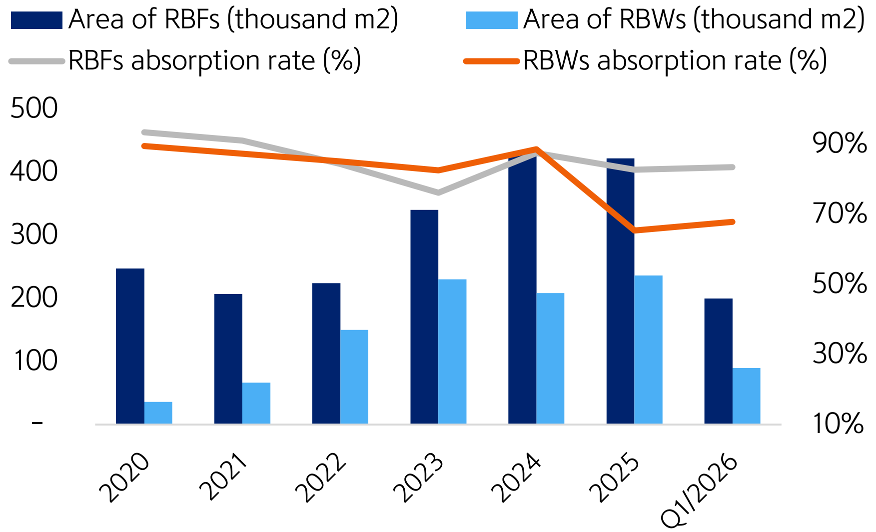


Source: JLL, Cushman & Wakefield, Shinhan Securities Vietnam

- Amid heightened tariff uncertainties, Vietnam's industrial real estate market recorded a significant decline in land absorption across both regions in 2025. Specifically, absorption in the North reached 524 ha (-41% YoY), while the South recorded 261 ha (-27% YoY). Leasing demand weakened notably during Q2–Q3/2025, when the U.S. began implementing tariff measures, before gradually recovering in Q4/2025 as tariff tensions eased.
- Entering 2026, geopolitical tensions among the U.S., Israel, and Iran continued to escalate, driving oil prices sharply higher and negatively affecting investor sentiment. As a result, demand for industrial land leasing remained cautious. In Q1/2026, the Northern region recorded approximately 135 ha of absorbed area (-49% YoY), with occupancy rates reaching 79.6%. Meanwhile, the Southern region showed modest improvement, with total absorbed area reaching approximately 127 ha (+6% YoY) and occupancy rates at 84.3%. Average rental rates in the North reached USD 137.6/sqm/lease term (+5% YoY), while the South recorded USD 184.2/sqm/lease term (+6.7% YoY).

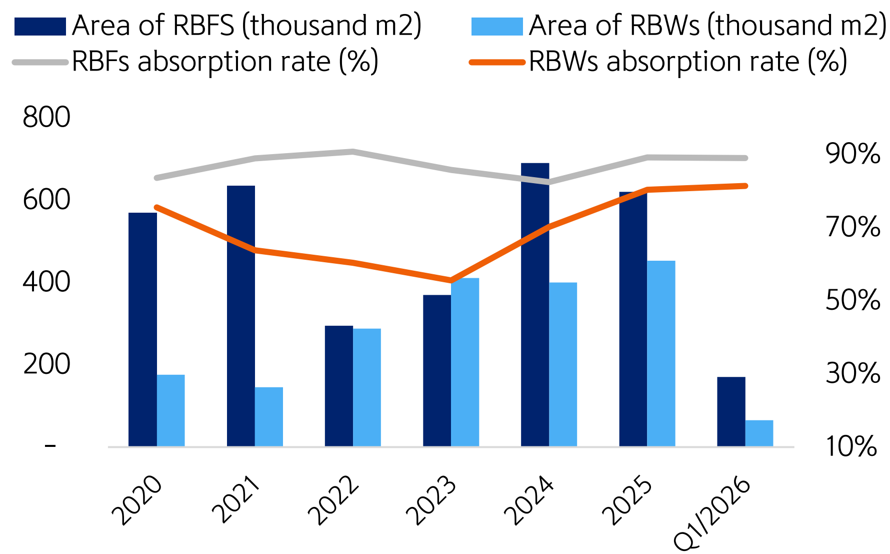
Shift toward RBFs/RBWs amid uncertainties

RBWs/RBFs Absorption and Occupancy Rates in Northern Vietnam from 2020 – Q1/2026



Source: JLL, Shinhan Securities Vietnam

RBWs/RBFs Absorption and Occupancy Rates in Southern Vietnam from 2020 – Q1/2026

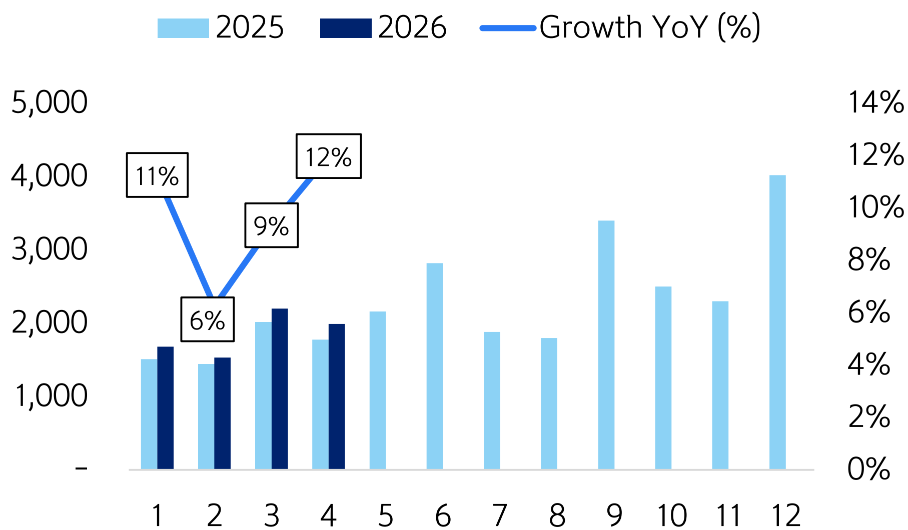


Source: JLL, Shinhan Securities Vietnam

- In contrast to the decline in industrial land leasing demand, leasing absorption for ready-built factories (RBFs) and ready-built warehouses (RBWs) remained resilient throughout 2025. Amid rising tariff uncertainties and escalating geopolitical tensions, the shift toward RBFs and RBWs has accelerated due to their lower investment costs and greater flexibility compared to industrial park infrastructure development. Entering Q1/2026, RBF and RBW absorption recorded solid growth in the North while remaining stable in the South.
- Rental rates for RBFs and RBWs continued to increase year-over-year. In the Northern region, RBF and RBW rental rates reached USD 5.1/sqm (+2.7% YoY) and USD 4.9/sqm (+5.4% YoY), respectively. Meanwhile, the Southern region recorded RBF and RBW rental rates of USD 5.2/sqm (+3.0% YoY) and USD 5.0/sqm (+4.8% YoY), respectively.

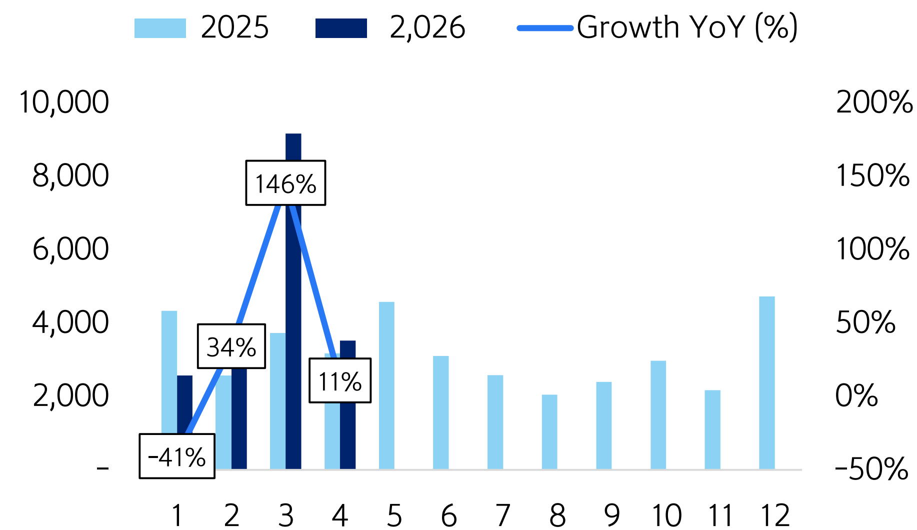
FDI inflows remained resilient amid rising global uncertainties

FDI disbursement in 2025 and 4M2026 (million USD)



Source: Fiinpro, Shinhan Securities Vietnam

Registered FDI capital in 2025 and 4M2026 (million USD)

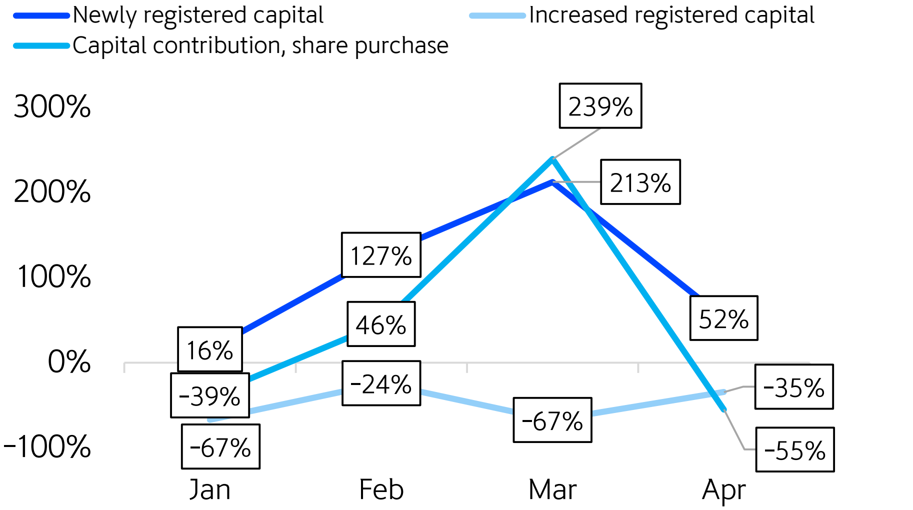


Source: Fiinpro, Shinhan Securities Vietnam

- According to the General Statistics Office, realized foreign direct investment (FDI) in 2025 reached USD 27.6 billion, up 9% YoY and marking the highest level in the past five years. FDI disbursement maintained steady monthly growth throughout 2025, reflecting the continued commitment of foreign investors to previously registered capital. However, total newly registered, adjusted, and contributed capital through share acquisitions reached more than USD 38.4 billion, representing only a modest increase of 0.5% YoY.
- Entering 2026, cumulative FDI inflows as of April 2026 continued to show positive momentum, with realized FDI reaching USD 7.40 billion (+9.8% YoY) and total registered capital amounting to USD 18.24 billion (+32% YoY). This underscores Vietnam's continued attractiveness as an FDI destination despite ongoing tariff uncertainties and geopolitical tensions.

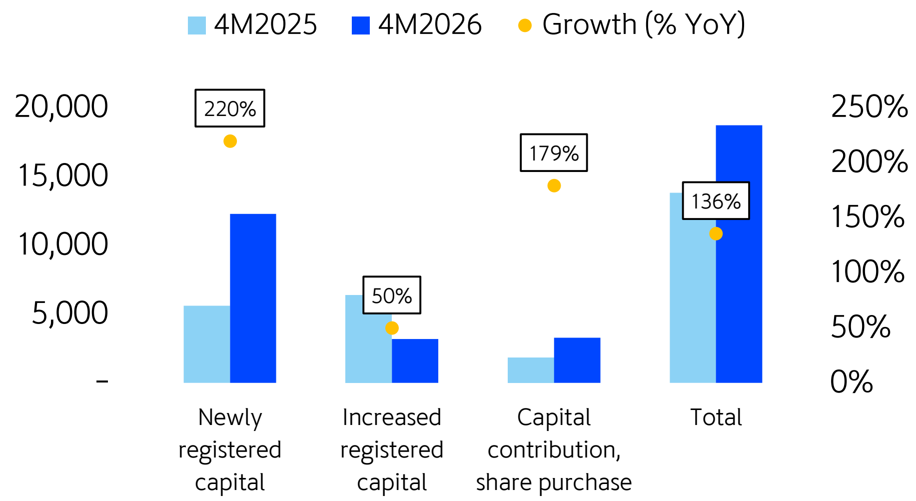
FDI inflows remained resilient amid rising global uncertainties

Monthly growth in registered FDI capital (million USD)



Source: Fiinpro, Shinhan Securities Vietnam

Registered FDI capital in 4M2025 and 4M2026 (million USD)



Source: Fiinpro, Shinhan Securities Vietnam

- Registered FDI inflows have shown positive growth since February 2026, with both newly registered capital and capital contributions/share acquisitions showing clear improvements. Notably, registered FDI surged sharply in March 2026, coinciding with escalating geopolitical tensions as the U.S. began military strikes against Iran. Specifically, newly registered capital increased by 213% YoY, while capital contributions and share acquisitions rose by 239% YoY. Total registered capital in March 2026 reached USD 9.1 billion, 2.45x higher YoY and accounting for approximately 60% of total registered capital in Q1/2026, reflecting a strong shift of FDI inflows into Vietnam.
- In April 2026, total registered FDI declined slightly to USD 3.09 billion (-5% YoY). However, newly registered FDI maintained positive momentum, reaching USD 1.91 billion (+63% YoY). Meanwhile, capital contributions/share acquisitions and additional registered capital recorded declines, reaching USD 0.29 billion (-55% YoY) and USD 0.82 billion (-35% YoY), respectively.

Geopolitical tensions and tariffs are gradually easing

Conflict between the U.S., Israel, and Iran

- Geopolitical tensions escalated after the U.S. and Israel launched military strikes against Iran on February 28, 2026, prompting Iran to close the Strait of Hormuz. As a result, oil prices surged by more than 50%, increasing risks to global economic growth.
- Contrary to U.S. expectations that the conflict would end within one month, the war has lasted for more than 80 days, keeping oil prices elevated and creating inflationary pressures across global economies.
- However, tensions have gradually eased following the first official ceasefire established on April 8, 2026, with expectations that it will remain in effect through the end of May 2026 under Pakistan's mediation efforts. As of May 25 (Vietnam time), the framework agreement between the U.S. and Iran was reported to be "95% completed."

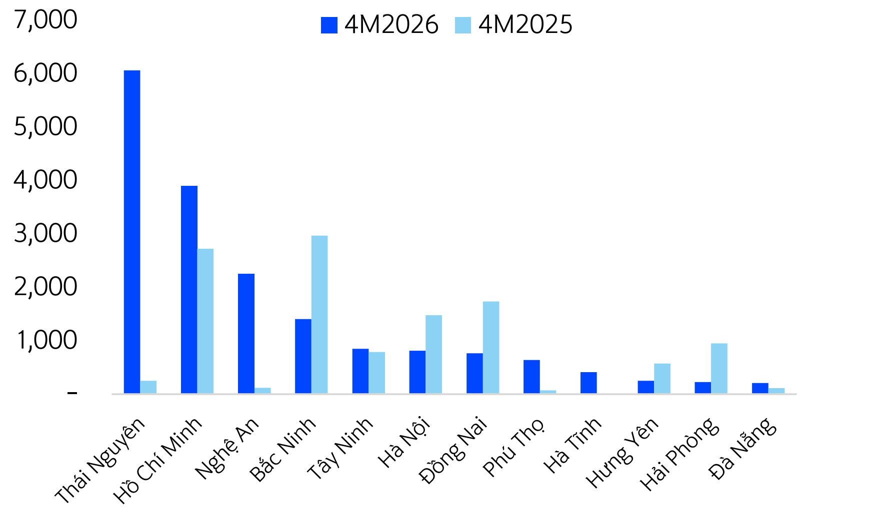
Tariff situation

- Following the U.S. Supreme Court's ruling on February 20, 2026, invalidating tariffs imposed under the IEEPA, the Trump administration swiftly shifted to implementing a 10% tariff under Section 122 of the Trade Act of 1974 on imported goods for a 150-day period starting from February 24. At the same time, only two months after the ruling, the Trump administration launched a new system called CAPE to refund more than USD 166 billion in collected tariffs to affected businesses.
- In addition, on March 5, 2026, a coalition of 24 Democratic-controlled states filed a lawsuit against the Trump administration regarding the additional 10% import tariff imposed on all U.S. trading partners. However, as of May 7, 2026, the U.S. Court of International Trade (CIT) had only issued a temporary ruling blocking the tariffs for two small businesses and the state of Washington.

Assessment: FDI inflows continued to post positive growth despite rising global uncertainties, reflecting Vietnam's sustained attractiveness to foreign investors. Supported by its flexible "bamboo diplomacy" strategy and proactive participation in major trade agreements, Vietnam is strengthening its position within the regional supply chain. At the same time, stable economic growth and a solid political environment are reinforcing the country's role as a safe investment destination. However, the U.S. decision to impose a blanket 10% tariff on all countries has partly reduced Vietnam's tariff advantage relative to other economies, particularly China. This may affect the pace of manufacturing relocation under the "China +1" strategy.

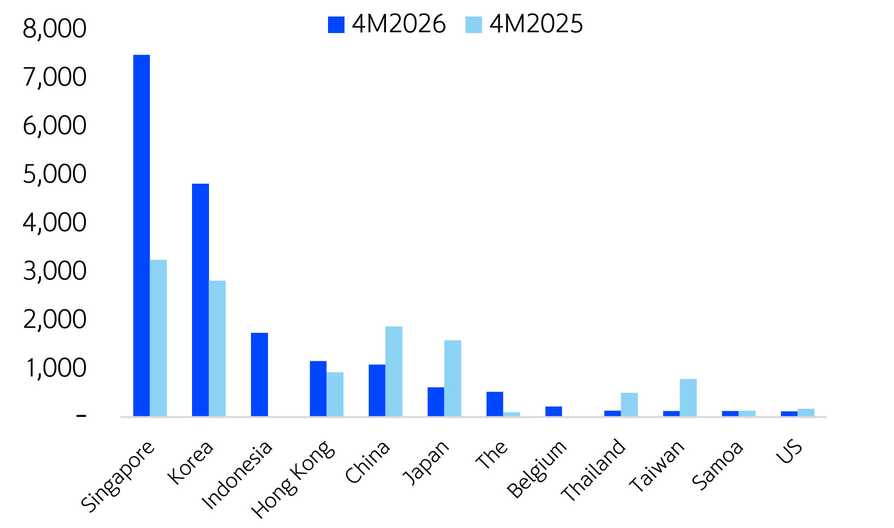
Trends in FDI capital movement by province and country

Registered FDI capital by province/city in the first four months of 2025 and 2026 (million USD)



Source: Fiinpro, Shinhan Securities Vietnam

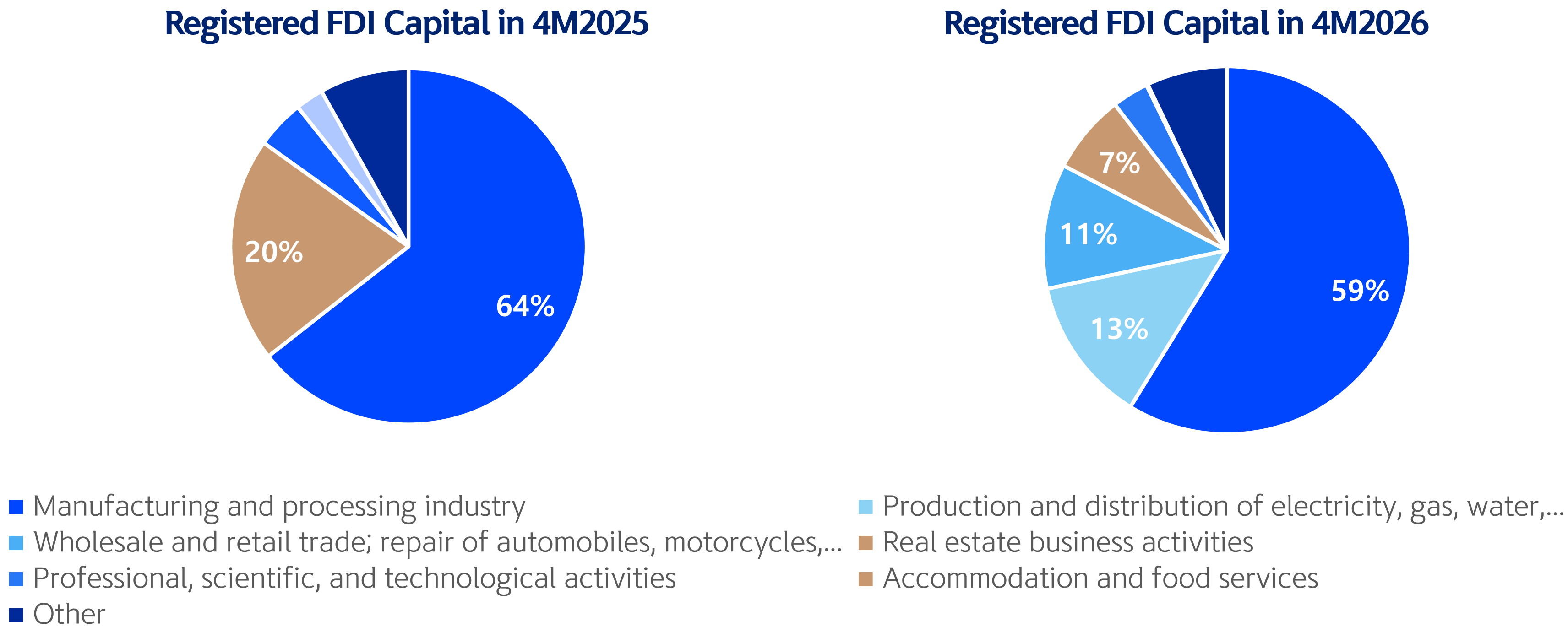
Registered FDI capital by country in the first four months of 2025 and 2026 (million USD)



Source: Fiinpro, Shinhan Securities Vietnam

- During 4M2026, FDI inflows showed a clear shift from traditional industrial hubs toward emerging provinces. The main growth drivers came from the sharp surge in Thai Nguyen and Nghe An, supported by large-scale projects, alongside the continued stable growth momentum of Ho Chi Minh City. In contrast, provinces with high industrial park occupancy rates, such as Bac Ninh, Hanoi, and Dong Nai recorded significant declines in newly registered capital compared to the same period last year. The shift toward these provinces indicates that FDI enterprises are increasingly focusing on strategic sectors such as high technology and energy.
- Foreign capital inflows have become increasingly concentrated, led primarily by Singapore and South Korea, both of which recorded exceptional growth compared to the same period last year. Meanwhile, capital inflows from traditional partners such as China and Japan showed signs of weakening. This suggests that changes in tariff policies have partly affected the momentum of the "China +1" strategy.

Shifting from Real Estate Toward High-Tech and Retail Sectors

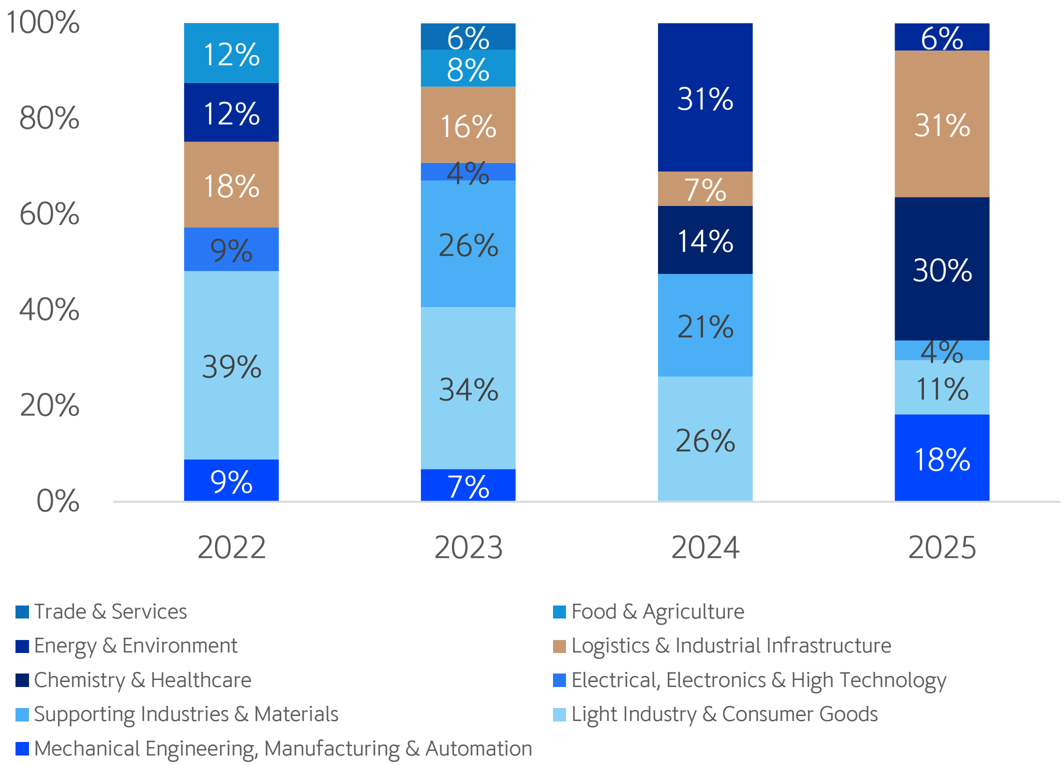


Source: Fiinpro, Shinhan Securities Vietnam

- During 4M2026, the structure of FDI inflows showed a clear shift toward the core pillars of the economy. The most notable highlight was the strong expansion of the energy and infrastructure sectors, accounting for 13% of total registered capital. Although its relative share declined to 59%, the manufacturing and processing sector continued to maintain its position as the key pillar, supported by substantial inflows into high-tech manufacturing projects, further reinforcing Vietnam's attractiveness within the global supply chain.
- In contrast, the real estate sector recorded a sharp decline, with its share falling from 20% to only 7%. Meanwhile, the wholesale and retail sector expanded to account for 11% of total FDI inflows.

Shifting investment trends in FDI inflows by sector

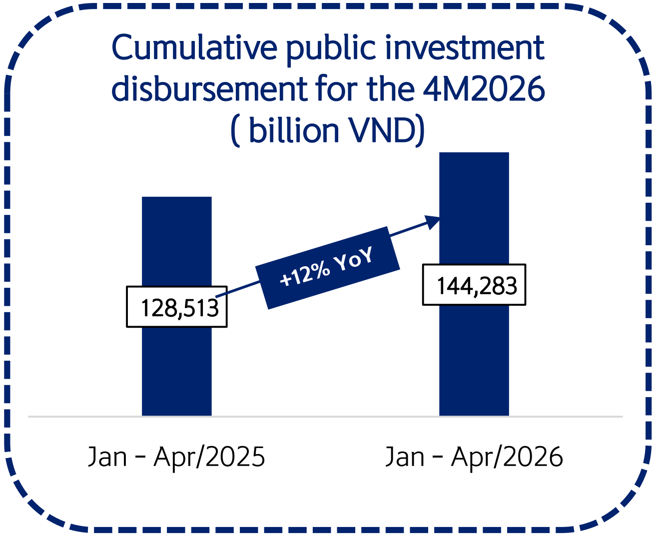
Breakdown of major transactions by sector from 2022 to 2025



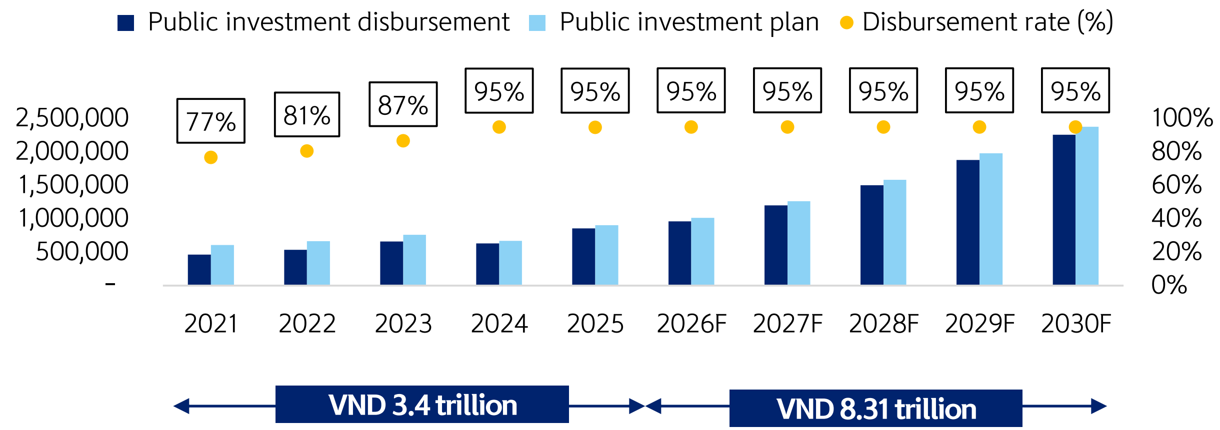
Source: CBRE Shinhan Securities Vietnam

- The 2022–2025 period marked a pivotal turning point as foreign capital shifted away from labor-intensive industries toward a higher value-added economy. Instead of continuing to expand basic manufacturing capacity, international investors increasingly redirected capital into high-tech industries, energy, and retail sectors.
- Notably, the Light Industry & Consumer Goods segment declined sharply from 39% in 2022 to only 11% in 2025. Capital flows were reallocated toward smart manufacturing hubs, driven by the rapid expansion of the Chemicals & Healthcare and Machinery, Manufacturing & Automation sectors, which together accounted for 48% of the 2025 investment structure.
- The strong inflow of capital into technology-intensive industries reinforces Vietnam's deeper integration into higher value-added segments of the global supply chain. Supporting this transformation are Logistics & Industrial Infrastructure, accounting for 31% of the 2025 structure, along with mega energy projects, which represented 30% of total investment in 2025.

Strong public investment contributes to boosting infrastructure development



Disbursement of public investment for the period 2021 – 2030F (billion VND)



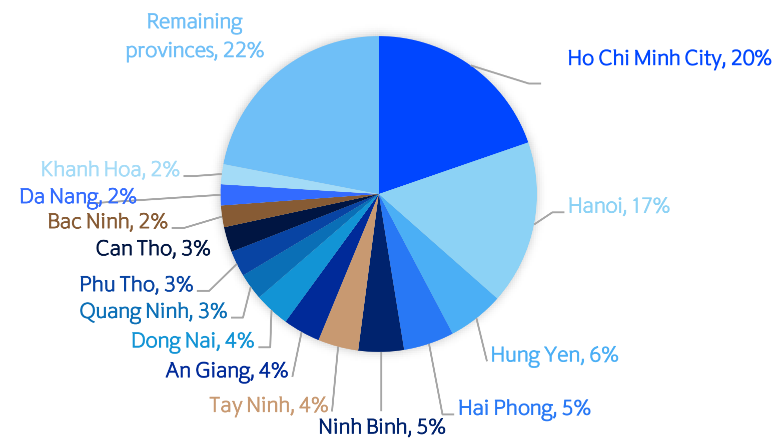
Source : Ministry of Finance, Shinhan Securities Vietnam

- According to the Ministry of Finance, estimated public investment disbursement from the beginning of the year to April 30, 2026 reached approximately VND 144,283 billion (+12% YoY), fulfilling 14.2% of the plan assigned by the Prime Minister. The disbursement ratio in 4M2026 remained broadly in line with the same period last year.
- The total 2026 state budget-funded public investment plan assigned by the Prime Minister amounted to VND 1.013 quadrillion. Accordingly, total public investment capital in 2026 is projected to increase by approximately 12% compared to 2025, reflecting the Government's strong expansionary public investment strategy aimed at supporting economic growth and accelerating the development of key infrastructure projects.
- On April 24, the National Assembly approved the medium-term public investment plan for the 2026–2030 period, with total allocated capital reaching VND 8.22 quadrillion, 2.4x higher than the 2021–2025 plan. The significant expansion in public investment scale is expected to serve as a key driver for economic growth while creating substantial room for infrastructure development.

Provinces with strong infrastructure investment continue to attract FDI flows

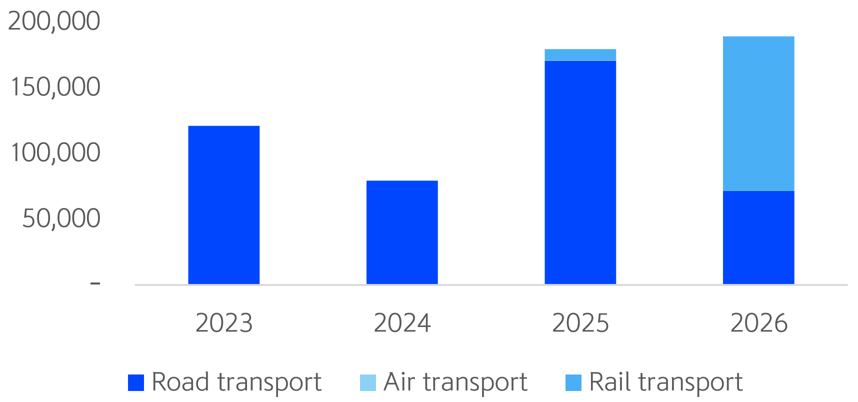
- Public investment allocation for key infrastructure projects continued to accelerate in 2026, reaching VND 188,882 billion (+5% YoY). Notably, investment orientation is shifting clearly toward railway infrastructure development, with the North–South high-speed railway and the Lao Cai – Hanoi – Hai Phong railway line receiving the largest capital allocations.
- The acceleration of infrastructure development is expected to play a foundational role in attracting FDI inflows. Provinces prioritized for infrastructure investment are also emerging as the key destinations for foreign capital inflows.

Allocation of public investment budget by locality in 2026 (%)



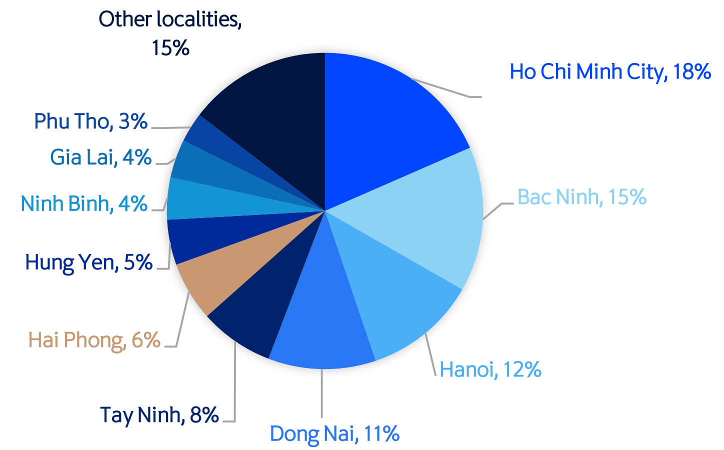
Source : Ministry of Finance, Shinhan Securities Vietnam

Investment plan for key transportation infrastructure projects. 2023 – 2026 (billion VND)



Source : Ministry of Finance, Shinhan Securities Vietnam

Distribution of total registered FDI capital by province/city in 2025 (%)



Source: Fiinpro, Shinhan Securities Vietnam

Disbursement status of key public investment projects in 2026

Key highway projects	Disbursement plan for 2026 (billion VND)	Cumulative disbursements as of 31/03/2026 (billion VND)	Disbursement rate (%)
Ring Road 4 - Ho Chi Minh City	12,492	1,109	8.9%
North-South Expressway (Eastern section) Phase 2021-2025	7,496	748	10.0%
Chau Doc - Can Tho - Soc Trang Expressway Phase 1	7,203	367	5.1%
Ring Road 3 - Ho Chi Minh City	6,680	565	8.5%
Khanh Hoa - Buon Ma Thuot Expressway, Phase 1	6,364	138	2.2%
Ring Road 4 - Hanoi Capital Region	3,957	721	18.2%
Bao Loc - Lien Khuong Expressway (PPP)	3,055	0.7	0.0%
Bien Hoa - Vung Tau Expressway, Phase 1	2,447	153	6.2%
Investment in expanding the Ho Chi Minh City - Long Thanh expressway section.	2,375	1,058	44.5%
The Ninh Binh - Hai Phong expressway section passing through Hai Phong.	2,000	-	0.0%
The Ninh Binh - Hai Phong expressway section passing through Ninh Binh province.	1,872	278	14.8%
Ho Chi Minh Trail	1,855	28	1.5%
Cao Lanh - An Huu Expressway	1,525	53	3.5%
Cho Moi - Bac Kan Expressway	1,518	85	5.6%
Ho Chi Minh City - Moc Bai (PPP)	1,425	6	0.4%
Ninh Binh - Hai Phong Expressway section passing through Nam Dinh and Thai Binh provinces (PPP)	1,338	27	2.0%
Tan Phu - Bao Loc Expressway (PPP)	1,285	-	0.0%
My An - Cao Lanh Expressway (ODA Project)	1,254	29	2.3%
Dong Dang - Tra Linh, Phase 1 (PPP)	892	55	6.2%
Gia Nghia (Dak Nong) - Chon Thanh, PPP	890	361	40.6%
Dau Giay - Tan Phu Expressway (PPP)	864	116	13.4%
...			
Total	71,554	6,850	9.6%

Source: Ministry of Finance, Shinhan Securities Vietnam

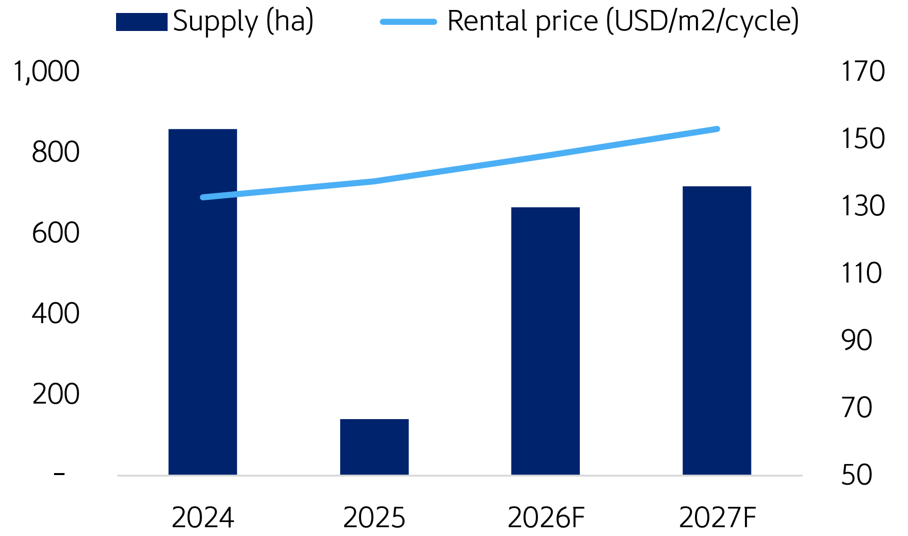
Disbursement status of key public investment projects in 2026

No.	Key railway projects	Disbursement plan for 2026 (billion VND)	Cumulative disbursements as of 31/03/2026 (billion VND)	Disbursement rate (%)
I	High-speed railway on the North-South axis	56,846.10	78.80	0.1%
II	Lao Cai - Hanoi - Hai Phong Railway	48,695.20	525.40	1.1%
III	Hanoi City Metro	5,232.60	424.40	8.1%
1	Cat Linh - Ha Dong Line	2.00	But	0.0%
2	Nhon - Hanoi Station Line	2,776.40	400.90	14.4%
3	South Thang Long - Tran Hung Dao route	858.00	23.50	2.7%
4	Investment project for the construction of Hanoi City urban railway, Line No. 5, Van Cao - Ngoc Khanh - Lang - Hoa Lac	1,352.00	7.50	0.6%
5	Hanoi City urban railway project, Line No. 3, section Hanoi - Yen So Station	53.20	8.50	16.0%
6	Hanoi city, Route 2.2 (Tran Hung Dao - Thuong Dinh)	67.00	2.00	3.0%
7	Hanoi city, Route 2.3 (Nam Thang Long - Noi Bai)	124.00	2.00	1.6%
8	Route 1: Ngoc Hoi - Yen Vien section (Route 1A)	But	But	0.0%
IV	Ho Chi Minh City Metro	6,554.00	33.90	0.5%
1	Ben Thanh - Suoi Tien route	54.00	13.90	25.7%
2	Ben Thanh - Tham Luong Line	6,500.00	20.00	0.3%
3	Ben Thanh - Can Gio Railway Project	But	But	0.0%
4	Line No. 2: Cu Chi - National Highway 22 - An Suong; Ben Thanh - Thu Thiem	But	But	0.0%
5	Thu Thiem - Long Thanh Railway Line	But	But	0.0%
6	Route 1: Binh Duong New City - Suoi Tien	But	But	0.0%
7	Metro Line 2 (Thu Dau Mot City, Ho Chi Minh City)	100.00	But	0.0%
8	Route 6: Phu Huu - Ba Queo - Phu Lam Roundabout - Phu Huu	But	But	0.0%
	...			
	Total	117,328	1,063	0.9%

Source: Ministry of Finance, Shinhan Securities Vietnam

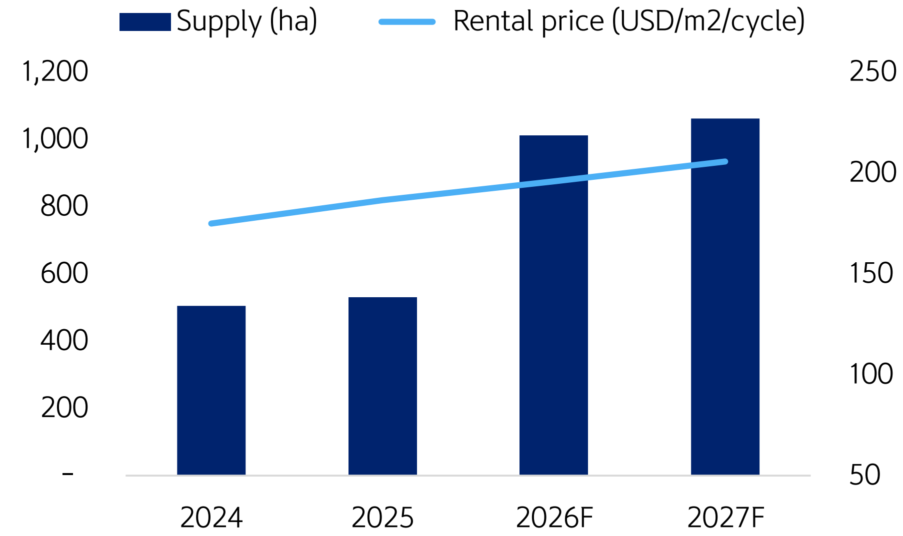
Industrial real estate outlook expected to maintain stable growth momentum

Projected cumulative area and land lease prices for industrial parks from 2024 – 2027F in the North



Source: CBRE, Shinhan Securities Vietnam

Projected cumulative area and land lease prices for industrial parks from 2024 – 2027F in the South

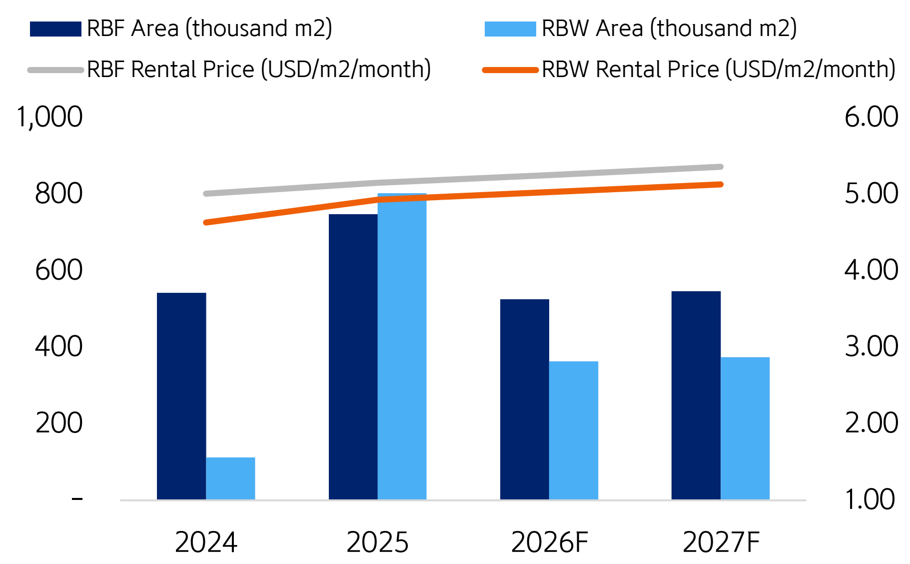


Source: CBRE, Shinhan Securities Vietnam

- According to CBRE's forecast, industrial real estate supply in 2026 is expected to reach approximately 664 ha in Northern Vietnam and 1,012 ha in Southern Vietnam. In the North, new supply will mainly concentrate in provinces such as Bac Ninh, Hai Phong, Thai Nguyen, and Hai Duong. Meanwhile, in the South, the upcoming supply is expected to be concentrated in Ho Chi Minh City, Dong Nai, and Tay Ninh.
- Industrial land rental rates are projected to increase modestly in 2026, supported by expectations of continued FDI growth and easing geopolitical and tariff-related tensions. Occupancy rates are also expected to remain at high levels, reaching 80% in the North and 84% in the South.

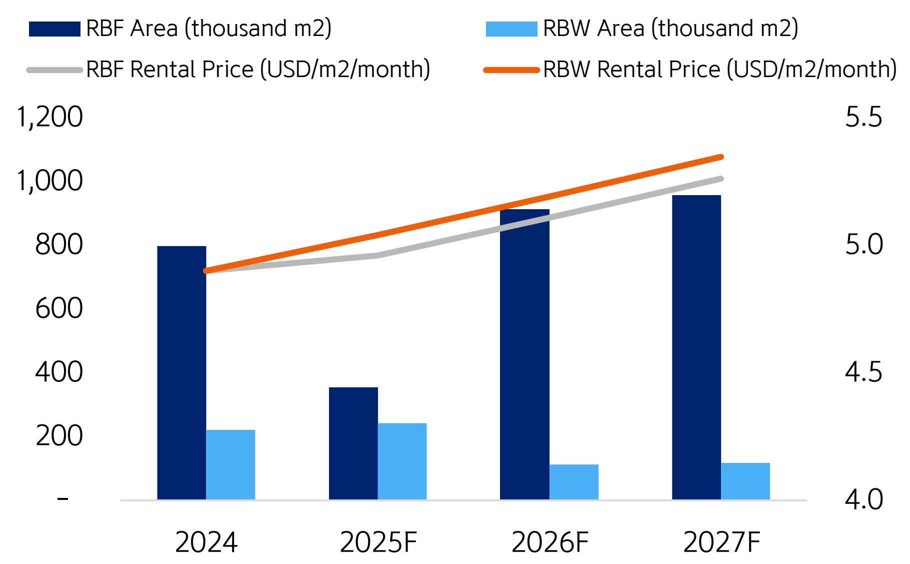
RBF and RBW supply continue to expand in line with market demand

Projected absorption area and prices of RBFs/RBWs 2024 – 2027F in Northern Vietnam



Source: CBRE, Shinhan Securities Vietnam

Projected absorption area and prices of RBFs/RBWs in 2024-2027F in Southern Vietnam

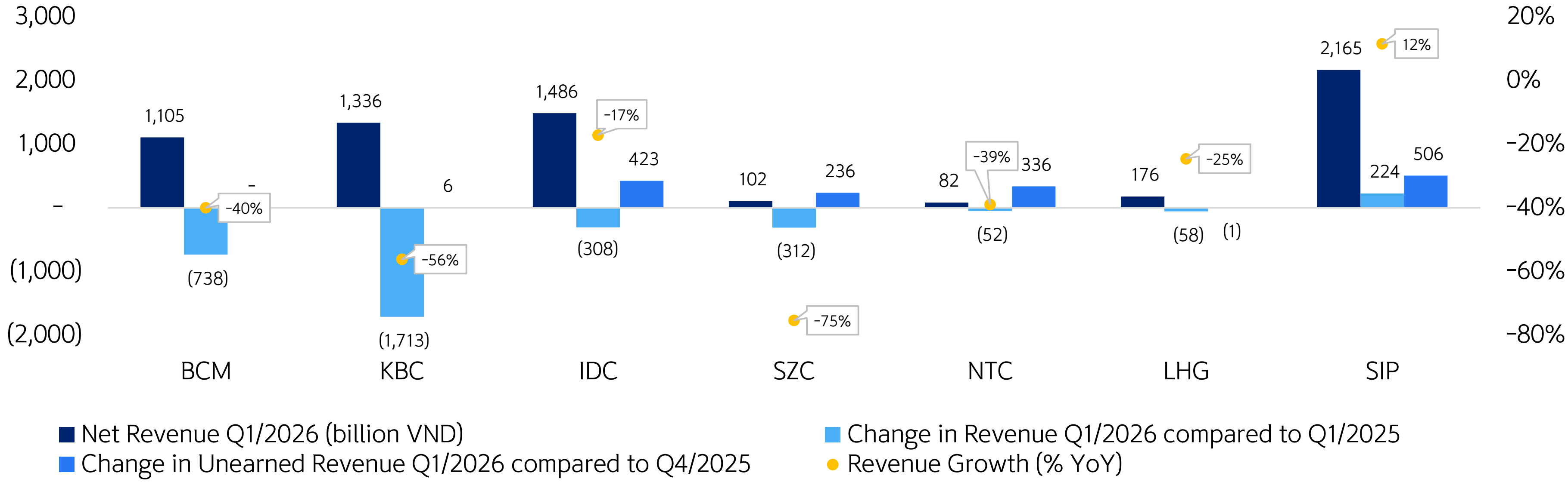


Source: CBRE, Shinhan Securities Vietnam

- According to CBRE's forecast, ready-built factory (RBF) supply is expected to reach approximately 526 thousand sqm in Northern Vietnam, while Southern Vietnam is projected to record around 912 thousand sqm. Meanwhile, ready-built warehouse (RBW) supply in the North is expected to reach approximately 363 thousand sqm, compared to around 133 thousand sqm in the South.
- Rental rates and absorption are expected to increase modestly in 2026, supported by continued stable demand for RBFs and RBWs. We expect rental rates to grow at approximately 2%–3% per annum.

Q1/2026 Earnings Impacted by Weak Demand and Circular 99/2025/TT-BTC

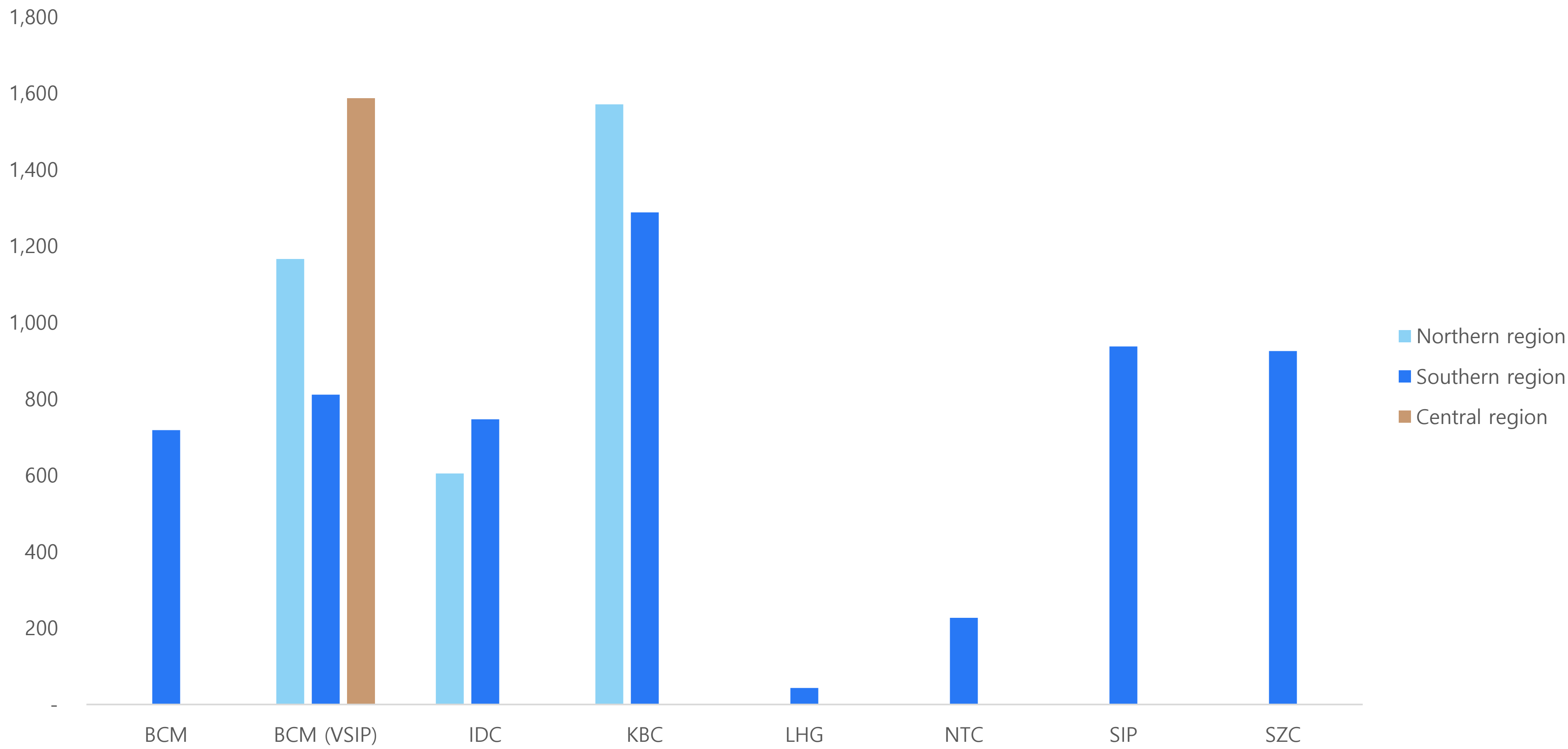
Net revenue and unearned revenue in Q1/2026 of industrial park real estate businesses



Source: Fiinpro, Shinhan Securities Vietnam

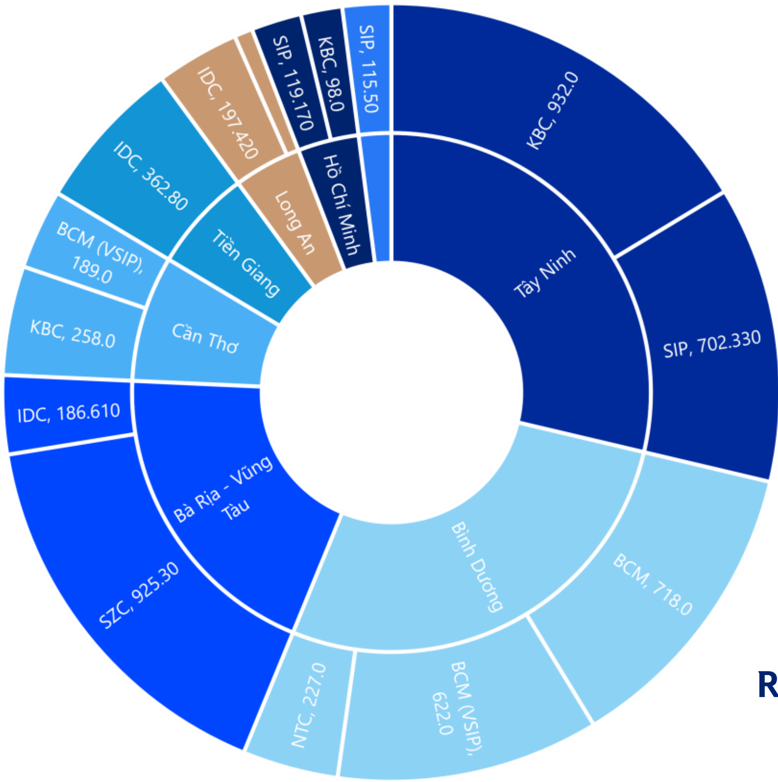
- Geopolitical tensions and tariff uncertainties negatively affected industrial land leasing demand, leading to a sharp decline in Q1/2026 earnings results compared to Q1/2025, a period that had not yet been impacted by tariff measures.
- In addition, under the impact of Circular 99/2025/TT-BTC (issued on October 27, 2025 and effective from January 1, 2026), the revenue recognition principle shifted from the transfer of risks and rewards to the transfer of control. Accordingly, payments received for the entire lease term must now be allocated over the leasing period, with the remaining balance recorded as unearned revenue. As a result, several companies reported significant declines in recognized revenue compared to the same period last year, while unearned revenue balances increased relative to Q4/2025.

Available industrial land for lease by region in 2025 (ha)

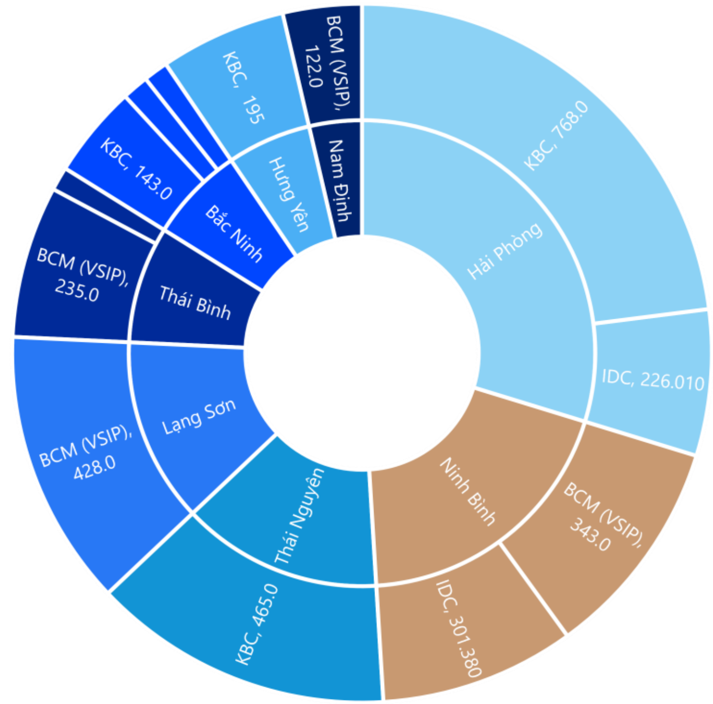


Source: Business Report, Shinhan Securities Vietnam

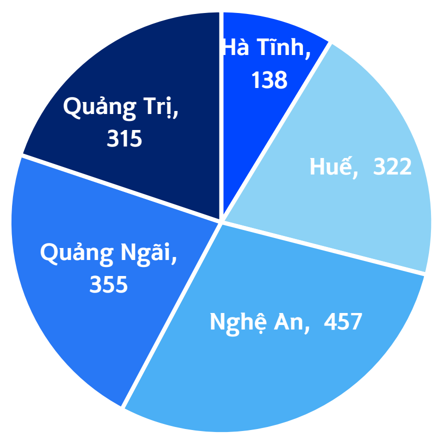
Southern



North



Central Region BCM (VSIP)



Code	Market price (VND)	Target Price* (VND)	Upside (%)	Market capitalization (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	54,800	79,100	44%	56,718	9,253	33%	3,701	5%	6%	16%	43%	114%	1639%	256%
KBC	30,000	39,900	33%	28,252	11,545	73%	3,037	43%	2%	6%	163%	112%	1847%	119%
IDC	43,500	55,200	27%	16,508	8,990	5%	2,001	4%	8%	29%	33%	65%	859%	238%
SZC	22,900	38,200	67%	4,121	524	-52%	63	-82%	3%	7%	45%	80%	1948%	143%
NTC	138,000	193,150	40%	3,312	491	-31%	227	-29%	5%	23%	145%	3%	1143%	252%
LHG	28,050	40,000	43%	1,402	725	5%	331	13%	9%	16%	79%	13%	469%	71%
SIP	51,000	73,500	44%	12,347	9,342	9%	1,597	9%	5%	26%	86%	75%	970%	231%
Total					40,869	23%	11,508	9%						

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

Sources: SSV Research, Bloomberg, Fiipro, Company Reports
Data as of June 04, 2026

- We expect the 2026 outlook to improve, supported by sustained FDI inflows, which are expected to drive industrial land leasing demand. At the same time, the gradual stabilization of tariff policies and easing geopolitical tensions are anticipated to strengthen the confidence of FDI enterprises in expanding investments in Vietnam. However, FDI inflows will likely become increasingly selective, concentrating mainly in provinces with well-developed high-tech manufacturing ecosystems such as Hanoi, Hai Phong, Bac Ninh, Thai Nguyen, and Ho Chi Minh City.
- Amid continued global economic and political uncertainties, together with the sustained growth of e-commerce, the RBF and RBW segments are expected to gain further attractiveness due to their lower investment costs and relatively lower risk profile. We recommend monitoring BCM, KBC, IDC, and SZC based on (1) favorable strategic locations, (2) large commercial land banks, (3) potential for supporting residential project development, and (4) strong financial foundations, which provide room for stable long-term growth.

Industrial Investment and Development Corporation (HOSE: BCM)

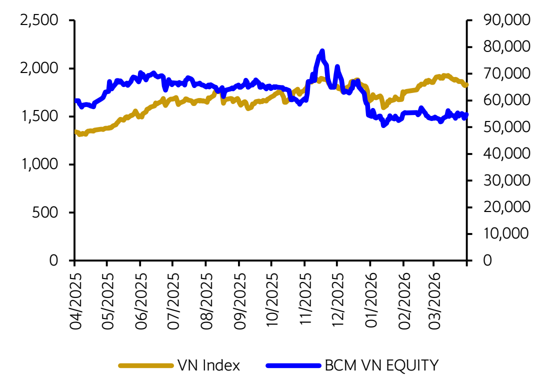
BECAMEX

Target price (2026)	**VND 79,100**
Current price (June 04, 2026)	VND 54,800
Upside (%)	44%

VNINDEX	1,831
Market P/E (x)	14.9
Market Cap. (bn VND)	56,718
Outstanding Shares (mn)	1,035
Free Floating Shares (mn)	35
52-week high/low (VND)	78,600/ 50,500
Average 90-day trading volume (million shares)	1.02
Average trading value in 90 days (billion VND)	40
Foreign ownership (%)	0.89

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

	3M	6M	12M
Absolute	-14.7	-18.3	-11.0
Rel. to VNINDEX	-19.6	-34.3	-58.6



Large land banks positioned to capture emerging trends

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 hectares. 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 national projects covering over 10,000 hectares.

Business results Q1/2026

As of Q1/2026, BCM recorded revenue of VND 1,105 billion (-40% YoY) and net profit of VND 288 billion (-21% YoY). The decline was mainly attributable to weaker real estate revenue, which fell to VND 750 billion (-47% YoY). In addition, BCM did not record any revenue from construction activities or semi-finished product sales during the quarter. Real estate revenue was primarily driven by the transfer of 169 units at the Hoa Loi resettlement project.

Investment thesis

BCM possesses strong long-term growth potential, supported by approximately 718 ha of readily available industrial land for lease, primarily contributed by the expanded Bau Bang Industrial Park (137 ha) and Cay Truong Industrial Park (490 ha). In addition, BCM also owns more than 3,500 ha of industrial land through its subsidiaries and affiliated companies. With a residential and resettlement land bank of approximately 1,200 ha, the residential real estate segment is also expected to see significant growth, supported by the planned merger of Binh Duong Province into Ho Chi Minh City.

Forecast 2026F and 2027F

Supported by its extensive industrial land portfolio from Bau Bang Industrial Park, Cay Truong Industrial Park, and the VSIP industrial park network, we estimate BCM's 2026 revenue to reach VND 9,253 billion (+33% YoY), while net profit attributable to parent shareholders is projected at VND 3,701 billion (+6% YoY). For 2027, revenue is forecast to reach VND 9,716 billion (+5% YoY), with net profit expected to increase to VND 4,146 billion (+12% 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 December	2023	2024	2025	2026F	2027F
Revenue (VND bn)	7,883	5,239	6,953	9,253	9,716
OP (VND bn)	2,783	1,785	2,417	3,318	3,484
OP margin (%)	35.3	34.1	34.8	35.9	35.9
NPATMi (VND bn)	2,423	2,187	3,501	3,701	4,146
NP margin (%)	30.7	41.7	50.4	40.0	42.7
EPS (VND)	2,341	2,113	3,249	3,576	4,006
ROE (%)	12.2	12.0	15.9	15.8	15.5
P/E (x)	29.5	34.9	18.3	15.5	13.9
P/B (x)	3.6	3.6	2.7	2.2	2.0

Source: Bloomberg, Shinhan Securities Vietnam

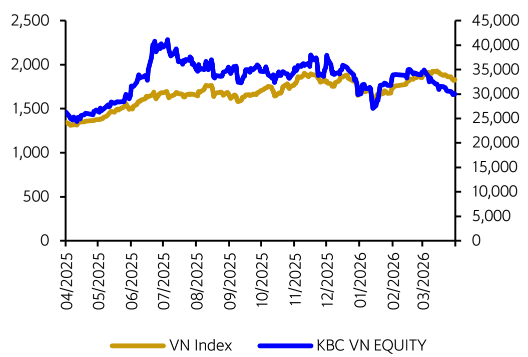
Kinh Bac Urban Development Corporation (HOSE: KBC)

Target price (2026)	VND 39,900
Current price (June 04, 2026)	VND 30,000
Upside (%)	33%

VNINDEX	1,831
Market P/E (x)	14.9
Market Cap. (bn VND)	28,252
Outstanding Shares (mn)	942
Free Floating Shares (mn)	682
52-week high/low (VND)	41,200/ 24,400
Average 90-day trading volume (million shares)	4.78
Average trading value in 90 days (billion VND)	129
Foreign ownership (%)	8.25

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

	3M	6M	12M
Absolute	-7.3	-8.1	18.3
Rel. to VNINDEX	-12.2	-24.1	-29.3



Growth momentum is expected to be driven by both the 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 Q1/2026

Kinh Bac recorded Q1/2026 net revenue of VND 1,336 billion (-57% YoY), while net profit after tax reached VND 234 billion (-72% YoY). The decline was mainly attributable to weaker industrial park leasing activities, with revenue falling to VND 731 billion (-70% YoY). We estimate that KBC handed over only more than 15 ha of land during the quarter, primarily concentrated at Nam Son Hap Linh Industrial Park. Gross profit margin improved from 38.78% in Q1/2025 to 48.62% in Q1/2026.

Investment thesis

We expect: (1) industrial park leased area to reach approximately 170 ha in 2026 and 200 ha in 2027, mainly driven by contributions from Nam Son Hap Linh Industrial Park, Trang Due 3 Industrial Park, industrial parks in Long An, and a series of newly approved projects in 2025; (2) the township real estate segment expects to accelerate significantly in 2026 as the Trang Cat Township project begins revenue recognition.

Forecast 2026F and 2027F

We estimate that KBC's revenue will reach approximately VND 11,545 billion (+72% YoY) in 2026 and VND 15,316 billion (+32% YoY) in 2027, while net profit after tax is projected to reach VND 3,037 billion (+41% YoY) in 2026 and VND 4,423 billion (+45% YoY) in 2027.

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 December	2023	2024	2025	2026F	2027F
Revenue (VND bn)	5,618	2,776	6,687	11,545	15,316
OP (VND bn)	2,883	657	2,597	4,026	5,867
OP margin (%)	51.3	23.7	38.8	34.9	38.3
NPATMi (VND bn)	2,031	426	2,147	3,037	4,423
NP margin (%)	36.1	15.4	32.1	26.3	28.9
EPS (VND)	2,646	555	2,500	3,225	4,697
ROE (%)	11.9	2.3	9.4	11.2	14.7
P/E (x)	12.00	49.01	14.3	9.7	6.7
P/B (x)	1.34	1.12	1.3	1.1	0.9

Source: Bloomberg, Shinhan Securities Vietnam

IDICO Corporation (HOSE: IDC)

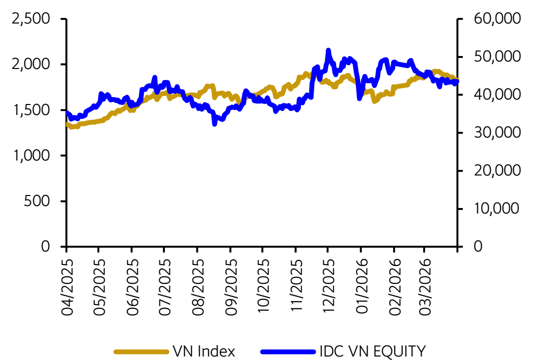
IDICO

Target price (2026)	**VND 55,200**
Current price (June 04, 2026)	VND 43,500
Upside (%)	27%

VNINDEX	1,831
Market P/E (x)	14.9
Market Cap. (bn VND)	16,508
Outstanding Shares (mn)	379
Free Floating Shares (mn)	248
52-week high/low (VND)	51,800/ 32,200
Average 90-day trading volume (million shares)	3.16
Average trading value in 90 days (billion VND)	117
Foreign ownership (%)	16.37

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

	3M	6M	12M
Absolute	-10.4	1.4	18.1
Rel. to VNINDEX	-15.3	-14.6	-29.5



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 hectares. 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 Q1/2026

IDC recorded Q1/2026 revenue of VND 1,485 billion (-17.2% YoY), while net profit after tax reached VND 337 billion (-19% YoY). Gross profit margin declined from 30% in Q1/2025 to 26% in Q1/2026. In particular, the power business generated VND 883 billion (+8% YoY), while industrial park real estate leasing revenue reached VND 405 billion (-31% YoY). The decline in industrial land leasing revenue was mainly due to one-off revenue recognition falling to only VND 154 billion (-57% YoY), down VND 209 billion compared to the same period last year. On the other hand, unearned revenue from industrial land leases reached VND 6,199 billion (+7% YoY), increasing by VND 422 billion YoY.

Investment thesis

IDICO Corporation's business performance is expected to recover, supported by the expansion of nearly 1,400 ha of industrial park land bank in 2025, including Tan Phuoc 1 Industrial Park, My Xuan B1 Expansion Industrial Park, Vinh Quang Eco-Industrial Park, and Phu Long Industrial Park. We expect Tan Phuoc 1 Industrial Park and Vinh Quang Eco-Industrial Park to complete infrastructure development and begin leasing operations from 2026. Meanwhile, My Xuan B1 Expansion Industrial Park and Phu Long Industrial Park are expected to complete legal procedures, enabling leasing activities to commence from 2027.

Forecast 2026F and 2027F

We forecast 2026 revenue to reach VND 8,990 billion (+5% YoY), with estimated leased area of approximately 105 ha, while net profit after tax is projected at VND 2,001 billion (+4% YoY). In 2026, IDC is expected to lease around 105 ha of industrial park land. Revenue and net profit after tax in 2027 are projected to reach VND 10,504 billion (+17% YoY) and VND 2,103 billion (+5% YoY), respectively.

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

Year to December	2023	2024	2025	2026F	2027F
Revenue (VND bn)	7,485	8,846	8,588	8,990	10,504
OP (VND bn)	2,726	2,939	2,664	2,942	3,185
OP margin (%)	36.4	33.2	31.0	32.7	30.3
NPATMi (VND bn)	1,768	1,996	1,932	2,001	2,103
NP margin (%)	23.6	22.6	22.5	22.3	20.0
EPS (VND)	5,356	5,976	5,090	5,273	5,541
ROE (%)	40.0	37.3	30.4	28.7	28.4
P/E (x)	5.9	9.3	6.5	8.5	8.1
P/B (x)	2.1	3.3	1.7	2.4	2.3

Source: Bloomberg, Shinhan Securities Vietnam

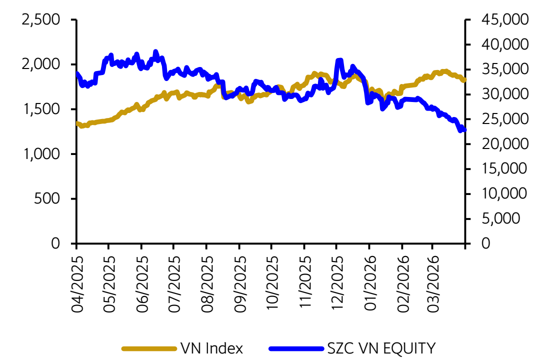
SONADEZI CHAU DUC

Target price (2026)	**VND 38,200**
Current price (June 04, 2026)	VND 22,900
Upside (%)	**67%**

VNINDEX	1,831
Market P/E (x)	14.9
Market Cap. (bn VND)	4,121
Outstanding Shares (mn)	180
Free Floating Shares (mn)	77
52-week high/low (VND)	38,600/ 22,700
Average 90-day trading volume (million shares)	0.99
Average trading value in 90 days (billion VND)	24
Foreign ownership (%)	3.17

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

	3M	6M	12M
Absolute	-24.7	-20.6	-22.6
Rel. to VNINDEX	-29.5	-36.6	-70.2



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, mainly 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 hectares in Chau Duc District, Ba Ria – Vung Tau Province, of which 1,556 hectares are allocated for industrial parks, while the remainder is mainly designated for residential areas and golf courses.

Business results Q1/2026

SZC's Q1/2026 business results recorded revenue of VND 102 billion (-75% YoY) and net profit after tax of VND 17 billion (-86% YoY). The decline was mainly attributable to a sharp decrease in industrial park land leasing revenue, which reached only VND 42 billion (-89% YoY). This development primarily reflected changes in revenue recognition methodology under Circular 99/2025/TT-BTC, shifting from one-off recognition to periodic allocation. Accordingly, lease payments collected but not yet recognized are recorded as unearned revenue. As of the end of Q1/2026, SZC's unearned revenue reached VND 546 billion, increasing by VND 235 billion compared to the end of Q4/2025. This indicates that demand for industrial park land leasing remained relatively stable in Q1/2026.

Investment thesis

We expect SZC's business performance to remain resilient, supported by positive FDI inflows and the company's strategic location advantages. In addition, revenue from the real estate segment is expected to recover, driven by the sale of shophouses and 210 social housing units at the Sonadezi Huu Phuoc Residential Area project. The change in revenue recognition methodology is expected to result in lower reported revenue from 2026 onward compared to previous periods; however, this adjustment is not expected to affect SZC's cash flow generation or asset value.

Forecast 2026F and 2027F

We project 2026 revenue to reach VND 524 billion (-52% YoY), with industrial park leased area estimated at 30 ha, while industrial land rental prices are expected to increase by 5% YoY. Net profit after tax is projected at VND 63 billion (-82% YoY). We estimate 2027 revenue and net profit after tax to reach VND 559 billion (+7% YoY) and VND 69 billion (+9% 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 December	2023	2024	2025	2026F	2027F
Revenue (VND bn)	818	871	1,098	524	559
OP (VND bn)	295	369	474	74	82
OP margin (%)	36	42	43.2	14.1	14.7
NPATMi (VND bn)	219	302	345	63	69
NP margin (%)	27	35	31.4	12.0	12.4
EPS (VND)	1,410	1,616	1,766	351	384
ROE (%)	13	11	10.9	2.0	2.1
P/E (x)	26	26	15.2	70.3	64.2
P/B (x)	3	2	1.6	1.4	1.3

Source: Bloomberg, Shinhan Securities Vietnam

Steel Industry

Beginning of a steel price upcycle

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Steel Industry – Beginning of a steel price upcycle

1. Global steel market

The global steel industry moved through a challenging period in 2025 and Q1/2026, facing multiple headwinds, including: (1) rising trade protectionism worldwide; and (2) pressure from low-priced steel exports and persistent supply-demand imbalances in China. However, the Chinese government has applied supply-side tightening policies to curb excessive competition, aiming to alleviate domestic overcapacity. Amid rising raw material costs caused by supply disruptions linked to the Middle East conflict, together with China's supply discipline efforts, global steel prices are expected to record a modest increase in 2026.

2. Vietnam steel market

In Q1/2026, domestic demand remained the key growth engine for the steel sector, while exports were weighed down by global tariff uncertainties. Meanwhile, Vietnam strengthened trade protection policies through anti-dumping duties on imported steel, providing support for domestic producers.

3. Steel industry outlook for 2026

In 2026, key drivers supporting the recovery of the steel industry include: (1) the continued rebound of the real estate sector, supported by improving legal frameworks and government efforts to contain interest rate increases; (2) accelerated development of major infrastructure projects; (3) expected margin expansion driven by the recovery in domestic steel prices; and (4) trade protection measures that help ease competitive pressure from imported steel products. Nevertheless, we believe the ongoing wave of global tariff barriers could weigh on export volumes across the industry.

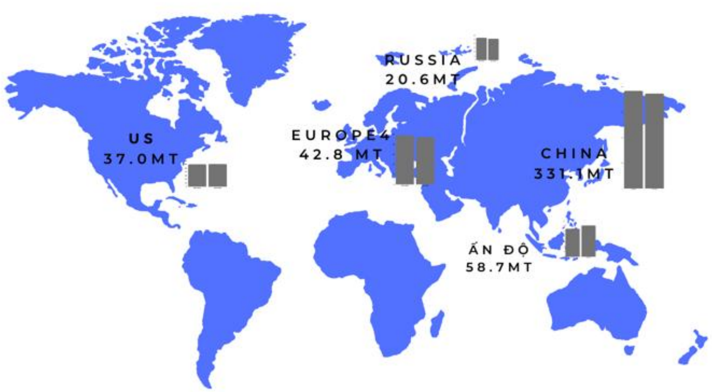
4. Investment opportunities

HPG

Steel output in key markets declined in the 4M/2026

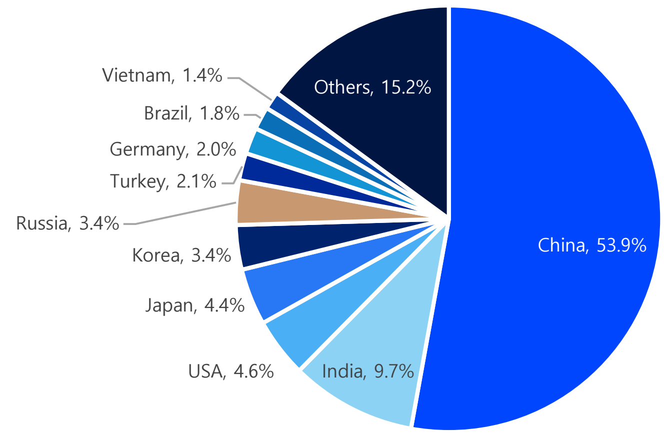
- In 4M2026, global crude steel production totaled 613.3 million tons, down 2.0% YoY. China, the world's largest producer, recorded output of 331.1 million tons (-4.1% YoY), while India remained a bright spot with production rising 9.4% YoY to 58.7 million tons, supported by strong infrastructure and industrial investment. Vietnam ranked as the world's 10th largest steel producer, with output reaching 8.5 million tons (+8.4% YoY). Overall, weak global steel demand, uneven economic recovery, and intensifying trade protectionism continued to weigh on production, prompting many steelmakers to scale back output.
- Amid expectations that the Middle East conflict will significantly weaken regional steel demand, WSA has cut its 2026 global steel demand forecast to 1.72 billion tonnes, down 1.3% from its October estimate but still up 0.3% YoY. Global steel demand is projected to accelerate to 1.76 billion tonnes in 2027, representing growth of 2.2% YoY.

Steel production in major countries in 4M/2026 YoY



Source: WSA, Shinhan Securities Vietnam

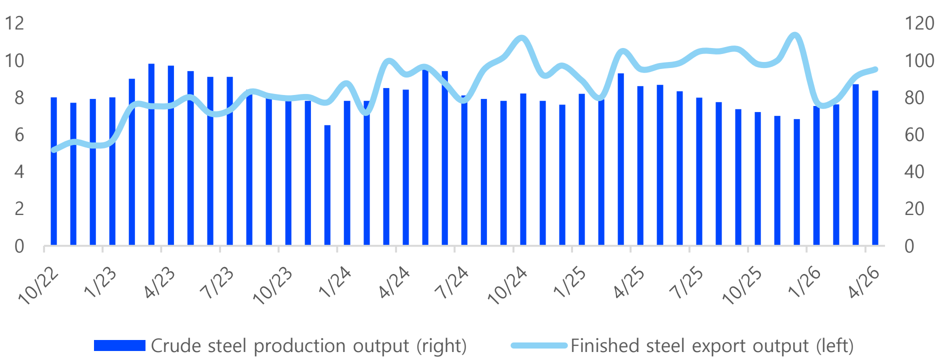
Steel production by region in 4M/2026



Source: WSA, Shinhan Securities Vietnam

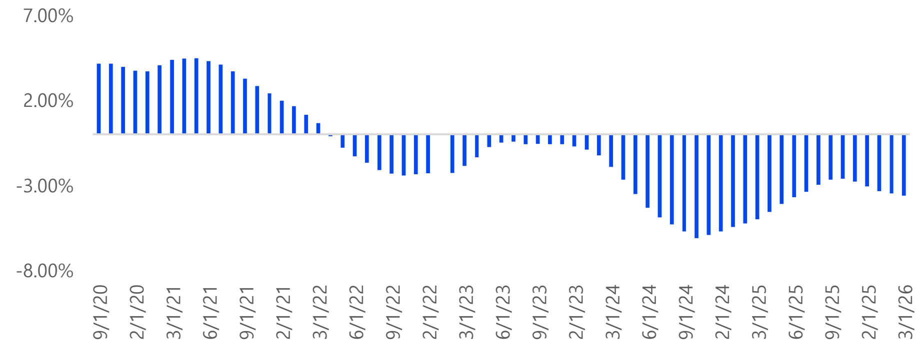
China Real Estate market: Slow recovery forecast

China's monthly steel output (million tons)



Source: Bloomberg, Shinhan Securities Vietnam

China home price growth (YoY)

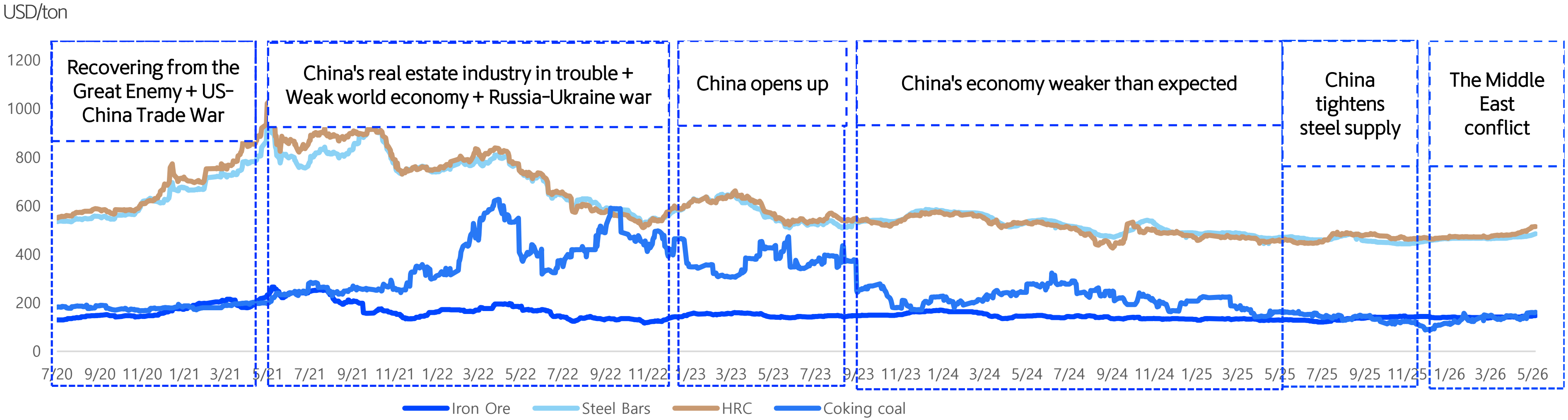


Source: Bloomberg, Shinhan Securities Vietnam

- China's crude steel production fell 4.1% YoY to 331.1 million tons in 4M2026 as government-led supply controls coincided with a prolonged property downturn. Real estate investment declined 11.2%, new home sales fell 10.4%, and house prices remained under pressure (-3.3% to -3.5% YoY) in Q1/2026. Meanwhile, the share of profitable steel mills dropped to 41% from 53% a year earlier, prompting producers to maintain lower output. Although manufacturing-related steel demand rose 51% YoY, the increase was insufficient to offset weakness in the property sector, reinforcing the government's push for further steel industry restructuring to address persistent overcapacity.
- China's steel exports totaled 34.1 million tons in 4M2026, down 7.2% YoY, amid mounting trade barriers, export controls, and geopolitical risks. We expect Chinese steel exports to remain under pressure in H2/2026 as key importing countries continue to impose anti-dumping duties on steel products.

China steel prices: recovering in line with rising raw material prices

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

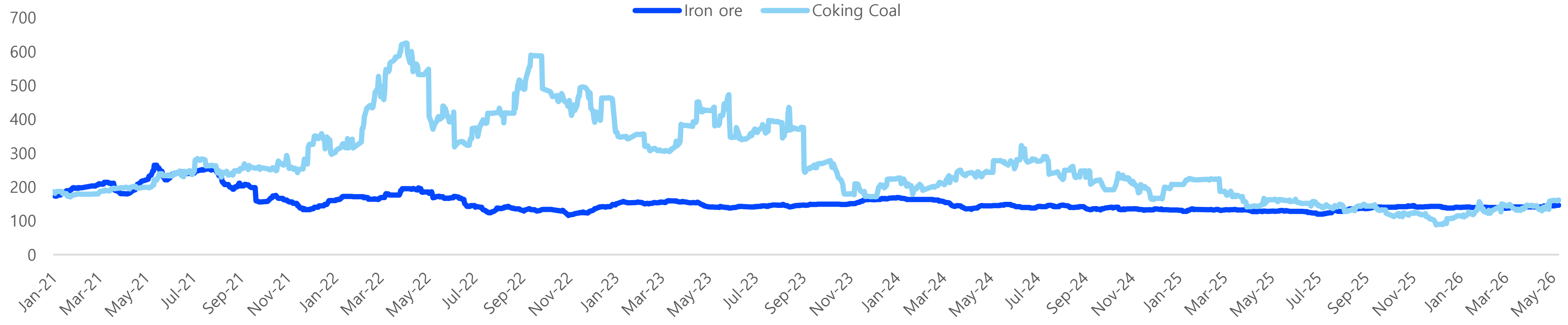


Source: Bloomberg, Shinhan Securities Vietnam

- China's HRC and rebar prices rose 6.4% YTD and 2.2% YTD, respectively, in 4M2026, driven by higher input costs as the Middle East conflict pushed coking coal and iron ore prices up 37.3% YTD and 2.9% YTD, respectively.
- We expect China's HRC and rebar prices to extend their recovery in H2/2026, supported by rising production costs and government-led output cuts. However, the upside is likely to be capped by weak domestic demand and increasing global steel protectionism, which has reduced the effectiveness of rerouting Chinese steel exports through third countries to circumvent trade barriers.

Raw material prices rose amid escalating geopolitical tensions

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

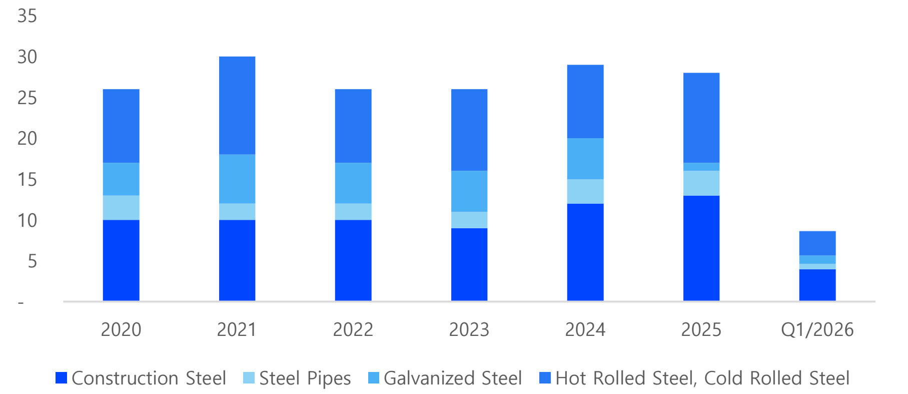


Source: Bloomberg, Shinhan Securities Vietnam

- Raw material prices increased sharply in 4M2026. Coking coal prices reached USD 158/ton (+37.3% YoY), driven by (1) supply disruptions in the Middle East amid escalating conflict and (2) reduced coal production in China alongside steel output controls. Iron ore prices rose to USD 144/ton (+2.9% YoY), supported by increased raw material stockpiling in China.
- We believe the recent surge in coking coal prices has been driven primarily by supply constraints related to the Middle East conflict rather than a meaningful recovery in demand. In fact, coking coal demand in China remains weak as the steel and construction sectors continue to struggle. Combined with ample coking coal supply from Australia, we expect prices to stabilize at a lower equilibrium level, averaging USD 150/ton (+30% YTD) in 2026. Meanwhile, iron ore prices are projected to average USD 133/ton (-1.2% YTD), reflecting weaker demand as China cuts steel production.

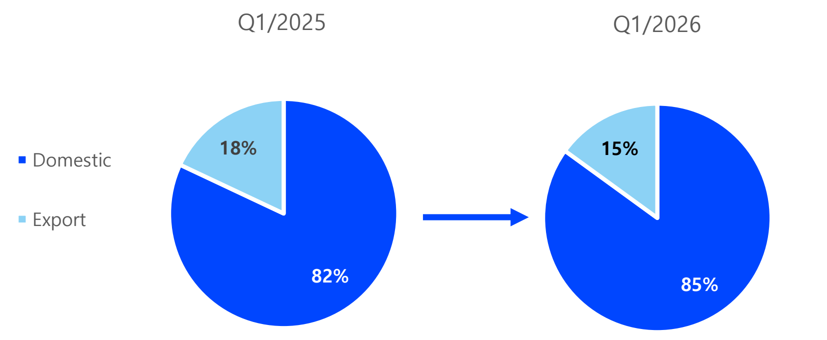
Steel production recovered, while the domestic market remained the key demand driver

Finished steel sales volume by product (million tons)



Source: VSA, Shinhan Securities Vietnam

Proportion of finished steel sales by market



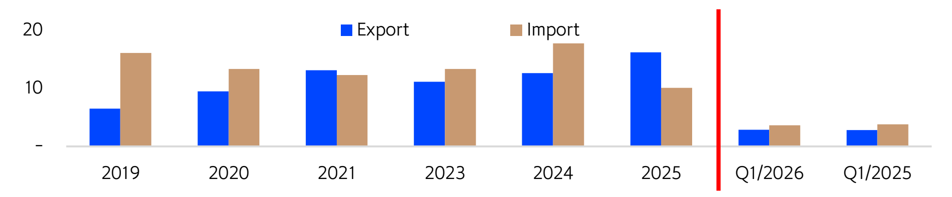
Source: VSA, Shinhan Securities Vietnam

- Domestic finished steel consumption recovered in 3M2026, reaching 8.63 million tons (+15% YoY), driven primarily by the domestic market. Construction steel remained the strongest segment, with sales rising 29% YoY to 3.97 million tons, supported by the recovery of domestic construction and infrastructure activities. HRC consumption increased 24% YoY to 2.36 million tons, benefiting from anti-dumping duties on Chinese HRC imports and higher output from HPG's Dung Quat 2 plant. Meanwhile, coated steel sales fell 13% YoY to 1.05 million tons amid intensifying global protectionism, while steel pipe consumption rose 9.6% YoY to 687.4 thousand tons, reflecting improving demand from residential construction and mechanical engineering sectors.
- The sales mix continued to shift toward the domestic market in 3M2026, which accounted for 85% of total finished steel sales volume. We expect Vietnam's steel industry to remain domestically focused throughout 2026 as export markets continue to face tariff barriers. Notably, gross margins in the domestic channel (~15%) remain significantly higher than those in export markets (~9%).

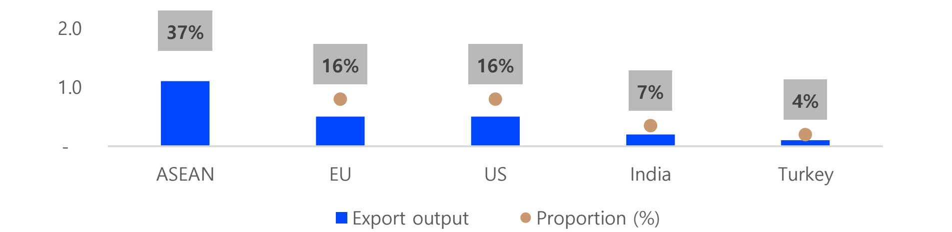
Steel exports increased slightly YoY

- Vietnam's steel exports reached 2.9 million tons in 3M2026, up 2.2% YoY from a low base in the same period last year. Meanwhile, steel imports declined 4.3% YoY to 3.6 million tons, supported by trade protection measures aimed at shielding the domestic steel industry.
- In terms of export destinations, ASEAN remained the largest market for Vietnamese steel products, accounting for 32% of total export value in 3M2026. The EU ranked second with a 16% share, followed by the U.S., also at 16%.
- On the import side, China remained Vietnam's largest steel supplier, accounting for 44% of total import volume (vs. 56% in the same period last year), despite imports from China declining 24% QoQ and increasing only 2% YoY. We expect steel imports from China to continue trending lower in 2026, driven by the implementation of official anti-dumping duties on imported HRC and wide-width HRC products from China

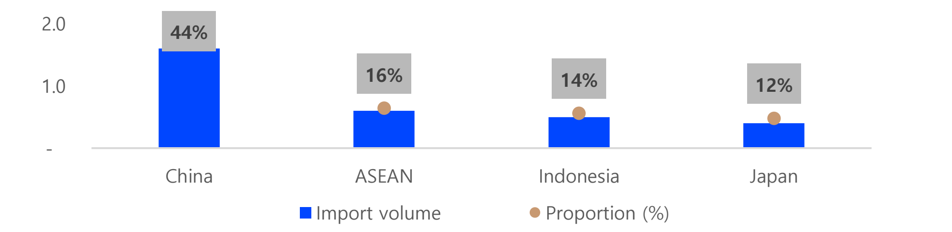
Vietnam Steel Import and Export 2019– 3M/2026 (million tons)



Vietnam's steel exports by country 3M/2026 (million tons)



Vietnam's steel imports by country 3M/2026 (million tons)

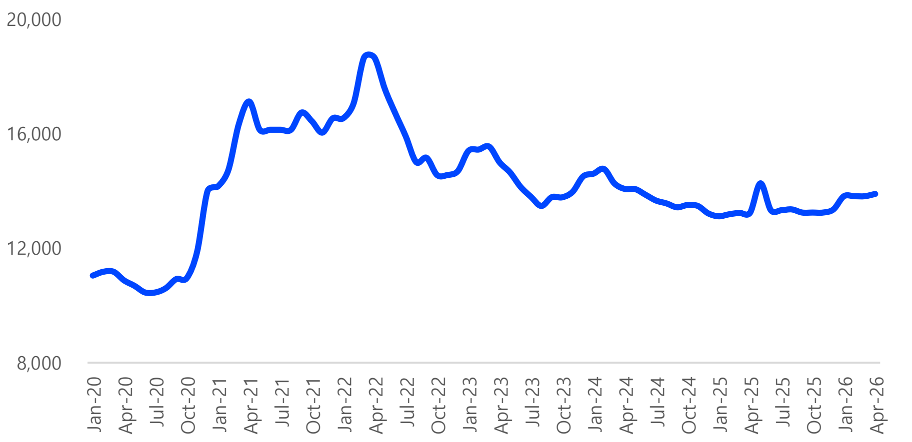


Source: VSA, Shinhan Securities Vietnam

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

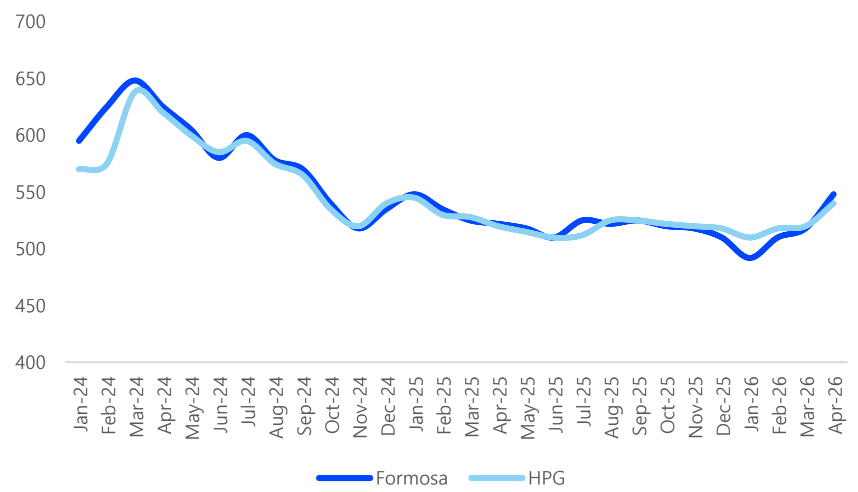
Domestic steel price is recovering

Domestic CD300 Rebar Prices (VND/kg)



Source: Fiinpro, Shinhan Securities Vietnam

Domestic CB300 Rebar Prices (VND/kg)

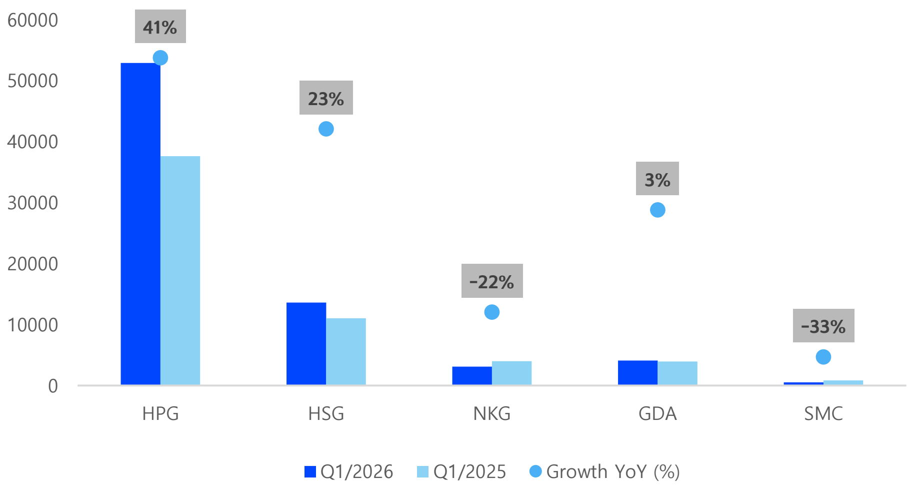


Source: Bigmint, Shinhan Securities Vietnam

- Domestic steel prices increased in 4M2026, driven by higher raw material and transportation costs. HRC prices rose to approximately USD 550/ton (+12% YTD), marking the highest level in 20 months, while rebar prices increased at a slower pace to VND 13,900/kg (+4% YTD).
- We raise our 2026 domestic steel price forecast, expecting average growth of 15% YoY, supported by: (1) steel output cuts in China; (2) supply chain disruptions in Iran, which help alleviate global oversupply (Iran is the world's 10th-largest steel producer, accounting for 1.8% of global output); (3) the increasing effectiveness of Vietnam's steel protection measures; and (4) continued improvement in domestic residential construction and infrastructure activities.

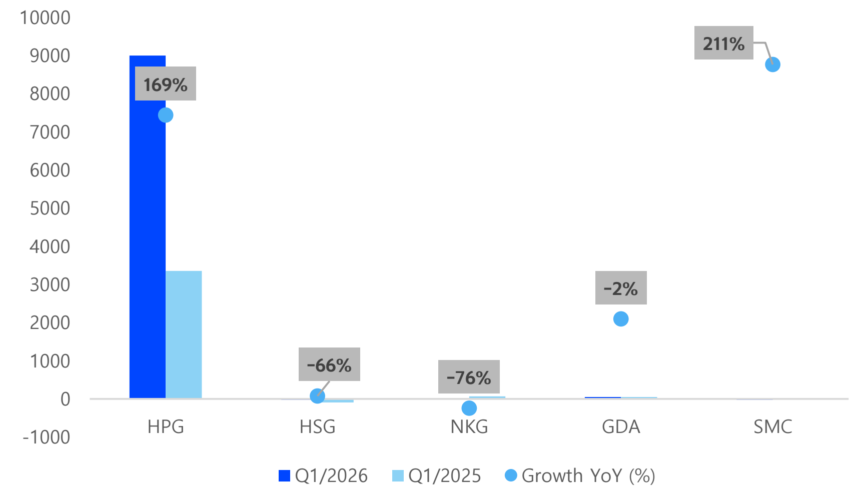
Business picture of steel industry enterprises

Revenue of typical steel enterprises (billion VND)



Source Fiinpro, Shinhan Securities Vietnam

Profit after tax of typical steel enterprises (billion VND)



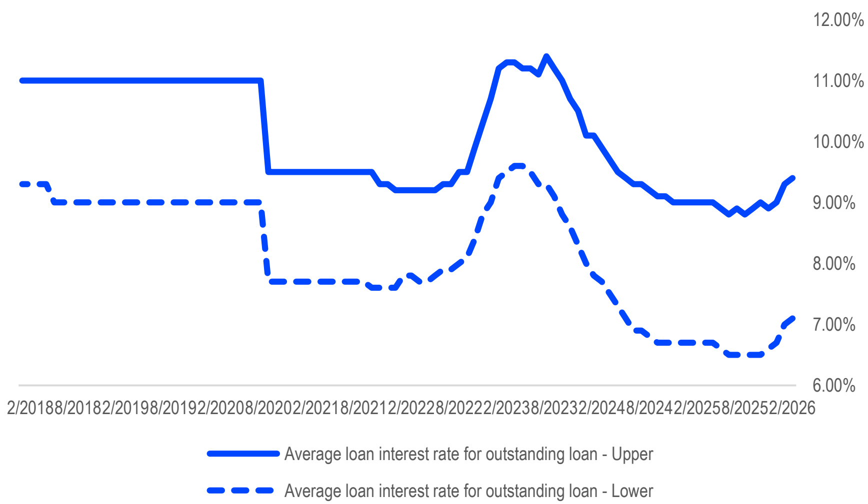
Source Fiinpro, Shinhan Securities Vietnam

The steel industry landscape in Q1/2026 shows a clear divergence between steel producers and galvanized steel manufacturers.

- HPG, the only listed producer of both construction steel and HRC, delivered strong results in Q1/2026, with revenue reaching VND 52.9 trillion (+41% YoY) and NPAT rising to VND 9.0 trillion (+169% YoY). The performance was driven by robust domestic sales growth, particularly in HRC, and a 1.4ppt YoY improvement in gross margin, supported by higher steel selling prices and low-cost iron ore and coking coal inventories accumulated earlier. HPG also recognized gains from the transfer of the Pho Noi Urban Area project (Hung Yen) during the quarter.
- In contrast, listed coated steel producers such as NKG, GDA, and SMC reported declines in both revenue and earnings in Q1/2026 (except HSG, which posted higher revenue but lower profit). The weaker performance was mainly attributable to (1) a sharp decline in export volumes amid tariff uncertainties and (2) margin compression caused by domestic coated steel oversupply, which limited the ability of producers to pass through rising HRC input costs.

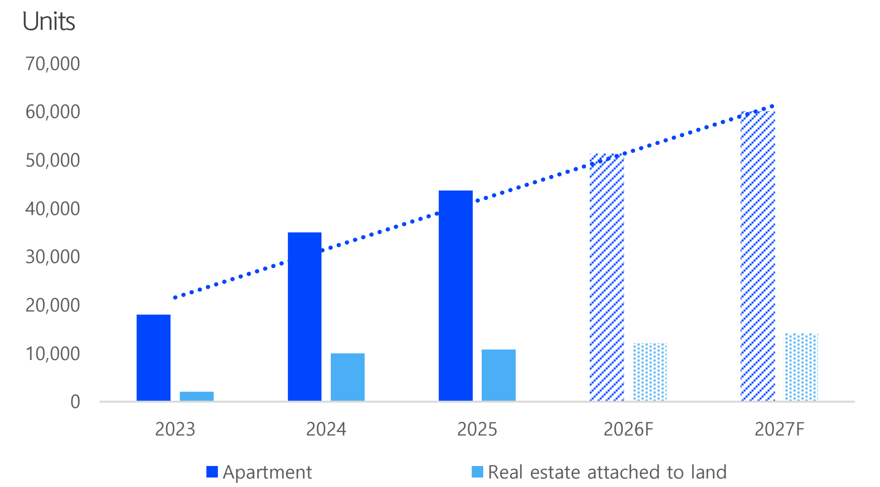
Residential real estate: starting a new cycle

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



Source: Fiinpro, Shinhan Securities Vietnam

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



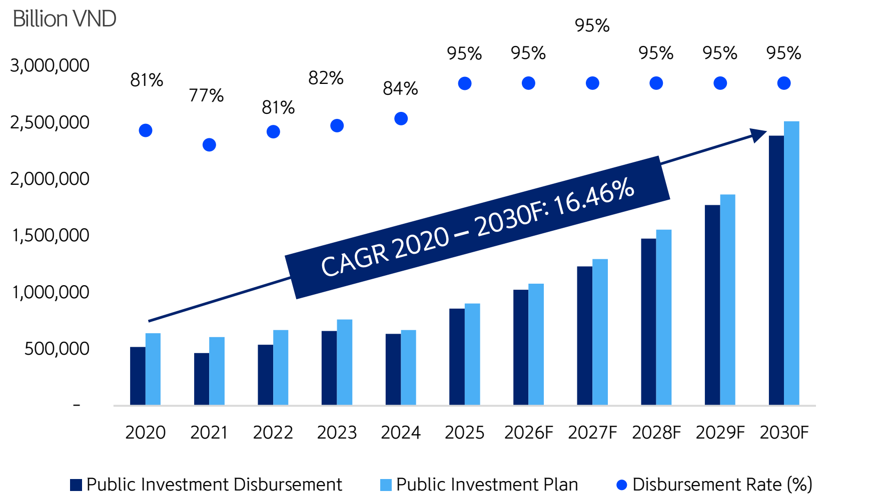
(*) Projected total supply of commercial real estate in Hanoi and Ho Chi Minh City

Source: CBRE, Shinhan Securities Vietnam

- Lending rates remained low for most of 2025 but began to reverse in Q4/2025 and continued to rise in Q1/2026. We expect interest rates in 2026 to be higher than the low base of 2025, but still remain at relatively low levels compared with the past five years. Meanwhile, residential property supply in Vietnam's two largest cities, Ho Chi Minh City and Hanoi, recovered strongly in 2025, reaching 60,443 units (+48.4% YoY), and is expected to continue improving in 2026, particularly in Ho Chi Minh City.
- We expect the real estate market to extend its recovery in 2026, supported by (1) improved legal frameworks that ease financial pressure and unlock new supply, (2) accelerated development of social housing and affordable housing projects to meet strong homebuyer demand, and (3) regulatory support aimed at containing interest rate increases. As a result, the steel industry is expected to benefit from recovering demand for construction materials in the residential sector.

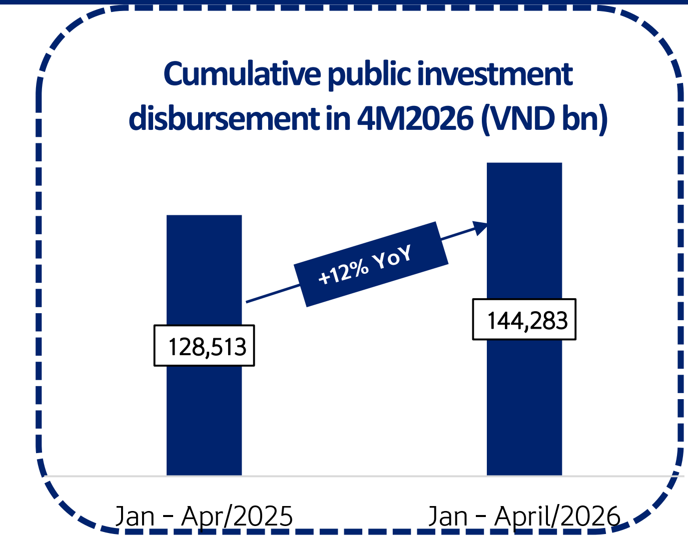
Promote the construction of key infrastructure projects

Public investment disbursement over the years (% YoY)



Source: Ministry of Construction, Shinhan Securities Vietnam

Key infrastructure projects



Source: Ministry of Construction, Shinhan Securities Vietnam

Accelerating public investment disbursement creates major opportunities for steel companies

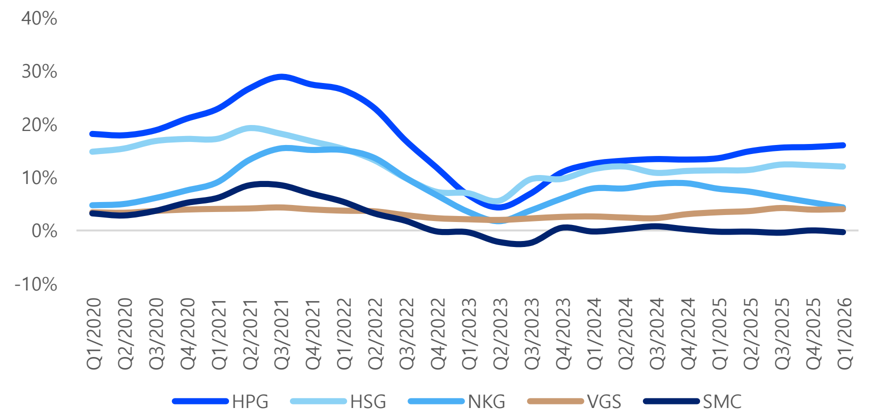
- According to the Ministry of Finance, public investment disbursement reached VND 144.2 trillion in 4M2026, up 43% YoY and equivalent to 14.2% of the annual plan approved by the Prime Minister. For 2026, the public investment budget is set at VND 1,013 trillion (+12% YoY), underscoring the government's commitment to infrastructure development and economic growth. We expect full-year disbursement to reach 95% of the plan, supported by major projects such as Gia Binh Airport, Can Gio International Port, the Khanh Hoa–Buon Ma Thuot Expressway, and the North–South Expressway. Strong disbursement momentum is expected to drive steel demand and support sales volume growth for steel producers.
- Looking further ahead, the government has set an ambitious public investment target of VND 8.3 quadrillion for the 2026–2030 period, up 158% compared to the 2021–2025 plan. We therefore expect the steel industry to remain a key beneficiary of the public investment cycle over the next five years.

Margin expansion expected on the back of recovering domestic steel prices

Coal and iron ore prices (USD/ton)

Source: Bloomberg, Shinhan Securities Vietnam

Gross profit margin of steel industry enterprises (%)

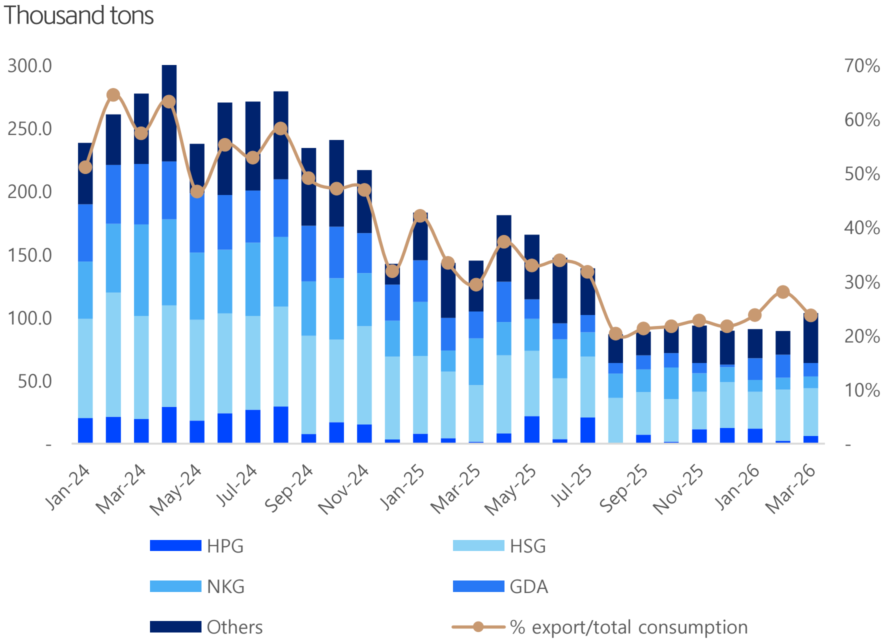


Source: Bloomberg, Shinhan Securities Vietnam

- In 3M2026, iron ore and coking coal prices rose 0.7% YoY and 26.7% YTD, respectively. Domestic rebar and HRC prices increased 3.4% YTD and 6.0% YTD, while coated steel prices gained only 4.0% YTD. As a result, HPG's gross margin expanded by 1.4 ppts QoQ in Q1/2026, supported by low-cost raw material inventories, whereas coated steel producers such as HSG, NKG, and GDA saw margin declines.
- For 2026, We forecast domestic HRC prices to rise 15% YoY in 2026, supported by (1) recovering infrastructure and residential construction demand, (2) anti-dumping duties on imported HRC and coated steel products, and (3) a modest recovery in Chinese steel prices driven by higher raw material costs and supply-side controls. However, HRC prices are expected to outperform coated steel prices due to intensifying competition in the oversupplied domestic coated steel market amid weak export conditions. Meanwhile, coking coal prices are projected to remain above 2025 levels due to the Middle East conflict, but still relatively low versus the past three years given weak Chinese demand and ample supply from Africa and Australia. Consequently, steel producers' margins are expected to continue improving in 2026.

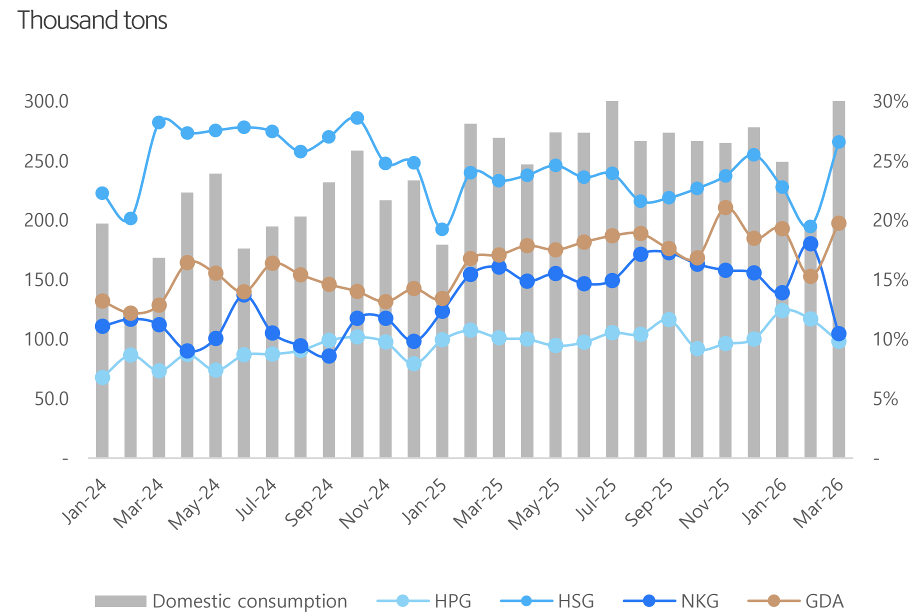
Galvanized Steel: Weak exports prompt a shift to the oversupplied domestic market

Galvanized Steel export volume



Source: VSA, Shinhan Securities Vietnam

Domestic Galvanized steel sales trend and market share

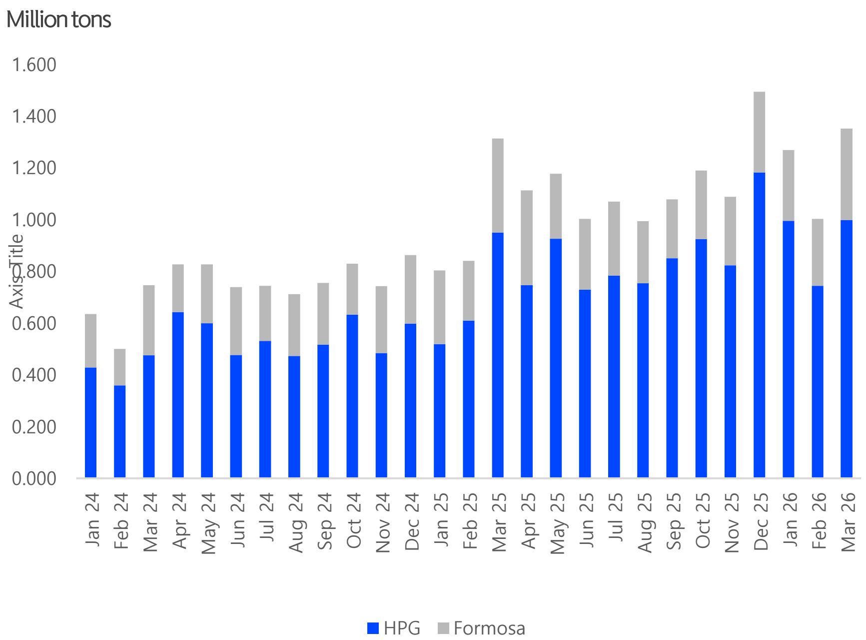


Source: VSA, Shinhan Securities Vietnam

- In Q1/2026, coated steel exports continued to decline, falling 40% YoY to 284 thousand tons amid mounting tariff barriers in key export markets. In contrast, domestic coated steel consumption rose 6% YoY to 772 thousand tons. HSG and GDA gained domestic market share, reflecting a more effective shift toward the local market as export conditions weakened, while NKG and HPG saw market share decline.
- We expect trade barriers to remain a key challenge for coated steel exports in 2026, as (1) the U.S. maintains the 25% Section 232 tariff on steel imports from Vietnam, (2) the EU has reached a preliminary agreement to cut import quotas by 50% and raise tariffs on out-of-quota volumes, and (3) Australia is considering anti-dumping duties on Vietnamese coated steel products. As coated steel producers gradually redirect volumes to the already oversupplied domestic market, price competition is likely to intensify. Nevertheless, amid recovering steel prices, we expect companies with effective inventory management strategies to achieve margin expansion.

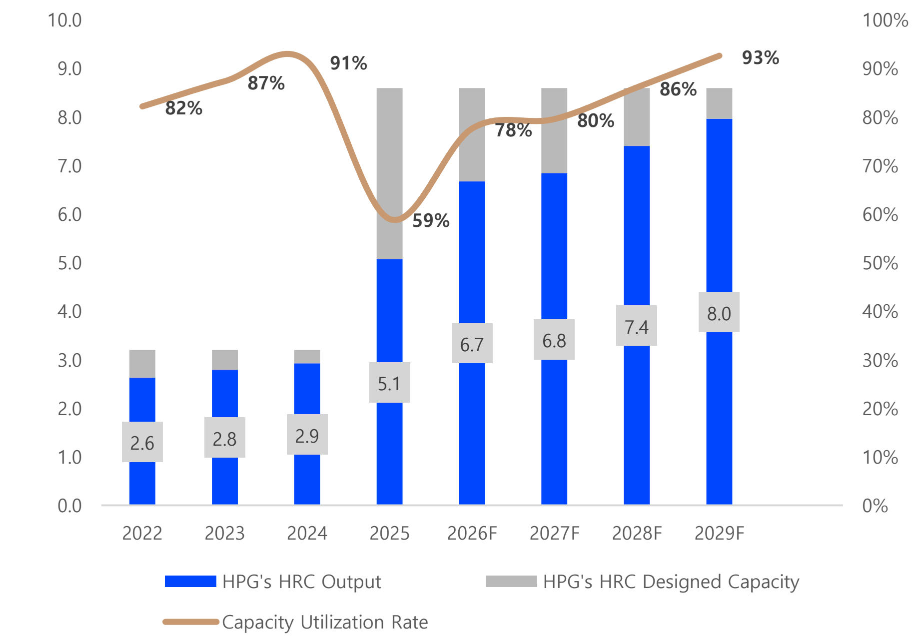
Steel segment: HRC remains the key growth driver

HRC from HPG and Formosa is gradually replacing imported HRC



Source: VSA, Shinhan Securities Vietnam

HPG expected to benefit from import substitution in the HRC market

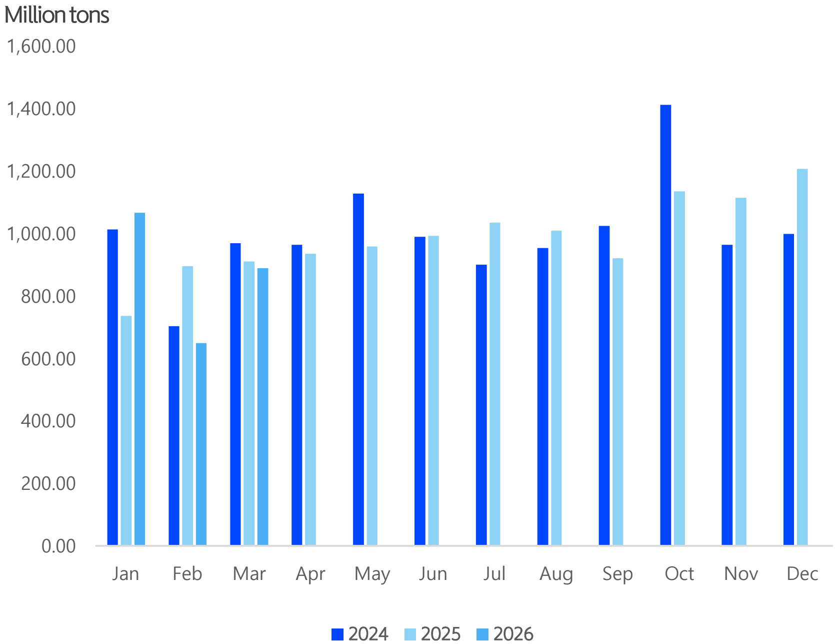


Source: VSA, Shinhan Securities Vietnam

- In Q1/2026, combined domestic HRC supply from HPG and Formosa reached 3.623 million tons, up 23% YoY. The strong earnings growth reported by domestic steel producers was largely driven by a shift in consumption from imported to locally produced HRC following the implementation and gradual effectiveness of anti-dumping duties on Chinese HRC.
- For 2026, we expect total HRC demand to remain broadly flat, as export headwinds weigh on coated steel producers while domestic demand continues to benefit from the recovery in construction activity. Nevertheless, domestic HRC output is projected to grow strongly as local producers continue to gain market share from imports. In particular, the additional HRC capacity from HPG's Dung Quat 2 complex is expected to be well absorbed by the domestic market, with capacity utilization reaching 78% in 2026, equivalent to 6.7 million tons of output (+31.5% YoY).

Trade protection measures to ease competitive pressure from imported steel

Vietnam's Steel imports from China (thousand tons)



Source: General Department of Customs, Shinhan Securities Vietnam

HPG expected to benefit from import substitution in the HRC market

Countries	Tariff period	Product	Affected stocks
South Korea: 4.95%–19.25% China: 2.56%–34.27%	24/10/2024 – 23/10/2029	Color-coated steel (AD04)	HSG, NKG, HPG
China : 23.10% - 27.83%	06/07/2025 – 06/07/2030	Hot-rolled coil steel (AD20).	HPG HSG, NKG, GDA
China: 27.83%	17/04/2026 – 17/04/2031	Hot-rolled coil steel (HRC) with width of 1,880–2,300 mm.	HPG HSG, NKG
Korea: 15.67% China: 37.13%	14/08/2025 – 14/08/2030	Galvanized steel (AD.19).	HSG, NKG, HPG
China: 22.09% - 33.51%	06/09/2022 – 06/09/2027	H-beam steel (AD03).	HPG
China: 10.48% -28% Malaysia: 9.79% - 12.06% Thailand: 11%	14/01/2025 – 14/01/2030	Pre-stressed steel rolling (AD17).	HPG

Source: VSA, Shinhan Securities Vietnam

Vietnam's anti-dumping duties on HRC and coated steel are expected to ease competitive pressure from imported products.

- According to the Vietnam General Department of Customs, steel imports from China fell 25% QoQ to 2.6 million tons in Q1/2026, with China's share of total steel imports declining from 62% to 55%. We believe this reflects the effectiveness of trade remedy measures on Chinese HRC and coated steel products, which have supported domestic steel producers' sales volumes in Q1/2026.
- Vietnam has implemented several trade protection measures to safeguard its steel industry, including official anti-dumping duties under AD19 on coated steel and AD20 on HRC, as well as safeguard duties on construction steel products. These measures help shield domestic producers from import pressure, supporting higher local steel output and reinforcing the industry's recovery outlook in 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
Galvanized steel (CORE)	US	Vietnam, Australia, Brazil, Canada, Mexico, the Netherlands, South Africa, Taiwan, Turkey, UAE	From August 2025	87.07%- 162.96%	HSG, NKG, HPG, GDA
Construction steel / reinforcing steel (rebar)	US	Vietnam, Algeria, Bulgaria, Egypt	Preliminary conclusion for March 2026	121.97% - 130.77%	HPG
HRC	EU	Vietnam, Egypt, Japan, India	Imposed tariffs starting from September 2025	0% - 12.1%	Fhs (12.1%), HPG (0%)
Galvanized steel	Australia	Viet Nam	Under investigation		HPG, HSG, NKG
HRC	India	Viet Nam	08/2025 – 08/2030	121.5 USD/ton	Fhs (121.5 USD/ton) HPG (0)
Alloy steel and non-alloy steel	India	World	Temporary tariffs have been applied	20%	HSG, NKG, HPG, GDA, TIS, TVN,…
Steel pipes	Thailand	Viet Nam	02/2020- final review completed	6.97%-51.61%	HSG, HPG
Galvanized steel	US	Viet Nam	4/4-10/2025 (Preliminary)	39.84%-88.12%	HSG, NKG, GDA, HPG

Source:: Ministry of Industry and Trade, Shinhan Securities Vietnam

Protectionism globally is creating barriers for Vietnam's steel industry in 2026

In 2025 and Q1/2026, trade defense measures have been tightened, particularly from major partners such as the United States (50% tariff under Section 232) and the EU (15% reduction in export quotas and a planned increase in tariffs to 50%). These developments have negatively impacted Vietnam's steel export activities. We assess that the global wave of anti-dumping duties will continue to pose significant challenges for Vietnamese steel exporters in H2/2026. Export-oriented steel companies may need to: (1) sacrifice part of their profit margins to maintain competitive pricing when exporting to high-tariff regions; (2) shift toward the domestic market, but face intensified competitive pressure.

Listed steel companies

General information			Stock price			Forecast				Financial ratio (**)				Valuation (26F)	
	Ticker	Market Cap (billion VND)	Price (VND)	Tarrget* (VND)	Upside (%)	Forcast Revenue 2026F	Growth 2026F	Forcast profit 2026F	Growth 2026F	Gross profit margin	D/E	ROA	ROE	P/B (x)	P/E (x)
1	HPG	202,210	23,950	34,500	44%	210,187	35%	24,445	57%	16.01%	0.86	8.39%	16.39%	1.3	8.3
2	HSG	9,767	12,100	13,200	9%	35,688	-2.3%	648	-11.4%	12.01%	1.02	2.64%	4.79%	0.85	14.5
3	NKG	6,064	13,550	14,200	5%	16,509	11.5%	310	57.3%	4.34%	1.10	0.94%	2.02%	0.7	18.2
4	TVN	7,443	11,200	N/A	N/A	N/A	N/A	N/A	N/A	4.40%	1.67	2.22%	7.02%	N/A	N/A
5	DTL	676	11,150	N/A	N/A	N/A	N/A	N/A	N/A	-0.51%	2.22	-7.35%	-22.34%	N/A	N/A
6	POM	1,364	4,900	N/A	N/A	N/A	N/A	N/A	N/A	5.13%	-13.74	-9.12%	211.24%	N/A	N/A

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

** 12-month figures up to Q1/2026

Source: SSV Research, Bloomberg

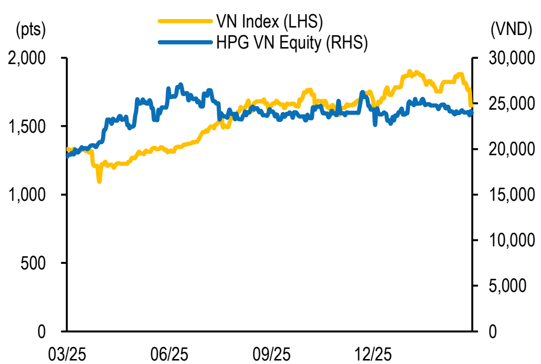
Data as of 06/04/2026

Hoa Phat Group Joint Stock Company (HOSE: HPG)

Target price (2026)	34,500 VND
Current price(06/04/26)	23,950 VND
Profit(%)	44%
VNINDEX	1,832
Market P/E (x)	12.5
Market Cap. (VND billion)	202,210
Outstanding Shares (mn)	8,443
Free Floating Shares (mn)	6,927
52-WkHigh/Low (VND)	19,470/28,045
3M Avg. Trading Vol. (mn)	42.27
3M Avg. T/O (VND billion)	945

Major Shareholders (%)		
	Tran Đinh Long	26.08
	Dragon Capital	7.65

Price fluctuations	3T	6T	12T
Absolute (%)	-4.9	-3.5	21.8
Vs to VNIndex (%)	-5.6	-8.9	-14.3



Riding the tailwind

Hoa Phat Group JSC (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: Revenue in Q1/2026 reached VND 52,901 billion (+41% YoY), while NPAT reached VND 8,994 billion (+169% YoY), fulfilling 25% and 41% of FY2026 revenue and profit plans. Total output reached 3.44 million tons (+29.8% YoY), led by HRC growth (+48% YoY) supported by Dung Quat 2 and anti-dumping duties on HRC and broad-based HRC imports from China, while construction steel rose +20% YoY on recovering demand. Gross margin expanded by 1.4ppt, driven by low-cost inventory and higher steel prices. Profit was also boosted by revenue from the Forestar Pho Noi (Hung Yen) township transfer in Q1/2026.

2026 Outlook: We believe: (1) construction demand is recovering in residential and infrastructure; (2) Dung Quat 2 is running at full capacity; (3) steel prices will recover, supported by (i) Middle East geopolitical tensions tightening supply, (ii) China's supply restrictions, and (iii) anti-dumping duties on imported steel boosting domestic output.As a result, we estimate 2026 revenue at VND 210,187 billion (+35% YoY) and NPAT at VND 24,445 billion (+57% YoY). Long term, HPG is developing a integrated steel complex in Phu Yen with total investment of up to USD 4 billion, with a capacity of 6 million tons per year.

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	156,116	210,187	231,352
Operating profit (billion VND)	7,651	13,267	17,906	23,084	27,959
Operating profit margin (%)	6.4	9.5	11.5	11.0	12.1
Net profit after tax (billion VND)	6,800	12,020	15,515	24,445	25,491
Net profit margin (%)	5.7	8.7	9.9	11.6	11.0
EPS (VND)	1,117	1,566	2,013	2,888	2,738
ROE (%)	6.6	10.5	11.8	15.8	14.1
P/E (x)	23.8	16.4	12.7	8.9	9.4
P/B (x)	1.6	1.4	1.5	1.4	1.3

Source: Company data, Bloomberg, Shinhan Securities Vietnam

Shinhan Securities

Construction Industry

Entering the growth wave

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Construction Industry – Entering the growth wave

1. Industry overview

Construction sector recorded positive growth in Q1/2026 (+8.36% YoY), driven by (1) accelerated infrastructure development and (2) increasing real estate supply. Meanwhile, credit growth to the construction sector remained high (above 10%) in 2025 and continued to expand in Q1/2026, reflecting a recovery in overall demand. However, construction input material prices rose significantly in Q1/2026, especially for raw materials used in foundations and structural works. As a result, contractors with a large customer base and the ability to quickly reprice/recontract at higher rates are better positioned to optimize profit margins.

2. Business performance of construction companies in Q1/2026

In Q1/2026, listed construction companies delivered a strong recovery, with total revenue increasing by 24% YoY and net profit after tax (NPAT) rising by 75% YoY, supported by improving backlogs and stronger financial health.

3. Construction industry outlook 2026

In 2026, the recovery momentum of the construction sector is driven by (1) continued real estate recovery, with many projects cleared of legal bottlenecks starting construction; (2) acceleration of key infrastructure projects; and (3) remaining room for industrial park development. We believe the construction sector is on an improving trajectory, positioning itself for a growth cycle in 2026–2030.

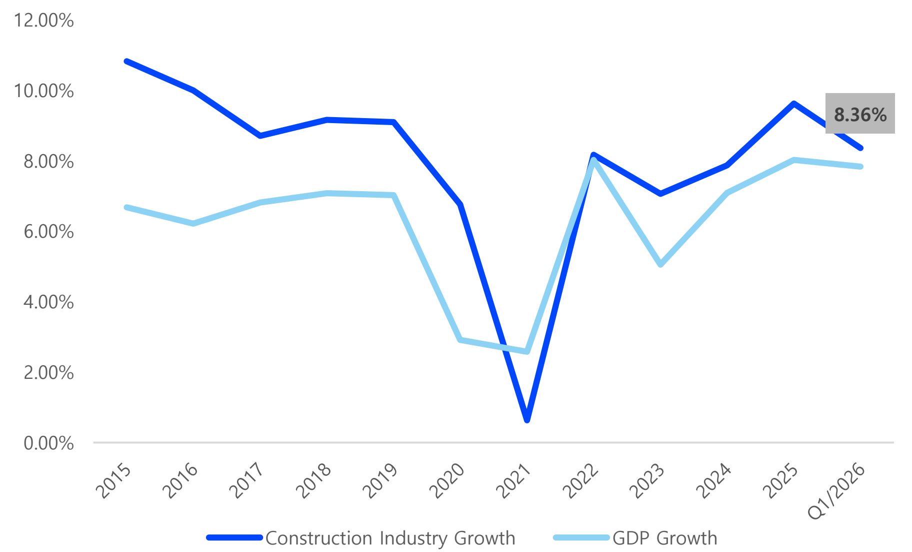
4. Investment opportunities in construction stocks

CTD

The construction sector is gaining momentum

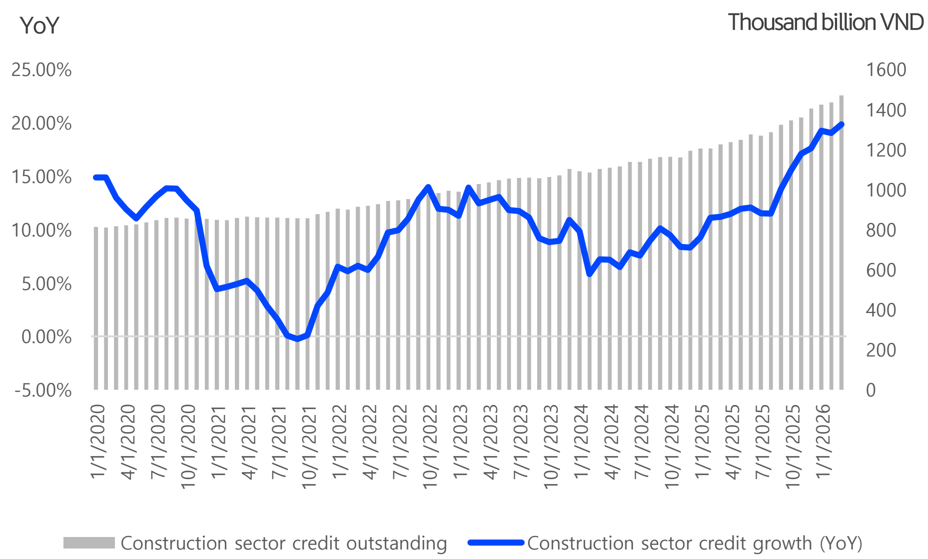
- According to the General Statistics Office, the construction sector grew positively in Q1/2026 (+8.36% YoY), contributing 5.74 percentage points to overall GDP value-added growth. The National Assembly has set a target of over 10% GDP growth for 2026, while the Ministry of Construction aims for average sector growth of 14.5% annually in 2026–2030. Accordingly, the construction sector is expected to contribute meaningfully to national economic growth.
- In addition, credit growth to the construction sector remained high (>10% YoY) in 2025 and further accelerated to 19% YoY in Q1/2026, reflecting a recovery in construction demand.

GDP growth and construction industry 2015-Q1/2026 (%YoY)



Source: Fiinpro, Shinhan Securities Vietnam

Construction sector credit outstanding

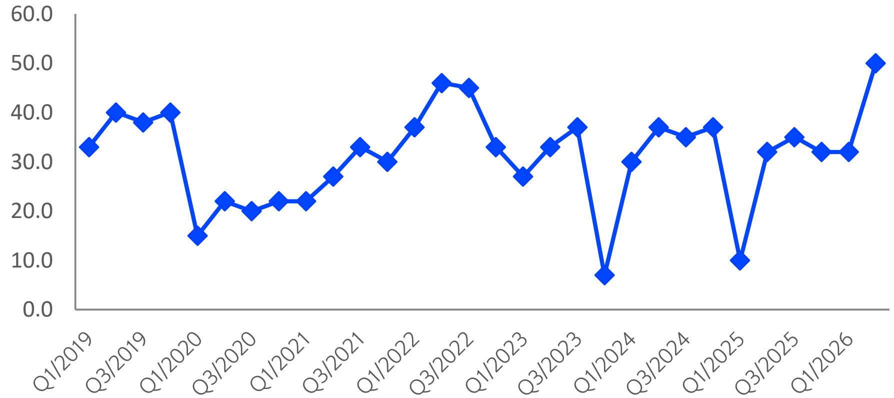


Source: Fiinpro, Shinhan Securities Vietnam

The construction sector is gaining momentum in Q1/2026

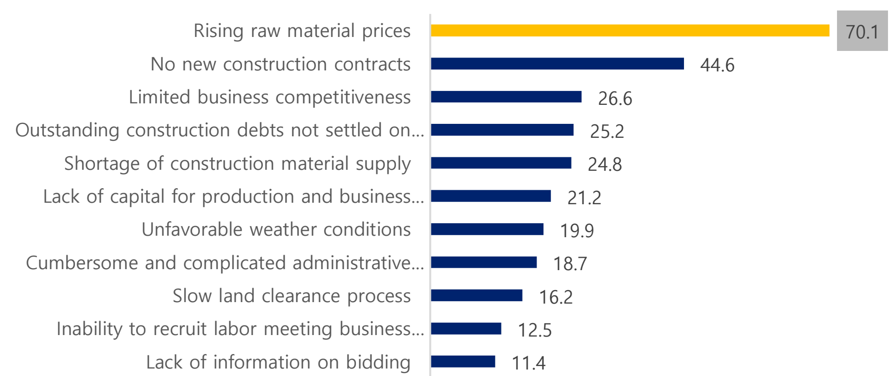
- According to the Ministry of Construction, the raw material cost balance index in Q1/2026 vs Q4/2025 was 32.4% (52.9% of enterprises expected an increase and 20.5% expected a decrease). For Q2/2026 vs Q1/2026, the index rose to 52.9% (62.1% expected an increase and 9.2% expected a decrease). In addition, construction firms identified rising raw material prices as the most significant factor affecting business operations in Q1/2026.
- The construction input price index increased by 6.32% YoY, with construction steel up 8% YTD, cement up 5% YTD, while sand and aggregates rose more sharply by around 10–15% due to localized supply shortages and higher transportation costs. Overall, construction material prices showed an upward but uneven trend in Q1/2026, especially for raw materials used in foundations and structural works. Accordingly, contractors with large client bases and the ability to quickly reprice/recontract at higher prices are better positioned to optimize profit margins.

Raw material cost balance index (%)



Source: Fiinpro, Shinhan Securities Vietnam

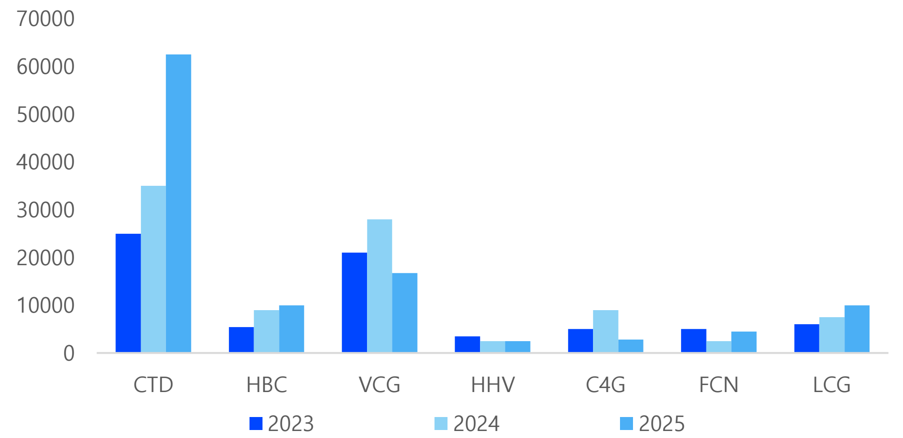
Factors affecting construction companies' business performance in Q1/2026 (%)



Source: Fiinpro, Shinhan Securities Vietnam

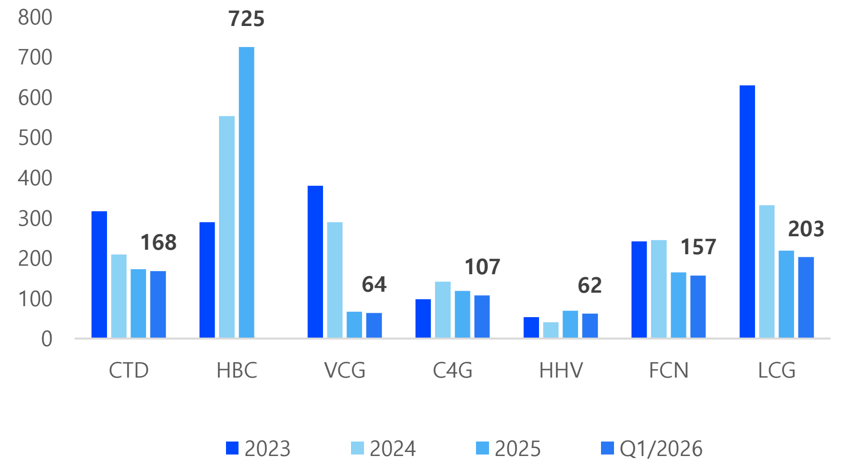
Backlogs increase, financial health gradually improves

Backlog value of construction enterprises (billion VND)



Source: Business report, Shinhan Securities Vietnam

Number of days receivables of construction enterprises (days)

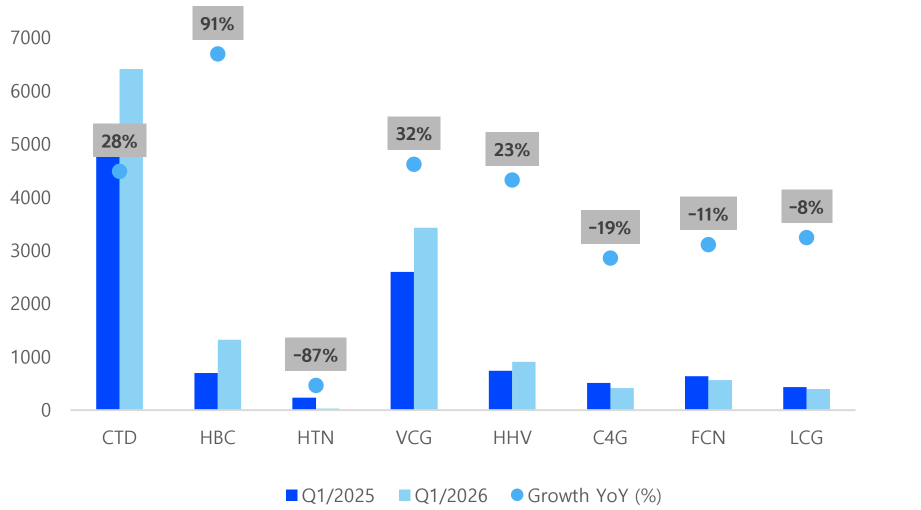


Source: Business report, Shinhan Securities Vietnam

- New contract value (backlog) increased by 17% YoY in 2025. Among them, leading residential contractors such as CTD, HBC, etc. recorded backlog growth of 30–60% YTD, ensuring a strong pipeline of work for the next 2–3 years. Meanwhile, infrastructure contractors showed more uneven backlog growth.
- Payment capacity of project owners plays a key role in contractors' cash flow. In 2023–Q1/2026, companies with financially strong clients such as CTD, VCG, C4G, LCG, etc. saw a gradual decline in days receivable. We expect construction contractors' financial health to continue improving in 2026, as public investment accelerates and the real estate market recovers, positively supporting developers' financial positions.

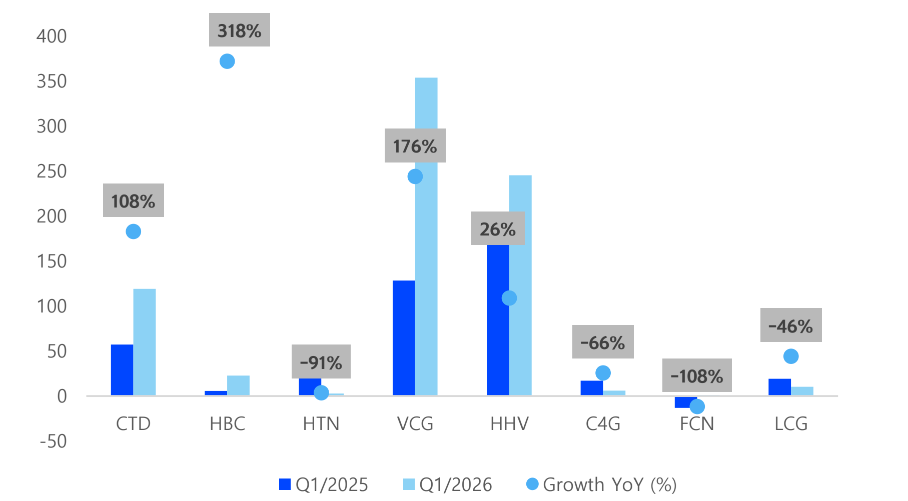
Business results of construction enterprises

Revenue of typical construction enterprises



Source: Fiinpro, Shinhan Securities Vietnam

Profit after tax of typical construction enterprises



Source: Fiinpro, Shinhan Securities Vietnam

- Listed construction companies delivered a strong recovery in Q1/2026, with total revenue up 24% YoY and NPAT rising 74.7% YoY. The sharp increase in profit was mainly driven by leading firms, notably VCG with NPAT of VND 381bn (+197% YoY). Other companies also recorded strong profit growth from core operations, including CTD (NPAT VND 119bn, +108% YoY), HBC (NPAT VND 22bn, +305% YoY), and HHV (NPAT VND 217bn, +26% YoY).

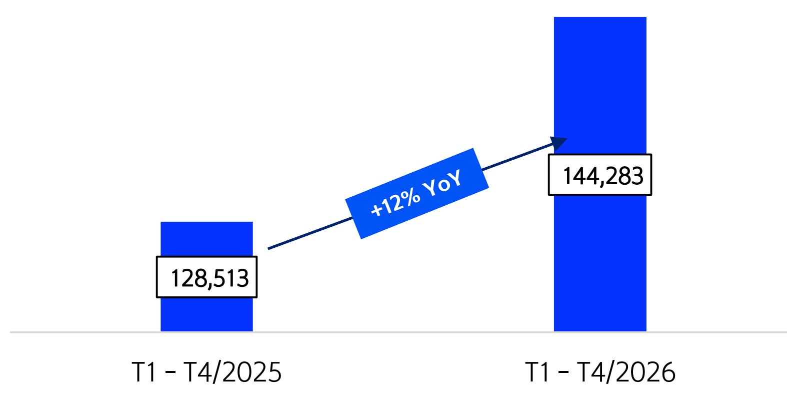
Infrastructure construction: Public investment is accelerating in 2026–2030, driven by large medium-term capital

Public investment plan for the period 2026 - 2030

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	3.1-3.2% 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 Construction, Shinhan Securities Vietnam

Cumulative public investment disbursement in the first 4 months of 2026 (VND billion)

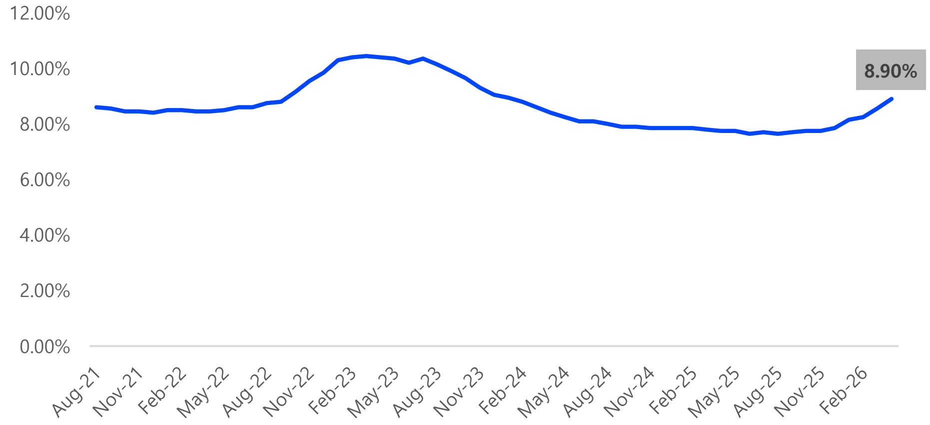


Source: Ministry of Construction, Shinhan Securities Vietnam

- In 4M/2026, public investment disbursement is estimated at VND 144,283bn (+12% YoY), reaching 14.2% of the Prime Minister's target. The 2026 state budget investment plan approved by the National Assembly totals VND 1.08 quadrillion (+22% YoY), reflecting strong government spending to support economic growth and key infrastructure development.
- Under the 2026–2030 strategy, Vietnam targets GDP growth of at least 10% annually. To achieve this, the Ministry of Finance plans total public investment expenditure of VND 8.31 quadrillion (+144% vs. 2021–2025), supporting higher construction demand, especially for national key infrastructure projects.

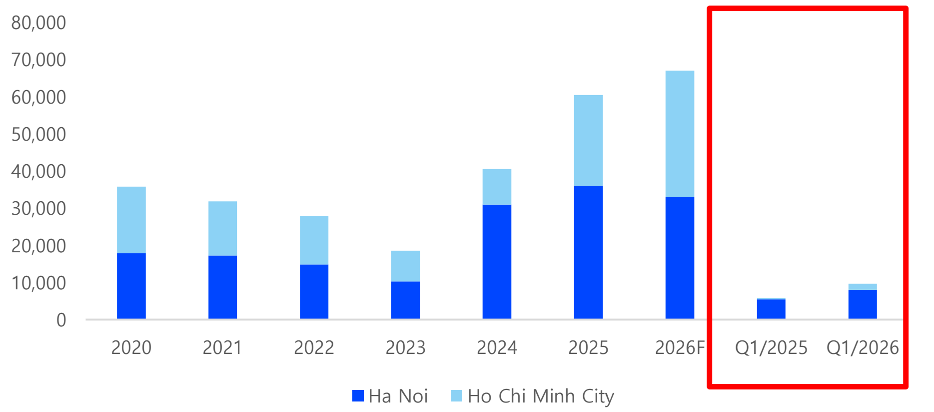
Residential construction: supply continues to improve

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

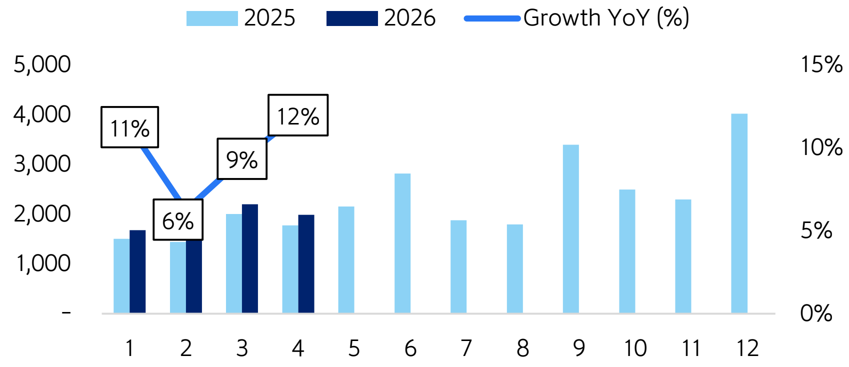


Source: General Statistics Office, Shinhan Securities Vietnam

- **A favorable interest-rate environment:** the average medium–long-term lending rate is 8.90%/year. (as of Apr 2026), up 1.05 ppt from end-2025. We expect rates to edge up in 2026 but remain supportive, enabling real estate developers to finance new projects.
- **Legal bottlenecks easing:** government policies such as Resolution 171/2024/QH15 and Decree 76/2025 are gradually taking effect. According to CBRE, apartment supply in Hanoi and Ho Chi Minh City reached 9,652 units in 4M/2026 (+63% YoY), with full-year 2026 supply expected at ~67,000 units.
- We remain positive that the real estate recovery will continue in 2026, thereby increasing backlog opportunities for residential construction companies.

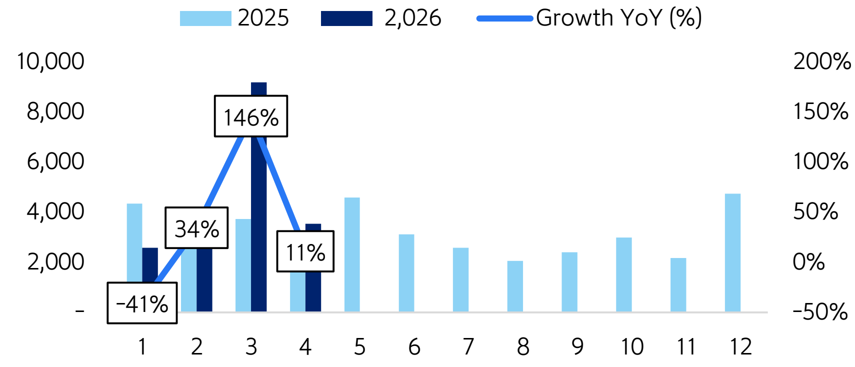
Industrial construction: There is still a lot of room for industrial park development

FDI capital disbursed into Vietnam



Source: VSA, Shinhan Securities Vietnam

FDI capital registered into Vietnam



Source: VSA, Shinhan Securities Vietnam

- According to the General Statistics Office, realized FDI in 4M/2026 reached USD 7.40bn (+9.8% YoY), while registered FDI totaled USD 18.25bn (+32% YoY), showing that Vietnam remains an attractive destination despite tariff and geopolitical uncertainties.
- We expect FDI inflows to continue growing in 2026, driven by (1) strategic geographic location, (2) cost advantages, (3) flexible and stable diplomatic policies, and (4) government efforts to improve the investment environment through tax and fee reductions as well as expanded incentives for foreign-invested enterprises.
- In addition, during 2025–2030, the green industrial development trend is expected to accelerate, accompanied by stricter construction standards. This will create opportunities for construction companies with experience in delivering projects meeting international green standards such as LEED and LOTUS,…

A more supportive policy environment for the construction sector

Pre-Construction Preparation

The Government

(1) **Decree No. 140/2025/ND-CP:** Decentralized construction authority to accelerate local project approvals

(2) **Amended law on bidding:** Greater transparency and streamlined procurement

Business support measures

(1) **Decree No. 180/2025/ND-CP:** Enhanced PPP Support and Tax Incentives for Private Enterprises.

(2) **Decree No. 243/2025/ND-CP :** Lower entry barriers and incentives for private PPP investment

Input

Securing material supply

(1) **Guidance on Law No. 54/2024/QH15:** Faster approvals and improved material supply for Public Investment projects

(2) **Circular No. 01/2025/TT-BXD:** Periodic publication of construction material prices to monitor shortages and stabilize prices

(3) **Resolution No. 66/NQ-CP:** New quarry development and material supply support

Construction

Implementation in accordance with legal regulations

Output

Measures to support residential Real Estate recovery

(1) **Decree No. 192/2025/ND-CP:** Unlocking BT projects and expanding social housing

(2) **Resolution No. 66-NQ/TW:** Legal review of 2,000 delayed projects.

(3) **Decree No. 226/2025/ND-CP:** Removal of the Land Price framework.

Public investment & industrial parks

(1) **Decree No. 85/2025/ND-CP:** Faster Public Investment approval and private sector participation

(2) **Decree No. 19/2025/ND-CP:** Accelerated Industrial Park Investment approvals.

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	8,062	72,100	94,500	30%	3.85%	2.65	2.59%	9.09%	1.0	12.5
2	VCG	12,735	19,700	N/A	N/A	12.7%	1.37	13.82%	38.92%	N/A	N/A
3	HHV	6,347	11,600	16,600	43%	43.87%	2.21	1.52%	5.76%	0.7	12
4	LCG	1,880	9,100	N/A	N/A	9.81%	1.54	2.21%	5.47%	N/A	N/A

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

** 12-month figures up to Q1/2026

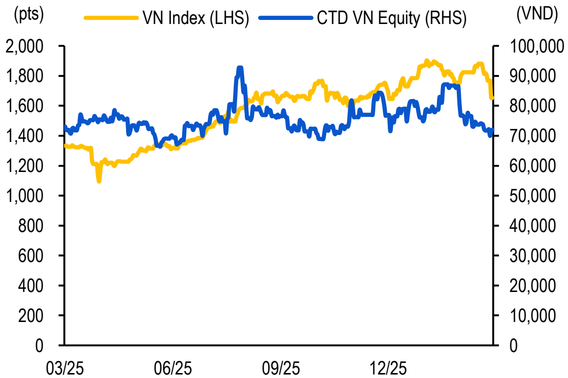
Source: SSV Research, Bloomberg

Data as of June 04, 2026

Target Price (12-months)	94,500 VND
Current price (06/04/26)	72,100 VND
Return (%)	30.8%

VNINDEX		1,832
Market P/E (x)		12.5
Market Cap. (VND billion)		8,062
Outstanding Shares (mn)		112
Free Floating Shares (mn)		66
52-WkHigh/Low (VND)		66,381/93,878
3M Avg. Trading Vol. (mn)		1.00
3M Avg. T/O (VND billion)		81
Major Shareholders (%)	Kustoshem Pte., Ltd	17.89
	Thanh Cong Investment and Business Co., Ltd.	14.40

Price fluctuations	3T	6T	12T
Absolute (%)	-9.7	-5.5	-2.2
Vs to VNIndex (%)	-10.4	-10.9	-38.3



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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. Following its 2021 restructuring, CTD's shareholder structure stabilized, with Kusto Group remaining the largest shareholder (18% stake). Leveraging its extensive experience and strong execution capabilities in large-scale projects, CTD was ranked Vietnam's leading construction contractor in Vietnam Report's 2025 ranking.

Business results Q3/2026 (Financial year: July 1, 2025 - June 30, 2026): CTD reported Q3/2026 net revenue of VND 6.4 trillion (+28% YoY), mainly driven by large projects for Vinhomes, Masterise, and MIK, while net profit rose 108% YoY to VND 119 billion. Gross margin improved to 4.5% (+1.4 ppts YoY) thanks to higher-priced new contracts.Total backlog reached a record VND 65.6 trillion (+77% YoY) as of Q3/2026, supported by an expanding portfolio from major developers including Sun Group, Masterise Homes, Vinhomes, Ecopark, and TTC Land. Key projects include Sun Urban City Ha Nam, Star City Thanh Hoa, The Gallery Giang Vo, and The Global City. CTD also secured major infrastructure contracts, including Passenger Terminal T2 at Phu Quoc International Airport and the APEC Convention Center (packages S2, S3, and S4), with a combined contract value exceeding VND 5.0 trillion.

Outlook for 2026: Key growth drivers include (1) a sizeable backlog sufficient to sustain operations for the next 2–3 years, (2) the recovery of the residential real estate market, (3) accelerating infrastructure investment, and (4) substantial room for industrial park development. We believe CTD is well positioned to capitalize on the construction sector's recovery during 2026–2030, supported by its strong design and construction capabilities across multiple project segments. We forecast 2026 revenue of VND 32.2 trillion (+29.7% YoY) and net profit of VND 738 billion (+62.7% 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	2025	2026F	2027F
Revenue (billion VND)	16,528	21,045	24,867	32,247	35,894
Operating profit (billion VND)	28	132	529	537	850
Operating profit margin (%)	0.2	0.6	2.1	1.7	2.4
Net profit after tax (billion VND)	188	310	454	738	763
Net profit margin (%)	1.1	1.5	1.8	2.1	2.1
EPS (VND)	686	3,111	4,379	7,124	7,358
ROE (%)	2.3	3.7	5.1	7.6	7.6
P/E (x)	75.3	22.5	20.3	12.5	12.1
P/B (x)	0.6	0.8	1.0	1.0	0.9

Source: Company data, Bloomberg, Shinhan Securities Vietnam

Import - Export

Shifting from "Volume" to "Value"

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Import and Export – Shifting from "Volume" to "Value"

1. Vietnam's Import and Export Situation in Q1/2026

In Q1/2026, Vietnam's total import and export turnover reached USD 249.5 billion, a 23.0% increase compared to the same period last year. Export turnover increased by 19.1%, while imports surged by 27.0%. The trade balance shifted to a trade deficit of approximately US$3.6 billion, reflecting the increasing trend of importing raw materials and input goods by businesses to proactively stockpile against supply chain disruptions and global energy price fluctuations.

2. Outlook for 2H2026 and Opportunities

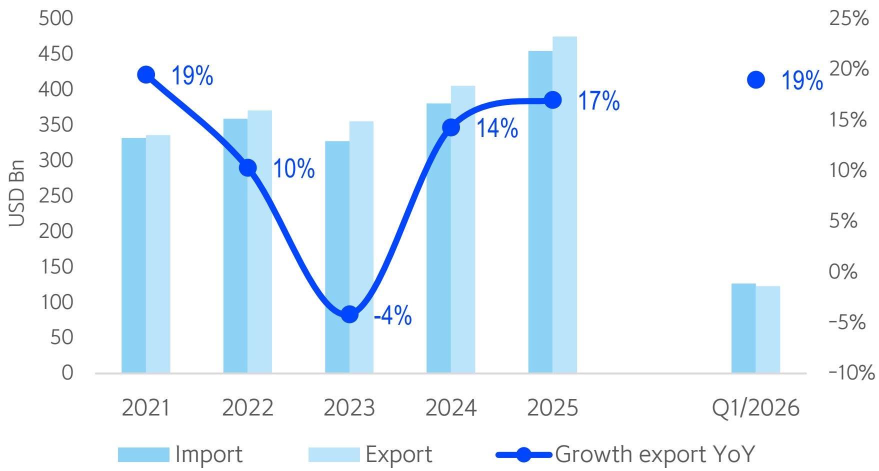
Given the volatile demand in key export markets and increasing competitive pressure, export growth will depend more on competitors' ability to expand market share rather than an increase in overall market demand. We believe that shifting the strategic focus from volume-driven growth to value enhancement will be pivotal in enabling Vietnam's key export sectors — including textiles & garments and seafood — to sustain long-term growth momentum while reinforcing their competitive positioning in international markets.

3. Investment Opportunities in Import-Export Stocks

GMD, HAH, VHC, FMC, ANV, TNG, MSH

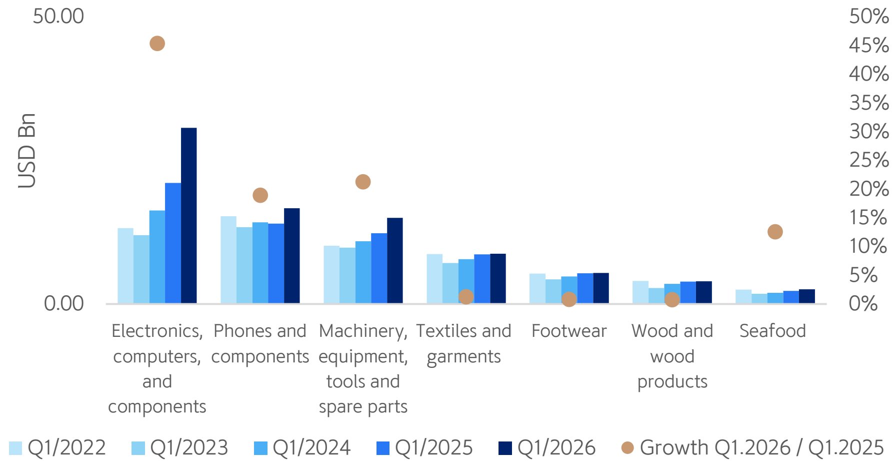
Exports and imports continued to grow steadily, remaining largely unaffected by the Middle East conflict

Vietnam's Import and Export Growth



Source: GSO, Shinhan Securities Vietnam

The growth of exported groups in Q1/2026

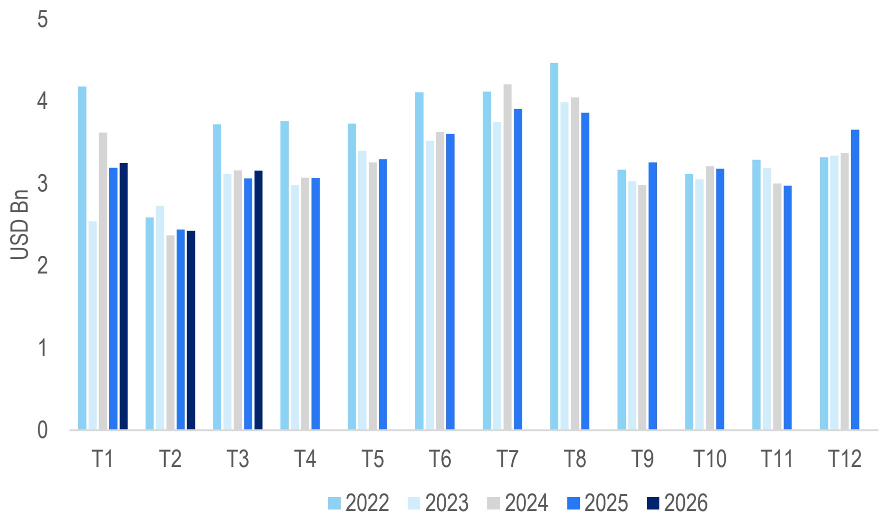


Source: GSO, Shinhan Securities Vietnam

- In Q1/2026, Vietnam recorded a total import and export turnover of goods reaching USD 249.5 billion (+23% YoY). Exports increased by 19.1%; imports increased by 27.0%, resulting in a trade deficit of USD 3.6 billion.
- The main driving force for growth continued to come from high-tech goods. Specifically, exports of computers, electronic products and components reached USD 30.7 billion, up 45.5% YoY; machinery and equipment reached USD 15 billion, up 21.2% YoY; and telephones and components reached USD 16.7 billion, up 19.3% YoY. Conversely, traditional goods such as textiles and footwear only recorded modest growth, at 1.9% and 0.8% YoY respectively.
- The trade balance shifted to a deficit after many years of maintaining a trade surplus. This development primarily stems from businesses' increased need to stockpile raw materials to cope with supply chain disruptions and energy price fluctuations. We consider this a temporary trend, rather than a negative sign for the economy.

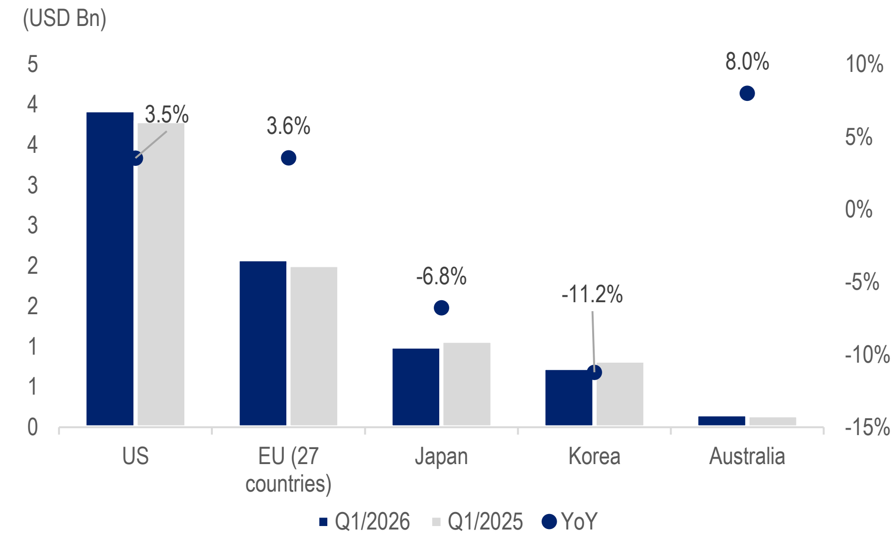
Textile exports showed divergence across major export markets

Textile and garment export value in Q1/2026



Source: GSO, Shinhan Securities Vietnam

Export value of textiles and garments to key markets

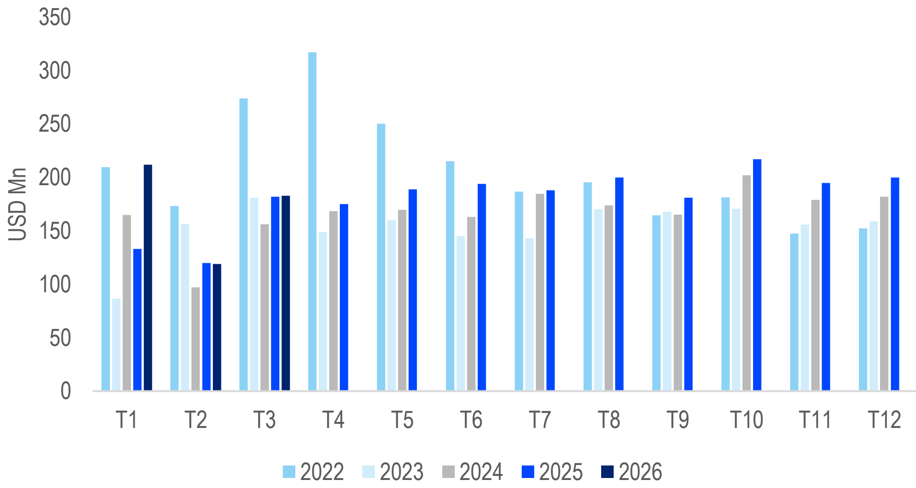


Source: GSO, Shinhan Securities Vietnam

- ❑ Textile and garment exports in Q1/2026 are estimated at USD 8.8 billion (+1.9% YoY). Despite geopolitical fluctuations in the Middle East, the textile and garment industry recorded a slight increase thanks to the flexibility and proactive securing of orders early by businesses.
- ❑ Export values to key markets showed divergence: The two largest markets, the US and the EU, maintained slight growth, thanks to stable consumer demand and continued benefits from the shift of orders away from China. Asian markets such as Japan and South Korea experienced significant declines due to increased competition from cheaper goods from China and India, along with weakening consumer demand in the region.
- ❑ CPTPP markets such as Australia and Mexico showed positive signs as Vietnamese businesses more effectively utilized the advantages of the Free Trade Agreement.

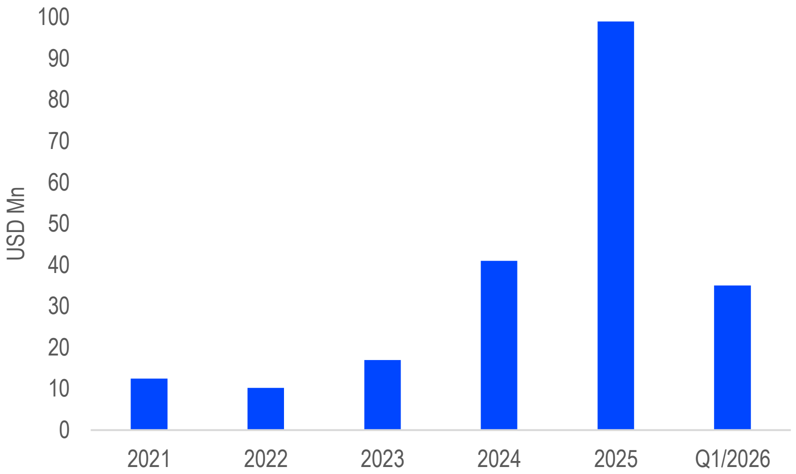
Pangasius exports remain positive but fragile, while tilapia are gaining market share rapidly by leveraging CPTPP benefits and displacing Chinese suppliers

Pangasius exports in Q1/2026



Source: Vasep, Shinhan Securities Vietnam

Tilapia exports in Q1/2026

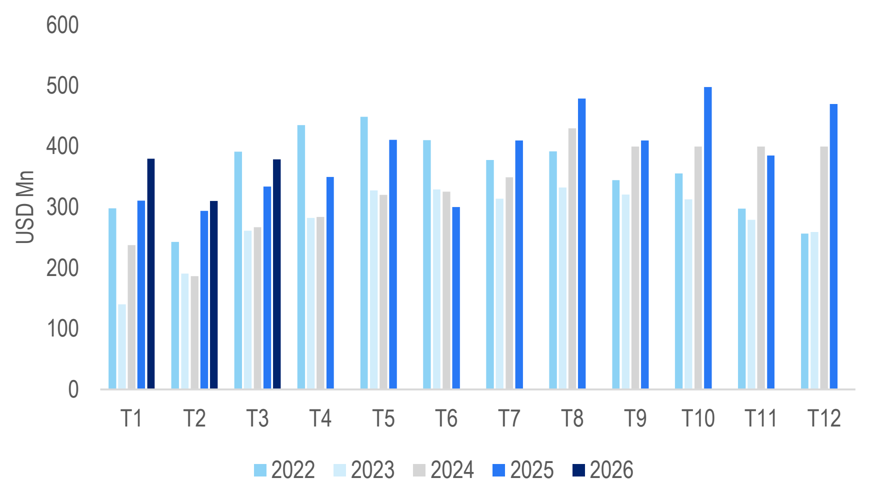


Source: Vasep, Shinhan Securities Vietnam

- The Pangasius segment recorded positive results in Q1/2026 with cumulative exports reaching USD 514 million (+17% YoY). The main growth driver came from the Chinese market with increased demand for frozen fish fillets during the Lunar New Year. However, month-on-month trends show that the growth momentum is gradually slowing down, while cautious sentiment remains in many other markets, especially the US, where export turnover decreased by 3.4% YoY.
- The Tilapia segment experienced strong growth with cumulative exports in Q1/2026 reaching USD 35 million (+190% YoY), with the Brazilian market accounting for 54%. This result is thanks to Vietnamese businesses more effectively utilizing the preferential 0% tariff rate from the CPTPP Free Trade Agreement, boosting exports to this potential market with competitive prices and stable quality. At the same time, exports to the US market also recorded growth, benefiting from the market share gap left by China.

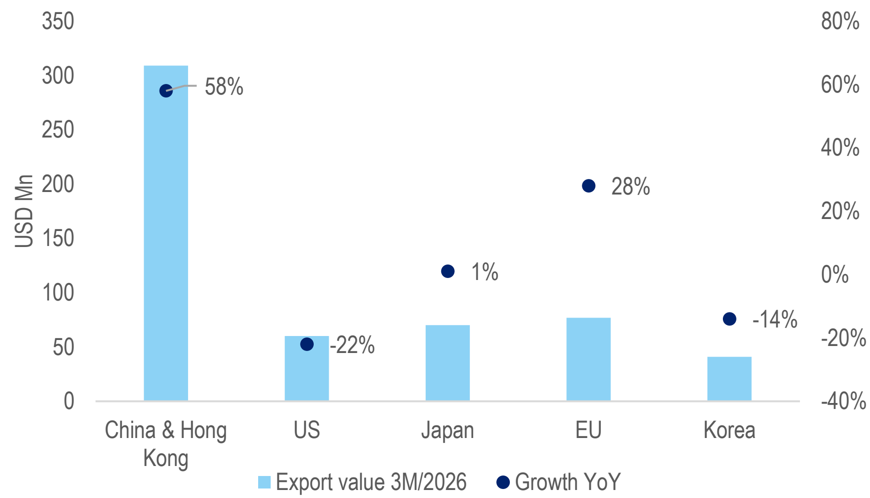
Shrimp exports are growing thanks to positive developments in the Chinese market

Shrimp exports in Q1/2026



Source: Vasep, Shinhan Securities Vietnam

Shrimp export value to key markets in Q1/2026

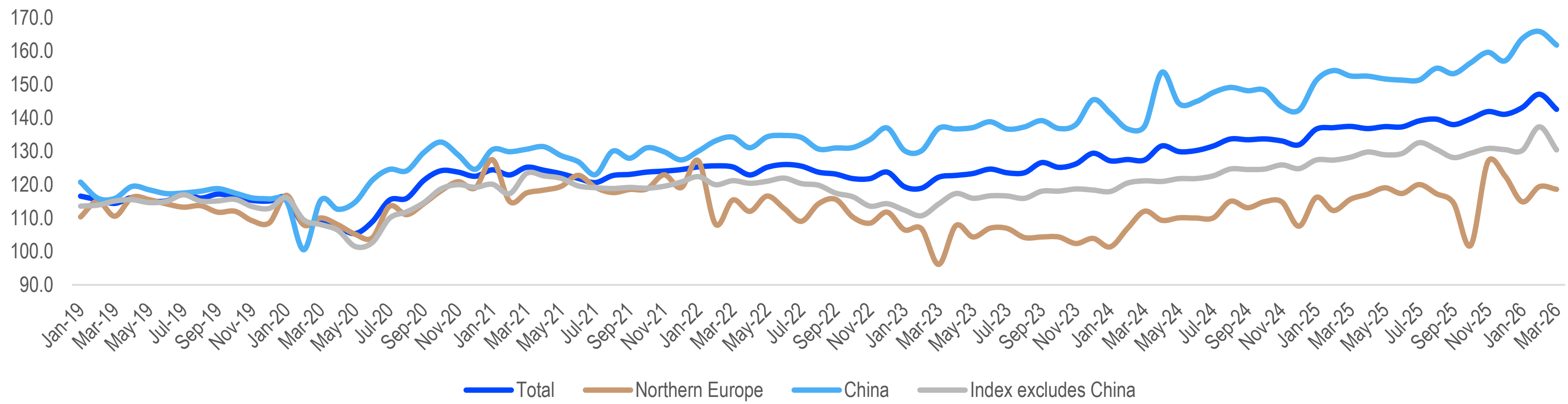


Source: Vasep, Shinhan Securities Vietnam

- ❑ Vietnam's shrimp exports in Q1/2026 reached approximately US$1.069 billion (+17.5% YoY). The main drivers of this growth were strong demand in China and the EU, with increases of +58% YoY and +22% YoY respectively. Meanwhile, exports to the US, Japan, South Korea, etc., remained flat or declined, indicating continued cautious demand.
- ❑ The Chinese and Hong Kong markets recorded the strongest growth of 58% YoY, reaching US$309 million, accounting for 45% of the country's total shrimp exports. Fresh products and premium segments such as lobster and large-sized tiger prawns continued to be bright spots for growth, driven by strong purchasing power from high-income groups and the expansion of retail, e-commerce, and restaurant chains.
- ❑ The US market recorded a 22% year-on-year decline due to the impact of the POR19 anti-dumping duties imposed on frozen warm water shrimp, with an average duty rate of approximately 4.58%. These duties not only increased export costs but also made US importers more cautious about signing new orders.

Global merchandise exports are expected to remain volatile and unpredictable in 2H2026

Global container throughput index (2019 = 100)

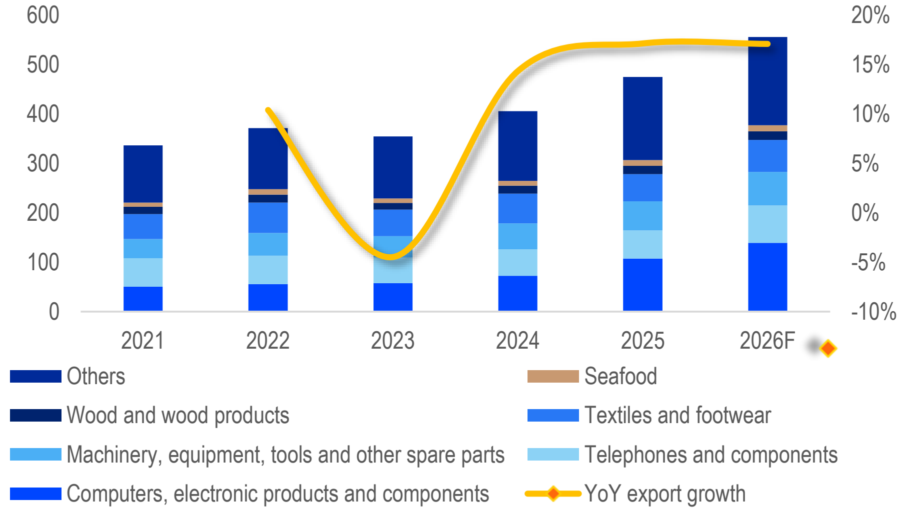


Source: Alphaliner, Shinhan Securities Vietnam

- ❑ Global trade continued to maintain its growth momentum, with container throughput in Q1 2026 increasing by 4.4% YoY, mainly driven by resilient export activities from Asia to most regions worldwide. However, monthly developments have begun to show signs of weakening, as container throughput in March 2026 declined by 2.2% YoY, reflecting the initial impacts of geopolitical tensions on global trade activities and supply chains.
- ❑ China continued to serve as the key growth engine of the global container market, recording growth well above the global average. This underscores the country's position as the world's leading manufacturing and export hub. Notably, the 2024–2026 period has witnessed a stronger acceleration in container throughput growth, primarily supported by front-loaded exports ahead of potential tariff barriers, as well as inventory stockpiling trends in the US and Europe.

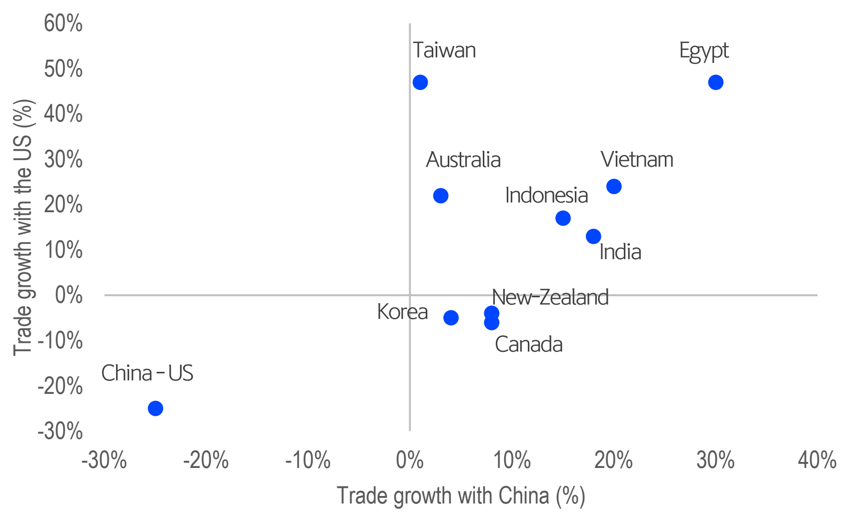
Vietnam's merchandise exports in 2026 are projected to grow more slowly than in 2025

Vietnam's merchandise exports (billion USD)



Source: GSO, Shinhan Securities Vietnam

Trade growth with the US and China (%)

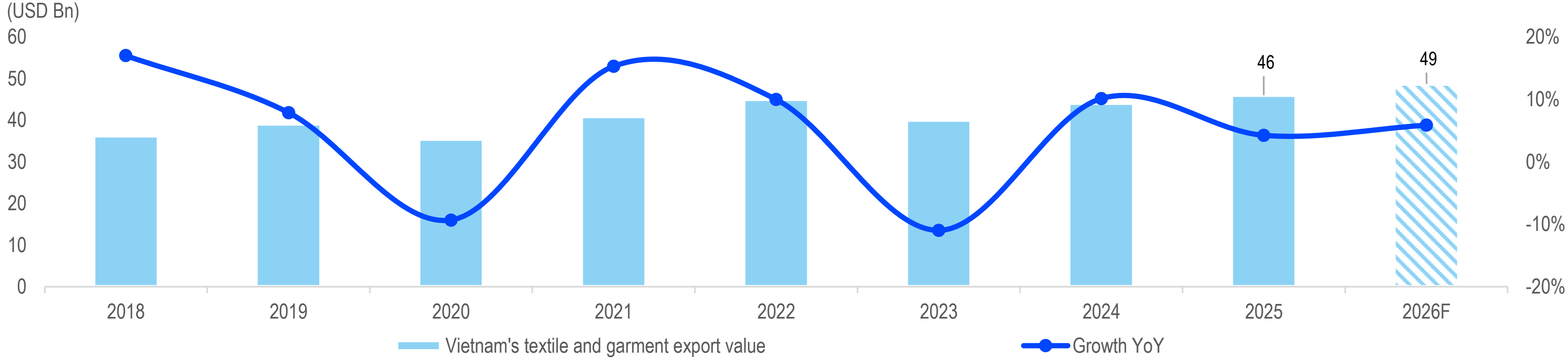


Source: UNSTAT, Shinhan Securities Vietnam

- ❑ Vietnam's exports are gradually transitioning from a period of rapid expansion to a more sustainable growth phase. In 2026, export growth is projected to moderate compared to 2025, amid ongoing geopolitical tensions and persistently high global inflationary pressures. Nevertheless, the US remains Vietnam's largest export market, while trade activities continue to expand into new markets. Vietnam's integration with international trading partners also remains positive, as the country continues to gain export market share in both the US and China.
- ❑ Within the export structure, machinery, equipment, and electronic components continue to serve as key growth drivers. This reflects the rising trend of investment in manufacturing automation and industrial infrastructure development across the region and globally.

Textile and garment exports – Shifting focus to improving core quality.

Vietnam's textile and garment export value

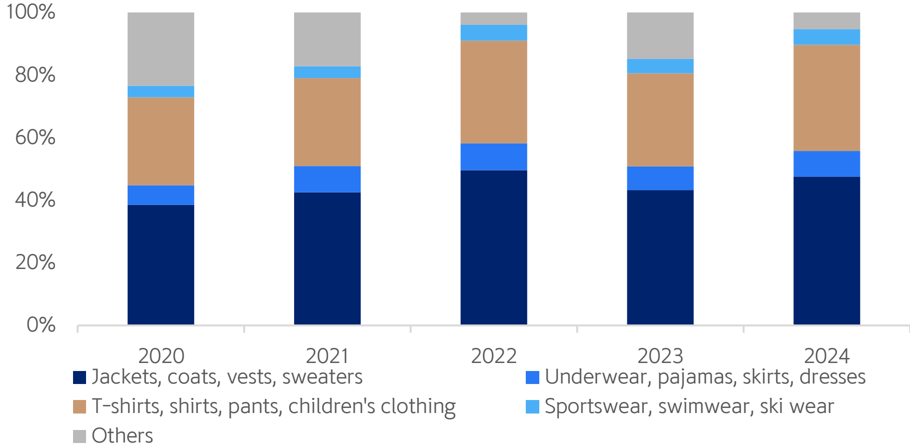


Source: General Statistics Office (GSO), Shinhan Securities Vietnam

- **Export growth is driven by the potential for market share expansion**: According to the Vietnam Textile and Garment Association (VITAS), global textile and garment demand is projected to grow slowly at 2-3% per year in the coming years, reflecting a trend of consumers tightening spending on non-essential products such as clothing and fashion. As overall industry demand slows, export growth for each country will depend primarily on its ability to compete and gain market share from rivals, thus intensifying competition in the global textile and garment industry.
- In this context, differentiation becomes more apparent: Only businesses with competitive products, deeply involved in the value chain (FOB/ODM/OBM), effectively utilizing FTA networks, and producing high-tech products can increase market share and maintain growth. Businesses following a purely contract manufacturing (CMT) model will face significant competitive pressure, even experiencing declining growth..
- Therefore, we believe **that the core strategy of Vietnam's textile and garment industry in the coming period is no longer to expand production scale, but to improve core quality** through (1) Promoting the production of niche products with high added value; (2) Investing in the use of solar power in factories to meet ESG standards and minimize capital costs; (3) Applying AI in production to shorten lead-time to meet customer requirements, enhance reputation and competitiveness.

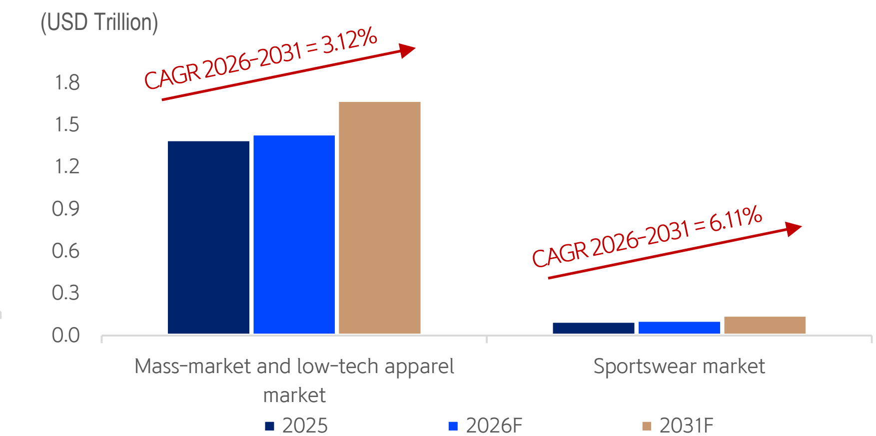
Textile and garment exports – Boosting the production of niche products with high added value

Structure of the value of Vietnam's export goods



Source: ITC Trade map, Shinhan Securities Vietnam estimates

Global market size and growth of sportswear and low-technical textiles



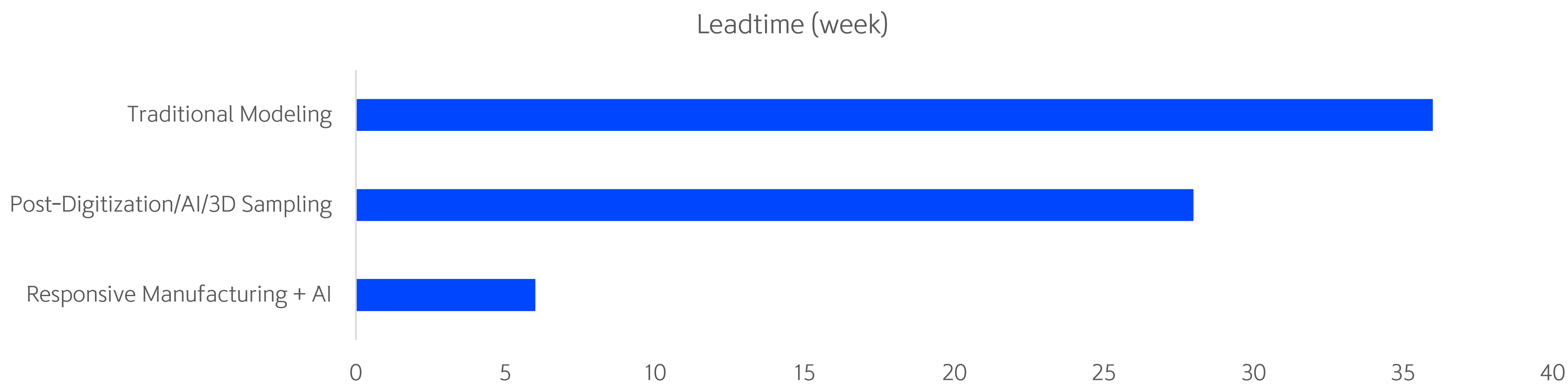
Source: Mordor Intelligence, Shinhan Securities Vietnam

❑ In the context of increasingly fierce competition in the low-tech product segment (T-shirts, shirts, children's clothing, etc.), we believe that targeting niche product segments with high added value, especially sportswear, will bring many competitive advantages and expand market share for Vietnamese businesses. Specifically:

- **The global sportswear market is projected to grow at a CAGR of 6% from 2026-2031, driven by:** (1) Increasing awareness of health and fitness after the Covid-19 pandemic; (2) Consumers' willingness to pay higher prices for products with integrated features such as moisture control, breathability, and elasticity;…; (3) The strong spread of the "athleisure" trend – combining sportswear with everyday clothing – expanding the customer base beyond traditional sportswear users.
- **There is still significant growth potential in Vietnam** that Vietnamese businesses can exploit, especially as major sports brands like Nike, Adidas, and Lululemon are actively diversifying their supply chains away from China.

Textile and garment exports – Applying AI in production creates a competitive advantage

Comparison of lead times before and after AI application (estimated)



Source: Compiled by McKinsey and Shinhan Securities Vietnam

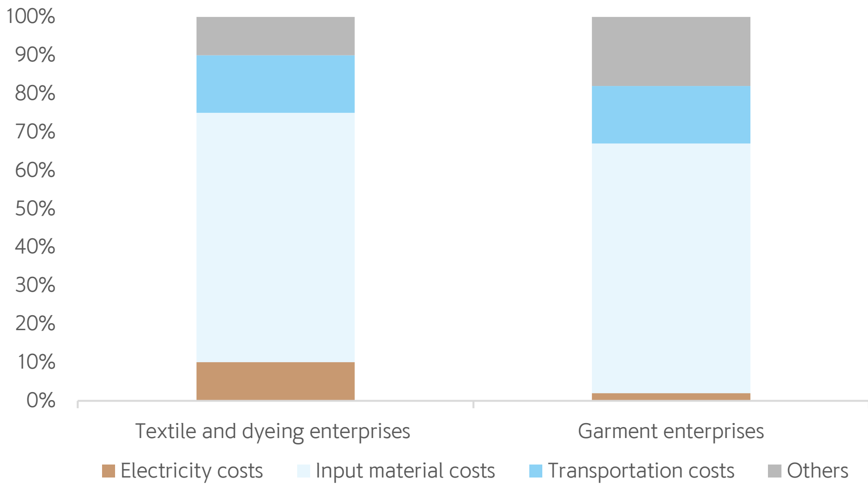
❑ In the context of increasing customer demand for shorter delivery times and a rise in small orders with diverse requirements, applying AI to production to improve productivity and quality control is essential for enhancing competitiveness in the market:

- **Increased Productivity:** According to research by the McKinsey Global Institute and the ILO, the application of automation and AI in textile production helps textile businesses increase labor productivity by 20-30%, reduce costs, minimize lead times, and deliver goods faster, meeting the customer's preference for short delivery times.
- **Better Quality Control:** Applying automated cutting and sewing robots and using artificial intelligence to monitor machinery helps reduce production time and technical errors, especially in fabric cutting and packaging, as well as monitoring the system and shortening order processing time.

Integrating artificial intelligence into manufacturing not only optimizes operations but also repositions businesses within the industry's value chain. The ability to fulfill small orders with shorter lead times and consistent quality helps businesses move beyond purely price competition, aiming for long-term strategic partnerships with international brands.

Textile and garment exports – Investing in solar power generation at factories to meet ESG standards and reduce capital costs

Production cost structure of Vietnamese textile and garment enterprises



Source: Vitas, Shinhan Securities Vietnam

EU sustainability standards in the textile industry

Standards	Core Requirements	Impact on businesses exporting to the EU
CBAM (Carbon border adjustment mechanism)	Carbon tax on imports with high emissions. Currently, textiles are not subject to this tax, but the EU has a roadmap for consideration after 2026.	•Businesses with high emissions will lose their competitive advantage. •Carbon footprint becomes a criterion for selecting tex tile suppliers.
ESPR (Ecodesign for sustainable products regulation)	Regulations on product durability and recyclability; transparency of environment al data, application of DPP (Digital Product Passport).	Businesses increase produc tion of environmentally friendly, durable, and traceable raw material products, etc.

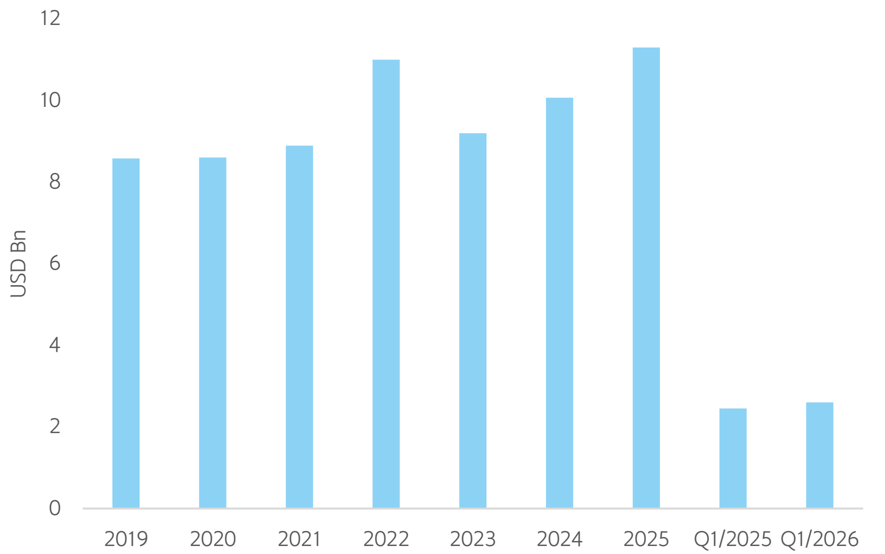
Source: Shinhan Securities Vietnam compilation

❑ In the context of rising energy costs and increasingly stringent green development and emission reduction requirements from international markets, we believe that investing in rooftop solar power will be an effective solution for textile and garment businesses:

- **Optimizing electricity costs and improving profit margins:** Electricity costs currently account for about 9-12% of production costs for textile and dyeing businesses and about 2% for garment manufacturing (according to Vitas). Although this proportion is small, it is trending upwards as electricity prices continue to rise. Implementing a solar power system capable of self-supplying 20-40% of electricity needs from rooftop systems will help businesses reduce electricity costs by about 10-20%, equivalent to 1-2% of production costs. This percentage is low but still significant in the context of thin profit margins.
- **Meeting ESG standards and strengthening export capacity:** Utilizing solar energy helps businesses reduce emission intensity per unit of product, thereby improving their ability to meet standards such as CBAM (EU Carbon Border Adjustment Mechanism) or requirements from international partners. This is an increasingly important factor in maintaining orders and expanding export markets, especially in the EU, Japan, and other markets.

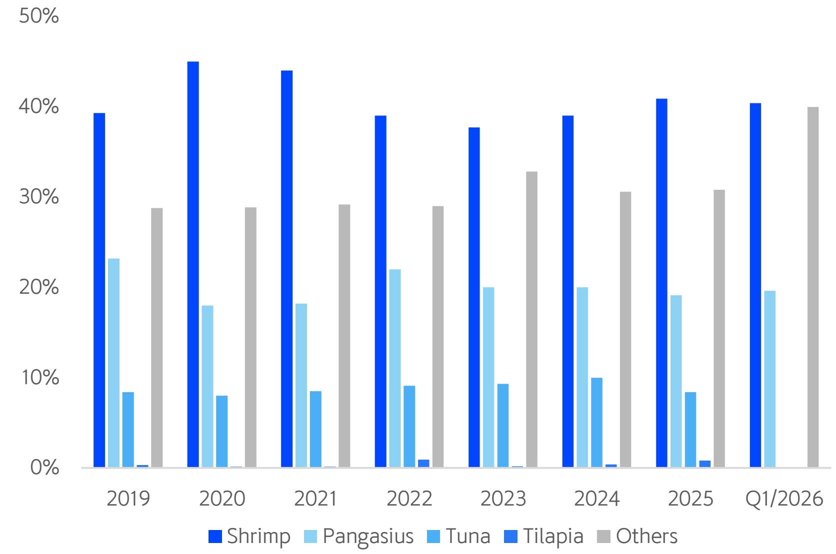
Seafood exports – Diversified growth opportunities

Vietnam's seafood export turnover



Source: VASEP, Shinhan Securities Vietnam

Structure of Vietnam's Seafood Exports by Product



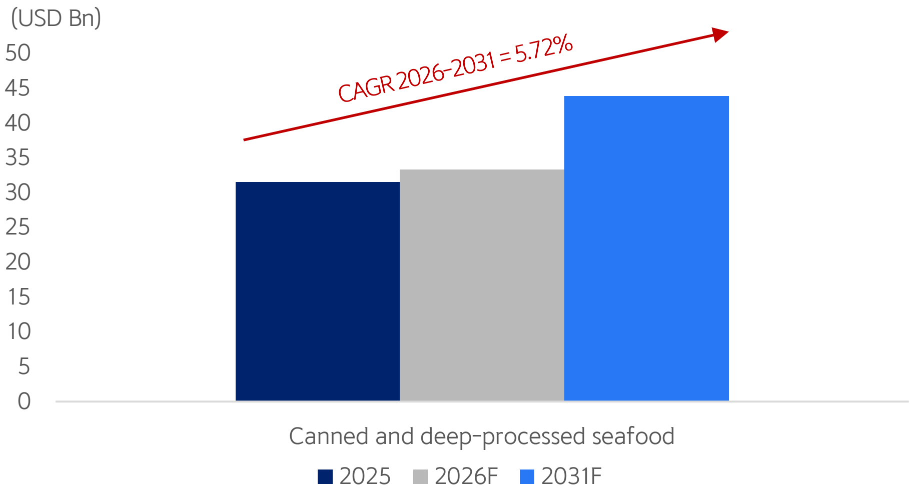
Source: VASEP, Shinhan Securities Vietnam

❑Vietnam's seafood sector is expected to witness divergence across sub-sectors, companies, products, and export markets in 2H2026, amid mounting pressure on overall seafood demand from tariff barriers and intense price competition from global peers:

- **The pangasius segment is expected to maintain positive momentum**, with the focus shifting toward quality over volume through a higher contribution from value-added products and stronger linkages between processors and farmers to stabilize fingerling prices.
- **The tilapia segment is projected to continue improving** by transforming current opportunities into sustainable growth via the development of value-added products catering to convenience-oriented consumption trends in major markets, alongside expansion into potential export destinations.
- **The shrimp segment is likely to face short-term challenges** due to the preliminary POR20 anti-dumping duties imposed by the U.S.; however, the impact is expected to vary significantly across companies.

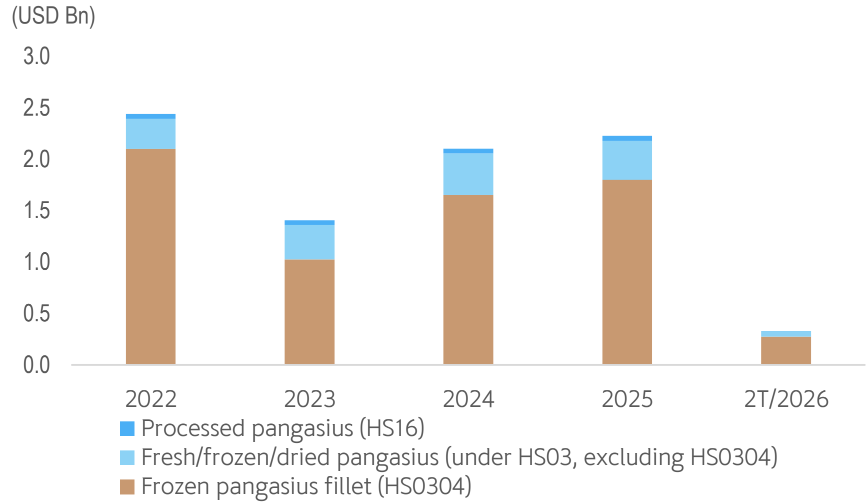
Pangasius exports – Increasing the proportion of deep processing

Global canned seafood market size



Source: Mordor Intelligence, Shinhan Securities Vietnam

Structure of Vietnam's pangasius export products



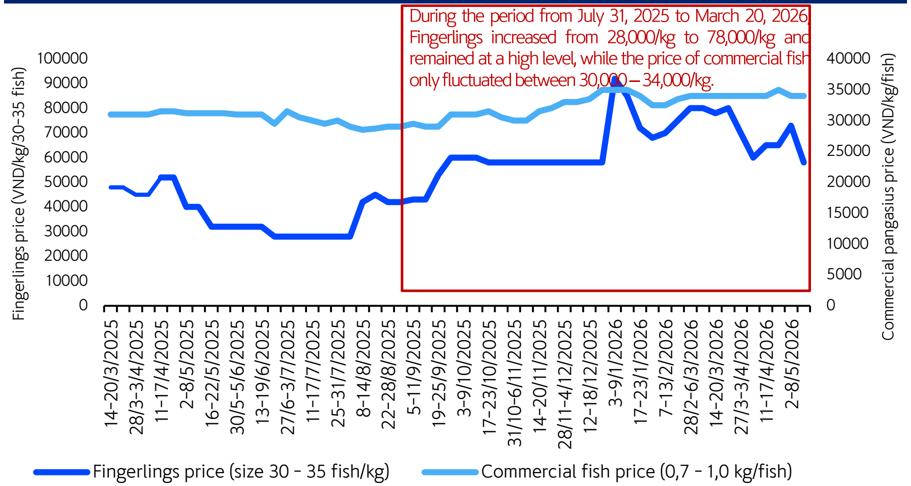
Source: Vasep, Shinhan Securities Vietnam

- **The frozen fillet segment (HS03) remains a pillar of Vietnam's exports, but its growth rate is gradually slowing down due to supply competition from Ecuador and Indonesia:** Frozen pangasius fillets currently account for nearly 98% of Vietnam's pangasius export structure and maintain a large scale. However, the growth rate of this segment is projected to slow down due to increasingly abundant supply as Ecuador and Indonesia continuously expand their processing capacity and lower export prices. This leads to increasingly fierce price competition, while input feed costs are rising; resulting in the erosion of profit margins for farmers and processing businesses.

- **Increasing the proportion of deeply processed products is a solution to escape the price competition cycle thanks to:** (1) Deeply processed products usually have higher selling prices than traditional fillet products, are less dependent on fluctuations in input material prices due to their added value content and convenience; (2) Consumer trends are moving towards deep-processed seafood as the global canned seafood market size is projected to grow at a CAGR of 5.72% during the 2026-2031 period thanks to urbanized lifestyles and increasing convenience needs in developed markets.

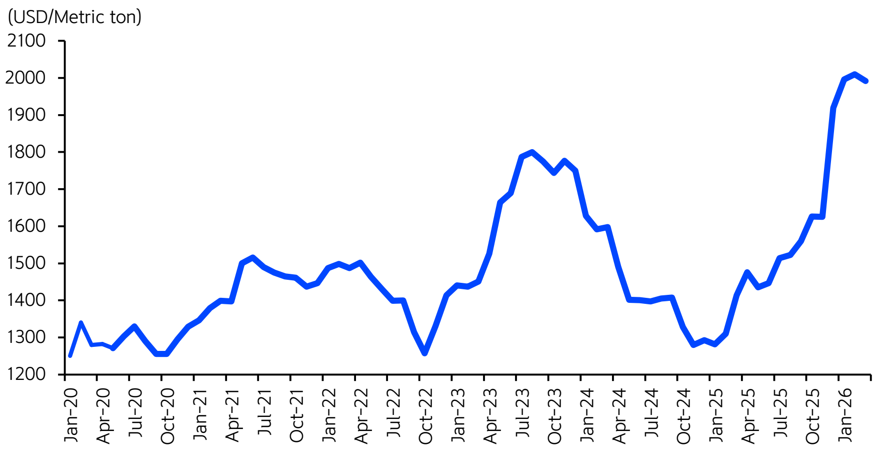
Pangasius export – Strengthening linkages between businesses and farmers to stabilize fingerlings price

Prices of fingerlings and marketable fish in Dong Thap (VND/kg)



Source: VASEP, Shinhan Securities Vietnam

Fishmeal price (US/Metric ton)

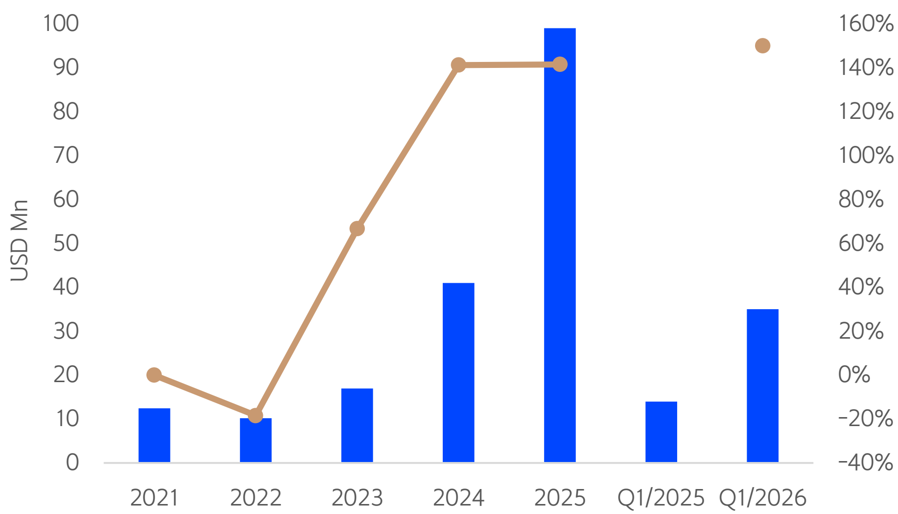


Source: FRED, Shinhan Securities Vietnam

- ❑ A worrying structural bottleneck in Vietnam's pangasius industry recently is the simultaneous decline in both the area of fish breeding and the number of fish breeding facilities. The reasons stem from: (1) Replanning of breeding areas to control disease outbreaks; (2) Tightening of technical standards forcing small-scale facilities that do not meet the requirements to withdraw; (3) The cautious mindset of farmers due to cost pressures and disease risks affecting the success rate of fish breeding.
- ❑ As a result, from the end of July 2025, fingerlings price increased sharply, pushing up input costs for farmers. At the same time, feed costs increased due to the high prices of fishmeal and soybeans. In this context, the price of commercial fish did not increase correspondingly, putting farmers at risk of losses. Therefore, strengthening control over fish fry and ensuring coordination between purchasing enterprises and fish breeders is essential.
- ❑ Processing businesses – especially those with integrated farming areas – should prioritize proactively managing their seed supply chain through investment or strategic partnerships with certified seed production facilities, rather than relying on the highly volatile spot market. Simultaneously, a model that guarantees the purchase price of finished products combined with support for seed input will help stabilize raw material costs for businesses and reduce losses for farmers, thereby maintaining stable farming areas.

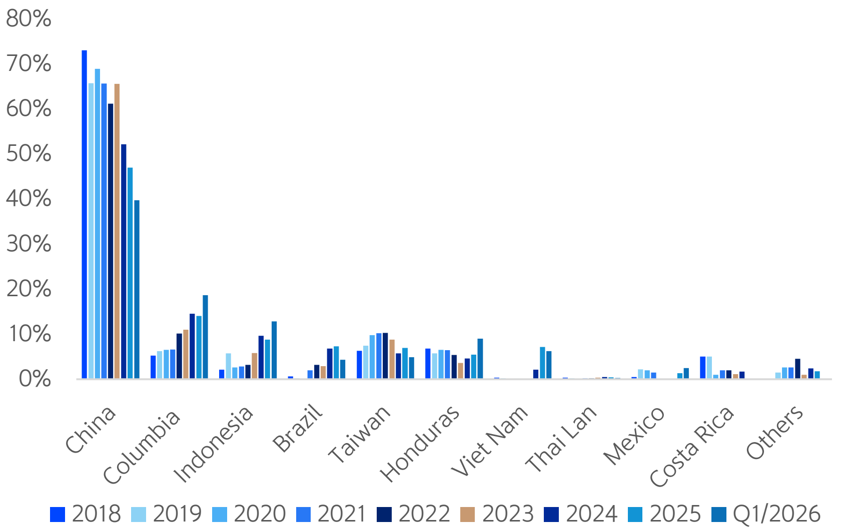
Tilapia Export – Transforming opportunities into sustainable growth

Vietnam's tilapia export turnover



Source: VASEP, AgroMonitor, Shinhan Securities Vietnam

The proportion of tilapia imports from various countries to US

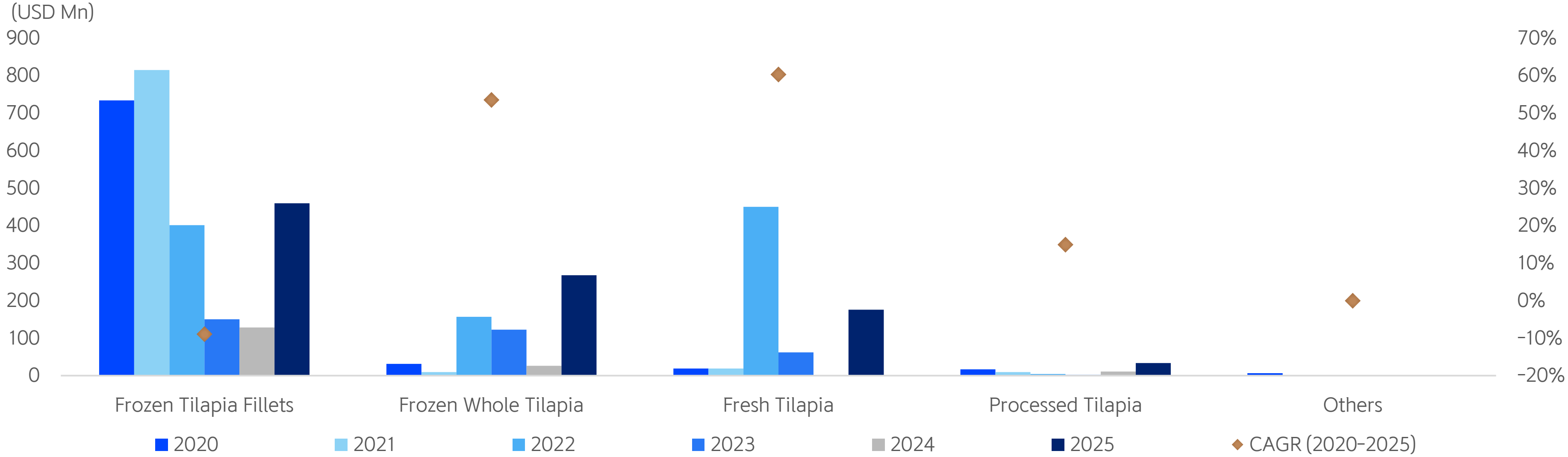


Source: NOAA, Shinhan Securities Vietnam

- ❑ The market share gap in the US following the imposition of high tariffs on tilapia from China and Brazil is creating favorable conditions for Vietnamese tilapia to penetrate this large market more deeply. This is evidenced by the sharp 150% increase in Vietnam's tilapia exports in Q1/2026 compared to the same period last year.
- ❑ However, we believe this is only an "opening opportunity" rather than a sustainable advantage for Vietnam. The US tilapia market currently faces intense competition from countries that have established well-established farming practices, such as Colombia, Indonesia, and Taiwan. Meanwhile, Vietnam does not yet have a strong position in the global tilapia supply chain. Vietnam's tilapia export share to the US remains relatively small compared to its competitors, only increasing from 0% to 6-7% in 2025 and Q1/2026.
- ❑ Therefore, the ability to fully exploit market gaps and achieve sustainable long-term growth will largely depend on developing processed products that meet the convenience consumer trends in major markets and expanding markets beyond the US to reduce dependence.

Tilapia exports – Developing processed products to meet the trend of convenient consumer choices

Product Structure of Tilapia Exports to the US

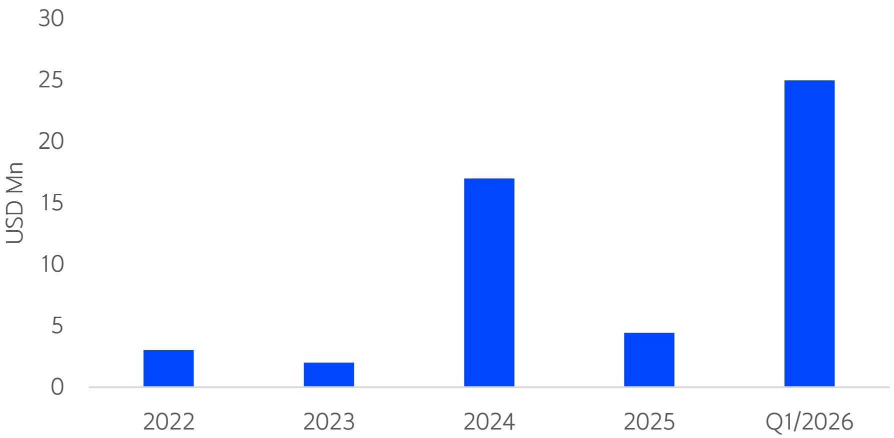


Source: NOAA, Shinhan Securities Vietnam estimates

- The trend of consuming convenient, ready-to-eat tilapia products is becoming increasingly popular in the US. According to a survey by FMI – the US Food Industry Association, 59% of total seafood consumption in the US comes from home cooking, but consumers are not looking for raw ingredients; instead, they prefer processed, marinated, and pre-packaged products ready for cooking.
- To effectively capitalize on this trend, Vietnamese businesses need to accelerate the development of deeply processed products (frozen marinated fillets, pre-cut tilapia in sauce, meal kits with integrated seasonings tailored to specific markets) while simultaneously improving R&D capabilities in formula development, quality control, and food safety.
- In-depth participation in niche product segments not only creates high added value through pricing based on quality and convenience but also creates competitive barriers through formula development capabilities and international certification systems (ASC, Halal, BAP), etc.

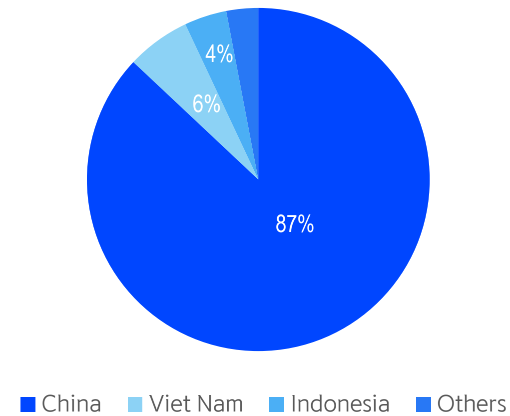
Tilapia exports – Expanding potential export markets

The value of Vietnamese tilapia exports to the EU



Source: Vasep, Shinhan Securities Vietnam

Estimated EU tilapia import market share in 2025



Source: EURMOFA, Shinhan Securities Vietnam

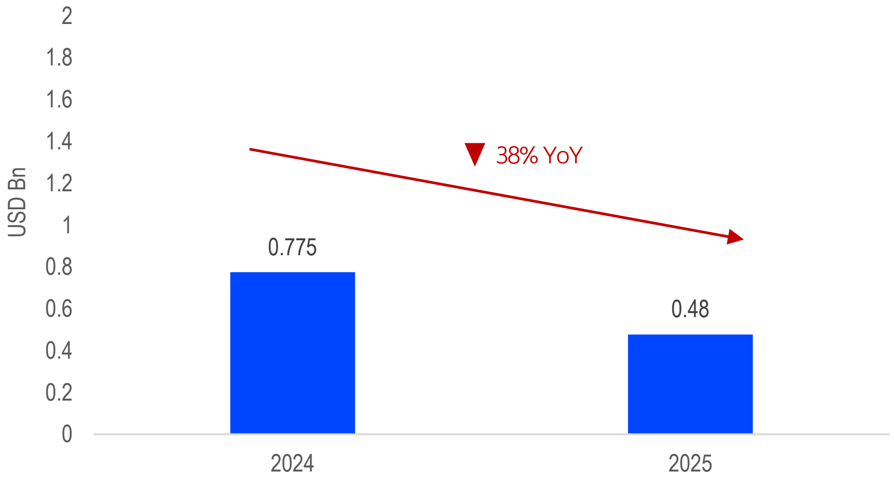
The EU is a potential export market for Vietnamese tilapia businesses due to:

- Increasing demand for protein-rich seafood at affordable prices, coupled with a preference for mild-flavored fish, driving strong market consumption.
- The supply of natural whitefish such as cod and pollock – two items that account for a large proportion of the bloc's consumption basket – is subject to quota restrictions due to regulations on natural stock conservation. This creates favorable conditions for increased demand for tilapia – a similar type of whitefish, with lower costs and high protein content.
- Tax incentives from the EVFTA agreement help Vietnamese businesses enhance their price competitiveness.

These favorable factors have begun to clearly reflect in actual export values. Q1/2026 recorded a dramatic increase of +137% YoY. The main driving force comes from increased demand for tilapia amidst the continued shrinking supply of traditional whitefish. This is a positive sign, indicating that Vietnamese tilapia are effectively taking advantage of opportunities in the EU and have the potential to expand their market share in the future.

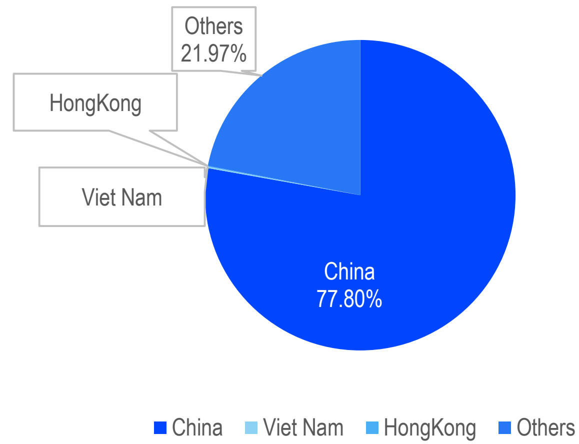
Tilapia exports – Expanding potential export markets

Vietnam's Tilapia Export Value to Mexico



Source: Vasep, Shinhan Securities Vietnam

Estimated market share of tilapia imports to Mexico in 2025



Source: Trendeconomy, Shinhan Securities Vietnam

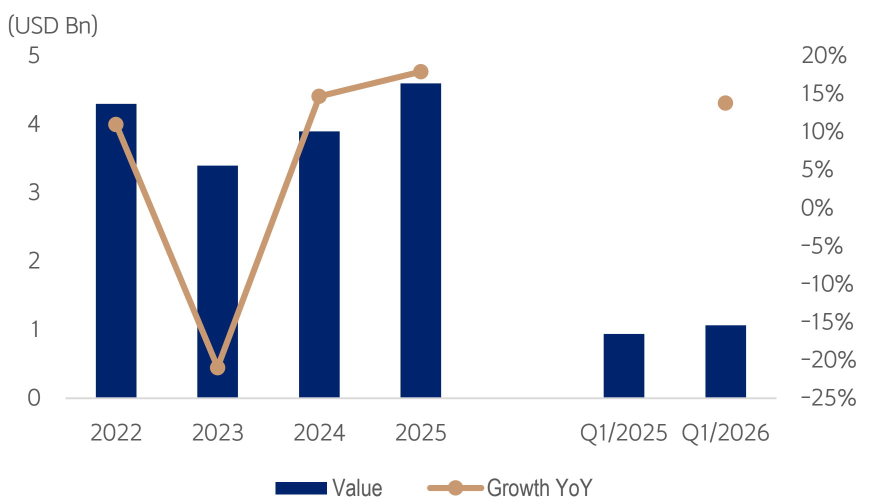
Mexico is one of the world's largest tilapia import markets, but it is also a highly volatile market due to its importers' cautious approach to global economic fluctuations and logistics costs. This is why Mexico's tilapia imports from Vietnam are projected to decrease by 38% year-on-year in 2025.

However, we still believe this remains a potential export market for Vietnamese tilapia due to:

- **High consumption demand, far exceeding domestic production:** Although domestic production is growing thanks to the Mexican government's promotion of domestic tilapia farming, we believe it will take a long time for domestic supply to meet demand. Therefore, Mexico still needs to import tilapia from other countries to meet demand. And Vietnam is one of the promising suppliers with significant competitive advantages in quality and stable supply.
- **Tariff preferences:** While major competitor China faces high tariffs when exporting to Mexico (around 16%), the advantage of a 0% preferential tariff rate thanks to the CPTPP trade agreement helps Vietnamese businesses improve price competitiveness and expand market share.

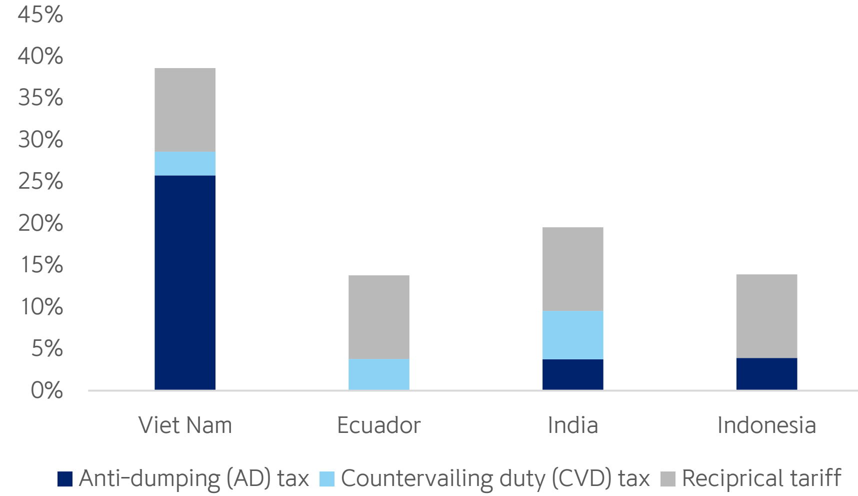
Shrimp exports – Expected to face pressure from the US's preliminary POR20 AD tariffs…

Vietnam's shrimp export value from 2022 to Q1/2026



Source: Vasep, Shinhan Securities Vietnam

Taxes when exporting shrimp to the US market



Source: Compiled by Shinhan Securities Vietnam

The preliminary anti-dumping (AD) results for POR20, announced by the DOC* in May 2026, create a temporary price disadvantage for Vietnamese shrimp in the US market, as it faces higher tariffs than India and Ecuador:

- Vietnam's preliminary nationwide tariff rate is 25.76%, higher than competitors such as India (3.76%) and Ecuador (0%). Given the increasing price sensitivity of US buyers, this tariff difference could lead to a shift of orders to countries with better tariff advantages, increasing pressure on Vietnam's ability to maintain its market share in the US in the short term. We anticipate a slight decline in Vietnam's shrimp export value in Q3/2026 compared to the previous quarter due to price competition.
- However, since this is only a preliminary result, the official tax rate, expected to be announced after 120 days, is still subject to downward adjustment, **which is hoped to help ease the competitive pressure on Vietnamese businesses in Q4/2026**

**DOC (Department of Commerce): is a federal agency responsible for investigating and imposing trade defense measures such as anti-dumping duties (AD), countervailing duties (CVD), etc.*

Shrimp exports – … but the level of impact varies among businesses

Anti-dumping (AD) duties on frozen warmwater shrimp exported to the US by certain Vietnamese companies

Company	POR18 Preliminary	POR18 Official	POR19 Preliminary (June 2025)	POR19 Official (February 2026)	POR20 Preliminary (May 2026)	Official POR20 (Expected September-November 2026)
FMC	25.76%	25.76%	35.29%	4.58%	**10.76%**	Expectation < 10%
MPG*	25.76%	25.76%	•**0%** for domestically produced and exported goods •**35.29%** for goods produced by other entities and exported by MPG.	•**0%** for domestically produced and exported goods •**25.76%** for goods produced by other entities and exported by MPG.	•**0%** for self-produced and exported goods •7.56% for goods produced by other entities and exported by MPG.	Expectations of receiving a reasonable tax rate.
Thong Thuan	25.76%	25.76%	0%	25.76%	**7.56%**	Expectations of receiving a reasonable tax rate.
Stapimex	25.76%	25.76%	35.29%	25.76%	**6.76%**	Expectations of receiving a reasonable tax rate.
Companies enjoying individual duty rates	25.76%	25.76%	35.29%	4.58%	**7.56%**	Expectations of receiving a reasonable tax rate.
Remaining companies	25.76%	25.76%	35.29%	25.76%	**25.76%**	Expectations of receiving a reasonable tax rate.

*Since July 18, 2016, according to the Decision implementing Section 129 of the Uruguay Round Act, products manufactured and exported by **MPG itself will be exempt from tax; goods manufactured by third parties and exported by MPG will still be subject to tax at the nationwide rate.**

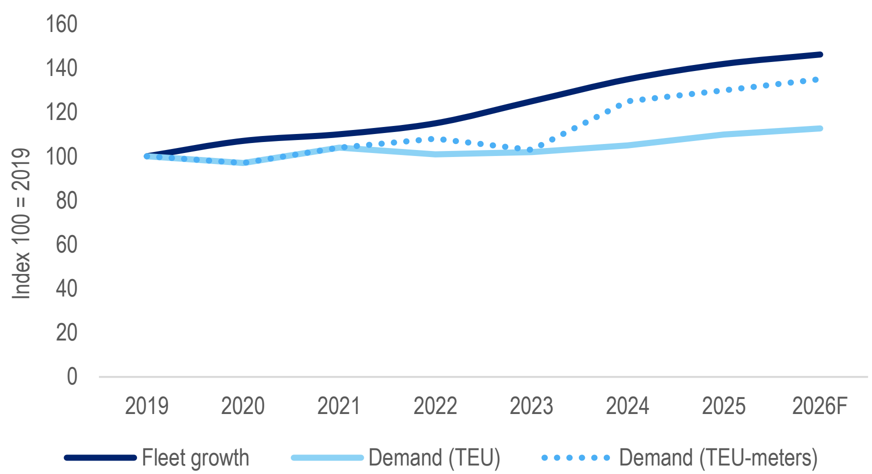
Source: Vasep, DOC, Shinhan Securities Vietnam compilation

❑ The preliminary POR20 results are expected to create divergence in pricing competitiveness among Vietnamese exporters in the U.S. market:

- **STAPIMEX is likely to strengthen its short-term pricing competitiveness** as the company is subject to the lowest duty rate among Vietnamese exporters, marking a significant improvement compared to the previous review period.
- **FMC is expected to face temporary headwinds in the short term, with recovery anticipated following the final POR20 determination:** FMC is currently subject to the highest duty rate among companies receiving separate rates, significantly higher than in the previous review period. This is likely to weaken the company's pricing competitiveness and may weigh on export revenue in the near term. However, we expect FMC to regain its competitive position once the final POR20 results are announced, supported by: (1) the company having identified the causes behind the higher preliminary duty rate and actively providing explanations, with expectations for the final rate to fall below 10%; and (2) its relatively stringent documentation and traceability management system, alongside a track record of maintaining low duty rates in previous review periods.

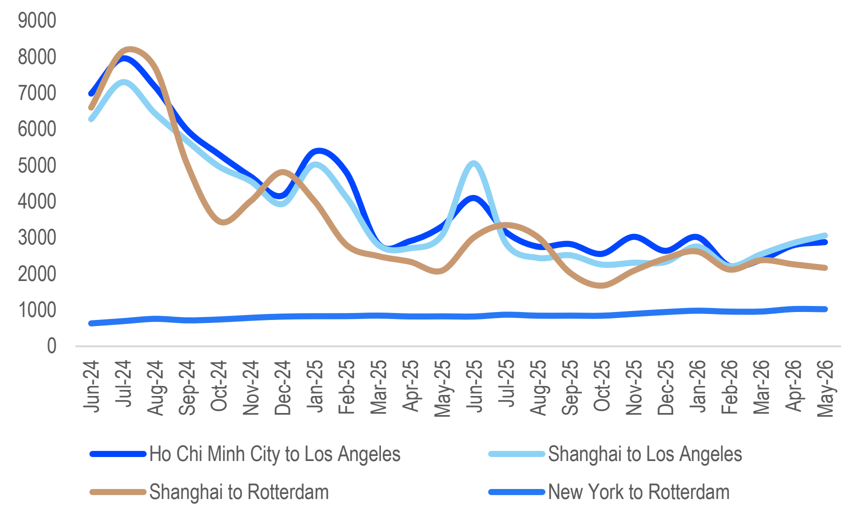
Logistics – Spot freight rates are forecast to remain high but will vary across routes

Fleet growth and global demand



Source: WTO, Shinhan Securities Vietnam

Average spot rates for major routes(USD/FEU)

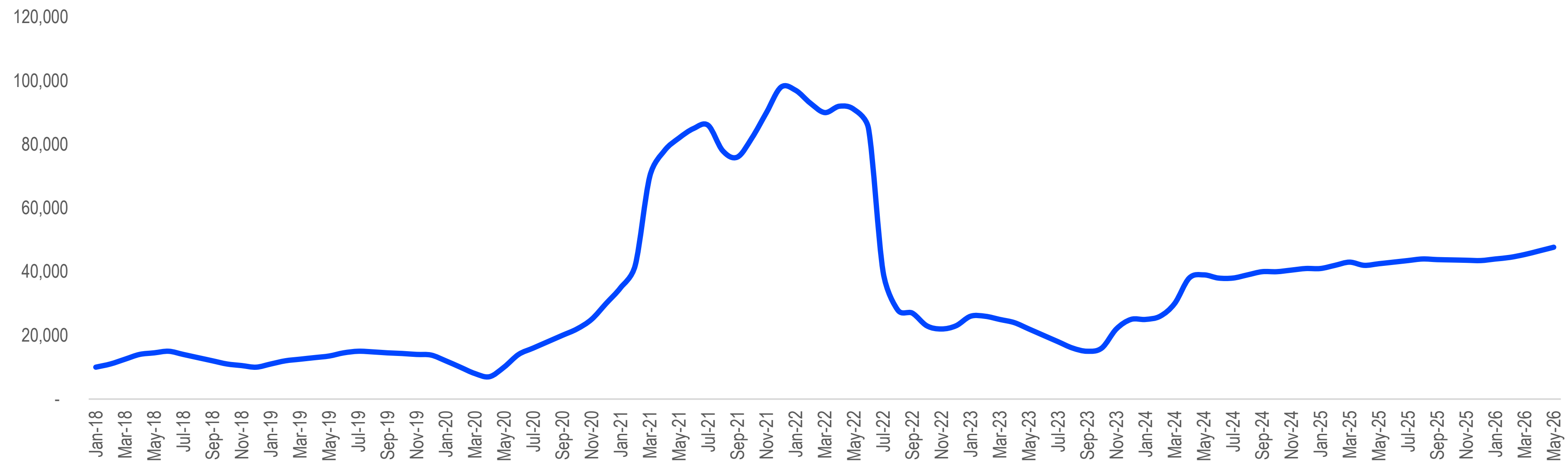


Source: Bloomberg, Shinhan Securities Vietnam

- **Freight rates remain high due to prolonged port congestion and the lack of significant improvement in transit times.** However, pricing trends are becoming increasingly divergent across shipping routes. While freight rates on the Asia–Mediterranean route have eased slightly, trans-Pacific rates have rebounded, with the Shanghai–Los Angeles route recording a 9% increase. In addition, shipping lines have simultaneously imposed emergency fuel surcharges across multiple routes, significantly increasing overall logistics costs, particularly on trans-Pacific and trans-Atlantic routes. Nevertheless, these surcharges have yet to be fully reflected in base freight rates on the Asia–Europe route.
- The escalating conflict in the Middle East has increased the instability of global supply chains, **prompting customers to expedite orders for the peak season.** Demand for charter vessels remains high as carriers plan to launch more service routes to serve the peak season in June, focusing primarily on trans-Pacific and Indian subcontinent routes.

Logistics – The time charter market remains anchored at high levels

Average time charter freight rate (USD/year)

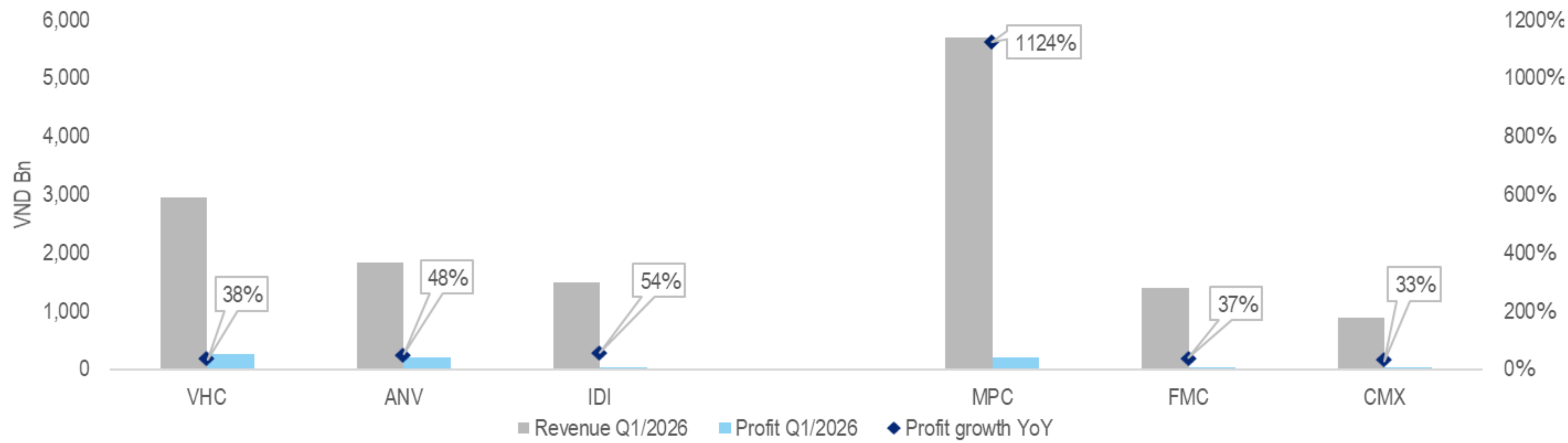


Source: Alphaliner, Shinhan Securities Vietnam

- ❑ Time charter rates continue their positive upward trend, supported by high demand, while limited supply keeps prices attractive. The container ship charter market remains favorable and has so far been largely unaffected by tensions in the Middle East, even recording stronger growth. According to Alphaliner's observations, charter rates have increased in at least three vessel size segments, amidst sustained high demand for tonnage. Specifically, classic Panamax vessels (4,000 – 5,299 TEU), along with the 1,500–1,900 TEU and 1,000–1,250 TEU groups, have all seen significant increases in charter rates. The remaining segments also continue to maintain positive performance with high prices, reflecting stable demand as vessels are easily re-operated between operators.
- ❑ Notably, the limited supply of vessels under 4,000 TEU has made the charter market more attractive to the intra-Asia region, thereby driving up freight rates in the region.

Seafood business results for Q1/2026 – A promising start

Business results of some major enterprises in the seafood industry



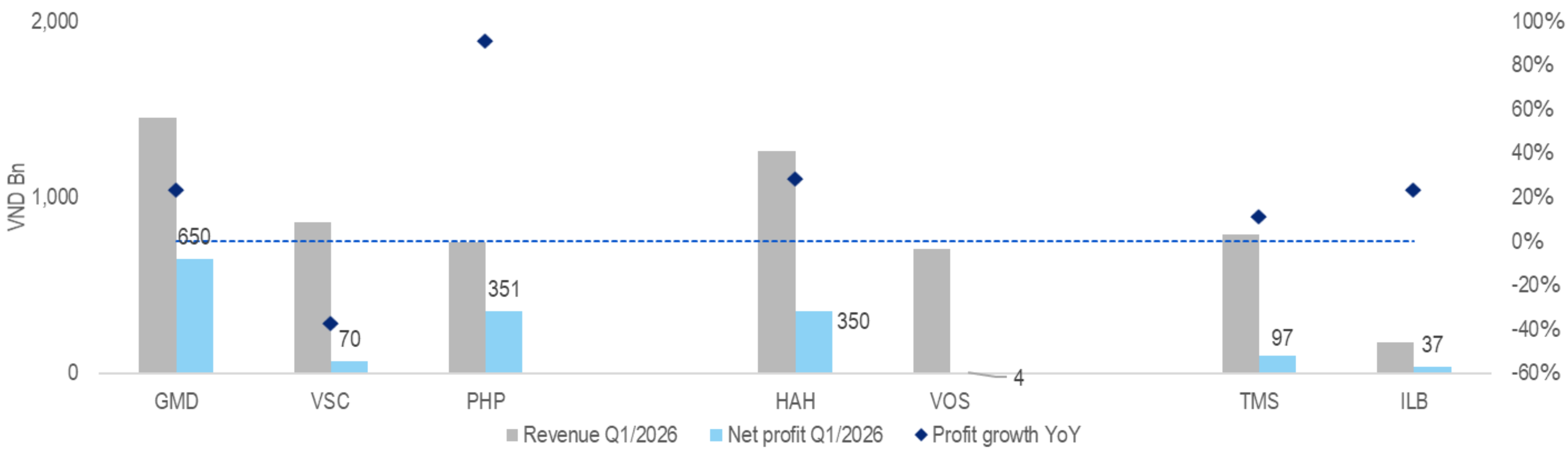
Source: Fiinpro, Shinhan Securities Vietnam

- Pangasius Export Businesses: In Q1/2026, the pangasius export group recorded positive growth compared to the same period last year, but the growth drivers varied among businesses. While VHC's profit growth was mainly supported by dividends from its subsidiary, core profit growth did not come from the main pangasius segment but from fishmeal and fish oil. ANV's growth was driven by strong exports of pangasius and tilapia to China during the Lunar New Year.

- Shrimp Export Businesses: In Q1/2026, the profits of shrimp businesses also recorded growth. Most notably, MPC saw a remarkable increase of 1,124% thanks to increased exports of high-value-added products and effective cost control. In addition, FMC also recorded positive results due to its focus on exporting deeply processed products. For CMX, the profit increase was supported by favorable exchange rates along with improvements in production volume and product mix.

Logistics Industry Business Results Q1/2026 – Positive Growth

Business results of some major companies in the logistics industry

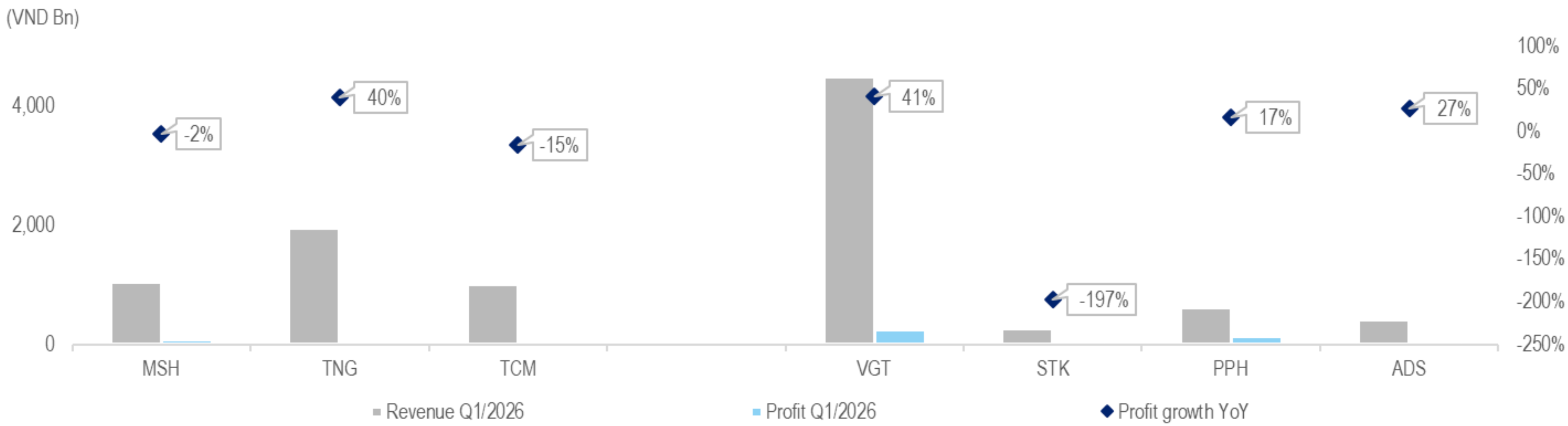


Source: Fiinpro, Shinhan Securities Vietnam

- ❑ Port enterprises: In Q1/2026, the port enterprise recorded clearly differentiated business results. GMD continued its positive growth with a 23% YoY increase in profit. PHP recorded strong business results thanks to the good operational efficiency of its berths in the Lach Huyen 3 and 4 areas, escaping losses earlier than expected due to a strategic partnership with MSC. Conversely, although VSC recorded a 26% increase in revenue, its profit declined due to increased financial cost pressure.
- ❑ Transportation enterprises: Supported by the continued vibrancy of the shipping industry and high freight rates, the shipping sector recorded positive business results in the past quarter. In addition, HAH continued to improve operational efficiency thanks to increased charter rates, while also adjusting up fees and charges for transportation and port operations.
- ❑ Warehouse enterprises : TMS's profit increased by 13.5% thanks to continued growth in its core business.

Textile and Garment Industry Results Q1/2026 – Garment industry falters after front-loading while yarn industry shows positive signs from the Chinese market

Q1/2026 business results of some major enterprises in the textile and garment industry



Source: Fiinpro, Shinhan Securities Vietnam

❑ Garment Businesses: Amidst cooling demand for textiles and garments following a period of inventory accumulation, the profits of textile and garment businesses generally weakened. MSH recorded a slight decrease in profit due to cautious ordering sentiment in the US market, while TCM faced pressure from declining orders in the South Korean market due to weak consumer demand and fierce competition from China. A bright spot during the period was TNG with impressive growth, supported by stable orders from its strategic partner Decathlon.

❑ Yarn Businesses: Contrary to the less positive picture of the garment industry, the yarn industry generally recorded more favorable developments, with most businesses achieving profit growth, driven by the recovery in yarn consumption demand in China. VGT experienced strong growth thanks to a robust recovery in yarn prices and effectively capitalized on demand from the Chinese market as the domestic yarn industry lost its cost advantage. PPH and ADS also benefited significantly from the upward trend in yarn prices, contributing to good profit growth. However, STK recorded a sharp decline of 197% due to significant pressure from the operating costs of the Unitex Phase 1 plant and increased interest expenses, while revenue decreased.

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

General Information				Stock Price			Financial Indicators			Business Results				Valuation 26F	
No.	Ticker	Sector	Mkt.Cap (VND Bn)	CP (VND)	TP (*) (VND)	Upside (%)	NPM 2026F (%)	ROA 2026F (%)	ROE 2026F (%)	NPAT Q12026 (VND Bn)	NPAT Growth 2026 (% YoY)	Net profit 2026F (VND Bn)	Net profit Growth 2026F (% YoY)	P/E (x)	P/B (x)
1	GMD	Port services	33,224	76,100	93,900	23.4	38.4	12.3	15.7	650	32.6	2,656	15.4	14.4	2.8
2	HAH	Port services	10,491	55,000	72,900	32.5	26.5	13.4	20.1	351	28.6	1,407	0.4	9.2	1.9
3	VSC	Port services	7,731	20,100	29,700	47.8	17.3	4.7	8.8	70	-83.4	700	33.2	15.9	2.4
4	VHC	Seafood	12,190	57,800	69,400	20.1	12.0	9.9	12.6	286	37.9	1,523	1.1	11.7	1.4
5	ANV	Seafood	5,938	21,200	28,300	22.0	13.8	15.7	22.6	195	48.0	1,039	4.0	7.7	1.8
6	FMC	Seafood	2,289	34,950	40,100	14.7	3.5	6.6	10.8	51	37.9	361	3.4	11.5	1.1
7	MSH	Textile & Garment	3,904	34,000	42,600	25.2	12.7	14.6	30.3	81	-3.3	686	2.2	7.0	2.3
8	TCM	Textile & Garment	2,566	20,700	24,700	19.3	7.0	6.0	10.3	66	-16.0	346	13.0	10.4	1.3
9	TNG	Textile & Garment	2,446	18,900	27,600	46.0	4.6	6.0	21.3	60	39.2	433	10.2	7.8	1.8
10	STK	Textile & Garment	1,822	11,200	13,200	16.7	8.9	4.8	10.7	-34	-196.7	76	49.6	7.9	1.5
	Total									**1,776**	**15.5**	**9,227**	**8.4**		

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

Source: Fiinpro, Shinhan Securities Vietnam

Data as of 06/04/2026

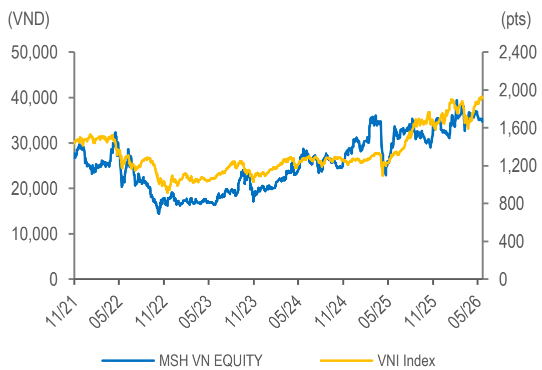
Song Hong Garment Joint Stock Company (HOSE: MSH)

SONG HONG
CÔNG TY CỔ PHẦN MAY SÔNG HỒNG

Target Price (12 Months)	42,600 VND
Current Price (04/06/2026)	34,000VND
Return (%)	25.2%
VNINDEX	1,832
HNXINDEX	305
Market Cap (bn VND)	3,826
Outstanding shares (mn)	113
Free-Floating (mn)	55
52-Wk High/Low (VND)	41,500/31,200
90-day avg. trading volume (mn)	0.47
90-day avg. turnover (bn VND)	11

Major shareholders (%)	Bui Duc Thinh	23.91
	FPT Securities JSC	10.66

Performance	3M	6M	12M
Absolute (%)	-13.4	0.4	-5.6
Relative to VN-Index (%)	-14.1	-5.0	-41.7



Maintain solid 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 & Catalyst

- In the second half of 2026, we believe that MSH's export activities to the US market will still be maintained, despite weak demand in this market. The driving force comes from: (1) Long-term strategic partnerships with US retailers help maintain order volume; (2) Expectations of expanding market share in the US in the complex technical product segment due to the only competitor, China, gradually losing its position due to high tariffs and other competitors such as India and Bangladesh not having sufficient production capacity to compete in this segment.
- Expanding exports of bedding products to the US and Japan: We expect the export of bedding products to the US and Japan to flourish in the context of the strong growth of the bedding market in the US and the large customer Columbia Sportswear doing business in this segment, creating favorable conditions for MSH to access more orders through the previously established relationship channel.

Outlook for 2H2026:

In summary, in Q1/2026, MSH recorded net revenue of VND 1,041 billion (+0.4% YoY), NPAT-Mi of VND 82 billion (-2% YoY). Revenue tended to remain flat in Q1 due to cautious customer sentiment amidst weak US demand following the front-loading period. However, the gross profit margin reached 20.3% (+10 percentage points YoY) despite pressure on selling prices, demonstrating the company's effective control of production costs.

We project MSH's 2026 revenue to reach VND 5,406 billion (-3% YoY). However, we believe net profit will move in the opposite direction to revenue, reaching VND 686 billion, a 3% YoY increase, thanks to: (1) Effective control of production costs; (2) Flexibility to adjust the proportion of CMT and FOB production methods to optimize capacity and improve profit margins.

Risks (1) Risk of declining US consumer demand for textiles and garments; (2) Risk of fluctuations in input material prices; (3) Risk of price decrease, (4) Risk of exchange rate increase and (5) Risk of customer bankruptcy.

Year to Dec.	2023	2024	2025	2026F	2027F
Net revenue (bn VND)	**4,542**	**5,280**	5,538	5,406	5,764
OP (bn VND)	187	441	702	715	765
NP (bn VND)	**245**	**440**	671	686	720
EPS (VND)	3,260	5,465	5,436	6,098	6,403
OPM (%)	4.1	8.4	12.7	13.2	13.3
NPM (%)	5.4	8.3	12.1	12.7	12.5
ROE (%)	**13.9**	**22.7**	31.4	30.3	29.9
PER (x)	11.1	9.5	5.0	7.0	6.7

Source: Company data, Bloomberg, Shinhan Securities Vietnam

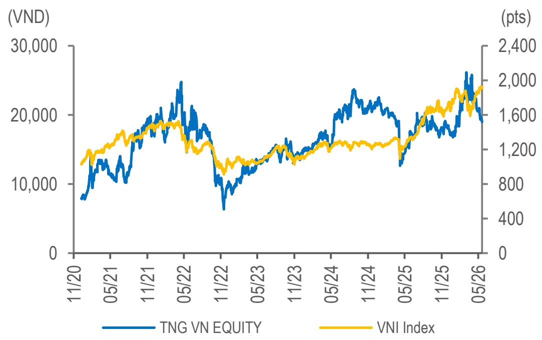
TNG Investment and Trading JSC (HOSE: TNG)

Target Price (12 Months)	27,600VND
Current Price (04/06/2026)	18,900VND
Return (%)	46.0%

VNINDEX	1,832
HNXINDEX	305
Market Cap (bn VND)	2,433
Outstanding shares (mn)	129
Free-Floating (mn)	75
52-Wk High/Low (VND)	28,000/17,40
90-day avg. trading volume (mn)	1.91
90-day avg. turnover (bn VND)	39

Major shareholders (%)	Nguyen Van Thoi	18.32
	Nguyen Duc Manh	11.49

Performance	3M	6M	12M
Absolute (%)	-29.5	-2.6	-1.6
Relative to VN-Index (%)	-30.2	-8.0	-37.7



Strong Position, Reaching Further

TNG Investment and Trading Joint Stock Company (HOSE: TNG) is one of Vietnam's leading textile and garment export businesses, primarily operating in the industrial garment export sector, and also expanding into the real estate sector with the Son Cam Industrial Park. TNG specializes in supplying garments to strategic partners such as Decathlon, Columbia, Nike, etc., and also exports cotton to serve as raw material for the production of jackets for partner customers in India, Indonesia, etc. Currently, TNG is the only Vietnamese textile and garment enterprise that fully meets the 17 criteria of the United Nations on ESG, which has helped TNG receive more production contracts from major brands.

Investment thesis & Catalyst:

- Stable orders from strategic customer Decathlon: With the advantage of being one of the top 3 largest suppliers in the world to the world's leading fashion group - Decathlon, TNG's orders are expected to remain stable in the long term. This is a significant advantage in the context of weakening global textile demand and competitors struggling to maintain orders.
- Prospects for expanding the customer base: The addition of new customers such as H&M, LIDL, and The North Face is a positive sign for increasing TNG's orders in the future. With superior production capacity and full compliance with ESG standards, we believe TNG has the capacity and scale to meet the various standards of fashion brands, thereby increasing revenue and profits in the future.
- Son Cam 1 Industrial Cluster can bring long-term profitability if existing obstacles are resolved.

Outlook for 2H2026:

In Q1/2026, TNG recorded net revenue of VND 1,952 billion (+30% YoY), and NPAT-Mi reached VND 60 billion (+40% YoY). Positive revenue and profit growth is due to (1) Increased exploitation of complex product lines in the US and EU markets; (2) Optimization of production costs; (3) Positive order situation with the addition of new customers and stable orders from long-term customers.

We project TNG's 2026 revenue to reach VND 9,382 billion (+8% YoY), NPAT-Mi's to reach VND 433 billion (+11% YoY), driven by: (1) Positive order situation from existing and new customers in the EU and US; (2) Continued expansion of capacity and improved production capacity with the recruitment of additional workers.

Risks: (1) Payment risk and interest expense eroding profits due to high debt ratio; (2) Risk of rising exchange rates; (3) Risk of declining demand for garments in the US market.

Year to Dec.	2023	2024	2025	2026F	2027F
Net revenue (bn VND)	**7,098**	**7,656**	**8,699**	**9,382**	**9,849**
OP (bn VND)	292	401	507	553	596
NP (bn VND)	**222**	**316**	**392**	**433**	**454**
EPS (VND)	2,019	2,693	3,175	3,536	3,701
OPM (%)	4.1	5.2	5.8	5.9	6.1
NPM (%)	3.1	4.1	4.5	4.6	4.6
ROE (%)	**12.7**	**16.9**	**20.1**	**21.3**	**20.4**
PER (x)	9.9	9.3	5.7	7.8	7.5

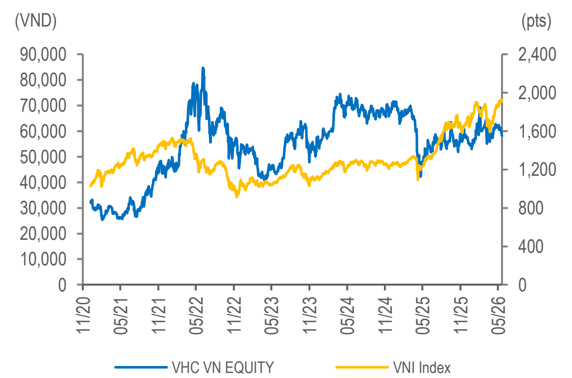
Source: Company data, Bloomberg, Shinhan Securities Vietnam

VINH HOAN

Target Price (12 Months)	**69,400 VND**
Current Price (04/06/2026)	57,800 VND
Return (%)	**20.1%**
VNINDEX	1,832
HNXINDEX	305
Market Cap (bn VND)	12,106
Outstanding shares (mn)	209
Free-Floating (mn)	109
52-Wk High/Low (VND)	69,900/50,700
90-day avg. trading volume (mn)	1.18
90-day avg. turnover (bn VND)	54

Major shareholders (%)	Truong Thi Le Khanh	42.32
	Mitsubishi Corporation	6.80

Performance	3M	6M	12M
Absolute (%)	-6.8	0.3	3.4
Relative to VN-Index (%)	-7.5	-5.1	-32.7



Capturing Opportunities in the U.S. Market

Vinh Hoan Corporation (HOSE: VHC) is the leading Vietnamese pangasius export company, accounting for approximately 14% of the country's total pangasius export value. VHC possesses a closed-loop value chain, large-scale production, and meets many international standards.

Investment thesis & Catalyst:

- The pangasius segment is expected to experience positive growth amidst high demand in the key export market – the US – due to (1) Low inventory levels; (2) Shortage of natural whitefish species such as pollock and cod due to fishing quota reductions, which will boost demand for pangasius as a substitute; (3) Selling prices are strengthened by high prices of fingerlings and high-quality products.
- The ability to self-supply fingerlings and fish feed reduces the risk of high input material prices when fingerling and feed prices in the market are currently at their peak.
- Diversified revenue structure helps maintain growth momentum: By-products, Sa Giang, Collagen & Gelatin, and Value-Added products are expected to grow steadily thanks to sustained strong consumer demand. This helps strengthen VHC's revenue growth momentum in the second half of 2026.

Outlook for 2H2026:

In Q1/2026, VHC recorded revenue of VND 2,955 billion (+12% YoY) and NPAT-Mi revenue of VND 266 billion (+38% YoY). Revenue growth was driven by increased selling prices of fishmeal and fish oil amidst rising raw material prices due to fluctuations in the Middle East. Net profit increased sharply thanks to dividends from subsidiaries, while core profit decreased by 31% despite increased revenue due to increased cost of goods sold in the pangasius segment.

Expectations of maintaining stable profit margins due to increased pangasius selling prices: Pangasius selling prices are expected to increase as supply is expected to be negatively affected by El Nino weather (May-July 2026).

The pangasius segment is expected to continue its growth in the US market by taking advantage of the gap from the shortage of whitefish supply, low inventory levels, and increased selling prices. In other markets such as China, the EU, etc., it is expected to face competitive pressure from domestic Chinese tilapia and other competitors.

The by-products, Sa Giang, and Value Added segments are expected to grow steadily, contributing approximately 30% of revenue, helping to maintain VHC's revenue and profit growth.

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

Year to Dec.	2023	2024	2025	2026F	2027F
Net revenue (bn VND)	**10,033**	**12,513**	**12,021**	**13,261**	**12,293**
OP (bn VND)	969	1,241	1,475	1,472	1,451
NP (bn VND)	**974**	**1,303**	**1,507**	**1,523**	**1,351**
EPS (VND)	4,914	5,463	6,318	6,447	5,718
OPM (%)	9.7%	10.4%	12.5%	11.5%	11.0%
NPM (%)	**11.3%**	**17.1%**	**15.1%**	**14.0%**	**12.2%**
ROE (%)	13.7	12.3	10.6	10.4	11.7
PER (x)	1.5	1.8	1.6	1.5	1.4

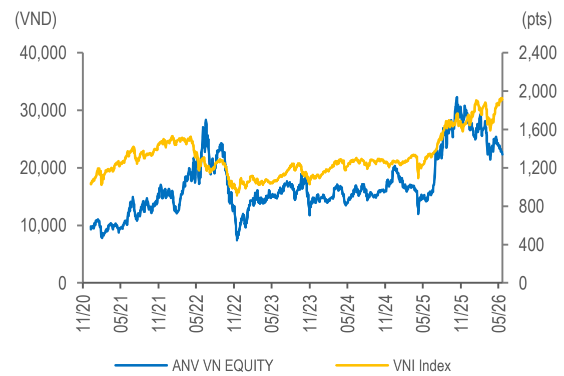
Source: Company data, Bloomberg, Shinhan Securities Vietnam

NAVICO
NAM VIET CORPORATION

Target Price (12 Months)	25,700 VND
Current Price (04/06/2026)	21,200VND
Return (%)	22.0%
VNINDEX	1,832
HNXINDEX	305
Market Cap (bn VND)	5,645
Outstanding shares (mn)	266
Free-Floating (mn)	90
52-Wk High/Low (VND)	34,500/15,750
90-day avg. trading volume (mn)	1.20
90-day avg. turnover (bn VND)	19

Major shareholders (%)	Doan Toi	55.06
	Doan Chi Thanh	11.09

Performance	3M	6M	12M
Absolute (%)	-19.1	-26.5	30.9
Relative to VN-Index (%)	-19.8	-31.9	-5.2



Expanding Market Share in the US Through Competitive Pricing

Nam Viet Joint Stock Company (HOSE: ANV) is a leading Vietnamese seafood export company, with pangasius as its main product. After expanding into tilapia in 2014, 2025 marks a breakthrough period for this segment, opening up new growth potential in the future.

Investment thesis & Catalyst:

- Self-sufficiency in raw materials helps fully absorb the upward trend in pangasius prices: Thanks to a closed production chain from breeding farms – feed production and processing for export, ANV not only controls input costs but also benefits from the expected increase in pangasius prices in the near future.
- Tilapia exports are expected to grow when (1) Continuing to take advantage of the gap left by China in the US market to expand market share; (2) Boosting exports of deeply processed tilapia products with high added value.
- Expanding Export Markets: ANV is expanding its export market to Brazil thanks to the tax exemptions from the bilateral trade agreement between Vietnam and Brazil. Although competition in this market is quite fierce due to competition from domestic tilapia and from China, with the impetus from high consumer demand and ANV's high-quality products, we expect this market to generate revenue for the company in the near future.

Outlook for 2H2026:

In Q1/2026, ANV recorded revenue of VND 1,841 billion (+66% YoY) and after-tax profit of VND 195 billion (+48% YoY) – strong growth thanks to: (i) Boosting pangasius exports to the US and Brazil by taking advantage of the market share gap left by China in the US and tariff preferences from bilateral trade agreements with Brazil; (ii) Increasing tilapia exports to the US market thanks to competitive pricing and high-quality products;

We project ANV's revenue and NPAT-Mi in 2026 to reach VND 7,526 billion (+8.3% YoY) and VND 1,039 billion (+4.0% YoY) respectively, growth based on the following factors:

1) Advantage of low tilapia selling prices thanks to a closed tilapia production chain and superior supply capacity; helping to expand market share in the US and Brazil.
2) Boosting pangasius and tilapia exports to the US market by taking advantage of the gap left by China due to high import tariffs and shortage of natural whitefish supply.
3) Expanding export market to Brazil by taking advantage of high demand and preferential tariff rates from the CPTPP trade agreement.

Risks: (1) Trade barriers; (2) Raw material price fluctuations; (3) Quality regulations; (4) Increased logistics costs

Year to Dec.	2023	2024	2025	2026F	2027F
Net revenue (bn VND)	4,439	4,911	6,952	7,526	6,012
OP (bn VND)	183	119	1,150	1,264	920
NP (bn VND)	39	48	999	1,039	697
EPS (VND)	293	316	3,754	4,049	2,947
OPM (%)	0.9	1.0	14.4	13.8	11.6
NPM (%)	1.4	1.7	31.6	22.6	12.9
ROE (%)	104.9	62.6	6.9	8.3	11.4
PER (x)	1.5	1.9	1.9	2.0	1.7

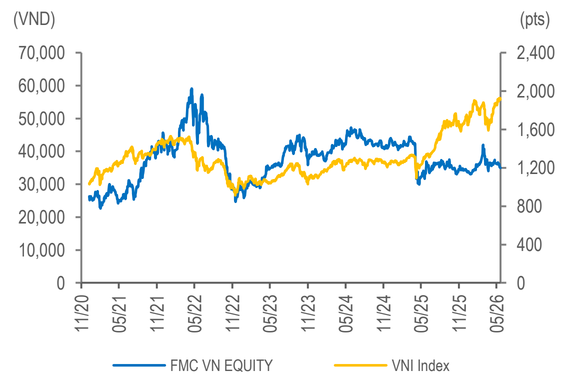
Source: Company data, Bloomberg, Shinhan Securities Vietnam

Sao Ta Foods JSC (HOSE: FMC)

Target Price (12 Months)	**40,100 VND**
Current Price (04/06/2026)	34,950 VND
Return (%)	**14.7%**
VNINDEX	1,832
HNXINDEX	305
Market Cap (bn VND)	2,285
Outstanding shares (mn)	65
Free-Floating (mn)	15
52-Wk High/Low (VND)	45,750/34,150
90-day avg. trading volume (mn)	0.09
90-day avg. turnover (bn VND)	2

Major shareholders (%)	PAN Group JSC	37.75
	CP Vietnam Livestock JSC	24.90

Performance	3M	6M	12M
Absolute (%)	-14.5	-4.0	-7.3
Relative to VN-Index (%)	-15.3	-9.4	-43.4



Dependent on the anti-dumping tax results

Sao Ta Food Joint Stock Company (HoSE: FMC) is one of Vietnam's leading shrimp exporters, consistently maintaining its position among the top 5 largest shrimp exporters in Vietnam. FMC currently self-supplies 30% of its raw shrimp materials, along with a 505-hectare farming area.

Investment thesis & Catalyst:

- Deep processing helps FMC maintain business efficiency and enhance the value of its exported shrimp products globally, thereby maintaining market share in Japan (a market demanding meticulous processing techniques) and the US (facing pressure from processed shrimp from Ecuador, India, and Indonesia).
- "Green production" and the application of technology in shrimp farming. FMC's 200-hectare farming area has ASC (Aquaculture Stewardship Council) certification, which will facilitate entry into the Western European market. In addition, applying technology to increase the success rate of farming and reduce production costs will enhance competitiveness compared to shrimp from Ecuador and India.
- Diversifying export markets: Thanks to the advantage of certified farming areas, FMC will continue to expand into new markets such as Canada and Australia.

Outlook for 2H2026:

- In Q1/2026, revenue reached VND 1,399 billion (-30% YoY), NPAT-Mi reached VND 51 billion (+34% YoY). The reason for the revenue decline was the extended Lunar New Year holiday and the anti-dumping duty deposit policy in the US market, which prompted the company to proactively adjust its revenue. In contrast to the decline in revenue, profit grew significantly thanks to a sharp decrease in cost of goods sold and reduced selling expenses.
- We note that the preliminary anti-dumping duty rate of the 20th review is 10.76%. If this rate remains unchanged, FMC will not be able to refund the VND 136 billion tax. This will negatively impact the company's profit.
- In the second half of 2026, FMC's business results will depend heavily on the preliminary and official AD tax results for frozen warmwater shrimp. It is expected that in Q3, FMC's export revenue will slightly decline due to a higher preliminary POR20 tax rate compared to other businesses under review. If the official POR20 results announced at the end of the year are favorable, FMC's Q4/2026 results will improve. We cautiously project FMC's net revenue and NPAT - Mi in 2026 to reach VND 7,458 billion (-9% YoY) and VND 361 billion (+3% YoY), respectively.

Risks: (1) Competitive risk, (2) Disease risk, unfavorable weather conditions for farming, (3) Input raw material risk, (4) Risk of increased transportation costs

Year to Dec.	2023	2024	2025	2026F	2027F
Net revenue (bn VND)	**5,087**	**6,913**	**8,185**	**7,458**	**8,474**
OP (bn VND)	292	363	410	229	307
NP (bn VND)	**302**	**423**	**349**	**361**	**289**
EPS (VND)	4,221	4,675	5,332	3,989	4,424
OPM (%)	5.9	6.1	4.3	3.5	3.4
NPM (%)	**13.9**	**17.1**	**13.73**	**10.8**	**10.4**
ROE (%)	7.6	8.8	6.6	11.5	10.3
PER (x)	0.9	1.2	0.9	1.1	0.9

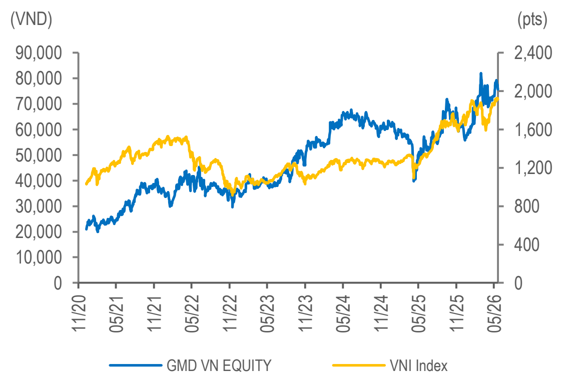
Source: Company data, Bloomberg, Shinhan Securities Vietnam

Gemadept JSC (HOSE: GMD)

GEMADEPT CORPORATION

Target Price (12 Months)	**93,900 VND**
Current Price (04/06/2026)	76,100 VND
Return (%)	**23.4%**
VNINDEX	1,832
HNXINDEX	305
Market Cap (bn VND)	32,456
Outstanding shares (mn)	426
Free-Floating (mn)	394
52-Wk High/Low (VND)	89,500/54,700
90-day avg. trading volume (mn)	1.99
90-day avg. turnover (bn VND)	127
Major shareholders (%) VII FUND II,L.P	13.81
Major shareholders (%) SSJ Consulting VN	7.17

Performance	3M	6M	12M
Absolute (%)	-3.7	22.5	28.8
Relative to VN-Index (%)	-4.4	17.1	-7.3



Confident in Double-Digit Growth

Gemadept Corporation is one of Vietnam's leading logistics companies, with a network of ports and logistics facilities and a state-of-the-art system. Main business activities: Port operations; Logistics. Gemadept 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:

- Gemalink expands its capacity, consolidating its position as Vietnam's number one deep-water port. Phase 2 of the project commenced on April 17, 2026, and is expected to be operational from Q3, while Gemalink 3 will also be implemented this year. According to the plan, Gemalink's total capacity will increase to approximately 3 million TEUs by 2027 (a 7% increase in GMD capacity compared to the current) and reach 4 million TEUs by the end of 2028 – beginning of 2029, more than double the initial design (a 12% increase in GMD capacity compared to the current). Gemalink still has significant growth potential through optimizing berth utilization, selecting high-volume and high-priced service routes.
- Ambition to establish waterway transportation as a trillion-dong growth pillar. The company's investment plan for a large-capacity fleet of ocean-going and inland waterway vessels represents a strategic move to modernize transportation capabilities and further strengthen its integrated logistics chain. GMD plans to acquire approximately 50 vessels amid a market oversupply environment, thereby capitalizing on relatively low vessel prices to expand its fleet at reasonable costs. By 2030, the company targets its shipping segment to contribute around VND 1 trillion in profit, becoming an additional growth pillar alongside port operations.

Outlook for 2H2026:

- In Q1/2026, GMD recorded revenue of VND 1,452 billion (+13.7% YoY) and net profit of VND 650 billion (+23.3% YoY), mainly from volume growth and contributions from Gemalink port. In Q1, Gemalink added 3 new service routes.
- In 2026, we expect profits to continue growing by 20% YoY thanks to (1) Increased capacity expansion and (2) Stable cargo volume and a 10% YoY increase in cargo handling service fees.

Risks: (1) Risks in the global economic situation and (2) Decreased purchasing power.

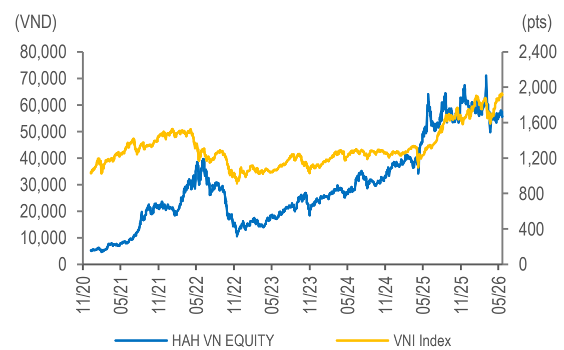
Year to Dec.	2022	2023	2024	2025	2026F
Net revenue (bn VND)	3,916	3,846	4,832	5,946	6,914
OP (bn VND)	1,104	1,116	1,345	1,627	2,086
NP (bn VND)	1,157	1,061	1,594	2,224	2,656
EPS (VND)	3,054	2,366	3,483	5,086	6,524
OPM (%)	25.4	27.6	33.0	37.4	38.4
NPM (%)	15.0	10.1	10.7	13.2	15.7
ROE (%)	20.6	26.6	22.7	18.5	14.4
PER (x)	2.6	2.2	2.6	3.1	2.8

Source: Company data, Bloomberg, Shinhan Securities Vietnam

Hai An Transport and Stevedoring JSC (HOSE: HAH)

Target Price (12 Months)	72,900 VND
Current Price (04/06/2026)	55,000 VND
Return (%)	32.5%
VNINDEX	1,832
HNXINDEX	305
Market Cap (bn VND)	9,287
Outstanding shares (mn)	169
Free-Floating (mn)	109
52-Wk High/Low (VND)	71,700/49,700
90-day avg. trading volume (mn)	1.80
90-day avg. turnover (bn VND)	87
Major shareholders (%) — Hai Ha Investment and Transportation JSC	15.7
Major shareholders (%) — Container Viet Nam JSC	12.6

Performance	3M	6M	12M
Absolute (%)	-17.9	-10.6	-6.0
Relative to VN-Index (%)	-18.6	-16.0	-42.1



Investing for the Future

Hai An Transport and Stevedoring Joint Stock Company is one of Vietnam's leading maritime transport enterprises. Hai An is one of the few companies with a complete value chain in the maritime transport industry. Hai An provides a full range of maritime transport services including freight transport services (for North-South routes and international shipping routes), maritime agency (cooperating with international shipping lines in providing transport services), port services (providing port services such as receiving ships, loading and unloading goods), warehousing services and logistics services. The complete value chain helps Hai An operate efficiently, contributing to cost optimization.

Investment thesis & Catalyst:

- Expanding the fleet helps increase capacity. Hai An continues to own 20 vessels (mainly 1,800 – 3,000 TEU vessels), increasing total capacity to 33,100 TEU (+9.2% compared to the current).
- VSC is collaborating with HAH to establish the Hai An Green Shipping Line joint venture, in which HAH contributes 40% of the capital. The joint venture will invest in the construction of new large-capacity vessels, initially two container ships with a capacity of 7,000 TEU, equivalent to approximately VND 4,700 billion. The planned delivery dates are June 30, 2028 and September 30, 2028. This is considered a strategic move to expand the fleet, aiming for larger vessels to serve long-haul routes such as Europe and America.
- The time charter market is projected to continue strong growth in 2026. Time charter rates are expected to maintain a positive upward trend, supported by high demand and limited supply, keeping prices at an attractive level. The container ship charter market remains favorable and has so far been largely unaffected by tensions in the Middle East, even recording stronger growth.

Outlook for 2H2026:

- In Q1 2026, HAH recorded revenue of VND 1,264 billion (+8.2% YoY) and net profit of VND 350 billion (+28.2% YoY), thanks to the addition of one new vessel and continued increase in transport volume.
- We maintain a positive outlook for HAH's business operations in 2026 due to (1) the addition of 2 new vessels in 2026, (2) the time charter market is projected to remain strong in 2026, and (3) the cooperation with VSC helps HAH access and effectively utilize VSC's large port infrastructure, thereby increasing its output.

Risks: (1) Risks in the global economic situation, (2) Declining purchasing power and (3) Increased fuel costs.

Year to Dec.	2022	2023	2024	2025	2026F
Net revenue (bn VND)	3,206	2,613	3,992	5,091	5,314
OP (bn VND)	1,308	447	980	1,748	1,756
NP (bn VND)	1,041	358	800	1,401	1,407
EPS (VND)	11,699	3,648	5,361	7,145	7,177
OPM (%)	32.5	13.7	20.0	27.5	26.5
NPM (%)	36.1	11.2	20.1	26.0	20.1
ROE (%)	4.2	13.6	12.4	9.3	9.2
PER (x)	1.5	2.0	2.5	2.5	1.9

Source: Company data, Bloomberg, Shinhan Securities Vietnam

Technology sector

Testing internal strength

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Technology Sector – Testing internal strength

1. Global IT Trends Update

Gartner forecasts global IT spending growth of 10.8%, with AI infrastructure investment remaining the key growth driver. Spending on data centers is projected to increase by 31.7% in 2026. Software and IT services segments are also expected to recover, with spending growth forecast at 14.7% and 8.7%, respectively, in 2026.

2. Investment opportunity

FPT

Data centers continue to attract investment, while software and IT services are expected to recover

Global IT spending for the period 2025-2026 (USDmn)

	2024 Spending	2024 - growth (%)	2025 Spending	2025 – Growth (%)	2026F Spending	2026F – Growth (%)
Data Center Systems	333,372	40.3	496,231	48.9	653,403	31.7
Devices	720,681	4.6	788,335	8.4	836,417	6.1
Software	1,114,604	11.9	1,249,509	11.5	1,433,633	14.7
IT Services	1,614 756	4.8	1,717,590	6.4	1,866,856	8.7
Communications Services	1,256,287	2.2	1,303,651	3.8	1,365,184	4.7
Overall IT	**5,039,699**	**7.4**	**5,555,316**	**10.3**	**6,155,493**	**10.8**

Source: Gartner (02/2026), Shinhan Securities Vietnam

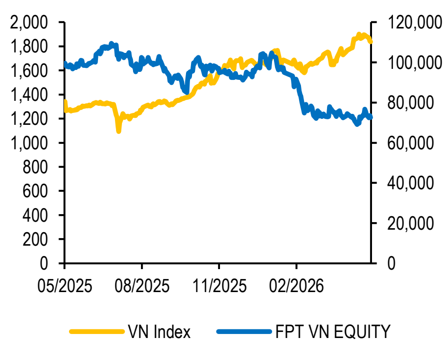
- Global IT spending in 2025 has generally tracked Gartner's previous forecasts, with Data Centers continuing to lead investment growth. Meanwhile, the Software segment remained relatively flat, while IT Services posted only modest growth of 6.4%. Moving into 2026, Gartner continues to highlight strong demand for AI infrastructure investment, with Data Center spending projected to grow by 31.7%.
- Following a phase of heavy infrastructure investment in 2025, enterprises are expected to accelerate AI adoption and software investment in 2026. Digital transformation trends and increasing AI deployment demand are expected to remain the key growth drivers, while cybersecurity is gaining greater importance as organizations raise budgets for security software and infrastructure. **According to Gartner, Software and IT Services spending are projected to grow by 14.7% and 8.7%, respectively, in 2026. However, IT Services growth still remains below the projected 10.8% growth of total global IT spending, suggesting that current demand remains primarily concentrated in AI, with IT Services benefiting less from this wave.**

FPT JSC (HSX: FPT)

Target price (2026)	**VND 95,400**
Current price (06/04/26)	VND 73,600
Upside (%)	29.6%
VNINDEX	1,832
PE market (26F)	12.5
Market cap (VNDbn)	125,414
Outstanding shares (shares mn)	1,704
Free Float (shares mn)	1,524
52-week high/low(VND)	112,800/70,000
Average trading volume 90 days (shares mn)	11.98
Average trading value of 90 days (VNDbn)	867
Foreign ownership (%)	28.53

Major shareholder(%)	Trương Gia Bình	6.89
	SCIC	5.67

Performance	3M	6M	12M
Absolute (%)	-20.8	-24.2	-28.5
Relative to VN-Index (%)	-20.3	-34.9	-68.0



Solid Earnings Growth

FPT Corporation (HSX: FPT) is Vietnam's leading technology company, operating across three core segments: Technology, Telecommunications, and Education. FPT serves as a key technology and digital transformation partner for both domestic and international enterprises. The company aims to evolve into a true technology company rather than remaining solely an outsourcing service provider.

Q1/2026 Earnings Update:

- **Technology segment:** Revenue from the technology segment reached VND12,480bn, up 11% YoY in Q1/2026, while segment profit increased by 10.6%. New contract signings reached VND13,833bn, up 22% YoY.
- **International markets:** FPT continued to deliver strong growth in Japan (+18.8%) and Europe (+44%). Meanwhile, growth in the US and APAC markets weakened compared to previous years, with revenue growth of only +3.8% and -9.9%, respectively. Digital transformation remains the key growth driver for FPT's technology segment.
- **Domestic market:** Domestic technology revenue posted stronger growth of 17.7%, supported by both public and private sector demand, particularly in AI/Data Analytics and Cybersecurity solutions.
- **Telecommunications segment:** FPT will no longer fully consolidate the financial results of FPT Telecom from 2026 onward and will instead account for the subsidiary using the equity method, similar to an associate or joint venture. As a result, consolidated revenue reported on financial statements will decline accordingly, while parent company earnings remain largely unaffected. In Q1/2026, FPT Telecom recorded revenue and profit growth of 12.5% and 15.8%, respectively.
- **Education, investment, and other segments:** Revenue declined by 4% YoY in Q1/2026, reflecting pressure on new student enrollment amid increasing comnmpetition from public universities. Total student enrollment at the end of 2025 decreased by 8%.

2026 Outlook:

With stable new contract signings, we forecast FPT's technology segment revenue to grow by approximately 15% annually during 2026–2027.

Domestic digital transformation demand remains robust, and FPT is expected to secure additional large-scale digital transformation projects in the coming years. We forecast domestic digital transformation revenue growth of 20% in 2026.

Given ongoing challenges in the global IT services market and intensifying competition, we expect revenue from this segment to remain flat in 2026 before recovering to approximately 5–10% growth in subsequent years.

Due to changes in accounting treatment, we forecast FPT's 2026 revenue at VND56,888bn (-18.9% YoY). Parent company pre-tax profit, which is not affected by the accounting change, is maintained in line with our previous forecast at VND10,832bn (+15.6% YoY).

Given our projected earnings CAGR of around 15–16% over the next five years — lower than the roughly 20% growth recorded in the previous period — we lower our target P/E multiple to 15x, implying a target price of approximately VND95,400/share for FPT.

Risks: (1) AI-related pressure on the company's ability to secure new digital transformation contracts.(2) Intensifying competition in the education segment, reducing long-term growth potential.

Year	2022	2023	2024	2025	2026F
Revenue (VND bn)	**44,401**	**52,618**	**62,478**	**70,113**	**56,888**
Operating profit (VNDbn)	7,589	9,112	11,634	12,947	15,600
Net income (VNDbn)	**5,310**	**6,465**	**7,857**	**9,369**	**10,832**
Gross profit margin (%)	39.0	38.6	37.7	36.9	33.5
NPM (%)	12.1	12.3	12.5	13.4	19.0
ROE (%)	**22.7**	**23.4**	**23.9**	**23.6**	**23.1**
Revenue growth (%)	23.4	19.6	19.4	11.6	-18.9
Profit growth(%)	22.4	21.8	21.5	19.3	15.6

Source: Data company, Bloomberg, Shinhan Securities Vietnam

Retail

From market share expansion to profit optimization

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Retail – From market share expansion to profit optimization

1. Retail sector Update in 4M2026

In 2025, Vietnam's retail sector continued to maintain stable growth compared to 2024. In the first four months of 2026, total retail sales of goods and services at current prices reached VND 2,546 trillion, up 11.1% YoY. Excluding the impact of price factors, real growth was estimated at around 6.3%.

2. Outlook for Vietnam's retail industry in 2H/2026

Retail sector growth is expected to reach 16% YoY for the full year 2026 thanks to:

(1) Positive economic growth expectations alongside strong consumer spending

(2) The strengthening presence of modern retail

(3) Accelerating the expansion of modern retail experiences into rural areas.

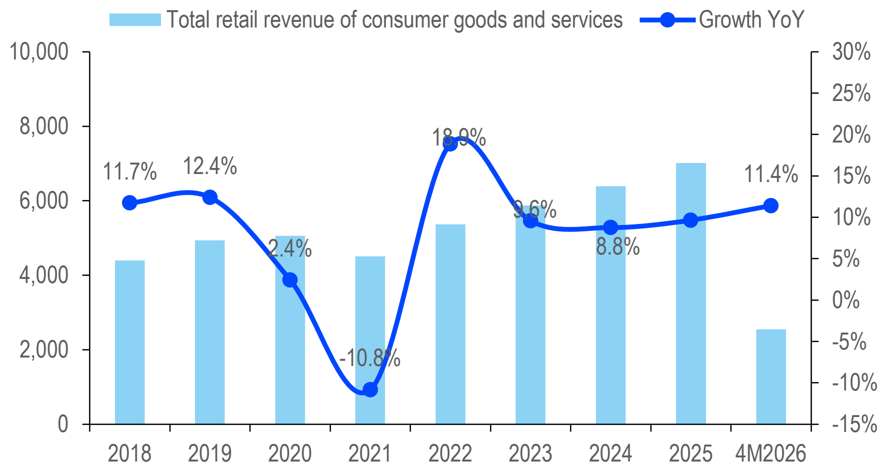
(4) E-commerce channels – the growth pillar of the retail industry

(5) Consumer confidence is strengthened by supportive policies.

3. Retail stock investment opportunity: MWG, FRT and DGW

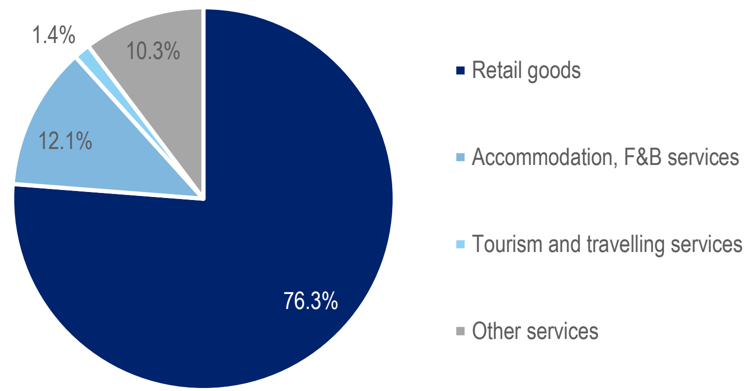
The consumer and retail market is recovering strongly

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



Source: GSO, Shinhan Securities Vietnam

Sales contribution by retail segments in 4M2026

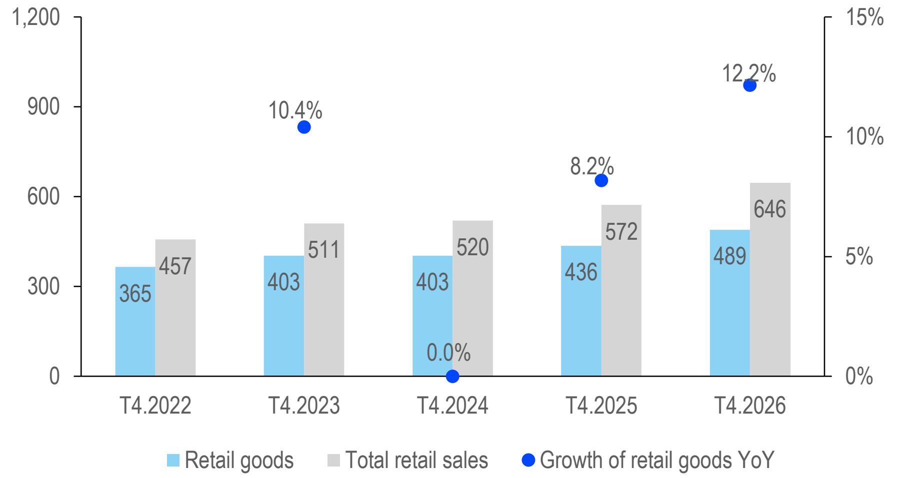


Source: GSO, Shinhan Securities Vietnam

- In the first 4 months of 2026, Vietnam recorded total retail sales of goods and services at current prices of VND 2,546 trillion, up 11.1% year-on-year, with broad-based growth across all sectors. Excluding the price factor, real growth was estimated at around 6.3%.
- Retail goods revenue: Retail goods revenue reached VND 1,938 trillion, up 11.1% YoY, reflecting the recovery of domestic consumption.
- Revenue from accommodation and food services eached VND 317 trillion, up 13.4% YoY. This segment is benefiting significantly from the recovery in international tourism and robust domestic consumer demand.

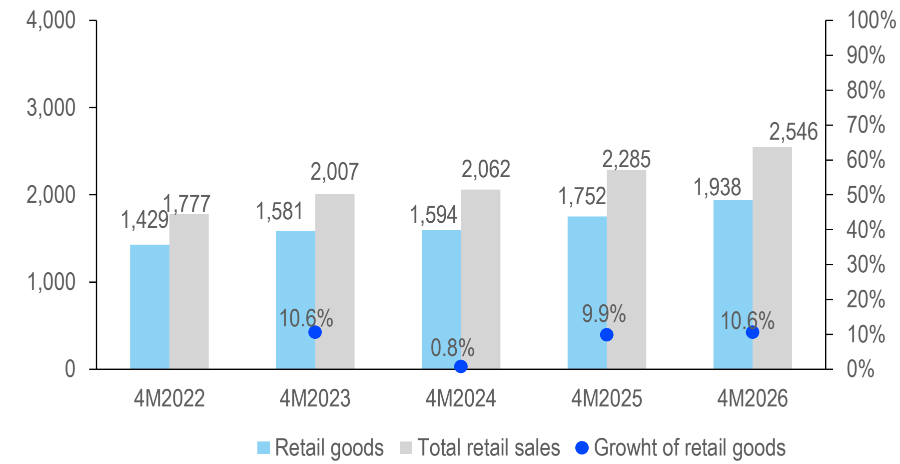
The consumer and retail market is recovering strongly

Sales of retail in April every year (trillion VND)



Source: GSO, Shinhan Securities Vietnam

Accumulated 4M sales of retail goods every year (trillion VND)

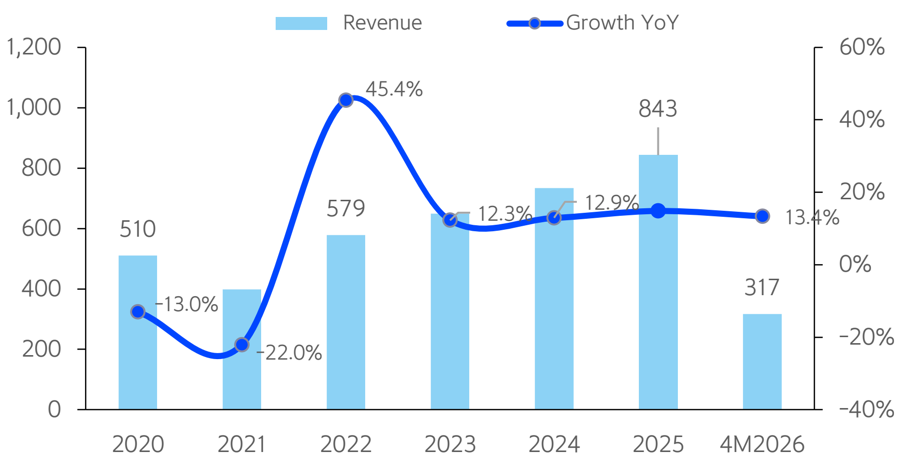


Source: GSO, Shinhan Securities Vietnam

- Retail sales of goods in April 2026 reached VND 489 trillion (+12% YoY). Accumulated in the first 4 months of 2026, retail sales of goods totaled VND 1,938 trillion (+11% YoY), accounting for 76.1% of total retail sales of goods and consumer services.
- The domestic consumer market continued to maintain a positive recovery momentum despite rising pressure from production costs and raw material prices amid tensions in the Middle East. In addition, the market's steady growth trend was supported by stimulus policies, particularly the extension of the 2% VAT reduction policy through the end of 2026, along with extended holiday periods, which significantly boosted consumer spending demand.

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

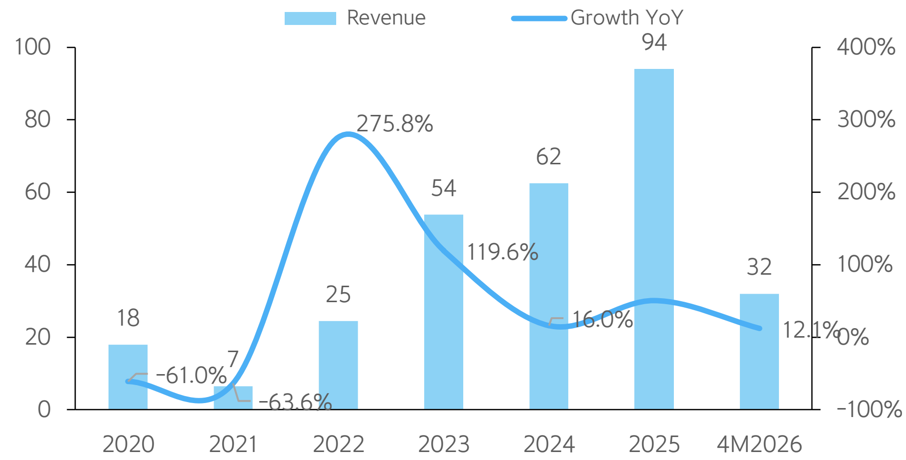
Revenue from accommodation & food services (trillion VND) (*)



(*) 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) (**)



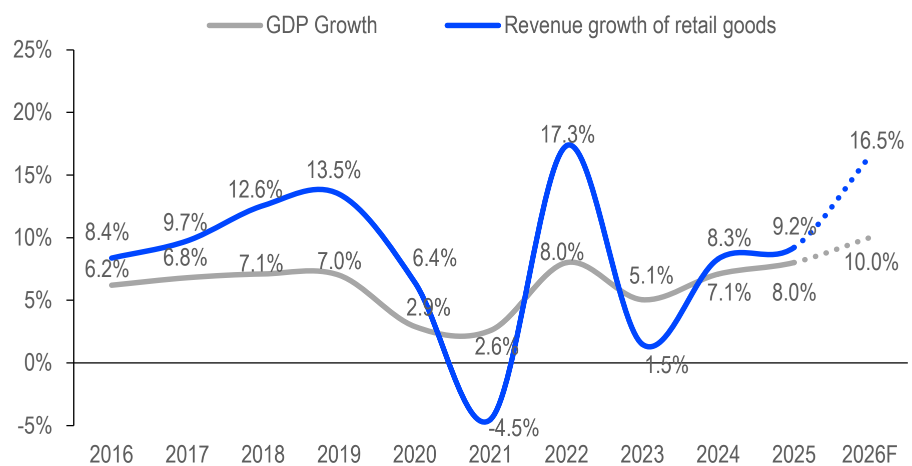
(**) only includes service revenue of travel companies, not including expenses outside of travel services (food, shopping, transportation, other entertainment services, etc.)

Source: GSO, Shinhan Securities Vietnam

- Total revenue from accommodation and food services in the first four months of 2026 reached VND 317 trillion (+13.4% YoY). The growth of the accommodation and food services sector reflects consumers' increasing willingness to spend on experiences, travel, and dining out. This also signals an improvement in consumer sentiment following the previous period of tightened spending.
- Travel agency and tour operator revenue in 4M/2026 reached VND 32 trillion (+12.1% YoY), supported by the effective implementation of various tourism stimulus programs and the diversification of tourism products to better meet consumer preferences. The strong increase in both domestic and international tourist arrivals during public holidays and the Lunar New Year provided significant momentum for the travel industry across many key destinations.

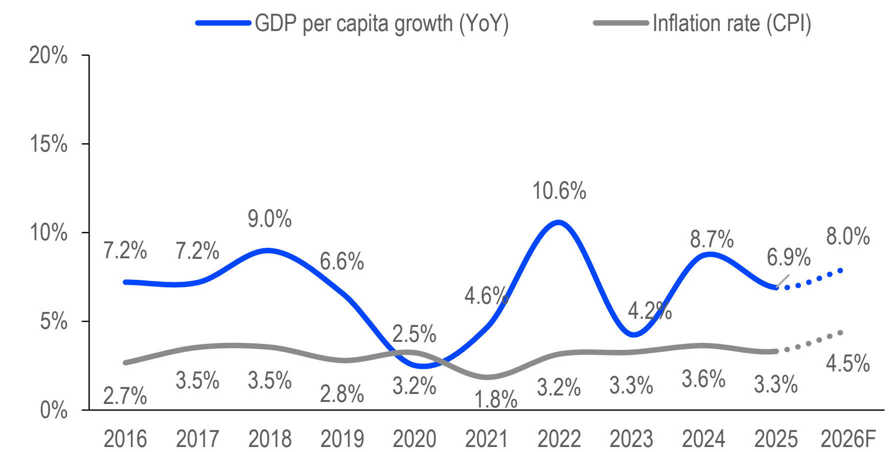
Economic growth leads to increased consumption

Growth of Vietnam GDP and revenue of retail goods



Source: World Bank, GSO, Shinhan Securities Vietnam

Vietnam GDP per capita growth and CPI rate

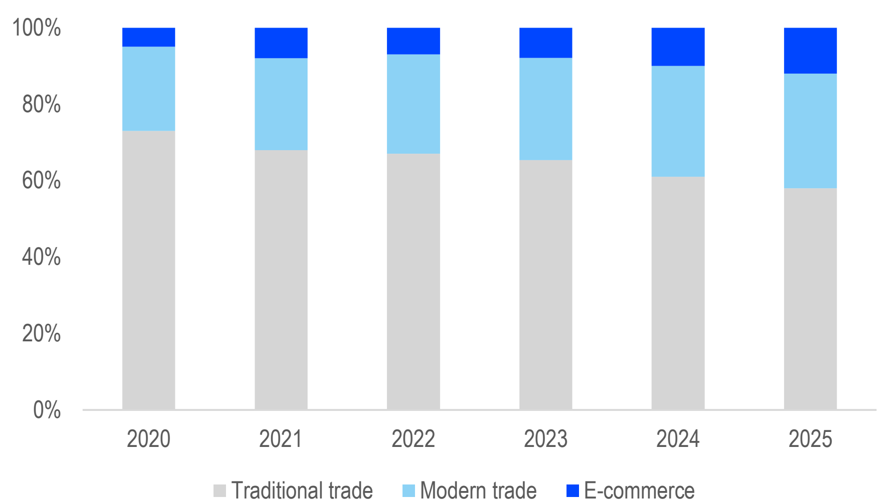


Source: World Bank, IMF, GSO, Shinhan Securities Vietnam

- Vietnam aims for a GDP growth rate of 10% and GDP per capita to reach USD 5,400 – USD 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: (i) Promote credit growth; (ii) Continue to reduce VAT by 2% until the end of 2026; (iii) Maintain annual increase in regional minimum wage; (iv) 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.

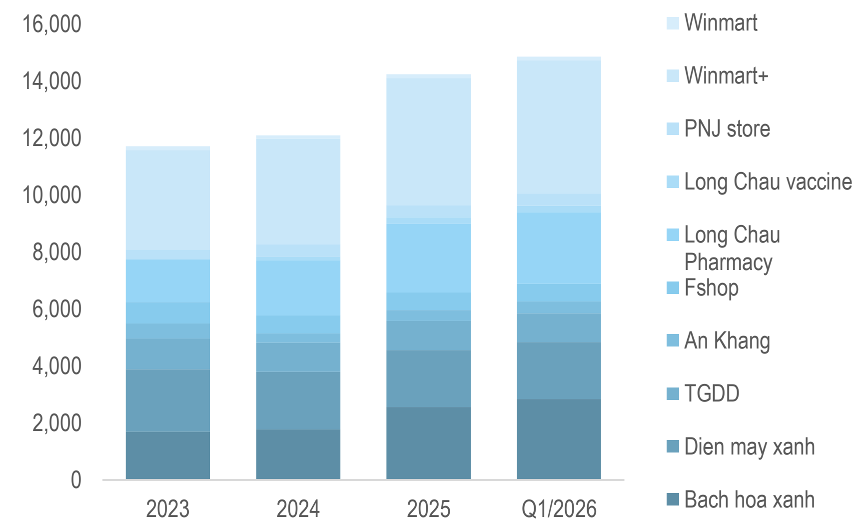
Modern retail enhances its presence

Vietnam's retail market revenue from 2020 to 2025 by type



Source: Q&Me, Shinhan Securities Vietnam

The number of modern trade stores operated by listed retail companies

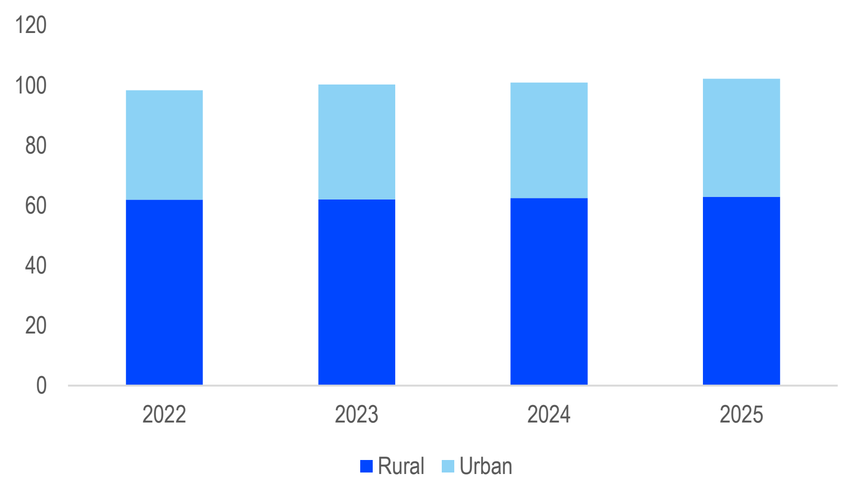


Source: Company, Shinhan Securities Vietnam

- Although modern retail channels currently account for only around 30% of the total market, the medium-term growth potential remains substantial, especially as trust and transparency are increasingly becoming top priorities for consumers when choosing products and shopping channels.
- Convenience stores and mini supermarkets continue to serve as the primary growth drivers of the modern retail market, while the pharmaceutical, electronics, and IT segments are undergoing significant restructuring. In Q1 2026, the number of pharmacies continued to expand, supported by the strong growth momentum of the Long Chau pharmacy chain. The convenience store and mini-supermarket network was also strengthened as Bach Hoa Xanh increased its number of outlets. In contrast, several electronics retail chains, including FPT Shop and Đien May Xanh, have reduced their store networks in recent periods.

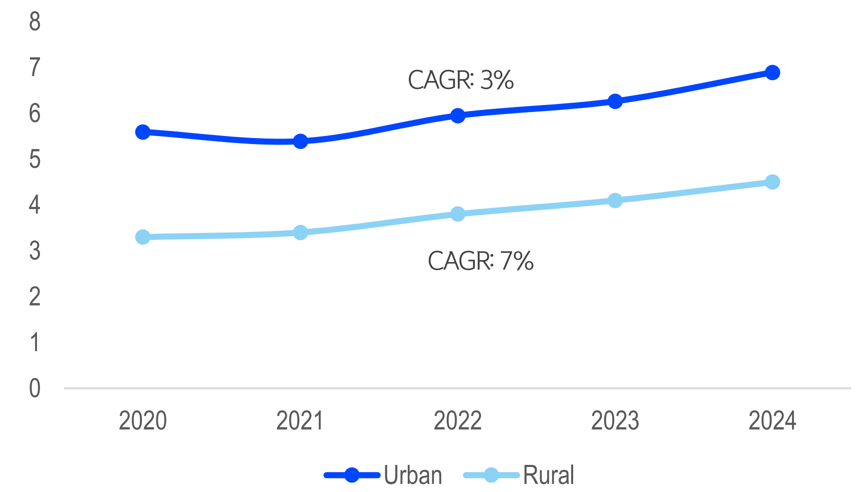
Accelerating the expansion of modern retail experiences into rural areas.

Population by region (million people)



Source: GSO, Shinhan Securities Vietnam

Average disposable income per capita (million VND/year)



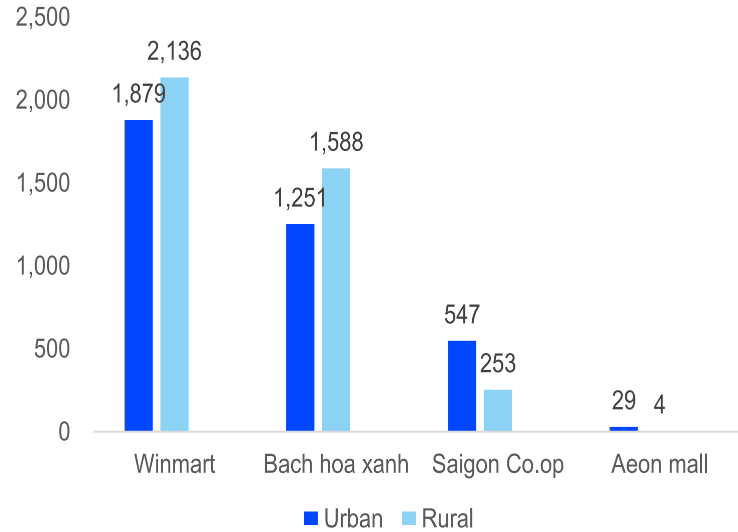
Source: Q&Me, Shinhan Securities Vietnam

- Amid increasingly intense competition in urban areas, many domestic companies are proactively adjusting their strategies by shifting their focus toward rural markets.
- Although rural areas account for around 65% of the country's population, the penetration rate of modern retail channels currently stands at only about 10%, equivalent to roughly half that of urban areas. Meanwhile, consumer demand in these regions is becoming increasingly diverse, while the competitive landscape remains relatively fragmented, creating substantial growth opportunities for retail businesses. Along with improvements in income and living standards, consumer behavior in rural areas is also changing significantly. Consumers are no longer focused solely on essential needs but are increasingly concerned about product quality, transparency of origin, shopping convenience, and service reliability.

Accelerating the expansion of modern retail experiences into rural areas.

Domestic retail enterprises	The plan for 2026
Winmart (MSN)	In 2026, with expansion focused primarily on the Northern region, it is expected to account for approximately 80% of the total number of new stores.
Bach Hoa Xanh (MWG)	After strengthening its position in the South, MWG is expected to expand into rural provinces in Northern and Central Vietnam in 2026.
Saigon Co.op	Continue expanding Co.op Smile stores in rural and suburban areas.
Foreign retail enterprises	**The plan for 2026**
AEON Mall	Accelerate investment in provincial areas and smaller urban markets, shifting the strategy from inner-city locations to large-scale shopping malls in provinces, with the total number of malls expected to increase to 11.
Central retail	Central retail Vietnam has rolled out mini go! stores in suburban and rural areas such as Tan Uyen, Hoa Thanh, and Nhon Trach.

Number of stores by region as of May 2026

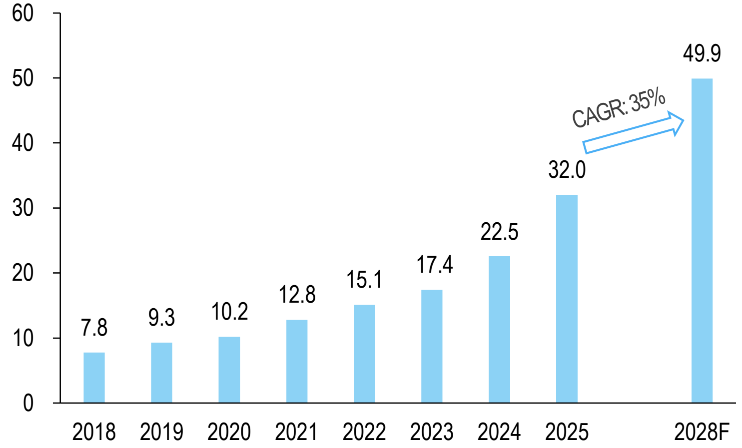


Sources: Company, Shinhan Securities Vietnam

- As retail chains expand into rural areas, they are also innovating their store formats to better adapt to local demand. Instead of rolling out large-scale supermarkets, retailers tend to develop smaller minimarts or convenience stores. These outlets focus on a selective range of fast-moving consumer goods and daily essentials, aligning with the shopping habits of rural consumers. This approach enables retailers to balance cost efficiency with customer accessibility, while maintaining a strong presence near residential communities.

E-commerce channels are growing in importance for retail

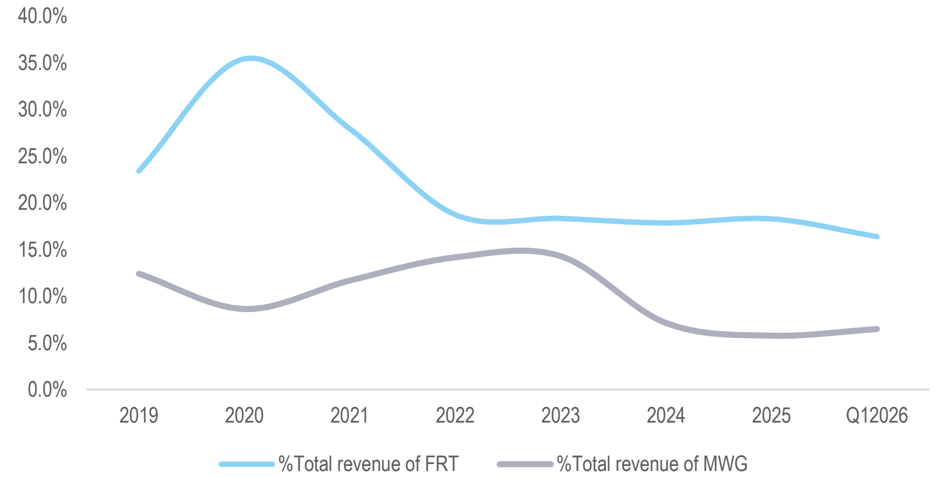
Vietnam e-commerce revenue (USD billion) (*)



(*) 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

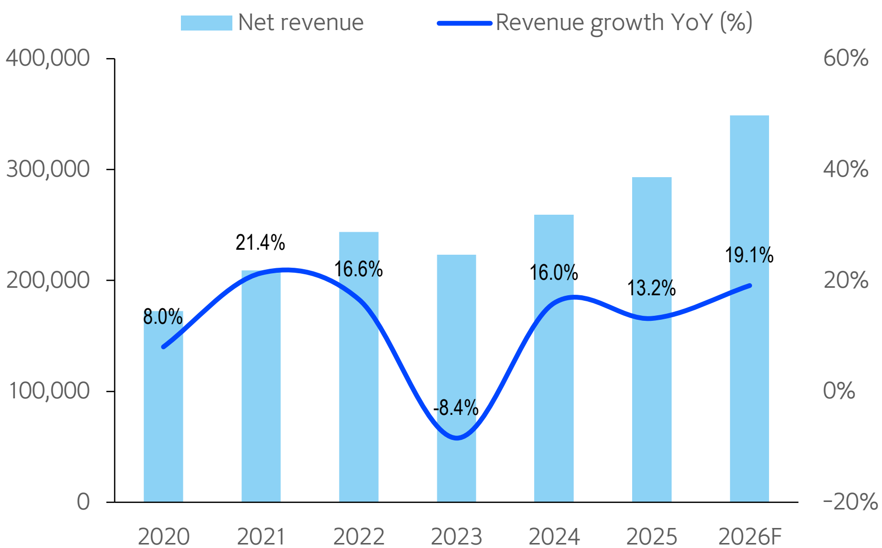
- The rapid growth of e-commerce is significantly reshaping the competitive landscape of the retail industry. No longer serving merely as a complementary sales channel, online platforms are increasingly becoming the primary growth driver for many major retailers. Domestic retailers have accelerated their omni-channel strategies to integrate online and offline shopping experiences, thereby enhancing customer reach while optimizing operational efficiency.
- Not only maintaining growth in their direct retail channels, the online businesses of FRT and MWG have also recorded many positive developments in recent years. Their ability to deliver goods rapidly within a short timeframe has helped improve operational efficiency and enhance customer experience. E-commerce is no longer merely a supplementary expansion channel, but has become a core component of the long-term growth strategy of Vietnamese retail enterprises.

Consumer confidence was bolstered by supportive policies

	The new guidelines	Validity	Impact
Standardizing product origin traceability.			
Requirements for enhanced traceability, supply chain information transparency, and the adoption of digital product passports.	Law No. 78/2025/QH15	01/01/2026	Greater transparency regarding prod uct origin also helps modern retail ch ains strengthen their competitive ad vantage over traditional channels thr ough better quality control and more effective supply chain management.
National traceability system	Decree No. 37/2026/ND-CP	01/01/2026	Consumers can verify product origins through QR codes/barcodes, helping increase trust in authentic goods and supporting retailers in building their brands.
Standardization of e-commerce operations			
Supplement regulations on seller identity verification, control of business registration information, and enhance the responsibilities of e-commerce platforms.	Law No. 122/2025/QH15	01/07/2026	Limit the circulation of counterfeit and low-quality products, as well as unfair competition from unofficial sellers.
Standardizing household business operations			
The regulation terminates the presumptive tax regime starting from 2026, while also requiring household businesses with annual revenue of VND 1 billion or more to implement electronic invoices connected to cash registers and declare their actual revenue.	Resolution 198/2025/QH15	01/01/2026	Narrow the cost advantage gap between traditional household businesses and modern retail enterprises, thereby promoting a fairer and more transparent competitive environment.

Update on the Business Results of Retail Companies

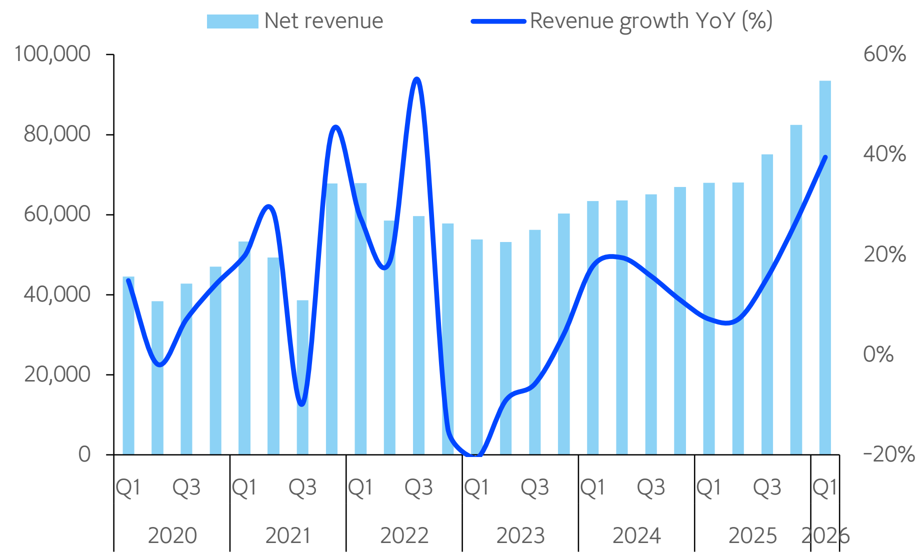
Revenue of typical listed retail firms (*) (VND billion)



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)

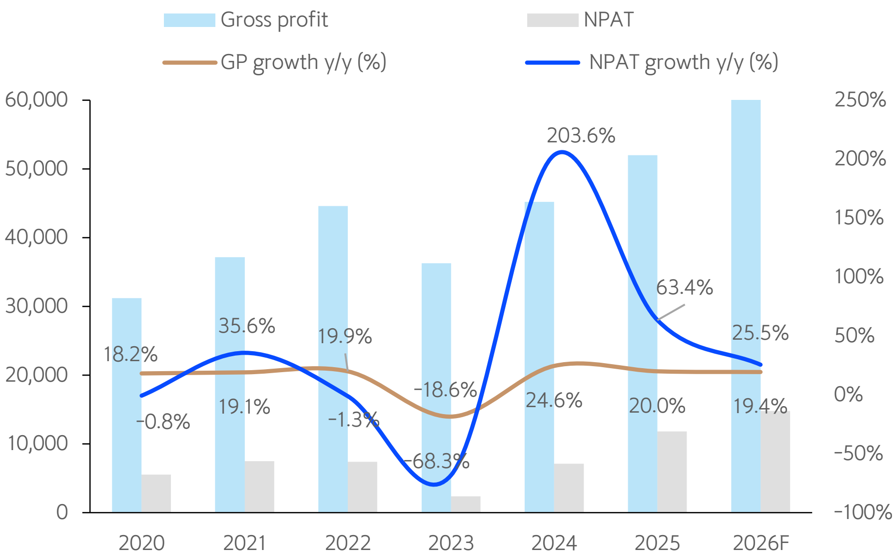


Source: FiinPro, Shinhan Securities Vietnam

- Updated Q1/2026 earnings results show that revenue growth among retail companies remained exceptionally strong, rising 39% YoY, driven by a robust recovery in domestic consumer demand.
- 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 actively expanded its pharmacy and vaccination center network, while An Khang also recorded a slight increase in the number of stores.
  - ❖ Mini-supermarket and convenience store segment: Bach Hoa Xanh is accelerating its expansion in northern Vietnam.

Update on the Business Results of Retail Companies

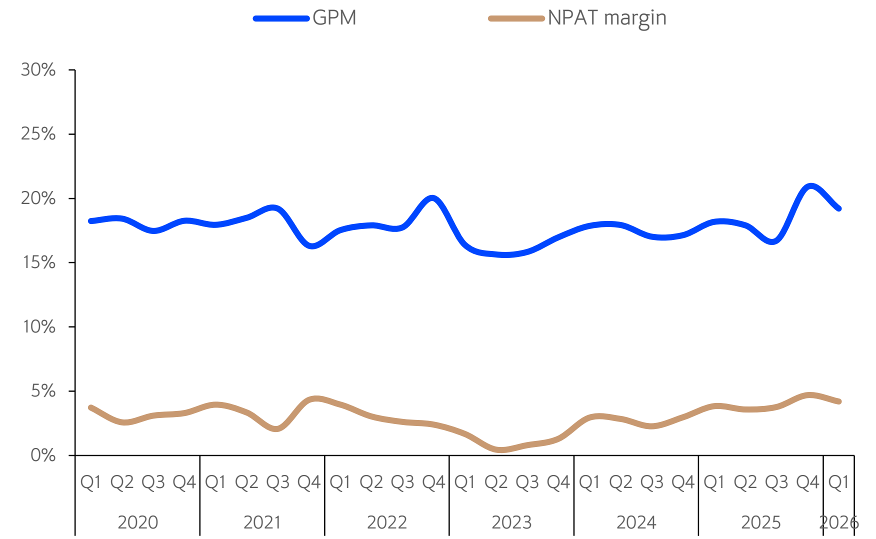
Profit of typical listed retail firms (trillion VND)



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 sector's profit in Q1/2026 grew by more than 89% YoY, accompanied by margin improvement driven by enhanced operational efficiency from cost optimization efforts.
- Bach Hoa Xanh chain is entering an acceleration phase after establishing a profitable operating model.
- The Long Chau pharmacy and vaccination chains have moved past their rapid expansion phase and are beginning to optimize operational efficiency.
- ICT chains continue to improve revenue per store through effective control of operating costs and enhanced customer shopping experiences. In addition, the integration between ICT chains and the CE segment also helps optimize business efficiency and improve revenue at each point of sale.

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	115,124	78,400	104,900	33.8	22.6	8.5	18.2	185,564	18.6	8,981	26.9	2.9	15.8
2	FRT	ICT, pharmacy	129,636	127,00	157,200	23.6	19.6	5.6	23.7	60,660	18.7	1,452	47.5	2.8	13.2
3	DGW	ICT distribution	8,868	40,100	50,500	25.9	9.3	5.6	17.8	31,927	19.9	756	36.2	2.7	15.2
4	PET	ICT distribution	5,357	50,200	50,000	-0.01	4.2	2.1	7.5	22,000	8.2	380	9.5	1.7	9.2
5	PNJ	Jewelry	33,261	65,000	84,500	30.0	20.0	16.4	24.4	46,794	33.8	3,508	24.0	2.8	12.9
Total										**348,945**	**19.1**	**14,800**	**25.5**		

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

Source: SSV Research, Bloomberg

Data as of June 04th, 2026

FPT Digital Retail JSC (HSX: FRT)

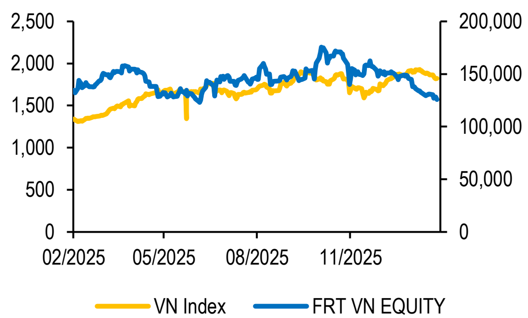
FPT Retail

Target price (12 months)	**VND 157,200**
Current price (06/04/2026)	VND 127,000
Return (%)	**23.6%**

VNINDEX	1,831
HNXINDEX	304
Market Cap. (bn VND)	129,636
Outstanding Shares (mn)	170
Free Floating Shares (mn)	84
52-WkHigh/ Low (VND)	181,000/122,100
3M Avg. Trading Vol. (mn)	0.47
3M Avg. T/O (bn VND)	56
Beta (12M)	0.9

Major Shareholders (%)	FPT Corporation	46.53
	Group of Dragon Capital Funds	13.8

Performance	3M	6M	12M
Absolute(%)	-23.2	-20.6	-6.4
Relative to VN-Index (%)	-23.5	-25.6	-41.9



Optimize the supply chain

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 Q1.2026 business results: Revenue and net profit after tax reached VND 15,117 billion (+30% YoY) and VND 374 billion (+76% YoY), respectively. In Q1/2026, FRT closed 2 ICT stores while opening 100 new pharmacies and 5 vaccination centers.

ICT chain: Revenue reached VND 4,815 billion (+31% YoY), while net profit after tax came in at VND 16.5 billion (compared to a loss of VND 18 billion in the same period last year). Average revenue per store reached VND 2.6 billion per month (+30% YoY). The results were driven by peak shopping demand during the Lunar New Year holiday and contributions from newly launched ICT products in the market.

Long Chau chain: Revenue reached VND 10,343 billion (+28% YoY), while net profit after tax came in at VND 358 billion (+56% YoY). Average revenue per pharmacy remained at VND 1.3 billion per month, up 8% compared to the 2025 average, reflecting strong operational efficiency amid network expansion.

Outlook for 2026: We forecast FRT's 2026 revenue and net profit after tax to reach VND 60.66 trillion (+18.5% YoY) and VND 1.452 trillion (+47.5% YoY), respectively, with the Long Châu pharmacy chain continuing to serve as the main growth driver.

ICT Retail Chain: is expected to face several challenges, including rising input cost pressures and fluctuations in consumer demand. As these are non-essential products, demand may soften slightly, particularly as selling prices increase due to the chip shortage. In addition, FRT is shifting toward increasing the proportion of large home appliance products, as this market is considered capable of sustaining double-digit growth over the next decade.

Long Chau Chain: continues to serve as the main growth driver, supporting FRT's ability to achieve its business targets. Alongside network expansion, Long Châu has continued to accelerate the adoption of technology to optimize operating costs, enhance operational efficiency, and improve customer experience.

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

FY	2022	2023	2024	2025	2026F
Revenue (bn VND)	30,166	31,850	40,104	51,083	60,660
OP (bn VND)	474	-297	543	1,213	1,797
NPAT (bn VND)	398	-329	408	984	1,452
EPS (VND)	3,295	(2,537)	2,331	4,667	6,949
BPS (VND)	10,696	8,209	14,486	24,495	33,021
OPM (%)	1.6%	-	1.4%	2.4%	3.0%
NPM (%)	1.6%	-	1.0%	1.9%	2.4%
ROE (%)	19.4%	-	19.3%	19.2%	21.2%
PER (x)	18.1	-	94.7	19.7	13.2
PBR (x)	5.6	18.8	15.7	3.8	2.8
EV/EBITDA (x)	12.7	91.0	16.3	11.5	8.7

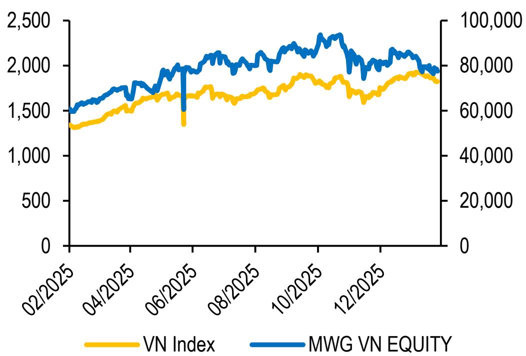
Source: Company data, Bloomberg, Shinhan Securities Vietnam

MWG

Target price (12 months)	**VND 104,900**
Current price (06/04/2026)	VND 78,400
Return (%)	**33.8%**
VNINDEX	1,831
HNXINDEX	304
Market Cap. (bn VND)	115,124
Outstanding Shares (mn)	1,468
Free Floating Shares (mn)	1,254
52-WkHigh/ Low (VND)	94,400/59,900
3M Avg. Trading Vol. (mn)	7.36
3M Avg. T/O (bn VND)	583
Beta (12M)	1.1

Major Shareholders (%)	Retail World Investment Consulting	10.49

Performance	3M	6M	12M
Absolute(%)	-12.8	-9.8	26.3
Relative to VN-Index (%)	-13.1	-14.8	-9.2



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 Q1.2026 business results: MWG recorded revenue of more than VND 46.4 trillion (+28.5% YoY), while net profit after tax reached VND 2.7 trillion (+76% YoY), driven by broad-based growth across its retail chains.

- ICT-CE Chains recorded revenue from this segment in Q1/2026 of VND 32.4 trillion (+34% YoY), with NPAT reaching VND 2.2 trillion (+49% YoY), reflecting a transition from scale-driven growth to quality-driven improvement, supported by contributions from multiple business segments.
- BHX chain: recorded revenue of VND 13.1 trillion in Q1/2026 (+19% YoY), with estimated net profit after tax of VND 400 billion. In Q1/2026, Mobile World Investment Corporation (MWG) accelerated its network expansion, opening approximately 280 new stores, with a significant proportion concentrated in Northern and Central Vietnam.

Outlook for 2026

- ICT-CE chain: The company is no longer focusing on expanding the number of stores, but instead shifting toward improving service quality. Its strategic priority is to develop the “Dien May Xanh Technician” workforce, aiming to provide an end-to-end solution covering sales, installation, as well as repair and maintenance services. In the long term, this model could be expanded to serve customers outside the existing system, thereby creating additional stable and sustainable revenue streams.
- Bach Hoa Xanh chain continues its expansion focusing on several key areas: (1) continued expansion with strong growth in both online and offline channels, (2) improvement in the quality of existing store locations, (3) cost control in operations, including reducing product spoilage rates and logistics costs, and (4) the growing consumer preference for safe and traceable food products will be a key driver for the gradual displacement of traditional markets by modern retail models.

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	2025	2026F
Revenue (bn VND)	133,405	118,280	134,341	156,458	185,564
OP (bn VND)	6,575	1,047	5,227	8,667	11,257
NPAT (bn VND)	4,102	168	3,733	7,076	8,981
EPS (VND)	2,810	115	2,546	4,788	6,099
BPS (VND)	16,321	15,944	19,921	22,184	28,295
OPM (%)	4.9	0.9	3.9	5.5%	6.1%
NPM (%)	3.1	0.1	2.8	4.5%	4.8%
ROE (%)	18.5	0.7	14.5	21.3%	21.3%
PER (x)	29.8	729.2	33.1	19.9	15.6
PBR (x)	5.1	5.2	4.4	4.3	3.4
EV/EBITDA (x)	10.6	28.6	20.7	16.5	12.6

Source: Company data, Bloomberg, Shinhan Securities Vietnam

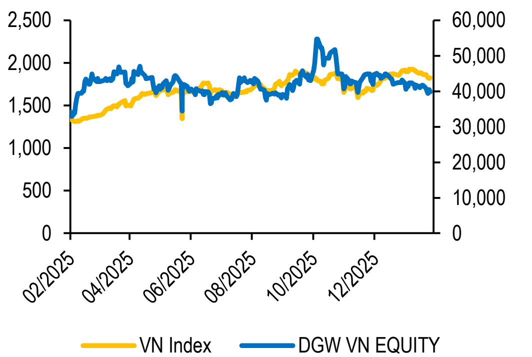
Digiworld Corp (HSX: DGW)

digiworld

Target price (12 months)	**VND 50,500**
Current price (06/04/2026)	VND 40,100
Return (%)	**25.9%**
VNINDEX	1,831
HNXINDEX	304
Market Cap. (bn VND)	8,868
Outstanding Shares (mn)	221
Free Floating Shares (mn)	140
52-WkHigh/ Low (VND)	57,900/33,700
3M Avg. Trading Vol. (mn)	2.46
3M Avg. T/O (bn VND)	80
Beta (12M)	0.9

Major Shareholders (%)	Created Future	31.4

Performance	3M	6M	12M
Absolute(%)	-13.5	-9.5	12.9
Relative to VN-Index (%)	-13.8	-14.5	-22.6



Positive outlook from multiple business segments

Digital World Corporation (DGW) is one of the leading distributors in Vietnam in the technology and consumer goods sectors. DGW is the exclusive distribution partner of many major brands such as Xiaomi, Itel, Dell, Asus, HP, P&G, Omron, and others.

Update Q1.2026 business results: DGW's net revenue reached nearly VND 8,595 billion (+56% YoY), equivalent to 27% of the full-year revenue target. Net profit after tax was approximately VND 200 billion (+89% YoY). By product segment:

- The laptop and tablet segment recorded a sharp 108% year-on-year growth, mainly driven by consumer sentiment accelerating early purchases amid concerns over rising RAM prices. However, this growth momentum is likely to slow in the coming quarters, with the full-year target still expected to maintain growth of around 20%.
- The office equipment segment increased by 92%, mainly driven by demand for investment in technology infrastructure and artificial intelligence, particularly in the server and enterprise equipment segments.
- Meanwhile, the household appliances sector grew by 80%, driven by expanded distribution channels and the rising consumer trend toward smart home appliances.

Outlook for 2026

- The laptop and tablet segment: The technology segment is benefiting from the trend of device upgrades to meet the growing demand for artificial intelligence (AI) applications. At the same time, a shortage in RAM supply is also contributing to higher average selling prices, thereby providing positive support for DGW's revenue growth.
- Office equipment sector: is expected to grow, driven by government policies promoting digital transformation and the development of high-tech industries.
- Home appliance segment: is expected to become a new growth pillar, driven by positive demographic trends, urbanization, and the increasing prevalence of smaller household sizes.

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	2025	2026F
Revenue (bn VND)	22,028	18,817	22,079	26,632	31,927
OP (bn VND)	805	417	556	668	917
NPAT (bn VND)	684	363	449	555	756
EPS (VND)	4,146	2,071	1,983	2,428	3,322
BPS (VND)	14,669	15,514	13,560	15,507	18,921
OPM (%)	3.7%	2.2%	2.5%	2.5%	2.9%
NPM (%)	3.1%	1.9%	2.0%	2.1%	2.4%
ROE (%)	28.2%	13.8%	14.9%	16.0%	17.8%
PER (x)	13.5	27.0	28.2	23.0	16.8
PBR (x)	3.8	3.6	4.1	3.6	3.0
EV/EBITDA (x)	10.5	18.5	14.6	11.1	8.5

Source: Company data, Bloomberg, Shinhan Securities Vietnam

Food and Beverages

Focus on cost management

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Shinhan Securities

Food and Beverages: Focus on cost management

1. Update on Q1/2026: Positive business growth amid rising prices

Except for the sugar sector, which recorded a decline in business results due to unfavorable sugar prices, other industries experienced strong growth in both revenue and profit. Global political instability led to sharp increases in the prices of many raw materials and commodities.

2. Outlook for 2026

- **Sugar sector:** Sugar prices rose in the short term due to macroeconomic instability; though the forecast of oversupply in the market this year will curb long-term growth.
- **Beer sector:** Beer production recovered in Q1, and FIFA World Cup is expected to support consumption this year; however, high aluminum prices are a factor to keep an eye on.
- **Dairy sector:** Production volume increased in Q1, and import values also increased sharply amidst rising milk powder prices.
- **Meat sector:** Hog prices showed corrections recently after a sharp increase in Q4/2025 and are expected to stabilize as the ASF disease is under control, and demand is forecast to continue growing, especially for high-quality, branded products.

3. Investment opportunities

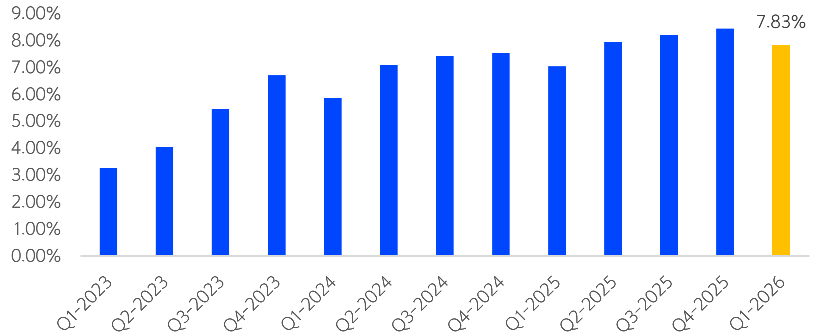
SAB, VNM & MSN

Macroeconomic situation and income: Inflation rose amid fuel price pressures

Q1 recorded GDP growth of 7.83% YoY. The Consumer Price Index (CPI) in April 2026 increased by 5.46% YoY, reflecting the impact of global political instability as rising crude oil prices led to price increases for most goods and services. The average CPI for 4M/2026 is 3.99%, consistent with the Government's target of keeping it below 4.5%.

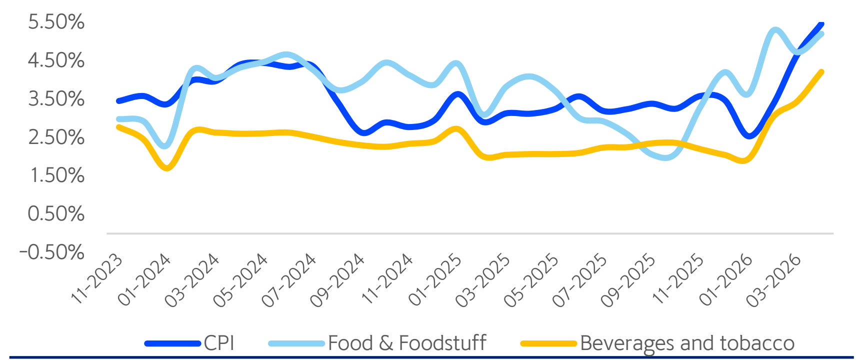
The average labor income per capita nationwide increased slightly in Q1 compared to the previous quarter, reaching VND 9.0 million/person, with the unemployment rate estimated at 2.21%. Overall, this represents an increase of VND 329,000 (+3.8% QoQ) and an increase of VND 706,000 (+8.8% YoY).

Quarterly GDP growth (YoY)



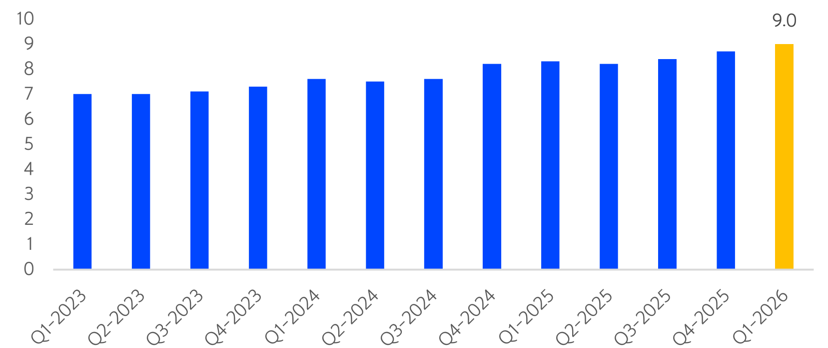
Source: GSO, Shinhan Securities Vietnam

Monthly CPI growth (YoY)



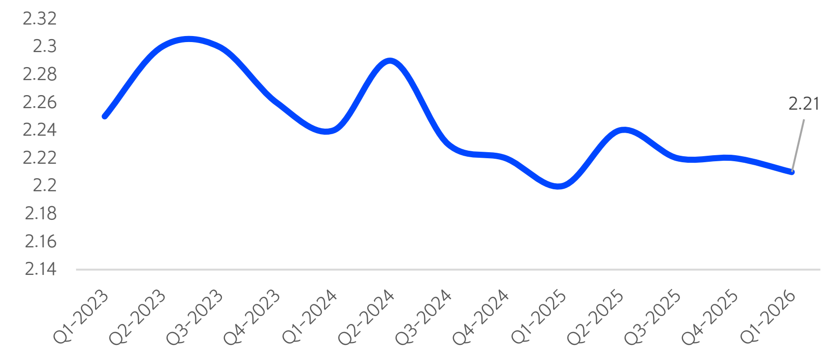
Source: GSO, Shinhan Securities Vietnam

Average labor income per capita nationwide (million VND)



Source: GSO, Shinhan Securities Vietnam

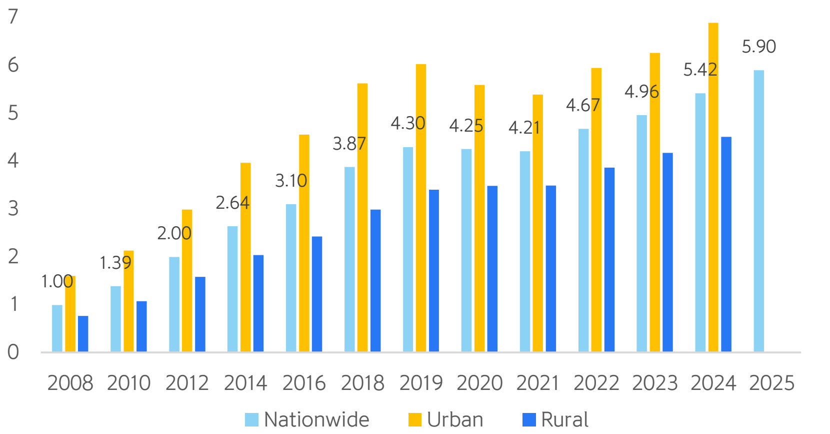
Unemployment rate among working age (%)



Source: GSO, Shinhan Securities Vietnam

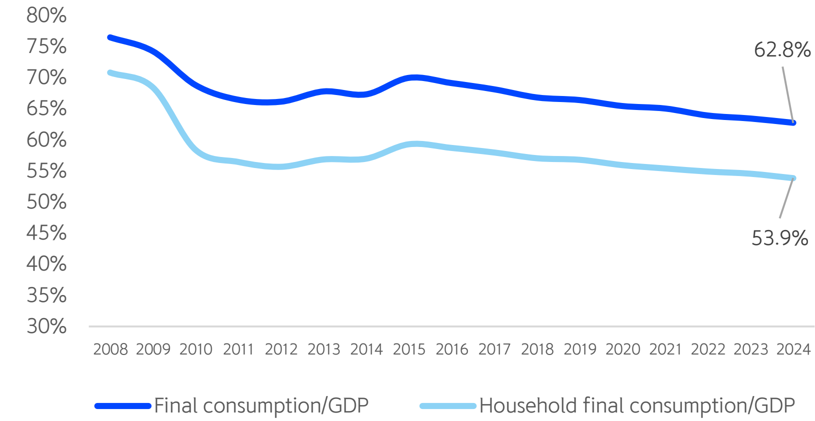
Household living standards and incomes continued to improve in 2025

Average disposable income per capita (million VND/month)



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

Final consumption to GDP



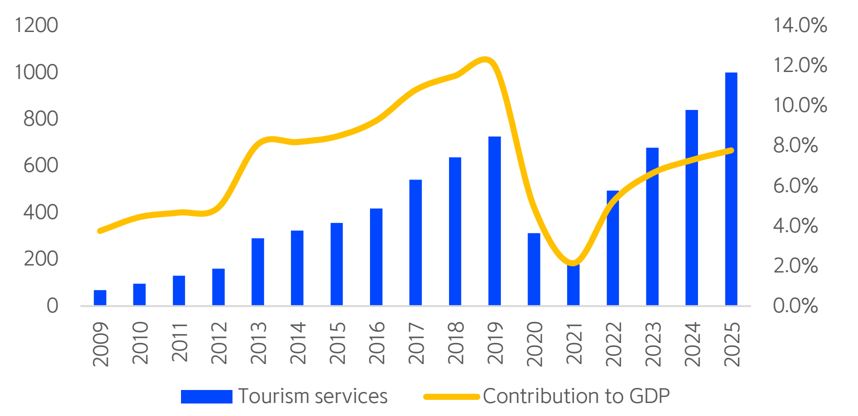
Source: GSO, Shinhan Securities Vietnam

According to preliminary results of the survey on household living standards in 2025, the average income per capita at current prices in 2025 was approximately VND 5.9 million/month, showing an increase of 9.3% compared to 2024. Thus, the average income of the population continued to increase at a higher rate than the 9.1% increase in 2024 (compared to 2023); partly thanks to the income of civil servants and public employees retiring under Policy 178.

Overall, the highlight of Q1 was the increase in price levels amidst volatile macroeconomic conditions, leading to higher production costs for businesses and posing challenges in cost control. However, if global conflicts de-escalate and oil prices stabilize, these cost challenges could be under control for the remaining quarters.

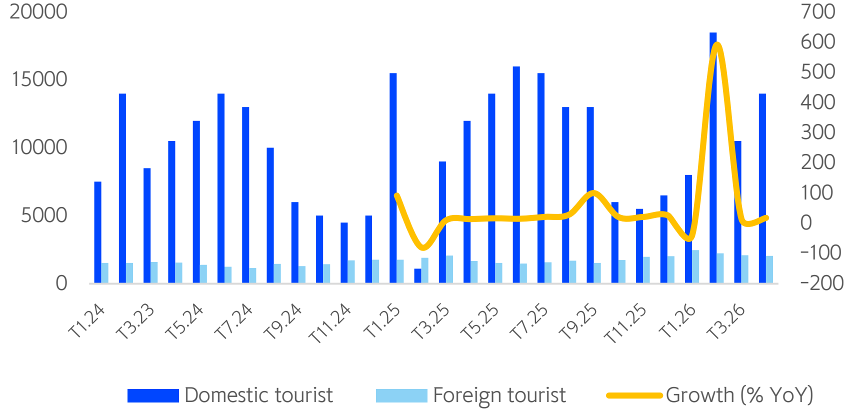
Tourism retains a contributing factor to the industry's growth

Revenue from tourism services (trillion VND)



Source: National Tourism Administration, Shinhan Securities Vietnam

Monthly number of tourists (people)

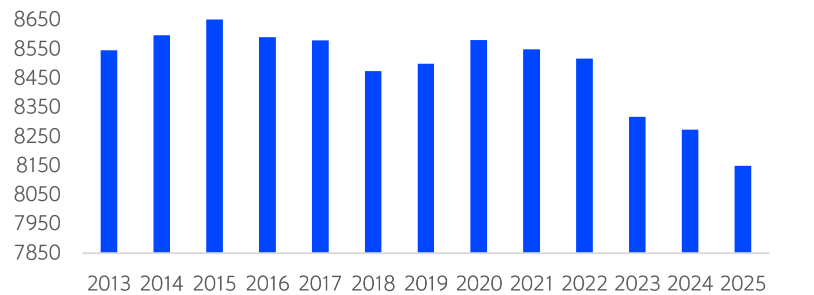


Source: National Tourism Administration, Shinhan Securities Vietnam

Vietnam recorded a record growth period for its tourism industry, with a cumulative total of 51,000 domestic and international tourists in the first 4M/2026, representing a 36% YoY increase. This demonstrates the effectiveness of tourism promotion and stimulus policies. Revenue from travel and tourism in the first four months is estimated at VND 31,900 billion (+12.1% YoY), driven by the high number of visitors during long holidays. This is a crucial factor that will significantly contribute to the industry's growth potential in the medium and long term.

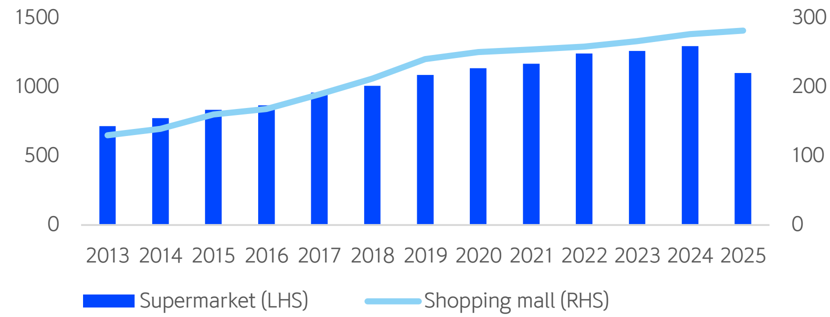
The shift from traditional channels (GT) to modern channels (MT) is becoming increasingly forceful

GT channel (traditional market) is gradually narrowing



Source GSO, Shinhan Securities Vietnam

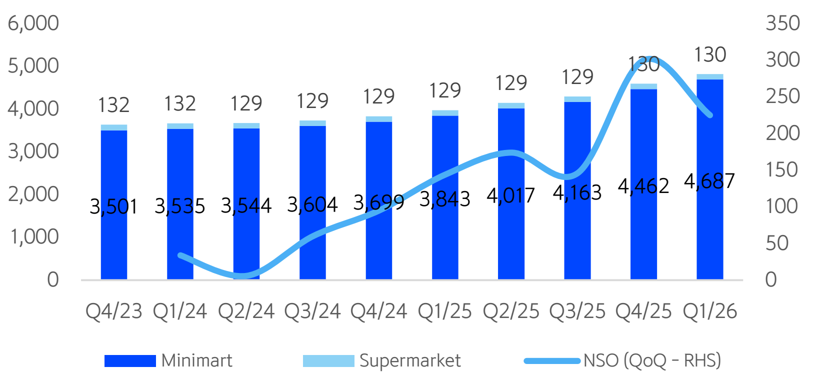
Meanwhile, the MT channel (supermarkets and shopping malls) is on the rise



Source: GSO, Metric, Shinhan Securities Vietnam

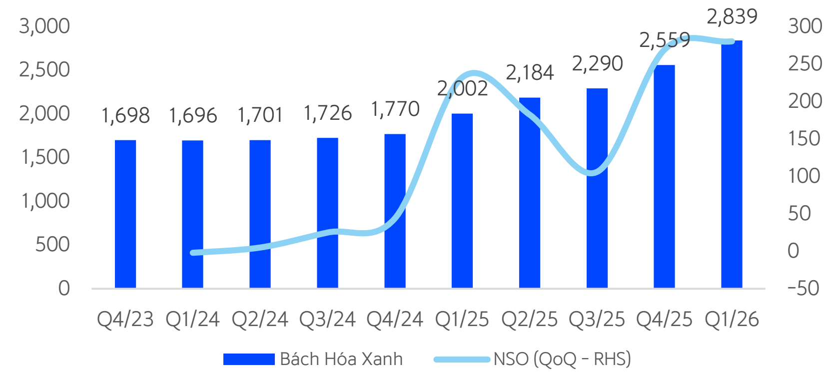
Retail chains such as WinCommerce (WCM) and Bach Hoa Xanh (BHX) continued to expand throughout the year, with the cumulative number of new stores opened reaching 225 and 280 respectively by the end of Q1, representing a significant increase YoY. Revenue of these chains also achieved good growth in Q1/26, with WCM's revenue reaching VND 11.36 trillion (+30% YoY) and BHX's revenue reaching VND 13.1 trillion (+19% YoY).

Number of WinCommerce stores



Source: Company data, Shinhan Securities Vietnam

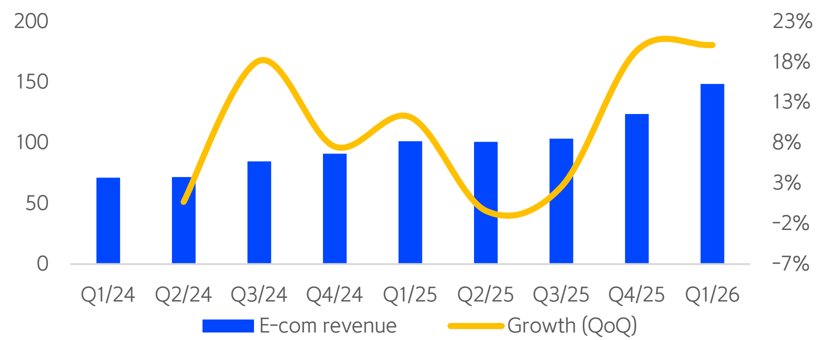
Number of Bách Hóa Xanh stores



Source: Company data, Shinhan Securities Vietnam

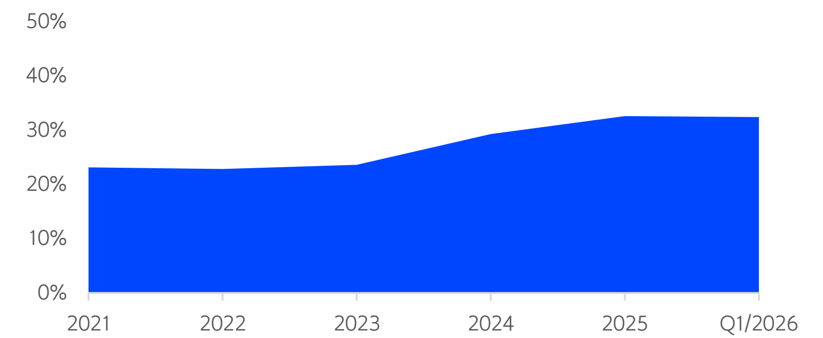
In addition, the boom in e-commerce has reshaped the industry's supply chain networks

Quarterly e-commerce revenue (trillion VND)



Source: Metric, Shinhan Securities Vietnam
Revenue statistics for 4 platforms including Shopee, Lazada, TikTok Shop, and Tiki

Sales contribution of Mall Shops (official brand stores)



Source: Metric, Shinhan Securities Vietnam

The explosion of e-commerce and digital platforms has created a comprehensive restructuring of sales methods in the retail industry in general and the F&B industry in particular. Specifically, this involves a shift towards an integrated multi-channel model, expanding distribution methods through online channels and e-commerce platforms.

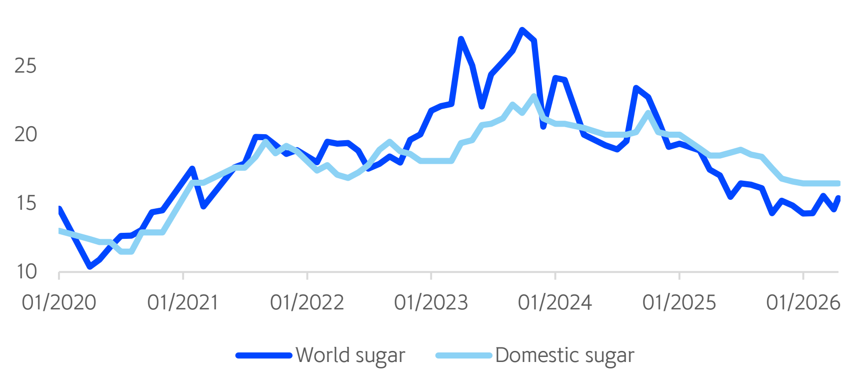
Statistics show that the proportion of sales contributed by official brand stores on e-commerce platforms is on a strong upward trend, from 23% in 2021 to 32% at the end of Q1/2026, indicating the penetration of brands into these platforms, directly distributing to consumers. At the same time, this also reflects a shift in consumer habits, with an increasing preference for genuine products, given the growing issues of counterfeit and sub-standard goods.

Raising the tax threshold to VND 1 billion in annual revenue for household businesses (compared to the previous VND 500 million) will reduce both the financial and administrative burden on these entities

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)	Effective from January 1, 2026	Reduces the tax burden, increases disposable income, and stimulates consumption.
The personal income tax rate structure has been simplified from 7 brackets to 5 brackets according to the amended Personal Income Tax Law.	Effective from January 7, 2026	Reduces the tax burden, increases disposable income, and stimulates consumption.
Decree 293/2025/ND-CP: Increase in regional minimum wage	Effective from January 1, 2026	Increase the disposable income of a segment of the population.
Decree 161/2026/ND-CP: Increasing the basic salary and bonus regime for officials, civil servants, public employees, and members of the armed forces	Effective from January 7, 2026	Increase the disposable income of a segment of the population.
Decree 141/2026/ND-CP: Converting lump-sum tax to declaration-based tax for individual business households. **The tax threshold is 1 billion VND in annual revenue**. The use of electronic invoices is mandatory if annual revenue exceeds 1 billion VND.	Effective from January 1, 2026	In the long term, it helps standardize and increase transparency in the market as well as in tax declarations. However, during the transition period, it may cause some short-term bottlenecks, with some businesses temporarily suspending operations due to fears of having to pay higher taxes or being subject to tax arrears.
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).

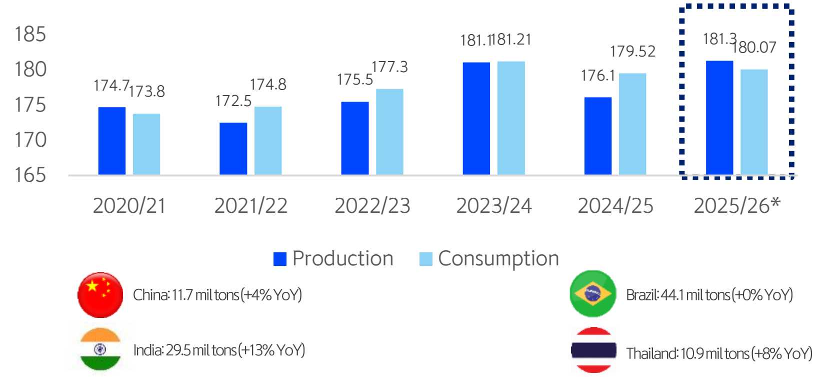
Sugar prices recovered recently, but remain at a low level. On the other hand, the imposition of an 8% excise tax on sugar products in 2027 could also impact domestic sugar consumption

World sugar prices (cents/pound) and domestic sugar prices (VND/kg)



Source Bloomberg, Agromonitor, Shinhan Securities Vietnam

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



Source: ISO, Shinhan Securities Vietnam

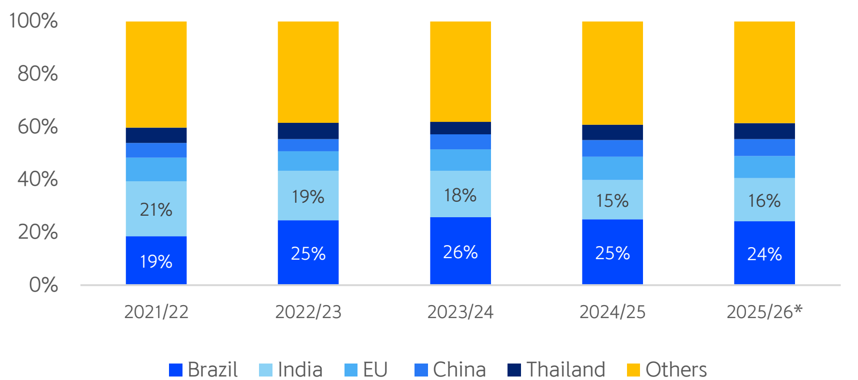
World sugar prices surged 8% in March 2026 amid a shock of soaring oil prices driven by escalating conflict in the Middle East, pushing up logistics costs, partly due to a shift from sugarcane to ethanol production amid high fuel prices. Year-to-date, world sugar prices are currently up approximately 2.5%.

Under pressure from rising transportation costs, domestic sugar prices have shown a clear divergence between factory-sold and commercial sugar prices. While factory prices remain stable due to the stable supply of the new crop year, commercial entities have adjusted their prices upwards to reflect transportation costs. Some entities have raised prices by 50-500 VND for door-to-door delivery, while others have maintained their warehouse prices and shifted the transportation costs to the buyer.

The International Sugar Association (ISO) forecasts a market surplus of 1.22 million tons for the 2025/26 season, primarily due to increased production forecasts in India, Thailand, and Pakistan; with production projected at 181.3 million tons and consumption at 180.1 million tons. Thus, the ongoing tensions in the Strait of Hormuz are likely to continue driving up spot sugar prices, but in the long term, the market will remain constrained by supply pressures.

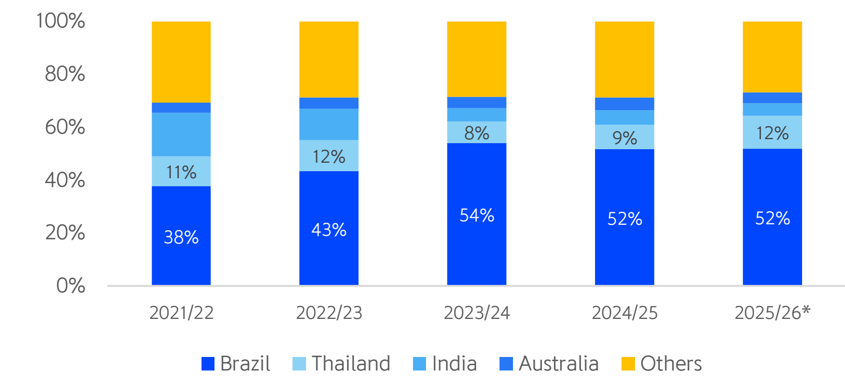
El Nino, expected to intensify from June 2026, could affect the 2026/27 crop yields in some countries

Sugar production structure by country



Source: ISO, Agromonitor, Shinhan Securities Vietnam
(*) ISO estimates and forecast for Q1/2026

Sugar export structure by country



Source: ISO, Agromonitor, Shinhan Securities Vietnam
(*) ISO estimates and forecast for Q1/2026

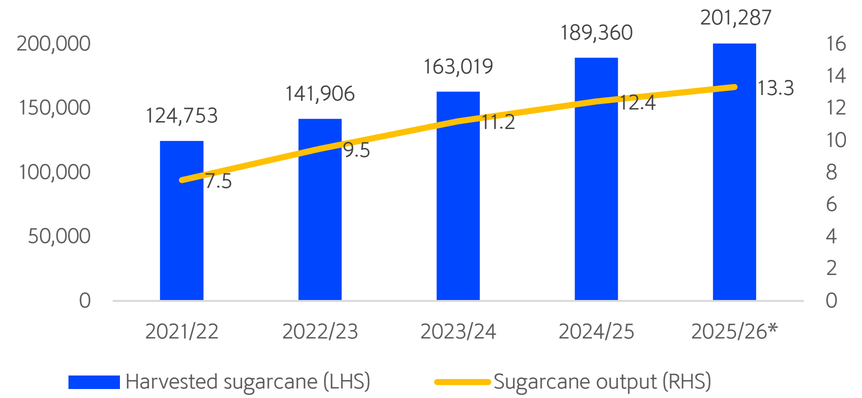
According to forecasts from the US Climate Prediction Center, El Niño is likely to appear early with an 82% probability between May and July 2026 and persist through the winter in the Northeast Hemisphere with a 96% probability. Consequently, this weather phenomenon will cause heatwaves and droughts in important sugar-producing countries such as India and Thailand, potentially affecting their 2026/27 crop yields. Currently, India and Thailand account for 16% and 6% of global sugar production respectively, and contribute 5% and 12% to global sugar exports. Brazil remains the leading producer and exporter (contributing 24% and 52% to the global output, respectively).

High fuel prices could drive a shift from sugarcane production to ethanol production

Crude oil prices are currently hovering around $90 per barrel, a 50% increase from pre-war levels. This is a factor to watch; if oil prices remain high for an extended period, it could boost ethanol production, particularly in Brazil, where ethanol could be used as a substitute for gasoline in transportation, thereby reducing the amount of sugarcane used in sugar production.

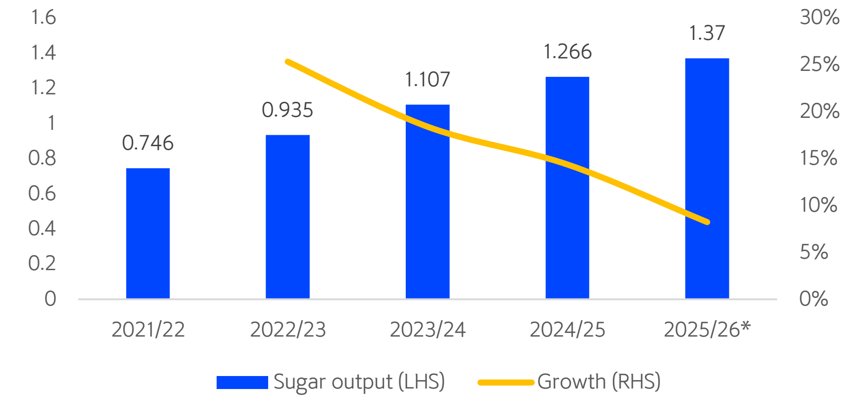
Planting area and output have improved strongly over the crop seasons

Planting area (ha) and sugarcane yield (mil tons) by crop season



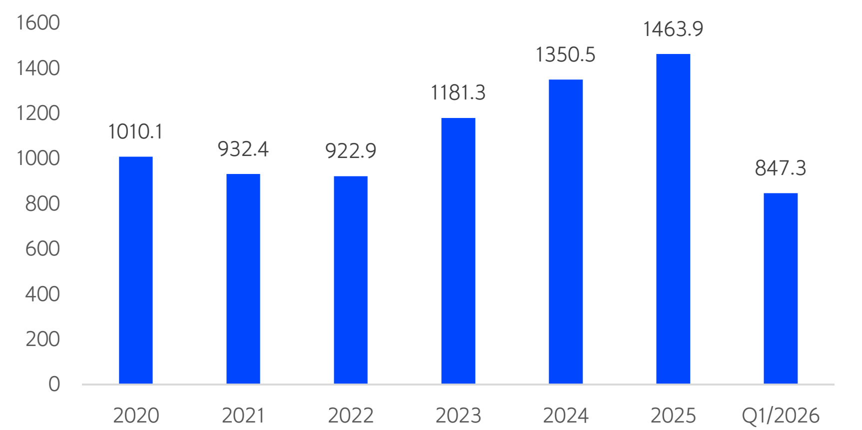
Source: VSSA, Shinhan Securities Vietnam
*VSSA: Vietnam Sugarcane and Sugar Association

Sugar volume by crop season (mil tons)



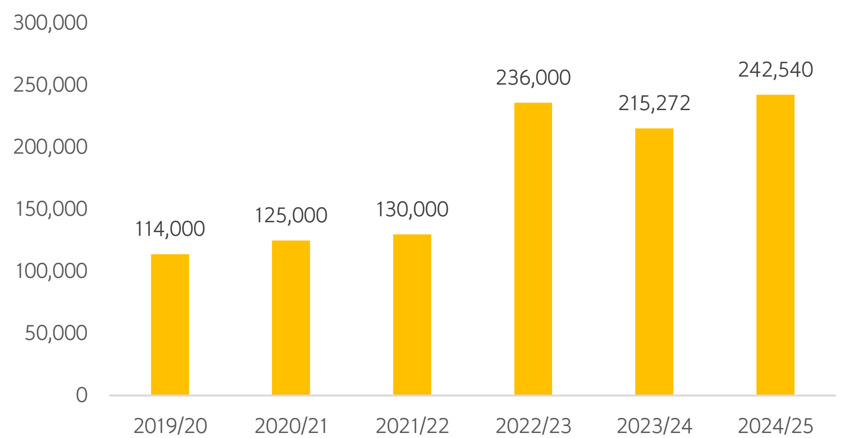
Source: VSSA, Shinhan Securities Vietnam

National sugar production output (thousand tons)



Source GSO, Shinhan Securities Vietnam

Sugar volume* of QNS by crop year (tons)

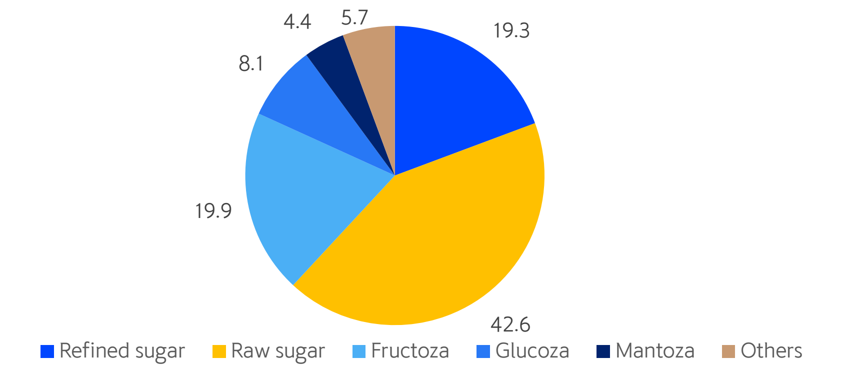


Source: Company data, Shinhan Securities Vietnam compiled
(*) Includes domestically produced sugar and imported raw sugar

Sugar imports recovered in March after being disrupted by the Lunar New Year holiday

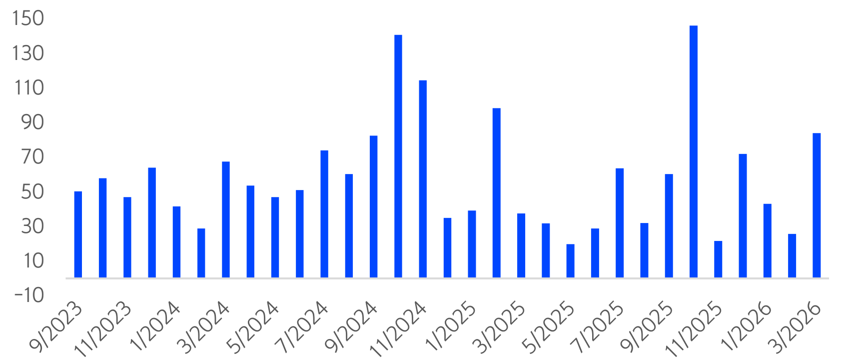
Imports of raw and refined sugar slowed down in February 2026 due to disruptions caused by the Lunar New Year, reaching only 25.8 thousand tons (-74% YoY). In March, sugar imports recovered strongly, with raw and refined sugar imports reaching 84 thousand tons (+124% YoY). Cumulatively for Q1/2026, raw and refined sugar imports totaled 151 thousand tons (-13% YoY), accounting for 62% of the total sugar imports of 245 thousand tons.

Structure of imported sugar by category Q1/2026



Source: Agromonitor, Shinhan Securities Vietnam

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



Source: Agromonitor, Shinhan Securities Vietnam

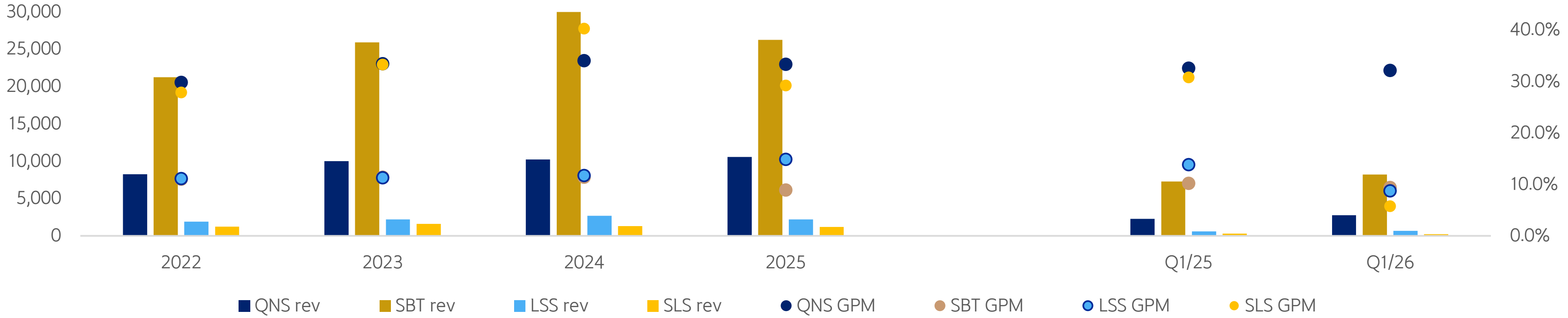
Expectations of an extension of countervailing and anti-dumping duties on Thai sugar

The anti-dumping duty of 42.99% and the countervailing duty of 4.65% on Thai sugar will expire in June 2026 after a five-year implementation period. Additionally, sugar imported from Cambodia, Indonesia, Laos, Malaysia, and Myanmar that uses Thai sugar as a raw material will also be subject to similar duties (starting in 2022).

On February 25, 2026, the Ministry of Industry and Trade extended the final review period by three months, bringing the investigation deadline to June 13, 2026. We expect the duties on Thai sugar to be maintained to continue protecting the domestic sugar industry.

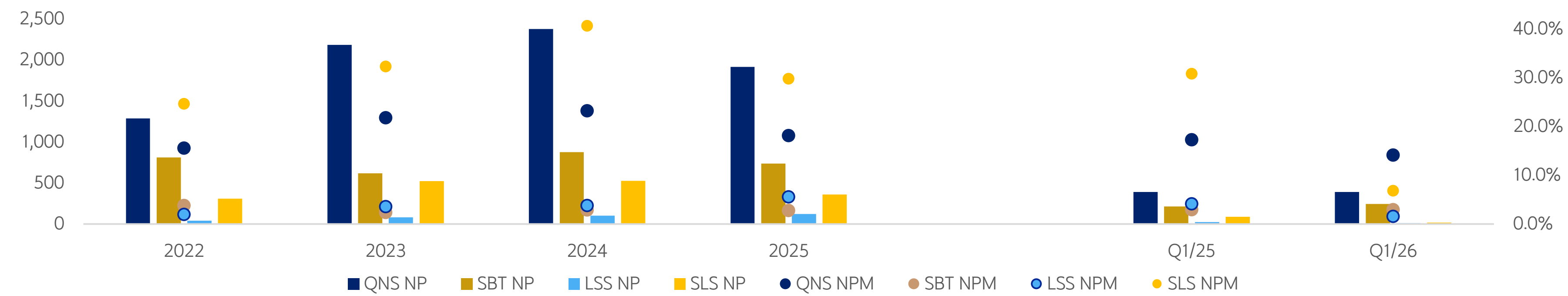
Sugar industry businesses recorded less positive results in Q1

Update on business results of listed sugar companies in Q1/2026 (bil VND)



Source: Company data, Shinhan Securities Vietnam

Update on business results of listed sugar companies in Q1/2026 (bil VND)



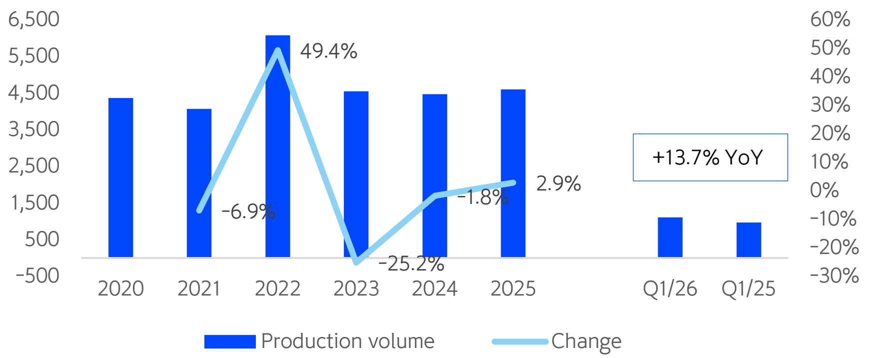
Source: Company data, Shinhan Securities Vietnam

Due to unfavorable sugar prices, businesses operating in the sugar sector recorded a decline in revenue and profits in 2025. Gross profit margins also declined in 2025 due to unfavorable selling prices.

Q1/2026 continued to see a decline in business results (except for QNS revenue, which grew 3.2% YoY in terms of revenue, thanks to the growth in the soy milk segment that offsetted the decline in the sugar segment). Gross margins also narrow on the year-over-year level.

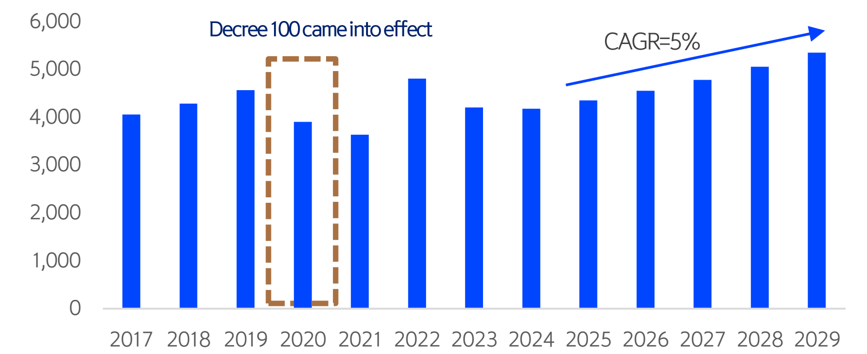
Beer production increased sharply in Q1 2026. The FIFA World Cup could be a supporting factor for beer consumption in 2026

Beer production over the years (mil liters)



Source: GSO, Shinhan Securities Vietnam

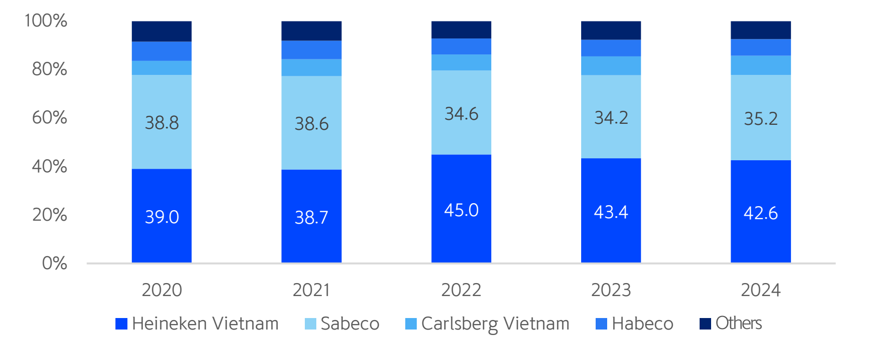
Beer consumption volume (mil liters)



Source: Euromonitor, Shinhan Securities Vietnam

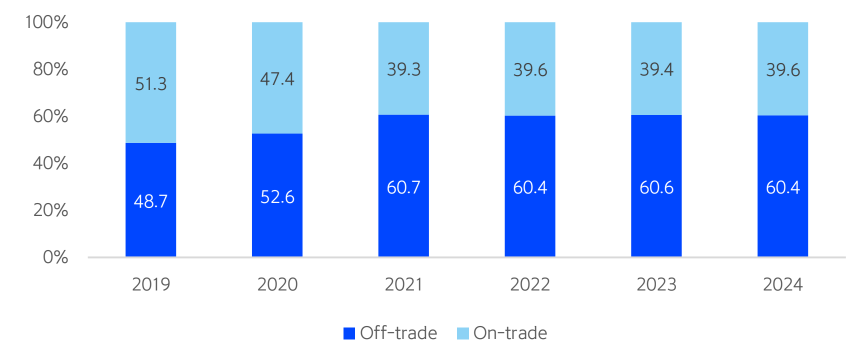
Beer production in 2025 was projected at 4.597 million liters, showing a slight increase of 2.9% YoY. Q1/2026 figures represent a strong recovery in beer production, reaching 1.106 million liters (+13.7% YoY). This year will see the FIFA World Cup, a major football event, which is expected to be a supporting factor for industry consumption.

Market shares



Source: Euromonitor, Shinhan Securities Vietnam

Distribution channel



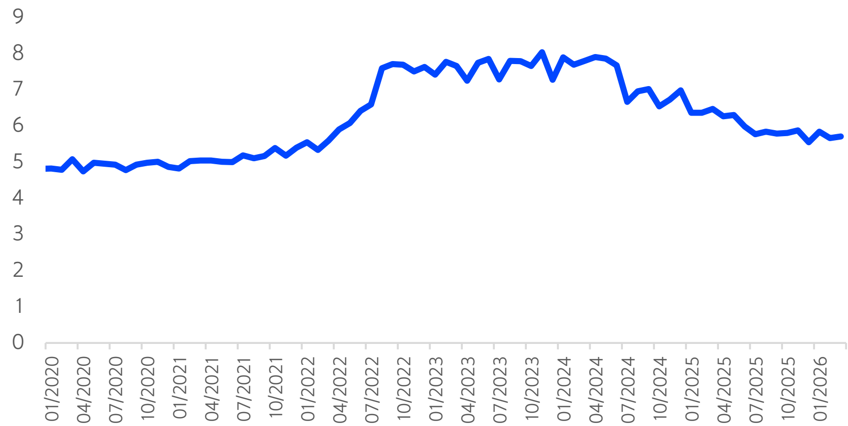
Source: Euromonitor, Shinhan Securities Vietnam

Aluminum prices returning to their 2022 peaks, posing challenges in cost control

Aluminium price (USD/ton)

Source Bloomberg, Shinhan Securities Vietnam

Malt price (USD/bushel)



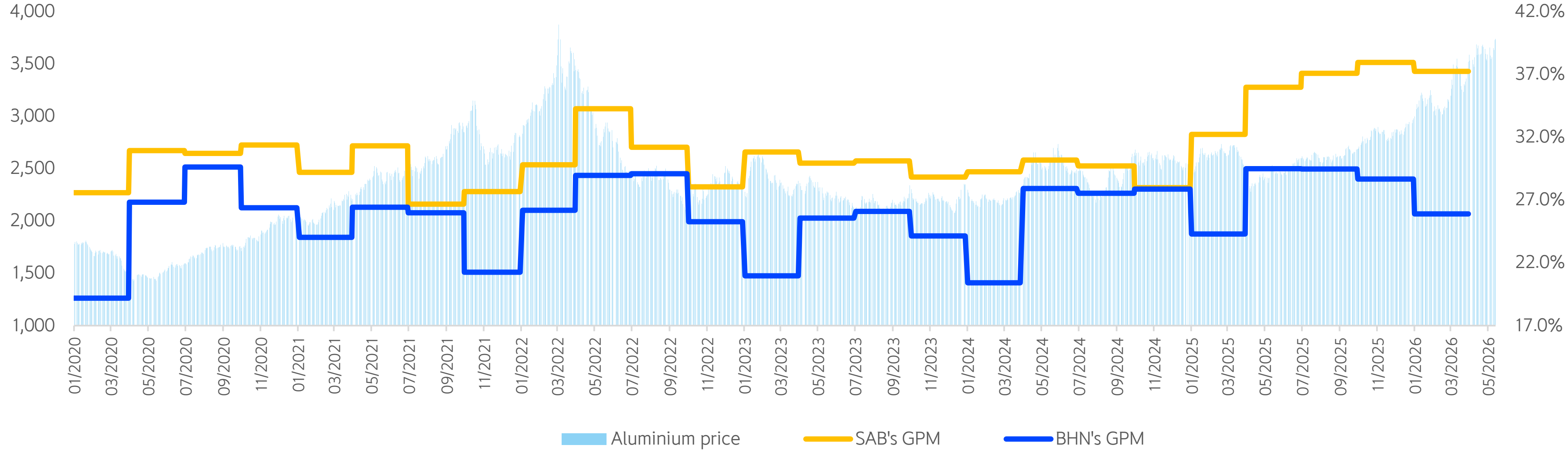
Source: Bloomberg, Shinhan Securities Vietnam

The Middle East shock in late February pushed aluminum prices back to their 2022 historical highs around $3,875/ton amid concerns about shrinking supply, supply chain disruptions, and rising logistics costs. Gulf states account for approximately 8% of global aluminum supply. Previously, supply had been affected by reduced supplies from Russia due to the Russia-Ukraine conflict and decreased production from European countries under pressure from rising energy prices.

With manufacturers typically purchasing raw materials 3-6 months in advance, the recent price increase has not yet been reflected in Q1 earnings, but it remains a factor to closely monitor. Gross profit margins may be affected in subsequent quarters, with a lag of 1-2 quarters.

Aluminum prices returning to their 2022 peaks, posing challenges in cost control

Correlation between aluminum price (USD/ton) and gross profit margins of brewers



Source: Company data, Shinhan Securities Vietnam

** SAB's 2025 LNG margin increased partly due to consolidation with SBB as a subsidiary rather than an associate company.*

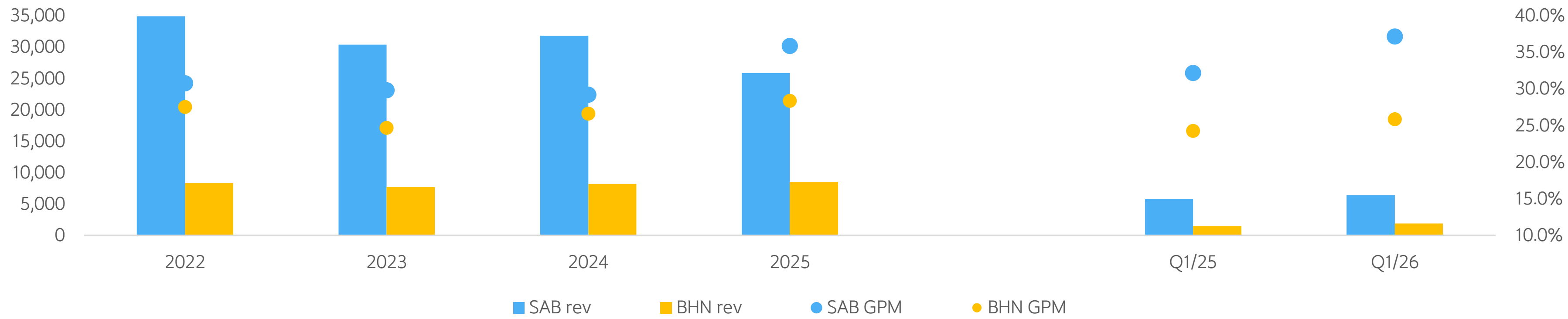
Starting in 2027 (according to the 2025 Excise Tax Law), the increase in excise tax is expected to be entirely passed on to consumers

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

Source: Shinhan Securities Vietnam compiled

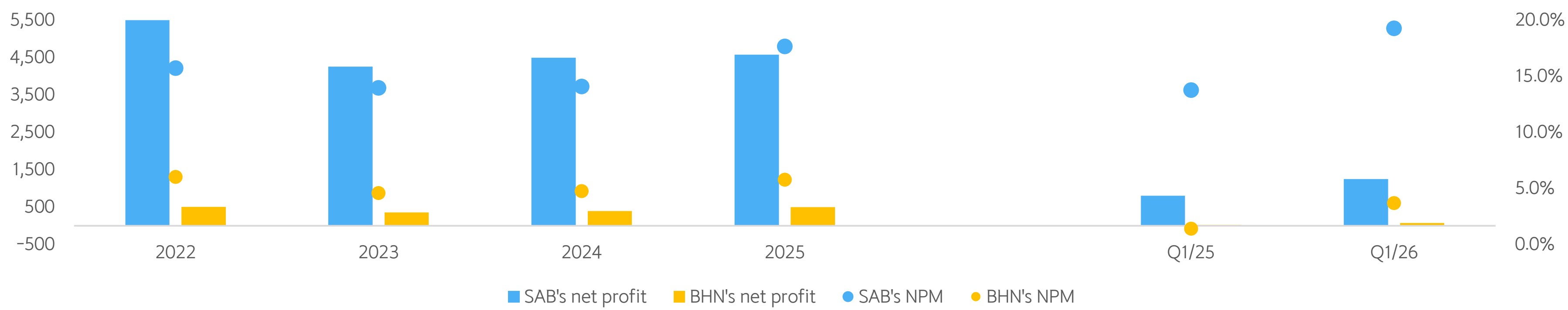
Q1 results showed growth in both revenue and profit

Update on business results of listed brewers in Q1/2026 (bil VND)



Source: Company data, Shinhan Securities Vietnam

Update on business results of listed brewers in Q1/2026 (bill VND)



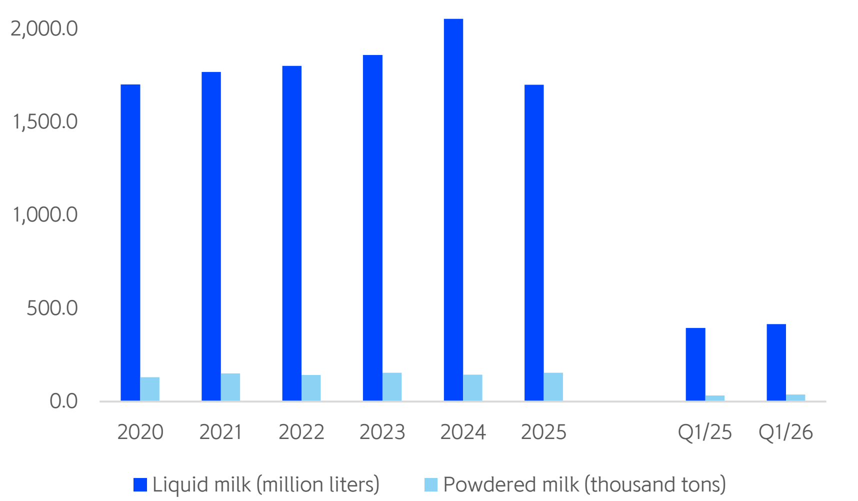
Source: Company data, Shinhan Securities Vietnam

Both beer companies we track recorded improvements in both revenue and profit in Q1/2026. For SAB and BHN, revenue increased by 11% and 32% YoY respectively, while net profit increased by 56% and 246% YoY, respectively.

Revenue growth benefited from increased sales during the Lunar New Year holiday in Q1, as the holiday came later than last year. Simultaneously, profit margins also improved due to better cost control.

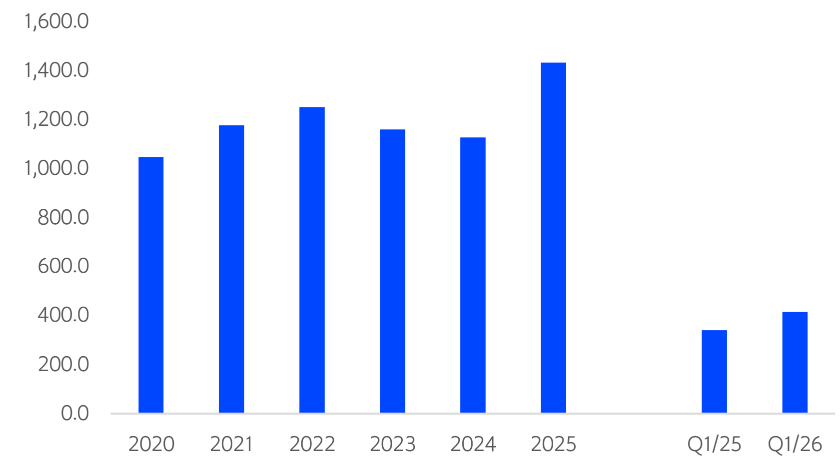
Milk production volume recovered in Q1/26 after a decline in 2025

Milk production volume



Source: GSO, Shinhan Securities Vietnam

Import value of milk and dairy products (mil USD)



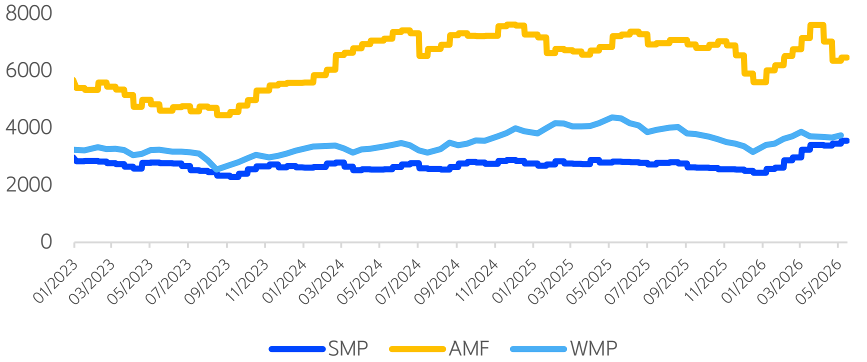
Source: GSO, Shinhan Securities Vietnam

Fresh milk improved in Q1/26 after a decline in 2025. According to GSO data, the country produced 416 million liters of fresh milk (+5.1% YoY) and 38,000 tons of powdered milk (+15% YoY).

The value of imported milk and dairy products also increased by 22% YoY, reaching USD 416 million in Q1 amidst a sharp increase in powdered milk prices.

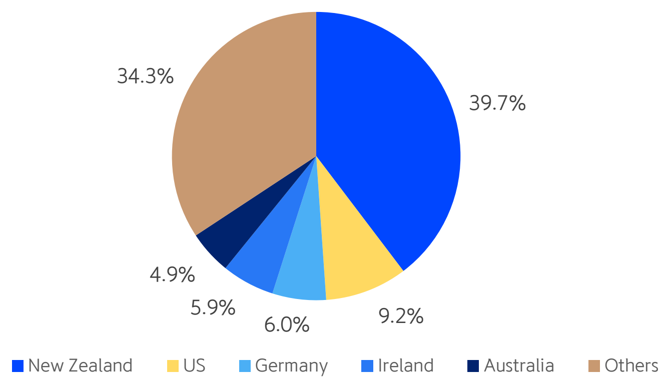
All types of milk powder have increased in prices due to geopolitical instabilities

Milk powder price (USD/ton)



Source: Bloomberg, Shinhan Securities Vietnam

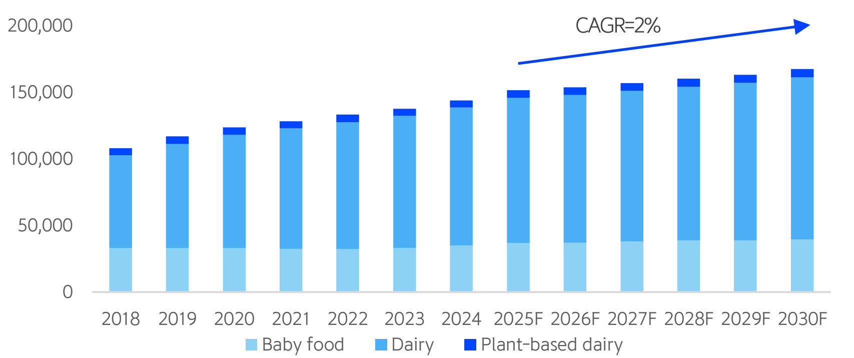
Major import markets in Q1/2026



Source: GSO, Shinhan Securities Vietnam

New Zealand remains the most important import market, accounting for 40% by value, followed by the US at 9.2%. Milk powder prices surged in March in response to escalating global geopolitical tensions. Year-to-date, prices for skimmed milk powder, butterfat, and whole milk powder are up 46%, 15%, and 10% YoY, respectively. However, we believe this upward trend will soon cool down as conflicts subside, given that the global milk market is projected to remain adequately supplied in 2026. According to USDA forecasts, global milk production is expected to reach 235.4 billion pounds (equivalent to 106.7 million tons, +1.6% YoY).

Vietnam dairy market size (bil VND)

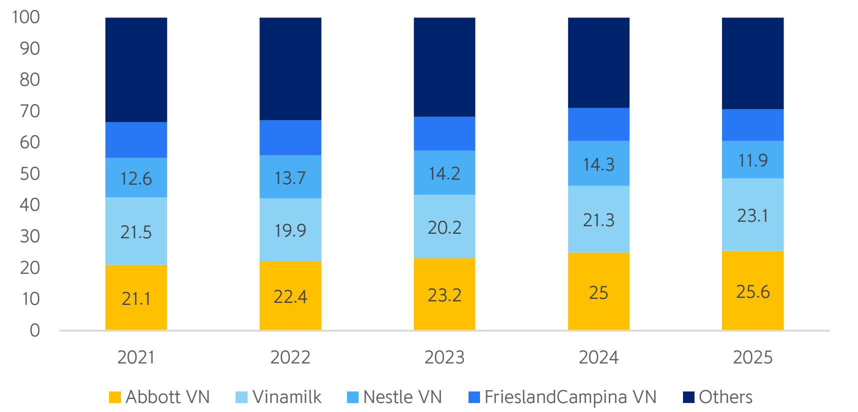


Source: Euromonitor (Sept 2025), Company data, Shinhan Securities Vietnam

According to Euromonitor, the Vietnam dairy market is estimated to reach VND 151,710 billion in 2025, with the dairy segment accounting for the largest share at 72%, followed by baby food and plant-based dairy, accounting for 24% and 4%, respectively. The market size is projected to grow at a CAGR of 2% during the 2025-2030 period, with the dairy segment projected to experience the strongest growth at an average CAGR of 2.2%.

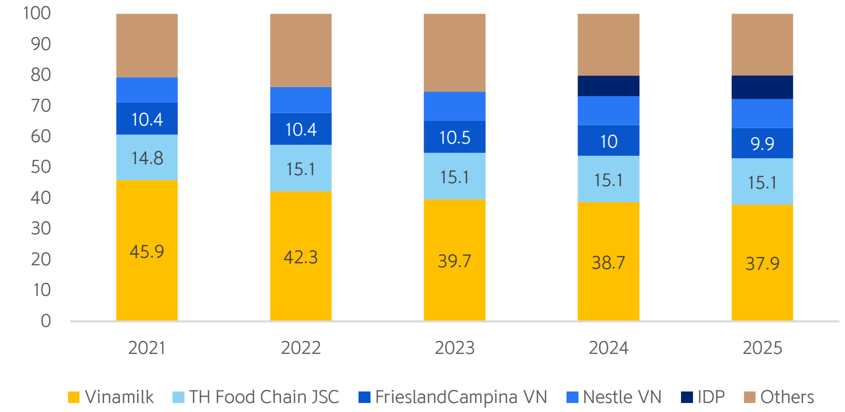
Vinamilk leads the market in most segments, except for infant formula. Particularly in the condensed milk segment, VNM almost completely dominates the market share

Baby food market shares (%)



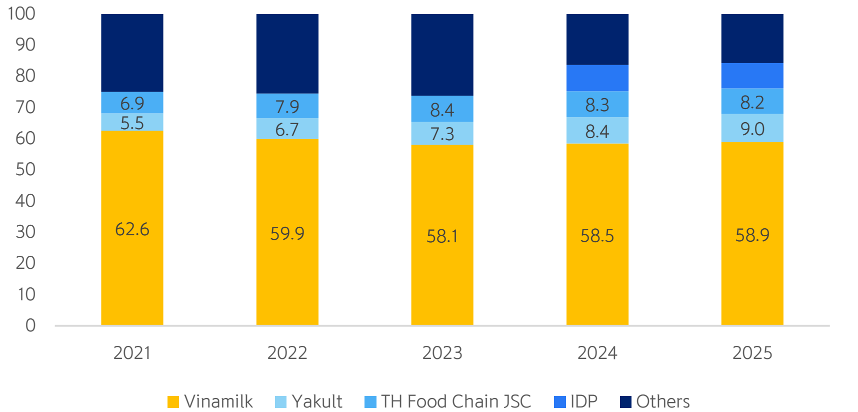
Source: Euromonitor (Sept 2025), Shinhan Securities Vietnam

Drinking milk market shares (%)



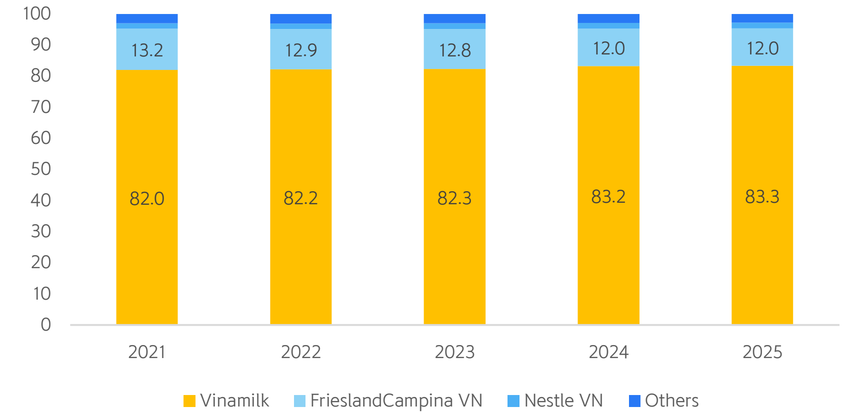
Source: Euromonitor (Sept 2025), Shinhan Securities Vietnam

Yogurt market shares (%)



Source: Euromonitor (Sept 2025), Shinhan Securities Vietnam

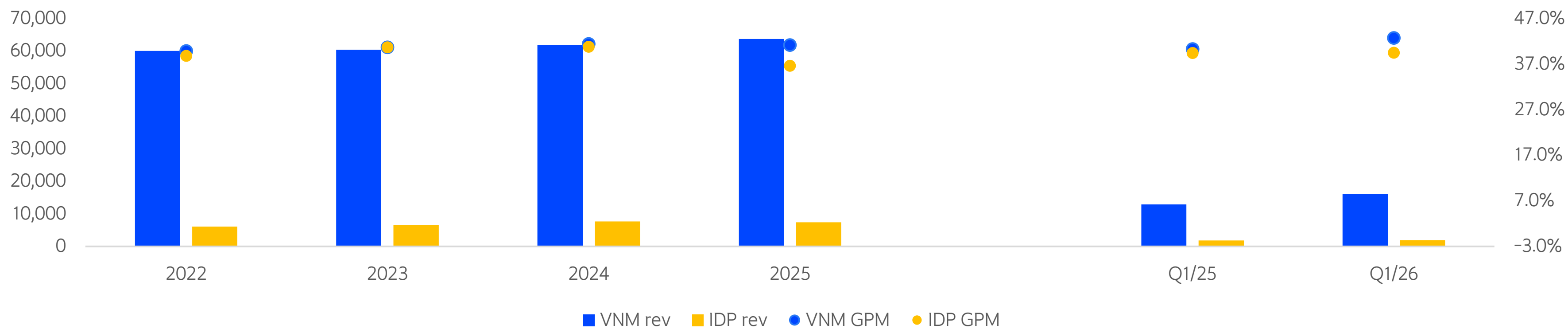
Condensed milk market shares (%)



Source: Euromonitor (Sept 2025), Shinhan Securities Vietnam

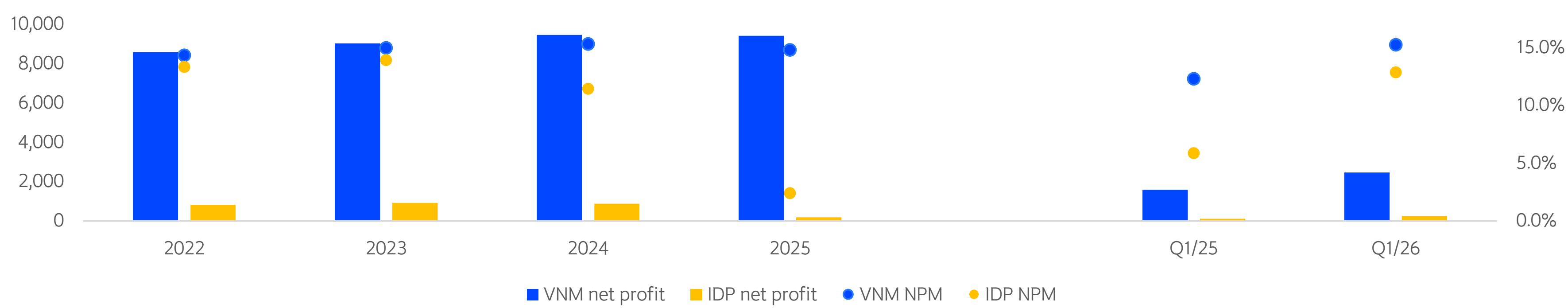
Q1 business results were positive thanks to Tet sales due to the late Lunar New Year, combined with the low base of 2025

Update on business results of listed dairy companies in Q1/2026 (bil VND)



Source: Company data, Shinhan Securities Vietnam

Update on business results of listed dairy companies in Q1/2026 (bil VND)

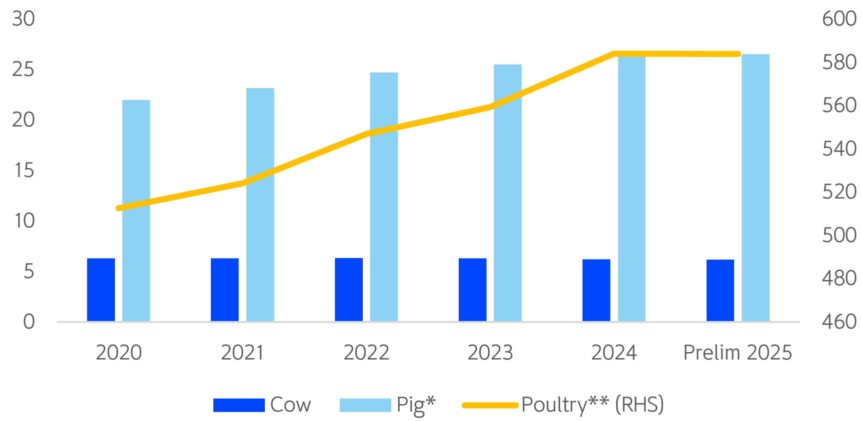


Source: Company data, Shinhan Securities Vietnam

Both VNM and IDP recorded revenue growth in Q1/26, with increases of 25% and 4% YoY, respectively. VNM's growth was stronger due to a lower base (VNM underwent a sales network restructuring in Q1/25, causing disruptions). Gross profit margin increased by 2.4 percentage points for VNM and remained flat for IDP. Net profit also improved, accompanied by the improvement in margins.

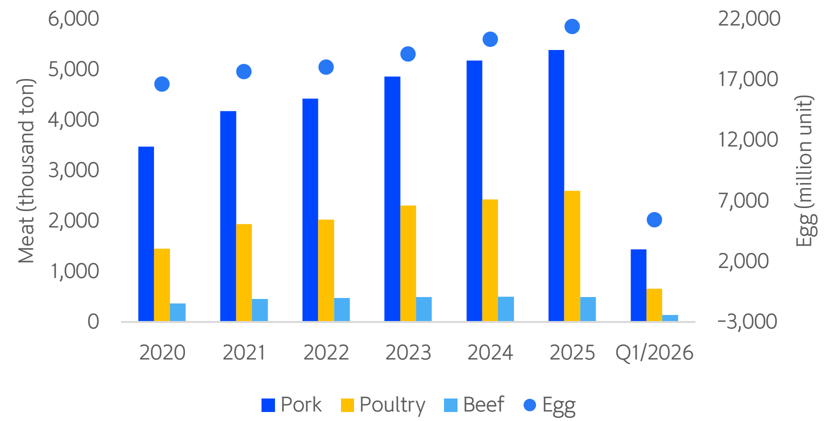
Livestock farming performance has improved thanks to the shift towards specialization

Livestock herd size (mil unit)



Source: GSO, Shinhan Securities Vietnam
(*) Excluding unweaned piglets *(**) Including chickens, ducks, geese*
Preliminary figures for 2025 as of the end of November 2025

Livestock slaughter output



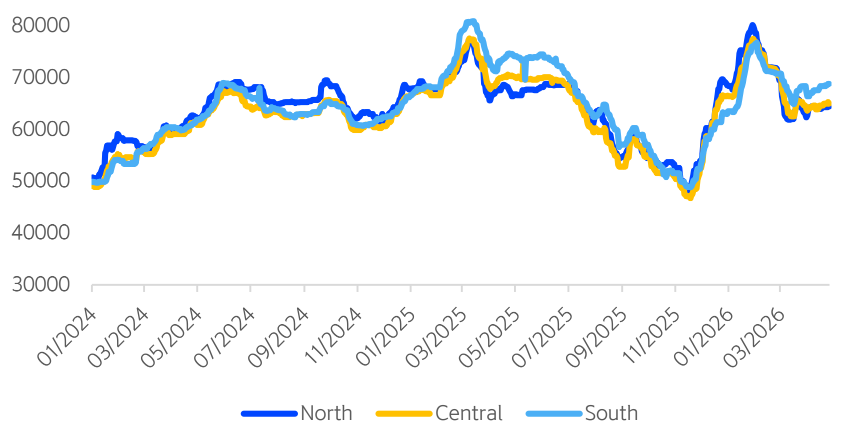
Source: GSO, Shinhan Securities Vietnam

Livestock herd sizes showed little growth in 2025, partly due to severe disease outbreaks and natural disasters in the latter months of the year. However, livestock production showed improvement in both meat and egg output. In Q1/2026, pork, poultry, and beef output recorded growth of 4.9%, 5.8%, and 4.7% YoY, respectively, while egg output grew by 2.2% YoY.

The livestock industry is also shifting from small-scale household farming to concentrated farm-based production (the current rate of farm-based, industrial-scale production is 55-56% for livestock and 56-58% for poultry). This is an important factor contributing to improved productivity, quality, disease control, and the achievement of the goals set by the Ministry of Agriculture and Environment.

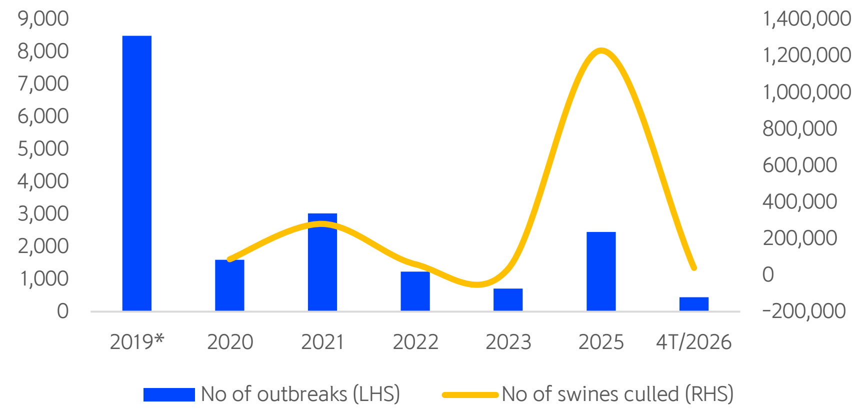
Pork prices adjusted after a sharp increase in the last quarter of 2025. Expectations are that prices will remain stable as the disease situation is generally under control

Average hog price nationwide (VND/kg)



Source: Anova Feed, Shinhan Securities Vietnam

Asian swine fever (ASF) development

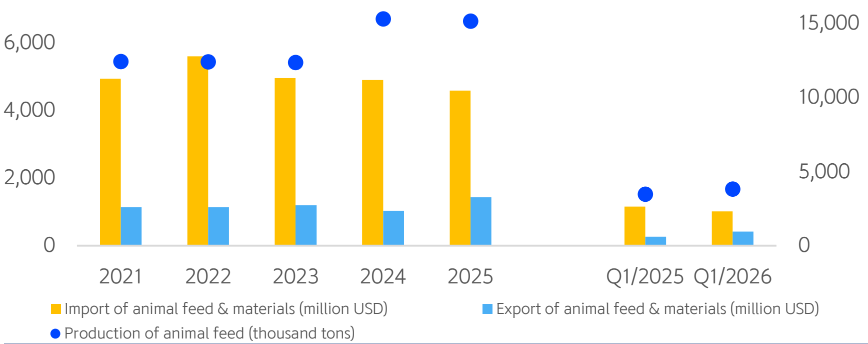


Source: Department of Animal Husbandry and Veterinary Medicine, Shinhan Securities Vietnam
(*) 2019 was the peak of the epidemic, about 6 million swines culled

Pork prices fluctuated strongly in 2025 due to various factors such as disease outbreaks and natural disasters. Prices fell sharply at the beginning of the year due to disease outbreaks affecting consumer sentiment, forcing farmers to sell their pigs early to avoid disease, thus increasing short-term supply. However, prices recovered strongly from November 2025 due to high demand during the peak season and better control of disease outbreaks. Simultaneously, supply decreased as farmers were hesitant to restock, and the lingering effects of natural disasters, storms, and floods caused prices to skyrocket. Currently, pork prices range from 67,000 to 70,000 VND/kg depending on the region.

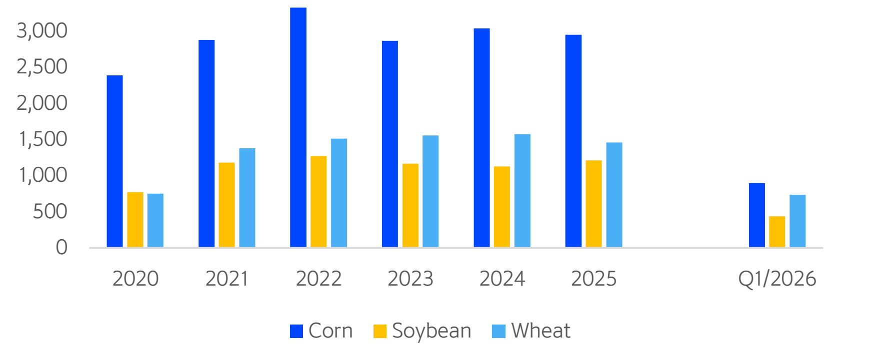
African Swine Fever (ASF) outbreaks complicated the situation throughout the year, affecting the scale of pig farming and pork prices. The main affected groups were small-scale farmers with low levels of biosecurity implementation. According to the Department of Animal Husbandry and Veterinary Medicine, 2,453 outbreaks occurred nationwide (+54% YoY), resulting in 1.23 million pigs dying or being culled (an increase of more than 13 times YoY). However, the disease situation has been basically brought under control. As of the end of April 2026, there were 83 outbreaks nationwide. In the first 4M/2026, there were 445 outbreaks nationwide, with a total of over 38,000 pigs dying or being culled.

Production volume, import and export value of animal feed



Source: GSO, Shinhan Securities Vietnam

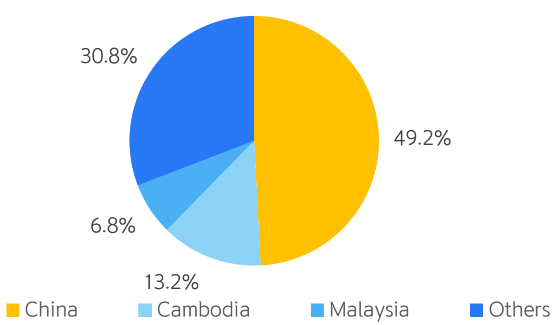
Import of animal feed ingredients (mil USD)



Source: GSO, Shinhan Securities Vietnam

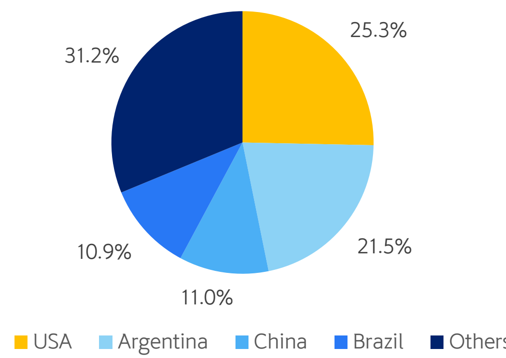
Vietnam imports most of its raw materials and exports finished animal feed products to major markets in Southeast Asia. Import value of raw materials increased sharply in Q1/2026, with corn, soybeans, and wheat reaching USD 898 million, USD 438 million, and USD 734 million respectively, all increasing by 60-70% YoY. The average import price for corn was USD 247/ton (-3.5% YoY), soybeans USD 479/ton (+6.1% YoY), and wheat USD 181/ton (-31% YoY). Export value in Q1/2026 also increased by 57% YoY, reaching USD 419 million.

Export market structure of animal feed and raw materials in Q1 (%)



Source: GSO, Shinhan Securities Vietnam

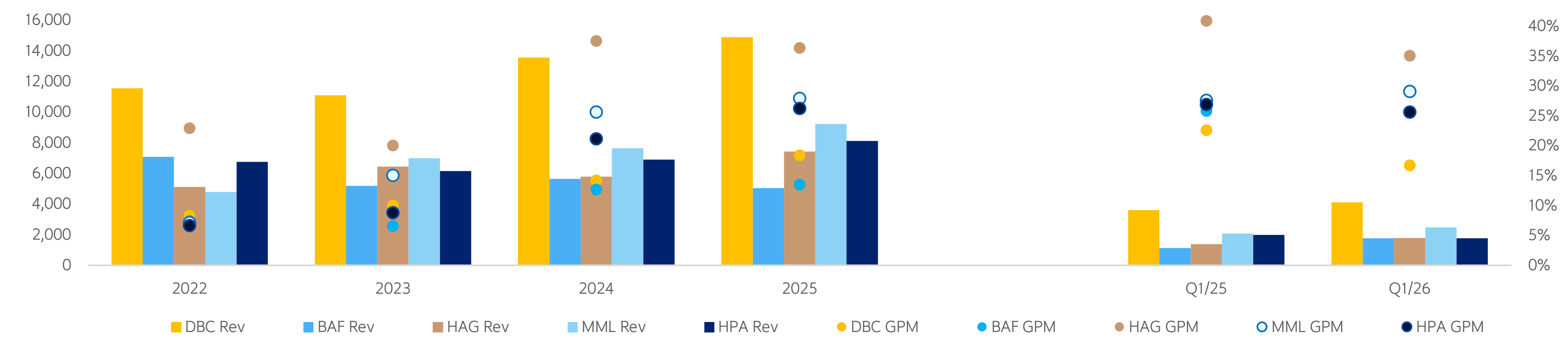
Import market structure of animal feed and raw materials in Q1 (%)



Source: GSO, Shinhan Securities Vietnam

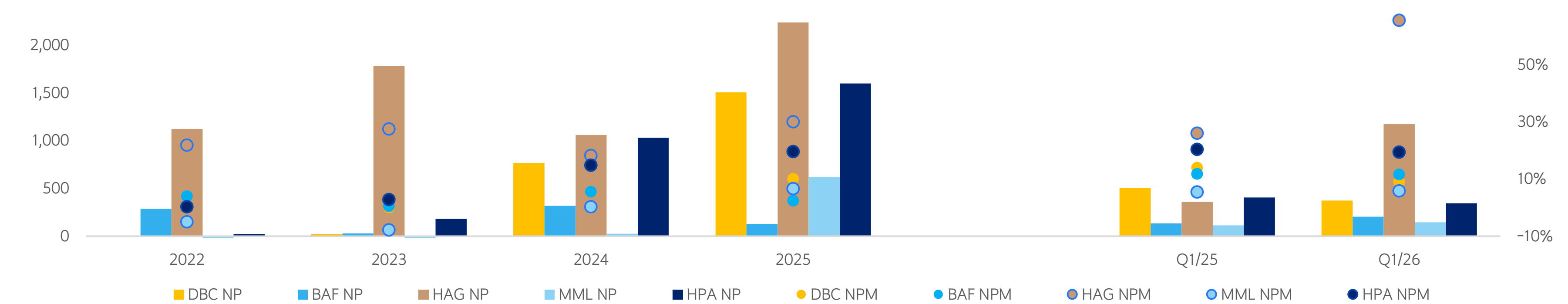
First-quarter business results show divergence among companies in the industry

Updated business results of listed livestock farming companies Q1/2026 (bil VND)



Source: Company data, Shinhan Securities Vietnam

Updated business results of listed livestock farming companies Q1/2026 (bil VND)



Source: Company data, Shinhan Securities Vietnam

Q1/2026 business results showed strong divergence. Revenue growth was observed across businesses (except HPA) thanks to the recovery in hog prices, with BAF experiencing the highest revenue growth rate at 57% YoY and a 50% YoY increase in sale volumes. HAG saw the largest increase in net profit (+54% YoY), driven by higher financial income compared to the same period last year, mainly due to interest rate reductions on bonds. DBC and HPA, however, experienced a decline in net profit in Q1, at -26% YoY and -15% YoY, respectively.

Forecast 2026F

Ticker	Market cap (bil VND)	Current price (VND)	Target price 2026 (VND)	Upside (%)	Revenue 2026F (bil VND)	Revenue growth (YoY) (%)	Net profit 2026F (bil VND)	Net profit growth (YoY) (%)	Debt/Equity	P/B (2026F)	P/E (2026F)
VNM	122,053	58,600	74,900	27.8%	67,966	6.8%	9,869	4.8%	0.27	4.7	18.3
SAB	61,306	47,800	59,900	25.3%	28,851	11.4%	4,904	7.2%	0.02	3.7	17.1
QNS	17,390	47,300	56,000	18.4%	10,740	1.6%	1,782	-7.0%	0.24	1.7	10.6
MSN	107,576	74,000	103,300	39.6%	97,311	19.2%	8,685	28.4%	1.42	3.8	26.1
BAF	10,489	34,550	36,800	6.5%	7,268	44.3%	772	509.7%	1.10	2.3	14.2
DBC*	8,448	21,950	27,400	24.8%	16,332	9.6%	1,144	-24.1%	0.73	N/A	N/A
	Total				**228,468**	**13.3%**	**27,156**	**11.7%**			

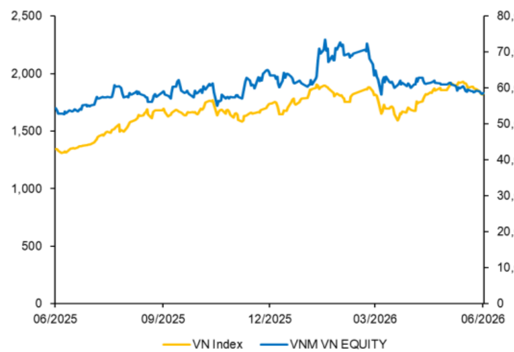
(*) Consensus data
Source: Bloomberg, Fiinpro, Shinhan Securities Vietnam
Data as of 04/06/2026

Vietnam Dairy Products JSC (HOSE: VNM)

Target price (2026F)	**74,900 VND**
Current price (04/06/26)	58,600 VND
Return (%)	27.8 %
VNINDEX	1,832
PE market	12.5x
Market cap (billion VND)	122,053
Outstanding shares (mil shares)	2,090
Free-float (mil shares)	799
52-week high/low (VND)	75,500/55,000
90-day avg. trading volume (mil shares)	5.82
90-day avg. turnover (bn VND)	285
Foreign ownership (%)	48.7

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

Performance	3M	6M	12M
Absolute (%)	-9.7	-7.6	3.0
Rel. to VN-Index (%)	-10.3	-12.8	-32.9



Valuation in an attractive range

Investment thesis

Vietnam Dairy Products JSC (Vinamilk, HOSE: VNM) is the leading dairy company in Vietnam with the largest distribution system as well as dairy cow herd. VNM holds leading market shares in most segments, along with a healthy asset structure and consistent dividend payments. Based on the FCFF and P/E methods, we update our valuation and recommend BUY for VNM. We believe that with the current 12-month trailing P/E of 13.5x, the current price range is attractive enough to buy a stock with a consistent dividend payout ratio of approximately 35-40% of par value per year like VNM.

Update on Q1/2026

VNM recorded positive business results in Q1/2026 with revenue reaching VND 16,178 billion (+24.6% YoY), and net profit reaching VND 2,458 billion (+54.9% YoY) thanks to the following reasons: (1) Low base in Q1/2025 due to restructuring of the domestic sales system and (2) Efficiency from product portfolio structure and cost control. These figures completed 24% of the revenue plan and 25% of the net profit plan for 2026. Gross profit margin also improved thanks to lower raw material costs compared to the same period due to stockpiling from previous purchases.

In which: (1) Domestic market revenue grew by 20% YoY, accounting for 75% of total revenue. All sales channels recorded growth; (2) Revenue from international markets increased by 39% YoY, with export revenue accounting for 15-18% of total revenue, the rest coming from subsidiaries and affiliated companies (Angkor Milk & Driftwood). Specifically, Angkor Milk's revenue increased nearly 3 times and profit increased 2.5 times compared to the same period thanks to high demand in the Cambodian market; Driftwood's revenue decreased by 5% due to price adjustment but net profit increased nearly 25%. Up to 65-70% of export revenue comes from the Middle East market, China accounts for a small proportion, while Cambodia is growing well through distributors and member units.

2026F forecast

We project 2026 revenue and net profit to reach VND 67,966 billion (+6.8% YoY) and VND 9,869 billion (+4.8% YoY), respectively, with domestic and international market revenue growing by 3.5% and 20%, respectively. Based on the recent increase in milk powder prices, we believe the gross profit margin in the next 1-2 quarters may be lower than the 42.7% in Q1. For FY2026, we project a gross profit margin of 41%, 20 basis points lower than in 2025. The company will focus on cost control and maintaining a constant SG&A ratio during the year.

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 demand.

Year	2023	2024	2025	2026F	2027F
Revenue (bil VND)	**60,369**	**61,783**	**63,646**	**67,966**	**72,252**
Operating Income (bil VND)	9,771	10,406	10,664	11,160	11,987
NP (bil VND)	**9,019**	**9,453**	**9,414**	**9,869**	**10,551**
EPS (VND)	3,796	4,022	4,028	4,224	4,542
BPS (VND)	15,166	15,444	14,682	14,556	14,748
OPM (%)	16.2	16.8	16.8	16.4	16.6
NPM (%)	14.9	15.3	14.8	14.5	14.6
ROE (%)	**26.6**	**26.6**	**26.6**	**28.8**	**30.8**
P/E (x)	17.0	15.8	15.3	18.3	17.0
P/B (x)	4.3	4.1	4.2	4.7	4.7

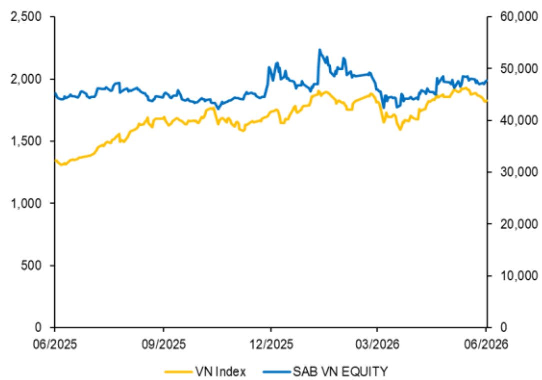
Source: Company data, Shinhan Securities Vietnam

Saigon Beer - Alcohol - Beverage Corporation (HOSE: SAB)

Target price (2026F)	**59,900 VND**
Current price (04/06/26)	47,800 VND
Return (%)	**25.3%**
VNINDEX	1,832
PE market	12.5x
Market cap (billion VND)	61,306
Outstanding shares (mil shares)	1,283
Free-float (mil shares)	134
52-week high/low (VND)	57,100/42,050
90-day avg. trading volume (mil shares)	1.03
90-day avg. turnover (bn VND)	38
Foreign ownership (%)	58.6

Major shareholders (%)		
	Vietnam Beverage Company Limited	54
	SCIC	36

Performance	3M	6M	12M
Absolute (%)	3.8	-6.2	-4.7
Rel.to VN-Index (%)	3.2	-11.4	-40.6



Attractive dividend yield

Investment thesis

Saigon Beer, Alcohol and Beverage Corporation (HOSE: SAB) is the second largest brewer in Vietnam. SAB holds the leading position regarding the number of breweries with a capacity of 3.1 billion liters/year, offering products ranging from mainstream to premium. We use a combination of discounted cash flow and P/E methods to value and recommend a BUY rating for SAB. In 2026, SAB also finalized a cash dividend payment ratio of 50% per par value. This corresponds to a dividend yield of around 10.5% on the current price, making it an attractive investment opportunity.

Update on Q1/2026

SAB recorded revenue of VND 6,457 billion (+11% YoY) in Q1/2026 thanks to improved beer sales. Gross profit grew impressively by 28% YoY due to a 5 percentage point YoY improvement in gross profit margin, and net profit also increased sharply by 56% YoY. The reasons for the growth in business results are: (1) The low base in Q1/2025, Q1/2026 benefited from Tet sales volume due to the late Lunar New Year; (2) The gross profit margin improved thanks to the use up of high-priced barley inventory; and (3) Q1/2025 was affected by a one-off financial expense of VND 85 billion related to the SBB purchase transaction. This expense was subsequently reversed in Q3 after completing the procedures. The net profit margin in Q1/2026 reached 19.3%, representing a 5.5 percentage points increase YoY.

2026F forecast

In 2026, we forecast beer revenue to grow by 11.7% YoY thanks to the effectiveness of the expanding strategy of the modern distribution channel (MT) to compete for market share and proactively seeking traditional channel (GT) sales points to replace those closed due to the impact of new regulations on household businesses. The major football event, the World Cup, taking place during the year, is also considered as a supporting factor for sales growth. During the year, SAB also implemented a cash van model in the Mekong Delta region to increase market coverage.

The recent increase in aluminum prices due to geopolitical tensions has not yet been reflected in Q1's financial results. Sabeco has a policy of purchasing raw materials 3-6 months in advance to proactively prepare, and also has plans to reduce can production costs to control input costs. We project the 2026 gross profit margin to be 70 basis points lower than the same period last year. Net profit for 2026 is projected to grow by 7.3%, with the full-year SG&A expense margin being well controlled at 18.1%.

Risks: (1) Risk of increasing raw material prices; (2) Risk of increasing excise tax; (3) Policy risks; (4) Risk of domestic demand being weaker than expected

Year	2023	2024	2025*	2026F	2027F
Revenue (bil VND)	**30,461**	**31,872**	**25,888**	**28,851**	**29,702**
Operating Income (bil VND)	3,811	4,437	4,294	4,943	4,971
NP (bil VND)	**4,255**	**4,494**	**4,573**	**4,904**	**4,992**
EPS (VND)	3,132	3,291	3,347	3,612	3,677
BPS (VND)	18,877	18,152	16,492	15,097	13,766
OPM (%)	12.5	13.9	16.6	17.1	16.7
NPM (%)	14.0	14.1	17.7	17.0	16.8
ROE (%)	12.4	13.3	13.9	15.6	16.9
P/E (x)	16.3	14..9	14.1	17.1	16.8
P/B (x)	2.7	2.8	2.8	3.7	4.1

Source: Company data, Shinhan Securities Vietnam

** Revenue in 2025 decreases due to the impact of consolidation with Sabibeco as a subsidiary instead of an associate*

Masan Group JSC (HOSE: MSN)

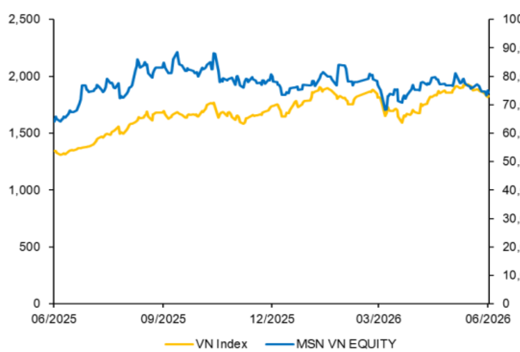
MASAN GROUP

Target price (2026F)	**103,300 VND**
Current price (04/06/26)	74,000 VND
Return (%)	39.6%

VNINDEX	1,832
PE market	12.5x
Market cap (billion VND)	107,576
Outstanding shares (mil shares)	1,446
Free-float (mil shares)	737
52-week high/low (VND)	94,000/63,000
90-day avg. trading volume (mil shares)	6.51
90-day avg. turnover (bn VND)	464
Foreign ownership (%)	25.1

Major shareholders (%)	Masan Group	29.3
	Sunflower Construction Company Limited	13.4

Performance	3T	6T	12T
Absolute (%)	-2.4	-7.1	15.8
Rel.to VN-Index (%)	-2.9	-12.4	-20.1



Solid growth drivers

Investment thesis

Masan Group Corporation (HOSE: MSN) is one of Vietnam's largest diversified private economic groups, with a focus on retail and consumer goods, expected to benefit from demographics and the expansion of the middle class, alongside mining and resource activities and its affiliation with TCB. Established in 1996, the group has rapidly expanded its scale through strategic M&A transactions.

We expect business growth to be sustained in 2026, primarily driven by the retail and consumer ecosystem including WCM and MCH; the resurgence of MSR due to favorable commodity price developments will significantly contribute to the group's profit growth. At the same time, we believe that MSN is among the top stocks benefiting from foreign capital inflows as Vietnam shifts to emerging market. This will be a supporting factor for money fow, alongside the company's internal factors, helping to push the stock valuation to a higher level.

Update on Q1/2026

Q1 revenue reached VND 24,020 billion (+27% YoY) and net profit reached VND 1,974 billion, doubling YoY and reaching the highest level in history for a first quarter; net profit attributable to parent company shareholders (NPAT-Mi) reached VND 1,246 billion (+217% YoY). WCM continued to be a solid growth driver with revenue increasing 30% YoY and net profit increasing 3.5 times, corresponding to a net profit margin of 1.8% (increased 110 basis points YoY) and 225 new stores opened in Q21. MCH had its second consecutive quarter of recovery with both revenue and net profit growing by double digits, 13% YoY and 11.5% YoY, respectively. Except for the bottled beverages segment, which experienced negative growth, the remaining product categories all recovered strongly in terms of sales, especially the HPC segment which increased 34% YoY and the Seasonings segment which increased 17% YoY. Notably, MSR recorded a strong turnaround thanks to favorable commodity prices, improved operational efficiency, and reduced interest expenses, with revenue increasing 2.1 times YoY and net profit reaching VND 759 billion (compared to a loss of VND 222 billion in Q1/2025). MSR also announced plans to uplist to HOSE in 2027, and the company is also in the process of reducing the parent company's ownership stake to meet listing requirements. Other business segments, including MML and PLH, also recorded growth.

2026F forecast

We estimate 2026 revenue to reach VND 97,311 billion (+19% YoY), net profit to reach VND 8,685 billion (+28% YoY), and NPAT-Mi to reach VND 5,704 billion (+39% YoY). We expect sustainable growth momentum from the WCM chain as it accelerates new expansion while improving operational efficiency, with a projected 2026 net profit margin of 2.5% (up 1.2 percentage points YoY), and a significant contribution from MSR based on a low base in 2025 (2025 net profit was only VND 11 billion).

Risks: (1) Risk of weak demand, (2) Exchange rate and interest rate risks, (3) Raw material risks, (4) Competition risks.

Year	2023	2024	2025	2026F	2027F
Revenue (bil VND)	**78,252**	**83,178**	**81,621**	**97,311**	**107,332**
Operating Income (bil VND)	4,179	6,174	7,663	9,010	9,220
NP (bil VND)	**1,870**	**4,273**	**6,763**	**8,685**	**9,983**
EPS (VND)	294	1,345	2,710	3,967	4,517
BPS (VND)	18,560	21,031	24,582	27,008	31,282
OPM (%)	5.3	7.4	9.4	9.3	8.6
NPM (%)	2.4	5.1	8.3	8.9	9.3
ROE (%)	**4.9**	**10.5**	**15.0**	**16.6**	**16.5**
P/E (x)	227.9	51.9	28.4	26.1	22.9
P/B (x)	3.6	3.3	3.3	3.8	3.3

Source: Company data, Shinhan Securities Vietnam

Shinhan Securities

Power Industry

Race against time

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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 Industry– Race Against Time

I. Power sector update for 2025 and Q1 2026

According to EVN, total system electricity generation and imports in 2025 are estimated at 322.8 billion kWh (+4.6% YoY), while output in Q1 2026 reached 76.86 billion kWh (+6.5% YoY), broadly in line with growth in IIP and GDP over the same period.

II. Power sector outlook for 2026 and 2030 direction

_ In 2026, thermal power is expected to be dispatched at higher levels, driven by El Niño weather conditions and strong electricity demand. However, this also raises the risk of power shortages as available capacity is growing at a slower pace than demand.

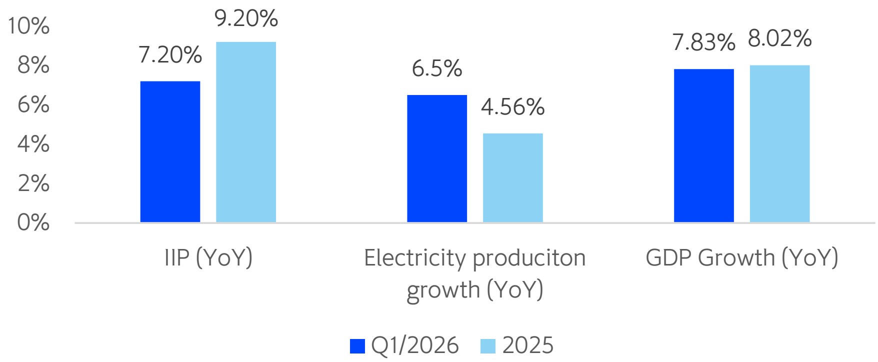
_ Overall, the investment environment is improving, but the risk of not achieving targeted LNG capacity additions before 2030 remains high. Instead, renewable energy sources such as solar and wind power are being actively promoted.

III. Investment Opportunity– POW

Companies with significant thermal power assets and early exposure to LNG development are expected to benefit from this structural shift in the power source.

Electricity generation growth improved in Q1 2026

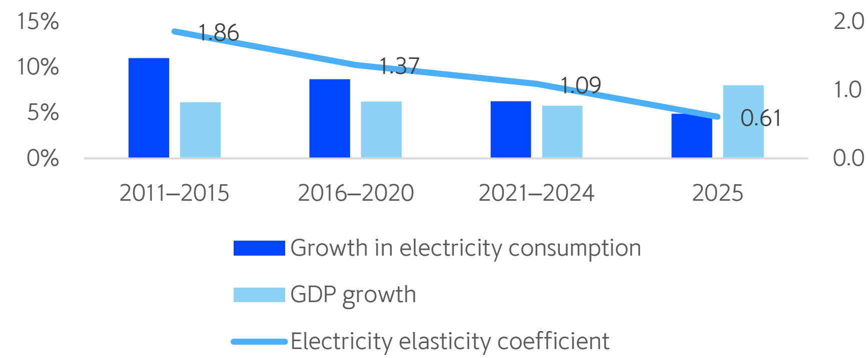
Growth in electricity production output, IIP, and GDP



Source: EVN, Fiinpro, Shinhan Securities Vietnam

- According to EVN, total system power generation and imports in 2025 are estimated at 322.8 billion kWh, up 4.6% YoY, while electricity output in Q1 2026 reached 76.86 billion kWh, representing 6.5% YoY growth, broadly in line with industrial production (IIP) and GDP growth.
- Based on calculations by ERAV, Vietnam's electricity elasticity coefficient has been on a declining trend in recent years. The elasticity of the industrial sector fell significantly during 2021–2024 to 0.83; however, the elasticity of the commercial and residential sector remained elevated at 1.27, lifting the nationwide elasticity coefficient to 1.09. In 2025, the coefficient is estimated to decline further due to several factors: (1) approximately 10 billion kWh of electricity was generated and self-consumed from rooftop solar systems, accounting for around 3.4% of total electricity sales; (2) milder weather conditions during the first half of 2025 reduced cooling demand; and (3) various industrial sectors implemented more energy-efficient production processes and electricity-saving measures.

Electricity elasticity coefficient has been declining over the years



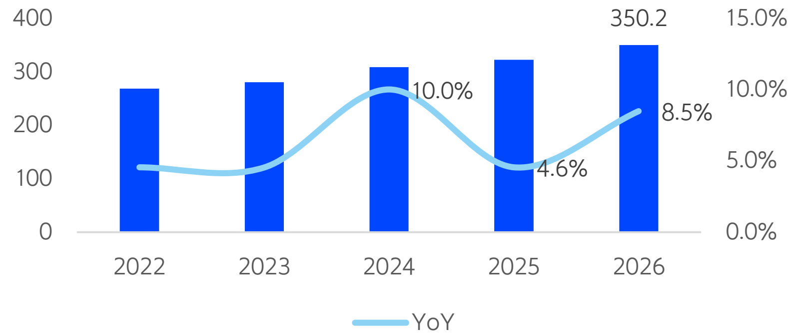
Source: ERAV, Shinhan Securities Vietnam

	Electricity consumption volume (bn kWh)	YoY
Total	**287.9**	**4.9%**
Industry & Construction	152.5	7.2%
Services & Trading	15.6	4.8%
Management – Residential consumption	97.0	1.1%
Others	22.7	6.7%

Source: ERAV, Shinhan Securities Vietnam

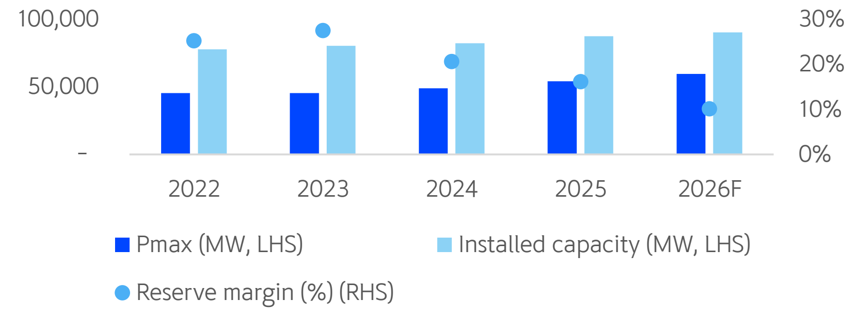
High power generation plan in 2026, with rising risk of power shortages

Total system power generation (billion kWh)



Source: EVN, Shinhan Securities Vietnam

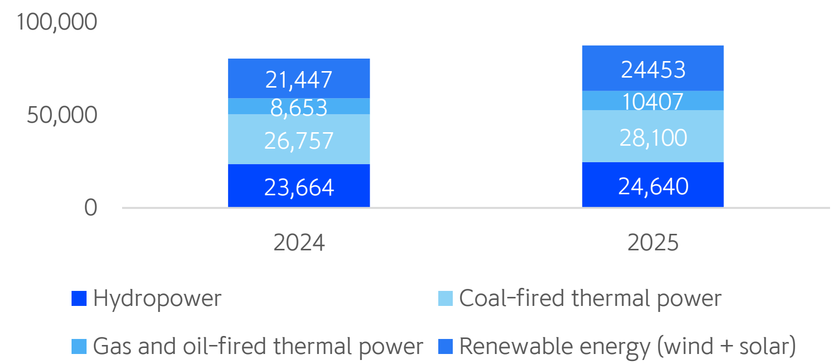
Reserve margin declines, with emerging supply shortage risks



Source: NSMO, EVN, Shinhan Securities Vietnam compilation; reserve margin = (Available installed capacity – Pmax)/Pmax

- **For 2026, the MOIT has approved the national power system operation plan, with the base-case scenario estimating total electricity generation and imports at 350.007 billion kWh (+8.5% YoY), while the stress scenario could reach 368.097 billion kWh (+14.1% YoY).**
- We forecast Pmaxin 2026F to reach 59,760 MW (+10% YoY), while newly installed capacity in 2026F is expected to reach approximately 90,400 MW (+3%), mainly driven by the commissioning of LNG power plants NT3 & NT4 (1,600 MW) and Unit 2 (650 MW) of Vung Ang II Thermal Power Plant. As a result, the system reserve margin is projected to decline to a low level of around 10%.
- In addition, hydropower capacity of approximately 25,279 MW and renewable energy output remain highly weather-dependent, increasing supply risks, particularly as the probability of El Niño conditions continues to rise. According to NSMO, system Pmax between May 23–26 has repeatedly set new records amid extreme heat conditions. **As of May 26, 2026, Pmax reached 58,226 MW (+7.1% YoY), while nationwide electricity consumption hit a record level of 1.2 billion kWh (+9.1% YoY compared to the same period peak).**
- To meet peak demand, on the evening of May 24, 2026, NSMO ordered the dispatch of high-cost oil-fired units, including Units S1 and S2 of O Mon I (FO-fired). The increasing reliance on diesel and fuel oil generation is expected to further elevate EVN's power procurement costs.

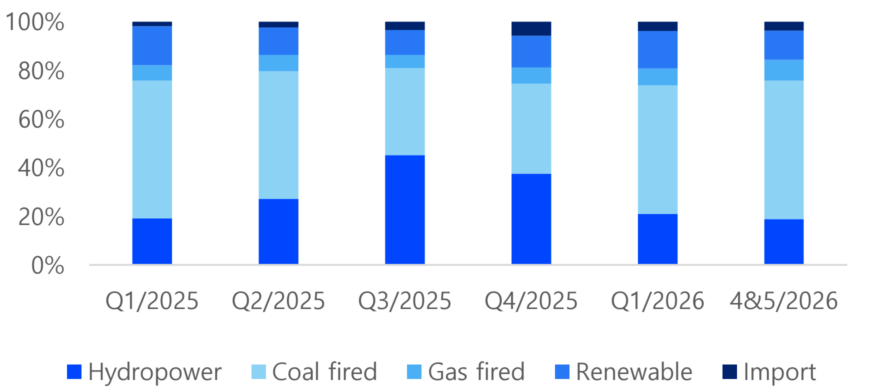
Power sources 2024-2025



Source: ERAV, Shinhan Securities Vietnam

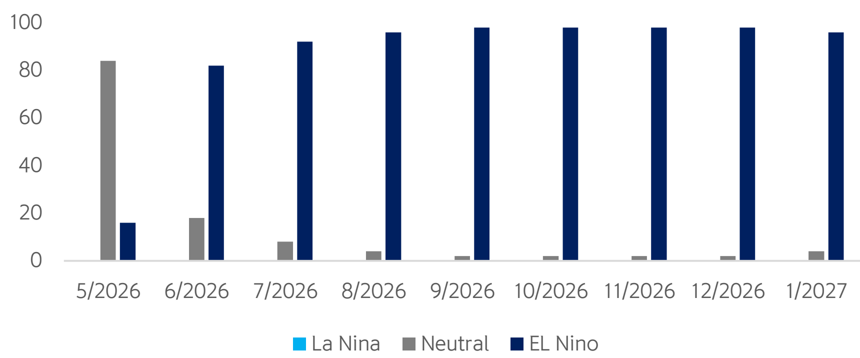
Coal-fired thermal power is being increasingly dispatched in 2026

Electricity generation output by source



Source: EVN, Shinhan Securities Vietnam

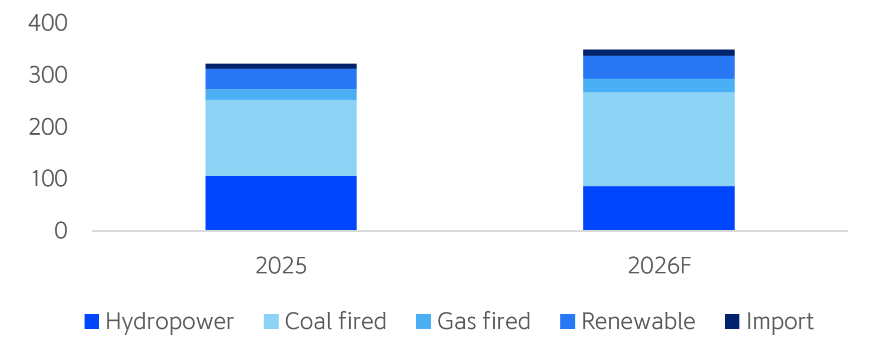
NOAA CPC official ENSO probability forecast (%)



Source: IRI, Shinhan Securities Vietnam

- **Electricity dispatched in Q1 2026 reached 76.86 billion kWh (+6% YoY),** of which coal-fired generation accounted for 40.58 billion kWh, representing 53% of the generation mix (up from 36% in Q3 2025). Meanwhile, hydropower output reached 16.09 billion kWh, accounting for 21% of the generation mix (down from 45% in Q3 2025). **5M2026 update: Electricity generation output reached 128.5 billion kWh (+8.1% YoY).** Thermal power plants continued to be dispatched at high levels instead of lower hydropower generation, driven by strong electricity demand during the peak heatwave period in April and May, coupled with unfavorable hydrological conditions.
- According to IRI, the probability of El Niño conditions is expected to remain high from June onward, supporting continued **high dispatch of coal-fired power plants.**
- **Based on the MOIT generation plan, we expect in 2026: coal-fired generation 180.7 billion kWh (+23.5% YoY), hydropower 86.1 billion kWh (-19.1% YoY)**, gas-fired generation 27.0 billion kWh (+10% YoY), renewables 43.7 billion kWh (+10.5% YoY), and electricity imports 12.0 billion kWh (+23.7% YoY).

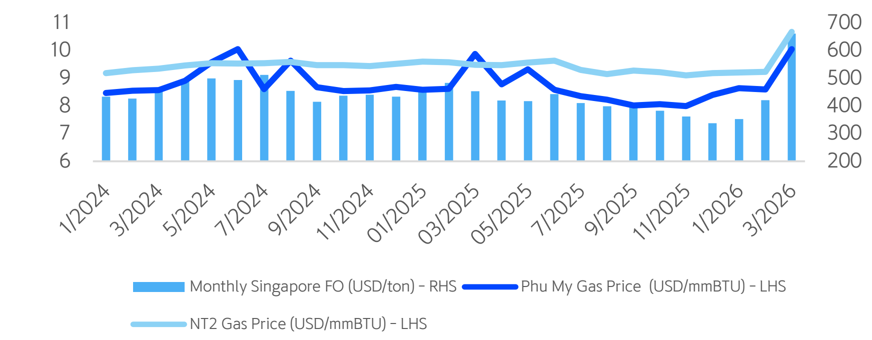
Projected electricity generation growth in 2026F



Source: EVN, Shinhan Securities Vietnam

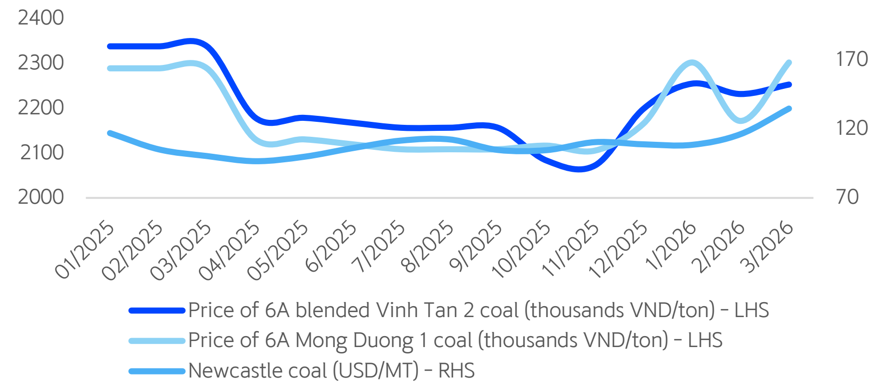
Coal and gas prices are projected to increase in 2026

Natural gas and Singapore fuel oil prices are trending upward



Source: Bloomberg, NT2, Genco3, EVN, Shinhan Securities Vietnam

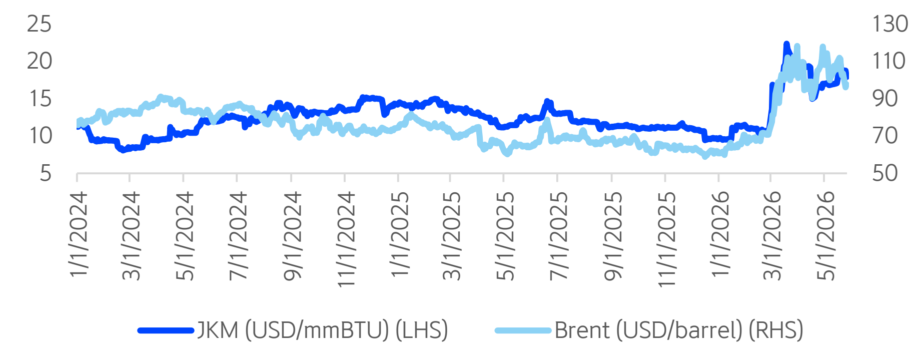
Domestic coal prices increase slightly by 2%–6% YTD



Source: Bloomberg, NT2, Genco3, EVN, Shinhan Securities Vietnam

- The closure of the Strait of Hormuz has triggered a sharp increase in global energy prices since March 2026. Global coal prices have risen by 30% YTD, while domestic coal prices have increased more moderately by around 2%–6%. NT2 gas prices reached 10.4 USD/MMBtu (+13% YTD), while fuel oil (FO) prices surged to 666.7 USD/MMBtu, nearly doubling year-to-date.
- In addition, Brent crude oil and Asia LNG prices have increased by 61% and 87% YTD, respectively. We expect energy prices to remain elevated in the coming months due to continued uncertainty over the reopening of the Strait of Hormuz. This is likely to exert upward pressure on the FMP (wholesale electricity market price) and increase EVN's power procurement costs.

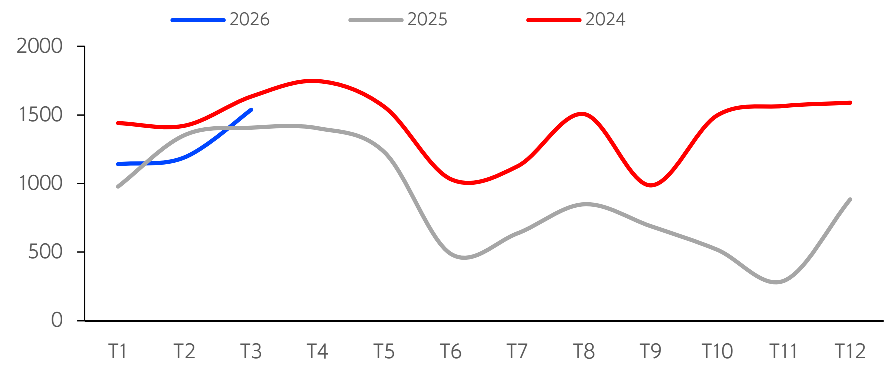
Brent oil and Asia LNG prices



Source: Bloomberg, Shinhan Securities Vietnam

FMP price improved significantly in Q1 2026

FMP actual selling prices 2024-2026 by months



Source: Genco3, EVN, Shinhan Securities Vietnam

FMP selling prices 2021-2026

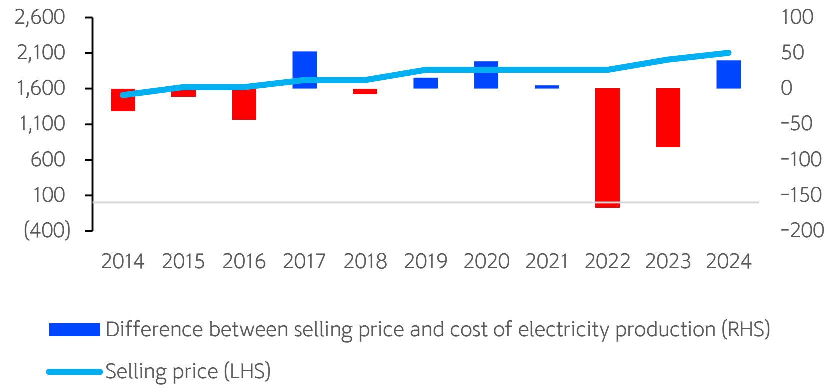
Year	SMP	CAN	FMP = SMP + CAN	Qc Hydro	Qc Coal-fired
2026	1,725.2	130	1,855.2	98%	80%
2025	1,682.6	47.96	1,730.56	98%	80%
2024	1,510	330.5	1,840.5	98%	70%
2023	1,778.8	293	2,071.8	90%	80%
2022	1,602.3	379.4	1,981.7	90%	80%
2021	1,503.5	150.7	1,654.2	90%	80%

Source: Genco3, EVN, Shinhan Securities Vietnam

- Actual FMP selling price in 2025 averaged around 894 VND/kWh (-37% YoY), mainly due to the high share of low-cost hydropower in the generation mix.In 2026, FMP is expected to reach 1,855.2 VND/kWh (+7% YoY). Specifically, in Q1 2026, the actual price reached 1,290 VND/kWh (+3.5% YoY), supported by a higher base in the same period last year, and surged +129% QoQ from the low base in Q4 2025. **We expect the average realized FMP price to continue increasing and reach around 1,400 VND/kWh (+56.5% YoY) in 2026, driven by: (1) commissioning of LNG power plants NT3 & NT4, which rely on high-cost LNG fuel; (2) rising global prices of coal, natural gas, and LNG; (3) strong electricity demand; and (4) constrained low-cost hydropower output due to adverse weather conditions.**

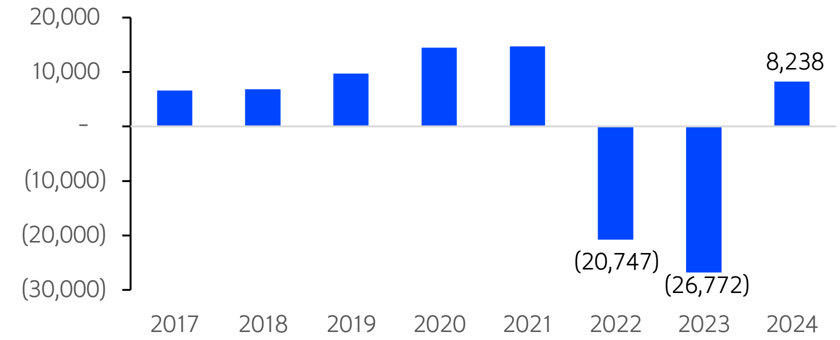
EVN's business performance improved significantly in 2025 but faces major challenges in 2026

Spread between EVN's electricity selling price and power procurement cost



Source: EVN, Shinhan Securities Vietnam

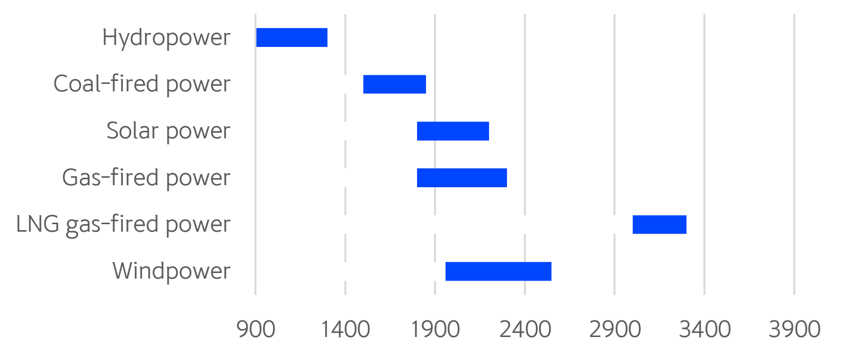
EVN consolidated net profit over the years



Source: EVN, Shinhan Securities Vietnam

- The most recent electricity tariff adjustment by EVN was on May 10, 2025, with a +4.8% increase. Since the beginning of 2023, EVN has adjusted electricity prices four times within its pricing authority, including increases of 3.0%, 4.5%, and two separate 4.8% adjustments.Following these tariff increases, EVN returned to profitability from 2024. According to the latest updates from EVN, accumulated losses have narrowed significantly from VND 44,792 billion in 2024 to approximately VND 5,611 billion in 2025.
- However, given the expected rise in electricity generation costs, we anticipate that EVN will implement at least one additional tariff increase of around +5% in 2026 to maintain a positive earnings position.

Current generation cost by power source (VND/kWh)



Source: Shinhan Securities Vietnam compiled; excludes assumptions for offshore wind pricing and gas-fired power from Block B

Update and summary of renewable energy development status

Table: Revised Power Development Plan VIII capacity targets – base and high scenarios

Unit: MW	2025	2030 Base case	2030 High case
Coal-fired thermal power	28,100	31,055	31,055
Domestic gas-fired thermal power	9,300	10,861	14,930
LNG-fired thermal power	1,600	22,524	22,524
Hydropower	24,640	33,294	34,667
Onshore and nearshore wind power	6,292	26,066	38,029
Offshore wind power	0	6,000	6,000
Solar power	16,663	46,459	73,416

Source: Revised PDP VIII, Shinhan Securities Vietnam compiled

_ **Coal-fired thermal power**: Continues to serve as the dominant baseload source in the generation mix through 2030, after which no further capacity expansion is expected in order to meet environmental commitments.

_ **Hydropower**: Acts as a low-cost generation source. However, long-term expansion potential is limited and highly dependent on hydrological conditions.

_ **Gas-fired thermal power**: Domestic gas fields are experiencing a sharp decline in output, leading to a corresponding decrease in gas utilization rates at power plants. Gas-fired capacity and output are expected to improve significantly once the Block B – O Mon gas-to-power project chain is completed, targeted around 2028.

_ **LNG-fired power:** Positioned as a key pillar for Vietnam's energy security. However, there is a high risk of not achieving targeted capacity before 2030 due to bottlenecks in PPA negotiations. In addition, reliance on imported LNG at elevated prices contributes to higher system generation costs.

_ **Renewable energy:**

+ Solar power: Continued policy support, but primarily developed under the self-consumption and storage-integrated model (behind-the-meter with battery storage).

+ Wind power: Policy focus is strengthening. Together with LNG, wind power is becoming a second strategic pillar of Vietnam's energy security. During 2026–2030, wind capacity is expected to accelerate again to partially offset LNG supply risks toward 2030.

_ **Nuclear power:** A stable baseload energy source. The Ninh Thuan 1 and 2 projects are currently in land clearance and preparation stages, with expected commissioning in the 2030–2035 period.

The Ministry of Industry and Trade (MOIT) has approved the revision of the national energy master plan for the 2021–2030 period, with a vision toward 2050

Criteria	QD 893 (2023)	QD 363 (2026)	Delta/changes	Meaning
Total energy consumption (million TOE) 2030	107	120-130	+(13 - 23)	Greater flexibility in system planning
Total primary energy supply (million TOE) 2030	155	150-170	Widen the range	
Renewable power share (2030)	15–20%	25–30%	+10 điểm %	High ambition to integrate renewables by 2030, especially amid delays in LNG project development
Emission peak (2030)	399–449 MT CO2	433–474 MT CO2	+(25 - 34)	Acceptance of higher system costs to strengthen energy security and build a larger buffer against geopolitical volatility
Petroleum stockholding (days) 2030	75–80	90	+(10 - 15)	Significant capital requirements to support a high-renewable energy pathway
Investment capital (trillion VND)	4,133 - 4,808	4,878 - 5,482	+(60%-70%)	A high renewable power penetration requires massive capital mobilization.
Sea area requirement (ha) (2050)	1,302 - 1,701	2,945 - 3,355	Delta is double	Strong emphasis on accelerating offshore wind development as a long-term energy backbone
Natural gas production (billion m³/year) 2030	5.5-15	5.4 - 11.0	-4	Reassessment of domestic gas resource outlook, with a strategic shift toward LNG import infrastructure, including ports and storage terminals
Crude oil production (million tons/year) 2030	6 - 9.5	5.8 - 8	-1.5	

Source: MOIT, Shinhan Securities Vietnam compilation

On February 28, 2026, under Decision No. 363/QD-BCT, the Minister of Industry and Trade approved the revision of the national energy master plan for the 2021–2030 period, with a vision to 2050 (Revised National Energy Master Plan). Decision No. 893/QD-TTg became effective until February 28, 2026 and is no longer valid thereafter.

Risk of delays in LNG project implementation before 2030

Table: List of LNG power projects and progress updates

Project	Capacity (MW)	Notes / Implementation Progress	Investors
LNG Quang Ninh	1,500	COD on 19/12/2025	Consortium: POW, Colavi, Tokyo Gas, and Marubeni.
LNG Thai Binh	1,500	Construction started on 10/10/2025; expected COD in Q4/2029	Consortium of Tokyo Gas, Kyuden, and Truong Thanh Industrial Joint Stock Company (JSC).
LNG Quang Trach II	1,500	Preparation for construction in Q1/2026; full completion by 2030	EVN
LNG Hai Lang Phase I	1,500	Site clearance in progress; expected construction start in Q1/2027	T&T Group, HANWHA, KOSPO, KOGAS
Nhon Trach 3&4	1,624	Operational since end-2025	POW
LNG Hiep Phuoc Phase I	1,200	Construction and installation completed ~60% and ~20%; PPA signed on 26/03/2026; expected operation in 2027	Hai Linh
LNG Long An I	1,500	Feasibility study completed; planned COD in 2029	Vinacapital GS Energy
BOT Son My I	2,250	Site clearance in progress	EDF, Kyushu, Sojitz, Pacific Vietnam
BOT Son My II	2,250	Site clearance in progress	AES Group
LNG Bac Lieu	3,200	Agreement on procedures for 500kV transmission line (Bac Lieu – Thot Not)	DeltaOE
LNG Nghi Son	1,500	Reviewing documentation and proposing revised development plan for government approval	N/A
LNG Ca Na	1,500	Bid evaluation process completed	N/A
LNG Quynh Lap	1,500	Provincial authority approved investment policy proposal	N/A
LNG Hai Phong Phase I	1,600	Under construction; expected operation by end-2030	VinEnergo
LNG Hiep Phuoc Phase II	1,500	Investor is finalizing project documentation	N/A

Source: Revised PDP VIII, Shinhan Securities Vietnam compilation

Currently, only the NT3 & NT4 LNG power plants have entered operation in early 2026, while most other LNG projects remain significantly delayed, primarily stalled at the PPA negotiation stage. The key issues largely stem from an insufficiently attractive and bankable regulatory framework, as well as concerns over operational security for investors. In the draft amendments to Decree 56/2025/ND-CP and Decree 100/2025/ND-CP, the MOIT proposes increasing the minimum Qc from 65% to 75% of the project's multi-year average generation output, and extending the application period from 10 years to 15 years, with the aim of improving project bankability and facilitating financing. However, even with these adjustments, many investors still find the framework insufficient to secure financing, while EVN has warned that a higher Qc obligation would significantly increase system procurement costs.Overall, there remains a clear misalignment of objectives among stakeholders: investors seek a sufficiently stable mechanism to secure funding; EVN aims to control rising electricity procurement costs; MOIT must balance energy security concerns; and end consumers expect affordable electricity prices. In this context, accelerating LNG project implementation to meet energy demand **cannot be achieved through adjustments to Qc ratios and contract duration alone. We believe that identifying a mutually acceptable solution will require considerable time and policy coordination.**

Improving the investment environment for renewable energy – tariff framework for wind and solar power has been issued

Tariff by power source and region (VND/kWh)

Type	North (VND/kWh)	Central (VND/kWh)	South (VND/kWh)	Uscents/kWh*	FIT 1 (Uscents/kWh)	FIT 2 (Uscents/kWh)	Transitional price (Uscents/kWh)
Ground-mounted solar power (no battery storage)	1,382.7	1,107.10	1,012.00	4.1	9.35	7.09	4.6
Ground-mounted solar power (with battery storage)	1,571.98	1,257.08	1,149.86	5.1			
Floating solar power (no battery storage)	1,685.80	1,336.10	1,228.20	5.4	9.35	7.69	5.8
Floating solar power (with battery storage)	1,876.57	1,487.18	1,367.13	6.1			
Offshore wind power	3,975,1	3,078,9	3,868,5	13.3	9.8		
Onshore wind power	1,959.4	1,807.4	1,840.3	7.2	8.5		6.1
Nearshore wind power		1,987.4		7.6	8.5		7.0

*Source: MOIT, Shinhan Securities Vietnam; *average of Northern, Central, and Southern region tariffs, converted into US cents with exchange rate of VND 26,000 VND/USD.

_ **The tariff framework for renewable energy has been officially issued in 2025, marking a major legal step following the expiration of FIT mechanisms and the transition to transitional pricing**. This provides a foundation for PPA negotiations and the restart of multiple renewable energy projects. However, based on our observations, the tariff for solar power without battery storage is even lower than the transitional tariff, making wind power and solar-plus-storage more attractive to investors. **The new tariff framework is more suitable for experienced developers with strong financial capacity, rather than supporting the broad-based expansion seen under the previous FIT regime.**

_ **For offshore wind power,** high generation costs, long development timelines, and an incomplete regulatory framework remain major challenges. To date, key survey activities have not yet been initiated for many projects, implying a low likelihood of commissioning before 2030.

_ **In addition, for projects with compliance issues related to CCA**, EVN has proposed a final settlement mechanism under which these plants would receive transitional pricing from COD until CCA is obtained, and FIT pricing thereafter. However, based on discussions with industry representatives, this final mechanism has not yet been officially approved, and affected plants have not received payments to date.

Key notable policies in the power sector from 2025

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** Approval of the **Revised PDP VIII Implementation plan**	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.
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 compiled

Key notable policies in the power sector from 2025

Document	Date	Summary	Impact
Resolution No. 70-NQ/TW*	20/08/2025	Strategic orientation for Vietnam's national energy development toward 2030	_Improve institutional and policy frameworks to create competitive advantages for energy sector development. Expand energy supply and infrastructure to ensure robust energy security and meet growth requirements.
Project on "Developing a two-component electricity tariff system"	10/10/2025	The mechanism fundamentally separates fixed and variable costs in electricity supply; users that impose greater stress on the system during peak hours (requiring higher peak capacity) will bear a corresponding share of capacity investment costs. This mechanism is currently under pilot implementation.	_ Reduce pressure on peak power investment. Promote a fair and competitive electricity market
Decision No. 363/QD-BCT	28/02/2026	Revision of the National Energy Master Plan for the 2021–2030 period, with a vision to 2050 (Revised National Energy Master Plan)	_ Accelerate renewable power development while accepting higher peak emissions to meet demand growth. The sharp increase in capital requirements and marine space utilization calls for a fundamentally new financial mechanism and marine spatial planning framework.

Source: Shinhan Securities Vietnam compiled

Power Industry | Investment Opportunities in Power Stocks

Ticker	Segment	Capacity (MW)	Market Cap (VND bn)	Current Price (VND)	Target Price 2026 (VND)	Upside (%)	Revenue Growth 2026F (%)	NPAT-MI Growth 2026F (%)	NPM (TTM)	D/E (x)	ROE (%)	ROA (%)	P/B 2026F	P/E 2026F
REE	Diversified	1,200	31,892	51,200	61,500	20%	7%	4%	31.5	0.6	12.7	6.6	1.7	14.5
HDG	Renewable Energy	444	8,509	23,000	28,100	22%	11%	0%	35.7	0.8	11.9	5.4	1.6	14.9
POW	Gas-fired Power	5,725	42,030	13,700	16,400	20%	59%	34%	8.8	1.4	7.3	2.9	1.2	11.8
NT2	Gas-fired Power	750	6,535	22,700	27,400	21%	11%	-2%	14.2	0.9	25.0	12.6	1.4	7.1
QTP	Coal-fired Power	1,200	5,400	12,000	NA	NA	1%	-34%	9.6	0.3	18.9	13.6	0.9	7.2
PPC*	Coal-fired Power	1,040	3,123	9,740	10,500	8%	12%	-5%	2.5	0.2	3.7	3.1	0.7	27.3
PC1	EPC / Power Construction	343	7,650	18,600	NA	NA	12%	-2%	10.4	1.8	17.3	4.6	2.0	14.6
GEG	Renewable Energy	603	5,034	14,050	18,300	30%	-11%	-44%	31.6	1.3	15.1	4.7	1.3	18.8
TV2	Consulting	170	1,958	29,000	NA	NA	164%	86%	7.2	1.3	7.3	3.7	1.8	16.9
Total							**+29%**	**+3%**						

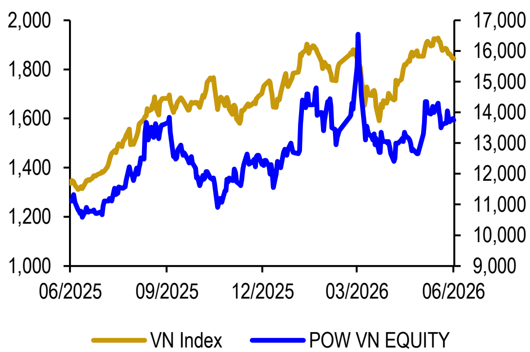
(*) Bloomberg consensus
Source: Bloomberg, Fiinpro, Shinhan Securities Vietnam
Data as of 04, June, 2026

Petrovietnam Power Corporation (HOSE:POW)

Target Price (12 months)	16.400 VND
Current Price (04/06/26)	13,700 VND
Suất sinh lời (%)	19.7%

VNINDEX	1,832
Market P/E (x)	12.5
Market cap (billion VND)	42,030
Outstanding shares (mil shares)	3,068
Free-float (mil shares)	840
52 week high (VND)	16,850
52 week low (VND)	10,456
90-day avg. trading volume (mil shares)	17.02
90-day avg. turnover (bn VND)	241
Beta	1.0

Performance	3T	6T	12M
Absolute (%)	-10.6	8.9	26.0
Rel. to VN-Index (%)	-12.4	-0.2	-12.7



Achieving the full-year plan in just one quarter

_ POW 2026 earnings outlook: Electricity output is projected at 21.6 billion kWh, revenue at VND 49,887 billion, and pre-tax profit at VND 1,120 billion. However, in Q1 2026, POW reported revenue of VND 12,327 billion and consolidated net profit of VND 1,300 billion, exceeding its full-year profit target within the first quarter. The strong earnings performance was mainly driven by a Qc ratio of 91%, up 39% YoY. In particular, several plants, including NT2 and NT3&4, recorded Qc higher than actual dispatched generation, resulting in a significant improvement in gross margins. According to POW's estimation at the 2026 AGM, 5M2026 revenue reached VND 24,000 billion and pre-tax profit reached VND 1,800 billion.

_ Vung Ang 1: Coal inventory remains above 300,000 tons, while domestic coal prices increased by approximately 6% during the first five months of the year. The plant is expected to recover VND 1,600 billion of foreign exchange loss compensation in Q3 2026.

_ Nhon Trach 2: The company plans to develop the Nhon Trach 5 flexible power project (600 MW).

_ NT3&4: Continues to be the key growth driver, with total investment of approximately VND 29,000 billion, about 10% below the initial budget. POW is currently negotiating the PPA with a target Qc ratio of 70–75% over 15 years to ensure long-term project viability. LNG price volatility arising from Middle East tensions is expected to have limited impact on profitability due to the pass-through mechanism with EVN, while LNG supply for the coming months remains secured.

_ Ca Mau: More than 60 million m^3 of take-or-pay gas has been recovered at the Ca Mau power complex, with the company expecting to complete the recovery of 120 million m^3 during 2026.

_ POW targets installed capacity of 7,500 MW by 2030 and 25,900 MW by 2050, focusing on projects including Quynh Lap LNG, Vung Ang 3, Lam Son Pumped Storage Hydropower (1,440 MW), and Ca Mau 3 LNG. The company will continue exploring M&A opportunities in hydropower plants 22 MW to 100 MW and currently does not prioritize significant divestments from subsidiaries. POW also plans to expand overseas through the Nam Sum 1 & 3 hydropower projects and the 1,800 MW Sekong coal-fired power project in Laos, via PV Power International Investment JSC.

_ No cash dividend for 2025 in order to prioritize capital for investment. During 2026–2030, the company plans to issue stock dividends one to two times to increase charter capital. Management is also evaluating the use of derivative instruments to keep foreign exchange losses below 2% of financial expenses.

Risks: (1) Risks related to NT3&4 (including lower-than-expected dispatch volumes); (2) Delayed payments from EVN; (3) Rising natural gas and LNG prices; (4) Weather-related risks; (5) Regulatory and policy risks in the power industry.

Year	2022	2023	2024	2025	2026F
Revenue (bil VND)	**28,224**	**28,329**	**30,306**	**34,151**	**54,427**
OP (bil VND)	2,765	1,290	883	3,079	2,826
NP (bil VND)	**2,061**	**1,038**	**1,112**	**2,341**	**3,250**
EPS (VND)	871	443	475	1000	1388
BPS (VND)	13,030	13,414	13,668	12,326	13,172
OPM	9.8	4.6	2.9	9.0	5.2
NPM	9.0	4.5	4.0	8.4	6.9
ROE (%)	6.7	3.3	3.5	8.1	10.5
P/E (x)	13.1	32.0	25.3	15.4	11.8
P/B (x)	0.8	0.8	1.0	1.0	1.2
EV/EBITDA (x)	4.7	7.3	9.6	8.1	7.0

Oil and Gas

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Oil and gas – Strengthening energy supply autonomy

1. Industry update 1H2026

Geopolitical tensions in the Middle East triggered the largest oil and gas supply shock in decades, sending ripple effects across the Vietnamese economy as input and logistics costs surged simultaneously across multiple sectors. However, thanks to a swift and coordinated policy response from the Government, domestic retail fuel price increases were partially contained, significantly limiting the adverse impact on business operations. Overall, Q1/2026 business results reflected a clear divergence across the value chain: while downstream firms faced greater pressure from oil price volatility, upstream and refining companies benefited materially, helping the sector as a whole sustain revenue and profit growth compared to the same period last year.

2. Industry outlook for 2H2026

Entering 2H2026, Vietnam's oil and gas sector shifts toward strengthening supply autonomy to reinforce energy security amid continued global market volatility. Growth drivers include accelerating domestic supply development, expanding LNG infrastructure, building up strategic reserves, and refining the regulatory framework governing the fuel market alongside supportive government policies. Together, these initiatives lay the foundation for long-term supply resilience while opening up more balanced growth opportunities across the value chain from upstream to downstream.

3. Oil and gas stocks investment opportunities

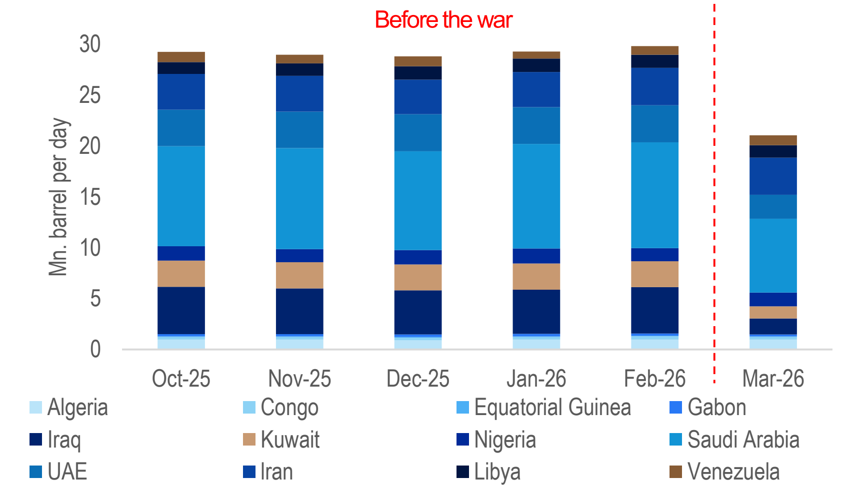
BSR, PVD, PVS

The Strait of Hormuz crisis, global oil price shock and UAE's departure from OPEC+

Brent oil price movement (USD per barrel)

Source: TradingEconomics, Shinhan Securities Vietnam

OPEC+ production over the past 6 months



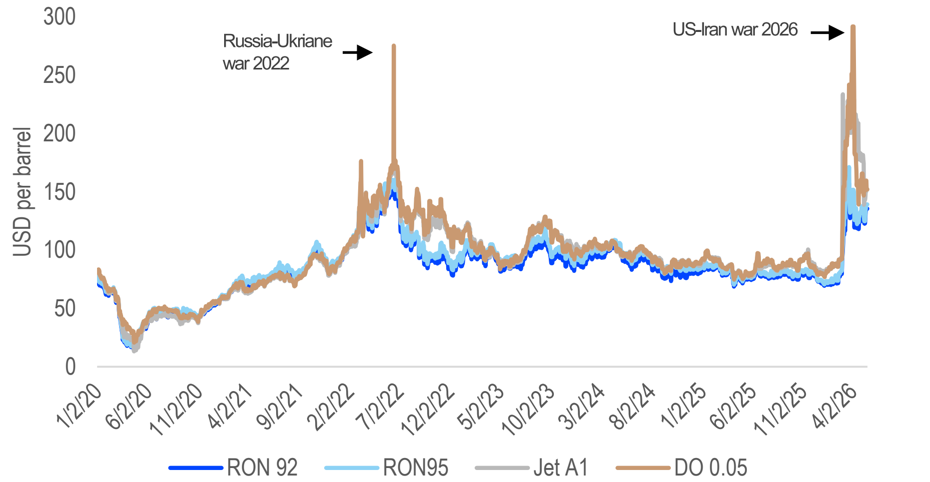
Source: IEA, Shinhan Securities Vietnam

❑ Brent crude surged sharply after Iran closed the Strait of Hormuz on March 4, at one point breaching $128/bbl amid sustained attacks on energy infrastructure throughout the month. Compared to the Russia–Ukraine war in 2022, this episode is considered more severe, the supply disruption is physical, occurring at a critical chokepoint with virtually no short-term rerouting alternatives. As of now, Brent continues to hover around $95–100/bbl as the outlook for negotiations remains unclear:

- **The supply-demand balance has reversed completely:** global production fell 7% in March and peaked at a 9% decline in April, entirely erasing the supply surplus that had been forecast at the start of the year
- **UAE officially left OPEC+ in May 2026**, freeing itself from production quotas. Once the Strait of Hormuz reopens, UAE could flood the market with an additional ~1.6 million bbl/day, creating significant downward price pressure and representing the single most unpredictable variable for oil price dynamics in 2H 2026.
- **US–Iran negotiations have yet to yield any clear outcome**, keeping near-term oil price movements highly uncertain.

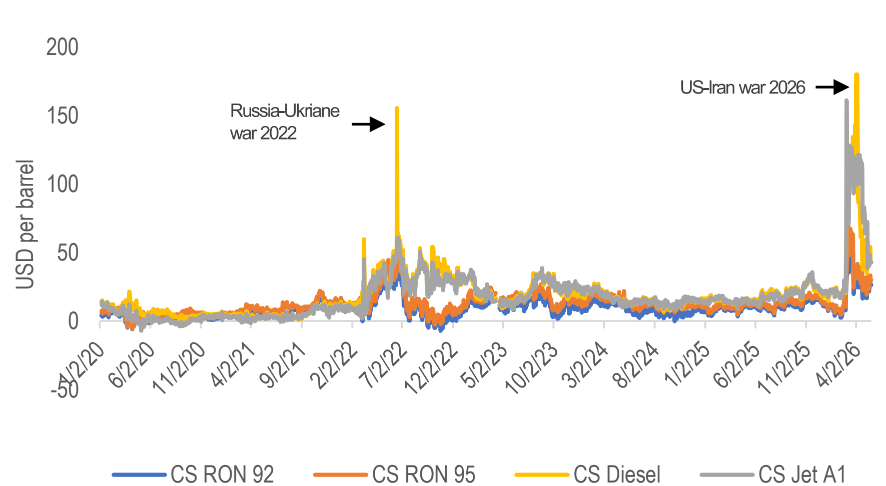
Divergent price movements across global refined petroleum

Global refined petroleum products price movement



Source: Platts, Shinhan Securities Vietnam

Refinery margin (crack spread)



Source: Platts, Shinhan Securities Vietnam

❑ Global refined product prices experienced sharp and uneven movements across different fuel types following the Hormuz closure. This event has proven significantly more severe than the 2022 conflict, which involved disruption from a single supply source. In contrast, since 2025, Ukraine has struck 21 of Russia's 38 major refineries, further eroding global refining capacity that had yet to fully recover, just as the Hormuz blockade took effect. With both crude supply and refining capacity impaired simultaneously, crack spreads surged to levels never before recorded in history.

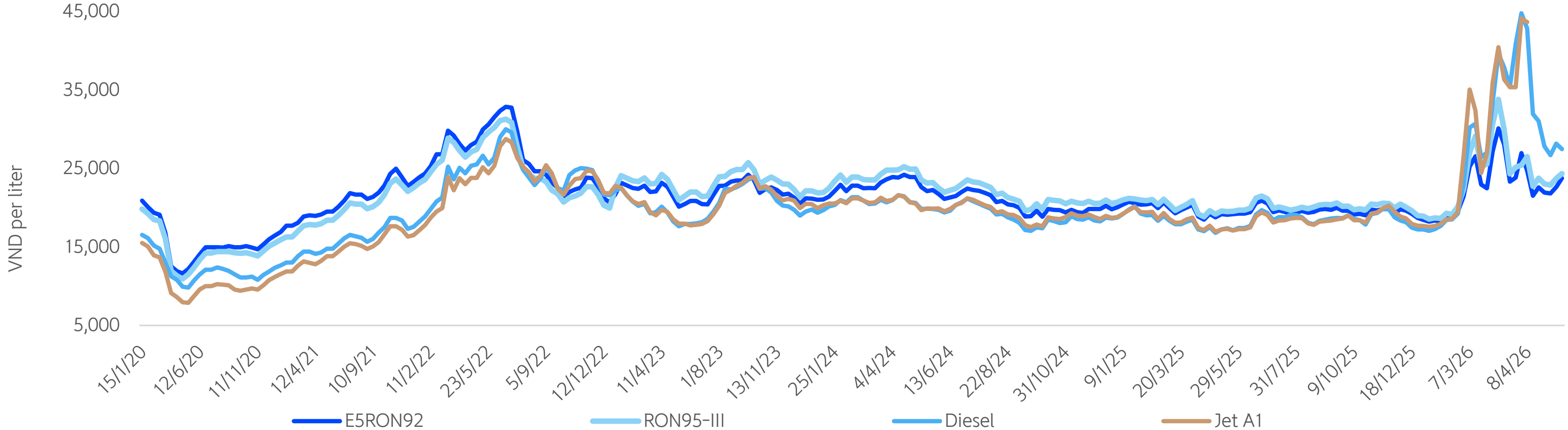
❑ Specifically, RON92 and RON95 spiked sharply in March before stabilizing at elevated levels, while Diesel and Jet A1 exhibited far more volatile swings. Notably, Diesel prices briefly exceeded $290/bbl before retreating to the $150–180/bbl range within a single week. We assess Diesel and Jet A1 as inherently more volatile given their broad-based demand across industrial and transportation activities.

❑ **The divergence in global oil product prices has had differentiated impacts across Vietnam's oil and gas value chain**.

- For refining companies, the spike in crack spreads, particularly for Diesel and Jet A1, translated directly into outsized margin expansion.
- For fuel distribution companies, the rapid and unpredictable price swings significantly amplified inventory risk. When markets reversed, the surge in inventory write-down provisions weighed heavily on profit margin

Domestic fuel prices faced strong pressure but were effectively regulated

Domestic fuel price movement



Source: Ministry of Industry and Trade (MOIT), Shinhan Securities Vietnam

- ❑ Domestic fuel prices surged sharply from early March, with notable divergence across product categories. However, from late April onward, the overall price level has gradually moderated, though still remaining well above pre-war levels.
- ❑ **RON92 and RON95 rose sharply by around 40% in March**, then gradually eased in April thanks to timely government intervention, including the use of the Price Stabilization Fund, flexible price adjustments, and tax reductions such as environmental protection tax, VAT and special consumption tax. As a result, fuel price increases in Vietnam were kept significantly lower than in regional peers, where many neighboring countries recorded increases of 50–80% versus pre-conflict levels. Without these support measures, domestic gasoline prices could have approached VND 35,000–39,000/liter, far exceeding the historical peak recorded in 2022. By May, gasoline prices had continued to cool from the March–April peak, but remained well above pre-war levels.
- ❑ **Diesel and Jet A1 experienced much sharper volatility**, rising by more than 100% in March and increasing by a further 30% in early April as premiums surged to record levels: USD 70/bbl for diesel and USD 39.6/bbl for Jet A1, far above the peak seen during the Russia–Ukraine crisis in 2022. By late April and into May, prices had eased but still remained significantly above pre-war levels..

Timely policy response from the Government to stabilize domestic fuel prices

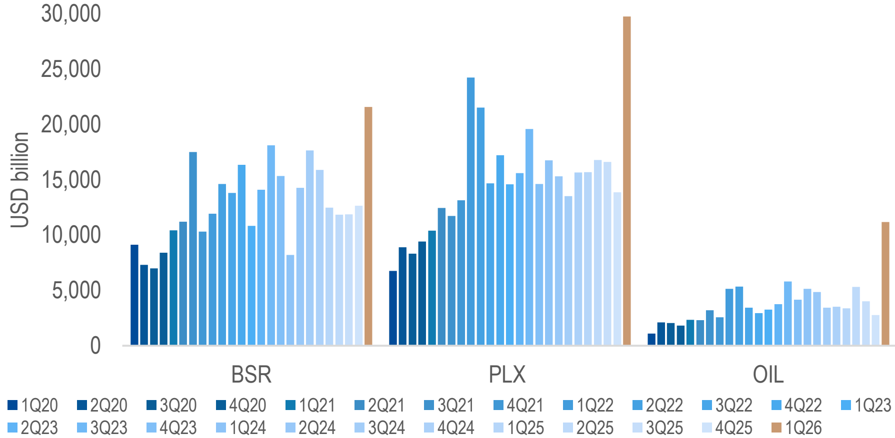
Date	Measures
March 3rd, 2026	Resolution No. 36/NQ-CP: The Ministry of Industry and Trade and the Ministry of Finance are allowed to adjust fuel prices immediately when base prices fluctuate by more than 7%, without waiting for the regular 7-day adjustment cycle.
March 9th,2026	Decree No. 72/2026/ND-CP: Preferential import tariff (MFN) reduced to 0%, effective until 30/04/2026.
March 10th,2026	The Prime Minister approved the use of the Fuel Price Stabilization Fund from 11/03 and proposed reducing environmental protection tax to VND 0/liter.
March 19th,2026	Resolution No. 55/NQ-CP: When fuel base prices increase by more than 15% or decrease by more than 10%, domestic fuel prices must be adjusted within 1 day.
March 26th,2026	Decision No. 482/QD-TTg: Environmental protection tax reduced to VND 0/liter for gasoline excluding ethanol, diesel, kerosene, fuel oil and jet fuel; special consumption tax on gasoline reduced to 0%; VAT declaration and payment waived while input VAT remains deductible. Effective until 15/04/2026.
March 29th,2026	Resolution No. 69/NQ-CP: VND 8,000bn temporarily allocated from increased central budget revenues to the Fuel Price Stabilization Fund.
From April 16th, 2026	Resolution No. 19/2026/QH16: Environmental protection tax maintained at VND 0/liter for gasoline excluding ethanol, diesel, kerosene, fuel oil and jet fuel; special consumption tax on gasoline kept at 0%; VAT declaration and payment waived while input VAT remains deductible. Effective until 30/06/2026.
From April 30th, 2026	Nationwide rollout of E10 bio-gasoline.

❑ Unlike its respones in 2022, the Government responded faster and more proactively, deploying a comprehensive set of tools within the first week of the Hormuz closure rather than waiting for prices to escalate.

- **On the supply side:** strategic petroleum reserves were raised from 15 to 26 days, while BSR and NSRP were directed to operate above capacity and prioritize Jet A-1 production to safeguard domestic supply.
- **On price management:** the Price Stabilization Fund was drawn at its maximum rate of VND 4,000–5,000/liter across 6 consecutive pricing cycles from March 10–25. The policy mix subsequently shifted toward tax-based measures, with fund contributions and drawdowns both suspended thereafter.

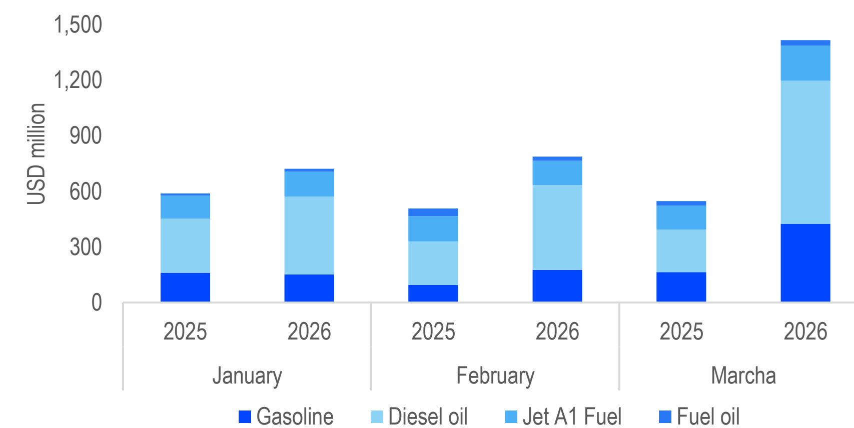
Domestic fuel supply remained secured

Net inventory value of BSR, PLX, OIL



Source: Company data, Shinhan Securities Vietnam

Petroleum import value (USD mn.)

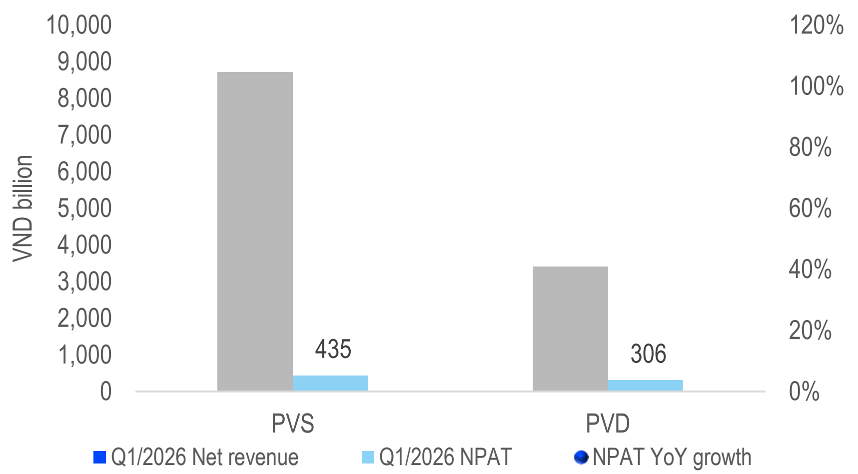


Source: General Statistics Office of Vietnam (GSO), Shinhan Securities Vietnam

- ❑ **Two refineries operated above designed capacity**: BSR maintained a minimum utilization rate of 118% of designed capacity in June 2026, while also signing long-term crude oil import contracts with partners to secure sufficient feedstock for continuous operations through the end of July 2026. Similarly, Nghi Sơn diversified its supply sources and added intermediate feedstocks such as SRFO and VGO to sustain 100% utilization after crude oil supply from Kuwait was disrupted.
- ❑ **Imports of refined products were ramped up to offset domestic supply shortages**: In March 2026, fuel wholesalers broadly increased imports of refined products, mainly from South Korea and Singapore, to quickly replenish domestic supply. Total petroleum import value reached USD 2.93bn in Q1/2026, up 77.8% YoY, while total import volume reached 3.37mn tons, up 44% YoY.
- ❑ **Companies aggressively built up inventories**: BSR's inventory value reached over VND 21,500bn at end-Q1/2026, up nearly VND 9,000bn from the beginning of the year and marking a historical high. PLX recorded inventories of nearly VND 30,000bn, also the highest level on record. Meanwhile, OIL's inventories reached VND 11,000bn, around 4x the level at the beginning of the year

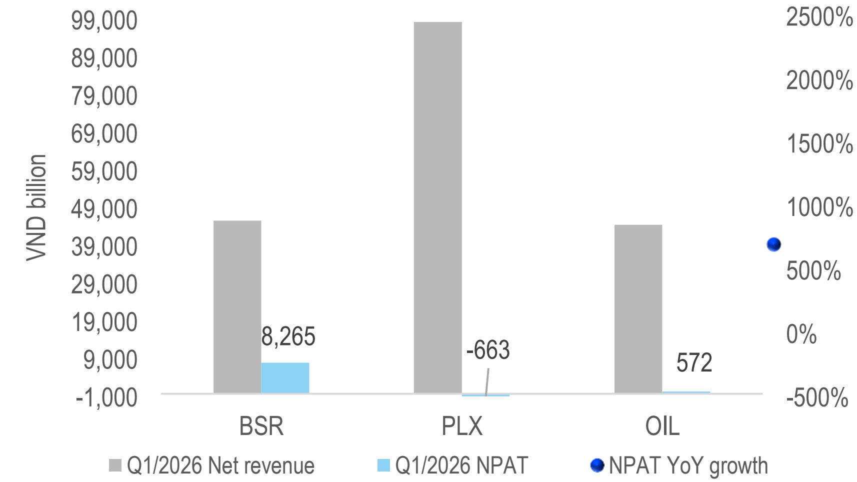
Divergent Q1/2026 business results across the value chain

Upstream companies Q1/2026 business results (VND bn.)



Source: Company data, Shinhan Securities Vietnam

Downstream companies Q1/2026 business results (VND bn.)



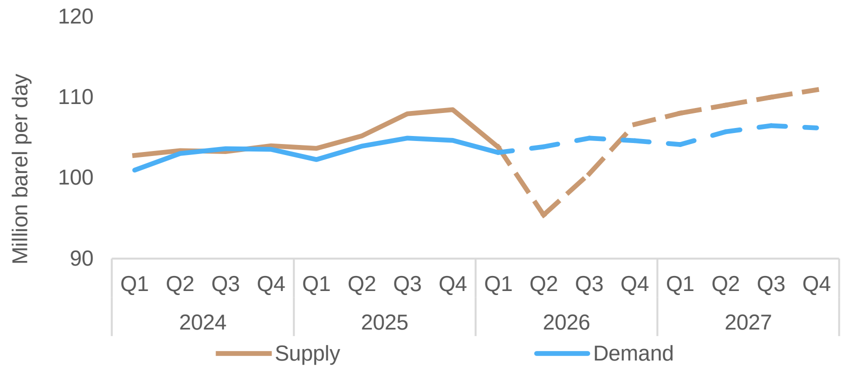
Source: Company data, Shinhan Securities Vietnam

❑ Amid geopolitical volatility, Q1 earnings across the oil and gas value chain showed clear divergence among segments.

- **Upstream group (PVD, PVS):** Continued to expand on strong backlog and accelerated domestic project execution. PVD benefited from higher operating efficiency and rising day rates, while PVS recorded solid growth from the M&C segment on the back of several large projects such as Block B and Su Tu Trang Phase 2B.
- **Downstream – Refining group (BSR):** Earnings surged thanks to a sharp expansion in crack spreads, which significantly improved refining margins, while output increased due to above-capacity operations.
- **Downstream – Petroleum distribution group (PLX, OIL):** OIL benefited from inventory gains as accumulated low-cost inventory before the conflict was sold at higher prices. In contrast, PLX faced dual pressure from high-cost inventory procurement and a sudden market reversal, forcing large inventory provisions and directly weighing on profitability.

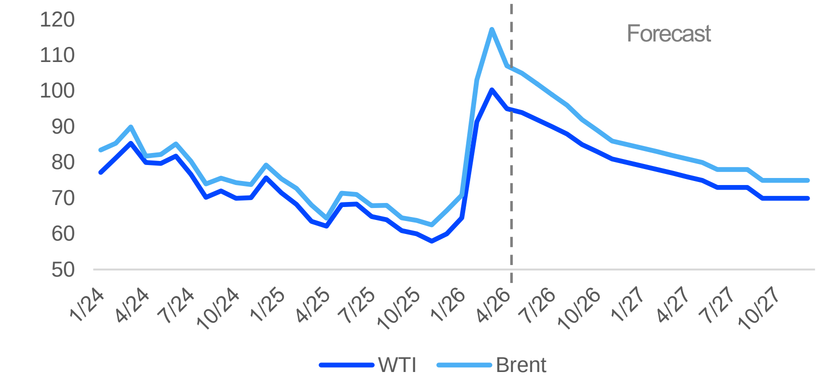
Oil prices outlook becomes increasingly uncertain

Oil supply-demand forecast



Source: EIA, Shinhan Securities Vietnam

Oil prices forecast



Source: EIA, Shinhan Securities Vietnam

- ❑ **Oil prices are expected to ease in Q4/2026:** Brent is expected to remain anchored around USD 100–105/bbl in May–June due to ongoing disruption risks at Hormuz. However, as Middle Eastern supply recovers and the shipping route gradually normalizes, the EIA forecasts Brent to decline to USD 89/bbl in Q4/2026 and USD 79/bbl in 2027.
- ❑ **Supply shortages are unfolding amid weakening demand:** The closure of Hormuz has pushed the oil market into a severe supply deficit, which is expected to persist through end-2026. On the other hand, prolonged elevated oil prices have begun to trigger demand destruction, particularly in Asia, the region most dependent on Middle Eastern supply. This comes as a deteriorating global economic outlook gradually weighs on demand across multiple product segments.
- ❑ **Key factors to monitor:** The oil price outlook remains highly dependent on the trajectory of the US–Iran conflict and the timeline for Hormuz normalization. In addition, UAE's formal departure from OPEC+ could add incremental supply to the market, creating downward price pressure. Conversely, prolonged high oil prices could further accelerate demand destruction, with the risk spreading beyond Asia to other major economies. Overall, Brent could trade within a wide USD 85–115/bbl range from now until year-end, depending on the evolution of the conflict.

Oil prices outlook becomes increasingly uncertain

Crack spread outlook in medium-long term

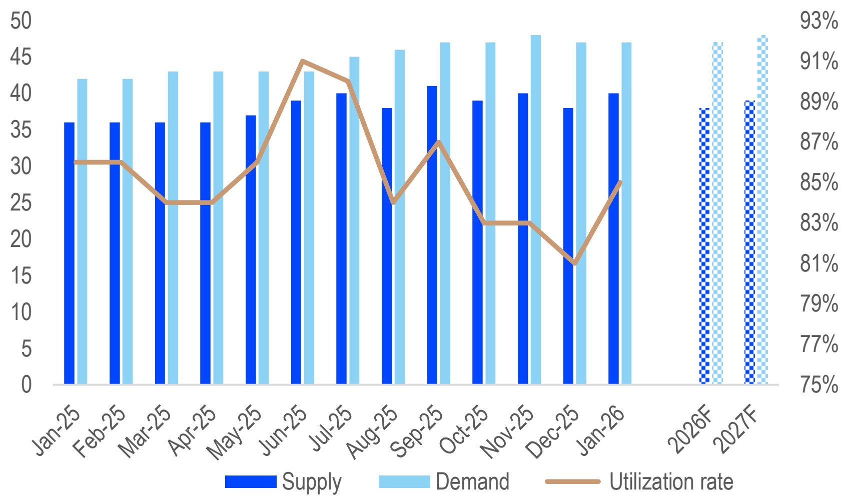
Event	Peak crack spread duration	Return to pre-crisis level	Long-term status
Russia–Ukraine war 2022	8 months	~15 months	Still 65% above 10-year average 18 months later
Abqaiq (Saudi Arabia) attack 2019	A few days	~2-3 weeks	Negligible impact
1990–1991 Gulf war	~3 months	~9 months	Short-term impact
2004–2005 Hurricane cycle	~15 months	~15 months	Medium duration

Source: EIA, Shinhan Securities Vietnam

- ❑ Based on historical precedents such as the 1990–1991 Gulf War and the 2022 Russia–Ukraine conflict, crack spreads typically take around 9–15 months to normalize after major geopolitical shocks. However, the current cycle could last longer, as supply has already been disrupted for more than three months, while attacks on refining systems across multiple regions have made global refined product supply more fragile.
- ❑ We forecast that **crack spreads need around 18–20 months after the war to cool down**, but are unlikely to return to pre-conflict levels. Instead, the market is more likely to establish a new equilibrium at levels above historical averages.
- ❑ During 2027–2030, the **global refining capacity shortfall could become a structural trend**, largely independent of war-related factors. Severely attacked or disrupted refineries may take 2–3 years to fully recover, making it difficult for refined product supply to rebound quickly. This could keep crack spreads significantly above historical averages, turning refiners into a multi-year investment theme rather than merely a short-term cyclical opportunity.

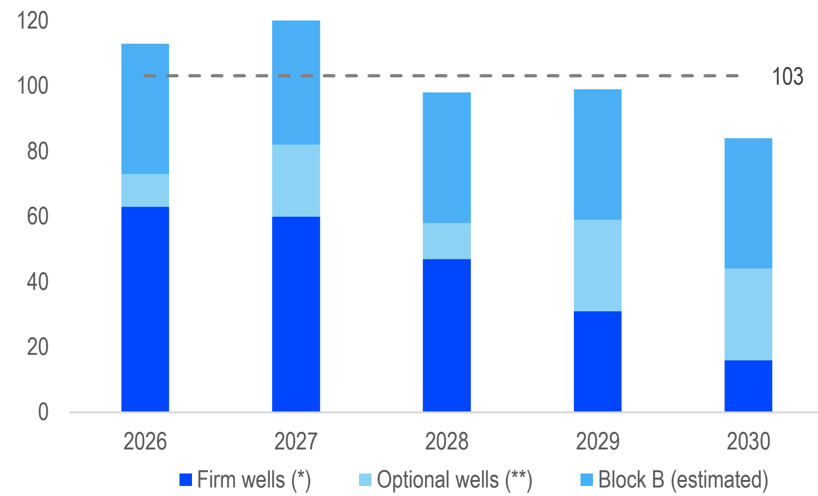
Positive outlook for the drilling rig market

Supply-demand and utilization rate in Southeast Asia



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

Estimated drilling wells in Vietnam 2026-2030



Source: PVN, PVD, Shinhan Securities Vietnam

- **Drilling demand in Southeast Asia is expected to maintain its near-term growth momentum**, supported by newly launched projects and the need to accelerate domestic production to strengthen national energy security. Overall supply and demand remain broadly balanced, despite some localized periods of imbalance, with regional rig demand expected to stay stable at around 38–39 rigs during 2026–2027.
- **The domestic drilling upcycle is becoming increasingly evident**, with the number of wells drilled during 2026–2030 estimated to average around **103 wells per year**, significantly higher than the average of around 40 wells per year during 2016–2025. Long-term growth will be driven by the development of key gas-to-power projects such as Dai Hung Phase 3, Su Tu Trang 2B, Kinh Ngu Trang/Kinh Ngu Trang Nam, Thien Nga–Hai Au, and Block B–O Mon, providing stable workloads for upstream companies while being less exposed to short-term oil price volatility.

(*) Wells that have been approved or included in the drilling plan.

(**) Additional wells that may be developed depending on project progress and investment decisions.

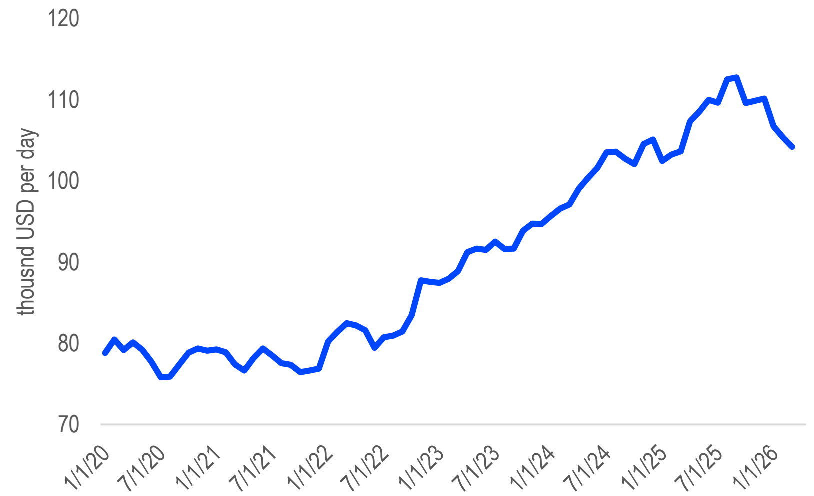
Positive outlook for the drilling rig market

Newly built drilling rigs 2026-2030

Name	Contractor	Year in service	Build region
Ayu	Dalian Shipbuilding Offshore Company	2026	Far East
West Dione		2027	Far East
West Mimas		2027	Far East
West Umbriel		2027	Far East
Essar 308	Essar Oilfields Services	2027	Indian Ocean
Kingdom 3	ARO Drilling	2027	Middle East
TS Jasper	Rigco Holding Pte Ltd	2027	Southeast Asia
TS Opal	Shanhaiguan Shipyard	2028	Far East
TS Coral		2029	Far East
Ts Emerald		2029	Far East
TS Jade		2029	Far East

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

Average day-rate of jack-up rig 360-400' IC



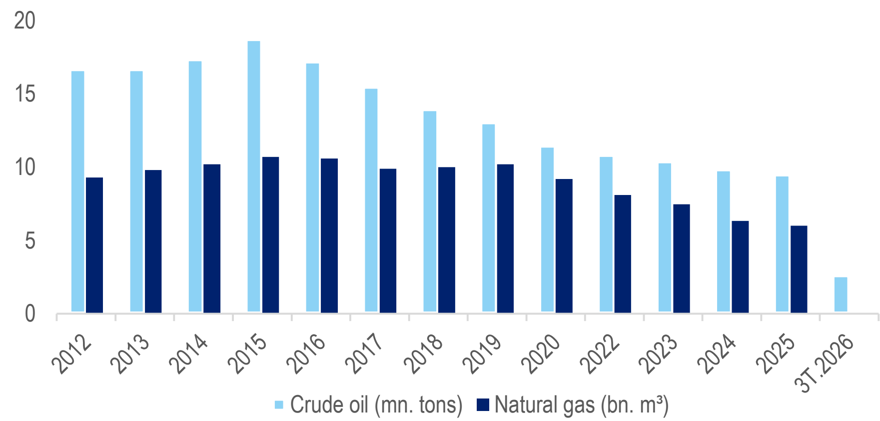
Source: Bloomberg, Shinhan Securities Vietnam

❑ On the supply side, nearly 10 years of limited newbuild rig orders, coupled with divestments and business exits by many major global oilfield service companies, have made rig supply increasingly scarce. This provides a **fundamental support for day rates to remain elevated in the medium term**. Notably, during 2026–2030, only one new rig is expected to be built in Southeast Asia, indicating that the supply shortage will likely persist and continue to support high day rates.

❑ **Regional jack-up rig day rates softened slightly in Q1/2026**, at one point falling to around USD 80,000/day. However, they are expected to recover to the USD 95,000–110,000/day range as elevated oil prices stimulate drilling and production demand.

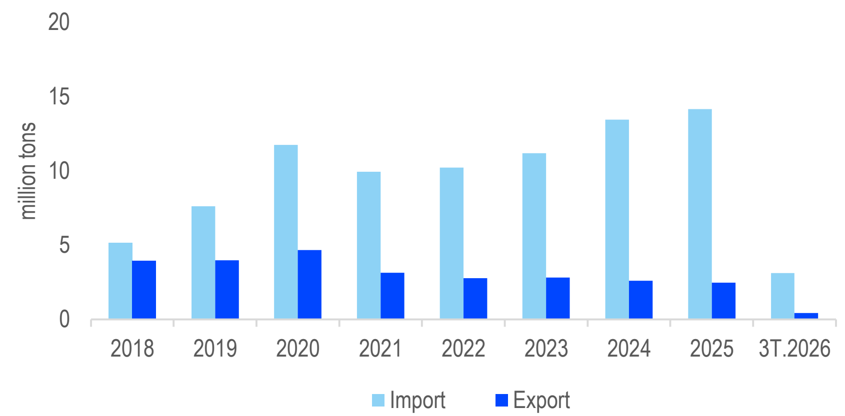
Domestic E&P activity revives after a decade of slowdown

Annual crude oil and natural gas production



Source: MOIT, Shinhan Securities Vietnam

Crude oil import and export volumes



Source: GSO, Shinhan Securities Vietnam

- Domestic crude oil production reached 2.63mn tons in Q1/2026 (+10.4% YoY), with domestic output up 12% YoY. Notably, this marks the first year of **positive production growth after 11 consecutive years of decline**, signaling a turning point in the long-term trend of Vietnam's upstream oil and gas sector.
- The **discovery of large oil and gas reserves at the Hai Su Vang field** opens up medium- to long-term supply potential, helping strengthen Vietnam's national energy security.
- PVN targets **VND 100,000bn in public investment disbursement** in 2026, focusing on key projects such as Block B–O Mon, Nhon Trach 3&4 gas-fired power plants, Su Tu Trang 2B, LNG infrastructure expansion including Thi Vai LNG terminal, Son My LNG port, PV GAS Hai Phong LNG port, and the initial development of green hydrogen production at the Dinh Co Gas Processing Plant.

Domestic E&P activity revives after a decade of slowdown

<table>
<tr><th colspan="5">Progress of domestic upstream projects</th></tr>
<tr><th>Project</th><th>Investor</th><th>Scale (USD mn)</th><th>Timeline</th><th>Work scope and expectations</th></tr>
<tr><td>Block B–O Mon</td><td>Phu Quoc POC</td><td>12,000</td><td>Mar-2027: Drilling;
Q4-2027: First oil</td><td>PVS: EPCI packages 1, 2, 3 (>USD 1bn); FSO contract (USD 600mn, 14+9 years). PVD: PVD VI rig to participate in the drilling campaign from 2027.</td></tr>
<tr><td>Lac Da Vang</td><td>Murphy Oil</td><td>693</td><td>End-2025: Development drilling;
Q4-2026: First oil</td><td>PVS: FSO joint venture (>USD 400mn, 10+5 years). FSO launched in Feb-2026. Q2-2026: Subcontract package bidding.</td></tr>
<tr><td>Su Tu Trang 2B</td><td>Cuu Long JOC</td><td>1,317</td><td>Mar-2026: Development drilling</td><td>PVS: Participates in EPC package (~USD 250mn). PVD: PVD I rig to carry out the drilling campaign</td></tr>
<tr><td>Long Phu 1</td><td>PVN</td><td>1,940</td><td>Before 2027: Commercial operation</td><td>PVS: Part of the main consortium; signed EPC contract to complete the plant worth VND 7,800 bn in late February.</td></tr>
<tr><td>Khanh My–Dam Doi</td><td>PVEP</td><td>395</td><td>May-2026: Field development agreement signing</td><td>PVS awarded EPCI contract at Block 46/13.</td></tr>
<tr><td>Nam Du–U Minh</td><td>Jadestone</td><td>378</td><td>Apr-2026: Field development agreement signing;
Q4-2027: First oil</td><td>PVS expected to be awarded the EPCI contract.</td></tr>
<tr><td>Ca Voi Xanh</td><td>ExxonMobil</td><td>4,600</td><td colspan="2">Awaiting FDI approval. Potential medium- to long-term backlog for PVS as offshore EPCI contractor and for PVD with the PVD V deepwater tender-assist rig.</td></tr>
<tr><td>Ken Bau</td><td>Eni</td><td>N/A</td><td colspan="2" rowspan="2">Under exploration.</td></tr>
<tr><td>Bao Vang-Bao Den</td><td>Gazprom</td><td>1,312</td></tr>
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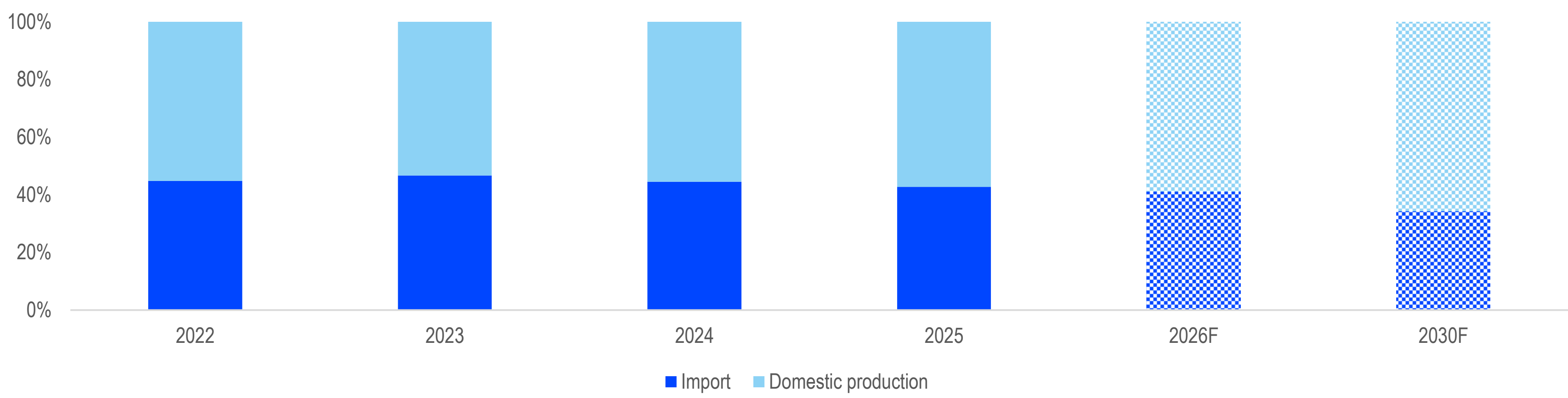
Domestic fuel market: Enhancing autonomy from supply sources to retail pricing

Estimated domestic fuel supply structure



Source: MOIT, Shinhan Securities Vietnam

- **E10 bio-gasoline rollout**: From June 2026, E10 bio-gasoline will be rolled out nationwide to utilize domestic ethanol supply and replace around 10% of conventional gasoline volume. In terms of profitability, we believe E10 trading margins will not differ significantly from conventional gasoline. However, this is a strategic move to reduce fuel import pressure and enhance domestic market autonomy, in line with the sustainable development trend. It also marks the first step in Vietnam's long-term biofuel roadmap toward E15 and E20 when market conditions and infrastructure are ready.
- **Strategic fuel reserves**: The government is developing a strategy to gradually raise national fuel reserves to the IEA standard of 90 days, from the current level of around 26 days, with a focus on the fuel storage facility in Nghi Son, Thanh Hoa.
- **New fuel trading decree**: The new decree on fuel trading is expected to be approved in late Q2 or early Q3/2026. It would allow companies to set retail prices independently instead of being capped by the current VND 300/liter profit ceiling, laying the foundation for a recovery in fuel retail margins and more flexible operations.

Supportive policies for oil and gas sector

Several laws and resolutions have been approved to support Vietnam's oil and gas sector

Document	Content	Key highlights	Approval date
Resolution 70/NQ-TW	Ensuring national energy security through 2030, with a vision to 2045	- Shift from the concept of "ensuring supply" to "firmly and proactively ensuring energy security" - Targets by 2030: total primary energy supply of 150–170mn tons of oil equivalent; refineries to meet at least 70% of domestic petroleum demand - Promote strategic reserves and supply diversification	20 Aug 2025
Resolution 66.6/2025/ NQ-CP	Addressing difficulties and bottlenecks in delegating approval authority for certain oil and gas activities	- Assigns PVN to perform certain duties and powers of the MOIT under the 2022 Petroleum Law - Allows PVN to approve adjustments to production plans, field development plans and facility decommissioning within certain thresholds, significantly shortening project approval timelines	28 Oct 2025
Amended Petroleum Law	Amending Petroleum Law No. 12/2022/QH15 to remove institutional bottlenecks and accelerate exploration and production activities	5 key policies include: - Simplifying procedures and increasing decentralization to PVN - Introducing incentive mechanisms for deepwater and offshore blocks - Shifting from a "pre-approval" to a "post-audit" model - Delegating more authority from the Prime Minister to PVN - Creating a legal framework to attract international contractors	Expected in Q1/2027
Resolution 79/NQ-TW	Developing the state-owned economy, repositioning SOEs as strategic tools to lead national development	- Allows SOEs to be more proactive in resource allocation - Enables all proceeds from equitization to be used to increase charter capital instead of being paid to the state budget - Activates M&A activity and asset revaluation - Directly supports the oil and gas sector by accelerating project progress and securing workloads for oil and gas construction companies	06 Jan 2026

Mid and high cap listed oil and gas companies

General information				Price			Financial ratios			Business results				26F valuation	
No.	Ticker	Position in the value chain	Market cap (VND bn.)	Market price (VND)	Target price (*) (VND)	Upside (%)	NPM 2026F (%)	ROA 2026F (%)	ROE 2026F (%)	NPAT Q1/2026	NPAT growth Q1/2026 (% YoY)	NPAT 2026F (VND bn.)	NPAT growth 2026F (% YoY)	P/E (x)	P/B (x)
1	PVS	Upstream	19,945	39,000	47,800	22.5	5.1	11.9	5.2	435	45	2,039	6.1	25.1	3.0
2	PVD	Upstream	17,093	30,750	36,500	18.6	14.1	5.9	9.7	306	100	1,892	57.9	15.1	1.1
3	BSR	Downstream	144,710	28,900	30,800	6.5	11.3	11.5	13.0	8,265	1,969	18,157	248	10.0	1.3
4	PLX	Downstream	53,174	41,850	45,300	8.2	0.8	3.3	11.7	-663	-414	2,290	-14.3	16.8	1.3
	Total									**8,343**	**693.8**	24,378	111.7		

(*) Consensus data

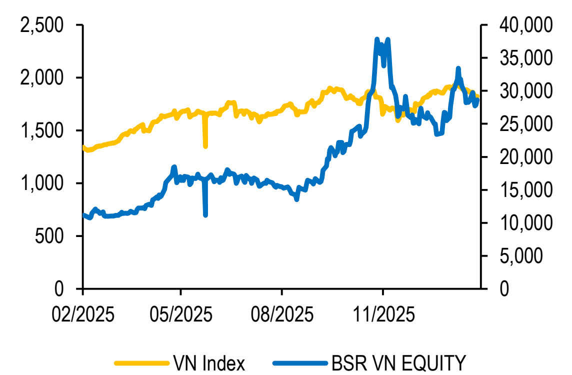
Source: Bloomberg, Shinhan Securities Vietnam

Data as of 06/04/2026

Petrovietnam Refining and Petrochemical Corporation (HOSE: BSR)

Target price (2026F)	30,800 VND
Current price (06/04/2026)	28,900 VND
Return (%)	6.5%
VNINDEX	1,831
HNXINDEX	305
Market cap (VND bn.)	144,710
Shares outstanding (mil. shares)	5,007
Free-float (mil. shares)	394
52-week high/low (VND)	37,900/10,700
90-day avg. trading volume (mil. shares)	19.61
90-day avg. turnover (VND bn.)	536
Major shareholders (%) Petro Vietnam	92.13

Performance	3M	6M	12M
Absolute (%)	-24.3	85.4	157.7
Relative to VNIndex (%)	-24.6	80.5	122.3



Capturing the opportunity

Petrovietnam Refining and Petrochemical Corporation (BSR), formerly known as Binh Son Refining and Petrochemical JSC, operates the Dung Quat Oil Refinery, Vietnam's first and largest refinery, with a designed capacity of around 6.5mn tons of crude oil per year, meeting 30% of domestic petroleum demand. BSR is a key downstream player in Vietnam's oil and gas value chain.

Investment thesis

- The Dung Quat upgrade and expansion project, expected to start operations in Q1/2028, will raise capacity to 7.5mn tons/year, strengthening BSR's role in national energy security and supporting medium- to long-term revenue growth.
- BSR is expected to benefit indirectly from the rollout of E10 bio-gasoline from April 2026, as domestic demand for gasoline base stock remains stable..
- Its transition to a Corporation model and M&A targets in refineries and related infrastructure could significantly expand operating scale, serving as a key long-term growth catalyst during 2026–2030.
- BSR's inclusion in the FTSE index may also attract ETF and institutional inflows, improving liquidity and supporting short-term upside.

Q1/2026 update and forecast

- In Q1/2026, revenue reached VND 45,919bn (+44% YoY), while NPAT hit VND 8,265bn (+1,969% YoY), exceeding the full-year profit target after just one quarter.
- Gross margin improved sharply to 21%, from around 1% a year earlier, driven by a spike in crack spreads, especially for Diesel and Jet A1.
- Although profit is expected to ease from the Q1 peak, we expect 2H/2026 earnings to remain strong, supported by elevated crack spreads, the new fuel trading decree, and the long-term growth story from Dung Quat's expansion.

Risks: Faster-than-expected crack spread normalization and delays in the Dung Quat expansion project.

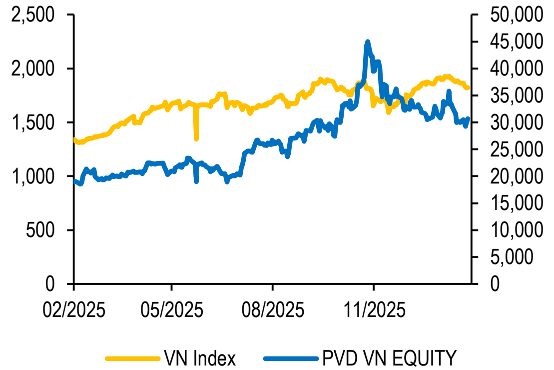
Year	2022	2023	2024	2025	2026F
Net revenue (VND bn.)	167,124	147,423	123,027	141,582	160,059
Operating income (VND bn.)	14,673	8,104	-722	4,538	13,997
NPAT (VND bn.)	14,726	8,650	631	5,214	18,157
EPS (VND)	2,874	1,658	79	1,040	2,815
OPM (%)	8.8	5.5	-0.6	3.2	8.7
NPM (%)	8.8	5.9	0.5	3.7	11.3
ROE (%)	32.4	15.3	0.7	9.0	13.0
P/E (x)	2.9	6.9	178.9	15.5	10.0
P/B (x)	0.8	1.0	1.3	1.3	1.3

PetroVietnam Drilling & Well Service Corporation (HOSE: PVD)

PETROVIETNAM PV Drilling

Target price (2026F)	**36,500 VND**
Current price (06/04/2026)	30,750 VND
Return (%)	18.6%
VNINDEX	1,831
HNXINDEX	304
Market cap (VND bn.)	17,093
Shares outstanding (mil. shares)	556
Free-float (mil. shares)	263
52-week high/low (VND)	45,500/18,800
90-day avg. trading volume (mil. shares)	6.87
90-day avg. turnover (VND bn.)	203
Major shareholders (%) PetroVietnam	50.42

Performance	3M	6M	12M
Absolute (%)	-31.8	15.6	58.2
Relative to VNIndex (%)	-32.1	10.7	22.7



Riding the growth wave

PetroVietnam Drilling & Well Service Corporation (PVD) is Vietnam's leading drilling contractor, holding around 40% market share in the domestic drilling market. The company provides a wide range of drilling services, well technical services, and other oilfield-related services. PVD owns a modern rig fleet comprising 06 jack-up rigs and 01 tender-assist semi-submersible rig (TAD).

Investment thesis

- Vietnam's upstream sector is recovering after a decade-long lull, with major domestic projects creating stable workloads for PVD across drilling and well services.
- Jack-up rig day rates are expected to increase by an average of 1–4% per year, supported by tight regional rig supply, which should keep day rates elevated.
- We assume PVD will invest in two additional rigs, tentatively named PVD X and PVD XI, in early 2028 and late 2029, respectively, to support PVN's target of achieving average revenue growth of 10% per year through 2030.

Q1/2026 update and forecast

- In Q1/2026, revenue reached VND 3,401bn, up 126% YoY, while NPAT reached VND 300bn, up 110% YoY, as upstream activity in both Vietnam and the region picked up strongly.
- PVD I, II, III, VI, VIII and IX have all secured long-term contracts.
- Rig day rates softened slightly in Q1/2026, at one point falling to around USD 80,000/day, but are expected to recover to USD 95,000–110,000/day in the coming period as elevated oil prices stimulate exploration and production demand.
- We forecast PVD's revenue and earnings to continue growing, supported by: (1) secured drilling workloads through end-2026, driven by the two new rigs PVD VIII and PVD IX and additional rig investment plans over the next five years; (2) tight supply and booming domestic demand, which should serve as a launchpad for a new medium-term growth cycle; and (3) supportive legal policies that create a more favorable operating environment for upstream companies

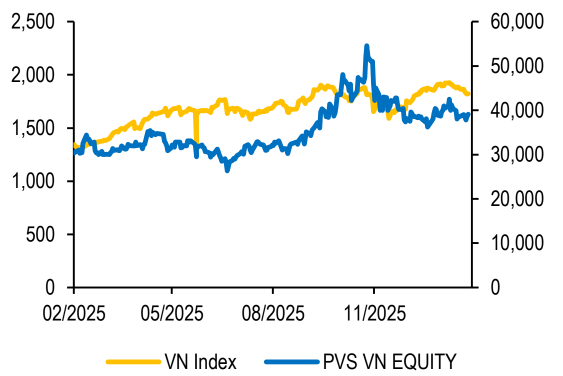
Risks: (1) new rig investments underperform expectations; (2) political/regulatory risks in international markets; and (3) FX volatility.

Year	2022	2023	2024	2025	2026F
Net revenue (VND bn.)	5,432	5,804	9,288	10,892	12,818
Operating income (VND bn.)	-83	567	919	1,198	1,892
NPAT (VND bn.)	-155	546	698	1,050	1,801
EPS (VND)	-185	1,051	1,254	1,865	3,190
OPM (%)	-1.5	9.8	9.9	11.0	14.8
NPM (%)	-2.9	9.4	7.5	9.6	14.1
ROE (%)	-1.1	3.7	4.4	6.1	9.7
P/E (x)	-197.4	34.8	29.1	19.6	11.5
P/B (x)	1.4	1.4	1.3	1.2	1.1

PTSC
A member of PETROVIETNAM

Target price (2026F)	47,800 VND
Current price (06/04/2026)	39,000 VND
Return (%)	22.5%
VNINDEX	1,831
HNXINDEX	304
Market cap (VND bn.)	19,945
Shares outstanding (mil. shares)	511
Free-float (mil. shares)	210
52-week high/low (VND)	56.400/26,355
90-day avg. trading volume (mil. shares)	7.75
90-day avg. turnover (VND bn.)	284
Major shareholders (%) Petro Vietnam	51.38

Performance	3M	6M	12M
Absolute (%)	-24.8	18.1	32.4
Relative to VNIndex (%)	-25.1	13.2	-3.1



Benefiting from the new cycle

PetroVietnam Technical Services Corporation (PVS) is Vietnam's leading oilfield services company, operating across key segments including mechanical & construction services for oil and gas projects (M&C), floating storage/offloading units (FSO/FPSO), port bases, installation and maintenance (O&M), offshore support vessels, and seismic survey services.

Investment thesis

- The restart of Long Phu 1 thermal power plant (USD 1.3bn), the expansion of Thi Vai LNG terminal, and the O Mon 4 gas-fired power project provide additional catalysts beyond traditional oil and gas.
- Offshore wind backlog of around USD 2bn is expected to contribute meaningfully to earnings during 2025–2030, positioning PVS as a broader energy infrastructure company rather than a pure oil and gas services player.
- In the medium term, projects awaiting FID such as Ca Voi Xanh, along with potential fields such as Bao Vang–Bao Den and Ken Bau, could become major backlog sources for PVS during 2028–2030 if approved and implemented.

Q1/2026 update and forecast

- In Q1/2026, revenue reached VND 8,699bn (+14.5% YoY), while NPAT reached VND 435bn (+45.1% YoY), mainly driven by strong growth in M&C as PVS delivered several packages under Block B–O Mon and Lac Da Vang, while continuing to execute offshore wind projects during their peak construction phase.
- Gross margin reached 9.8%, up 5.6 ppts YoY, thanks to improved project execution efficiency.
- Offshore wind projects are progressing well: the Baltica 2 OSS project in Poland has exceeded 95% of total construction progress, while the Formosa 4 project in Taiwan has entered full-scale construction following its groundbreaking earlier this year.
- We forecast strong revenue and earnings growth for PVS during 2026–2030, supported by: (1) over USD 2bn M&C backlog from key oil and gas projects, with revenue recognition accelerating from 2026–2027; (2) two long-term FSO contracts at Block B and Lac Da Vang, providing stable revenue for the next 10–14 years; and (3) offshore wind backlog of USD 2bn from jacket foundation and substation EPC contracts, creating a new growth engine beyond traditional oil and gas..

Risks: (1) M&C margins may be lower than Q1 due to competitive pressure and expansion-related costs; (2) FX and construction material price volatility; and (3) delays in FID and exploration progress for key projects.

Year	2022	2023	2024	2025	2026F
Net revenue (VND bn.)	16,366	19,374	23,770	32,718	40,180
Operating income (VND bn.)	1,090	1,211	950	2,106	2,321
NPAT (VND bn.)	1,051	1,060	1,255	1,921	2,039
EPS (VND)	1,935	2,007	2,092	3,616	3,987
OPM (%)	6.7	6.3	4.0	6.4	5.8
NPM (%)	6.4	5.5	5.3	5.9	5.1
ROE (%)	8.2	8.0	8.9	12.4	12.2
P/E (x)	51.7	49.8	47.8	27.7	25.1
P/B (x)	3.7	3.5	3.2	3.2	3.0

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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