

# 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.

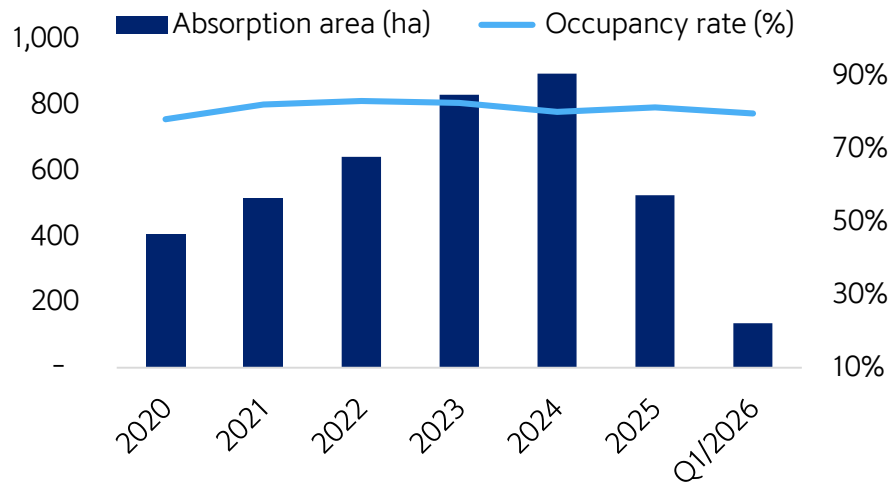
### 3. Update on industrial real estate companies

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

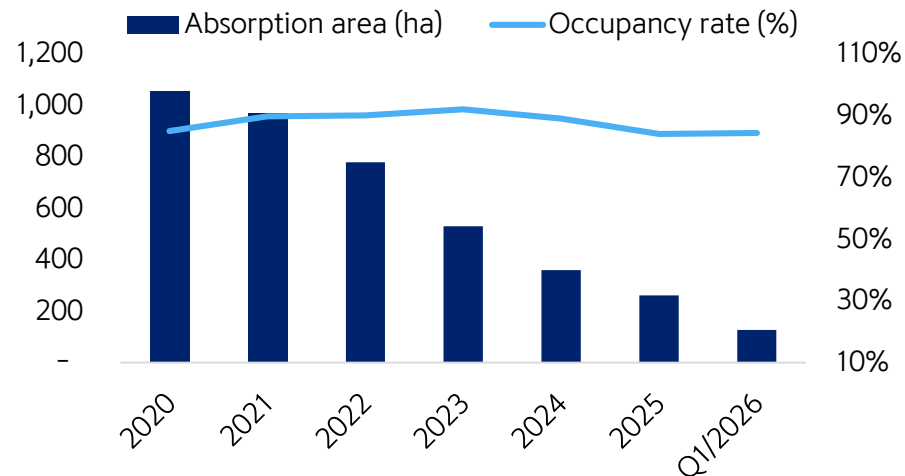
## Leasing absorption declined while rental rates remained resilient

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

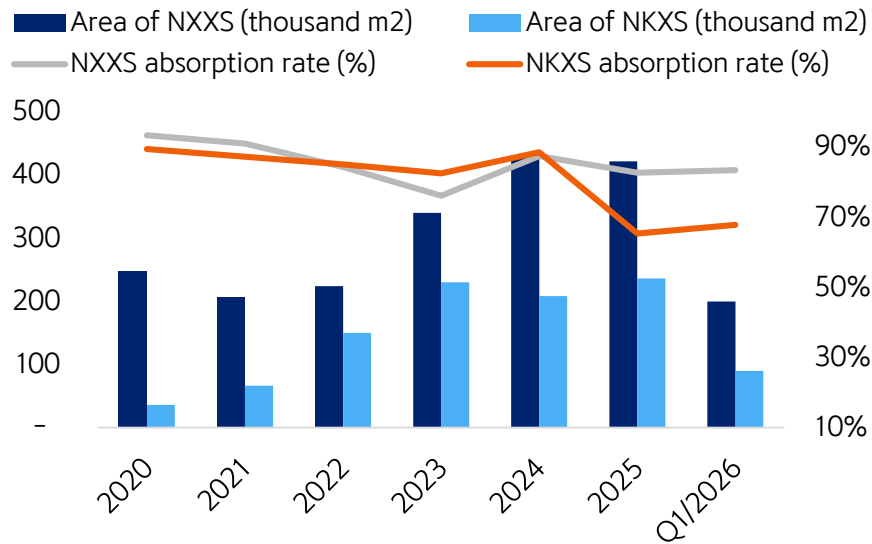


Source: JLL, Cushman & Wakefield, Shinhan Securities Vietnam

- 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).

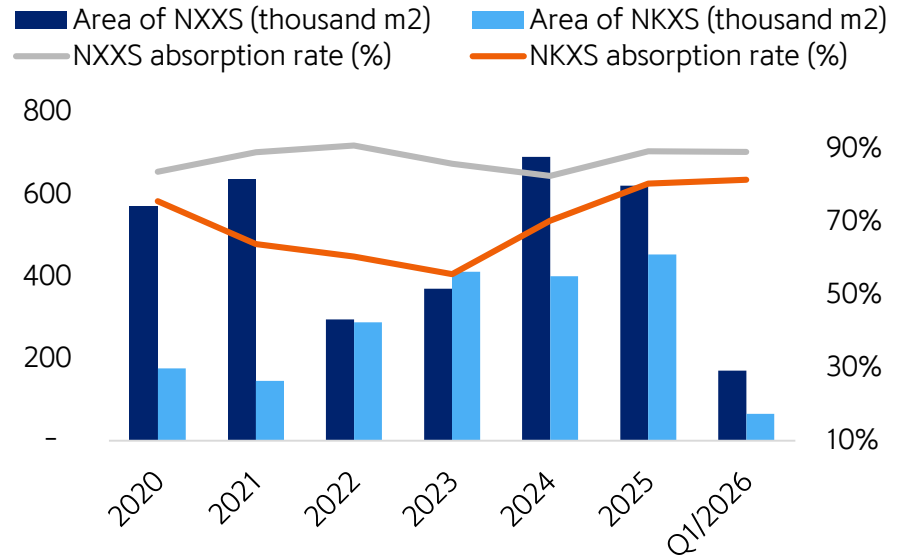
## Shift toward RBFs/RBWs amid uncertainties

**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**

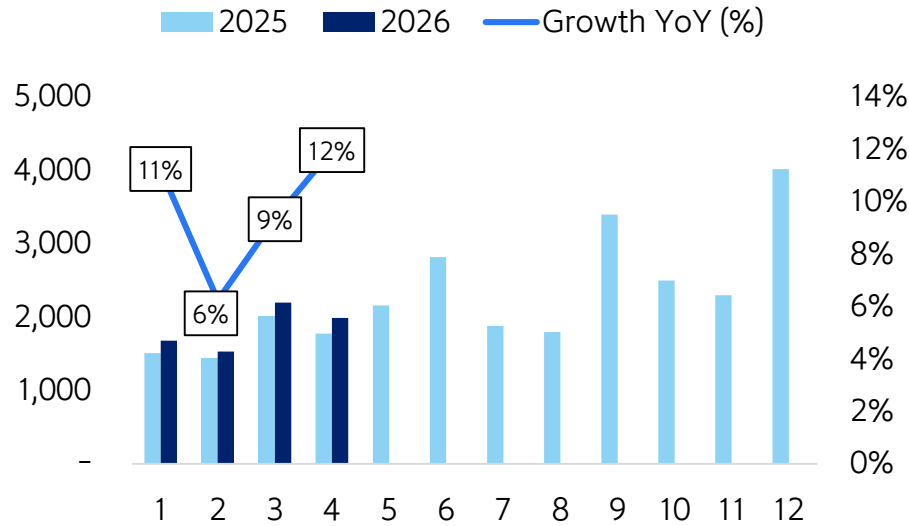


Source: JLL, Shinhan Securities Vietnam

- 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.

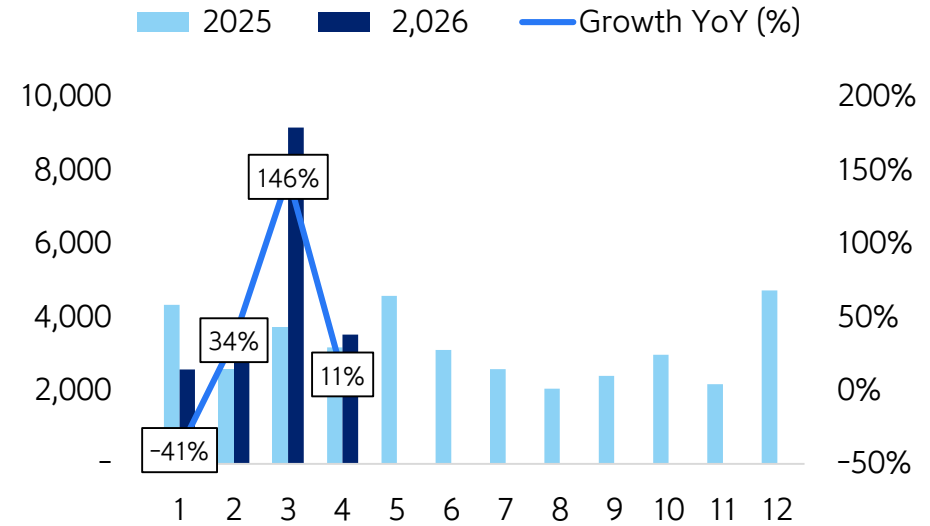
## FDI inflows remained resilient amid rising global uncertainties

FDI disbursement in 2025 and 4M2026 (million USD)



Source: Fiinpro, Shinhan Securities Vietnam

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

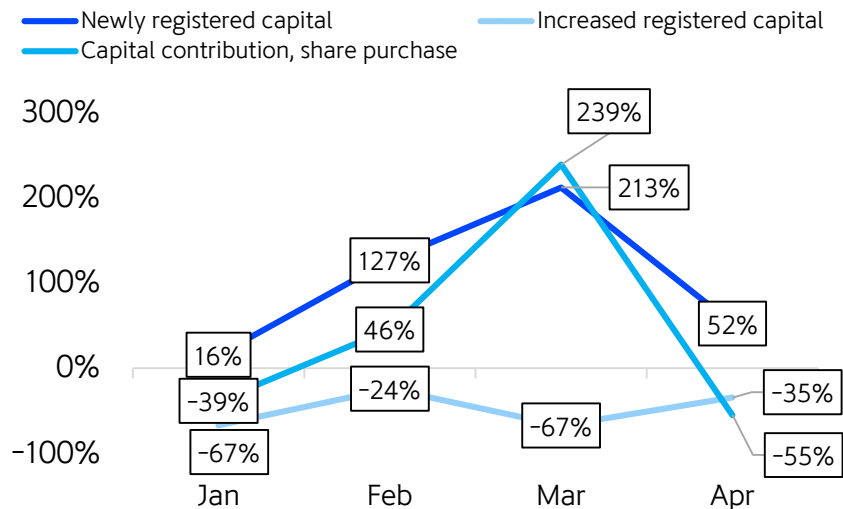


Source: Fiinpro, Shinhan Securities Vietnam

- 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.

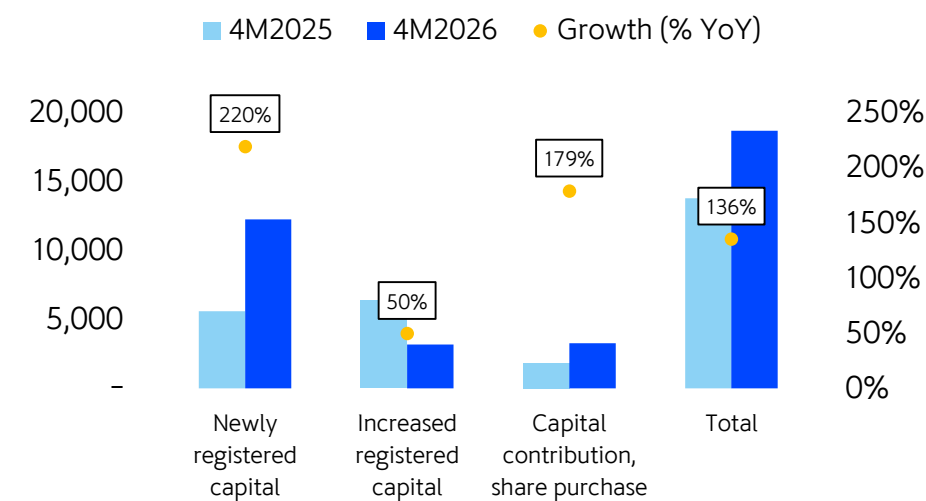
## FDI inflows remained resilient amid rising global uncertainties

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."

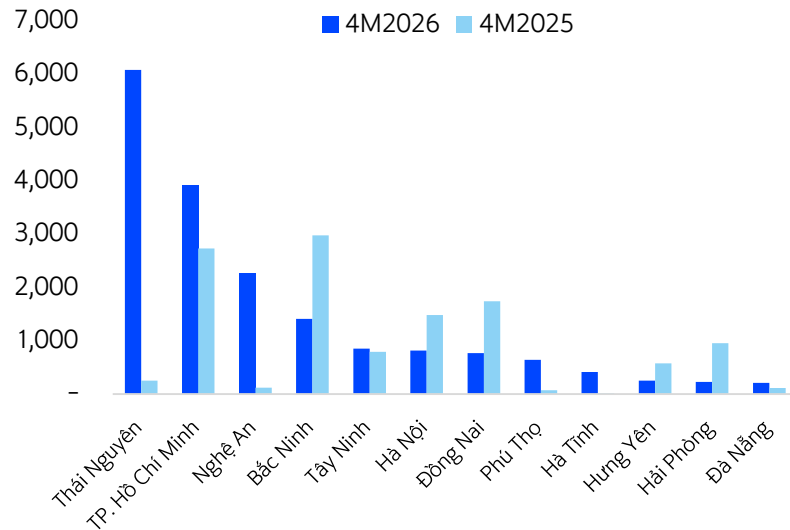
### Tariff situation

- 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.

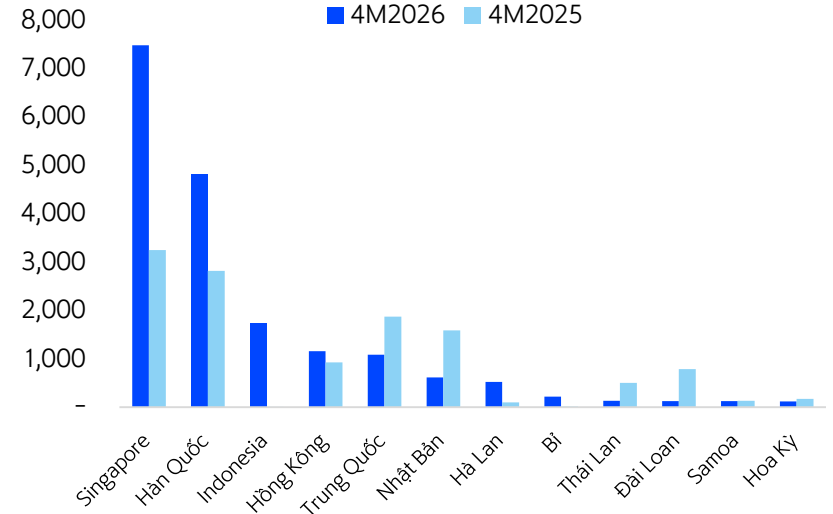
## Trends in FDI capital movement by province and country.

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)

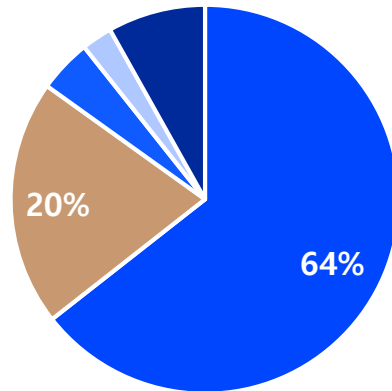


Source: Fiinpro, Shinhan Securities Vietnam

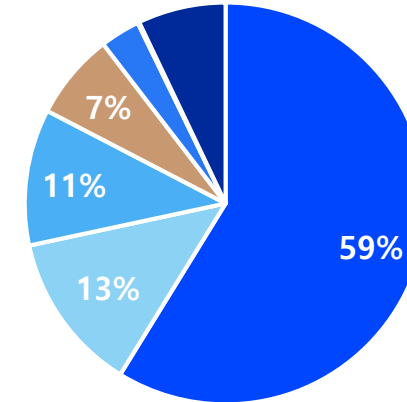
- During 4M2026, FDI inflows showed a clear shift from traditional industrial hubs toward emerging provinces. The main growth drivers came from the sharp surge in Thai Nguyen and Nghe An, supported by large-scale projects, alongside the continued stable growth momentum of Ho Chi Minh City. In contrast, 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

### Registered FDI Capital in 4M2025



### Registered FDI Capital in 4M2026



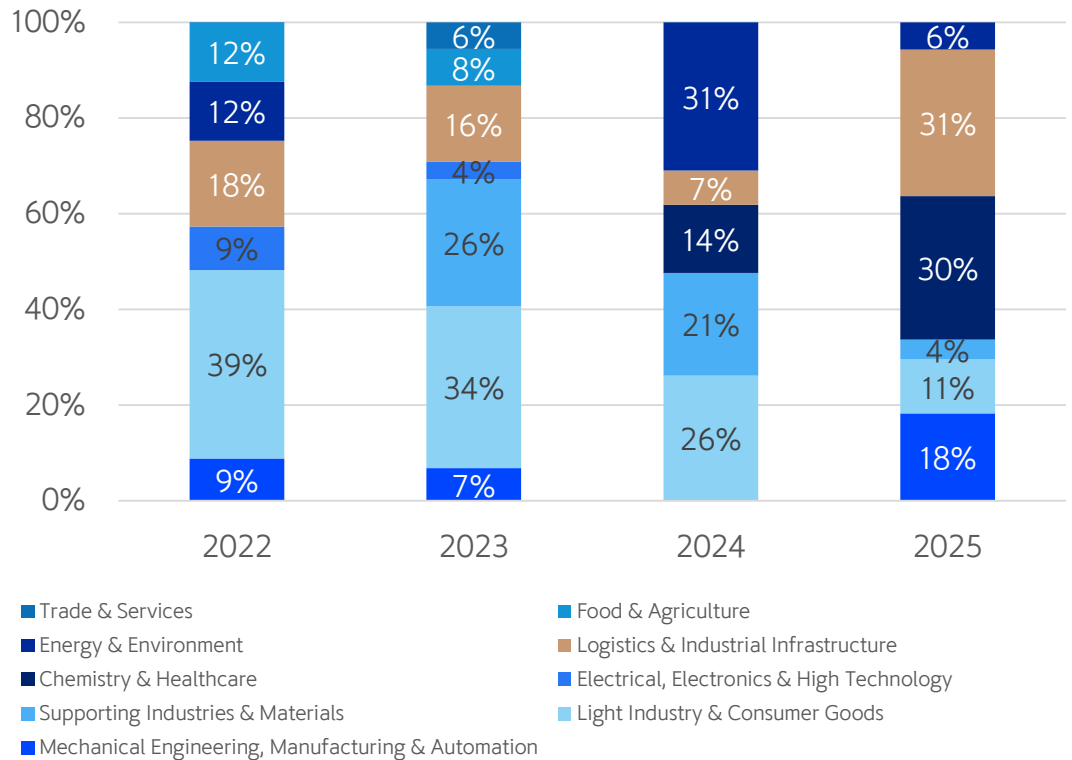
- Manufacturing and processing industry
- Wholesale and retail trade; repair of automobiles, motorcycles,...
- Professional, scientific, and technological activities
- Other
- Production and distribution of electricity, gas, water,...
- Real estate business activities
- Accommodation and food services

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

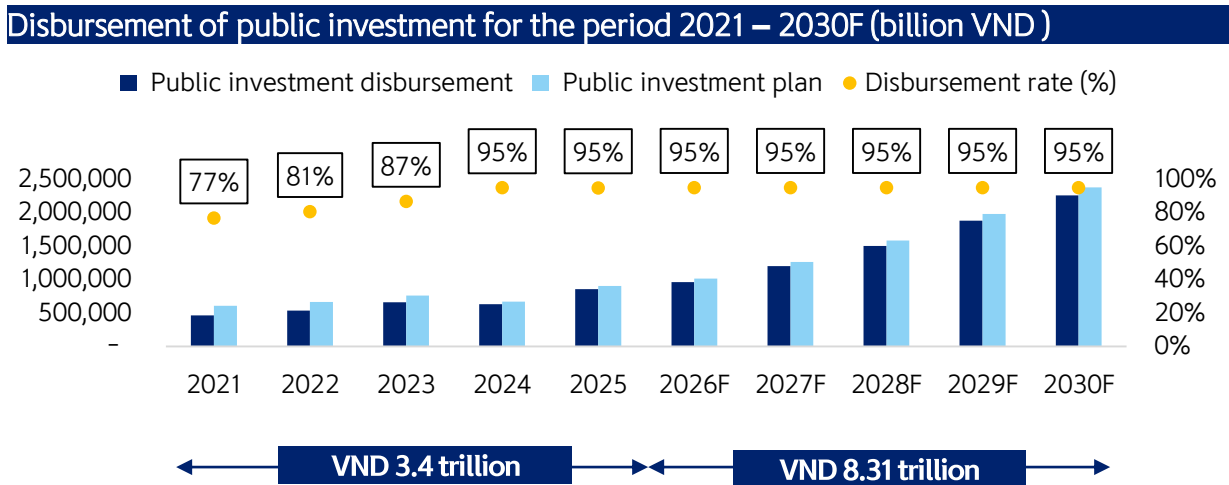
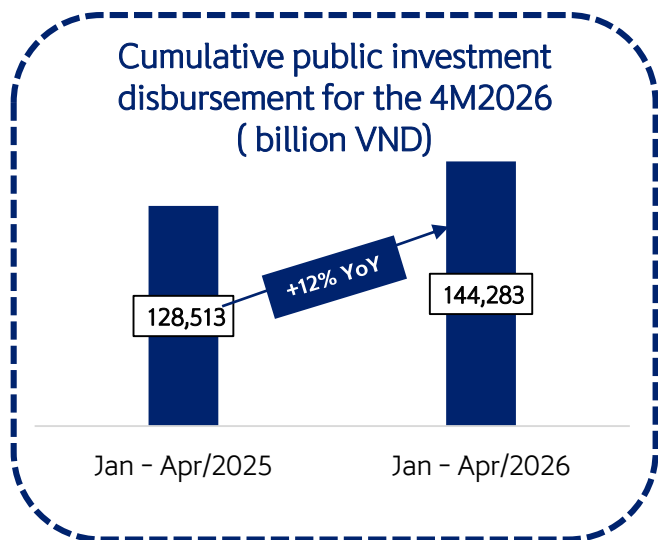
Breakdown of major transactions by sector from 2022 to 2025



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.



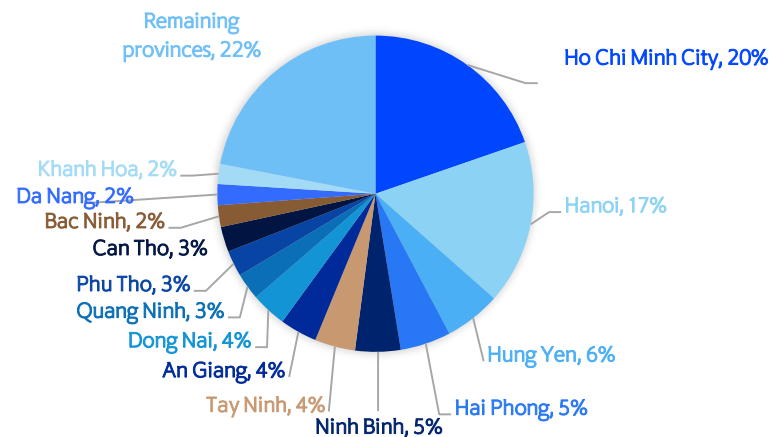
Source: Ministry of Finance, Shinhan Securities Vietnam

- 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.

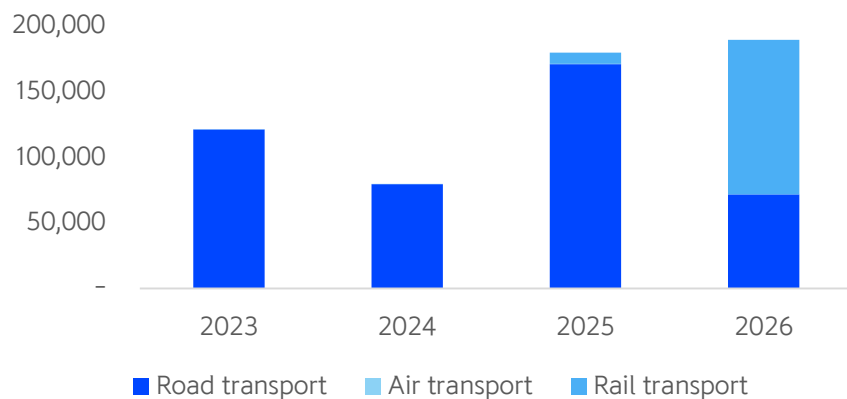
- Public investment allocation for key infrastructure projects continued to accelerate in 2026, reaching VND 188,882 billion (+5% YoY). Notably, investment orientation is shifting clearly toward railway infrastructure development, with the North–South high-speed railway and the Lao Cai – Hanoi – Hai 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 (%)



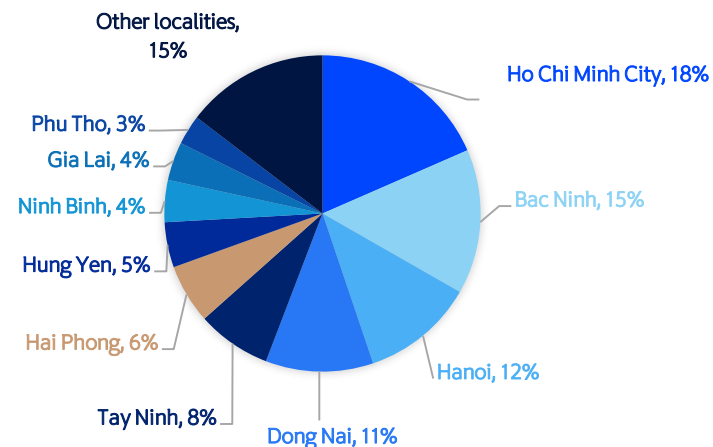
Source: Ministry of Finance, Shinhan Securities Vietnam

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: Fiiipro, 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	But	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	But	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%
...			
<b>Total</b>	<b>71,554</b>	<b>6,850</b>	<b>9.6%</b>

Source: Ministry of Finance, Shinhan Securities Vietnam

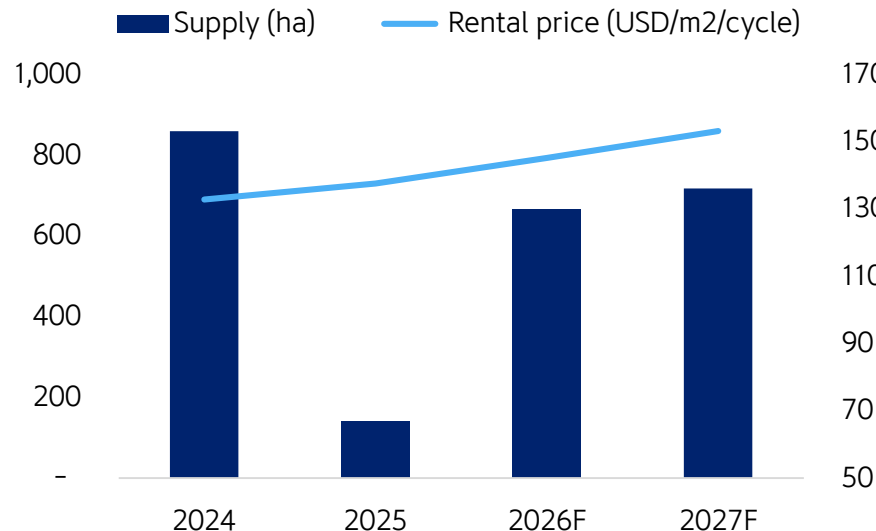
## Disbursement status of key public investment projects in 2026

No.	Key highway 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%
	...			
	<b>Total</b>	<b>117,328</b>	<b>1,063</b>	<b>0.9%</b>

Source: Ministry of Finance, Shinhan Securities Vietnam

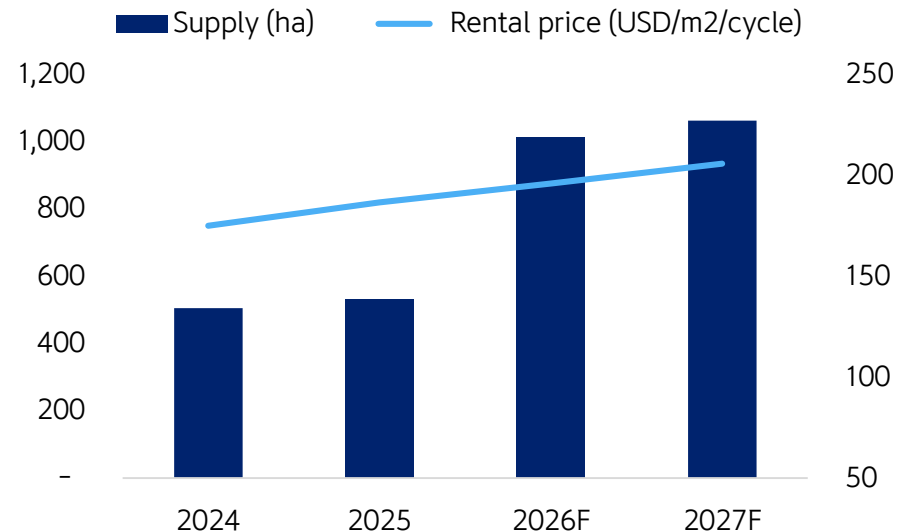
## Industrial real estate outlook expected to maintain stable growth momentum

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

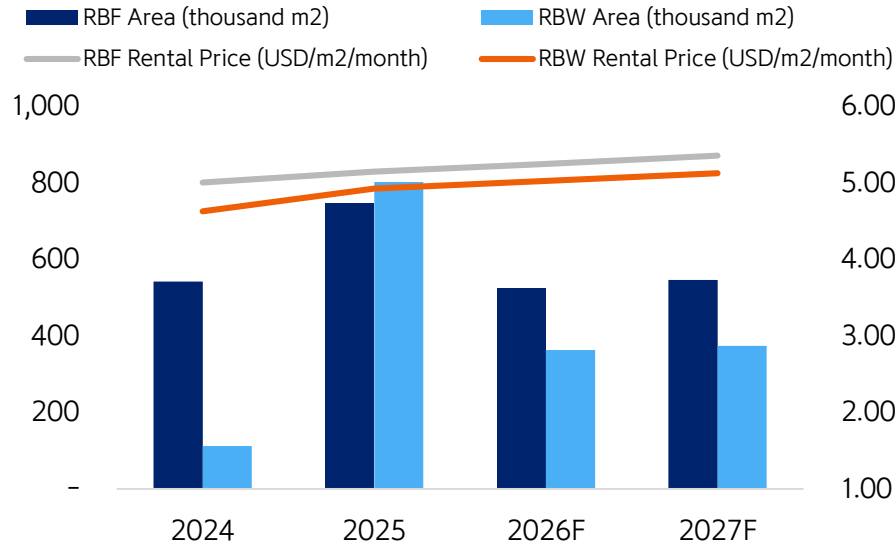


Source: CBRE, Shinhan Securities Vietnam

- 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.

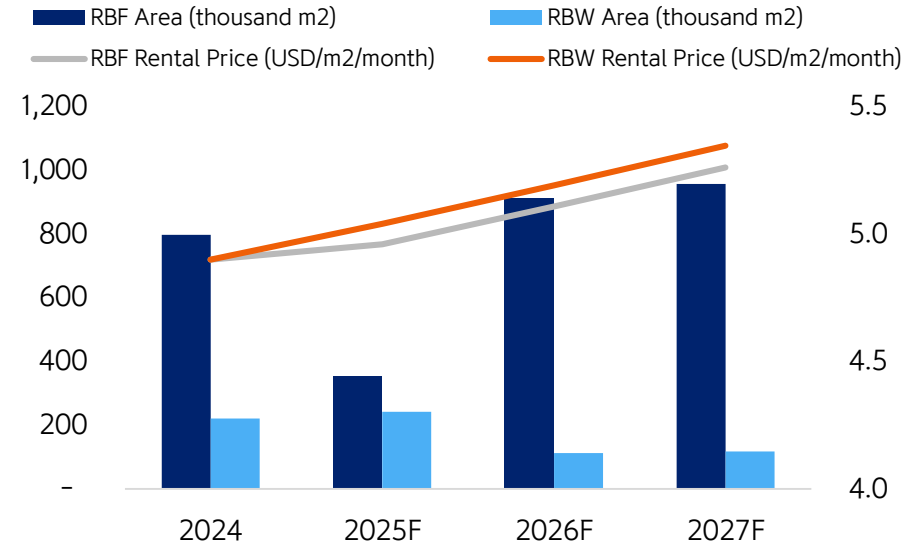
## RBF and RBW supply continue to expand in line with market demand

Projected absorption area and prices of NXXS/NKXS 2024 – 2027F in Northern Vietnam



Source: CBRE, Shinhan Securities Vietnam

Projected absorption area and prices of NXXS/NKXS in Southern Vietnam in 2024-2027F

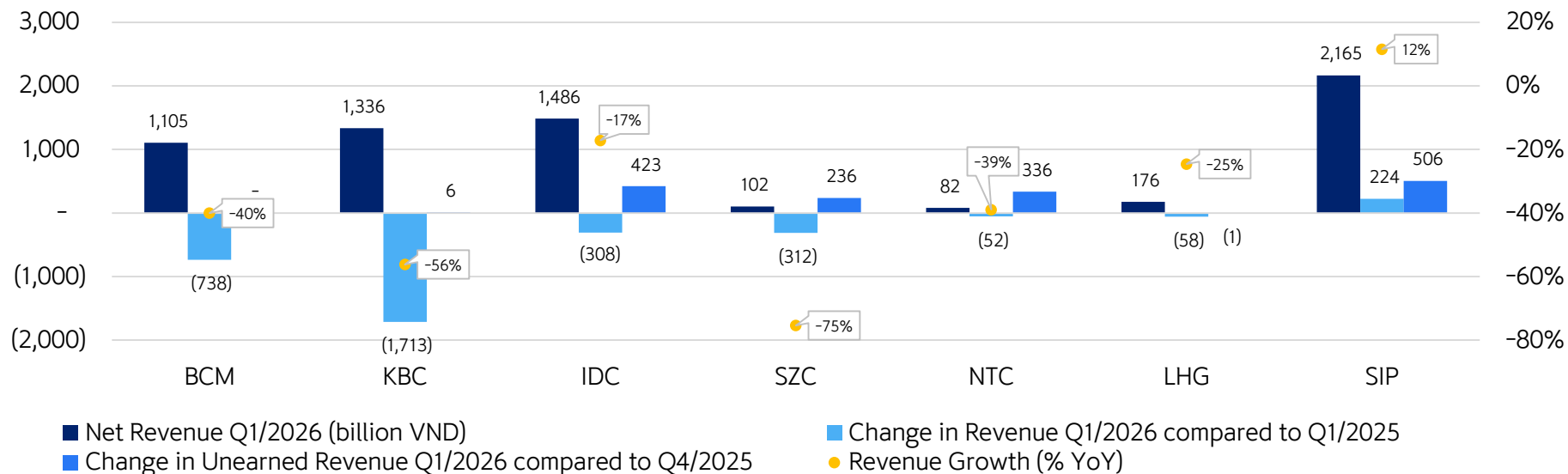


Source: CBRE, Shinhan Securities Vietnam

- 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

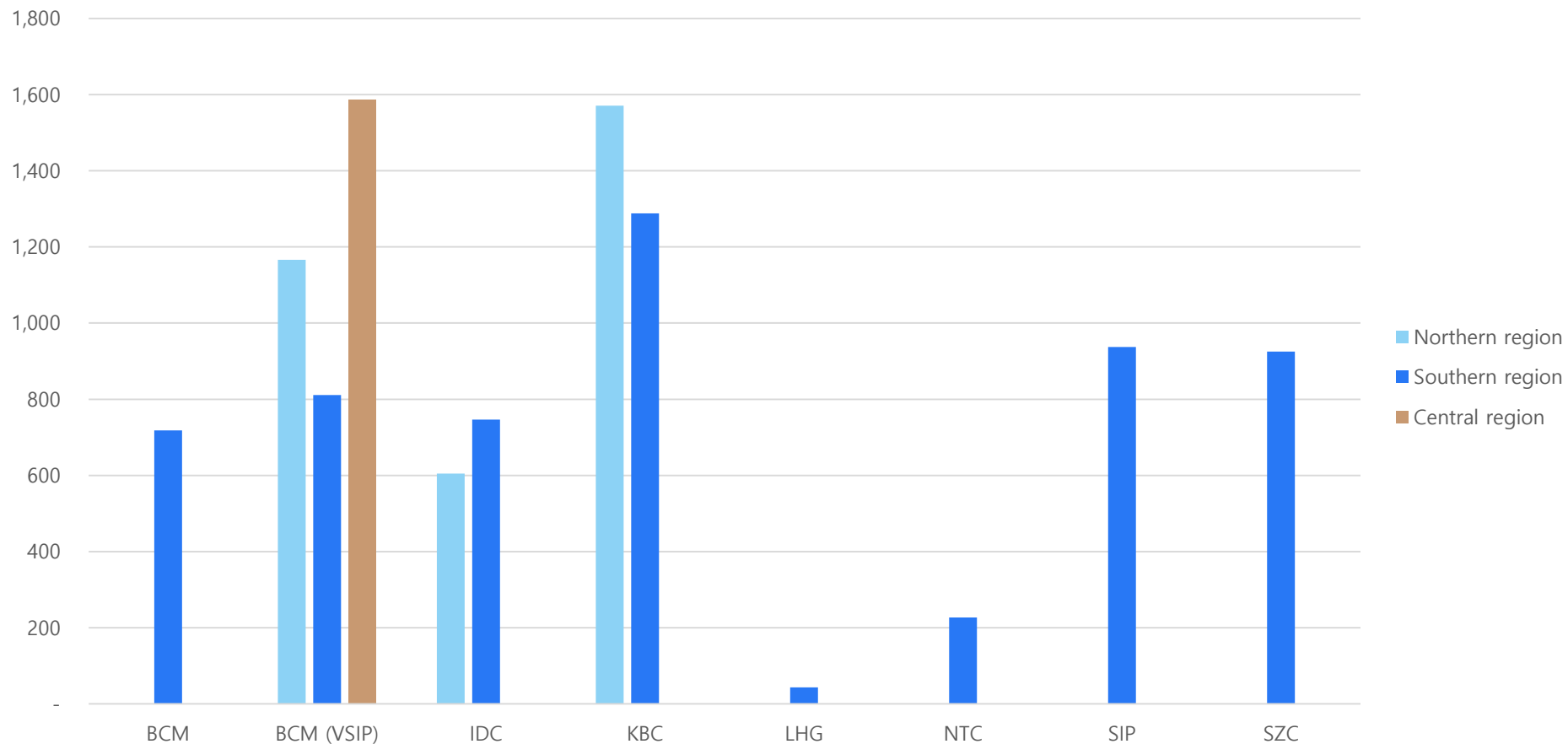
Net revenue and unearned revenue in Q1/2026 of industrial park real estate businesses.



Source: Fiinpro, Shinhan Securities Vietnam

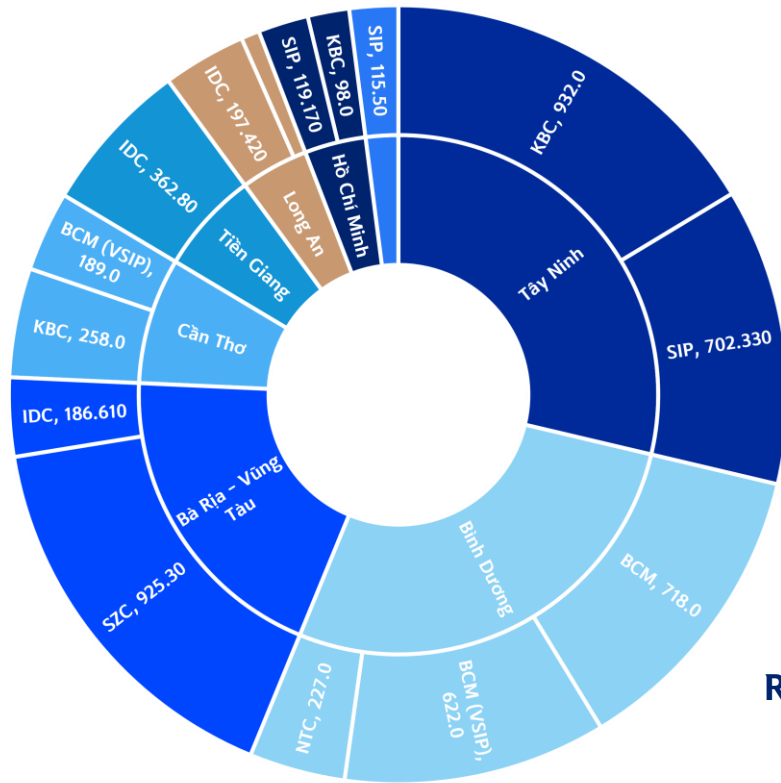
- Geopolitical tensions and tariff uncertainties negatively affected industrial land leasing demand, leading to a sharp decline in Q1/2026 earnings results compared to Q1/2025, a period that had not yet been impacted by tariff measures.
- In addition, under the impact of Circular 99/2025/TT-BTC (issued 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

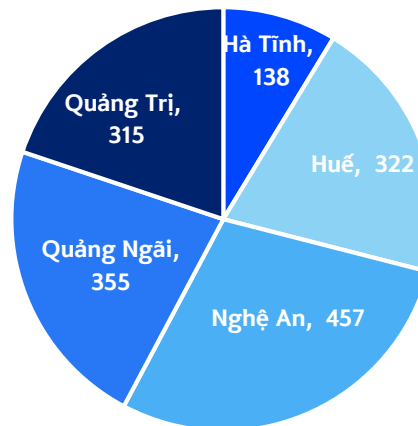
### Southern



### North



### Central Region BCM (VSIP)



## Industrial real estate | Update on industrial real estate companies

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%
<b>Total</b>					<b>40,869</b>	<b>23%</b>	<b>11,508</b>	<b>9%</b>						

\* 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 )



**Target price (2026)**

**VND 79,100**

**Current price (June 04, 2026)**

**VND 54,800**

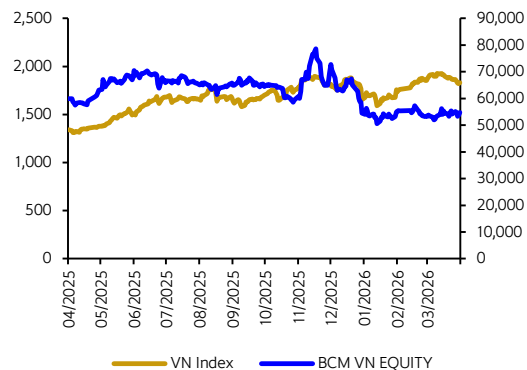
**Upside (%)**

**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

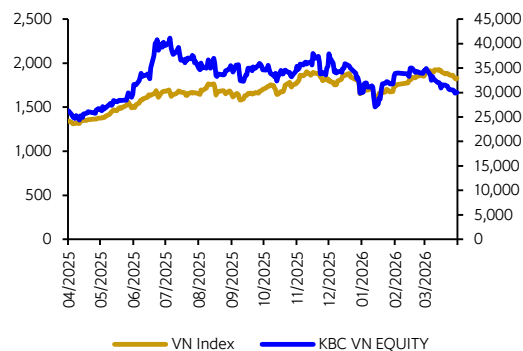
Upside (%)

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 to continue growing in 2025, supported by the Nenh Social Housing project and Trang Due Township project, while expected 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 )



**Target price (2026)**

**VND 55,200**

**Current price (June 04, 2026)**

**VND 43,500**

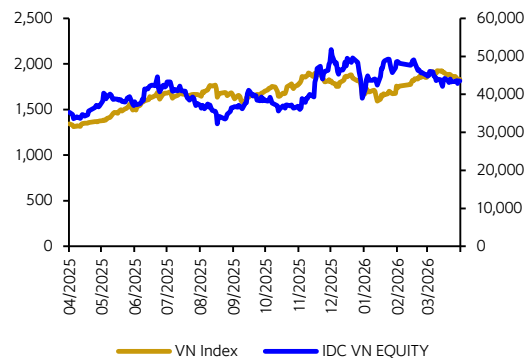
**Upside (%)**

**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

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

	<b>3M</b>	<b>6M</b>	<b>12M</b>
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 Joint Stock Company ( HOSE: SZC )



**Target price (2026)**

**VND 38,200**

**Current price (June 04, 2026)**

**VND 22,900**

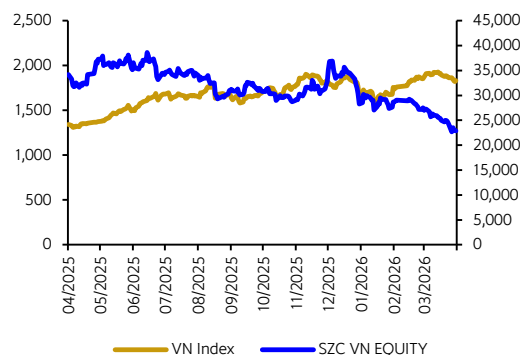
**Upside (%)**

**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

<b>Major shareholders (%)</b>	Industrial Park Development Corporation	46.84%
	Sonadezi Long Thanh JSC	10.08%

	<b>3M</b>	<b>6M</b>	<b>12M</b>
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	2025F	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

# 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

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-  **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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