



CHỨNG KHOÁN GUOTAI HAITONG (VIỆT NAM)
GUOTAI HAITONG SECURITIES (VIETNAM)



SECTOR REPORT

VIETNAM INDUSTRIAL REAL ESTATE

SECTOR OUTLOOK UPDATE

Guotai Haitong (VN) Research
October 01, 2026



Vietnam's industrial real estate market maintained a positive occupancy rate in the first half of 2026, remaining a hotspot for foreign investment inflows

- Vietnam's economy sustained its growth momentum in 1H2026 amidst global macroeconomic and geopolitical volatilities, with GDP expanding by 8.18% and registered FDI surging by 61% YoY, further underpinning the demand outlook for industrial properties. Capital inflows into the manufacturing and high-tech sectors, coupled with ongoing infrastructure development in key provinces, act as long-term catalysts for the market.
- The industrial real estate market maintained positive occupancy rates, with leasing demand concentrated in key industrial hubs such as Bac Ninh, Hai Phong, Dong Nai, and Tay Ninh. The nationwide occupancy rate for operating industrial parks (IPs) reached **78.8%**. Industrial land absorption demonstrated favorable dynamics; the Northern region recorded over 217 ha in Q2/2026 alone, the highest level since Q1/2024; while the Southern region absorbed 124 ha in 1H2026, representing a 125% YoY increase. Average asking rents continued a slight upward trend, reaching **USD 143/sqm in the North and USD 185/sqm** in the South. For the ready-built factory (RBF) and ready-built warehouse (RBW) segments, occupancy remained elevated; notably, RBW occupancy in Ho Chi Minh City stood at 98.7%, reflecting robust leasing appetite for turnkey facilities.
- Regarding sector trends, we observe a profound shift in Vietnam's industrial real estate from a traditional land-intensive model toward a high-tech, high-value-added integrated ecosystem, distinctly taking shape along the **Thai Nguyen - Bac Ninh - Bac Giang - Hai Phong** axis. The 2026 policy framework pivots from broad-based incentives to selective investment attraction, prioritizing project quality, which is expected to catalyze demand for modern IP infrastructure and broaden the tenant base over the long term.
- **Regarding the investment outlook for sector**, we hold a positive view on industrial park developers possessing sizable ready-to-lease land banks and demonstrating strong execution in the RBF and RBW segments. Notably, "hybrid" enterprises transitioning from rubber plantations to industrial parks are exhibiting robust operational performance in the current cycle.
- **Stock watchlist:** GVR, PHR, SIP, VGC



Vietnam Industrial Real Estate Sector Outlook for 2H2026 and Investment Opportunities

Market Outlook

We believe the industrial real estate sector will maintain its momentum in 2H2026, supported by continued high-quality FDI inflows and progress in completing legal procedures, thereby expanding the availability of new industrial land in various provinces.

2H2026 Earnings Outlook for Listed Companies

2H2026 earnings are expected to remain differentiated across companies, depending on land handover schedules, commercial land sales or transfers, and the pace of converting land banks into leasable industrial land. Companies with readily available land banks for lease are expected to maintain stronger revenue growth and improve cash flow generation.

2H2026 Investment Outlook

We believe investment opportunities in industrial real estate stocks will be supported by three key drivers: **land-use conversion from rubber plantations, accelerated site clearance and compensation, and the ability to convert large land banks into commercially viable projects**. In the medium term, the pace of site clearance and the ability to convert land banks into cash-generating assets will be key factors differentiating companies.

Short-term challenges

Regulatory hurdles and site clearance bottlenecks remain key factors that could delay the timeline for bringing new land banks into operation. Land compensation and development costs are expected to remain elevated. Land prices in new areas continue to rise, while input costs and average labor costs have increased by more than 20% YoY, pushing up project development costs. Geopolitical risks persist, adversely impacting manufacturing and logistics costs; trade tensions are escalating as the US initiates Section 301 investigations under the Trade Act of 1974, potentially leading to broad-based tariff impositions. Regional competition for FDI is intensifying as neighboring countries aggressively roll out tax incentives.

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Sustainable shift aligned with global standards: Pressures from ESG criteria, Net-Zero commitments, and the EU's Carbon Border Adjustment Mechanism (CBAM/carbon tax) are compelling the sector to transition toward in-depth development. Projects integrating renewable energy, circular water treatment, and eco-friendly infrastructure are now essential prerequisites for attracting high-tech FDI, particularly in the semiconductor and artificial intelligence sectors.

The ready-built segment is transitioning from an ancillary product to a new growth driver for industrial real estate, propelled by tech manufacturers' imperative to compress deployment timelines. Additionally, the Build-to-Suit (BTS) model is emerging as a mandatory standard for automated sorting centers and 3PLs, becoming deeply integrated into multimodal logistics.

Sector Development Trends and Industrial Real Estate Market Outlook 2027-2030

Semiconductors - AI - Data Centers are emerging as new growth pillars, gradually superseding the role of traditional outsourcing industries. This shift demands substantially higher infrastructure, energy, and technical specifications, while simultaneously inaugurating an entirely new investment asset class for the sector.

Tier-2 provinces such as Ninh Binh, Hung Yen, and Thai Binh in the North, alongside Dong Nai and Tay Ninh in the South, are emerging as new growth poles, playing a pivotal role in spearheading the supply pipeline for the 2026 - 2028 cycle.

Long-term catalysts for industrial real estate market breakthroughs

Policies championing next-generation FDI establish a foundational growth engine, signifying a strategic pivot from broad-based incentives to selective, quality-driven project attraction.

The synchronized completion of key transportation infrastructure networks serves as a strategic catalyst, optimizing logistics time and costs, and directly integrating industrial parks into global supply chains.

Accelerating workforce capacity and productivity enhancements through vocational training and skill development programs, aiming to cultivate a highly skilled labor force capable of meeting the increasingly rigorous demands of enterprises.

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PART I: MACROECONOMIC CONTEXT AND GROWTH DRIVERS FOR THE INDUSTRIAL REAL ESTATE SECTOR IN 1H2026

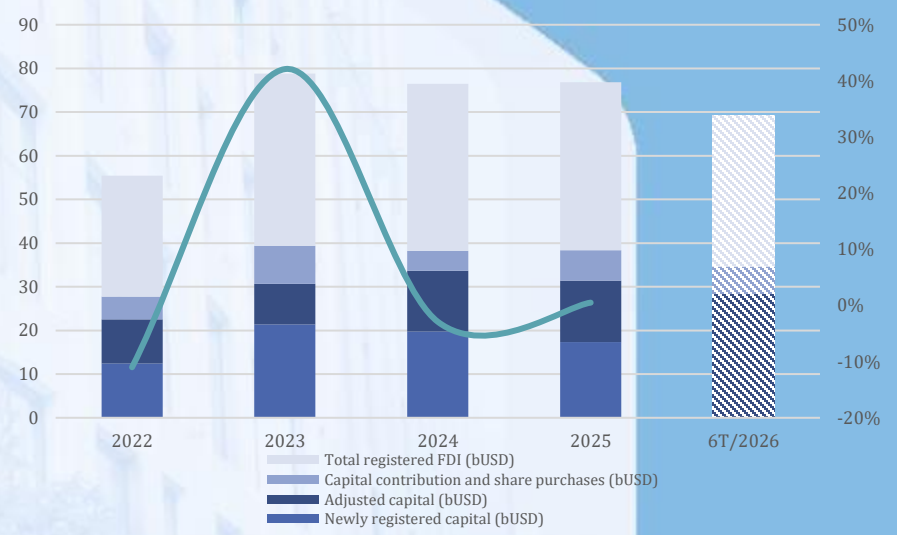




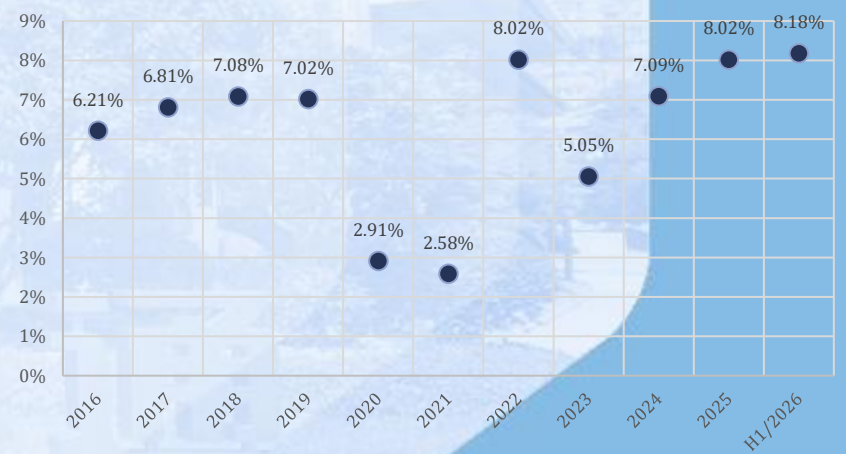
DUAL MACROECONOMIC DRIVERS: SURGING FDI INFLOWS AND DOUBLE-DIGIT GROWTH TARGET

- Vietnam's economy maintained its robust growth momentum in the first half of 2026, with GDP expanding by 8.18% YoY and export turnover reaching USD 266.52 billion (+21.0% YoY). Registered FDI hit USD 34.65 billion (+61.0% YoY), while disbursed FDI stood at USD 10.8 billion (+13.0% YoY). Notably, newly registered FDI surged by 113% YoY, clearly demonstrating that committed capital is pouring into the market at a pace that significantly outstrips actual disbursement progress. This favorable backlog serves as a massive capital reserve, securing a long-term growth runway for the entire sector in the coming years.
- Actual manufacturing capacity is expanding in tandem with committed capital inflows: The August 2026 PMI reached 53.3 points, a 6-month high and the 14th consecutive month above the expansionary threshold. Meanwhile, the 8M2026 accumulated Index of Industrial Production (IIP) grew by 11.9% YoY, marking the highest growth rate for the same period since 2019, driven primarily by the manufacturing and processing sector (+12.5% YoY).

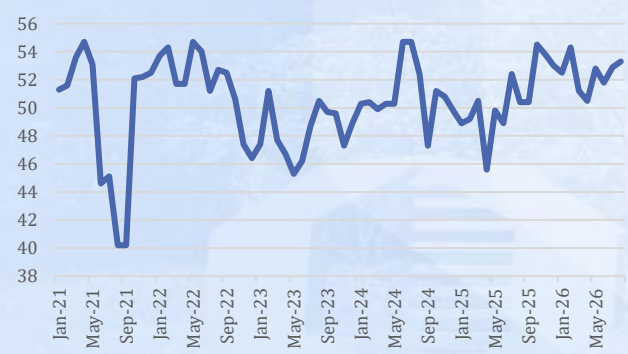
Vietnam's FDI Inflows (2022-2026)



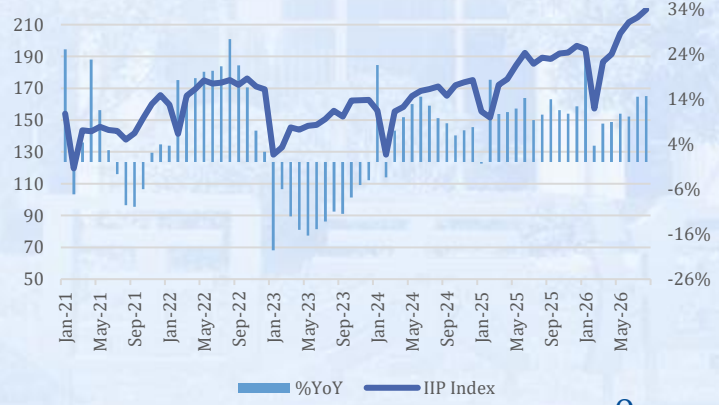
Vietnam targets double-digit GDP growth for the 2026-2030 period



Vietnam's Purchasing Manager Index



Vietnam's Index of Industrial Production



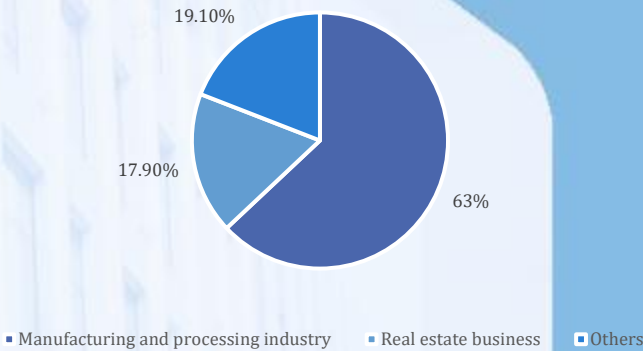
Sources: NSO, CBRE, GTHTSVN Research

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- The capital flow structure is demonstrating a qualitative transformation: the manufacturing and processing sector maintains its dominant position (63%), followed by real estate (17.9%). Multi-billion-dollar capital inflows are no longer concentrated on mere outsourcing but are directly routed into the core of the global supply chain (Semiconductors, AI), spearheaded by industry leaders such as Samsung, Foxconn, and Luxshare.
- Vietnam holds multiple competitive advantages in the race to attract "China+1" capital amidst the trend of manufacturing relocation from China to neighboring countries, a dynamic currently reshaping investment flows across Asia. According to the Asian Manufacturing Competitiveness Index, Vietnam ranks 3rd regionally in manufacturing competitiveness, trailing only China and Malaysia, while surpassing Singapore, India, and Indonesia. JETRO's survey reaffirms Vietnam's FDI appeal, highlighting significant room for market growth, optimal operating costs, and the critical shield of geopolitical stability. Furthermore, Vietnam boasts a robust network of 17 active FTAs and 2 under negotiation, covering the majority of global trade turnover, an extensive integration platform that few regional peers simultaneously possess.

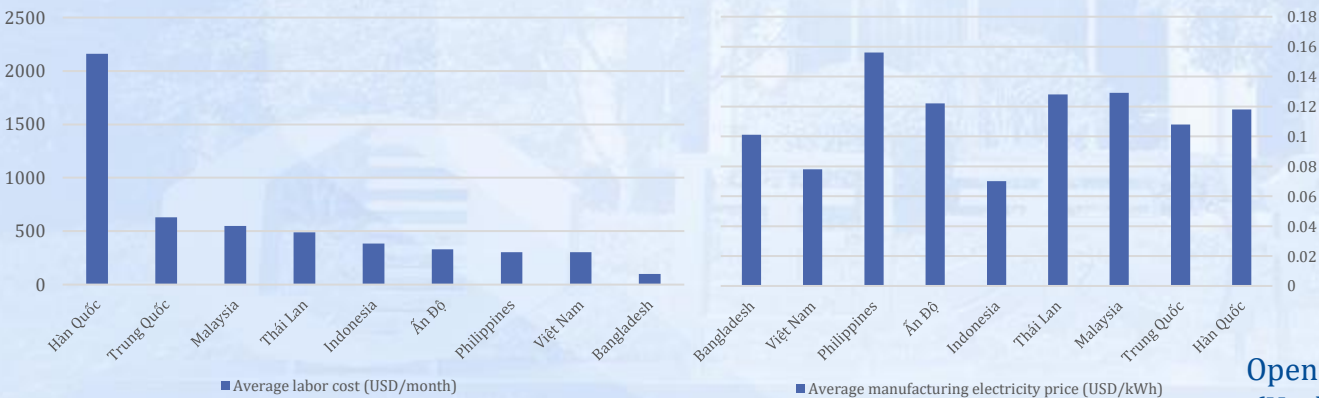
FDI structure by sector in 6M2026



Vietnam continues to be an attractive destination for foreign capital

Enterprise/ Partner	Registered capital (USD mn)	Location	Scale & Operating Segment
Samsung Electronics	4000	Thai Nguyen	Semiconductor packaging and testing plant
Samsung Electronics	1500	Thai Nguyen	High-tech chip testing line
LG Innotek	1000	Hai Phong	Manufacturing complex for components, semiconductor packaging substrates
Zhongji Innolight	700	Bac Ninh	High-speed optical module production for AI centers
Foxconn	~3000	Bac Giang / Bac Ninh	Assembly and manufacturing line for industrial robots
Luxshare-ICT	~10000	Northern key economic zone	Next-gen electronic modules, AI equipment, and precision optics
BYD	480	Phu Tho	Electric vehicle manufacturing plant

Vietnam possesses cost advantages compared to regional peers



Sources: NSO, CBRE, JETRA, VCCI, GTHTSVN Research

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2026 POLICY FRAMEWORK: FROM BROAD-BASED RED CARPET TO A SELECTIVE FILTER FOR NEXT-GENERATION CAPITAL INFLOWS



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Two policy documents issued almost concurrently in the first half of 2026 mark a distinct paradigm shift: instead of broad-based incentives, the State now imposes selective conditions based on project quality. This shift in the State's FDI attraction policy not only restructures the macroeconomic landscape but also directly impacts Vietnam's industrial real estate market. Next-generation FDI inflows bring more stringent requirements, compelling infrastructure developers to shift their product supply mindset.

Latest Policies	Core Focus	Policy Highlights	Key Impacts
Resolution 10-NQ/TW	Shift from quantity driven to quality driven attraction, imposing strict ESG standards.	Target attracting USD 40-50 billion in registered FDI annually , with 75% from developed economies and 30% from the Fortune 500 list. Mandating that 10% of total IPs must be eco-industrial parks . Transitioning to a post-audit mechanism (revoking incentives in cases of commitment violations)	Competitive advantage divergence: Traditional IPs may face intensified competitive pressure, whereas developers pioneering eco-industrial parks and renewable energy infrastructure hold an advantage in attracting tenants prioritizing ESG standards, thereby creating room for rent escalation.
Decree 20/2026/NĐ-CP	Prioritizing land banks and supporting land sublease costs for eligible private enterprises, including high tech enterprises, SMEs, and innovative startups.	Mandating the allocation of 20 ha or 5% of IP area for private tech enterprises. 100% CIT exemption for 2 years, 50% reduction for 4 years for tech enterprises. 30% reduction in land rent for the first 5 years. R&D cost deduction up to 200%.	Lowering barriers to land access, facilitating domestic enterprises in production expansion; potentially diversifying the tenant base in IPs possessing suitable land banks.

Although the 2026 legal framework has clearly delineated a long-term strategic roadmap, the absence of detailed guiding sub-law documents in the short term may create certain delays in translating policies into actual cash flows for enterprises.



Public investment and supplementary capital mobilization mechanisms propel strategic infrastructure development

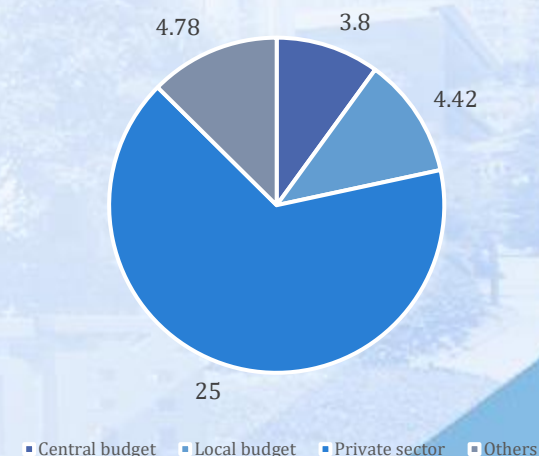
- The medium-term public investment plan for the 2026-2030 period reaches VND 8.22 quadrillion, prioritizing strategic infrastructure and inter-regional connectivity projects. Alongside the state budget, the private sector is expected to contribute over VND 25 quadrillion to the total social investment demand of approximately VND 38.5 quadrillion; however, the viability of capital mobilization via Public-Private Partnerships (PPP) remains contingent upon the refinement of risk-sharing mechanisms.
- The Government is accelerating public investment disbursement at a record pace to stimulate economic growth. According to the Ministry of Finance (MoF), as of 8M2026, the disbursement rate for the 2026 plan reached roughly 48.9% of the Prime Minister's assigned target, representing an absolute increase of ~VND 90.9 trillion and an 8.7 percentage point YoY improvement compared to 8M2025.
- The MoF is drafting a mechanism that allows PPP project enterprises to issue public bonds, replacing the current private placement format, thereby unlocking **an additional medium-to-long-term funding channel for infrastructure**. The draft mandates that enterprises must possess a formally signed PPP project contract, and the bonds must obtain an independent credit rating, unless fully guaranteed for both principal and interest. For projects not yet qualified for commercial operation, the bonds must be backed by an unconditional payment guarantee.

Sources: Ministry of Finance, GTHTSVN Research

Government sets record-high public investment disbursement targets



Structure of total social investment contribution 2026-2030 (Unit: VND quadrillion)



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- The ongoing implementation of mega-projects, including expressways, airports, seaports, and ring roads, will incrementally enhance connectivity between industrial parks and manufacturing/transportation hubs.
- Upon becoming operational, these new connecting routes are anticipated to reduce transportation time and elevate logistics capacity; thereby supporting leasing demand at industrial parks advantageously situated along these transport corridors.



PART II: 1H2026 INDUSTRIAL REAL ESTATE MARKET UPDATE

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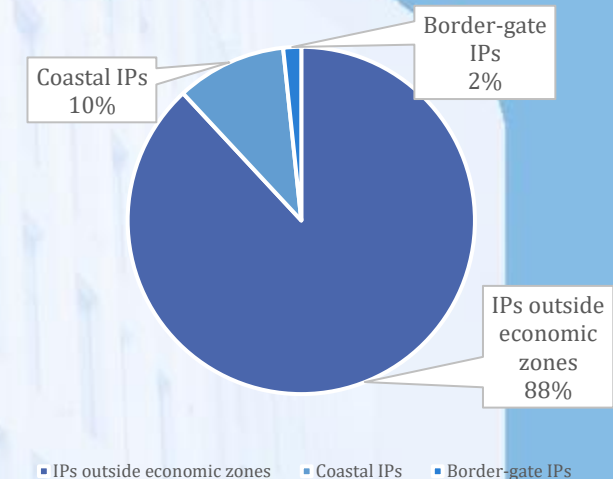
Overview of supply - demand, occupancy rates & rental prices

- According to data from the Vietnam Association of Real Estate Brokers, the nationwide industrial park (IP) network currently records 478 established projects; with the total natural land bank reaching up to 145.97 thousand hectares, corresponding to a supply capacity of approximately 101.6 thousand hectares of commercial industrial land to the market.
- Nationwide, there are currently 324 officially operational IPs directly contributing 68.0 thousand hectares of industrial land, with an occupancy rate at operating IPs touching **78.8%**. Concurrently, 153 IPs under construction are projected to add a further 32.6 thousand hectares in the upcoming cycle.
- In the North, industrial land net absorption in Q2 alone reached over 217 hectares, establishing a new peak since Q1/2024. This explosive demand has driven the average land rental price in Tier-1 markets up to **143 USD/sqm, an increase of 2.9% YoY**. The market continues to be vibrant as it is supplemented by numerous new projects from major developers, securing large tenants from the semiconductor and AI sectors.
- In the South, the market maintains a robust recovery with industrial land net absorption reaching 124 hectares in the first six months, surging 125% YoY and primarily concentrated in industrial hubs such as Binh Duong and Dong Nai. Consequently, industrial land rental prices in the South continue to hold the leading position nationwide, reaching **185 USD/sqm (up 3.7%)**. The tenant profile predominantly belongs to the electronics and logistics sectors.

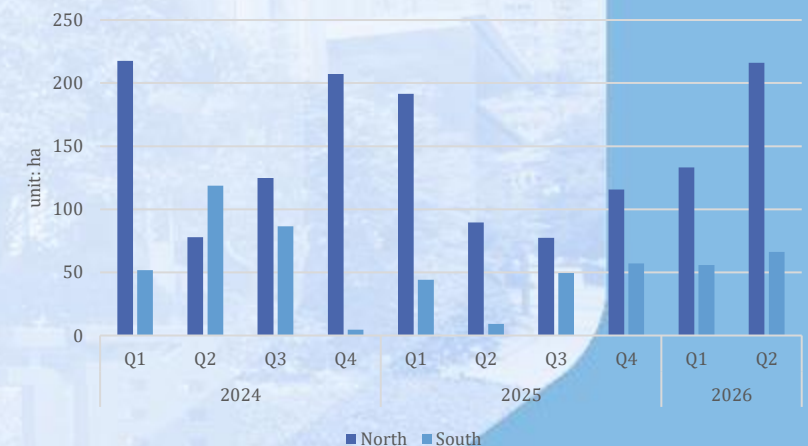
Sources: VARS, CBRE, JLL, GTHTSVN Research

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Established IP network by 6M2026



The North records impressive absorption rates, the South is on a recovery trajectory

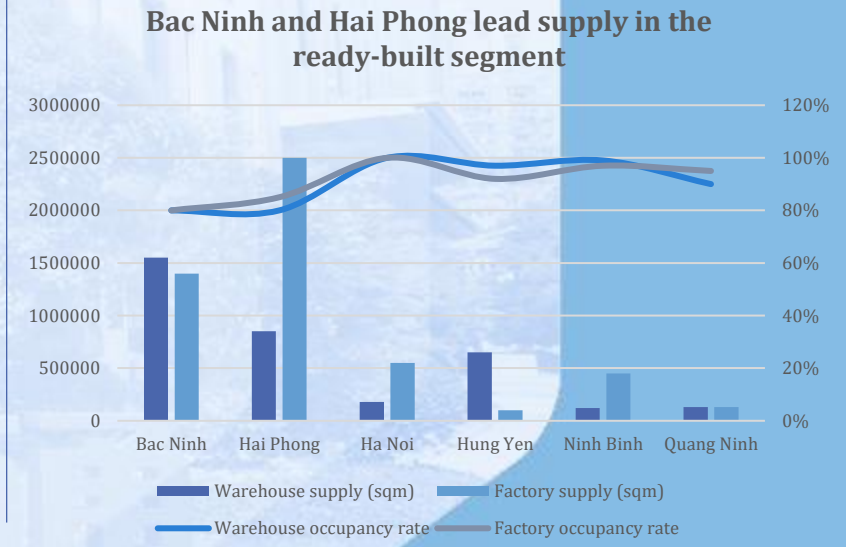
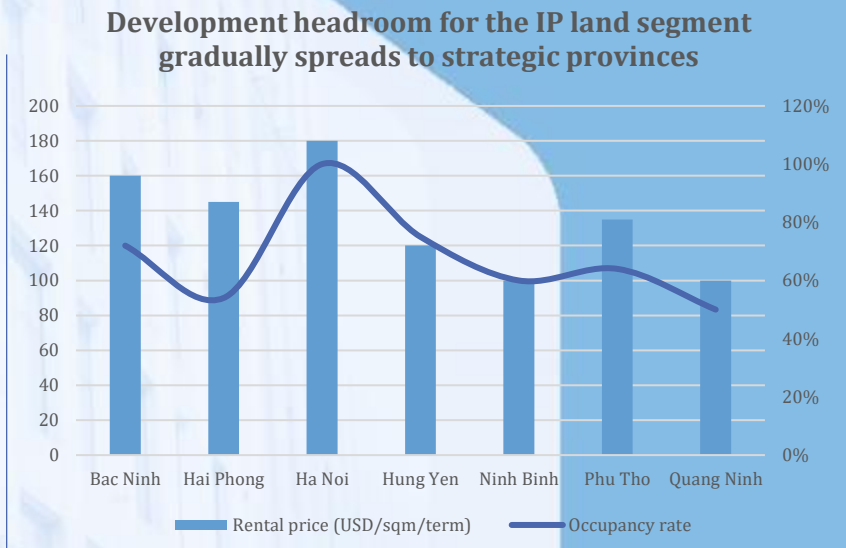




NORTHERN AREA: IP LAND ABSORPTION REACHES HIGHEST LEVEL SINCE 2024, RBW LEADS OCCUPANCY IMPROVEMENT

Growth headroom from suburban land banks, frontrunning the accelerating semiconductor and AI trends

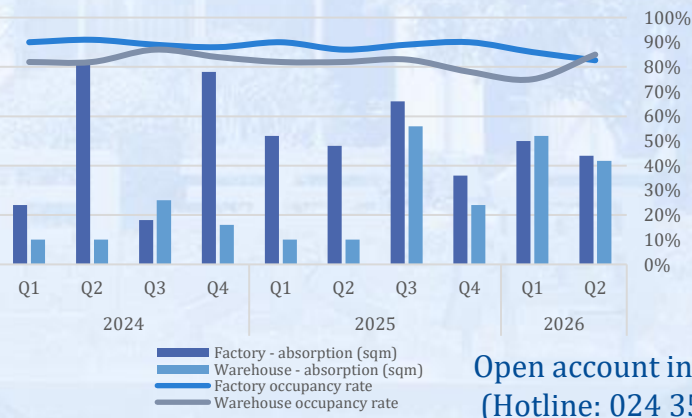
- Amidst Hanoi's depleted land bank with occupancy rates touching 100%, manufacturing expansion capital is strongly migrating towards satellite hubs. **Bac Ninh and Hai Phong** have emerged as "core capitals", commanding 21% and 26% of the region's total industrial land bank, respectively.
- Supported by synchronized connectivity infrastructure, Hanoi's suburban areas are attracting billion-dollar capital flows driven by high-value semiconductor manufacturing expansion demand amidst the global AI wave. Occupancy rates are maintained at high levels: Bac Ninh, Hung Yen (>70%); Hai Phong, Phu Tho (>60%).
- The ready-built model** serves as a magnet for new-generation FDI; with cumulative RBF (Ready-Built Factory) supply reaching 5.8 million sqm, while RBW (Ready-Built Warehouse) hits 3.6 million sqm. Occupancy rates remain high (RBF at 86%, RBW at 85.7%). Notably, logistics hubs such as Hung Yen and Hai Phong record warehouse (RBW) occupancy rates of up to 92.4% and 86.4%. Backed by sustainable absorption demand, asking rents continue to firmly anchor at high levels, recording 5.0 USD/sqm/month for RBF and 4.9 USD/sqm/month for RBW.



IP land absorption in the North recovers impressively



Ready-built warehouse and factory market records positive supply and occupancy rates



Sources: CBRE, Cushman & Wakefield, GTHTSVN Research

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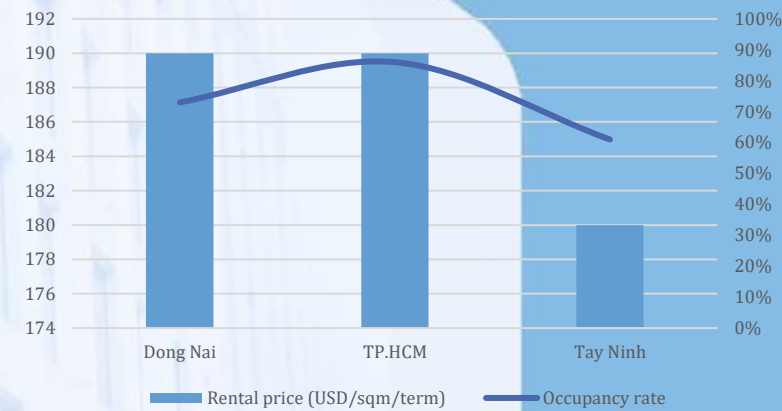


SOUTHERN INDUSTRIAL REAL ESTATE MAINTAINS A STABLE FOUNDATION; COMPLETED INFRASTRUCTURE CREATES GROWTH HEADROOM

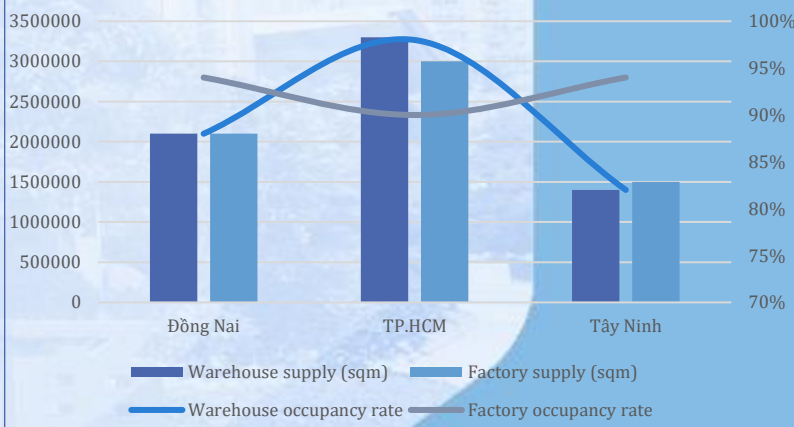
HCMC continues to be the leading engine; Tay Ninh and Dong Nai reshape the new supply map

- FDI inflows are confirming a "quality-oriented" trend, shifting away from HCMC's core to focus on high-tech and electronics sectors. By the end of 1H2026, Dong Nai and Binh Duong accounted for up to 83% of the region's total net absorption area (124 ha). Most notable is the rise of Tay Ninh, with a recently approved portfolio of 49 IPs (16,000 ha), emerging as a potential destination thanks to competitive asking rents (179.6 USD/sqm) compared to HCMC's 187.5 USD/sqm.
- The ready-built segment operates efficiently with 0.47 million sqm of new supply and an absorption level reaching 0.37 million sqm. The RBF market welcomed an additional 56,000 sqm of new supply entirely concentrated in Tay Ninh, helping the province record a surge in occupancy rate by 10 percentage points to 93.7%. Meanwhile, the RBW segment witnessed exploding demand from logistics and e-commerce players, propelling the region's overall occupancy rate to skyrocket by 12.7 percentage points YoY, touching the 91.6% mark. The Greater HCMC area alone is almost "sold out" with a record RBW occupancy rate of 98.7%. Despite robust breakout demand, asking rents for RBF and RBW remain stable, reaching 4.9 USD and 4.6 USD/sqm/month, respectively.

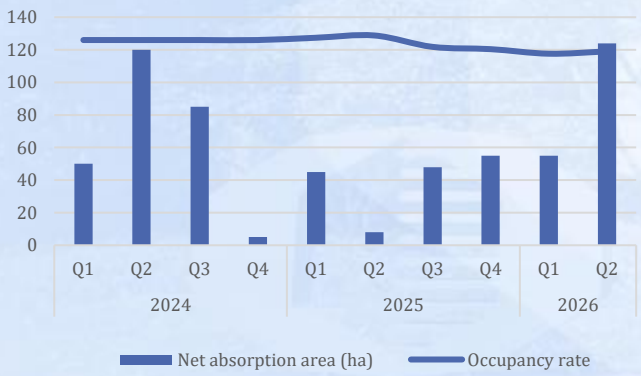
Dong Nai and Tay Ninh are new growth drivers in the IP land segment



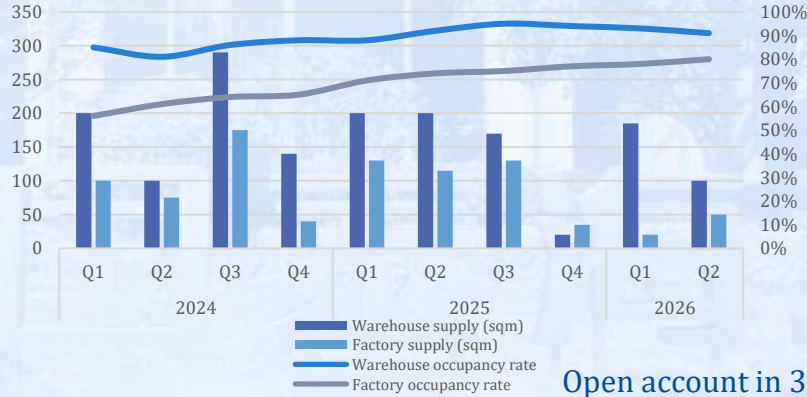
HCMC records near-absolute occupancy rates in the ready-built segment despite forecasted strong supply growth



Industrial land absorption area in the South increases strongly in 1H2026



Ready-built warehouse and factory segment maintains positive performance in 1H2026



Sources: CBRE, Cushman & Wakefield, GTHTSVN Research

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PART III: INDUSTRIAL REAL ESTATE SECTOR OUTLOOK 2026 - 2030

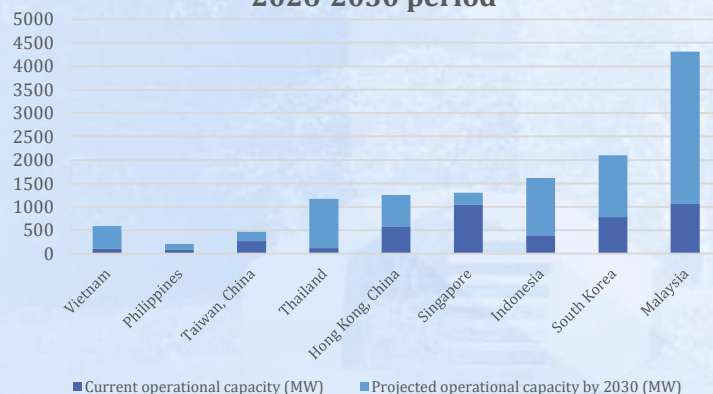
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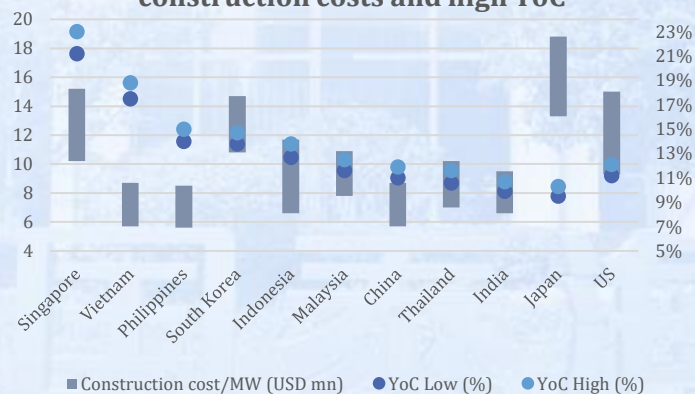
HIGH-QUALITY FDI WAVE FROM DIGITAL INFRASTRUCTURE AND AI DRIVES LONG-TERM GROWTH

- Vietnam's industrial real estate market is welcoming a new, explosive growth driver from a massive wave of investment in Data Centers. The momentum from digital transformation and artificial intelligence (AI) has attracted billions of USD into digital infrastructure mega-projects, directly surging the demand for land banks in industrial parks and high-tech parks. According to JLL, land plots meeting the stringent substation and fiber optic infrastructure standards for Data Centers currently command a premium of 30-50% over conventional industrial land.
- Riding the digital transformation wave, high internet penetration, and Government support, Vietnam's data center market is accelerating rapidly. According to a Cushman & Wakefield report, despite being an emerging market, Vietnam possesses an outstanding competitive advantage with construction costs among the lowest in the Asia-Pacific region, averaging only around 7.0 USD/watt, while the Yield on Cost (YoC) ranks highest in the region at approximately 18%. HCMC's capacity is projected to increase by 811%, the Binh Duong area by up to 1,071%, and Hanoi will expand its operational capacity to 47MW in the 2026-2030 period; these are the most notable areas for the industrial real estate investment thesis associated with Data Centers, according to CBRE.

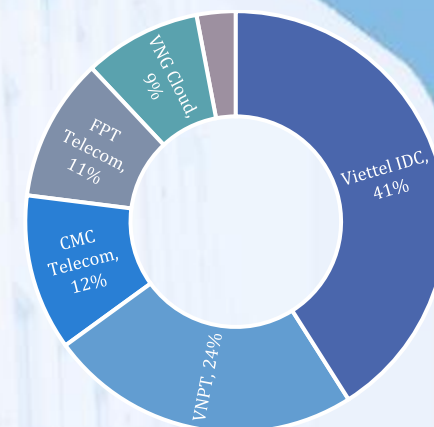
Vietnam is projected to record a 6-fold increase in operational capacity in the 2026-2030 period



Vietnam has an advantage in Data Center development thanks to low construction costs and high YoC



Vietnam's data center market is dominated by 5 major enterprises



Proposed data center projects under deployment

Project	Developer / Partner	Location	Inv. Capital
AI Campus SGI-HCM	KBC + Accelerated Infrastructure Capital	Tan Phu Trung IP, HCMC	2.1 bn. USD
AI Datacenter (G42 joint venture)	G42 + FPT + VinaCapital + Việt Thái Group	Saigon Hi-Tech Park, HCMC	2 bn. USD
StarMason	Sembcorp Development + BB Holdings	Saigon Hi-Tech Park, HCMC	480 mn. USD
CMC Data Center	CMC	Saigon Hi-Tech Park, HCMC	250 mn. USD
G-Campus	G-Group + OTECH	Hoa Lac Hi-Tech Park, Hanoi	290 mn. USD
STT VNG Ho Chi Minh City 2	ST Telemedia Global Data Centres + VNG	Tan Thuan EPZ, HCMC	420 mn. USD





- ESG standards are transitioning from an added bonus to a mandatory condition in global FDI investment decisions into Vietnam. According to a survey by Cushman & Wakefield, sustainability currently ranks among the top 3 criteria when enterprises select industrial real estate, with over 70% of tenants willing to pay a 7-10% rental premium to access green-certified facilities. Statistics also indicate that approximately 80% of FDI enterprises prioritize locations with readily available green energy infrastructure, reflecting a marked shift in investment appetite as global environmental standards become increasingly stringent.
- For industrial real estate, this trend is likely to create sharper divergence between green-compliant industrial parks and non-compliant ones. Pressure from CBAM, RE100, and supply chain decarbonization requirements is compelling manufacturers, particularly multinational corporations (MNCs), to seek renewable energy sources, wastewater treatment infrastructure, green building standards, and emissions control capabilities. Cushman & Wakefield recorded that 75% of LEED-certified projects in Vietnam belong to the industrial and office segments, accounting for 80% of total certified floor area, demonstrating that ESG demand has begun to directly translate into the industrial sector
- During the 2026-2028 period, ESG will likely serve as a supporting factor for absorption capacity and demand quality rather than an independent driver of rental growth. In the context where low-cost land banks and tax incentives no longer serve as sustainable competitive advantages, IPs equipped with clean energy infrastructure, green building certifications, and ESG compliance capabilities right from the master-planning phase will emerge as the most prominent beneficiaries as high-quality FDI continues to flow into Vietnam.

Developers are increasingly focusing on developing projects that meet ESG standards

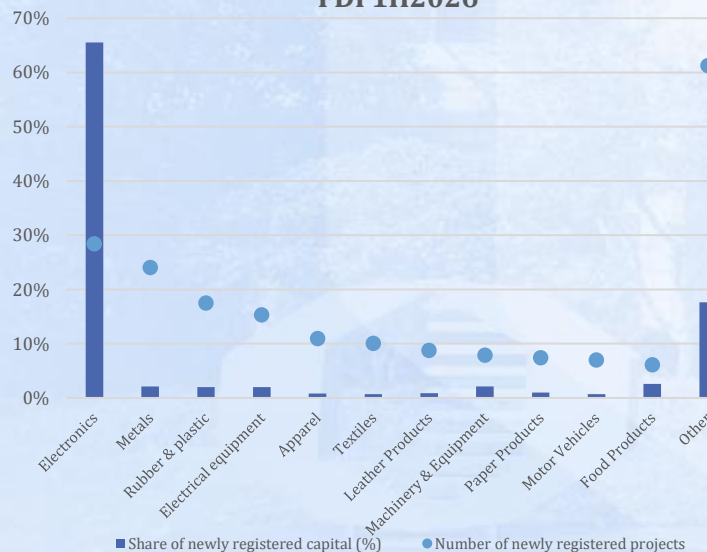
Developer	Project	Scale
BCM	Cay Truong	700 ha
	Bau Bang MR phase 2	380 ha
VGC	Thuan Thanh Eco-Smart	250 ha
	Yen Phong 2C	~221 ha
IDC	Tan Phuoc 1	470 ha
	IDICO Vinh Quang	226 ha
LHG	Long Hau LEED Park	56,000 m2
SNZ	Amata Bien Hoa	513 ha



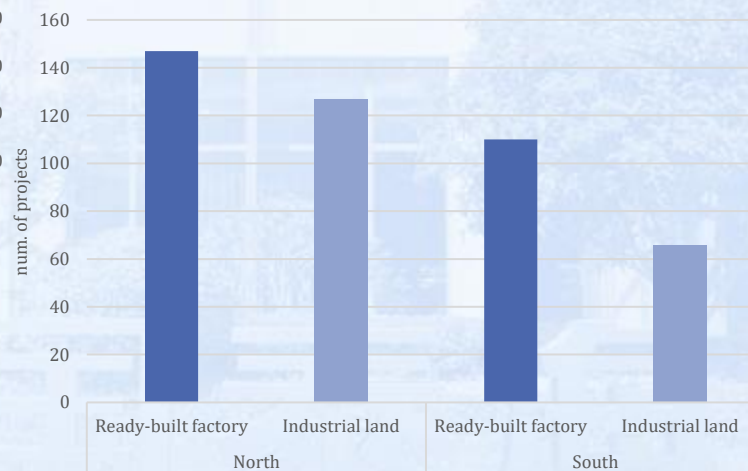
THE READY-BUILT SEGMENT IS GRADUALLY BECOMING THE NEW GROWTH DRIVER OF INDUSTRIAL REAL ESTATE

- In 1H2026, ready-built factories accounted for 54% of newly registered manufacturing FDI projects in the North but attracted up to 73% of total registered capital, equivalent to approximately USD 6.3 billion. Nationwide, factory projects accounted for 56.8% of projects and 66.2% of newly registered manufacturing FDI capital, equivalent to roughly USD 7.1 billion. Furthermore, research by Savills Vietnam indicates that **62%** of new manufacturing projects this year opted for RBFs - the highest level recorded since 2018. In the South, this figure is around 70%, while the North stands at 56%. The occupancy rate of RBF projects has now surpassed **80%**, reflecting excellent operational performance, particularly among FDI investors.
- According to Savills, **global supply chain restructuring is making "time-to-market" an increasingly crucial factor, as investors can shorten the lead time from project deployment to manufacturing operations by opting for ready-built factories.** The core value of the RBF model lies in its speed: an enterprise purchasing land to build its own factory requires a minimum of 36 months to bring products to market (land acquisition, construction, licensing), whereas leasing an RBF compresses this timeframe to just 6-7 months. This is precisely why RBFs have become the preferred choice for high-tech enterprises that demand rapid deployment and scalability. In the South, this trend has progressed even further with multi-story factory models and Built-to-Suit (BTS) facilities as land banks become increasingly scarce.
- Cushman & Wakefield forecasts that in the 2026-2028 period, the South will welcome an additional **1.1 million sqm of RBF area** and over **680,000 sqm of RBW**; the North is expected to add roughly **900,000 sqm of RBF** over the next 3 years, alongside more than **630,000 sqm of RBW** in the 2026-2028 period. Therefore, sector growth will skew towards leasable area expansion and recurring revenue streams, while rental rates are likely to experience moderate growth due to supply competition. C&W expects that demand from electronics, high-tech manufacturing, e-commerce, and logistics will continue to support absorption during the upcoming supply addition phase.

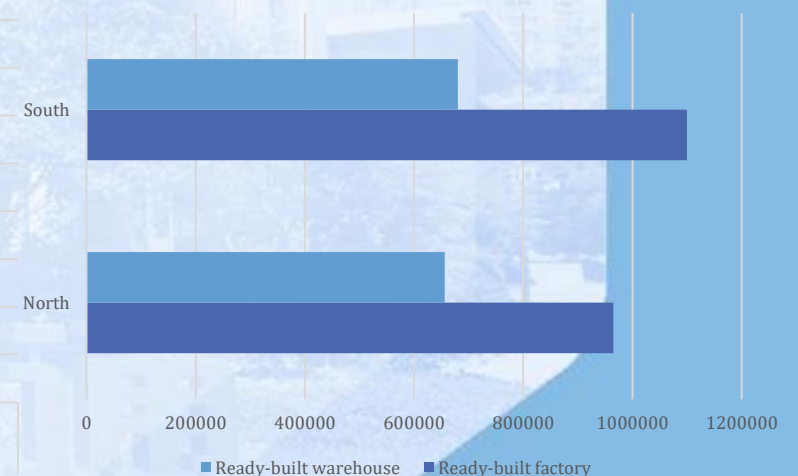
Electronics and high-tech lead manufacturing FDI 1H2026



RBF is gradually becoming a critical component of industrial real estate demand



Ready-built segment supply will surge in the 2026-2028 period



Sources: Savills, Cushman & Wakefield, GTHTSVN Research

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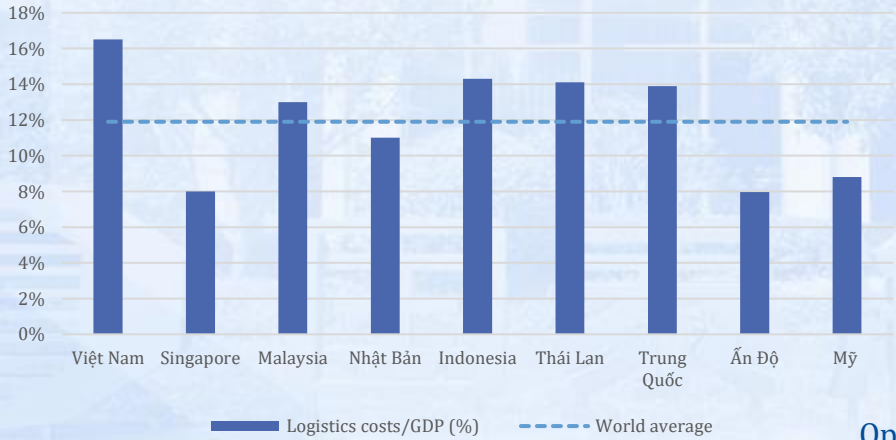




VIETNAM'S LOGISTICS CAPABILITIES: MARITIME CONNECTIVITY IS A STRENGTH; COSTS AND HINTERLAND OPERATIONS REMAIN BOTTLENECKS

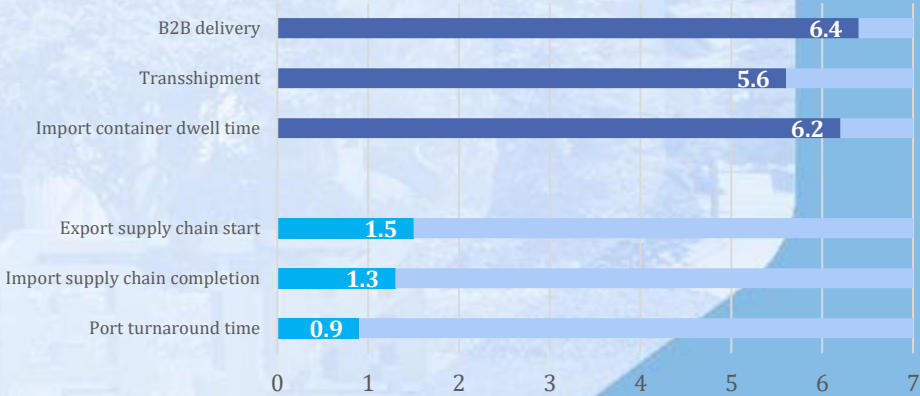
- The Liner Shipping Connectivity Index (LSCI) increased by 11.5% from Q1/2025 to Q2/2026, reaching 489.84 points, ranking third in the region behind Singapore and Malaysia. Additionally, the World Bank's Logistics Performance Index 2.0 reveals that Vietnam's port turnaround time is only 0.9 days, and the import supply chain completion time is 1.3 days, both leading Southeast Asia. However, import container dwell time remains at 6.2 days, and transshipment takes 5.6 days; this contrast highlights that the gap between gateways and the hinterland is the sector's core bottleneck.
- Furthermore, logistics costs currently equate to 16-17% of GDP according to the Ministry of Industry and Trade, significantly higher than Singapore (8%) and Malaysia (11%), reflecting a substantial cost burden on goods circulation and the economy's competitiveness. Part of the pressure stems from a heavy reliance on road transport and the lack of synchronized connectivity among ports, transport networks, and logistics centers. This indicates that **upgrading port connectivity with warehousing, transportation, and distribution networks remains a crucial component in improving logistics capabilities.**
- Resolution 20-NQ/TW (July 28, 2026) sets the target of reducing logistics costs to below 12% of GDP by 2030, establishing 5-6 modern logistics hubs. Meanwhile, Prime Minister's Decision No. 2229/QĐ-TTg dated October 9, 2025, sets the goal of bringing Vietnam into the top 40 countries and territories globally in terms of the LPI by 2035. This objective poses not only the challenge of reducing freight rates but also necessitates restructuring the logistics network, enhancing multimodal connectivity, digitalizing the supply chain, and effectively leveraging seaport advantages, turning the maritime sector into a robust growth engine for Vietnam's economy in the future.

Logistics costs in Vietnam remain higher than those of other economies



Sources: MoIT, World Bank, Vietstock, GTHTSVN Research

Logistics processing time in Vietnam (Unit: Days)



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ELECTRICITY BECOMES A VITAL FACTOR FOR KEY INDUSTRIES

Competitive electricity pricing is a cost advantage, but the ability to provide stable power supply at the right locations determines infrastructure readiness for high-tech industries

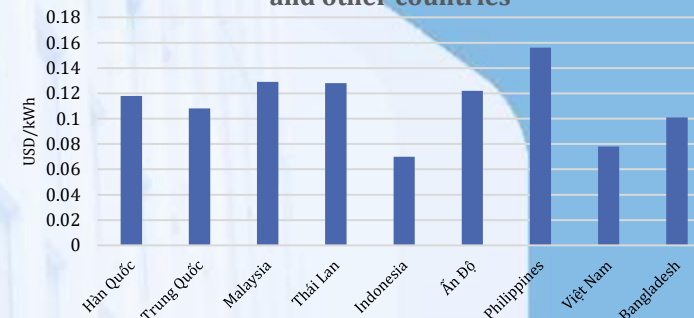
- The revised Power Development Plan VIII forecasts the national system's peak capacity to reach approximately 89,655-99,934 MW by 2030. According to the Ministry of Industry and Trade (MoIT), electricity demand is projected to grow by 10.5-12.9% annually during the 2026-2030 period. The system's peak capacity set a record of 58,500 MW at the end of June 2026; meanwhile, electricity demand is growing rapidly: commercial electricity output in 1H2026 increased by 10.2% YoY nationwide and by 13.1% in the North.
- The MoIT stated it is reviewing and updating the revised PDP8 to reflect rapid changes in the electricity demand structure, while simultaneously reassessing whether planned generation and grid capacities will adequately meet demand up to 2030 and beyond. This occurs as Vietnam faces an increasing risk of power shortages in the remaining years of the decade, given surging electricity demand from data centers, artificial intelligence (AI), and semiconductor manufacturing, while several planned power generation and grid projects are lagging behind schedule.
- For the industrial real estate market, the material risk lies not only in potential nationwide power shortages but also in the mismatch between power infrastructure development progress and the rate of load growth at industrial hubs. Access to stable power sources, synchronized grid connection infrastructure coupled with on-site renewable energy facilities, the Direct Power Purchase Agreement (DPPA) mechanism, and the capability to meet tenants' electricity demands will become increasingly crucial in attracting high-tech FDI projects.

Sources: MoIT, EVN, Vietnam Energy, Vietnamnews, GTHTSVN Research

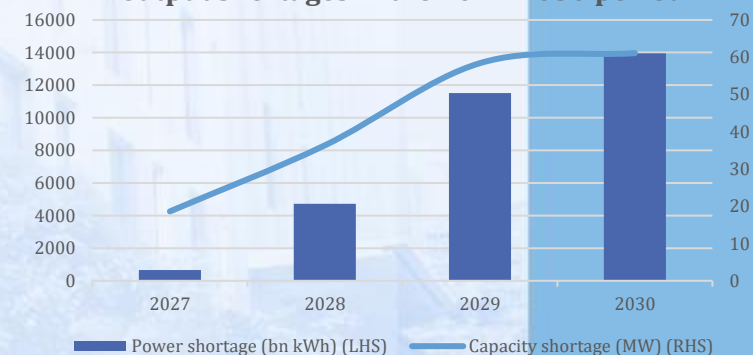


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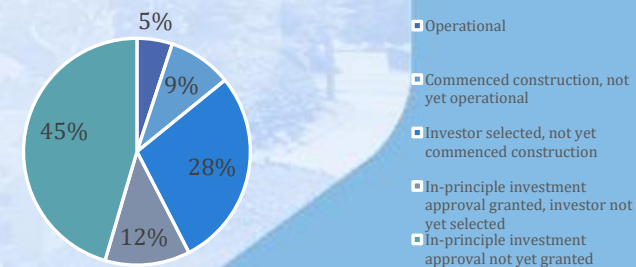
Manufacturing electricity prices in Vietnam and other countries



Forecast of national capacity and electricity output shortages in the 2027-2030 period



Implementation status of planned power generation projects



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US-China trade tensions: Short-term cooling, but strategic uncertainty persists

- According to Reuters, following the meeting between President Donald Trump and President Xi Jinping in Washington, the two sides agreed on a list of non-sensitive goods, worth approximately USD 30 billion for each side, to be subject to reduced tariffs. Concurrently, the trade truce was extended for another two months, until January 10, 2027. However, the tariff reduction list excludes strategic items such as semiconductors and electric vehicles. Analysts assess that the truce extension merely buys more time for negotiations and does not guarantee a stable long-term trade mechanism.
- Reuters evaluates the summit's outcomes as limited, with commitments primarily aimed at maintaining dialogue and avoiding escalation in the immediate term. Disagreements regarding industrial policies, market access, and export restrictions on critical materials remain present. Both sides are expected to continue negotiations in the final months of the year.
- Simultaneously, the competition is expanding into supply chain security and strategic resource control, evidenced by the US and Japan promoting the diversification of yttrium and critical mineral supplies away from China. In this context, trade policies are highly likely to continue shifting towards targeted controls based on sector, behavior, and the origin of goods, rather than relying solely on broad-based tariffs. The USTR's simultaneous maintenance of Section 301 investigations into excess capacity, forced labor, and intellectual property indicates that this trend is being institutionalized.

Vietnam continues to benefit from manufacturing shifts, but trade risks are rising

- In 8M2026, total import-export turnover reached USD 770.1 billion (+28.7% YoY), of which exports accounted for USD 374.8 billion (+22.4%) and imports accounted for USD 395.3 billion (+35.3%). The US continues to be the largest export market with USD 122 billion, while China is the largest import source with USD 161.9 billion.
- However, a study by LSE Business Review based on over 52 million trade transactions reveals that the group of Vietnamese enterprises highly exposed to Section 301-taxed goods increased their exports to the US by 126% more than the less-exposed group, but simultaneously increased their component imports from China by 85% more. The core finding indicates that **while Vietnam genuinely benefits from the trade war, China's dominance over the manufacturing network remains virtually undiminished.**
- The US has placed Vietnam under stricter scrutiny regarding rules of origin and the transshipment of Chinese goods, manifested in 3 parallel Section 301 investigation branches: intellectual property, where Vietnam is the sole "Priority Foreign Country"; excess capacity; and forced labor. The forced labor branch has reached a final conclusion: effective July 24, Vietnamese goods within the scope are subject to a 12.5% Section 301 tariff, with certain exemptions based on the product list.
- Following the USTR's implementation of Section 301 measures related to forced labor in July 2026, Vietnam issued Decree 292/2026/ND-CP and committed to continuing dialogues with the US on perfecting and enforcing the relevant legal framework. On a positive note, Vietnamese leaders stated on September 22 that trade negotiations with the US have made significant progress and could soon reach an agreement; while simultaneously continuing to urge the US to resolve outstanding issues, including the Section 301 investigations.





PART IV: 1H2026 FINANCIAL PERFORMANCE UPDATE

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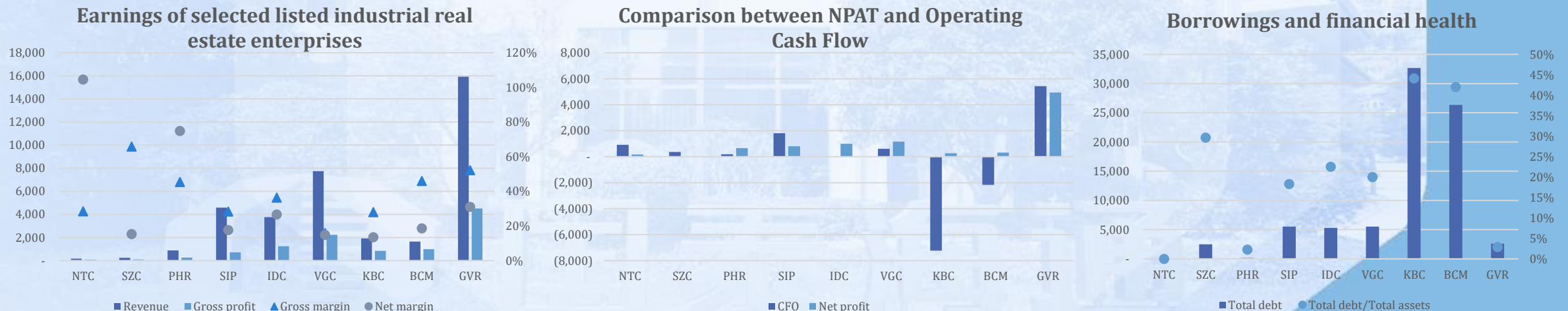
Q2 AND 1H2026 EARNINGS UPDATE

Q2/2026 EARNINGS: PROFOUND DIVERGENCE THROUGH THE LENS OF EARNINGS QUALITY

Ending Q2/2026, the revenue of listed industrial real estate enterprises reached VND 30,453 billion, remaining nearly flat year-over-year. However, Q2 NPAT witnessed a 9.8% YoY decline, reaching VND 6,678 billion. As of 1H2026, the sector's overall earnings remained mostly flat without any sudden growth breakouts, with 19/32 enterprises recording positive profit growth; net revenue reached VND 59,405 billion and NPAT reached VND 12,438 billion.

The Q2/2026 profit picture for the industrial real estate sector reveals a distinct dispersion, with NPAT growth margins fluctuating from +291% (PHR) to -96% (KBC). Alongside enterprises recording growth driven by continued positive performance in core segments, the earnings of several other companies were heavily dictated by accounting method changes and non-recurring income items.

- The application of **Circular 99/2025/TT-BTC**, which mandates revenue allocation over the lease term instead of one-off recognition, has significantly altered the growth comparison base for a series of enterprises such as BCM, NTC, and SZC.
- Even within core business operations, the picture shows clear divergence: while VGC and IDC achieved profit breakthroughs thanks to land banks ready for handover, and SIP maintained stable growth due to utility services accounting for a large proportion of revenue, KBC recorded a record-low profit due to land clearance compensation bottlenecks.
- The record profit levels reported by rubber-origin groups GVR and PHR were largely contributed by sudden land compensation packages, rather than recurring operating cash flows.



Sources: FiinproX, companies FS, GTHTSVN Research

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- Among the group reporting hefty profits, **divergence in cash flow quality** is highly evident. **GVR and PHR** recorded record profits, but the primary driver stemmed from **sudden land compensation packages**, accounting for up to 43.1% and 58.3% of PBT, respectively, rather than from core business operations. The fact that PHR has only recorded the VSIP III compensation under receivables resulted in a 6-month operating cash flow of a mere VND 177.9 billion, creating a massive discrepancy against book profit. Conversely, **BCM** disappointed as parent company NPAT plunged to VND 204 billion (-86.1%) due to total reliance on VND 525 billion in profit from joint ventures, while borrowing pressure ballooned to VND 26,334 billion, incurring a record interest expense of VND 539 billion.
- **VGC and IDC are bright spots in core business operations.** VGC achieved record revenue of VND 4,462.5 billion (+38.2%) thanks to IP infrastructure leasing, simultaneously transferring VND 5,450 billion in costs for 10 IPs from work-in-progress to inventory, confirming a large land bank ready for commercialization. IDC saw IP revenue double (+118.4%) by accelerating actual handovers, pulling the gross margin up to 37.4% and retaining VND 5,724 billion in unearned revenue as a revenue buffer.
- **KBC** clearly exposed legal and site clearance risks as NPAT attributable to parent company shareholders evaporated by 96.2%, leaving a mere VND 16 billion despite having signed contracts for over 170 hectares of land that are not yet eligible for handover. Core operations posted a pre-tax loss of VND 194 billion, strangled by VND 289 billion in interest expenses, while inventory swelled to VND 33,357 billion (Trang Cat ~VND 17,800 billion), reflecting that the compensation pace is severely out of sync with the cash flow recognition pace.
- Under the impact of **Circular 99**, **NTC and SZC** recorded sharp declines in book revenue due to having to switch from one-off recognition to allocation over the lease term, leading to significant revenue drops (-42.9% and -39% YoY). However, the underlying cash flow nature is highly positive, as SZC's long-term unearned revenue surged 51.4% compared to Q1 to VND 827 billion. Similarly, NTC also saw this balance increase sharply to VND 5,084 billion, confirming that these companies are accumulating a massive amount of collected rental cash waiting to be converted into profit..
- **SIP affirmed its position** with NPAT growing 40.7% to VND 447.2 billion, driven by stable utility services and IP infrastructure operations, along with gains from the liquidation of business contracts. Additionally, it possesses a massive cash and deposit portfolio reaching VND 12,362 billion, accounting for 41% of total assets.



Enterprises operating under a "hybrid" model of industrial real estate and rubber are demonstrating the most stable performance

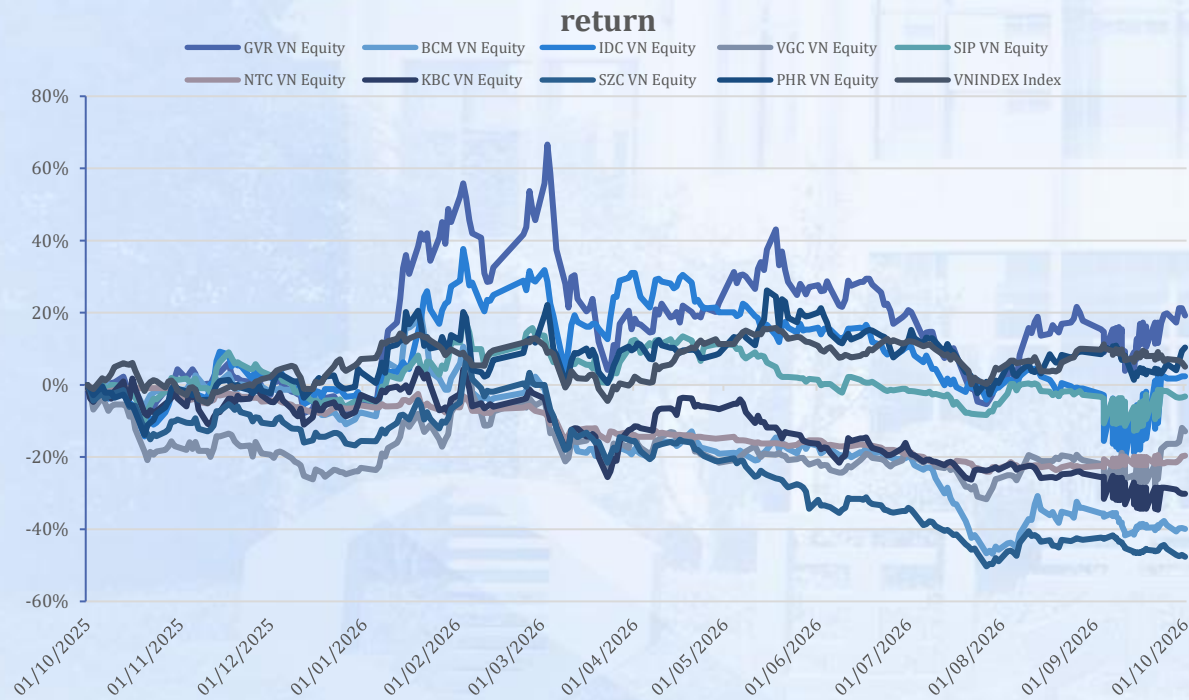
Note	Ticker	Company	Exchange	Current price	Market cap (VND bn)	P/E	P/B	D/E	ROE	ROA	Revenue 1H26 (bn. VND)	Revenue growth 1H26-yoy	Net income 1H2026 (bn. VND)	Net income growth yoy
Rubber & Industrial RE	GVR	Vietnam Rubber Group JSC.	HOSE	31,800	127,200	18.16	2.1	0.04	12.00%	8.00%	15,928	37.70%	4,414	67.70%
Possess large area of RBW & RBF	BCM	Becamex IDC	HOSE	42,400	43,884	22.54	2.01	1.17	8.90%	3.20%	1,650	-65.20%	292	-84.10%
	IDC	IDICO	HNX	31,300	13,066	6.02	1.93	0.6	32.70%	9.50%	3,756	5.60%	880	37.40%
	VGC	Viglacera	HOSE	40,000	17,934	12.6	2.13	0.47	16.20%	5.30%	7,737	27.20%	779	2.60%
Large land bank for lease	SIP	Sai Gon VRG Investment Corporation	HOSE	48,800	11,815	8.32	2.45	1.02	27.70%	4.90%	4,577	12.40%	734	15.30%
	NTC	Nam Tan Uyen JSC.	HOSE	128,400	3,082	9.51	2.13	0	24.40%	5.20%	164	-41.00%	171	1.40%
Rubber & Industrial RE	PHR	Phuoc Hoa Rubber JSC.	HOSE	62,000	8,401	8.98	1.8	0.03	21.90%	14.50%	875	28.70%	643	244.90%
	KBC	Kinh Bac City Group	HOSE	27,000	25,427	22.17	1.02	1.21	4.60%	1.60%	1,925	-47.90%	231	-80.50%
	SZC	Sonadezi Chau Duc	HOSE	19,900	3,582	22.44	1.12	0.78	5.00%	1.90%	234	-62.90%	36	-83.70%
Median						12.6	2.01	0.6	16.20%	5.20%		5.60%		2.60%



We believe the valuation of the industrial real estate sector in 2H2026 will heavily depend on the ability to convert land banks into cash flow and the materialization level of each enterprise's specific catalysts.

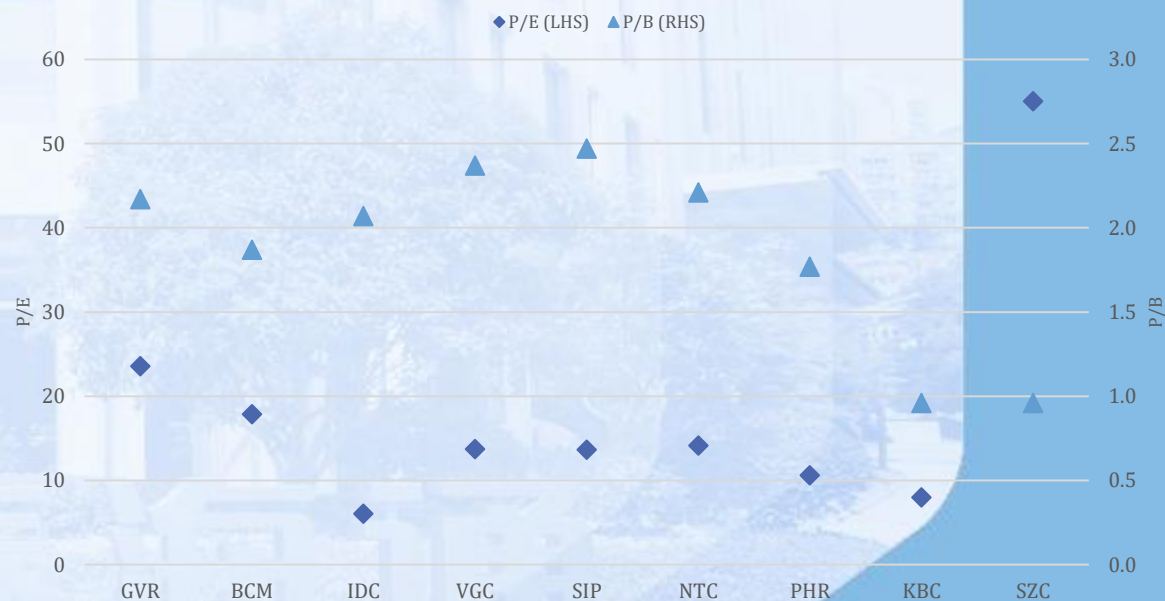
- **Sudden cash flow from rubber land conversion compensation:** GVR and PHR possess an absolute advantage by converting low-cost land banks into compensation cash flows. GVR is managing 19 IPs across over 6,300 ha, currently proposing 10 new IPs in HCMC and 2,604 ha of rubber land preparing for conversion in Tay Ninh and Gia Lai. PHR is estimated to have approximately 5,000 ha of rubber land with potential for purpose conversion in the future.
- **Re-rating driver from State divestment:** Enterprises with State ownership such as **BCM, VGC, and GVR** are expected to act as short-term price catalysts in the second half of the year once these companies finalize their divestment schemes.
- **Commercial land bank handovers:** Leading enterprises currently hold massive commercial land banks awaiting commercialization, notably **VGC, KBC, IDC, SZC, and SIP**. With unblocking support from the new Land Law and the direction of easing IP credit, accelerating site clearance in the 2H2026-2027 period will be a prerequisite to trigger the profit recovery inflection point and boost free cash flow.

Industrial real estate stock price movements vs VNIndex - 1Y



Sources: Bloomberg, FiinProX, GTHTSVN Research

REAL ESTATE STOCKS VALUATION IS HOVERING BELOW HISTORICAL AVERAGES



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Ticker	Recommendations	Target price (VND)	Upside	Investment theses
PHR	BUY	41,200	20.64%	1. The rubber segment continues to support revenue growth thanks to selling prices anchoring at high levels - Global rubber prices have surged over 30% YTD, primarily driven by climate change in major Southeast Asian rubber tapping regions causing output declines. Furthermore, geopolitical tensions between the US and Iran have kept global oil prices anchored at high levels, indirectly pushing latex prices up. - We project rubber prices will remain anchored at high levels, averaging VND 60 million/ton by end-2026 amid ongoing conflicts, before moving sideways in 2027-2028 as supply-side dynamics gradually rebalance. 2. Recording extraordinary income from rubber land compensation packages - In the 2026-2027 period, PHR is expected to record substantial financial income from rubber land compensation cash flows for project deployment. We forecast PHR will receive approximately VND 3,700 billion in compensation for the VSIP III IP, Bac Tan Uyen 1 IP, and the Ho Chi Minh City - Thu Dau Mot - Chon Thanh expressway projects. - Additionally, PHR possesses a rubber land bank of roughly 5,000 ha with potential for future IP development, creating significant headroom for earnings recognition in the coming time.
SIP	BUY	62,700	27.7%	1. Large IP land bank creates headroom for future revenue recognition - The enterprise's solid fulcrum lies in its ready-to-lease commercial land bank of over 930 ha, concentrated in Southern industrial hubs such as HCMC, Dong Nai, and Tay Ninh... 2. Strong financial capacity with a stable revenue structure - SIP's asset structure is highly robust with a cash, deposits, and lending portfolio of VND 12,362 billion, accounting for 41% of total assets and far exceeding total borrowings of VND 5,507 billion. Furthermore, the enterprise's recorded backlog reaches up to VND 14,023 billion, indicating sustainable long-term revenue growth headroom. - SIP's revenue structure is primarily contributed by the stable IP utility services segment and the IP land leasing segment, which experienced a breakout in 1H2026.
VGC	Positive	-	-	1. The IP segment is the revenue growth driver for VGC thanks to headroom from a large commercial land bank - VGC owns a portfolio of approximately 19 IPs with a total commercial area of nearly 6,000 ha. Furthermore, VGC has approved plans to prepare for the commencement of roughly 900 ha of new industrial parks, with cited projects including Tay Pho Yen, Phu Ninh Phase 1, and Hung Yen IP No. 1. - Q2/2026 IP segment revenue reached VND 2,499 billion; continuing as a large and stable revenue contributor for VGC. VGC's new IP signing activities remain positive, having reached 111 ha against the new sales plan of 125 ha, while the 2026 handover target has been raised to 150ha. 2. The building materials (BM) segment continues its revenue recovery momentum - In 1H2026, VGC's BM segment recorded an increase of roughly 30%, reaching VND 4,616 billion, and continues to be the largest revenue-contributing business segment at 58%. - The driver for revenue growth stems from the supply recovery momentum in the real estate market. Additionally, VGC benefits from Vietnam imposing anti-dumping duties on construction glass from Indonesia and Malaysia, thereby enhancing VGC's competitive advantage.





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