MBS

Awaiting Trade Negotiation Outcomes

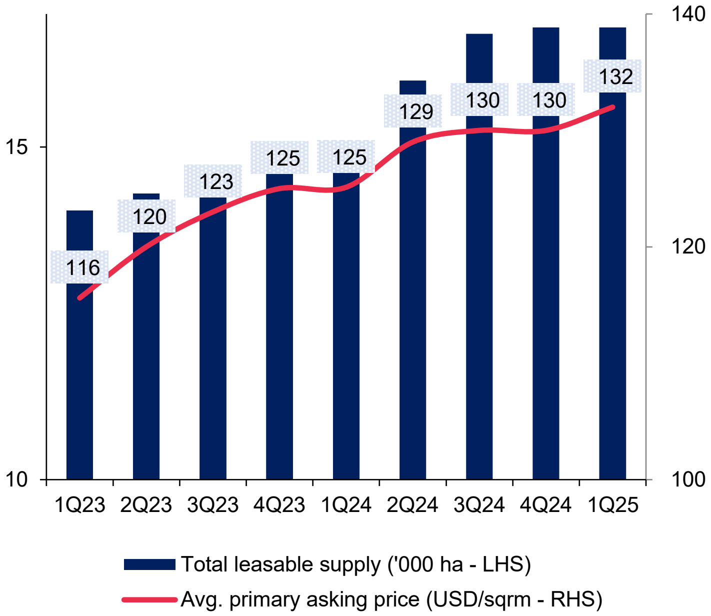
Analyst:

- **Duc Nguyen Minh** (duc.nguyenminh@mbs.com.vn)

1Q25 Recap: Northern asking prices grew a slower pace

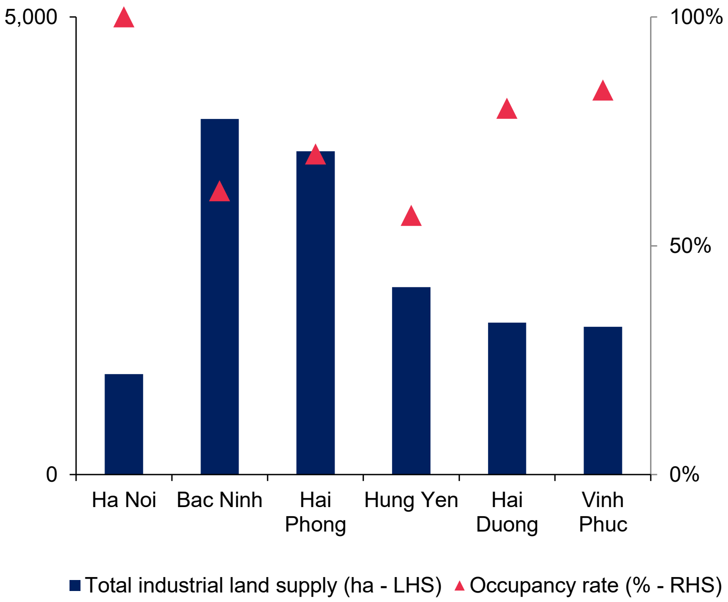
- According to Cushman & Wakefield (CW), in the Northern market, the total supply of industrial land reached 16,800 ha, marking a 9.2% yoy increase. New supply was mainly concentrated in Bac Ninh and Hai Phong. The average occupancy rate stood at 69%. The average primary asking rent rose slightly by 5.6% yoy, reaching 132 USD/sqrm. This increase reflects strong demand for industrial land, prompting some developers to raise their asking rents by 4–5%. The total area of absorbed land reached 148 ha, with Bac Ninh contributing 54% of the total. Demand was primarily driven by the electronics and machinery manufacturing sectors.
- Ready-built factory (RBF) recorded one new project, bringing total supply to 4.4 million sqrm, a 17.9% yoy increase. Demand showed a slight uptick, with the occupancy rate rising by 2 pts to reach 81%. Market dynamics have gradually shifted toward provinces offering more competitive rental rates and stronger development potential, such as Vinh Phuc. The average primary asking rent stood at 5.0 USD/sqrm/month, reflecting a slight increase of 0.3% yoy.
- Ready-built warehouse (RBW) recorded no new projects, while demand remained stable. The average asking rent reached 4.9 USD/sqrm/month, reflecting a 4.7% yoy increase. The upward trend in rental rates was driven by the introduction of several high-quality, multi-storey warehouse developments into the market.

Total leasable supply and average primary asking price



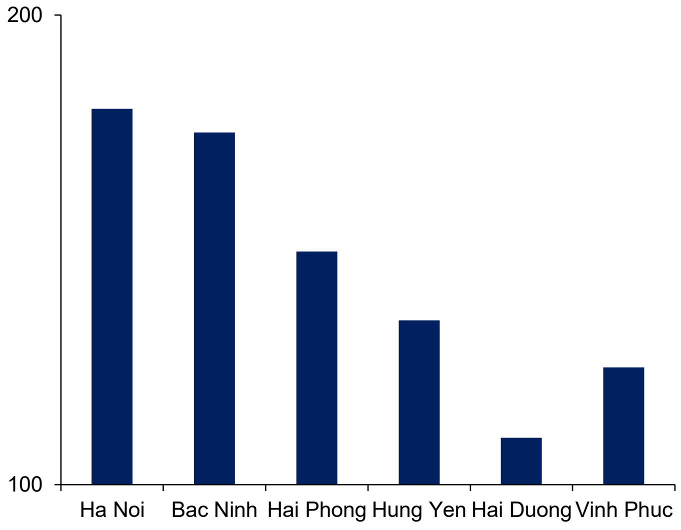
Source: CW, MBS Research

Industrial land supply



Source: CW, MBS Research

Asking rent

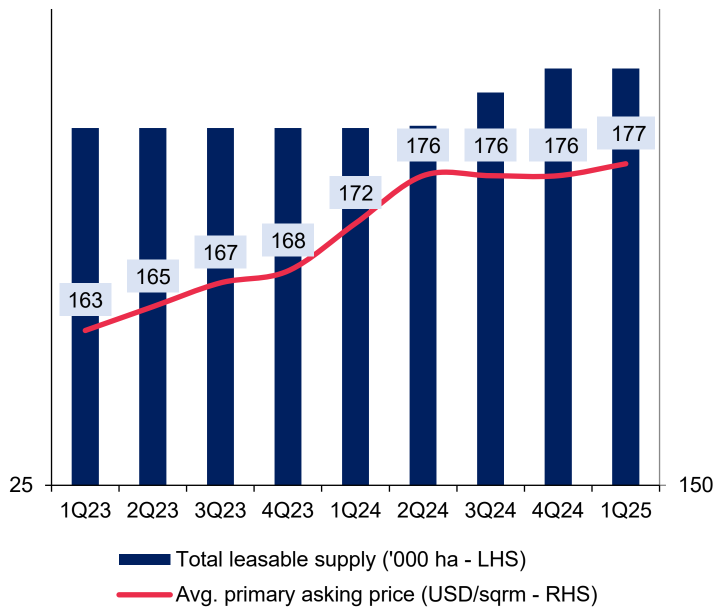


Source: CW, MBS Research

1Q25 Recap: Higher demand in the Southern market

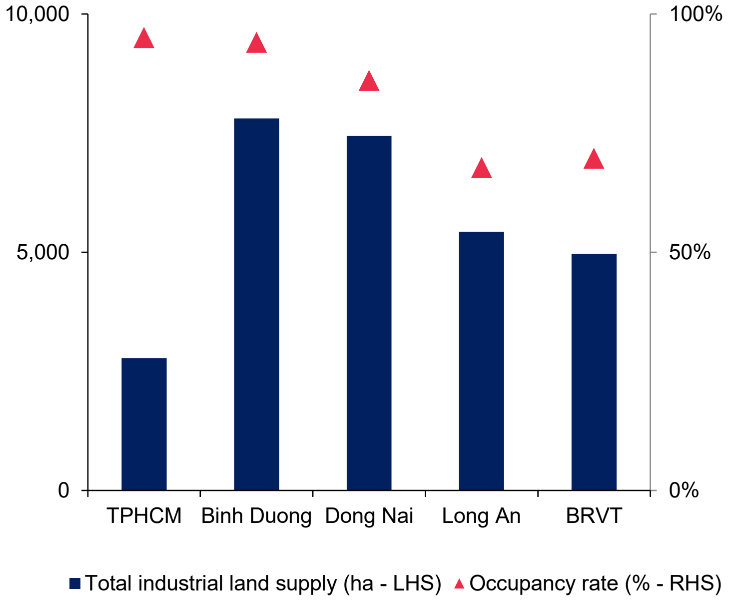
- According to CW, in the Southern market, the total supply of industrial land reached 28,500 ha, up 1.6% yoy. The occupancy rate remained high at 82%, with Binh Duong and Dong Nai leading in terms of land supply. The average primary asking rent rose by 3.5% yoy to 177 USD/sqrm.
- The ready-built segment recorded a total supply of 12.7 million sqrm, comprising 50.4% RBF and 49.6% RBW. The overall occupancy rate reached 79%. The average asking rent for RBF stood at 4.8 USD/sqrm/month, up 2.1% yoy, while RBW rents remained stable at 4.5 USD/sqrm/month. This growth was primarily supported by the robust expansion of the manufacturing sector, which benefited from favorable government policies and strategic investments. Additionally, the rising demand for logistics space, driven by the rapid development of e-commerce and growing regional consumption, further reinforced this upward trend.

Total leasable supply and average primary asking price



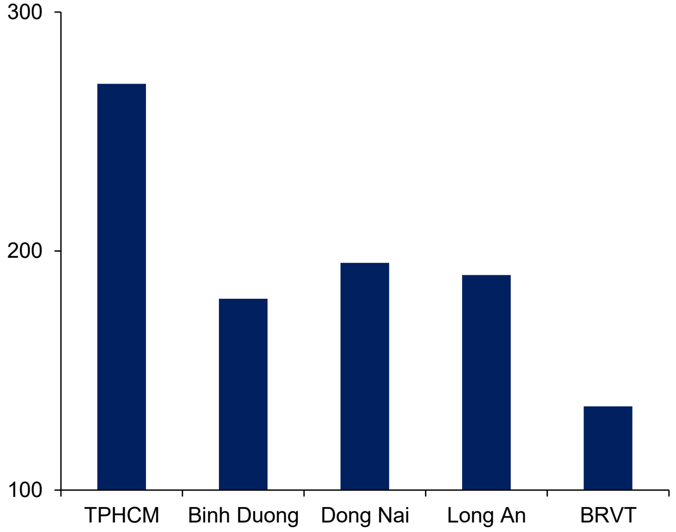
Source: CW, MBS Research

Industrial land supply



Source: CW, MBS Research

Asking rent



Source: CW, MBS Research

2025-26 Outlook: Master plan by 2030

- As of December 31, 2024, based on the master plans of all 63 provinces and cities, Vietnam is expected to develop 221 new industrial parks (IPs), expand 76 existing ones, and adjust 22 IPs by 2030. These plans reflect each locality's ambition to attract investment and develop industrial infrastructure in response to the global production shift trend. Rather than focusing solely on expanding current IPs, many localities are proactively planning new IPs, creating strong growth momentum.
- The expansion of IPs is anticipated to enhance Vietnam’s overall competitiveness while serving as a catalyst for broader socio-economic development, especially in comparison to neighboring countries.
- In terms of regional distribution, the Northern market leads in expansion, accounting for 59% of the planned number of new IPs and 56% of their total planned area. Quang Ninh and Hai Phong are at the forefront of this growth. Meanwhile, land supply in the Southern market remains limited, with approximately 18,500 ha expected to be added by 2030. The Central market is projected to emerge as a new investment hotspot, with key provinces including Quang Nam, Binh Dinh, and Thanh Hoa.

Master plan for IP development

	New IP		Expanded IP		Adjusted IP	
	No.	Area (‘000 ha)	No.	Area (‘000 ha)	No.	Area (‘000 ha)
Northern market	130	41	12	2	10	2
Central market	56	22	44	20	10	2
Southern market	35	10	20	8	2	0
Total	**221**	**73**	**76**	**31**	**22**	**5**

(Source: MBS Research)

Top 10 localities of new IP development

	Locality	Region	No.	Area (ha)
1	Quang Ninh	North	16	11,975
2	Hai Phong	North	20	7,034
3	Quang Nam	Central	15	6,557
4	Hung Yen	North	13	4,788
5	Binh Dinh	Central	8	4,345
6	Bac Giang	North	20	3,789
7	Thanh Hoa	Central	11	2,853
8	Dong Nai	South	10	2,840
9	Thua Thien Hue	Central	3	2,640
10	HCM City	South	10	2,465

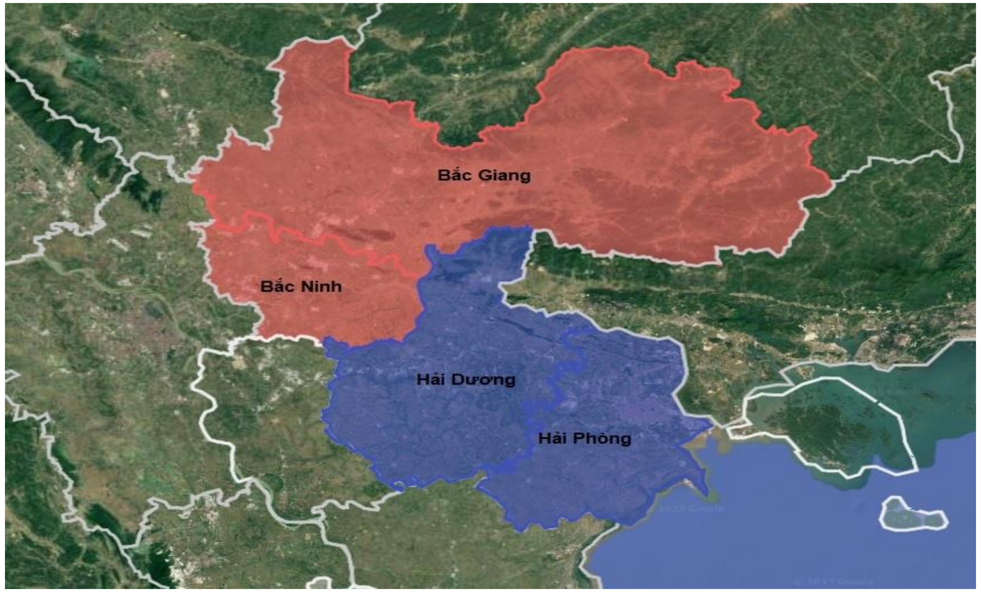
(Source: MBS Research)

2025-26 outlook: Boost for IP development after merger

Northern market: Integration of Tier-2 into Tier-1 markets

- Hai Phong – Hai Duong: Under the proposed merger plan of the two localities, a series of new roads will be developed to improve connectivity with the city center—particularly a transportation corridor linking areas of Hai Duong with western Hai Phong and key economic zones such as Dinh Vu – Cat Hai Economic Zone, the Southern Coastal Economic Zone of Hai Phong, and Hai Phong International Gateway Port in Lach Huyen. The Lao Cai – Hanoi – Hai Phong railway, which connects the Lao Cai border gate with Hanoi, Hung Yen, Hai Duong, and Lach Huyen Port (Hai Phong City), will further enhance passenger travel and cargo transport for businesses. We believe the merger offers greater advantages to the former Hai Duong province, which possesses a large land bank for new IP development (approximately 3,000 ha) and low rental rates.

- Bac Ninh – Bac Giang: Infrastructure development tends to follow the location of the administrative center. After the merger, the new administrative center is located in the former Bac Giang province. We expect industrial land rental prices to rise significantly, driven by increased infrastructure investment. With a substantial available land bank for new IPs (approximately 3,800 ha), we believe industrial land demand will gradually shift from Bac Ninh to Bac Giang in the near future.



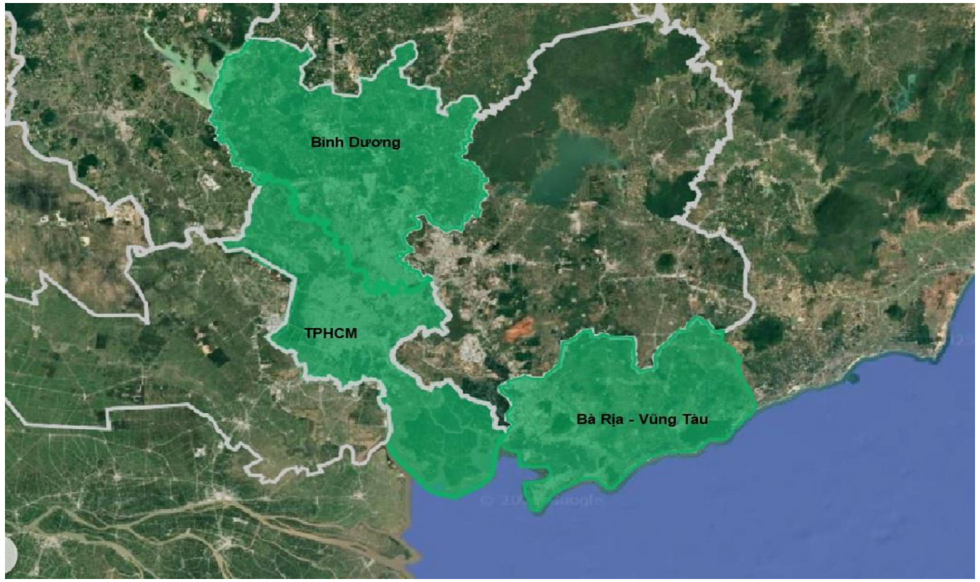
Bac Ninh – Bac Giang

Hai Phong – Hai Duong

Southern market: Emergence of an Industrial Hub within a Megacity

- Post-merger, new HCMC now meets the criteria of a megacity in terms of scale and population. The expanded city is anticipated to foster the formation of a new industrial center anchored in Binh Duong. Leveraging Binh Duong's well-established industrial infrastructure, this new center is poised to integrate IPs with urban and service areas, supporting regional industrial expansion. Major infrastructure projects are being implemented to strengthen regional connectivity. These include Metro Line No.1 linking Binh Duong andHCMC, the HCMC– Thu Dau Mot – Chon Thanh expressway, and additional connections to National Highway 13. These developments are designed to create a seamless transportation corridor to the new city center, facilitating both trade and workforce mobility.

HCMC – Binh Duong - BRVT



Risk from new US tariffs

FDI enterprises	Industry	Production scale		Action
		Vietnam	Other couties	
Samsung	Smartphones, electronic devices	Vietnam is Samsung's production center, contributing 60% of phones sold globally.	India produces 30% of phones; Brazil, Indonesia, South Korea and others produce the remaining.	Samsung is considering expanding factory capacity in India or South Korea to reduce its reliance on Vietnam, while relocating TV and home appliance production lines to Mexico.
Apple	Smartphones, tablets, laptops	Apple currently produces approximately 20% of its iPads and 90% of its Apple Watches.	China is the leading production hub, accounting for 42% of Apple's annual manufacturing output. India produces 15-20% of phones (35-40 million phones per year)	Apple has relocated 11 audio-visual equipment manufacturing facilities to Vietnam and has shown no intention of reversing this move despite the new U.S. tariffs. According to Nikkei Asia, Apple has increased the share of iPad and Apple Watch production in Vietnam to 25%, underscoring Vietnam's growing importance in the company's supply chain. The plan to begin MacBook production in Vietnam by the end of 2025 aligns with the strategic direction announced in 2022.
Nike	Sportwear	Nike operates 162 factories manufacturing footwear, apparel, and sports equipment. Vietnam accounts for 50% of Nike's global footwear production and 29% of its apparel output.	Nike produces 18% of its footwear in India and 9% in Bangladesh.	Nike is awaiting the result of Vietnam–U.S. trade negotiations. In the meantime, the company is considering relocating part of its production to lower-tariff countries such as India and Bangladesh.
LG	Smartphones, electronic devices	LG manufactures and assembles more than 16.8 million high-tech electronic and refrigeration products annually. In addition, the company operates a dedicated factory producing camera modules with a monthly output of approximately 30 million units, primarily for export	LG also operates multiple manufacturing facilities in China, South Korea, Indonesia, and India.	LG has suspended the expansion of its microwave and refrigerator factory in Hai Phong, and is considering relocating part of its production to Thailand. LG is considering increasing production in the U.S., with plans to invest USD 100 million to construct an additional building at its washing machine and dryer factory in Tennessee. According to LG's CEO, the company is also prepared to expand production of refrigerators and ovens in the U.S. In parallel, LG plans to ramp up output in Mexico — a country not affected by the new U.S. tariffs. The company also intends to adjust its level of reliance on certain Southeast Asian markets, including Vietnam.

(Source: MBS Research)

Risk from new US tariffs

FDI enterprises	Industry	Production scale		Action
		Vietnam	Other countries	
Intel	Smartphones, electronic devices	Intel has contributed USD 100 billion to Vietnam's total export turnover.	Intel's manufacturing facilities are primarily located in the United States and China	Intel, along with HP and Dell, is considering shifting part of its manufacturing to low-tariff countries such as India or Indonesia. Intel has already announced plans to accelerate the relocation of certain operations from Vietnam to Indonesia.
Foxconn	Smartphones, electronic devices	Foxconn's exports from Vietnam account for only 1–5% of its total export value	Approximately 80% of Foxconn's export value originates from India, with the remainder coming from China, Taiwan, and Indonesia	Foxconn and Goertek continue to expand their investments in Vietnam.
Goertek	Smartphones, electronic devices	Goertek's exports from Vietnam account for 70% of its total export value	The remaining production capacity is primarily located in China.	Goertek is continuing to expand its factory in Bac Ninh and has increased its investment by an additional USD 280 million to meet orders from Apple and Meta.

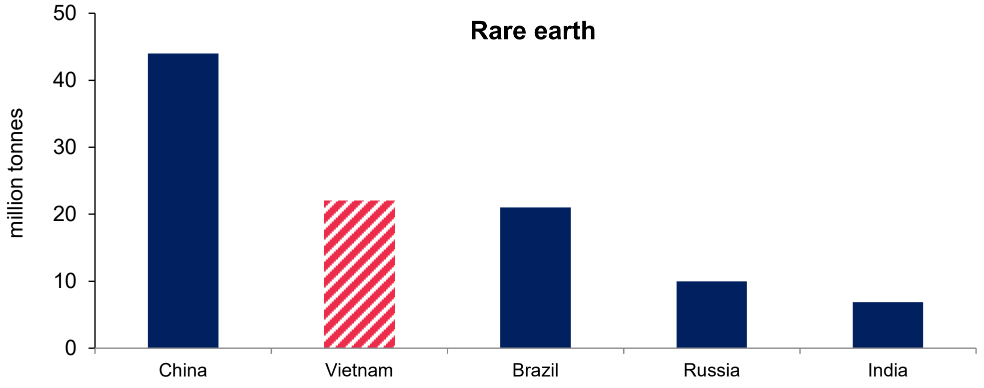
(Source: MBS Research)

Impacts on IP developers

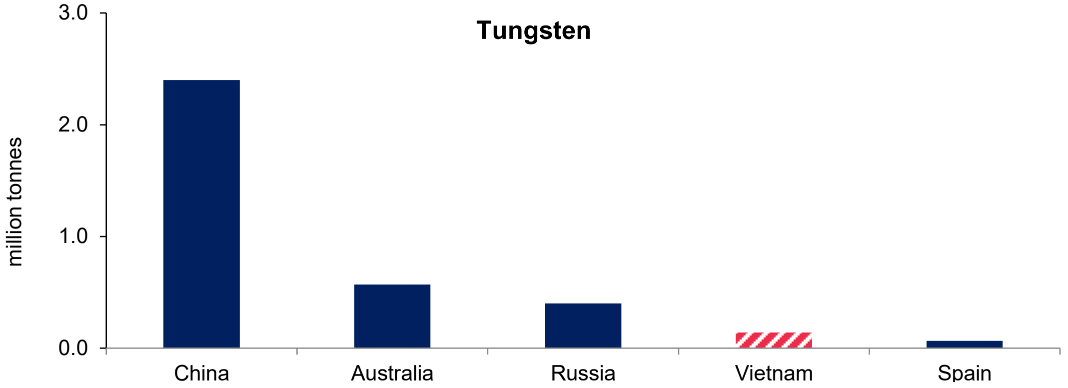
- In the short term, amid global uncertainty surrounding tariff policies, many companies are adopting a "wait-and-see" approach. Both domestic and foreign manufacturing investment flows are expected to slow, with many businesses delaying production expansion plans. This, in turn, will dampen demand for industrial land leasing in 2025.
  - ✓ One-time revenue recognition enterperises: These are IP developers that recognize revenue at the time of land handover. With leasing demand softening, 2025 earnings of these enterprises are expected to be negatively impacted. Representative names include KBC, IDC, VGC, and SZC.
  - ✓ Straight-line allocation revenue recognition enterprises: These companies recognize revenue gradually over the lease period. They collect income annually based on the handed-over land area. Since tenants have already invested in production infrastructure and are less likely to relocate, cash flows from IP leasing remain stable. Thus, 2025 earnings for these enterprises are expected to remain relatively stable, in line with previous years. Examples include SIP and NTC.
- In the medium term, we expect trade negotiations between countries to conclude in 2025. As tariff policies become more predictable, companies will be better positioned to finalize their medium- and long-term investment plans, potentially reviving capital flows. However, it is still too early to assess how FDI inflows into Vietnam's manufacturing sector will shift in the coming years. The outcome will not only depend on Vietnam–U.S. trade talks but also on tariff dynamics between the U.S. and Vietnam's regional competitors.

Vietnam's adaptation strategy: Advantages of attracting FDI capital

Vietnam has the large rare-earth and tungsten reserves for high-tech development ….

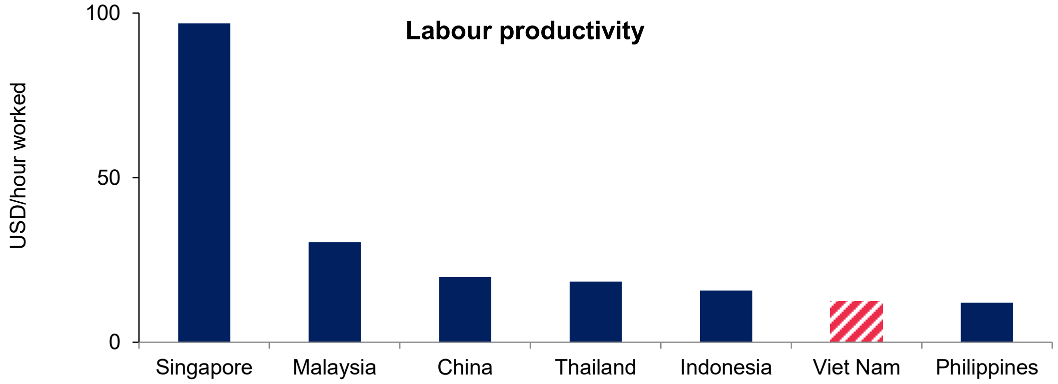


(Source: MBS Research)

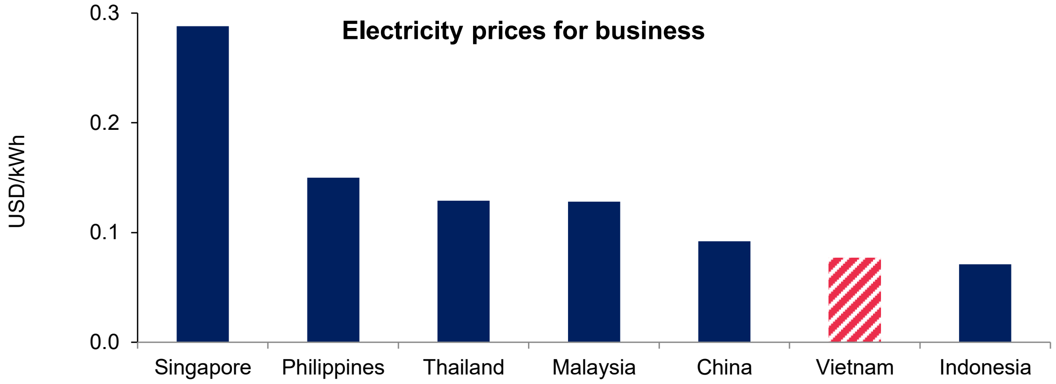


(Source: MBS Research)

…..and lower costs than neighbouring countries



(Source: International Labour Organization)



(Source: Global Petrol Prices)

Vietnam's adaptation strategy: Infrastructure development

- The Northern region benefits from significant infrastructure enhancements, including three major seaports: Hai Phong Port, Lach Huyen Deep Water Port, and Cai Lan Port. The extensive port system in Hai Phong, Quang Ninh, Thai Binh, and Nam Dinh, coupled with Noi Bai and Cat Bi International Airports, provides comprehensive regional and international connectivity. This region accounts for approximately 61% of Vietnam's total highway network and is home to the country's longest and most modern expressway—the Lao Cai–Quang Ninh route, stretching nearly 600 km. Numerous regional highways link key industrial zones with Hanoi and the Chinese border, further enhancing the region's attractiveness to foreign investors. Between 2025 and 2030, several critical infrastructure projects are scheduled for implementation, including Ring Road 4 phase 1, the Hoa Binh–Moc Chau expressway, and the Lao Cai–Hanoi–Hai Phong railway.

- In the Southern region, infrastructure is also robust, supported by Tan Son Nhat and Can Tho International Airports and an expanding network of national highways and expressways. This ensures strong access to both domestic and international markets. Key upcoming projects include the Ben Luc–Long Thanh, Bien Hoa–Vung Tau, and HCMC–Thu Dau Mot–Chon Thanh expressways, along with Ring Roads 3 and 4.

- The Government continues to prioritize and accelerate major infrastructure initiatives across the country to strengthen inter-regional connectivity, improve access to airports and seaports, reduce logistics costs, and enhance overall operational efficiency.

Key infrastructure projects in the North…..

Project	Investment capital (VND bn)	Timeline	Beneficiary areas
Ring Road 4 phase 1	85,800	2023-2027	Ha Noi, Hung Yen, Bac Ninh
Hoa Binh – Moc Chau expressway	10,000	2024-2028	Hoa Binh, Son La
Lao Cai – Ha Noi – Hai Phong railway	203,000	2025-2030	Lao Cai, Yen Bai, Phu Tho, Vinh Phuc, Ha Noi, Bac Ninh, Hung Yen, Hai Duong and Hai Phong

…..and the South

Project	Investment capital (VNDbn)	Timeline	Beneficiary areas
Ring Road 3	75,000	2023 - 2026	HCMC, Binh Duong, Dong Nai, Long An
Long Thanh International Airport phase 1	110,000	2021 - 2026	Dong Nai, BR-VT, HCMC
Ring Road 4. phase 1	120,000	2025 - 2030	HCMC, Binh Duong, Dong Nai, Long An, BRVT
HCM City – Thu Dau Mot – Chon Thanh expressway	17,400	2025 - 2027	HCM City, Binh Duong, Binh Phuoc

(Source: MBS Research)

Vietnam's adaption strategy: Handling goods origin fraud

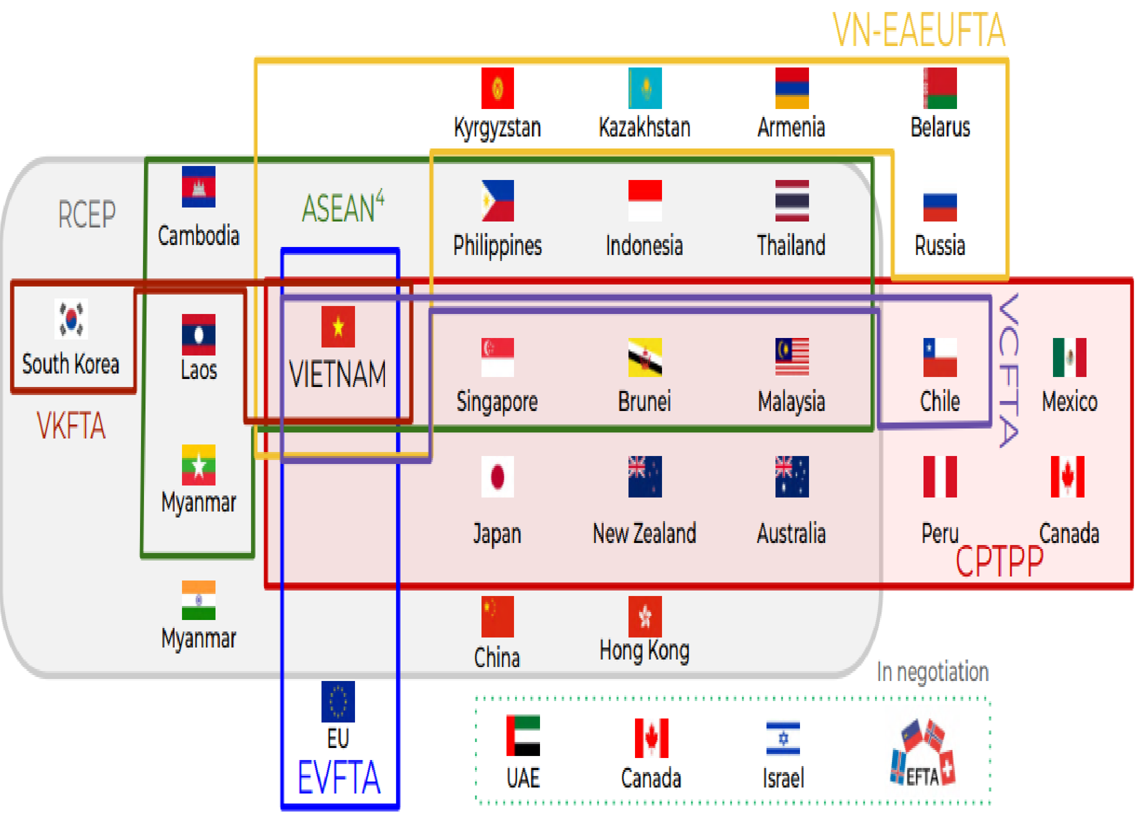
- Regarding the Vietnam–US trade negotiations, the US is focusing on the issue of goods origin fraud from Vietnam, particularly the re-labeling of Chinese goods as Vietnamese for export to the US. To address this problem, Vietnam must improve the management of imported and exported goods to ensure clear traceability. If the issue is resolved, the US may impose a tax rate of 20% on goods that are 100% of Vietnamese origin (100% C/O), and a rate of 40% on transshippment goods.

- The Government of Vietnam has adopted a range of measures to prevent goods origin fraud, including: (1) strengthening inspection and supervision of the issuance of C/O, with particular focus on cases showing signs of fraud; (2) enhancing inter-agency coordination in the fight against smuggling and trade fraud; and (3) implementing origin management and trade defense measures to control over imported goods.

- In addition, the Government has set a strategic direction for Ho Chi Minh City and Da Nang to become international financial centers. This initiative aims to attract investment capital to support the three strategic breakthroughs, both traditional and emerging growth drivers, and to promote the development of advanced financial services, pilot and manage new markets. At the same time, it seeks to build a high-quality workforce, strengthen global economic integration, and elevate Vietnam's position in the international financial landscape, thereby contributing to Vietnam's overall economic development.

- On December 31, 2024, the Vietnamese Government issued Decree No. 182/2024/ND-CP on the establishment, management, and use of the Investment Support Fund. The fund is designed to provide financial support to enterprises in high-tech sectors—such as semiconductors, chip manufacturing, and artificial intelligence (AI)—that are impacted by the global minimum tax policy. Under the decree, eligible enterprises investing in or operating projects within these industries are entitled to direct cash support. This includes assistance for human resource development, R&D expenditures, fixed asset investment, manufacturing costs, and infrastructure development. The support is granted for a period of five years. While this policy is a strategic step toward enhancing Vietnam's competitiveness in attracting FDI under the global minimum tax regime, its limited scope—focused solely on high-tech sectors—and the relatively short support period in relation to the typical business cycle may constrain its broader impact

Market diversification thanks to FTAs



FY25-26F key financial metrics of stock under our coverage

	BCM			KBC			IDC			SZC			GVR			PHR		
	2024	2025F	2026F	2024	2025F	2026F	2024	2025F	2026F	2024	2025F	2026F	2024	2025F	2026F	2024	2025F	2026F
Revenue	5,239	6,648	7,580	2,776	5,772	7,611	8,846	8,434	9,322	871	1,043	1,187	26,242	29,137	27,778	1,633	1,513	1,390
yoy (%)	*-33.5%*	*26.9%*	*14.0%*	*49.4%*	*107.9%*	*31.9%*	*22.2%*	*-4.7%*	*10.5%*	*6.4%*	*19.8%*	*13.8%*	*18.5%*	*11.0%*	*-4.7%*	*20.9%*	*-7.4%*	*-8.1%*
Gross profit	3,498	3,675	3,706	1,283	2,355	3,532	3,337	2,930	3,088	431	479	561	6,965	7,645	7,163	422	338	261
Gross margin (%)	*66.8%*	*55.3%*	*48.9%*	*46%*	*40.8%*	*46.4%*	*37.7%*	*34.7%*	*33.1%*	*49.5%*	*45.9%*	*47.3%*	*26.5%*	*26.2%*	*25.8%*	*25.9%*	*22.3%*	*18.8%*
EBITDA	2,047	2,170	2,310	495	1,584	2,500	4,292	3,324	3,437	683	493	566	6,789	5,595	6,061	393	369	333
EBITDA margin (%)	*78.9%*	*54.9%*	*53.9%*	*17.8%*	*27.4%*	*32.8%*	*50.6%*	*42.4%*	*39.4%*	*83.0%*	*48.8%*	*48.8%*	*33.4%*	*27.8%*	*29.5%*	*43.0%*	*56.8%*	*61.8%*
Net profit	2,187	1,679	2,200	382	1,030	1,705	1,996	1,618	1,724	302	296	346	3,989	4,132	3,692	460	510	484
yoy (%)	*-9.7%*	*-23.2%*	*31.0%*	*18.8%*	*169.6%*	*65.6%*	*43.2%*	*-18.9%*	*6.6%*	*38.6%*	*-2.1%*	*17.1%*	*52.1%*	*3.6%*	*-10.7%*	*-25.8%*	*10.8%*	*-5.0%*
EPS (VND/share)	2,113	1,622	2,125	498	1,342	2,222	6,049	4,903	5,225	1,678	1,643	1,923	997	1,033	923	3,395	3,762	3,576
BVPS (VND/share)	18,927	19,952	21,450	24,176	25,518	27,740	17,018	18,865	20,031	17,254	17,897	18,320	13,246	13,865	14,188	27,604	27,573	28,221
Net cash/share	-20,409	-20,183	-19,110	-2,200	-1,650	-1,320	10,027	9,959	9,950	-7,180	-9,606	-9,331	3,914	3,838	3,977	13,383	14,961	15,358
Net debts/equity	103.6%	95.9%	84.3%	17.2%	15.5%	19.3%	13.2%	-1.3%	-2.8%	52.4%	65.1%	63.2%	2.2%	2.7%	2.6%	-3.3%	-1.4%	-4.8%
Dividend yield (%)	1.5%	0.0%	0.7%	0.0%	0.0%	0.0%	8.7%	6.5%	8.7%	2.7%	2.7%	4.1%	1.0%	1.3%	2.0%	5.0%	5.0%	5.0%
ROAE (%)	11.5%	8.3%	10.3%	2.1%	5.2%	6.8%	37.7%	27.3%	26.9%	12.5%	9.3%	10.6%	7.8%	7.6%	6.6%	12.5%	13.6%	12.8%
ROAA (%)	3.9%	2.8%	3.7%	1.0%	2.1%	2.6%	10.9%	8.4%	8.6%	4.0%	3.5%	4.0%	4.9%	4.9%	4.2%	7.6%	8.3%	7.6%

Source: Companies' financial statements, MBS Research

Investment strategy: We prefer BCM stock in 2H25

Listed IP developer	Target price (VND/share)	Ratings	Investment thesis
BCM	77,500	ADD	▪ The merger of Binh Duong into HCMC presents new growth opportunities for Binh Duong, positioning it as an industrial nucleus within a megacity. This transformation is supported by enhanced inter-regional transport infrastructure linking the two areas, the development of high-tech industries driven by high-skilled labor, and the optimization of both economic and administrative resources post-merger. As a leading enterprise in Binh Duong, BCM stands to benefit significantly from these favorable structural shifts, leveraging its established foundation and extensive experience in industrial development ▪ We anticipate that the ongoing trade negotiations between Vietnam and the US will yield mutually beneficial outcomes, including the potential reduction of reciprocal tariffs imposed on Vietnamese goods. ▪ BCM’s stock price has recently experienced a sharp decline, primarily attributed to investor concerns over the U.S. tariff policy's impact on the IP segment. Valuation assessments indicate that the IP business accounts for approximately 20–30% of BCM’s total asset value, with the remaining portion comprising a sizeable, underutilized landbank. Given current market conditions, we believe BCM's share price represents a relatively attractive entry point for long-term investors..
KBC	35,100	ADD	▪ Key partners of KBC, including Foxconn, Goertek, and Luxshare, are still awaiting the result of trade negotiations between Vietnam and the US and have yet to make plans to relocate their production lines. We expect land lease agreements between KBC and these tenants to be finalized and handed over within this year. In addition, KBC's land bank has been expanded through new IPs such as Trang Due 3, Kim Thanh 2, and Que Vo 2 ext, providing momentum for long-term growth. ▪ The Trang Cat urban area project has achieved significant legal progress, with the investment license and land use fee procedures completed. KBC is currently conducting land leveling and infrastructure development. We expect the project to launch in 2026 as planned, potentially driving a sharp increase in net profit that year. ▪ KBC has approved a private placement of 250 million shares at a price of VND 23,900/share, with an estimated proceeds of approximately VND 6,000 billion. This capital will contribute to improving the company’s financial structure and strengthening its balance sheet.
IDC	55,500	ADD	▪ IDC expanded its industrial land bank by 1,200 ha through the addition of four new IPs, including Tan Phuoc 1, Vinh Quang phase 1, Phu Long, and My Xuan B1 ext. However, tenants remain cautious and are awaiting the result of trade negotiations between Vietnam and the US. We maintain a cautious view on IDC due to the slower-than-expected pace of new lease signings. ▪ The company maintains a high cash dividend policy, with a payout ratio of 30–40%, equivalent to a dividend yield of approximately 7.5–10% per annum ▪ IDC’s share price declined sharply following the announcement of new US tariffs. We believe the share price presents an attractive entry point, given the underlying asset potential from IDC’s new IPs.
SZC	39,300	HOLD	▪ Although tariff impacts may affect SZC’s short-term business performance, we remain positive on its long-term potential given: (i) the promising outlook of Ba Ria - Vung Tau province, supported by multiple ongoing and upcoming national key infrastructure projects; (ii) SZC’s large industrial land bank with competitive rental rates compared to neighboring industrial zones; and (iii) a sizable urban land bank with low land acquisition cost.

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Listed IP developer	Target price (VND/share)	Ratings	Investment thesis
GVR	34,300	ADD	▪ GVR holds strong long-term growth potential supported by three key drivers: (1) a global shortage of natural rubber supply, (2) new industrial land banks, and (3) the potential for rubber land conversion. ▪ We expect the trade negotiations between Vietnam and the US to yield favorable outcomes, leading to a more reasonable level of new tariffs. This would improve the outlook for the IP sector. The key growth driver for land leasing revenue will come from new IPs, notably NTU 3 IP, which could generate extraordinary profit by recognizing one-time revenue instead of straight-line revenue. Additionally, new IPs such as Hiep Thanh, Rach Bap phase 2, Bac Dong Phu ext, and Minh Hung 3 phase 2 are expected to add over 1,700 ha of land, providing a solid foundation for long-term development.
PHR	67,000	HOLD	▪ We expect extraordinary profit contributions from NTU 3 and VSIP 3 Binh Duong. NTU 3 IP may recognize one-time revenue instead of straight-line revenue. For VSIP 3 Binh Duong, PHR is entitled to 20% of the profit generated from land leasing on the compensated land area. The IP has attracted several major investment projects since the beginning of the year. ▪ We also expect PHR to receive rubber land compensation for the development of Bac Tan Uyen 1 IP by THACO. The compensation rate is expected to be no less than VND 2.5 billion/ha, with total proceeds estimated at around VND 2,000 billion.

Peer comparison

Company name	Ticker	Market price (VND/share)	Target price (VND/share)	Ratings	Market Cap (VNDbn)	P/E		P/B		ROE (%)		ROA (%)	
						TTM	2025	TTM	2025	TTM	2025	TTM	2025
Becamex IDC	BCM	67,100	77,500	ADD	69,449	28.6	41.4	3.5	3.4	12.5	8.3	4.3	2.8
Kinh Bac City	KBC	28,200	35,100	ADD	26,557	17.5	30.4	1.4	1.7	6.7	5.2	2.8	2.3
IDICO	IDC	46,000	55,500	ADD	15,180	9.3	9.4	2.8	2.4	31.2	27.3	8.9	8.4
Sonadezi Chau Duc	SZC	36,750	39,300	HOLD	6,614	18.3	22.4	2.1	2.1	11.8	9.3	4.5	3.5
IP industry average						**18.4**	**25.9**	**2.5**	**2.4**	**15.6**	**12.5**	**5.1**	**4.3**
Vietnam Rubber Group	GVR	29,850	34,300	ADD	119,400	25.6	28.9	2.2	2.2	8.9	7.6	5.8	4.9
Phuoc Hoa Rubber	PHR	60,200	67,000	HOLD	8,157	16.9	16.0	2.1	2.2	12.6	13.6	8.1	8.3
Rubber and IP industry average						**21.3**	**22.5**	**2.2**	**2.2**	**10.8**	**10.6**	**7.0**	**6.6**

Source: Fiinpro, MBS Research

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MBS INVESTMENT RECOMMENDATION

Stock rating

Our investment recommendations are based on the expected profitability of the stock, calculated as the sum of (i) the percentage difference between target price and market price at the time of publication, and (ii) expected dividend yield. Unless otherwise stated in the report, investment recommendations have an investment horizon of 12 months.

ADD	The stock can generate a profitability of 15% or more
HOLD	The stock can generate a profitability of between -15% and 15%
REDUCE	The stock can generate a loss of 15% or more

Sector rating

POSITIVE	Industry stocks have Add recommendations on a weighted market capitalization basis
NEUTRAL	Industry stocks have Hold recommendations on a weighted market capitalization basis
NEGATIVE	Industry stocks have Reduce recommendations on a weighted market capitalization basis

MBS RESEARCH TEAM

Director, Head of Research

Tran Thi Khanh Hien

Deputy Head of Equity Research

Nguyen Tien Dzung

Macro & Market Strategy

Nghiem Phu Cuong

Ngo Quoc Hung

Dinh Ha Anh

Vo Duc Anh

Banking – Financial Services

Dinh Cong Luyen

Pham Thi Thanh Huong

Real Estate

Nguyen Minh Duc

Le Hai Thanh

Pham Thi Thanh Huyen

Energy - Industrials

Nguyen Ha Duc Tung

Mai Anh Duy

Consumer – Retail

Nguyen Quynh Ly

Associate Analyst

Nguyen Phuong Anh