

VIETNAM REAL ESTATE REPORT 2021

EXECUTIVE SUMMARY

In Mar 2021, Real Estate Industry Report was published by VietnamCredit, providing the general information about Vietnam's economic situation, overview of the real estate industry and key ratios in 2020. Especially, ten outstanding enterprises in real estate industry based on company scale, credit rating and business performance in 2020 were selected by VietnamCredit and presented in the report.

The outbreak of Covid-19 pandemic posed adverse impact on real estate market in first months of 2020. There was a sign of recovery in latest months but it was not actually significant. Among real estate products, tourism real estate seemed to be most vulnerable to unfavorable market conditions. Meanwhile, industrial real estate benefited from relocating production from foreign countries. In Ho Chi Minh market, the shortage of affordable houses evoked impediments for low – income consumers. In Ha Noi market, the absorption rate for residential real estate was about half of the supplies.

According to real estate experts, real estate market is expected to bounce back in upcoming time. Vietnam consistently obtains government's dual goals of pandemic prevention and economic recovery. Therefore, the growth of macro – economics factors are quite stable. Although there are concerns about "Real Estate Bubble in the market", the likelihood of this scenario is low. In spite of high price, real estate is still an attractive investment channel in the current economic and social context.

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ABBREVIATION	MEANING
GDP	Gross Domestic Product
CPI	Consumer Price Index
USD	United States Dollar
VND	Vietnamese Dong
VNC	VietnamCredit
PPI	Producer Price Index
FDI	Foreign Direct Investment
GSO	General Statistics Office of Vietnam
MPI	Ministry of Planning and Investment
US	United States
EU	European Union
EVFTA	European Union-Vietnam Free Trade Agreement
FTA	Free Trade Agreement
HOSE	Ho Chi Minh Stock Exchange
HOREA	Ho Chi Minh Real Estate Association
MOC	Ministry Of Construction
VREBA	Vietnam Real Estate Brokers Association
VSIP	Vietnam – Singapore Industrial Park
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-	-
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-	-
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1. VIETNAM'S ECONOMIC SITUATION



1.1. ECONOMIC GROWTH

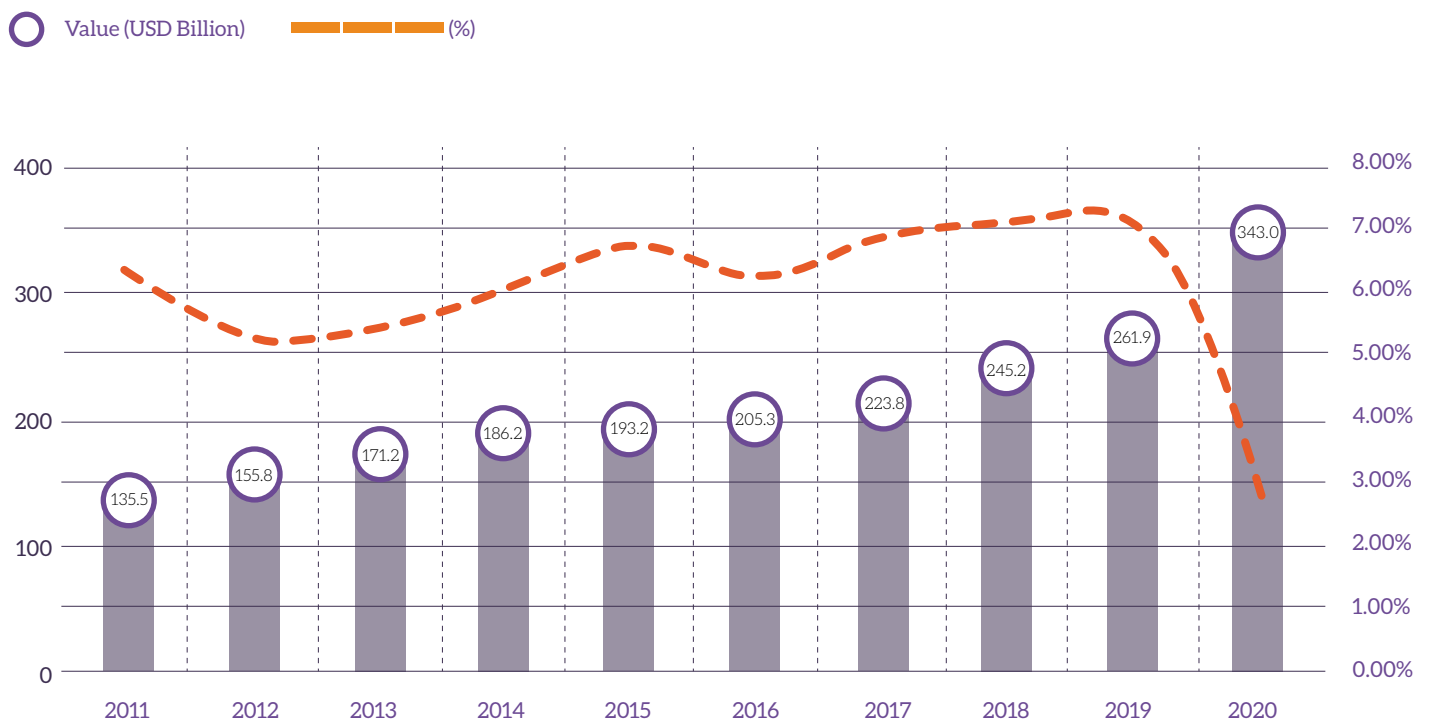
Over the past years, the Vietnamese economy had maintained a stable development with the average **GDP increasing by 6.3% per year from 2011-2019**. Especially, by the end of 2019, Vietnam continued to gain impressive results with an increase of 7.02% in GDP. This marked the second consecutive year that the economic growth accelerated to over 7%. Besides, the size of the economy has been steadily expanding, reaching more than USD 261.9 billion in 2019.

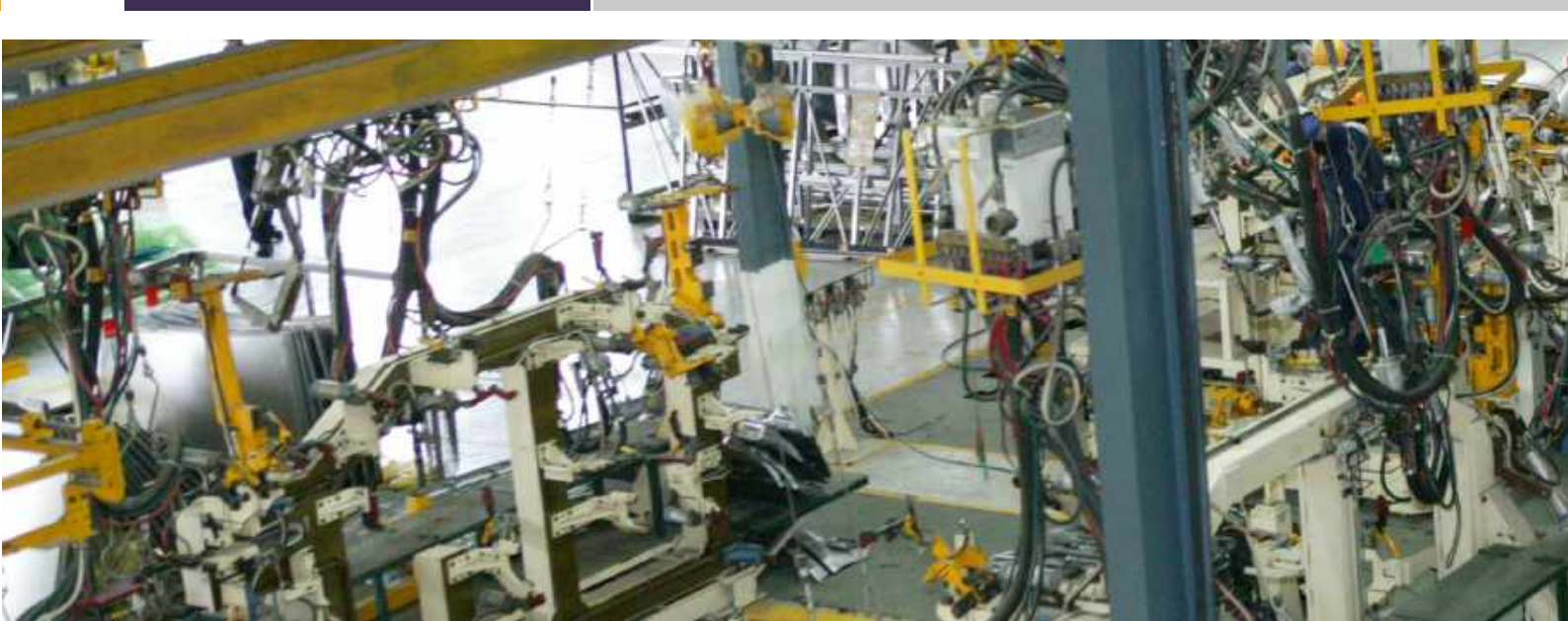
The complicated and unpredictable developments of the Covid-19 pandemic on a global scale and the impacts of natural disasters, climate change and floods in some provinces and cities in the country have had a great impact on all aspects of the socio-economic development in Vietnam. **GSO announced Q4/2020 and 2020 GDP growth was only 4.48% and 2.91%, respectively**, the lowest growth in the 2011-2020 period but are still among the highest in the world.

In the context of a global economic stagnation due to the effects of the Covid-19 pandemic, by the end of 2020, Vietnam has achieved a "dual goal" in the prevention of Covid-19 and maintained economic growth and highly regarded by world economic organizations.



Chart 1.1.1: 2011-2020 Vietnam GDP Growth Rate at constant 2010 prices (%)





ECONOMIC GROWTH BY SECTOR

Covid-19 pandemic slowed down growth in almost all sectors. The situation of international trade disruptions caused consequences to the production, export and import activities of Vietnam.

Although drought, saline intrusion, rain, and flood had affected productivity, crop yields, and exports were delayed due to the pandemic, **Agriculture, forestry and fishery sector still increased by 2.68%**, above that of 2.01% in previous year. In which, **the agricultural area rose by 2.55%, the forestry sub-sector grew by 2.82%, and the fishery industry progressed by 3.08%**, helping this sector contributed 13.50% of the entire economy's growth rate.

The EVFTA is implemented boosted the **Industry and construction sector's growth rate of 3.36%**, highest among economic sectors. The processing and **manufacturing industry continued remaining its main role in driving economic growth with an increase of 5.82%**. **Electricity production and distribution rose by 3.92%; water supply, scrap and wastewater management and treatment increased by 5.51%; and the construction industry developed by 6.76% while mining depreciated by 5.62%.**



Table 1.1.1. 2020 GDP growth by sector at constant 2010 prices (%)

Source: GSO, VNC

	VALUE (USD BILLION)	PROPORTION (%)	GROWTH RATE & 2019 (%)
Total	343.00	100.00%	2.91%
Agriculture, forestry and fishery	46.31	13.50%	2.68%
Industry and construction	181.79	53.00%	3.36%
Service	114.91	33.50%	2.34%

The Service sector in 2020 reached the lowest growth rate of the years 2011-2020. Total retail sales of consumer goods and services dropped by 1.2% in first 6 months of 2020. Nevertheless, that indicated a recovery by 6.2% in last 6 months of 2020. The growth details of the sub-sectors are as follows: **Wholesale and retail climbed by 5.53% compared with previous year; Finance, banking and insurance activities rose by 6.87%; Transportation and warehousing industry reduced by 1.88%; and Hospitality and food service industry strongly decreased by 14.68%.**

1.2. TRADE AND PRICES

Total retail sales of consumer goods and services

Thanks to the well-implemented domestic pandemic control, trade and consumer services still had a high growth rate in the last months of the year. **Total retail sales of consumer goods and services were VND 5,059.8 trillion in 2020, rising by 2.6%** over the previous year. The growth momentum of total retail sales of consumer goods and services had been maintained thanks to the dominant **sub-sector retail sales** which accounted for 79% of the total amount. **Revenue in 2020 of this area was VND 3,996.9 trillion, up 6.8%** from the previous year. While other sub-sectors were down. Specifically, **revenue from accommodation & catering services reached VND 510.4 trillion (contracted by 13%); travel tourism revenue reached VND 17.9 trillion (a significant drop by 59.5%); other services' revenue reached VND 534.6 trillion (declined by 4%); and revenue from telecommunications activities in 2020 was VND 381 trillion, down 0.6% from the previous year.**

Complicated Covid-19 pandemic continuously evoked difficulties in transport activities, mainly for overseas transportation. The number of international visitors to Vietnam for the whole year of 2020 was only 3.8 million, a dramatic reduction of 78.7% compared with the previous year, of which more than 96% were cosmopolitan travelers in the first quarter of 2020. Besides, the implementation of social distancing to prevent pandemics strongly affected passenger and cargo transportation activities.

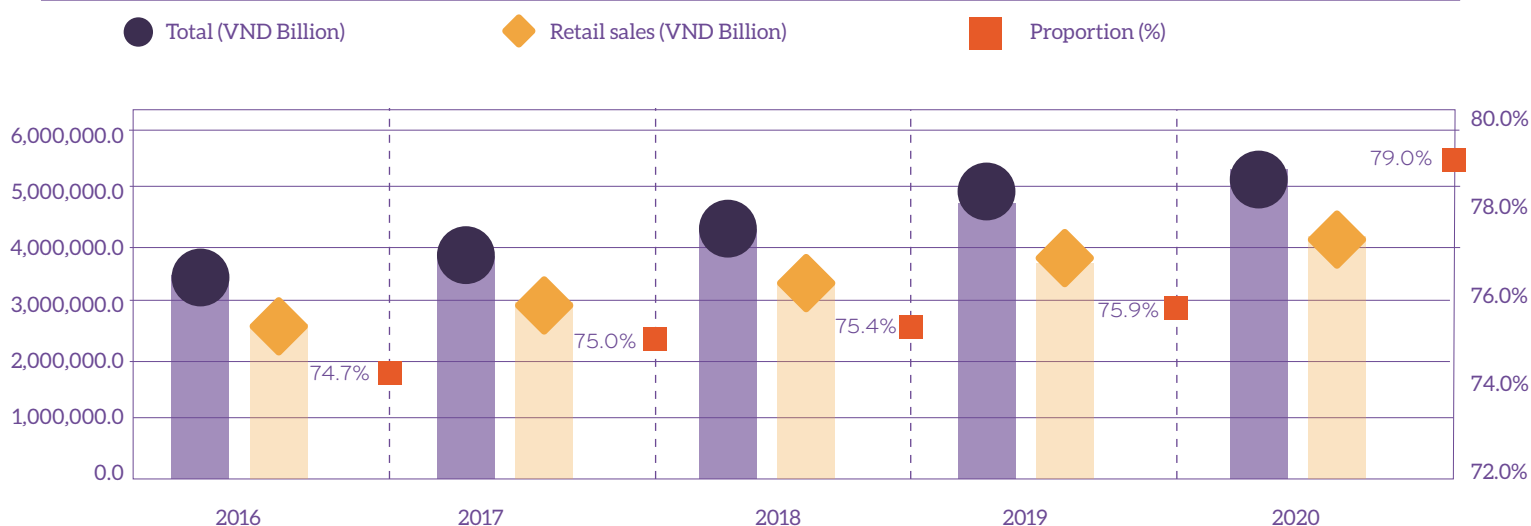
Consumer Price Index (CPI)

Rising in gas and oil prices in the country in line with world fuel prices, the increase in rice price consistent with the export rice price and the improvement in consumer demand at the end of the year are factors that made the consumer price index (CPI) in December 2020 increase by 0.19% over December 2019 (lowest level in 2016 – 2020 period). **Average CPI of 2020 rose by 3.23%** compared to 2019, meeting the target below of 4% set by the Vietnam National Assembly.

Vietnam Electricity ended its support program to reduce electricity prices for customers. In addition, an increase in prices of food, outdoor eating and drinking, and public transport service during Lunar New Year were main determinants moving up CPI by 1.52% over previous month (that was highest increase level in February when compared with the same month in recent 8 years).

Chart 1.2.1: 2016-2020 Total vs Retail sales of consumer goods and services at current prices

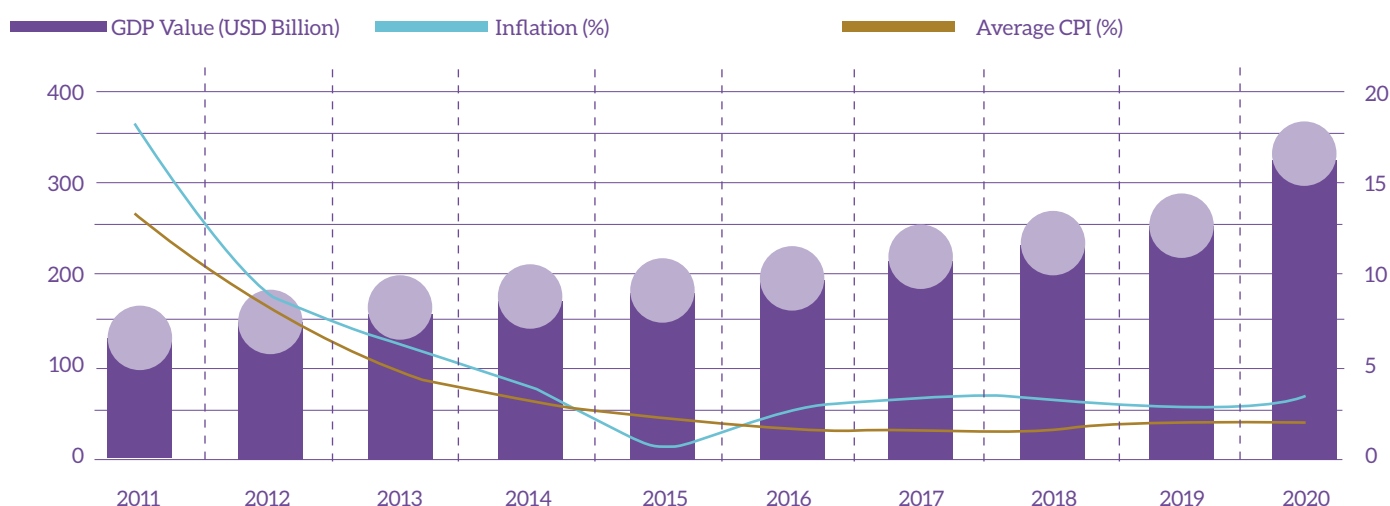
Source: GSO, VNC



In the first 2 months of 2021, average CPI indicated a drop by 0.14% comparing to the same period last year. There were 10/11 goods and services had an increase in price indexes, especially for the group of housing and construction materials, food & catering services and transport. Meanwhile, the price index of education was unchanged in this period.

Chart 1.2.2: 2011-2020 GDP Growth, CPI and Inflation (Last year = 100)

Source: GSO, VNC



Inflation

Vietnam had seen a considerable improvement in average core inflation, declining from 13.62% in 2011 to 1.41% in 2017. Inflation rate was kept within favorable limits and **gradually increased to 2.31% in 2020**.

Core inflation rate in February 2021 rose by 0.48% (over January 2021) and 0.79% (over February 2020). **Averaged core inflation rate in first 2 months of 2021 climbed by 0.64%** (higher than that in the same period last year).

Gold price

The domestic gold price fluctuated according to the opposite direction of the world gold price. The world gold price on average as of 24th February 2021 showed a drop by 2.7% compared to January 2021. This incident was attributed to the fact that investors were optimistic about the economic recovery that would increase bond yields and make gold become a less attractive investment channel. In domestic market, gold trading enterprises constantly kept its goods at high prices before Lunar New Year. Besides demand for gold increased on the God of Wealth Day making **February 2021 gold price index increase by 0.25% (over previous month), 2.42% (over December 2020), and 25.08% (over the same period in 2020)**.

There was a fall in US dollar on world markets due to strong attractiveness of cryptocurrencies. In the country, the foreign currency reserve of the State Bank of Vietnam is abundant to satisfy the foreign currency demand of importing enterprises. **US dollar price index in February 2021 declined by 0.17% (compared with previous month), 0.33% (compared with December 2020), and 0.76% (comparing to the same period in 2020)**.

Producer Price Index (PPI)

PPI for agriculture, forestry and fishery products in Q4/2020 increased by 0.88% compared to the previous quarter and by 7.75% compared to the same period last year. In general, **PPI for this sector rose by 8.24% in 2020**. PPI for industry products in Q4/2020 climbed by 0.1% over the previous quarter and dropped by 0.78% over the same period last year. **For the whole year of 2020, PPI for industry products decreased by 0.6% over previous year**. Meanwhile, PPI for services in Q4/2020 grew by 0.66% compared to the previous quarter and fell by 1.3% year over year. **In 2020, PPI for services dropped by 0.73% when compared with last year**.

Commodity Terms

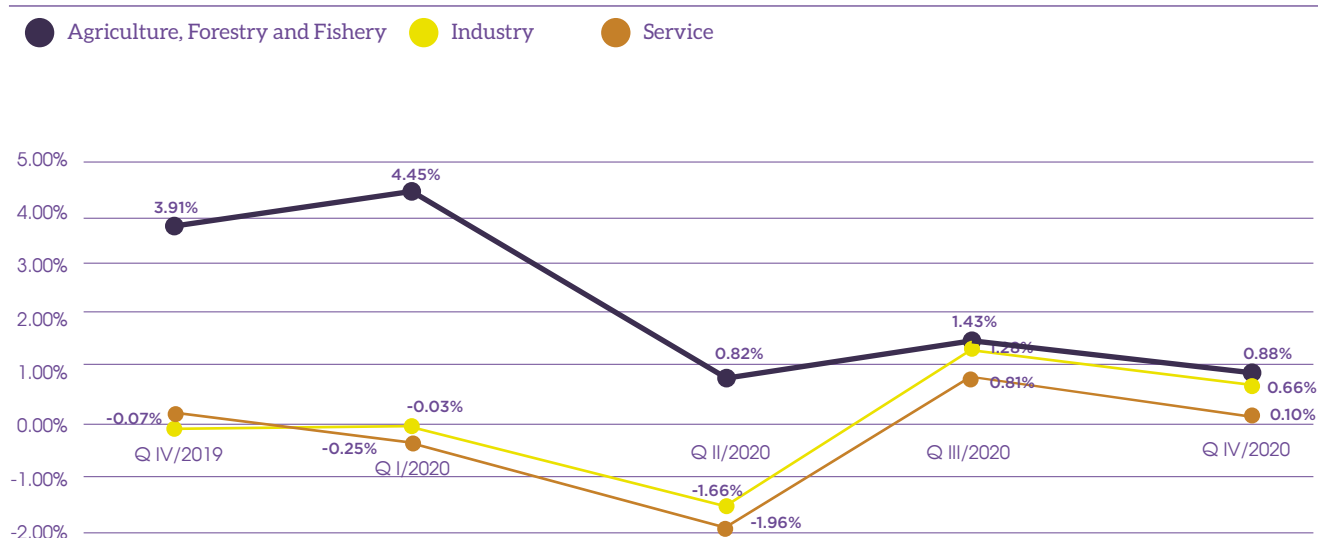
In Q4/2020, export price index rose by 0.54% from the previous quarter and declined by 1.3% from the same period last year. Similarly, the import price index increased by 0.38% and decreased by 0.49%; terms of trade up by 0.15% and down by 0.81%.

After a recovery with a y-o-y growth rate of 2.41% in 2019, **Vietnam's commodity terms of trade declined by 0.74% in 2020. Of which, export price index decreased by 1.32% and import price index declined by 0.59% compared to 2019**.



Graph 1.2.3: Producer price index growth by sector in 5 recent quarters

Source: GSO, VNC



The agricultural, forestry, and fishery price index maintained a high growth rate in the first quarter of 2020 compared to the previous quarter, but then the growth rate decreased asymptotically to the low growth rates of other remaining sub-sectors at the end of 2020.



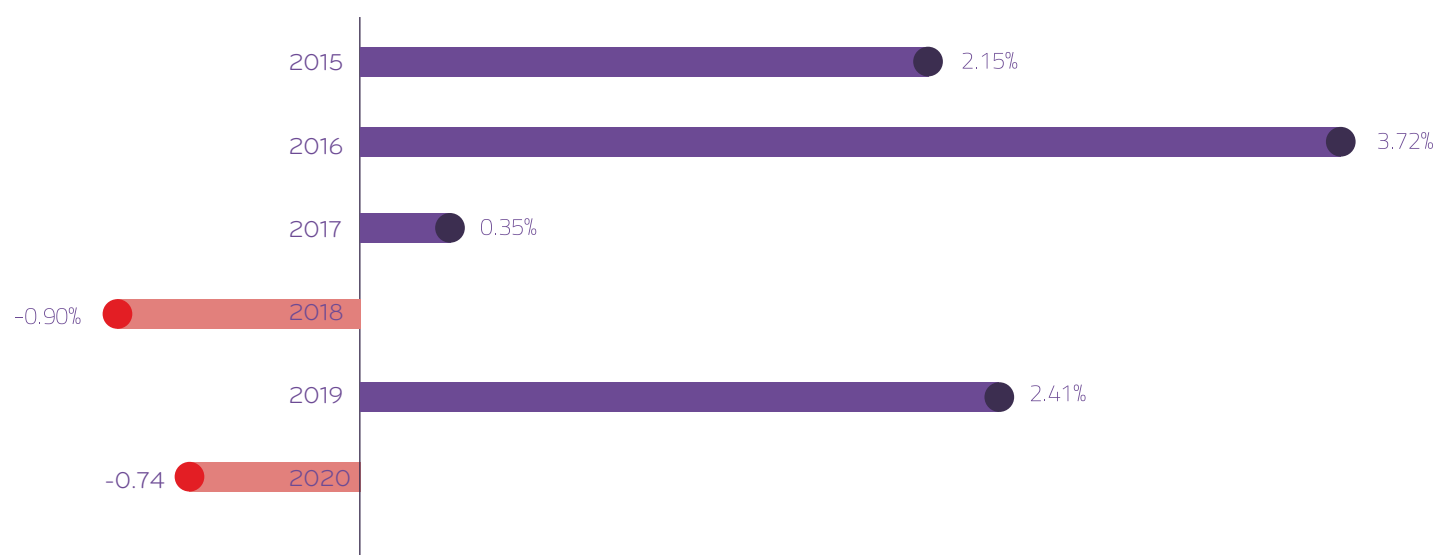
Commodity terms of trade grew well in 2016 and slowed down in 2017.

The US-China trade conflict began in April 2018 and the escalating tensions have had a strong impact on global trade, including Vietnam. The recovery of the export price index helped the commodity terms of trade to recover in 2019, but the growth was cut off when the Covid-19 pandemic broke out.



Chart 1.2.4: 2016-2020 Commodity terms of trade growth rate (%) (previous year =100)

Source: GSO, VNC



1.3. REALIZED CAPITAL, STATE BUDGET REVENUE AND EXPENDITURE

Realized social investment capital

In general, total realized social investment capital's growth in 2016-2020 showed a downward trend. **The total realized social investment in 2020 witnessed the lowest rise of 5.7%** compared to the previous year because of detrimental influence of Covid-19 on almost activities. **This indicator at current prices in 2020 was VND 2,164.5 trillion, equaling 34.4% of GDP.** In which, the growth of realized investment capital under the State budget in 2020 achieved the highest climb in period of 2011 – 2020 as a result of increasing disbursement of public investment with an aim of maintaining economic growth, while the non-state sector only increased by 3.1% and the FDI sector decreased by 1.3%.

The foreign direct investment capital as of 20th December 2020 including newly, adjust registered capital, and the total value of the capital contribution, share purchases reached USD 28.5 billion, a drop by 25% compared to 2019. In 2020, 2,523 newly licensed projects were registered with capital of USD 14.6 billion, down by 35% in number of projects and by 12.5% in registered capital compared with previous year. Meanwhile, licensed projects submitting registered capital adjustments rose by 10.6% over 2019.

State budget revenue and expenditure

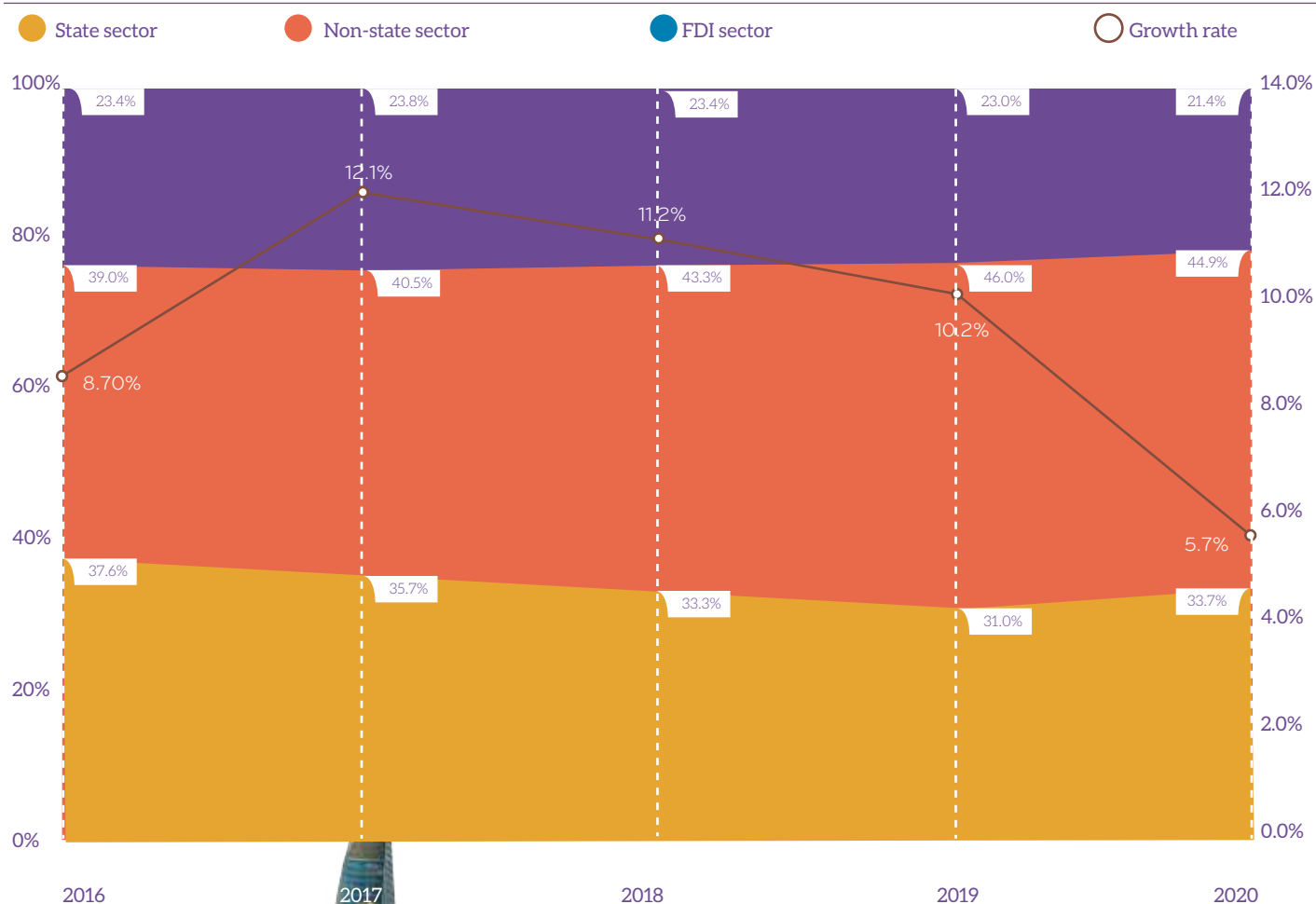
The strictly controlled Covid-19 pandemic helped all sectors of the economy were gradually improved, so the State budget revenue in the first 15 days of December 2020 increased by more than VND 9.2 trillion over the same period of last month. **The total revenue of State budget from January to 15th December 2020 was VND 1,307.4 trillion, accomplishing 86.5% of the annual plan.** In which, domestic revenue, crude oil revenue and budget balance revenue from import & export activity reached VND 1,101.6 trillion, VND 32.7 trillion and VND 172.3 trillion, respectively.

The State budget expenditure from January to 15th December 2020 was VND 1,432.5 trillion, taking up 82% of the annual plan. In which, current expenditure, investment & development expenditure and interest payment reached VND 966.7 trillion, VND 356 trillion and VND 98.8 trillion, respectively. State budget expenditure promptly and fully satisfied socio-economic development tasks, especially assisting people facing difficulties caused by the Covid-19 pandemic, overcoming consequences of natural disasters and floods.

EXPENDITURE

Chart 1.3.1: 2016-2020 Growth rate and structure of social investment capital

Source: GSO, VNC



1.4. IMPORTS AND EXPORTS

Import - Export Turnover

Exports to the EU recorded at USD 34.8 billion in 2020; notably, after 5 months of EVFTA implementation (from August 2020), Vietnam's total export turnover to the EU stood at USD 15.4 billion, increased by 1.6% comparing to the same period last year. This reflects the high growth of domestic production capacity, favorable investment, production and business environment, and the success of Vietnam's international economic integration process.

For the whole year of 2020, **the goods export turnover was USD 281.5 billion, rose by 6.5% over 2019**, of which the domestic economic sector reached USD 78,2 billion, shared 27.8% of total export turnover (decreased by 1.1%) and **FDI sector reached USD 203,3 billion, shared 72.2% of total export turnover (up 9.7%)**. **The goods import turnover was USD 262.4 billion in 2020**, increased by 3.6% over 2019, of which the domestic economic sector reached USD 93.6 billion (down 10%) and FDI sector reached USD 168.8 billion (up 13%). **In 2020, service export turnover was USD 6.3 billion**, down 68.4% compared to 2019. **Import turnover of services this year was USD 18.3 billion**, down 14.5% compared with the last year. Regarding the commodity export market, the United States is Vietnam's largest export market with a turnover of USD 76.4 billion in 2020, up 24.5% over the previous year while China is still the biggest market for imported goods of Vietnam with a turnover of USD 83.9 billion, up 11.2% over the previous year.

In the first 2 months of 2021, total goods export turnover was USD 48.55 billion (up 23.2%) and goods imports turnover reached USD 47.26 billion (up 25.9%).

The balance of trade of goods and services

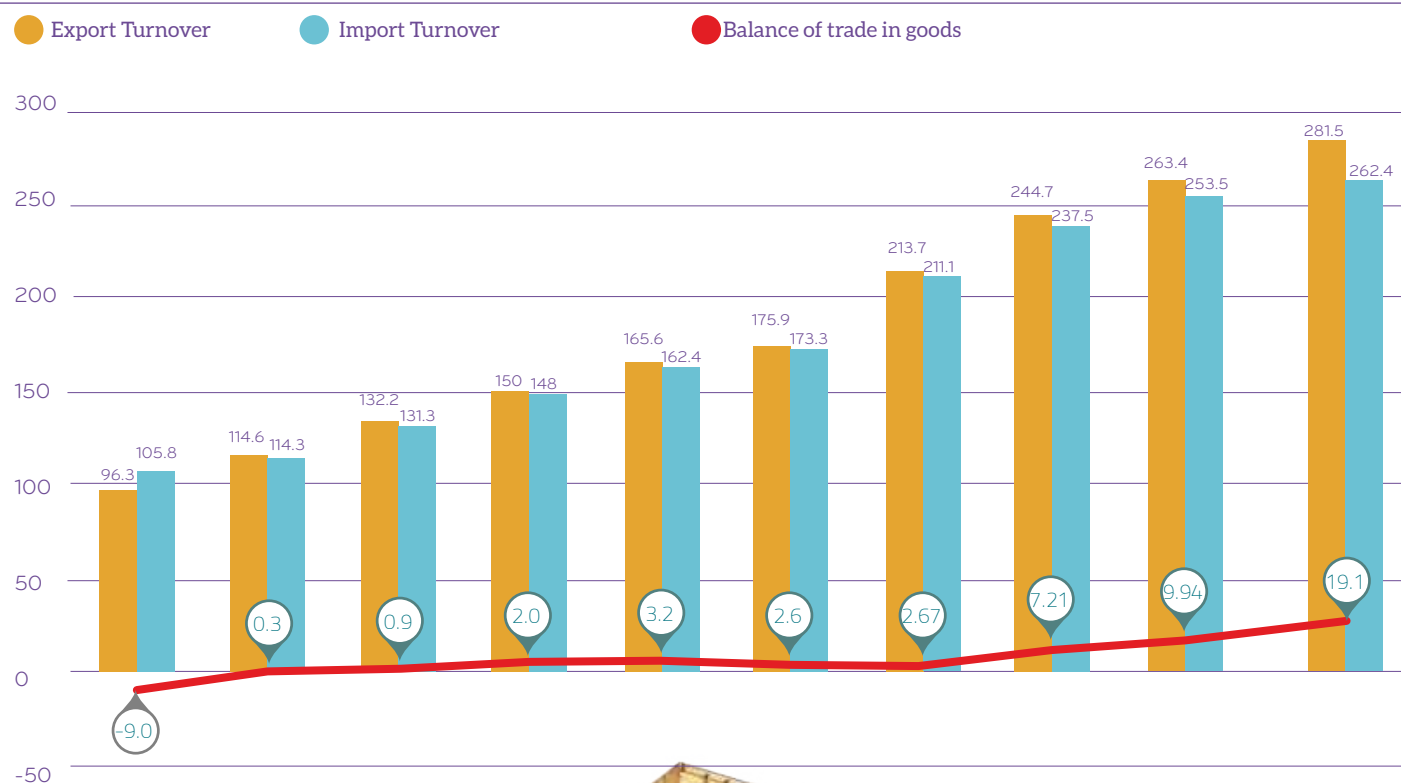
The year 2020 recorded strong efforts of import and export activities in the context that the domestic economy, as well as the world, was negatively affected by the Covid-19 pandemic and the global trade disruption. The 2020 balance of trade in goods had an export surplus of USD 19.1 billion, the largest value ever.

Vietnam has a trade deficit from China and a trade surplus to the US, it seems that the added value of Vietnam's exported goods is not high.

Meanwhile, **the trade deficit of services in 2020 was USD 12 billion**, nearly 2 times higher than the service export turnover and up to USD 10.5 billion compared to 2019.

Chart 1.4.1: 2011-2020 Import-export turnover and trade balance of goods (USD billion)

Source: GSO, VNC



1.5. ESTABLISHMENT AND DISSOLUTION OF ENTERPRISES

In 2020, there were a total of 101,700 ceased for a certain period, temporarily ceased and waited for dissolution procedures, completing procedures (increased by 13.9% over the previous year). About **46,600 enterprises suspended business for a definite period**, up 62.2%. Nearly **37,700 enterprises stopped working and waited for dissolution procedures**, down 13.8%. **Nearly 17,500 enterprises completed dissolution procedures**, up 3.7% over previous year. Besides, the number of new – established firms also showed a decrease in 2020 under the direct impact of the Covid-19 pandemic.

In December 2020, the whole country had nearly 10,700 newly established enterprises with registered capital of VND 356.8 trillion and registered employees of 73,000 people (down 18.4%, up 25.3% and down 39%, respectively compared to December 2019). Besides, **number of enterprises back to the operation was 5,358, increased by 0.8%** over previous month.

Generally in 2020, Vietnam had 134,900 newly registered enterprises with registered capital of more than VND 2,235.6 trillion and register employees of 1,043,000 (down 2.3%, up 29.2% and down 16.9% compared with 2019). In addition, average registered capital achieved at a value of VND 16.6 billion, rose 32.3% year on year.

Chart 1.5.1: Enterprise Establishment in 2020 (compared to 2019)

Source: GSO, VNC



Registered Capital

↑29.2%

2,235.6 VND Trillion



Average charter capital per newly established enterprise

↑32.3%

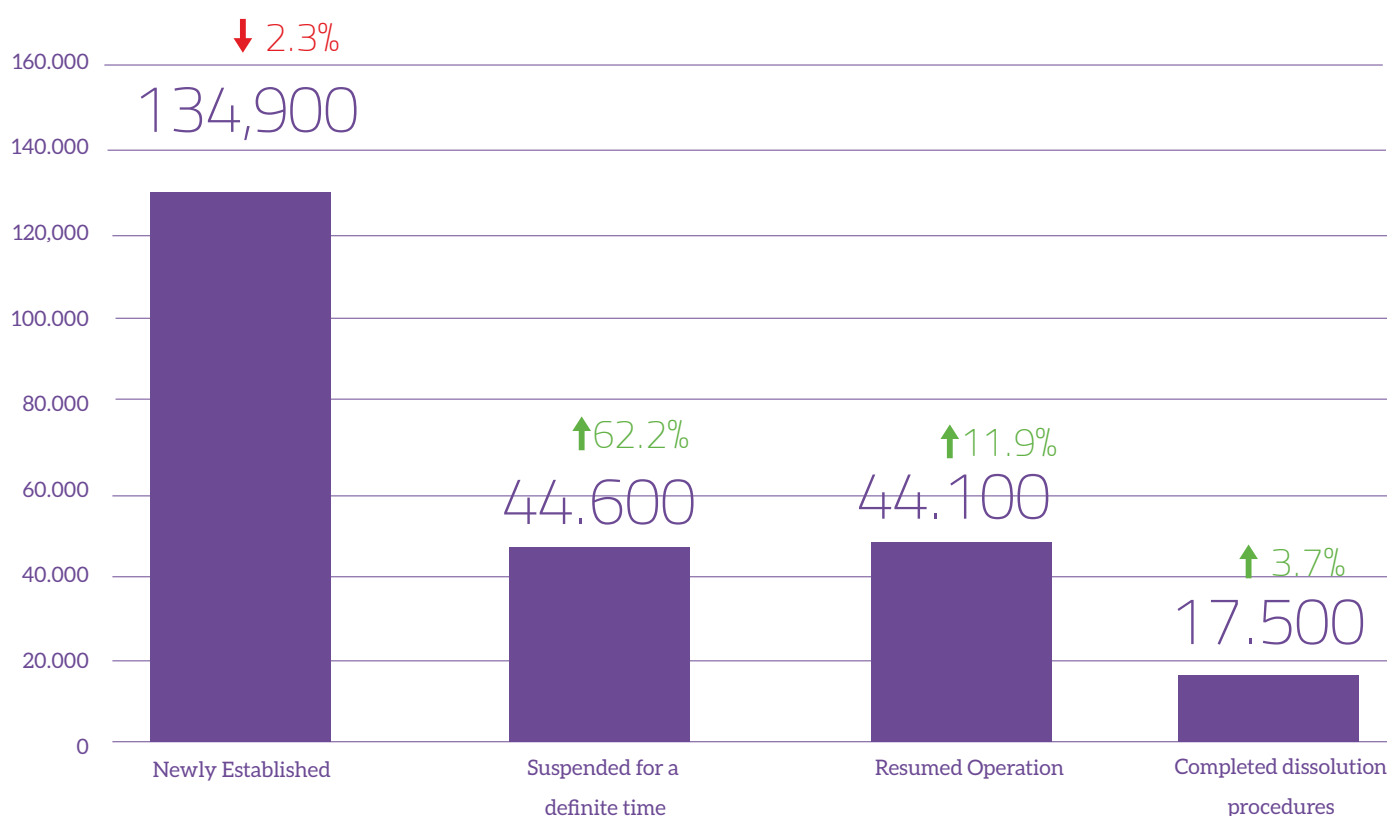
16.6 VND Billion



Registered employees

↓16.9%

1,043,000 Person





VIETNAM REAL ESTATE INDUSTRY

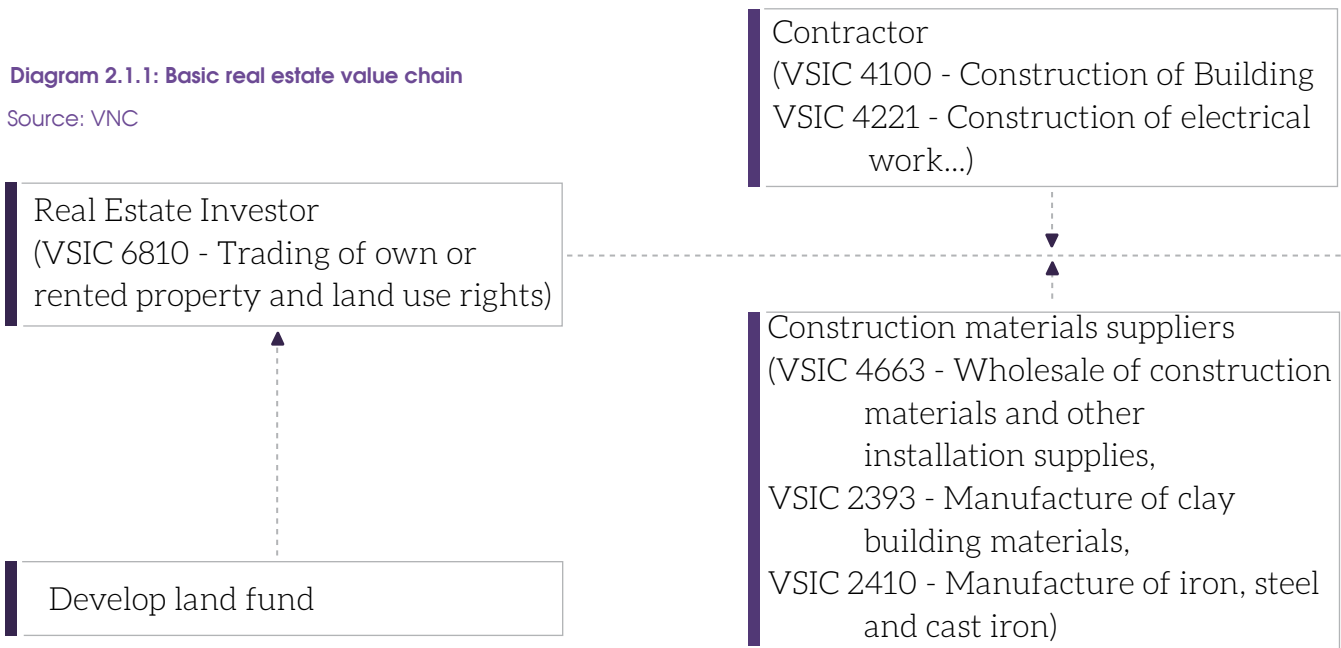




2.1. VIETNAM REAL ESTATE INDUSTRY OVERVIEW

Diagram 2.1.1: Basic real estate value chain

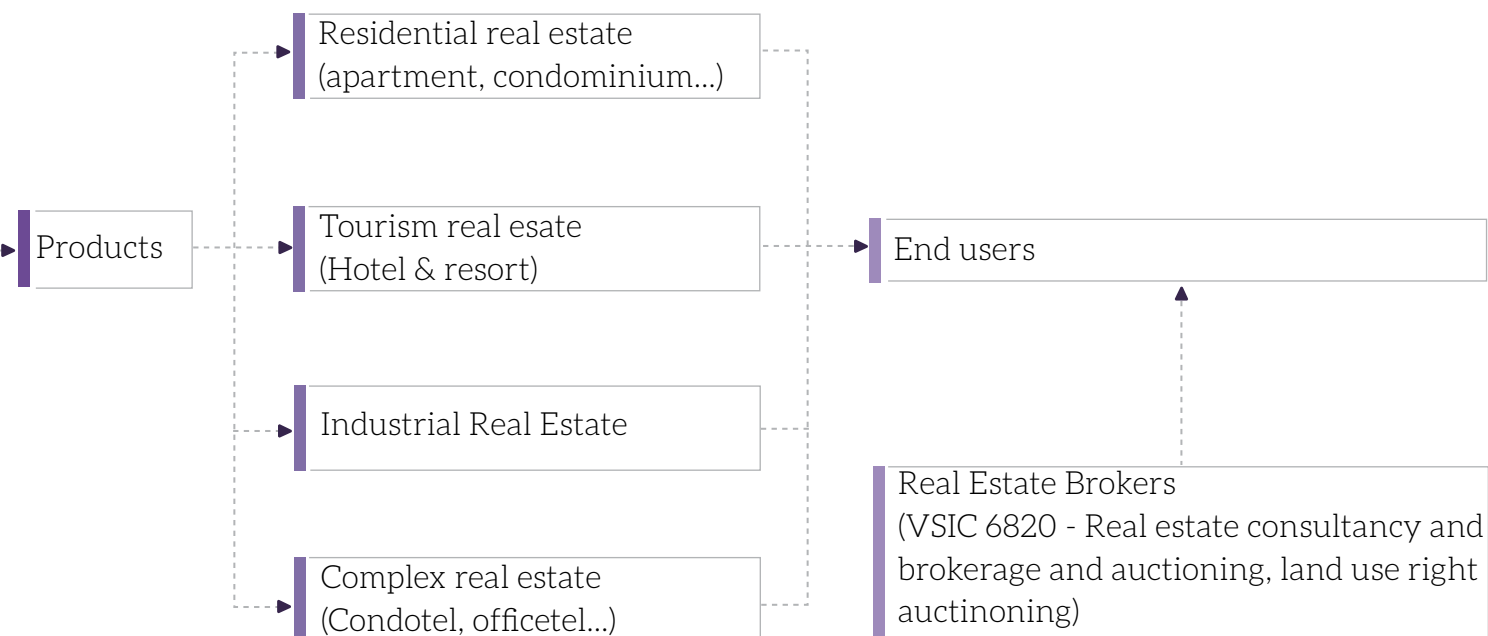
Source: VNC



NOTE:

1 Real estate investors invest in real estate projects based on owned land fund. They are subject to Law on Housing, Law on Real Estate Business, Law on Investment.

2 Construction materials supplier is accountable for supplying materials for construction via winning bidding contract from contractor.



3 Contractor is responsible for constructing real estate products. This entity is subject to be regulated by Law on Construction.

4 During distribution process, real estate investors cooperate with real estate brokers to distribute finished goods to end - users. For industrial real estate, investors tends to deliver products to end - users directly, especially when they are dependent on available customer portfolio. In case of fluctuation in tenants, investors proactively seek new customers.

2.1. VIETNAM REAL ESTATE INDUSTRY OVERVIEW

The situation of real estate industry in the period of 2019 - 2020

In 2019, a number of newly – registered companies in real estate industry increased by 11.6% (GSO statistics). Besides, 686 companies completed dissolution procedures. Total employees in real estate industry were estimated at 288,336. Total revenue was VND 530,218 billion in 2019, rose by 5.62% comparing to 2018 (calculated by VNC).

From Mar to Jul 2020, the real estate market was severely influenced by Covid-19 pandemic, exacerbating existing difficulties in real estate market in latest 3 years. The market suffered from a reduction in both project supplies and housing products, especially for affordable apartments and social housing. Selling price in primary market was still “anchored” at high level. In other sides, there was a drop in selling price in secondary market (mostly due to resale, losses acceptance to cut losses) and rental sector. Most noticeably, a decline in transactions resulted in many businesses to encounter liquidity problems. The majority of consumers experienced a decrease in income. Regarding real estate for rent (office for lease, space for rent, commercial center for rent), Covid-19 posed negative impact.

According to MOC, the real estate market in Q4/2020 showed an improvement, thanks to rapid recovery of housing and industrial real estate segments. The real estate business contributed about 4.42% of GDP. A number of newly – established companies in real estate industry were 6,694, decreased by 15.5% compared to 2019. And, 978 companies completed the dissolution procedures. In addition, outstanding loans for real estate reached value of VND 8,800 billion in 2020.

M&A deals in 2020

The total value of M&A deals in 2019 reached USD 7.2 billion, equivalent to 94.7% of value in 2018. Due to the impact of Covid-19 pandemic, M&A estimated to drop by over half to USD 3.5 billion in 2020, equal to 48.6% of value in 2019. Comparing to other industries, M&A in real estate market was relatively vibrant. Some top real estate companies like Vinhomes widened room for foreign ownership. Novaland, LDG Group, Nam Long Group... increasingly executed M&A deals to undertake real estate projects and build up land fund. Other purpose is to become strategic shareholder.

Table 2.1.1: Some M&A deals in real estate industry in 2020

Target company	Acquirer	M&A Date	Stakes	Project
Vinhomes Joint Stock Company	Temasek (Singapore) and KKR (US)	Jun 2020	6%	-
Liberty	No Va Land Investment Group Corporation	Sep 2020	99.98%	Thanh My Loi District 2
Hiep Phuc Real Estate Joint Stock Company	LDG Group	Jun 2020	99.9%	LDG River
Portsville (subsidiary of Keppel Land)	Nam Long Investment Corporation	Nov 2020	30%	Dong Nai Waterfront City
DIC Corp	Himlam Land Trading Corporation	Dec 2020	21.5%	-
IDICO	Covestcons Company Limited	Dec 2020	8.13%	-

Source: Compiled by VNC

2.1. VIETNAM REAL ESTATE INDUSTRY OVERVIEW

Registered FDI in real estate industry

According to MPI, as of Nov 20, 2020, the total newly - registered capital, adjusted and contributed capital, and purchased shares of foreign investors in the field of real estate reached USD 3.8 billion (up 15% over the same period in 2019). In three quarters in 2020, FDI pouring into real estate also rose significantly, from USD 0.264 billion in Q1/2020 to USD 2.35 billion in the Q3/2020. Up to Nov/2020, the proportion of FDI capital in real estate industry accounted for 14.38% of total FDI capital.

Table 2.1.2: Registered FDI in real estate

Year	Total registered FDI (USD billion)	Registered FDI in real estate (USD billion)	Increase/ Decrease
Year 2019	38.02	3.88	+10.2%
Q1 - 2020	8.55	0.264	+3%
Q2 - 2020	7.12	0.586	+8.2%
Q3 - 2020	8.53	2.35	+27.5%

Source: MPI, VNC

Residential real estate:

Total products offered for sales in market in 2020 (including inventories) were 128,902, in which 79,196 apartments (3 classes) and 49,706 low - rise apartments. Total transactions were 74,035 products in 2020 (41,190 apartments and 32,845 low - rise apartments). Absorption rate on average was 57.4% in 2020.

Chart 2.1.1: Total products offered and transactions by segments for residential projects in 2020

Source: VREBA, VNC

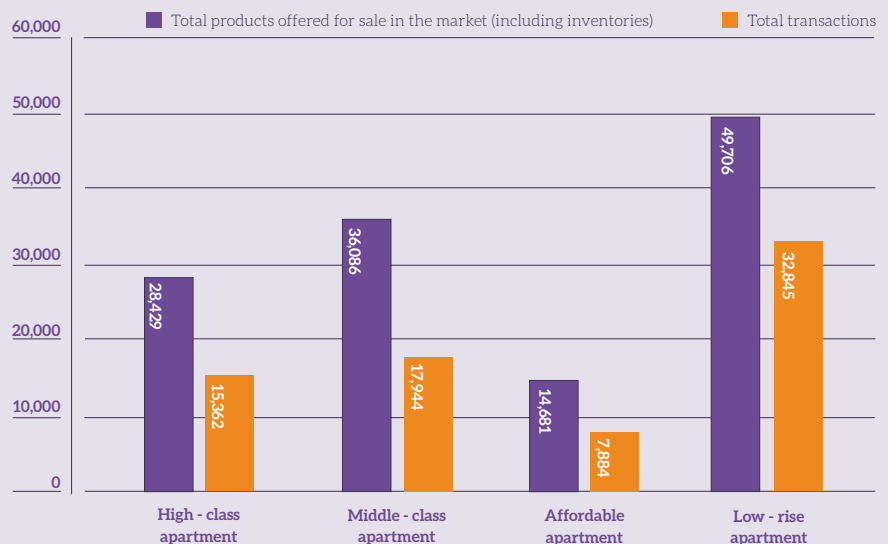
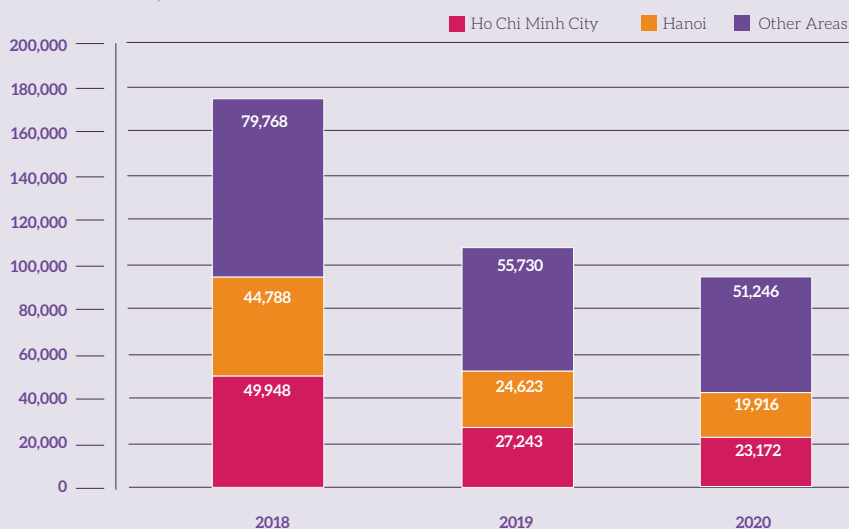


Chart 2.1.2: New products offered by big cities for residential projects in period

Source: VREBA, VNC



New products offered in real estate were 94,334 with transactions of 34,085 products in 2020. Absorption rate was 36.1% in 2020. In general, number of new products offered was 54.1% and 87.6% comparing to 2018 and 2019, respectively. Number of transactions was 30.3% in 2018 and 46.6% in 2019.

2.1. VIETNAM REAL ESTATE INDUSTRY OVERVIEW



Industrial real estate:

Industrial real estate became more active in many cities and provinces like Long An, Dong Nai, Binh Duong, Binh Dinh, Thanh Hoa, Quang Ninh, Hai Duong, Bac Giang... Vietnam had 260 industrial zones in operation in 2020. About 75 industrial real estate projects were under construction. Average occupancy rate was over 70%. Besides, average rental fee of factory was about VND 60,000 – VND 80,000 per square meter. Purchase price of industrial land with infrastructure ranged from VND 3 – VND 5 million per square meter (according to VREBA).

Even though the pandemic interrupts supply chain, shifting manufacturing plants to Vietnam expects to drive a dramatic growth in industrial real estate. Thanks to FTA signed and stability of business environment, Apple, Pegatron and Foxconn have relocated a part of production from China to Vietnam. Moreover, with the Japanese government's stimulus package of USD 2.2 billion, 15 Japanese companies including Meiko Electronics, Nikkiso, Fujikin and Yamauchi have signed for transfer production to Vietnam. These companies focus on manufacturing medical devices, semiconductors, phone components, air conditioners and power modules.



Table 2.1.3: Some of large corporation's factory construction projects

Name of Company	Province	Industrial Park	Intended time	Progress
Sharp	Binh Duong	VSIP	2020	-
Luxshare ICT	Bac Giang	Quang Chau	Q2/2020	Postponed
Panasonic	Binh Duong	VSIP II	Oct/2019	Commenced
Pegatron Corp	Hai Phong	Deep C	Mar/2020	Licensed
Foxconn	Bac Ninh	Nam Son Hap Linh	2020	-
Wistron Infocomm	Ha Nam	Dong Van III	Sep/2020	Commenced
Oppo	Bac Ninh	Nam Son Hap Linh	Nov/2020	Memorandum of Understanding signed

Source: Compiled by VNC

In 2020, industrial real estate also witnessed penetration of new entrants like Logos Property (Australia), GLP, SEA Logistics Partner, Naver Corporation... Specifically, Logos Property (Australia) acquired first properties of 13 hectares in VSIP Bac Ninh Phase 1, after establishing Logos Vietnam Logistics Joint Venture. GLP and SEA Logistics Partners announced to develop industrial real estate, mainly for warehouses. Mirae Asset Daewoo Co and Naver Corporation of South Korea invested USD 37 million in warehouse of Logis-Valley in Bac Ninh province.

2.1. VIETNAM REAL ESTATE INDUSTRY OVERVIEW



Offices

There was almost no new projects for office and trade center in 2020. Because Grade A and Grade B office buildings in the center of big cities such as Ha Noi and Ho Chi Minh cities had little quantity, occupancy rate kept unchanged with a slight increase in rental price when compared with previous years.

On the other hands, small - private office buildings... reduced rental price, accompanying with tenants to overcome difficult period.



Tourism real estate:

Tourism was adversely impacted by Covid-19 pandemic in 2020. Transactions for condotel seemed to be slowing down in 9 months of 2020. Number of condotel sold in market was mainly inventories with over 18,000 products. In Q4/2020, there was a sign of recovery but not significant in this sector.

The supply of shopvilla and shophouse reached 15,000 products in 2020. Absorption rate was approximately 8%. Furthermore, investors increasingly launched new products at the end of that year (according to VREBA).

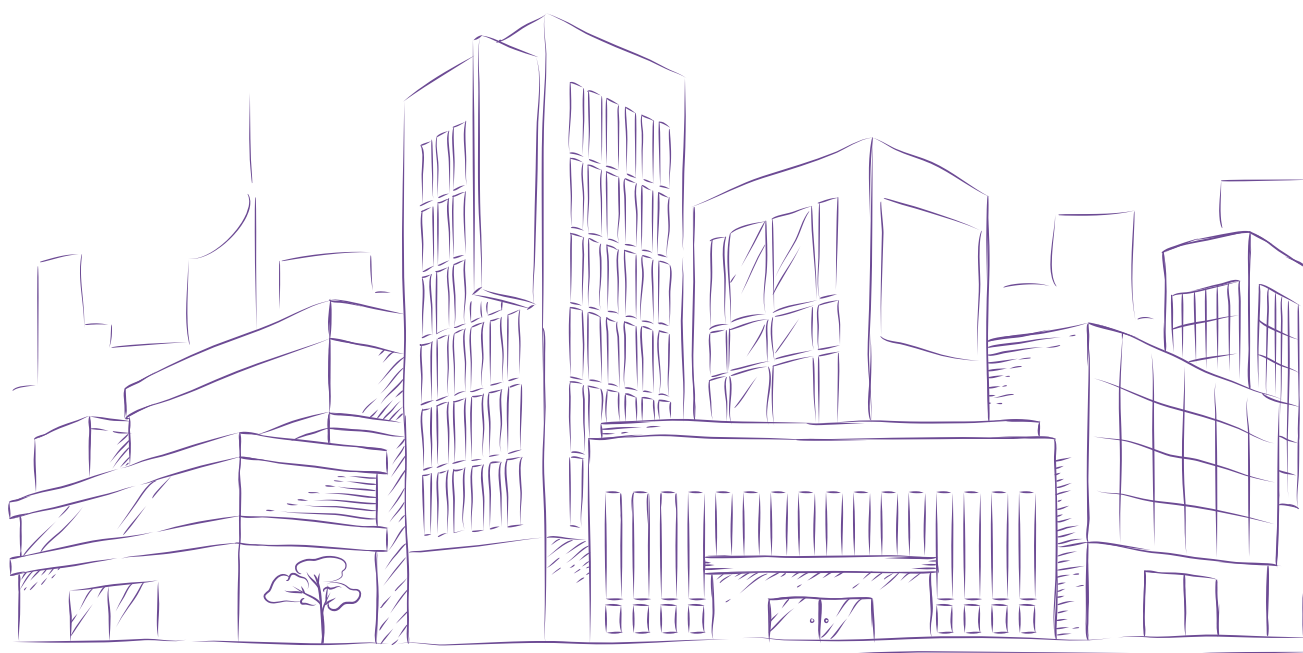
2.1. VIETNAM REAL ESTATE INDUSTRY OVERVIEW

Legal documents

Law on Real Estate Business (amended 2020): The law modifies provisions in relation to transfer, purchase and sale of real estate projects. A fine increases up to VND 300 million for transferring without Land Ownership Certificate. For real estate brokers, the law also requires relevant practicing certificate. In addition, real estate firms must maintain regulated capital of VND 20 billion to run operation. Furthermore, minimum floor area of social housing is 25 square meters.

Law on Enterprise (amended 2020): The law creates favorable conditions for enterprise establishment and management. Some new regulations comprise of state-owned enterprises (only over 50% of charter capital), at least 3 days for notice of business suspension, no notification required for company seal before use.

Law on Construction (amended 2020): The law promulgates new projects which are subject to preparing a pre – feasibility study (project of national importance, group of projects being financed by public investment capital, PPP project, project required for obtaining in-principle approval from the National Assembly or the Prime Minister). Besides, the law forces construction contractor to buy compulsory insurances for employees working on site and civil liability to third parties. Most prominently, administrative procedures turn to be more simplifying (takes only 20 days to obtain construction permit instead of 30 days, no longer requires project investors to arrange sufficient capital funds in accordance with the schedule of construction works, a decrease from 7 days to 3 days for notice to relevant construction authority).



Law on Investment (amended 2020): The law supplements more industries to enjoy investment incentives (like education, supporting industries, medicine & medical facemask production), expands investment incentives and provides preferential policies & special investment supports for investment projects that have great impact on socio-economic development.

Law on Investment under the Public Private Partnership (amended 2020): The law specifically stipulates five sectors in which PPP investments are permitted (transportation, power grids & power plants, irrigation & water supply and treatment, health care & education, IT infrastructure). Provisions for equity capital contribution of the private investors seem to be narrow compared with Decree 63 when the ratio must be at least 15% of the total investment capital. Additionally, the law also requires investors to lodge bid security (at rate of between 0.5% and 1.5% of total project investment value) and regulates risk – sharing mechanism for project in which actual revenue is greater than 125% of the revenue forecasted in the financial model.

2.1. VIETNAM REAL ESTATE INDUSTRY OVERVIEW

No.	Name of Law	Issued Date
12/VBHN-VPQH	Law on Real Estate Business	15 Jul 2020
59/2020/QH14	Law on Enterprise	17 Jun 2020
62/2020/QH14	Law on Construction	17 Jun 2020
61/2020/QH14	Law on Investment	17 Jun 2020
64/2020/QH14	Law on Investment under the Public Private Partnership	18 Jun 2020



Issued Place	Relevant Documents	Effective Date
Vietnam's National Assembly	-	01 Jan 2021
Vietnam's National Assembly	Decree 01/2021/ND-CP	01 Jan 2021
Vietnam's National Assembly	Decree 113/2020/ND-CP New Draft Decree for amending Decree 59/2015/ND-CP has not been ratified and issued	01 Jan 2021
Vietnam's National Assembly	New Draft Decree has not been ratified and issued	01 Jan 2021
Vietnam's National Assembly	New Draft Decree has not been ratified and issued	01 Jan 2021

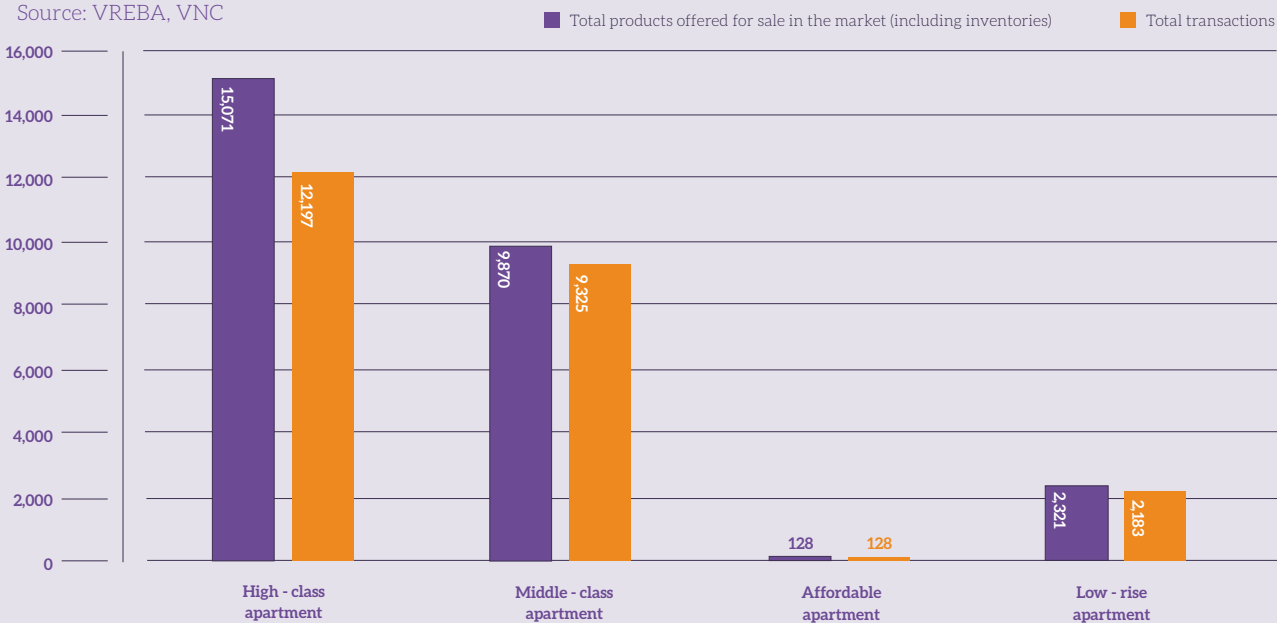


2.2. HO CHI MINH REAL ESTATE MARKET

Ho Chi Minh City developed 8.87 million square meters for residential floor area, bringing total residential floor area to 190.73 million square meters. Individual houses built by people took up 58.52%. Housing development by projects accounted for 41.48% with 52 housing projects. Average floor area was 20.63 square meters per capita (lower than the country floor area of 24 square meters per capita). Main determinant for growth in real estate market was individual houses.

Chart 2.2.1: Total products offered and transactions by segments for residential projects of Ho Chi Minh market in 2020

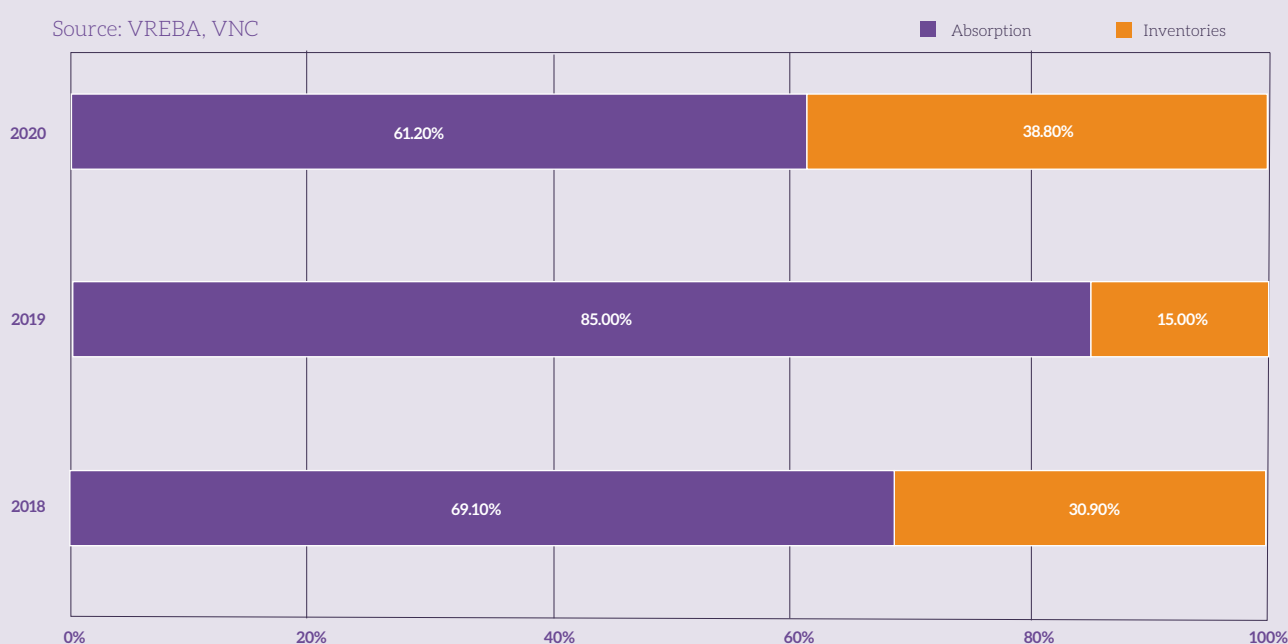
Source: VREBA, VNC



Total products offered for sales in 2020 (including inventories) were 27,390, in which 25,069 apartments and 2,321 low – rise apartments. Total transactions were 23,833 products in 2020 (21,650 apartments and 2,183 low – rise apartments). Absorption rate on average was 87% in 2020. For new products launched in the market, absorption rate dropped from 85% in 2019 to 61.20% in 2020.

Chart 2.2.2: Absorption rate of new apartments of Ho Chi Minh market in period of 2018 - 2020

Source: VREBA, VNC



2.2. HO CHI MINH REAL ESTATE MARKET

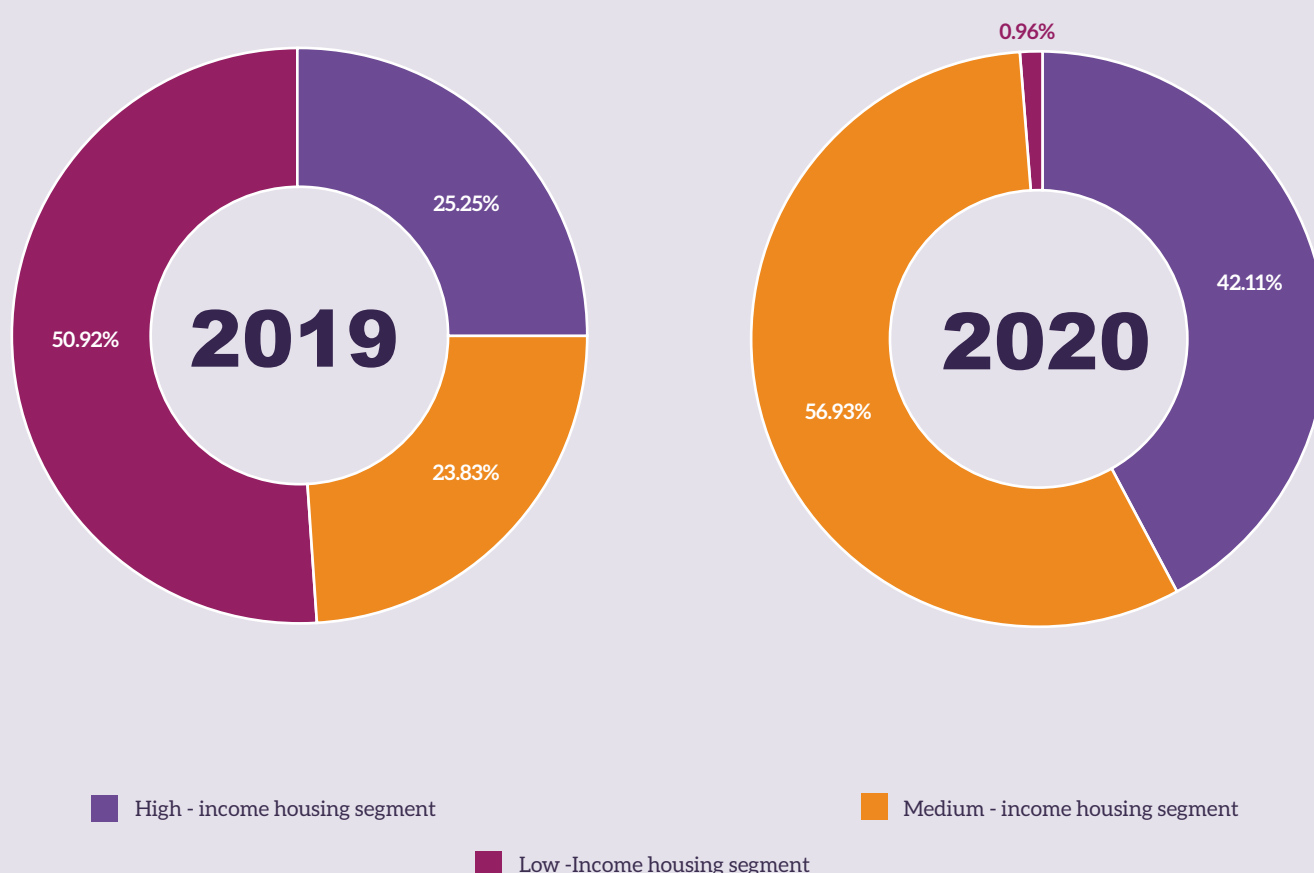
Table 2.2.1: Number of housing projects by segments in Ho Chi Minh City

Number of housing projects by segments	2019	2020	Increase/ Decrease
Total projects	47	31	-34%
Number of houses	24,286	16,895	-30.4%
High – income housing segment (price of above VND 40 million per square meter)	6,133	7,114	+15.9%
Medium – income housing segment (price of VND 20 million – VND 40 million per square meter)	5,787	9,618	+66.2%
Low – income housing segment (price of below VND 20 million per square meter)	12,366	163	-98.6%

Source: HOREA, VNC

According to statistics of HOREA, low – income segment was only 163 houses with proportion of 1%. That caused a problem in seeking living places for low - income people. Meanwhile, there was a sign of supply surplus in high – cost commercial houses because secondary investors in this segment was quite high, around 60%. For the whole year of 2020, Department of Construction confirmed the eligibility to mobilize capital for future housing products of 31 projects (decreased by 16 projects, down 34% over 2019) with 16,895 units (comprising of 15,275 apartments with construction floor area of 1,023,269 square meters

Table 2.2.1: Number of housing projects by segments in Ho Chi Minh City

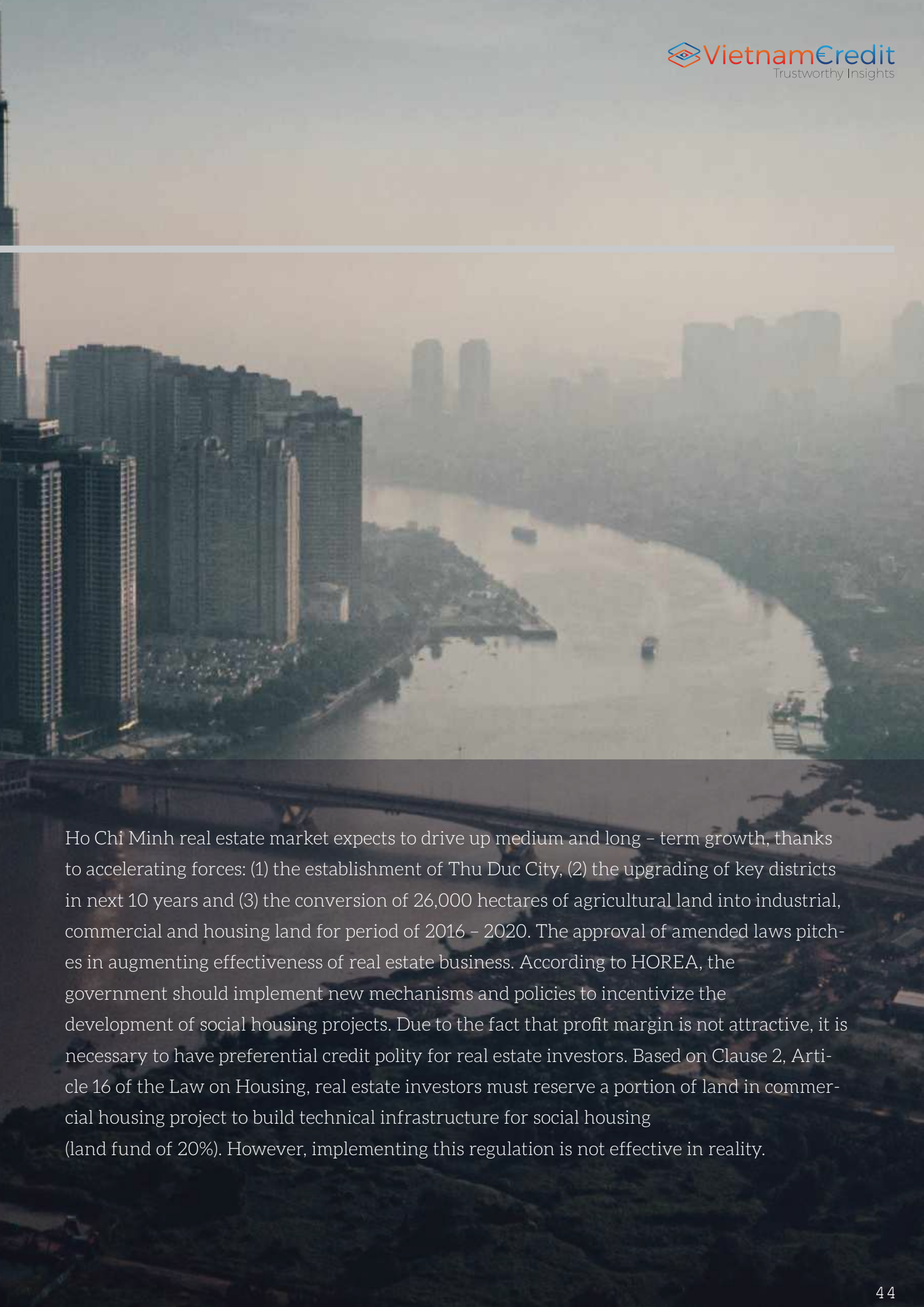


and 1,617 low – rise apartments with construction floor area of 515,340 square meters). Total mobilized capital was VND 66,674 billion, of which 7,114 units in high – end segment, accounting for 42.1% (up 15.9%), 9,618 units in mid – end segment, taking up 56.9% (up 66.2%). For affordable housing segment, it only accounted for 1% (dramatic drop by 98.6%). Social housing projects witnessed shortage of supplies (only performed 75.89% of total planned target in period of 2016-2020).

2.2. HO CHI MINH REAL ESTATE MARKET

Despite outbreak of Covid-19, housing price showed a rise in 2020 (apartment of central business districts and Thu Thiem area of USD 5,000 – USD 7,000 per square meter, district 9 of nearly USD 2,000 per square meter). Investors desired to maximize profit via investments in medium – high income housing segments. Absorption rate maintained at high level of 70% - 80% in that year. Industrial real estate experienced stability in growth under positive market conditions. Tourism and complex real estate (hotel, condotel, officitel...) suffered from difficult period.

Outstanding loans for real estate companies in Ho Chi Minh City in 2020 was estimated at VND 293,750 billion (accounted for 13% of total loans), increased by 5.9% compared with 2019. In addition, 42% of VND 293,750 billion was used for purposes related to real estate. That arose concern about credit's safety. Non – performing loans of real estate businesses took up 2.7% of total outstanding loans.



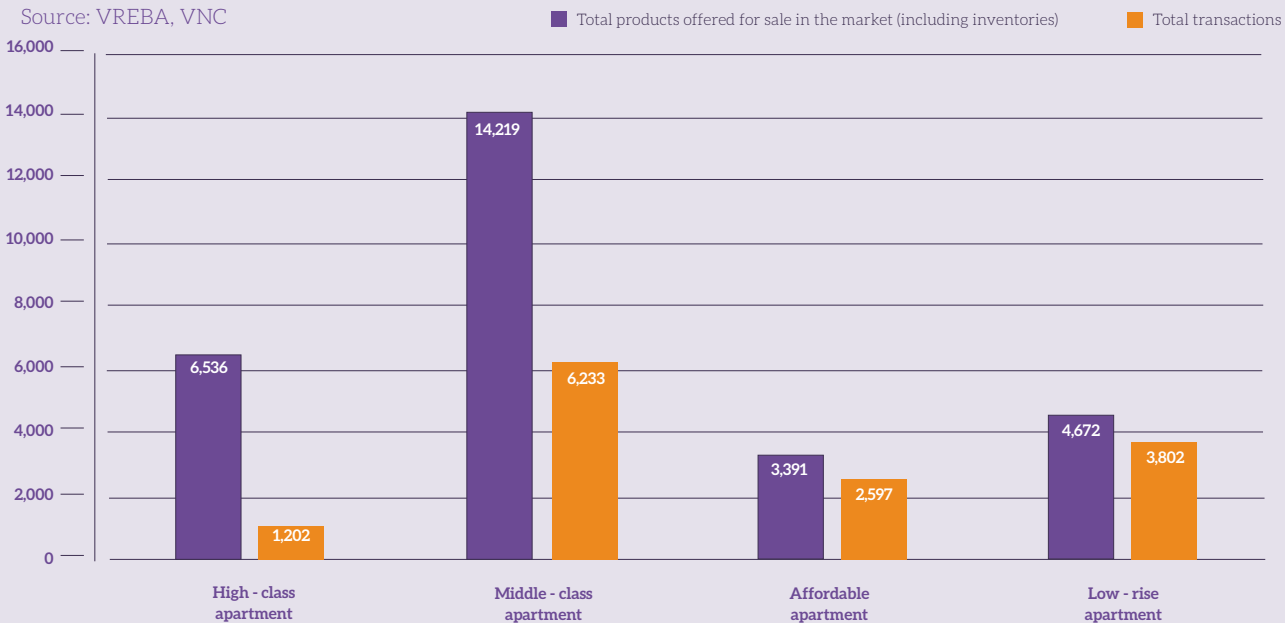
Ho Chi Minh real estate market expects to drive up medium and long – term growth, thanks to accelerating forces: (1) the establishment of Thu Duc City, (2) the upgrading of key districts in next 10 years and (3) the conversion of 26,000 hectares of agricultural land into industrial, commercial and housing land for period of 2016 – 2020. The approval of amended laws pitches in augmenting effectiveness of real estate business. According to HOREA, the government should implement new mechanisms and policies to incentivize the development of social housing projects. Due to the fact that profit margin is not attractive, it is necessary to have preferential credit polity for real estate investors. Based on Clause 2, Article 16 of the Law on Housing, real estate investors must reserve a portion of land in commercial housing project to build technical infrastructure for social housing (land fund of 20%). However, implementing this regulation is not effective in reality.

2.3. HA NOI REAL ESTATE MARKET

According to Ha Noi Department of Construction, the authority approved 45 eligible projects with 17,626 apartments and 1,584 low-rise apartments. The qualified supply was only 66.9% compared to 2019. Total products offered for sales 2020 (including inventories) were 28,818, in which 24,164 apartments and 4,672 low – rise apartments. Total transactions were 13,834 products in 2020 (10,032 apartments and 3,802 low – rise apartments) Absorption rate on average was 48% in 2020.

Chart 2.3.1: Total products offered and transactions by segments for residential projects of Ha Noi market in 2020

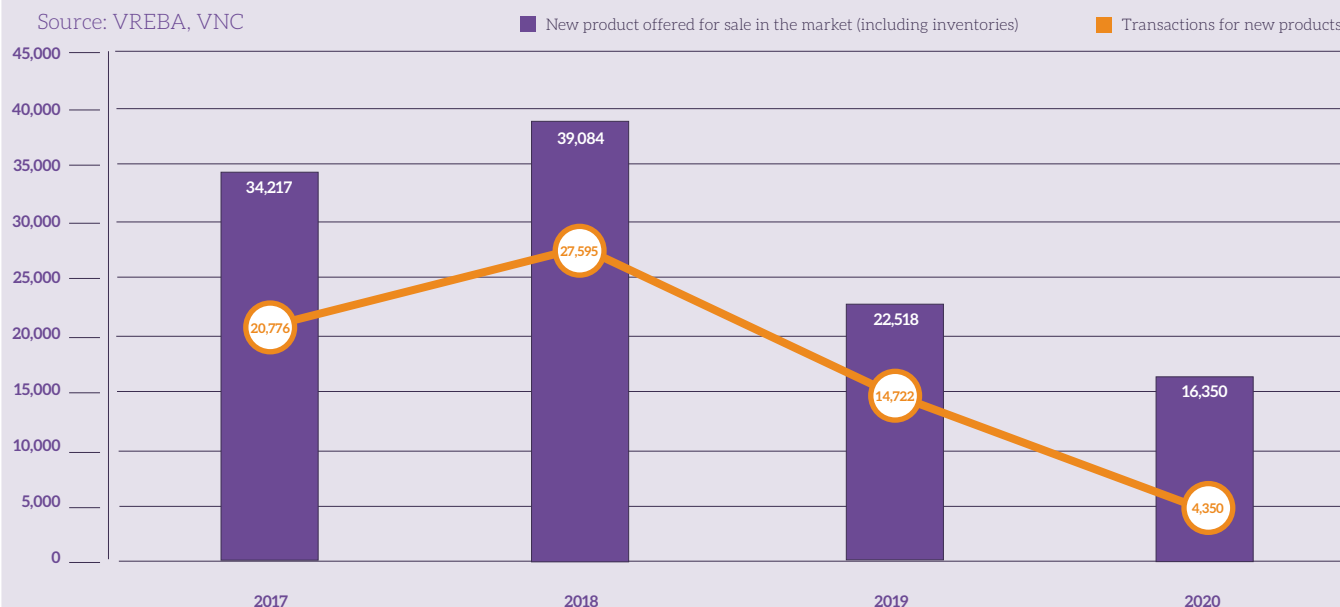
Source: VREBA, VNC



Number of transactions reduced dramatically at that time when second outbreak of Covid-19 pandemic took place. In Q4/2020, there was a rise in number of transactions. There was about 10,000 news products launched in the market. In general, the number of new products offered in real estate was 47.8%, 41.8% and 72.6% when compared with 2017, 2018, 2019, respectively. In addition, the number of transactions was 20.9%, 15.8% and 29.5% comparing to 2017, 2018, 2019, respectively.

Chart 2.3.2: The number of new products and transactions for residential projects of Ha Noi market for period of 2017 - 2020

Source: VREBA, VNC

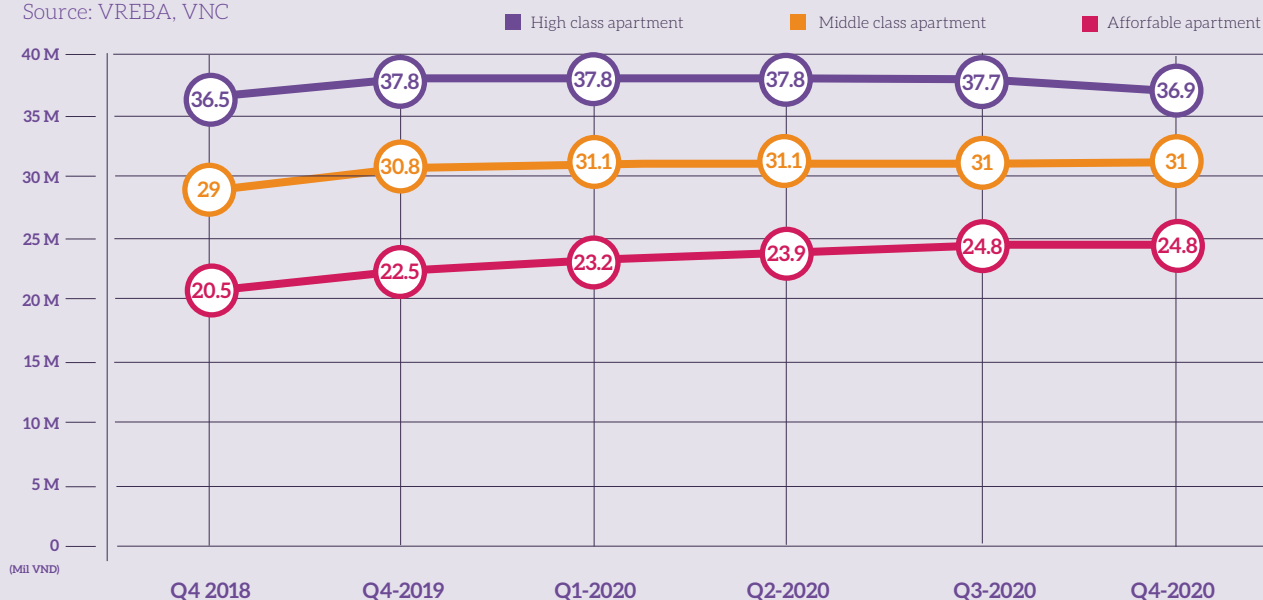


2.3. HA NOI REAL ESTATE MARKET



Chart 2.3.3: Price trends by apartment segments in Ha Noi market

Source: VREBA, VNC

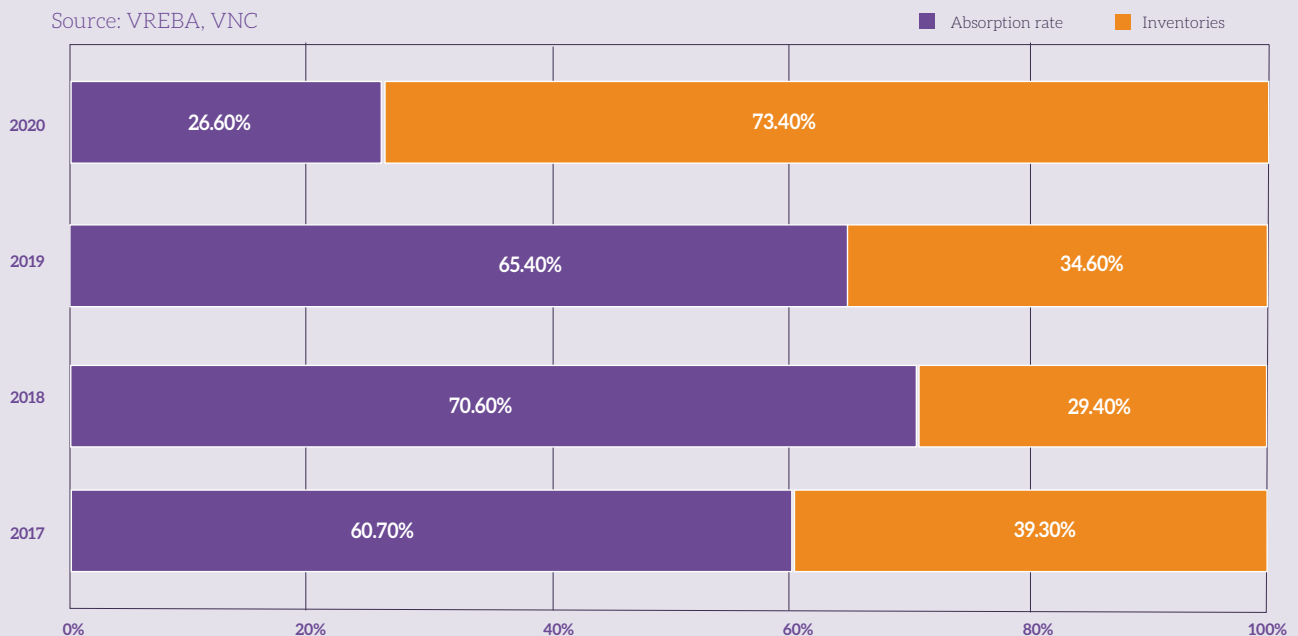


Among segments, affordable apartment leveled off in price in Q3 and Q4 in 2020. High – class apartment decreased from VND 37.7 million to VND 36.9 million per square meter. Meanwhile, middle – class apartment showed a slight increase in price in last quarter of 2020. Due to low liquidity, investors tended to cut losses. Real estate developers promoted supporting policies... in Ha Noi market.



Chart 2.3.4: Absorption rate of new apartments of Ha Noi market in period of 2017 - 2020

Source: VREBA, VNC



Among segments, affordable apartment leveled off in price in Q3 and Q4 in 2020. High - class apartment decreased from VND 37.7 million to VND 35.7 million in Q4/2020, there was an increase in supplies for residential real estate. Nevertheless, the absorption rate stood at low level when compared with previous years. Generally, the absorption rate was only 26.60% for the whole year of 2020 (lower than 60.70% in 2017, 70.60% in 2018 and 65.40% in 2019).

2.3. HA NOI REAL ESTATE MARKET

Apartment was a mainstream product line, mainly for middle and high-class apartments. Affordable apartments accounted for a modest proportion. During the year, many low-rise apartments appeared. In particular, townhouses and shophouses became more ubiquitous in projects of Vingroup, Ha Do, An Lac, Himlam... The absorption rate was well in affordable segment and slow in high – end segment. Inventory on the market was predominant in apartments with prices of above VND 35 million per square meter, land with price of above VND 100 million per square meter. In high – class and middle – class apartment, liquidity was relatively low in general.

For other real estate products (office for rent, officetel...), the supply was quite humble. The urbanization in Son Tay, Hoa Lac, Thach That, Hoai Duc districts boosted the price of foundation soil to VND 25 million – VND 30 million per square meter in 2020, up 50% when compared with 2019. Other districts like Dong Anh, Gia Lam, Long Bien indicated a climb in price from 20% - 30%. According to real estate experts, it could not reflect fair value because of the fact that transactions were quite small, mainly among speculators.

For land compensation, an increase in price hindered development of real estate projects. Price ranged from VND 4 million to VND 5 million per square meter in 2020 (according to VREBA).



2.4. OPPORTUNITIES, CHALLENGES AND INDUSTRY FORE

OPPORTUNITIES

Converting agricultural land in big cities increases land fund for real estate development

Shifting factories from foreign countries in Vietnam grants great opportunity for industrial real estate development.

For tourism real estate, it is still quite potential for segments of hotels, resorts..., especially for Quang Ninh and Phu Quoc provinces.

Bankers proactively reduce interest rate (fluctuating 5%-10%) to lowest level in 15 years.

To achieve dual goals of Vietnam government, infrastructure investment is focused more intensively in upcoming time.

CHALLENGES

Legal system is not actually synchronizing.

High-end real estate segment has low liquidity; however, the price is still high.

The shortage of supplies in low – income housing segment due to unattractive profit margin causes difficulties.

It takes time to stabilize the tourism industry and develop tourism real estate.

Covid-19 is not controlled in other countries. Restructuring global supply chain could harm related nation's benefits.

INDUSTRY FORECASTS

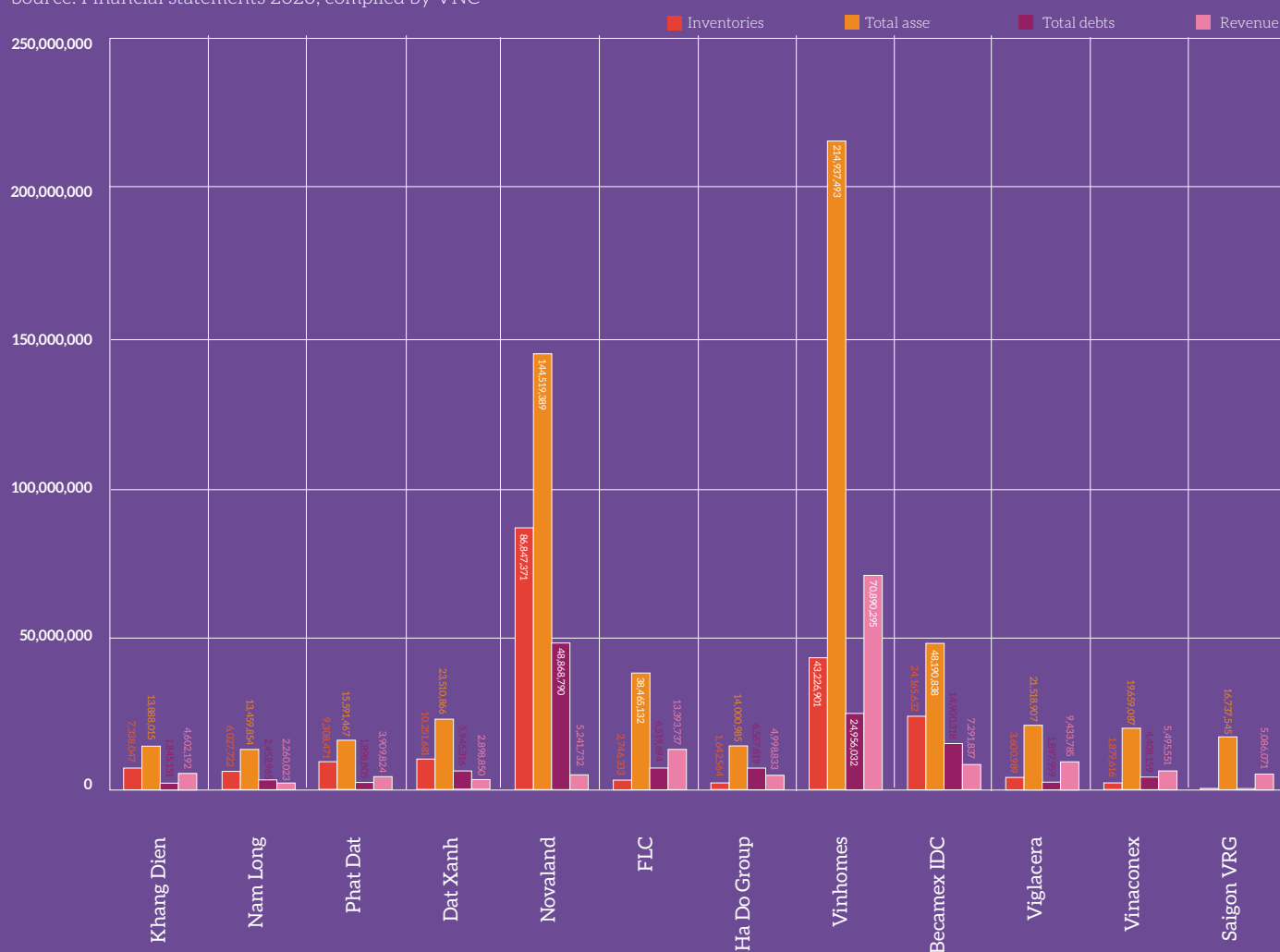
The real estate market forecasts to experience recovery, thanks to good disease control and macro – economics factors management. Although there is concern about the "real estate bubble in the market", the possibility is quite low.

A rise in demand for buying and investing is inevitable, especially for low to middle – end housing segment.

2.5. KEY FINANCIAL INDICATORS IN VIETNAM REAL EST

Chart 2.5.1: Some key financial accounts for typical real estate companies in 2020

Source: Financial statements 2020, compiled by VNC

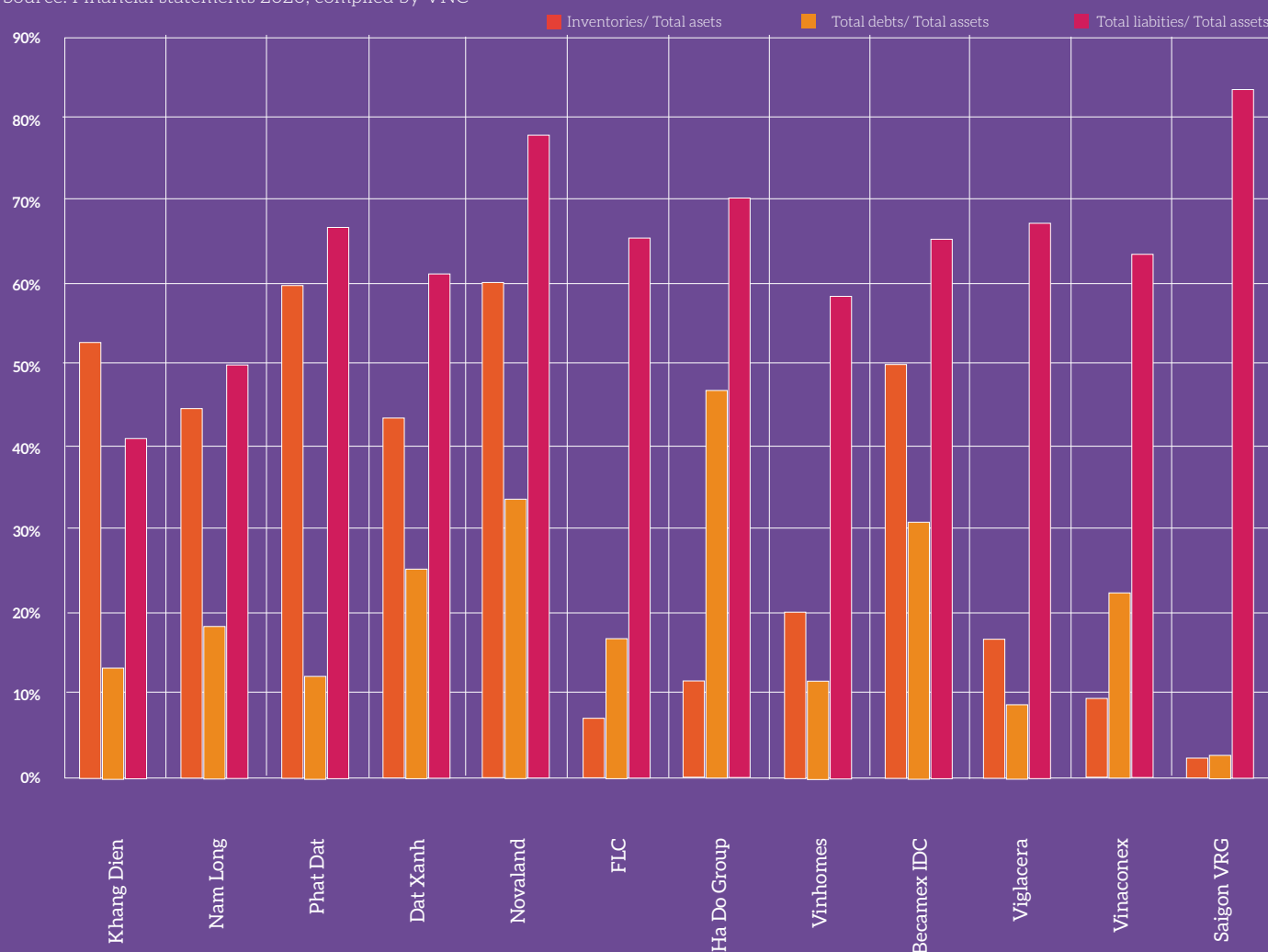


Vinhomes recorded highest level of both total assets and revenue generated (VND 214,937,493 million and VND 70,890,295 million), followed by Novaland. For industrial real estate, business scale was more humble. Becamex IDC, Saigon VRG... are well - recognizable companies in this sector.

REALESTATE INDUSTRY

Chart 2.5.2: The proportion of key financial accounts in total assets for typical real estate companies in 2020

Source: Financial statements 2020, compiled by VNC



Ecopak, Hung Thinh Group, Sungroup ... are also big companies in Vietnam real estate industry. However, these businesses are not listed on stock market. Currently, VNC is only able to collect financial data according to tax reports for 2019. Furthermore, financial data is not consolidated data for the whole group. It is not feasible to reflect financial situation. Specifically, Ecopak recorded assets (VND 9,790 billion) and revenue (VND 4,293 billion). Hung Thinh Group recorded assets (VND 19,153 billion) and revenue (VND 2,857 billion). Sungroup recorded assets (VND 10,392 billion) and revenue (VND 637 billion).

2.6. REAL ESTATE INDUSTRY AVERAGE FINANCIAL RATIO

Financials ratio	Industry Average
Current Liquidity Ratio (times)	1.62
Inventory turnover (times)	0.48
Utilizing Assets Performance (times)	0.23
Liabilities by Total Assets (%)	65.42
Total Loans/ Total Assets (%)	20.64
Ebit / Total Assets (ROA) (%)	10.15
Ebit / Owner's Equity (ROE) (%)	29.34
Operating profit/ Net Revenue (OPM) (%)	18.61
Profit after tax/ Net Revenue (NPM) (%)	31.22
Interest Coverage Ratio (times)	10.28

OS 2020



The industry average financial ratios are the indices calculated by VietnamCredit since 2009 with the goal of developing a standard to evaluate and compare the performance of enterprises in the same industry.

The average financial ratios presented in this report are calculated by using the combined average method from financial statements of companies in real estate industry.

Although VietnamCredit has investigated and ranked businesses in the most accurate possible way, due to some lack of data, the estimated industry average financial ratios remain inevitable limitations.

TEN OUTSTANDING COMPANIES IN VIETNAM REAL ESTATE INDUSTRY

List of 10 outstanding enterprises in Vietnam Real Estate Industry was created by Vietnam Credit Ratings (VietnamCredit). The evaluation criteria include credit rating, business scale, effectiveness in business operation according to financial ratios in 2020





KHANG DIEN HOUSE TRADING AND INVESTMENT JOINT STOCK COMPANY

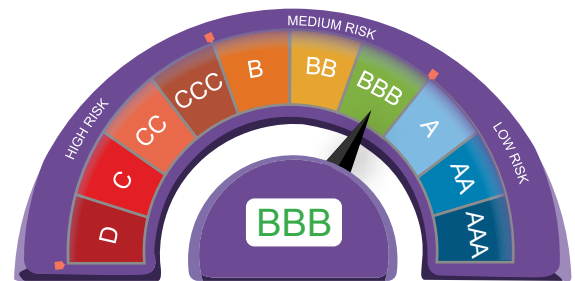
BUSINESS INFORMATION

Vietnamese Name:	CONG TY CO PHAN DAU TU VA KINH DOANH NHA KHANG DIEN
Business ID No:	0302588596
Date of Registration:	02 May 2007
Line of business:	VSIC: L6810 - Trading of own or rented property and land use rights
Charter capital:	VND 5,786,572,190,000
General Director:	Mr. VUONG VAN MINH
Company scale:	Extremely large
Total employees: 3	22 (on 31 Dec 2020)
Stock symbol:	KDH
Stock market:	HOSE
Address:	Suite No. 1 & 2, 11th Floor, Saigon Centre, No. 67, Le Loi Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
Telephone:	(84-28) 3820 8858
Website:	www.khangdien.com.vn

The subject gets involved in real estate business over 15 years, mainly for developing townhouses, luxurious villas. Some prominent projects include Mega Residence, Mega Ruby, Mega sapphire, Lovera Park... The company is implementing Verosa Park, Safira... Sunland Saigon is one of strategic distributors of its projects.

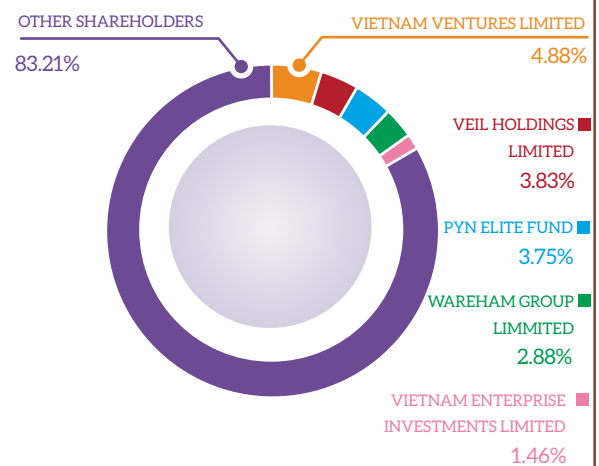
The subject was rated BBB in 2020 by VNC, showing low level of credit risk. The company is expected to have adequate capacity to meet contractual financial commitments under normal conditions.

CREDIT RATING



No.70

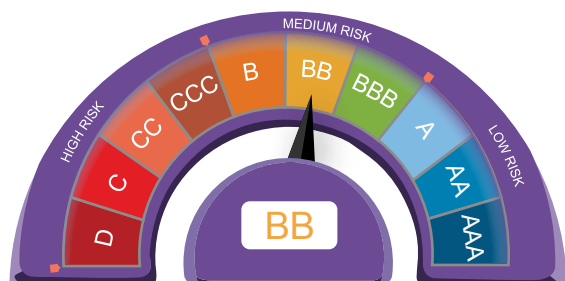
SHAREHOLDERS



FINANCIAL RATIOS AND INDUSTRY AVERAGE RATIOS

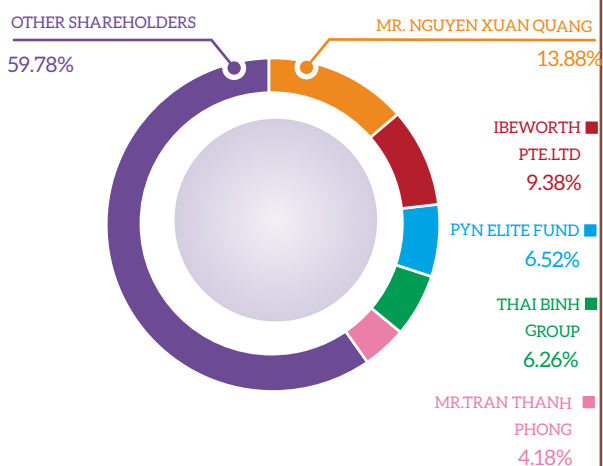
Financial Ratio	FYE 31 DEC 2019	Industry Average
Current Liquidity Ratio (times)	3.12	1.62
Inventory turnover (times)	0.35	0.48
Utilizing Assets Performance (times)	0.33	0.23
Liabilities by Total Assets (%)	41.26	65.42
Total Loans/ Total Assets (%)	13.29	20.64
Ebit / Total Assets (ROA) (%)	10.50	10.15
Ebit / Owner's Equity (ROE) (%)	17.87	29.34
Operating profit/ Net Revenue (OPM) (%)	34.14	18.61
Profit after tax/ Net Revenue (NPM) (%)	25.47	31.22
Interest Coverage Ratio (times)	-	10.28

CREDIT RATING



No.60

SHAREHOLDERS



FINANCIAL RATIOS AND INDUSTRY AVERAGE RATIOS

Financial Ratio	FYE 31 DEC 2019	Industry Average
Current Liquidity Ratio (times)	2.12	1.62
Inventory turnover (times)	0.26	0.48
Utilizing Assets Performance (times)	0.16	0.23
Liabilities by Total Assets (%)	50.07	65.42
Total Loans/ Total Assets (%)	18.25	20.64
Ebit / Total Assets (ROA) (%)	7.95	10.15
Ebit / Owner's Equity (ROE) (%)	15.92	29.34
Operating profit/ Net Revenue (OPM) (%)	10.66	18.61
Profit after tax/ Net Revenue (NPM) (%)	38.36	31.22
Interest Coverage Ratio (times)	19.49	10.28

**NAM LONG****NAM LONG INVESTMENT CORPORATION**

BUSINESS INFORMATION

Vietnamese Name:	CONG TY CO PHAN DAU TU NAM LONG
Business ID No:	0301438936
Date of Registration:	27 Dec 2005
Line of business:	VSIC: L6810 - Trading of own or rented property and land use rights
Charter capital:	VND 2,852,706,600,000
Chairman:	Mr. NGUYEN XUAN QUANG
Company scale:	Extremely Large
Total employees:	713 (on 31 Dec 2020)
Stock symbol:	NLG
Stock market:	HOSE
Address:	11th Floor, Capital Tower, No. 6, Nguyen Khac Vien Street, Tan Phu Ward, District 7, Ho Chi Minh City, Vietnam
Telephone:	(84-28) 5416 1718
Website:	www.namlongvn.com

The subject specializes in developing residential real estate with key projects like Waterpoint, Mizuki Park, Akari City, Rivera Townhouse & Villas... In 2020, the company was in top 5 companies which had largest land fund in Vietnam. The company had 640 hectares with Land Ownership Certificate, concentrating in Long An, Dong Nai Provinces, Ho Chi Minh, Can Tho, Hai Phong and Ha Noi Cities. The subject was rated BB in 2020 by VNC, showing moderate level of credit risk. The company is expected to be vulnerable to adverse changes.



PHATDAT CORPORATION

Real Estate Development

PHAT DAT REAL ESTATE DEVELOPMENT CORP

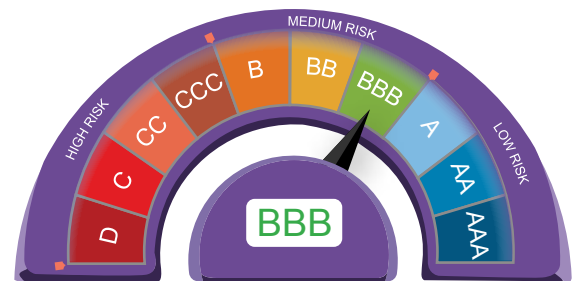
BUSINESS INFORMATION

Vietnamese Name:	CONG TY CO PHAN PHAT TRIEN BAT DONG SAN PHAT DAT
Business ID No:	0303493756
Date of Registration:	13 Sep 2004
Line of business: VSIC:	L6810 - Trading of own or rented property and land use rights
Charter capital:	VND 3,961,698,970,000
Chairman:	Mr. NGUYEN VAN DAT
Company scale:	Extremely Large
Total employees:	267 (on 31 Dec 2020)
Stock symbol:	PDR
Stock market:	HOSE
Address:	8th & 9th Floors, Tower B, Viettel Building, No. 285, Cach Mang Thang Tam Street, Ward 12, District 10, Ho Chi Minh City, Vietnam
Telephone:	(84-28) 2226 6868
Website:	https://www.phatdat.com.vn/

Established in 2004, the subject develops many projects including Vung Tau Ecotourism Area, Nhon Hoi New City... Since 2020, the subject has implemented Astral City (trade center & high – class apartment project) in Binh Duong Province. Cental Group is in charge as contractor to build this project.

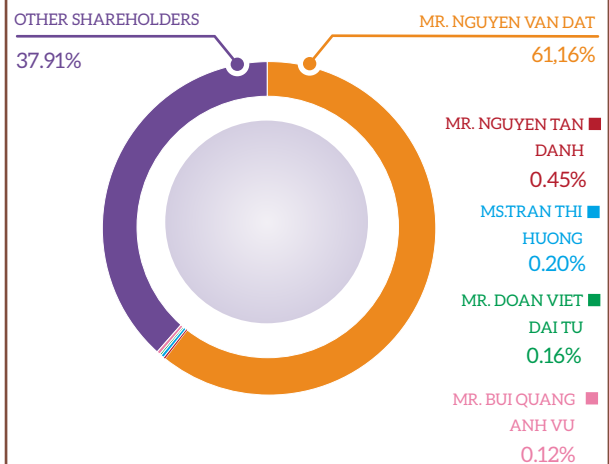
The subject was rated BBB in 2020 by VNC, showing low level of credit risk. The company is expected to have adequate capacity to meet contractual financial commitments under normal conditions.

CREDIT RATING



No.66

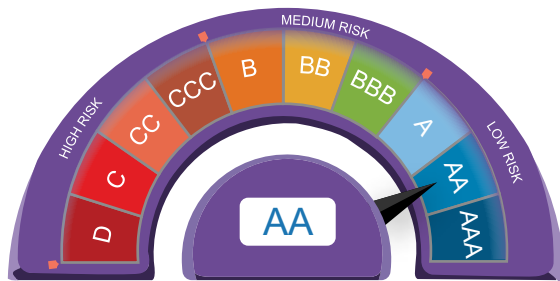
SHAREHOLDERS



FINANCIAL RATIOS AND INDUSTRY AVERAGE RATIOS

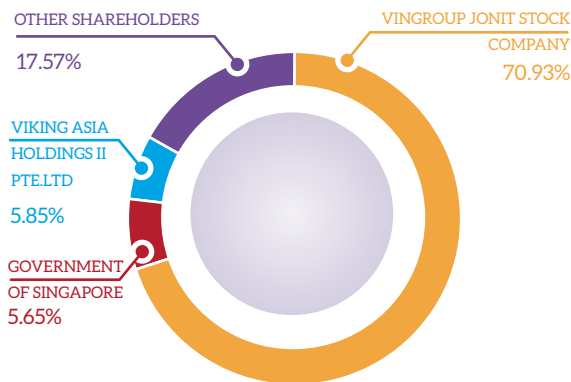
Financial Ratio	FYE 31 DEC 2019	Industry Average
Current Liquidity Ratio (times)	2.50	1.62
Inventory turnover (times)	0.22	0.48
Utilizing Assets Performance (times)	0.25	0.23
Liabilities by Total Assets (%)	66.69	65.42
Total Loans/ Total Assets (%)	12.18	20.64
Ebit / Total Assets (ROA) (%)	10.02	10.15
Ebit / Owner's Equity (ROE) (%)	30.08	29.34
Operating profit/ Net Revenue (OPM) (%)	40.22	18.61
Profit after tax/ Net Revenue (NPM) (%)	31.19	31.22
Interest Coverage Ratio (times)	67.79	10.28

CREDIT RATING



No.82

SHAREHOLDERS



FINANCIAL RATIOS AND INDUSTRY AVERAGE RATIOS

Financial Ratio	FYE 31 DEC 2019	Industry Average
Current Liquidity Ratio (times)	1.01	1.62
Inventory turnover (times)	1.04	0.48
Utilizing Assets Performance (times)	0.33	0.23
Liabilities by Total Assets (%)	58.27	65.42
Total Loans/ Total Assets (%)	11.61	20.64
Ebit / Total Assets (ROA) (%)	18.62	10.15
Ebit / Owner's Equity (ROE) (%)	44.63	29.34
Operating profit/ Net Revenue (OPM) (%)	29.21	18.61
Profit after tax/ Net Revenue (NPM) (%)	40.58	31.22
Interest Coverage Ratio (times)	13.41	10.28



VINHOMES JOINT STOCK COMPANY

BUSINESS INFORMATION

Vietnamese Name:	CONG TY CO PHAN VINHOMES
Business ID No:	0102671977
Date of Registration:	06 Mar 2008
Line of business:	VSIC: L6810 - Trading of own or rented property and land use rights
Charter capital:	VND 33,495,139,180,000
General Director:	Mr. PHAM THIEU HOA
Company scale:	Extremely Large
Total employees:	7,688 (on 31 Dec 2020)
Stock symbol:	VHM
Stock market:	HOSE
Address:	Symphony Office Building, Chu Huy Man Street, Vinhomes Riverside Eco – Urban Area, Phuc Loi Ward, Long Bien District, Ha Noi City, Vietnam
Telephone:	(84-24) 3974 9350
Website:	https://vinhomes.vn/

Vinhomes brand name is well – recognizable to customer's awareness. The subject has developed many projects such as Vinhomes Symphony, Vinhomes Grand Park, Vinhomes Green Villas, Vinhomes Ocean Park, Vinhomes Smart City... Currently, the subject leads the real estate industry and owns largest land fund. The company's land fund reached to nearly 14,900 hectares, used for residential real estate and complex real estate projects. In 2020, the subject started investing in industrial real estate with Vinhomes Industrial Park project of VND 6,000 billion. The subject was rated AA in 2020 by VNC, showing low level of credit risk. The company is expected to have very strong capacity to meet contractual financial commitments under normal conditions.



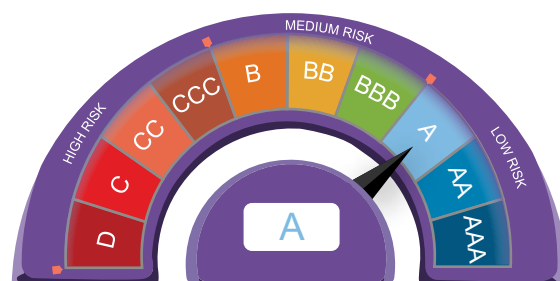
NO VA LAND INVESTMENT GROUP CORPORATION

BUSINESS INFORMATION

Vietnamese Name:	CONG TY CO PHAN TAP DOAN DAU TU DIA OC NO VA
Business ID No:	0301444753
Date of Registration:	18 Sep 1992
Line of business:	VSIC: L6810 - Trading of own or rented property and land use rights
Charter capital:	VND 9,862,852,970,000
General Director:	Mr. BUI XUAN HUY - Legal representative
Company scale:	Extremely Large
Total employees:	2,248 (on 31 Dec 2020)
Stock symbol:	NVL
Stock market:	HOSE
Address:	No. 313B-315, Nam Ky Khoi Nghia Street, Ward 7, District 3, Ho Chi Minh City, Vietnam
Telephone:	(84-24) 3521 0553
Website:	https://www.novaland.com.vn/

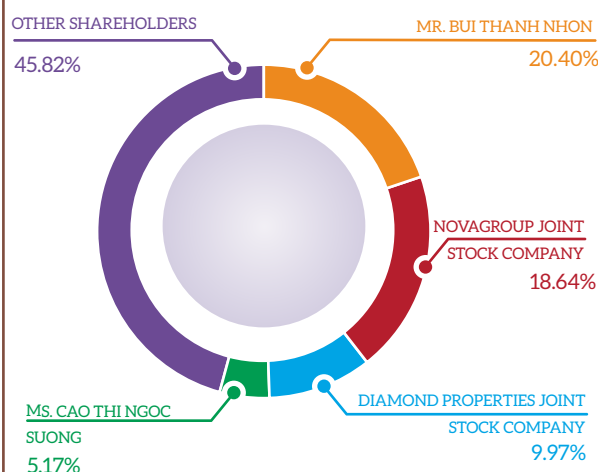
The subject engages in developing various real estate products like apartments, villas, townhouses, commercial centers, offices and resorts like Lakeview City, Galaxy 9, Sunrise City, The Sun Avenue, The Tresor, Icon 56, Novaworld, The Grand Manhattan, Aqua City, Novaworld Phan Thiet.... The subject executed the strategy of owning land fund through M&A deals, including central real estate projects in Ho Chi Minh City, urban real estate (Dong Nai) and resort projects (Can Tho, Ba Ria - Vung Tau, Binh Thuan ...). The company owned land fund of 4,270 hectares – second position after Vinhomes. The subject was rated A in 2020 by VNC, showing low level of credit risk. The company is expected to have strong capacity to meet contractual financial commitments under normal conditions.

CREDIT RATING



No.78

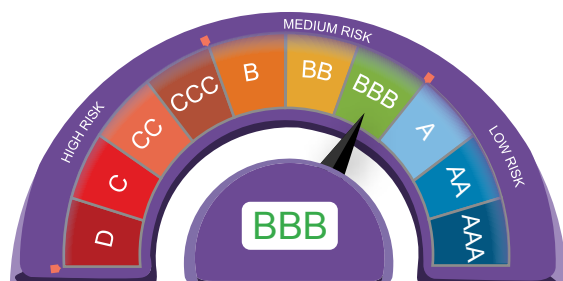
SHAREHOLDERS



FINANCIAL RATIOS AND INDUSTRY AVERAGE RATIOS

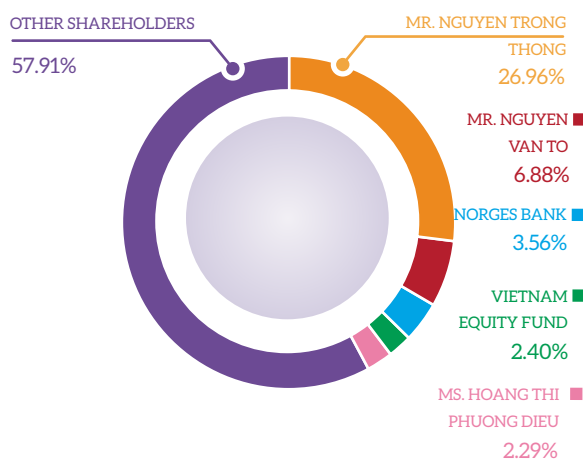
Financial Ratio	FYE 31 DEC 2019	Industry Average
Current Liquidity Ratio (times)	3.64	1.62
Inventory turnover (times)	0.04	0.48
Utilizing Assets Performance (times)	0.03	0.23
Liabilities by Total Assets (%)	77.92	65.42
Total Loans/ Total Assets (%)	33.81	20.64
Ebit / Total Assets (ROA) (%)	3.59	10.15
Ebit / Owner's Equity (ROE) (%)	16.27	29.34
Operating profit/ Net Revenue (OPM) (%)	7.06	18.61
Profit after tax/ Net Revenue (NPM) (%)	77.27	31.22
Interest Coverage Ratio (times)	9.18	10.28

CREDIT RATING



No.67

SHAREHOLDERS



FINANCIAL RATIOS AND INDUSTRY AVERAGE RATIOS

Financial Ratio	FYE 31 DEC 2019	Industry Average
Current Liquidity Ratio (times)	1.07	1.62
Inventory turnover (times)	1.73	0.48
Utilizing Assets Performance (times)	0.36	0.23
Liabilities by Total Assets (%)	70.26	65.42
Total Loans/ Total Assets (%)	46.91	20.64
Ebit / Total Assets (ROA) (%)	14.00	10.15
Ebit / Owner's Equity (ROE) (%)	47.08	29.34
Operating profit/ Net Revenue (OPM) (%)	38.74	18.61
Profit after tax/ Net Revenue (NPM) (%)	25.22	31.22
Interest Coverage Ratio (times)	5.30	10.28



HA DO GROUP JOINT STOCK COMPANY

BUSINESS INFORMATION

Vietnamese Name:	CONG TY CO PHAN TAP DOAN HA DO
Business ID No:	0100283802
Date of Registration:	11 Apr 2005
Line of business:	VSIC: L6810 - Trading of own or rented property and land use rights
Charter capital:	VND 1,542,750,180,000
Chairman:	Mr. NGUYEN TRONG THONG
Company scale:	Extremely Large
Total employees:	1,607 (2019)
Stock symbol:	HDG
Stock market:	HOSE
Address:	No.08, Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Ha Noi City, Vietnam
Telephone:	(84-24) 3831 0347
Website:	https://hado.com.vn/

The subject operates in 3 fields as real estate, construction and electric power, of which its real estate activity brought the largest revenue for the subject. Some projects in Vietnam are HaDo Park View, HaDo Parkside, HaDo Centrosa Garden, HaDo Garden Homes... Thanks to having origin from Vietnam National Defense, the subject has taken certain advantage of owning strategic land fund.

The subject was rated BBB in 2020 by VNC, showing low level of credit risk. The company is expected to have adequate capacity to meet contractual financial commitments under normal conditions.



SAIGON VRG
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SAI GON VRG INVESTMENT CORPORATION

BUSINESS INFORMATION

Vietnamese Name:	CONG TY CO PHAN DAU TU SAI GON VRG
Business ID No:	0305268812
Date of Registration:	24 Oct 2007
Line of business:	VSIC: L6810 - Trading of own or rented property and land use rights
Charter capital:	VND 794,053,570,000
General Director:	Mr. LU THANH NHA - Legal representative
Company scale:	Extremely Large
Total employees:	306 (2019)
Stock symbol:	SIP
Stock market:	UPCOM
Address:	Lot TT2-1, D4 Street, Dong Nam Industrial Park, Hoa Phu Ward, Cu Chi District, Ho Chi Minh City, Vietnam
Telephone:	(84-28) 3847 9273
Website:	https://saigonvrg.com.vn/

The subject gets involving in investing and developing industrial real estate. Some typical projects comprise of Le Minh Xuan 3 Industrial Park, Phuoc Dong Industrial Park, Dong Nam Industrial Park and Loc An - Binh Son Industrial Park. In 2020, the subject was in top companies with highest growth rate in profit after tax.

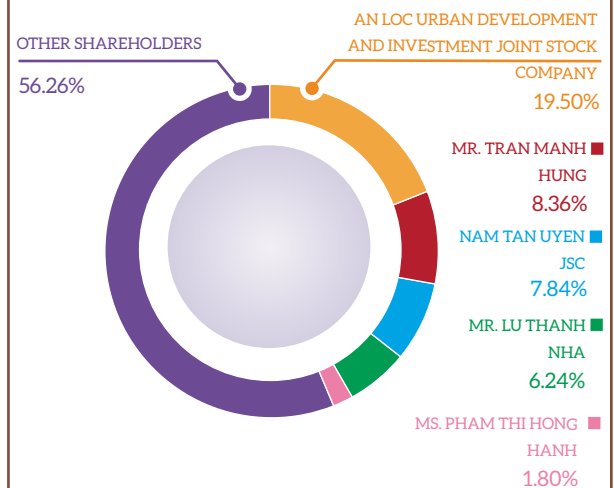
The subject was rated BBB in 2020 by VNC, showing low level of credit risk. The company is expected to have adequate capacity to meet contractual financial commitments under normal conditions.

CREDIT RATING



No.65

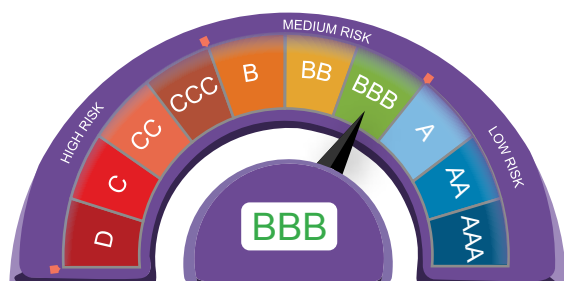
SHAREHOLDERS



FINANCIAL RATIOS AND INDUSTRY AVERAGE RATIOS

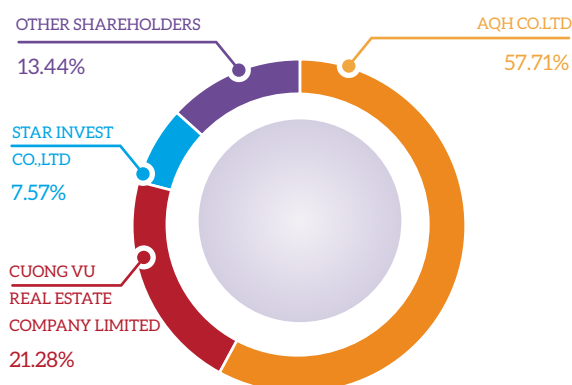
Financial Ratio	FYE 31 DEC 2019	Industry Average
Current Liquidity Ratio (times)	4.73	1.62
Inventory turnover (times)	11.06	0.48
Utilizing Assets Performance (times)	0.30	0.23
Liabilities by Total Assets (%)	83.42	65.42
Total Loans/ Total Assets (%)	2.76	20.64
Ebit / Total Assets (ROA) (%)	8.28	10.15
Ebit / Owner's Equity (ROE) (%)	49.96	29.34
Operating profit/ Net Revenue (OPM) (%)	13.21	18.61
Profit after tax/ Net Revenue (NPM) (%)	22.15	31.22
Interest Coverage Ratio (times)	99.89	10.28

CREDIT RATING



No.68

SHAREHOLDERS



FINANCIAL RATIOS AND INDUSTRY AVERAGE RATIOS

Financial Ratio	FYE 31 DEC 2019	Industry Average
Current Liquidity Ratio (times)	1.44	1.62
Inventory turnover (times)	2.48	0.48
Utilizing Assets Performance (times)	0.28	0.23
Liabilities by Total Assets (%)	63.44	65.42
Total Loans/ Total Assets (%)	22.42	20.64
Ebit / Total Assets (ROA) (%)	12.26	10.15
Ebit / Owner's Equity (ROE) (%)	33.54	29.34
Operating profit/ Net Revenue (OPM) (%)	37.62	18.61
Profit after tax/ Net Revenue (NPM) (%)	31.16	31.22
Interest Coverage Ratio (times)	9.46	10.28



VIET NAM CONSTRUCTION AND IMPORT - EXPORT JOINT STOCK CORPORATION

BUSINESS INFORMATION

Vietnamese Name:	TONG CONG TY CO PHAN XUAT NHAP KHAU VA XAY DUNG VIET NAM
Business ID No:	0100105616
Date of Registration:	01 Dec 2006
Line of business:	VSIC: L6810 - Trading of own or rented property and land use rights
Charter capital:	VND 4,417,106,730,000
General Director:	Mr. NGUYEN XUAN DONG
Company scale:	Extremely Large
Total employees:	15,286 (2019)
Stock symbol:	VCG
Stock market:	HOSE
Address:	Vinaconex Building, No. 34, Lang Ha Street, Lang Ha Ward, Dong Da District, Ha Noi City, Vietnam
Telephone:	(84-24) 6284 9234
Website:	https://www.vinaconex.com.vn/

The subject engages in operating as real estate investor. Besides, the company also provides construction service for projects. Some projects include Vinaconex Green Diamond, Tuy Hoa Condotel Resort, Vinaconex Tower, Tuy Hoa - Nhan Chinh Urban Area... In 2020 - 2025, the subject desires in top 5 largest real estate investors with average growth rate of 20%-25% per year.

The subject was rated BBB in 2020 by VNC, showing low level of credit risk. The company is expected to have adequate capacity to meet contractual financial commitments under normal conditions.

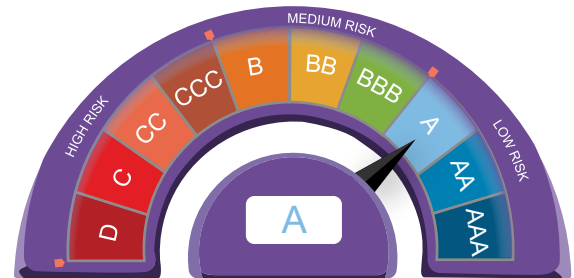
INVESTMENT AND INDUSTRIAL DEVELOPMENT JOINT STOCK CORPORATION

BUSINESS INFORMATION

Vietnamese Name:	TONG CONG TY DAU TU VA PHAT TRIEN CONG NGHIEP
Business ID No:	3700145020
Date of Registration:	03 Jun 2010
Line of business:	VSIC: L6810 - Trading of own or rented property and land use rights
Charter capital:	VND 10,350,000,000,000
General Director:	Mr. PHAM NGOC THUAN
Company scale:	Extremely Large
Total employees:	1,776 (2019)
Stock symbol:	BCM
Stock market:	HOSE
Address:	No.08, Hung Vuong Street, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province, Vietnam
Telephone:	(84-274) 3822 655
Website:	https://becamex.com.vn/

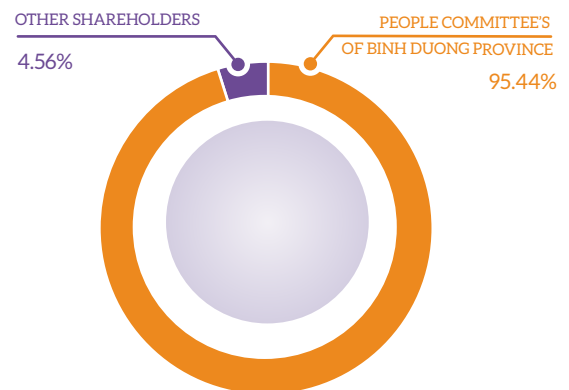
The subject was formed in 1976 under the type of State single member limited liability company. Since 01 Feb 2018 the subject transferred to joint stock company. Its shares were first traded on the UPCOM on 21 Feb 2018. On 31 Aug 2020, its shares have been listed on HOSE with stock symbol BCM. The subject has had its own brand and market on its core business activities of investment and construction of industrial parks, residential and urban developments and transport infrastructure. Some of outstanding projects are such as Bau Bang, VSIP Binh Duong, Becamex Binh Phuoc, My Phuoc industrial parks, Becamex City Center, Ecolakes My Phuoc. The subject was rated AA in 2020 by VNC, showing low level of credit risk. The company is expected to have very strong capacity to meet contractual financial commitments under normal conditions.

CREDIT RATING



No.76

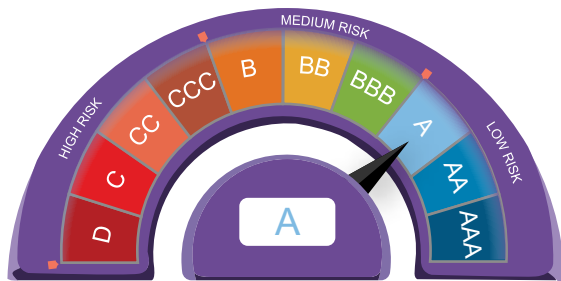
SHAREHOLDERS



FINANCIAL RATIOS AND INDUSTRY AVERAGE RATIOS

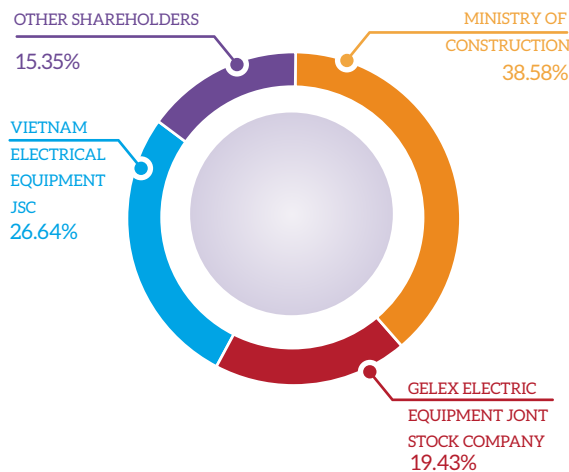
Financial Ratio	FYE 31 DEC 2019	Industry Average
Current Liquidity Ratio (times)	1.38	1.62
Inventory turnover (times)	0.19	0.48
Utilizing Assets Performance (times)	0.16	0.23
Liabilities by Total Assets (%)	65.27	65.42
Total Loans/ Total Assets (%)	30.92	20.64
Ebit / Total Assets (ROA) (%)	6.18	10.15
Ebit / Owner's Equity (ROE) (%)	17.78	29.34
Operating profit/ Net Revenue (OPM) (%)	23.88	18.61
Profit after tax/ Net Revenue (NPM) (%)	27.82	31.22
Interest Coverage Ratio (times)	5.32	10.28

CREDIT RATING



No.74

SHAREHOLDERS



FINANCIAL RATIOS AND INDUSTRY AVERAGE RATIOS

Financial Ratio	FYE 31 DEC 2019	Industry Average
Current Liquidity Ratio (times)	0.94	1.62
Inventory turnover (times)	1.97	0.48
Utilizing Assets Performance (times)	0.44	0.23
Liabilities by Total Assets (%)	67.25	65.42
Total Loans/ Total Assets (%)	8.82	20.64
Ebit / Total Assets (ROA) (%)	4.66	10.15
Ebit / Owner's Equity (ROE) (%)	14.24	29.34
Operating profit/ Net Revenue (OPM) (%)	10.23	18.61
Profit after tax/ Net Revenue (NPM) (%)	7.07	31.22
Interest Coverage Ratio (times)	6.15	10.28

**VIGLACERA****VIGLACERA CORPORATION - JSC**

BUSINESS INFORMATION

Vietnamese Name:	TONG CONG TY VIGLACERA – CTCP
Business ID No:	0100108173
Date of Registration:	01 Oct 2010
Line of business:	VSIC: L6810 - Trading of own or rented property and land use rights
Charter capital:	VND 4,483,500,000,000
General Director:	Mr. NGUYEN ANH TUAN
Company scale:	Extremely Large
Total employees:	8,400 (2020)
Stock symbol:	VGC
Stock market:	HOSE
Address:	16th - 17th Floor, Viglacera Tower, No. 1, Thang Long Avenue, Me Tri Ward, South Tu Liem District, Ha Noi City, Vietnam
Telephone:	(84-24) 3553 6660
Website:	http://www.viglacera.com.vn

Started operation in 1974 as a state-owned company, MINISTRY OF CONSTRUCTION only holds 38.58% shares of the subject after the equitization. According to a plan, the State would withdraw all shares from the subject in 2020; nevertheless, the disinvestment has been slower than expected, even be postponed until 2022. Remarkably, according to the public information, Gelex Group wants to obtain more shares, and seize control of the subject. The company specializes in developing residential real estate (Viglacera Dai Mo, Yen Phong Bac Ninh, Kim Chung...), industrial real estate and tourism real estate (Van Hai ecological area). The subject was rated A in 2020 by VNC, showing low level of credit risk. The company is expected to have strong capacity to meet contractual financial commitments under normal conditions.



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Company Report - Industry Report - Business Supporting Service

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