



Thang Long Industrial Park II

VIETNAM RESEARCH MEMO

.....
February 2026

Vietnam is open for business, ready, and moving fast

Population

101M

3rd SE Asia, 16th World

Working age population

80M

GDP growth

6.1%

2015-2025 CAGR

Per capita consumer spending

6.3%

2019-2029 CAGR

FDI

~ \$40B p.a.

Ranked 3rd in South-East Asia

Export oriented economy

\$24B p.a.

trade balance of goods in 2024

Urban population

2x

Expected to almost double from 2024 to 2050

Middle-class

36M

Expected to enter middle-class by 2030

High infrastructure investment

7% of GDP

Almost double the regional average

Government environment

Politically stable and “pro-business” oriented government environment

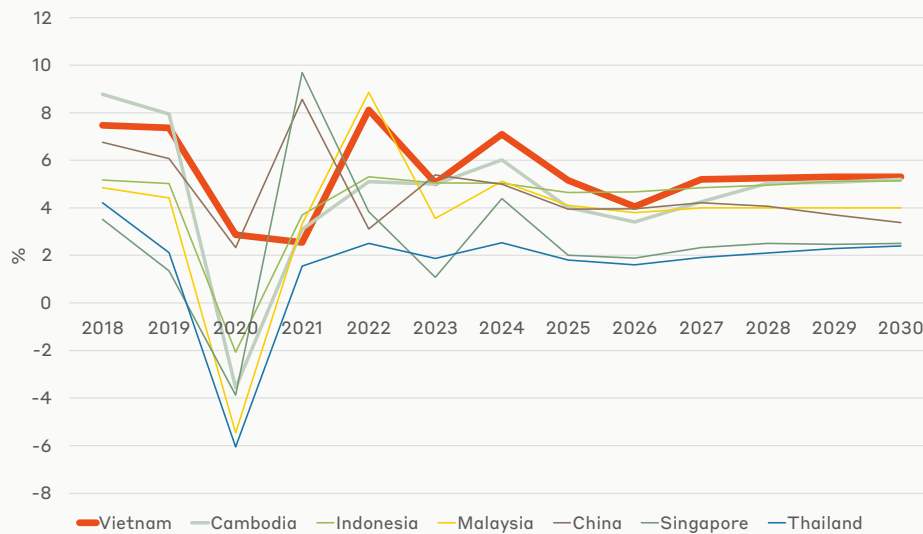
Strong accessibility from long coastline and rapidly expanding port system with c. \$14 billion in planned investments to boost capacity and reinforce its role as a regional trade gateway.



Sources: IMF, ILO, OEC, World Bank, WTO, McKinsey, Vietnam Chamber of Commerce and Industry, Open Development Vietnam, ASEAN, General Statistics Office of Vietnam, Lowy institute, Vietnam National Trade Repository

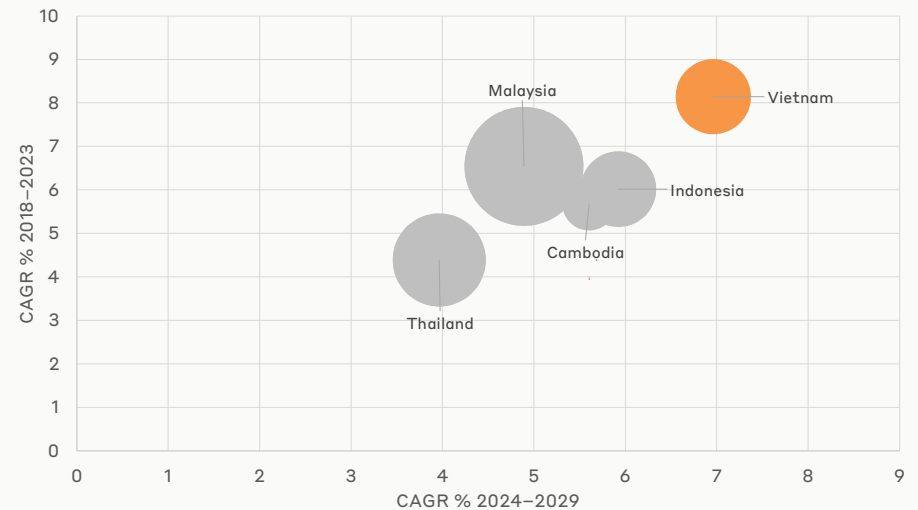
Vietnam emerges as one of the fastest growing economies among regional peers

Leading regional real GDP growth (%)



GDP growth was among the highest in the last decade and is expected to remain one of the highest going forward

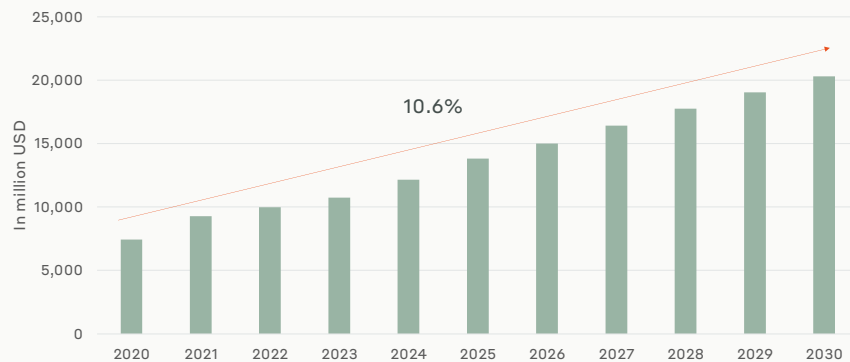
High GDP per capita (PPP-adjusted, current prices) in USD growth rate
Bubble size represents GDP per capita (2024)



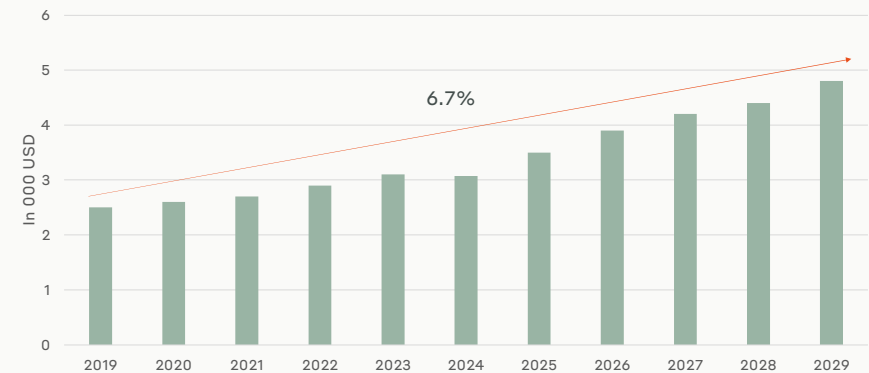
Vietnam's **GDP per capita** growth is expected to be the highest among South-East Asian countries

Vietnam's domestic consumption growth and e-commerce boom

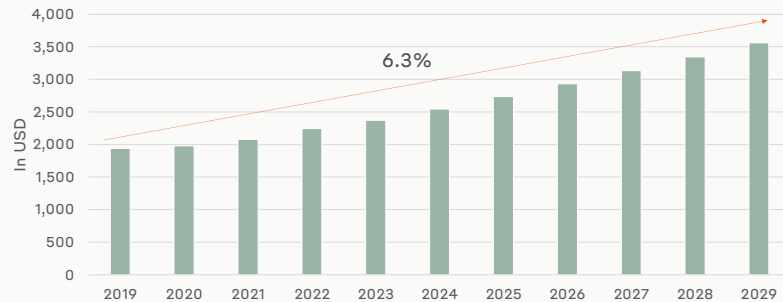
E-commerce revenue growth (in million USD) is estimated to increase at a CAGR of 10.6% from 2020 to 2030



Disposable income - per capita (in 000 USD) is estimated to increase at a CAGR of 6.7% from 2019 to 2029



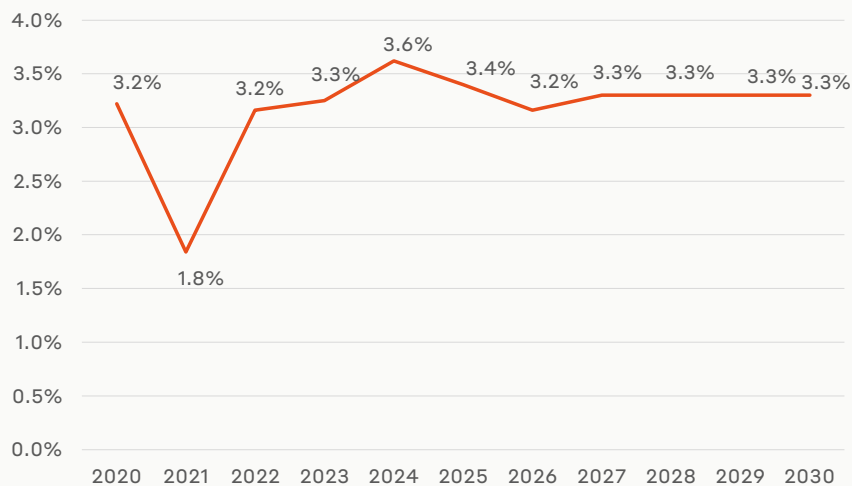
Per capita consumer spending (in USD) is estimated to increase at a CAGR of 6.3% from 2019 to 2029



- **Rapid E-Commerce Expansion:** Vietnam's e-commerce revenue is projected to grow at a CAGR of 10.6% from 2020 to 2030, reaching over \$20 billion by 2030.
- **Rising Disposable Income:** Per capita disposable income is expected to increase at a CAGR of 6.7% from 2019 to 2029, strengthening consumer purchasing power.
- **Growing Consumer Spending:** Per capita consumer spending is forecasted to rise at a CAGR of 6.3% from 2019 to 2029, which is above South-East Asian regional average of 2.7%, indicating sustained demand for goods and services.

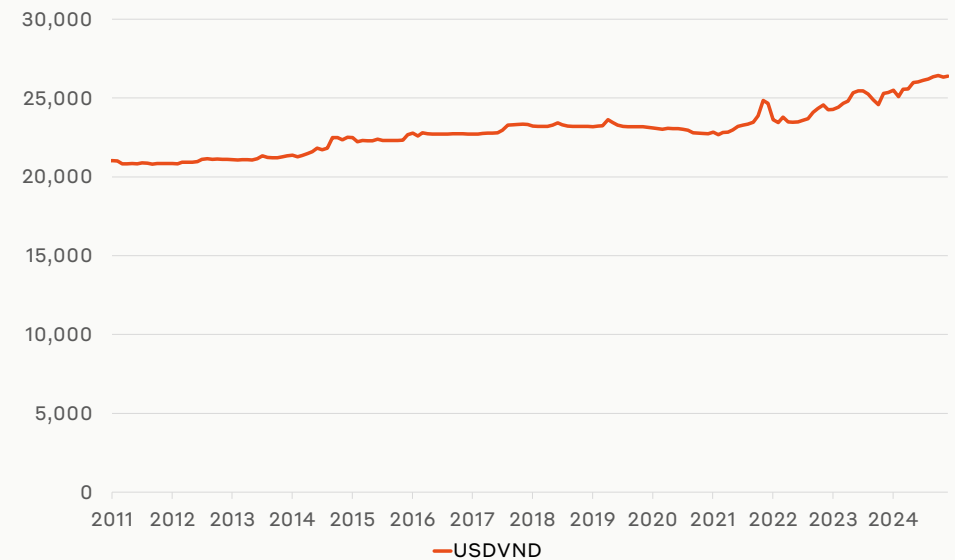
Vietnam's inflation stability: Foundation for predictable investment

Vietnam's inflation trend (2020–2030): a story of stability



Rapid growth with financial stability and inflation under control.

VND/USD exchange rate trend from 2011–2024



Exchange rate is set by State Bank of Vietnam (managed float/crawl system). Commercial banks operate within $\pm 5\%$ band of the exchange rate set by SBV, reducing FX risk.

Young growing population and workforce creates a competitive advantage for Vietnam

101M

Population

3rd in southeast Asia
16th globally

Working age
population

80M

Growing population

21%
growth

from 2010 - 2030

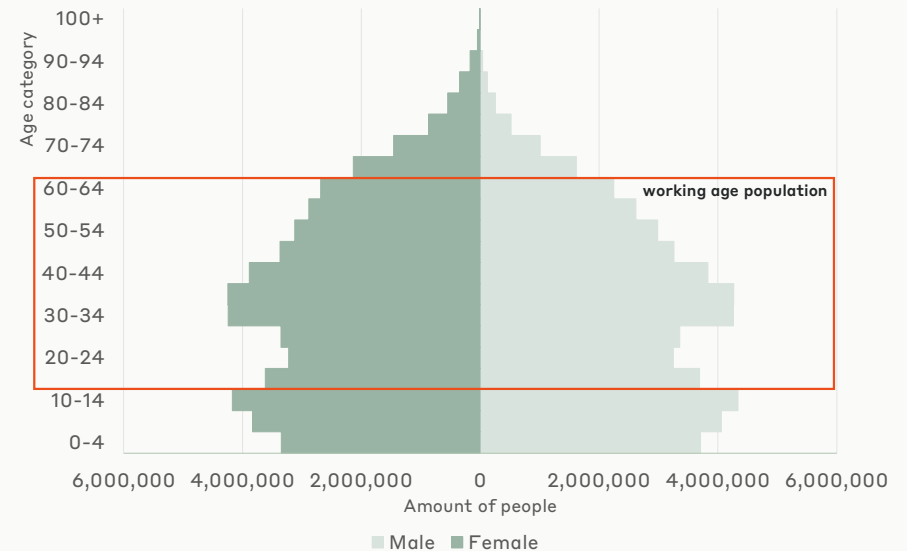
70%

of urbanization in 2050
(almost double from 2024)

6 cities

with over 1 million people

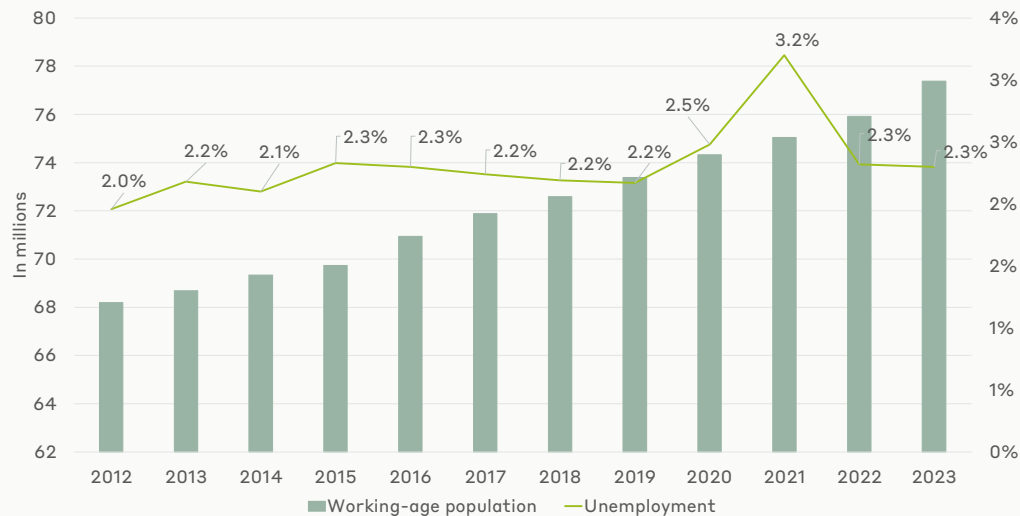
Young population structure provides growth opportunities



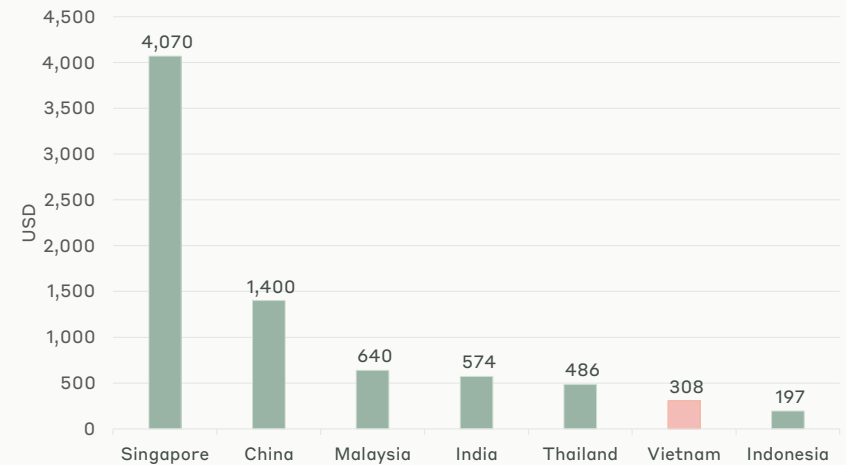
Sources: IMF, World Bank, UN DESA

Vietnam's workforce advantage: Large and growing labour pool and competitive labour costs

Working-age population (in millions) and unemployment (%) in Vietnam from 2012 to 2023



Average monthly salary for paid workers and employees in selected countries in the region in 2024 (USD)*



*For India, Cambodia, Indonesia the data is for 2023

- **Large labor pool:** The working-age population in Vietnam is approximately 80 million people with the country's overall average age of 33 years
- **Highly motivated:** #1 in the region for career ambition
- **Low unemployment:** stable below 3%
- **Competitive labour costs:** Average monthly salary in Vietnam remains significantly lower than regional peers such as Singapore, China, and Malaysia, providing cost efficiency for businesses and supporting manufacturing and FDI opportunities

Sources: IMF, ILO, UN DESA, Picodi, Reeracoen & Rakuten Insight

Vietnam's transition to a knowledge-driven economy

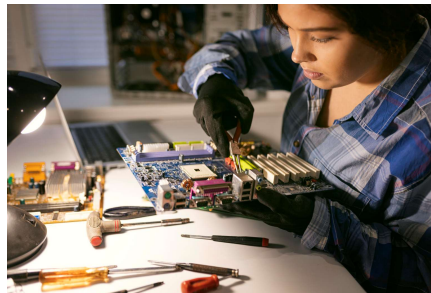
Beyond Low-Cost: Engineering a High-Value Future Where R&D Meets Mass Production

Moving from low to high-tech manufacturing by 2030:

- **45%** of manufacturing output from high-tech sectors
- **30%** of GDP from manufacturing and processing industry

STEM* Education:

- Government aims to embed STEM across all education levels, expand university STEM programs, and train 50,000 semiconductor engineers by 2030
- 14.4% of national expenditure is dedicated to education, one of the highest ratios in the region

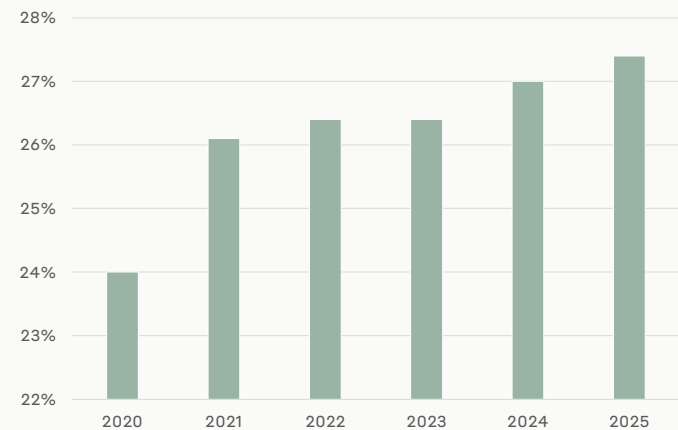


Trained employees: 55% increase over the last decade

International patent filings: Increased by 58% between 2023 and 2024



Skilled labour share (%) in Vietnam (2020–2025)

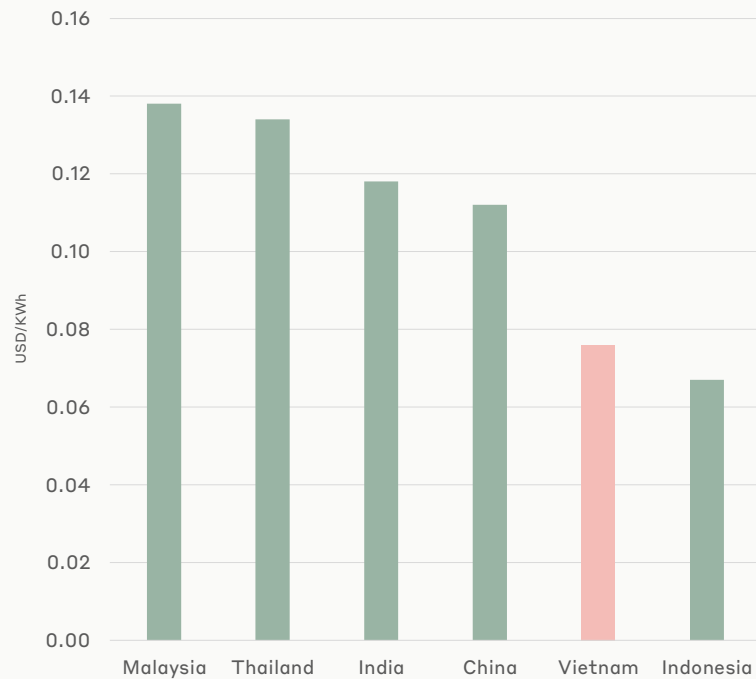


*Note: STEM refers to Science, Technology, Engineering, and Mathematics

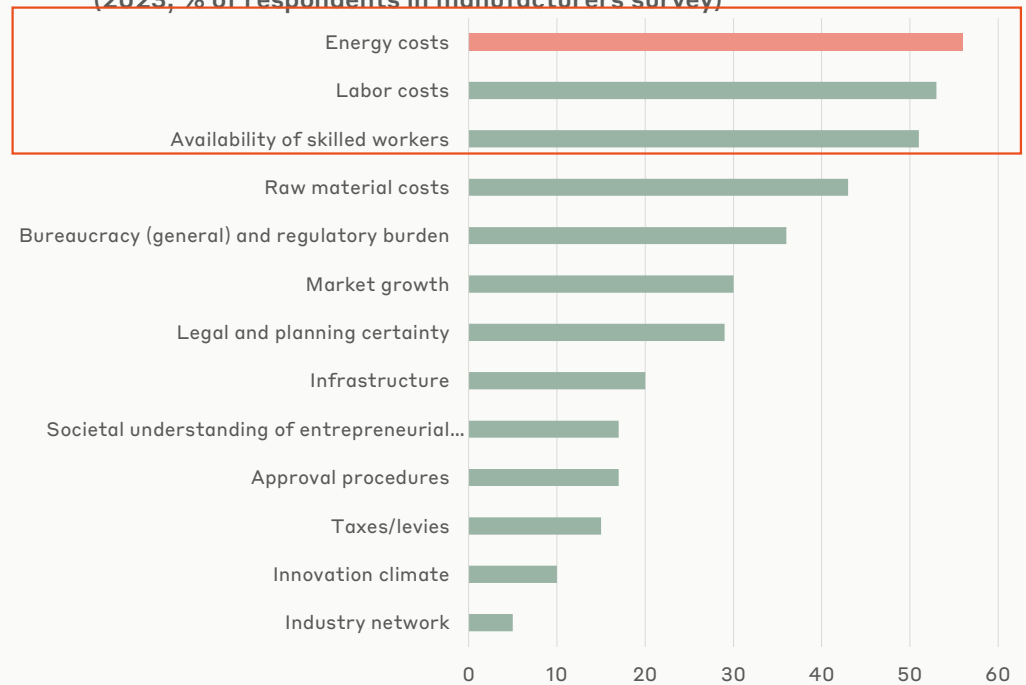
Sources: National Statistics Office of Vietnam, Statista, Savills, Vietnamese Ministry of Education and Training UNESCO, World Bank, WIPO, Kizuna

Low energy costs make Vietnam an ideal production location

Low energy prices support manufacturing advantage...
(Q3 2025, USD/KWh)



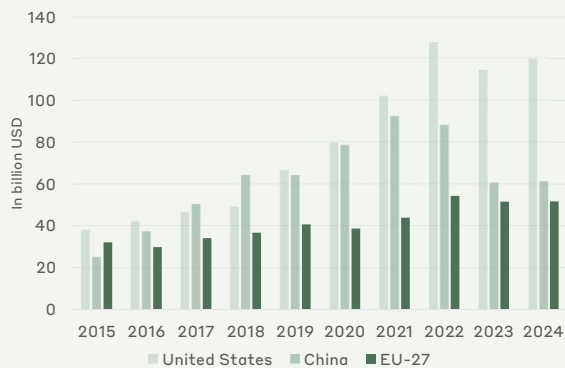
...with Vietnam aligning well with top typical tenant location drivers
(2023, % of respondents in manufacturers survey)



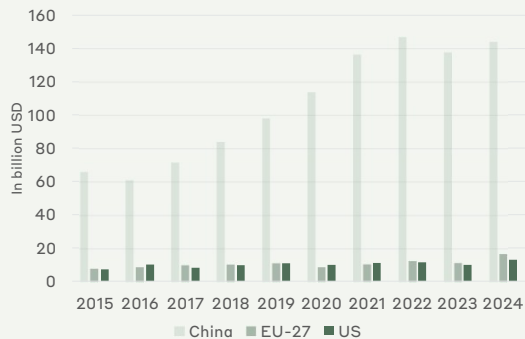
Sources: Statista, VCI

Vietnam as a strategic hub for global trade, focusing on high-tech products

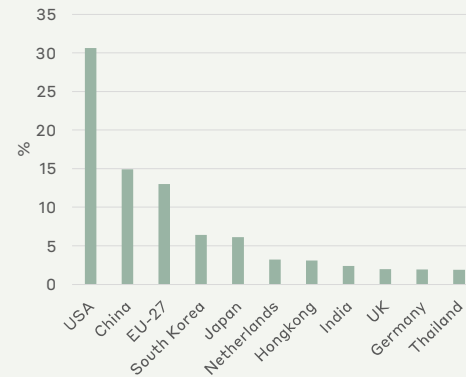
Total export value from Vietnam to the US, China, and EU-27 (in billion USD) between 2015 and 2024



Total import value from the US, China, and EU-27 to Vietnam (in billion USD) between 2015 and 2024



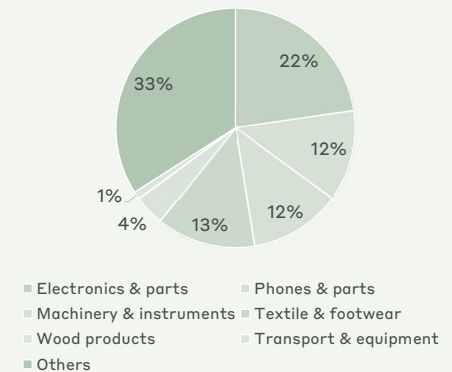
Main export trade partners of Vietnam in 2024 (% share)



Vietnam's primary export destinations include the United States (20% tariffs in place), China, and the EU-27. On the import side, the country's leading partners are China, South Korea, and Taiwan.

Vietnam achieved the top global position in three categories: high-tech imports, high-tech exports, and creative goods exports.

Leading export products (by October 2025)



Government increasing investments into infrastructure to support growth

In 2025, the Vietnamese government has raised its 2025 infrastructure spending target from 6% to 7% of GDP.



Road infrastructure

- Master Plan (2021–2030, vision to 2050)
 - 5,000 km of expressways, connected with ports, airports and economic zones
 - North–South Expressway, linking Mekong Delta, Southeast, Central Highlands, and South – Central regions



Railways

- North–South High-Speed Railway
- New Lao Cai–Hanoi–Hai Phong railway
- New railway connecting a key northern seaport with China



Airports

- New Long Thanh International Airport
- from 22 airports today to 30 by 2030



Seaports & Logistics

- Currently 34 seaports with a vision to expand by 2050 to position Vietnam as a leading logistics hub in Asia
- Estimated investments of \$14B by 2030 from both public and private funds
- Green port initiatives as key part of the 2050 vision

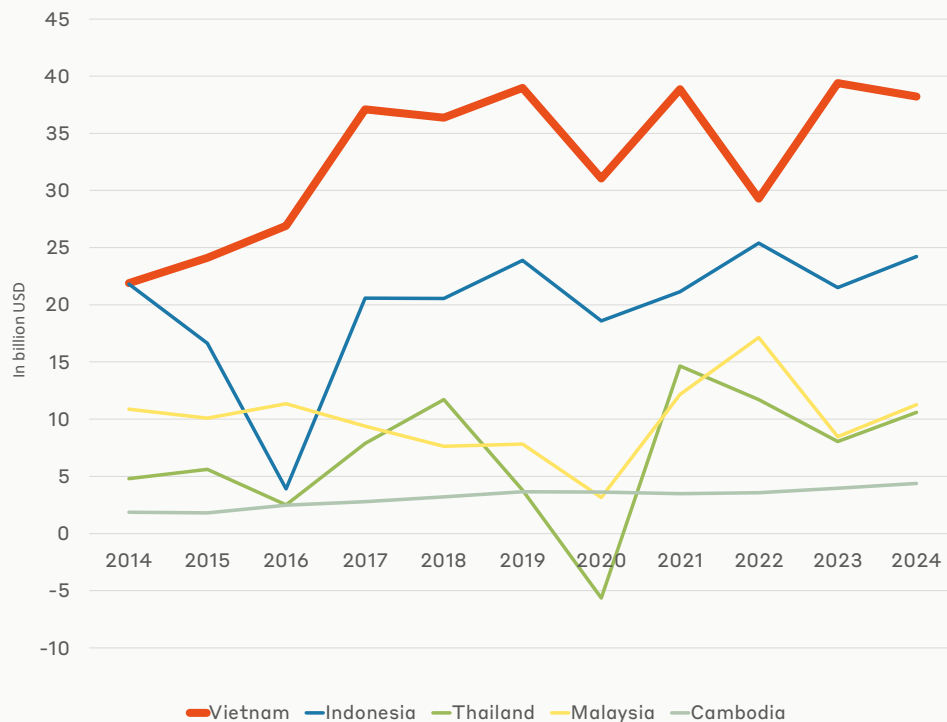
Sources: WB, Open Development Vietnam, Reuters, PWC, A-Connection, Vietnam Briefing, Vietnam Investment Review, Vietnam News



Unlocking opportunities: Vietnam's rising appeal for investors

Vietnam's benefits from very stable political situation, thanks to one-party system, which primarily focuses on economic growth and attracting FDI through "pro-business" decision making.

Vietnam leads the region in foreign direct investment (FDI) (2014–2024, in billion USD)



Samsung (South Korea)

→ **Investment:** \$1.8 billion expansion in 2024; cumulative investment is now around \$8 billion



LG (South Korea)

→ **Investment:** \$1 billion additional capital for LG Display; total investment now around \$6 billion



Foxconn (Taiwan)

→ **Investment:** \$1,2 billion



Goertek (China)

→ **Investment:** \$280–300 million



NVIDIA

→ **Investment:** \$200 million



IKEA (Sweden)

→ **Investment:** Estimated \$450 million



H&M (Sweden)



LEGO (Denmark)

→ **Investment:** \$1 billion



Škoda Auto (Czech Republic)

→ **Investment:** \$500m



Pegatron (Taiwan)

→ **Investment:** \$1 billion



Pandora

→ **Investment:** \$150 million

Sources: General Statistics Office of Vietnam,
Ministry of Planning and Investment of Vietnam

Purchasing power in Vietnam compared to Europe

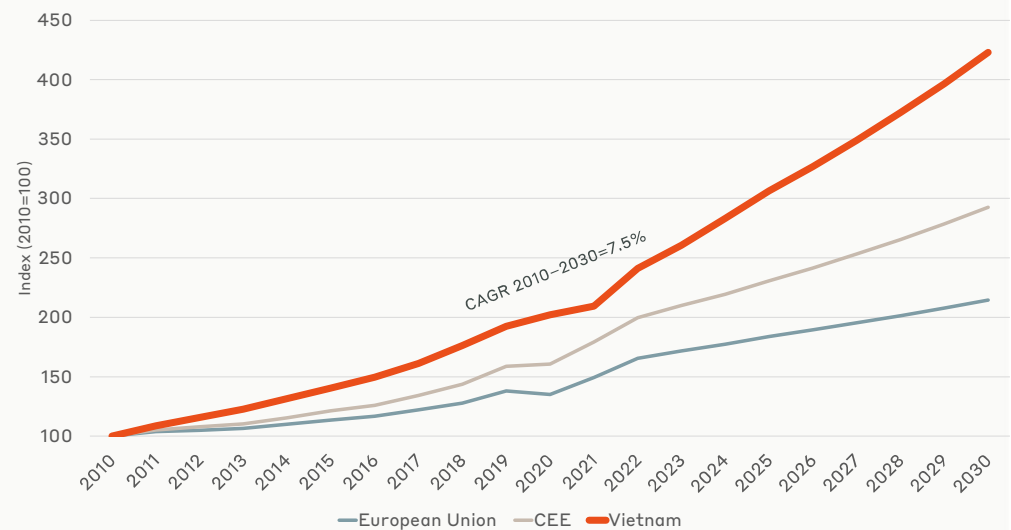
Share of global GDP adjusted for PPP 2000 and 2030 (%)

	2000		2030
EU	22%	↓	13%
CEE	2%	→	2%
Vietnam	0.4%	↑ 2.5x	1%

Vietnam's share of global GDP (PPP) is on a trajectory to more than double by 2030 compared to 2000.

**CEE = CZ, PL, HU, SK, RO, BG, RS

GDP per capita, current prices adjusted for PPP in USD for 2010–2030 (2010=index)



GDP per capita (adjusted for PPP) is expected to grow annually 7.5% (CAGR) between 2010–2030, narrowing the gap to more developed economies.

Sources: IMF

I&L real estate landscape in Vietnam

Land is owned by the government and typically leased for 50y period

Land developers

- Acquire land and provide compensation to the government
- Develop necessary infrastructure
- Land is then sub-leased to end user, or RBF/RBW developer

RBF/RBW providers

- 'Ready-Built Factory' or 'Ready-Built Warehouse' providers develop and lease facilities to tenants

Current RBF/RBW key players in Vietnam

maple^{tree}
logistics

SLP

FRASERS
PROPERTY

CORE5
BY INNOVATIVE LOGISTICS

sembcorp

GAW NP
INDUSTRIAL

KCN VIETNAM
Connect to Advance

BV INDUSTRIAL

LŌ-GOI
GROUP



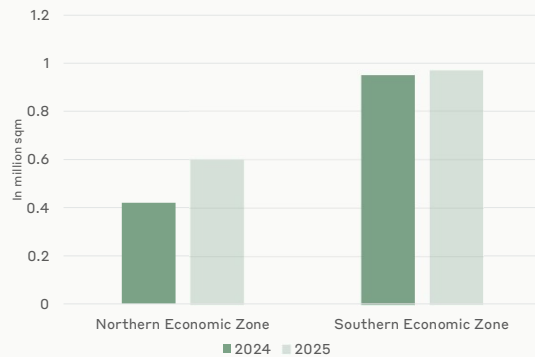
Amata City Ha Long industrial park



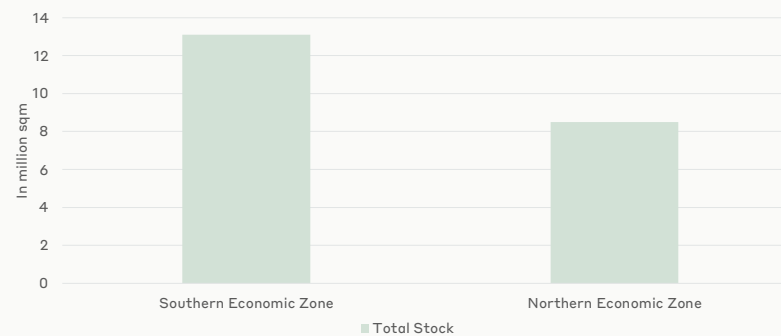
Northern Vietnam industrial park

Undersupplied I&L real estate sector in Vietnam is experiencing strong growth driven by logistics, e-commerce and manufacturing sectors

Net absorption (in million sqm)



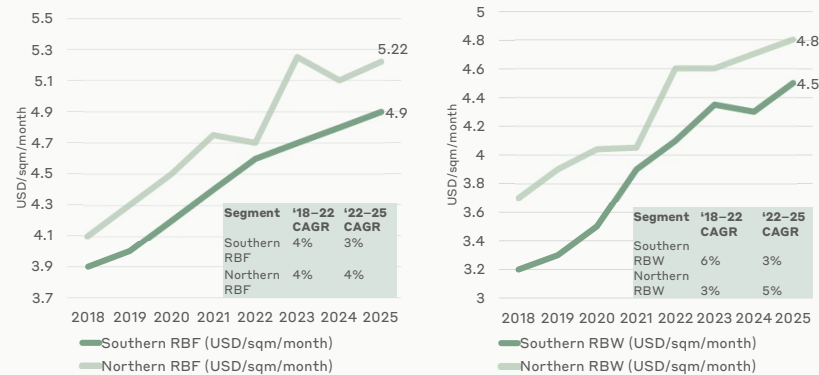
Total stock (in million sqm)



Occupancy (%)



Average I&L real estate rent in Vietnam (USD/sqm/month)



Total Stock: The combined RBW and RBF stock is around 21.6 million square meters, which equates to roughly **0.2** square meters per capita, with Grade A stock estimated <10 million square meters. This shows that the market is substantially undersupplied compared to Europe, where Western Europe stands at 1.2 and CEE at 0.7.

Demand in the Vietnamese I&L market remains exceptionally strong, with net absorption representing 4.9% of total stock in the Northern Economic Zone and 7.3% in the Southern Economic Zone.

Supply in the Vietnamese I&L market differs between economic regions, with new supply representing **10%** of total stock in the Northern Economic Zone, suggesting expanding market and strong demand, and **3%** in the Southern Economic Zone, suggesting stable environment with higher vacancy.

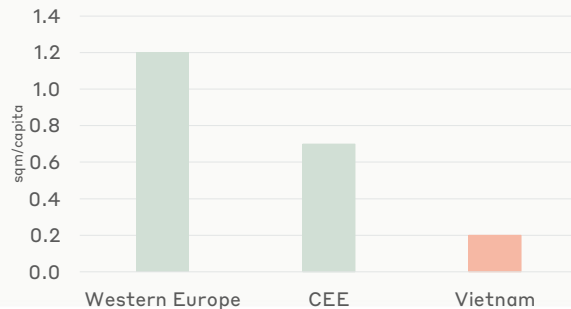
Sources: Cushman & Wakefield, CBRE, Knight & Frank

Summary: Vietnam is a high growth economy with structural tailwinds and an undersupplied logistics market



Undersupplied logistics market

Stock per capita (sqm/capita)



High GDP growth with a focus on future high-tech manufacturing export

GDP growth

6.1%

CAGR
2015 - 2025

E-commerce

5.5%

CAGR
2025 - 2030

10.6%

CAGR
2020 - 2030



Skilled, low-cost and growing workforce with rising middle-class

Working age
population

80%

Urban population

2x

Urbanization to almost
double from 2024 to 2050

Growing population

21%

Growth from 2010 - 2030



Growth oriented government

- Growth oriented government creating pro-business environment and attracting FDI
- High government investment support
- Political stability with clear vision for Vietnam

FDI

~ \$40B p.a.

High infrastructure investment

7% of GDP
Almost double the regional average