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Residential Property

Refinancing difficulties to persist as bond maturities and leverage peak amid market downturn, government measures need more time to take effect

Since H2/2022, Vietnam's residential property sector is experiencing its largest downturn over the last ten years. While the government has issued several policies and attempts to support the market recovery, we expect the difficulties in legal approval procedures and developers' capital mobilization to persist till the end of 2023. As a result, property-related bond refinancing difficulties will persist, and corporate bond defaults will continue to increase.

The property market downturn will prolong beyond 2023 because of weak primary housing supply and demand, and government policies aimed to support the property sector will take time to come into effect. New housing supply in 2023 will remain low as the delay in project approvals over the past years led to fewer projects being commercialized. In addition, economic slowdown, rising interest rates, and lingering concerns around corporate defaults will continue to dampen homebuyer sentiment and affordability. The government has implemented several measures to support the liquidity needs and growth of the property sector, however, it will take more time for the market to rebound.

Refinancing risk will remain elevated over the next 12-18 months, driven by high leverage and significant bond maturities. Across the large developers, Debt/EBITDA surged to 7.4x as of Q1/2023 from 3x in 2018, as debt levels built up without a corresponding increase in profits. In 2023-2024, around VND 150 trillion worth of corporate bonds will mature each year, three times higher than 2022 levels. Funding channels including bonds, bank loans, and equity market have all been spooked by worsening business outlook and rising corporate defaults. Hence, developers' access to new funding will be challenging and limited.

Debt servicing capacity will deteriorate further in 2023 as developers' operating cashflow and cash resources diminish, leading to imminent defaults in upcoming bond interest or principal repayments. Amid the market downturn, contracted sales will remain weak and cashflow will be increasingly strained in the absence of refinancing opportunities. Developers' cash resources have fallen to the lowest level over the last 5 years, with limited headroom to avoid defaults.

The majority of the listed developers do not have sufficient liquid resources to meet their short-term debt obligations. These developers have high reliance on debt financing and weak project sales and cashflows. Many have ongoing projects are less likely to be well-received by homebuyers and property investors, as the projects have either not completed legal procedures and or located outside prime Tier 1 cities such as Hanoi and Ho Chi Minh City.

The property market downturn will prolong beyond 2023, and government policies aimed to support the property sector will take time to come into effect

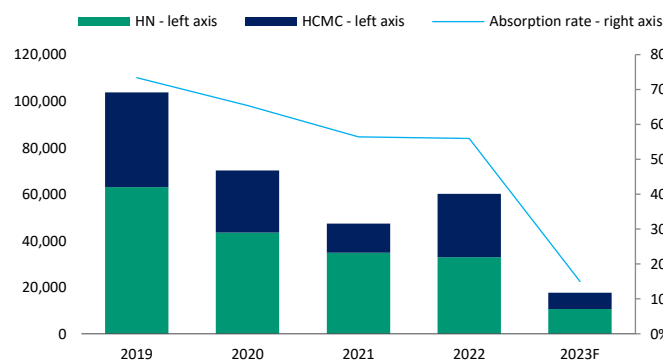
Supply and demand continue to be weak in the primary property market

Vietnam's primary residential property market has fallen into a downturn since H2/2022, indicated by decline in absorption rates, drained liquidity, and loss in market sentiment.

Since 2019, the primary housing supply in Vietnam, especially in Hanoi (HN) and Ho Chi Minh City (HCMC), has declined. In 2023, HN and HCMC condominium supply reached the bottom level over the past 5 years (Exhibit 1). This situation is primarily due to delays in the approval process for real estate projects.

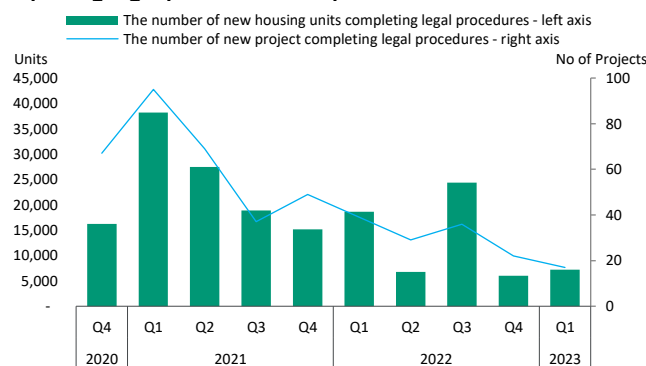
According to Ministry of Construction (MOC), as of April 2023, over 400 residential projects in HN and HCMC remain halted and continue to face difficulties in project implementation and legal procedures for many years after their initial launch.¹ As the number of projects obtaining full legal approval continued to decline in Q4/2022 and Q1/2023 (Exhibit 2), we expect new housing supply in 2023 to contract significantly.

Exhibit 1
Condominium supply on a downtrend since 2019



Source: Savills, Vietnam Investors Service
Note: 2023F absorption rate based on Q1/2023 absorption rate

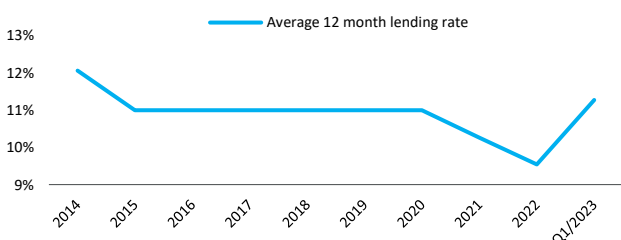
Exhibit 2
The number of commercial projects and total housing units completing legal procedures has plummeted



Source: Ministry of Construction, Vietnam Investors Service

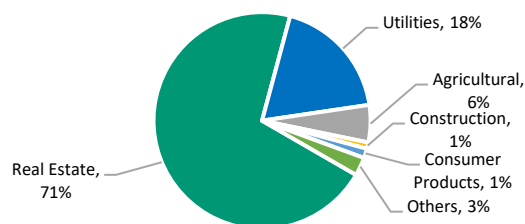
On the demand side, since the beginning of H2/2022, homebuyer sentiment has deteriorated significantly from a combination of factors, including sharply rising lending rates (Exhibit 3) after an easing period, a slowing economy, and increasing concerns about the financial health of large developers in Vietnam. In Q1/2023, GDP growth slowed to 3.32% driven primarily by worsening manufacturing output amid slowing external demand. Corporate bond defaults rose sharply since Q4/2022, mostly by real estate-related bond issuers (Exhibit 4).

Exhibit 3
Rising interest rate will reduce housing demand



Source: State Bank of Vietnam (SBV), Vietnam Investors Service

Exhibit 4
More than 70% of defaulted corporate bonds as of March 2023 are real estate-related

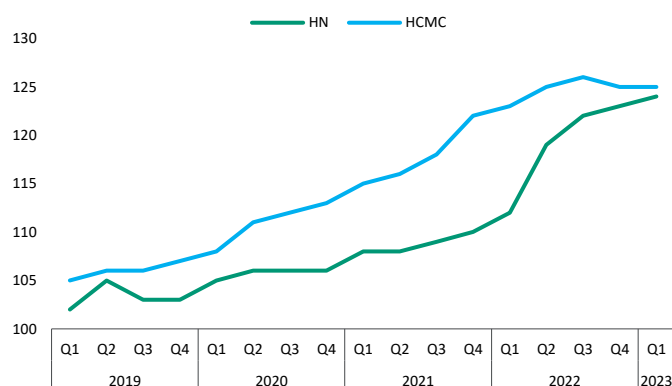


Source: Hanoi Stock Exchange (HNX), Vietnam Investors Service

¹ Refer to [media article](#) on legal obstacles in property sector

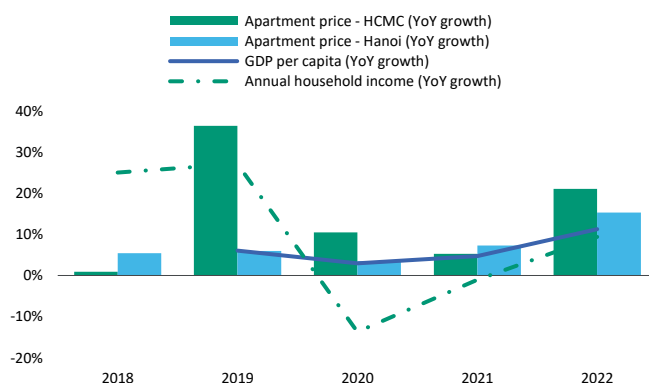
Amid weak supply and demand, property prices remain high (Exhibit 5) and continue to outpace household income growth (Exhibit 6). These trends have hurt homebuyer affordability and market liquidity.

Exhibit 5
Quarterly residential price index in HN, HCMC remain high



Source: Savills, Vietnam Investors Service

Exhibit 6
Housing price growth outpaced household income growth



Source: General Statistics Office of Vietnam (GSO), Jones Lang LaSalle, Vietnam Investors Service

More time needed for government measures to come into effect and for property market to recover

To support the property sector, over the last few months, Vietnam government introduced multiple measures to tackle difficulties, mainly around facilitating the legal procedures and financing of delayed property projects and amending the legal framework governing the real estate industry and businesses.

Compared with the previous market downturn in 2011-2012 (Exhibit 7), despite the more favorable macroeconomic condition now, we view the current legal obstacles to project development and weak market sentiment in corporate bond market are the main pain points, and they will not only require concerted government policy action, but also time for implementation and market coordination.

Exhibit 7
Evaluation of influence of different factors on the property market in downcycles²

Factors	2011 - 2012	2022 - 2023
Macroeconomic conditions	Unfavorable	Favorable
Project legal approval process	Favorable	Many obstacles since 2019
Corporate bond defaults	No bond issuance by developers	Significant bond defaults of developers
Access to bank credit	Tightened since Feb 2011, after the announcement of restriction policies	Sluggish due to obstacles in project legal approval

Source: Vietnam Investors Service

The legal obstacles led to delays in approval of real estate projects and reduced housing supply. As multiple laws regulating the property market including Land Law, Housing Law, and Real estate Business Law will need to be passed by National Assembly from Q4/2023 till 2024 (Exhibit 9), we expect any meaningful improvement in the legal conditions of the property sector including approval process of real estate projects will only occur after 2023.

² Refer to Appendix 1 for detailed comparison of two downcycles

Exhibit 8**Upcoming real estate-related regulations amendments expected to be passed in Q4/2023 or 2024**

Law under revision	Expected National Assembly Approval	Key elements of property market to be revised
 Land law	Q4/2023-2024	<ul style="list-style-type: none"> ➤ Land price determination method ➤ Planning of land use ➤ Regulations on land conversion, land lease, land allocation
 Housing Law	Q4/2023-2024	<ul style="list-style-type: none"> ➤ Regulations on social housing including construction standards, purchasing conditions, implementation methods, land allocation ➤ Condominium lifespan time
 Real Estate Business Law	Q4/2023-2024	<ul style="list-style-type: none"> ➤ Information disclosures of commercialized projects ➤ Real estate business eligibilities for organizations, individuals ➤ Conditions for off-plan property to be commercialized
 Asset Auction Law	June 2023	<ul style="list-style-type: none"> ➤ Regulations on land use right auction, including rights, responsibilities and financial capability of auction participants, deposit amount, price step
 Credit institutions Law	Q4/2023-2024	<ul style="list-style-type: none"> ➤ Bad debts trading mechanism. ➤ Restriction on cross-ownership between developers and banks
 Bidding Law	June 2023	<ul style="list-style-type: none"> ➤ Investor selection specification ➤ Matching investor selection and land allocation process

Source: Vietnam Investors Service

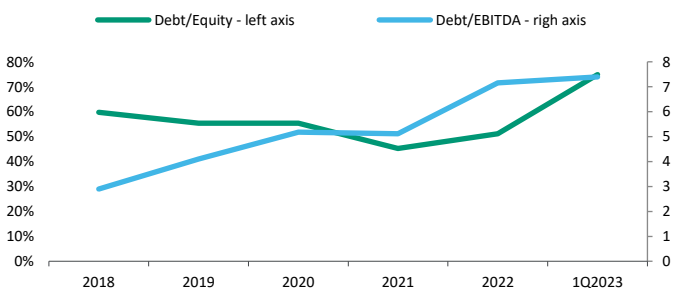
Refinancing risk will remain elevated over the next 12-18 months, driven by high leverage and significant bond maturities

Debt levels have built up without a corresponding increase in profits

Among listed developers³, leverage reached the highest level over the last 5 years. From 2018 to Q1/2023, developers' Debt/Equity (D/E) increased, and Debt/EBITDA climbed from 3x to 7.4x (Exhibit 9) During that time, developers increased their gearing to finance new long-term real-estate projects, while profits were only recognized upon the sale of their completed projects (Exhibit 10).

Exhibit 9

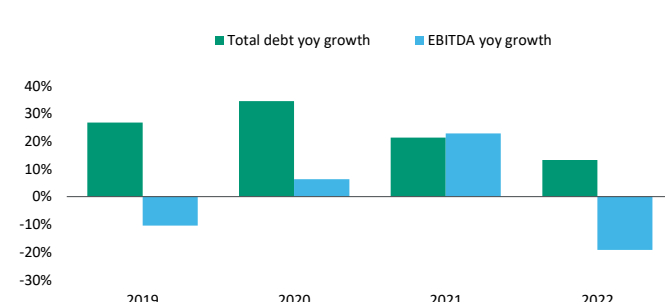
Leverage rapidly increased for listed developers



Source: Company data, Vietnam Investors Service
 Note: VHM is excluded from calculation as it is not representative of sector performance

Exhibit 10

Debt growth surpassed profitability growth



Source: Company data, Vietnam Investors Service
 Note: VHM is excluded from calculation as it is not representative of sector performance

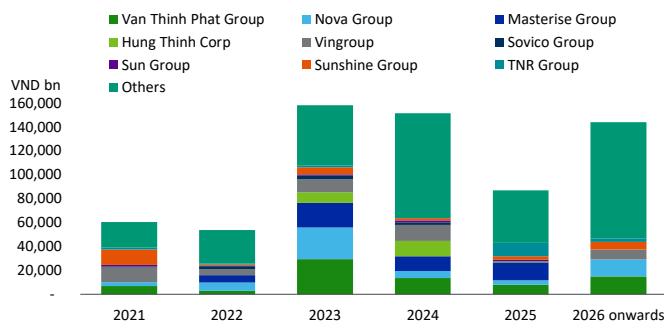
Significant bond maturities drive up refinancing risks

Around VND 150 trillion real estate corporate bonds will mature annually in 2023-2024, almost three times higher than 2022's amount (Exhibit 11). As such, refinancing risk will be elevated in the next 12 months. Several developers having high bond maturities, such as Novaland, Van Thinh Phat, and Hung Thinh Corp, had defaulted on their bond obligations over the past 12 months.

Developers' short-term debt has increased significantly in terms of both value and proportion of total debt in 2022 and Q1/2023 (Exhibit 12). The majority of these short-term debt are corporate bonds issued in 2020-2022 amid difficulties in mobilizing long-term funding sources due to limited bank credit room and liquidity crunch in Vietnam financial system.

Exhibit 11

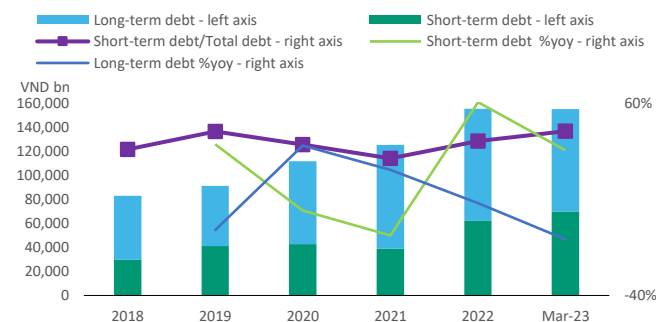
Real estate bonds maturing will peak in 2023-2024



Source: HNX, Vietnam Investors Service

Exhibit 12

Higher short-term debt will put refinancing pressure on listed developers



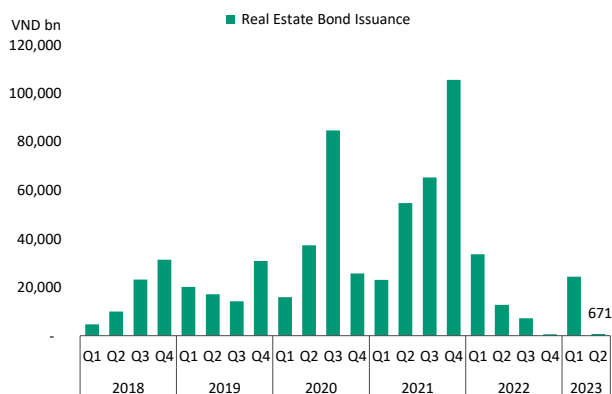
Source: Company data, Vietnam Investors Service

³ Including 36 listed residential real estate companies with 2022 revenue of more than VND 100 bn, refer to Appendix 3 for full name of listed developers under our consideration

Access to funding from corporate bonds, banks, and equity market will be constrained by lingering risk-aversion

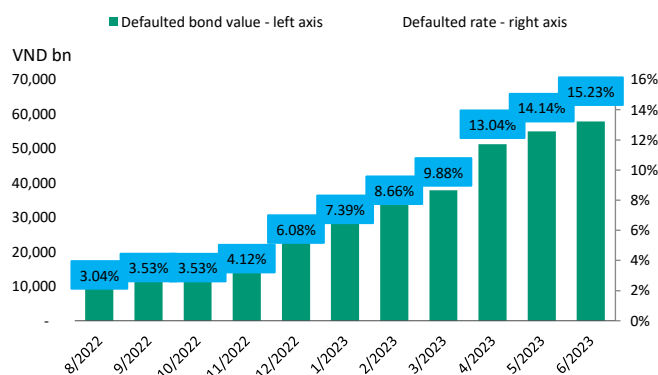
Real estate-related bond issuance has declined significantly since H2/2022 until now due to stricter regulations governing the bond market and rising investor concerns about bond defaults. Total new issuance dropped 80% and 33% in 2022 and Q1/2023, respectively (Exhibit 13). In April-May of 2023, there were no new real estate-related bond issuances. The issuance outlook will remain sluggish as bond defaults become more prevalent (Exhibit 14) and weigh on investor sentiment.⁴

Exhibit 13
Real estate-related bond issuance has declined sharply



Source: HNX, Vietnam Investors Service
Note: Q2/2023 number is calculated as of 25 May

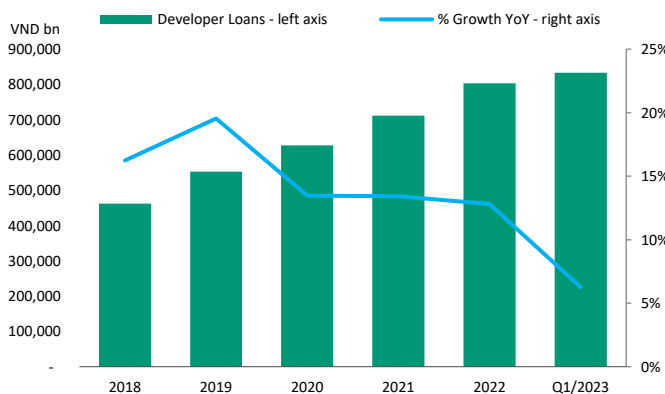
Exhibit 14
Bond defaults of real estate companies are increasing



Source: HNX, Vietnam Investors Service

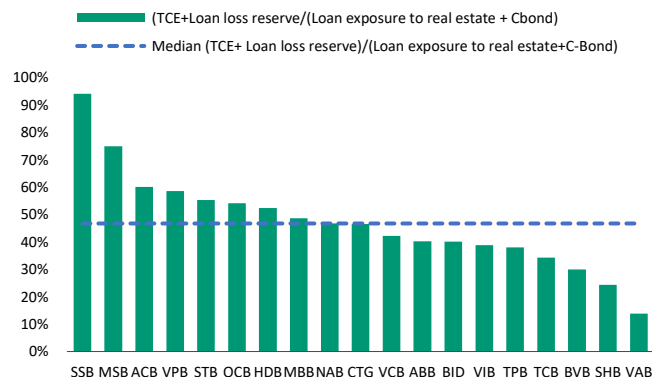
Outstanding loans to real estate businesses grew by just 6% from a year ago – marked slowdown from previous years – to VND 833 trillion as of March 2023 (Exhibit 15). While the government has encouraged banks to facilitate the credit needs of real estate businesses in recent months, we expect banks to remain cautious about increasing their exposure to a sector at risk of weaker cash flows and rising default risk. We note that banks in general do not maintain sizable capital and reserve buffers against credit losses (Exhibit 16).

Exhibit 15
Real estate credit growth to slow down in 2023



Source: MOC, Vietnam Investors Service

Exhibit 16
Bank's exposure to real estate sector, as the percentage of gross loan and C-bonds in 2022

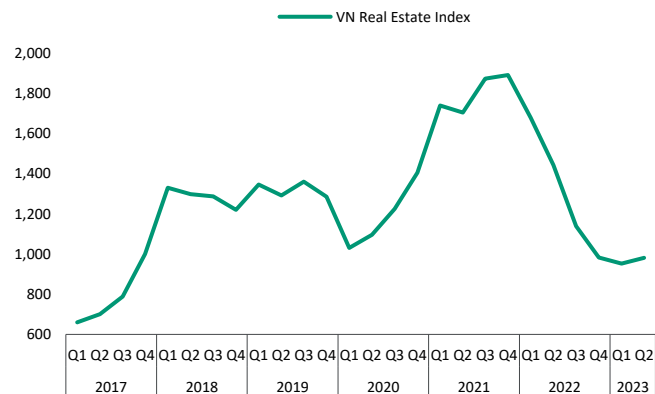


Source: Bank Data, Vietnam Investors Service
Note: TCE – Tangible common equity
Exhibit includes banks disclosing exposure to real estate

⁴ Refer to [Corporate Bond Market Perspective – Real estate-related liquidity issues will drive up corporate bond defaults in 2023, new regulations to provide some relief for VND 113 trillion of bond at risk \(6 April 2023\)](#)

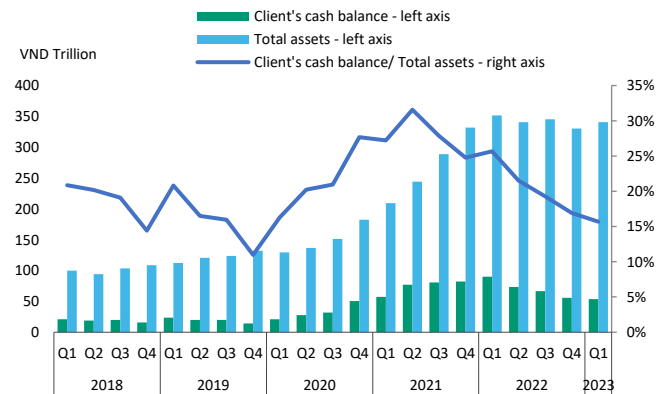
In the equity market, raising new capital for real estate companies will be very challenging as market sentiment continues to be weak. Real estate stock valuation had collapsed since beginning 2022 (Exhibit 17) and retail investors had pulled out substantial funds from their stock accounts (Exhibit 18).

Exhibit 17
Real estate stocks experienced a collapse in 2022



Source: HNX, HOSE, Vietnam Investors Service

Exhibit 18
Strong outflow of retail investors' cash balance at securities firms



Note: Data includes the 30 largest securities firms by assets, covering around 90% of total sector assets⁵

Source: Company data, Vietnam Investors Service

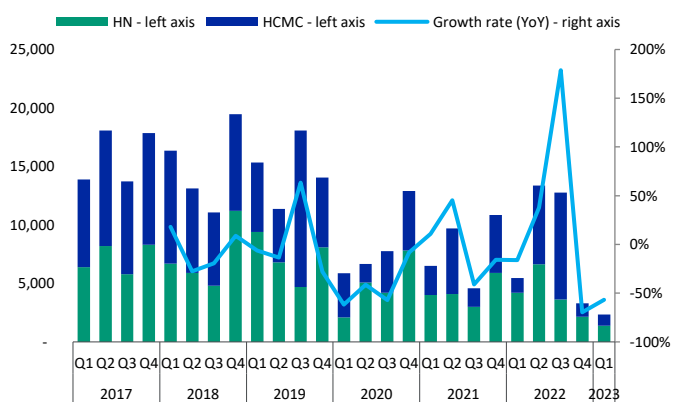
⁵ Refer to [Securities Sector Outlook - Weak sentiment and elevated asset risks to hurt profitability, while solvency concerns mitigated by low leverage and stable liquidity \(24 May 2023\)](#)

Debt servicing capacity will deteriorate further in 2023 as developers' operating cashflow and cash resources diminish, leading to imminent defaults in upcoming bond interest or principal repayments

Developers' cashflow will plummet from decline in contracted sales

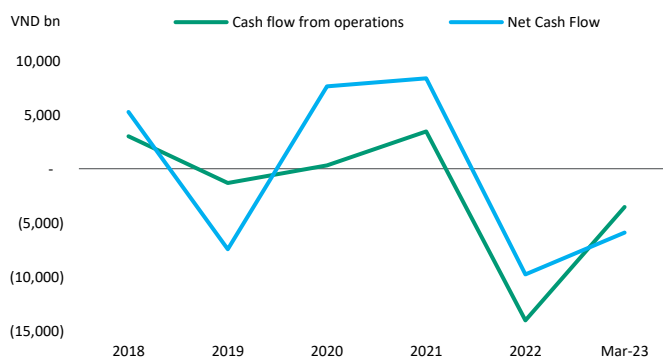
As the market downturn prolongs beyond 2023, contracted sales are set to decline. In Q1/2023, several large developers announced significant declines in retail contracted sales, for example Vinhomes (-25% yoy) and Nam Long Group (-91% yoy). As new housing sale transactions in 2023 remain subdued by weak sentiment (Exhibit 19), contracted sales will be poor and operating cashflow for many developers will remain negative (Exhibit 20). The absence of refinancing opportunities combined with strained cash flow raises the default risk for developers.

Exhibit 19
Apartment transactions show sharp declines in recent 2 quarters



Source: CBRE, Vietnam Investors Service

Exhibit 20
Cash flow of listed developers will remain strained in 2023

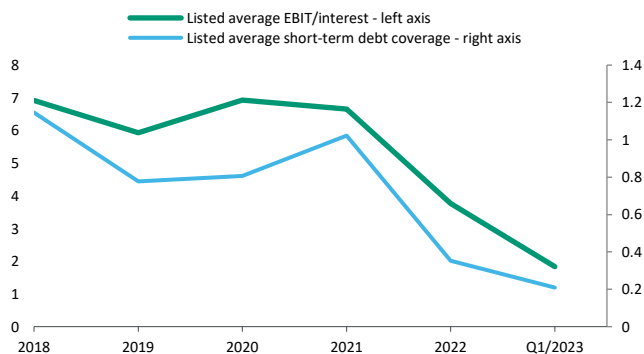


Source: Company data, Vietnam Investors Service
Note: VHM is excluded from calculation as it is not representative of sector performance

Coverage will decline due to lower cash resources

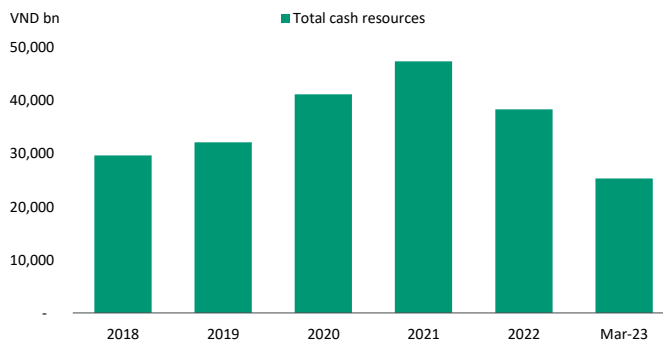
Both interest expense coverage and short-term debt coverage fell to the lowest level over the last 5 years (Exhibit 21). This is attributable mainly to higher leverage without a corresponding increase in profitability (Exhibit 10) and significant decline in cash resources (Exhibit 22).

Exhibit 21
Interest and short-term debt coverage will be at a low level



Source: Company data, Vietnam Investors Service
Note: VHM is excluded from average calculation
 $Short\text{-}term\ debt\ coverage = \frac{(Cash\ \&\ cash\ equivalent + short\text{-}term\ investment + expected\ CFO)}{Short\text{-}term\ debt}$

Exhibit 22
Listed developers' cash resources reached the lowest level over the last 5 years



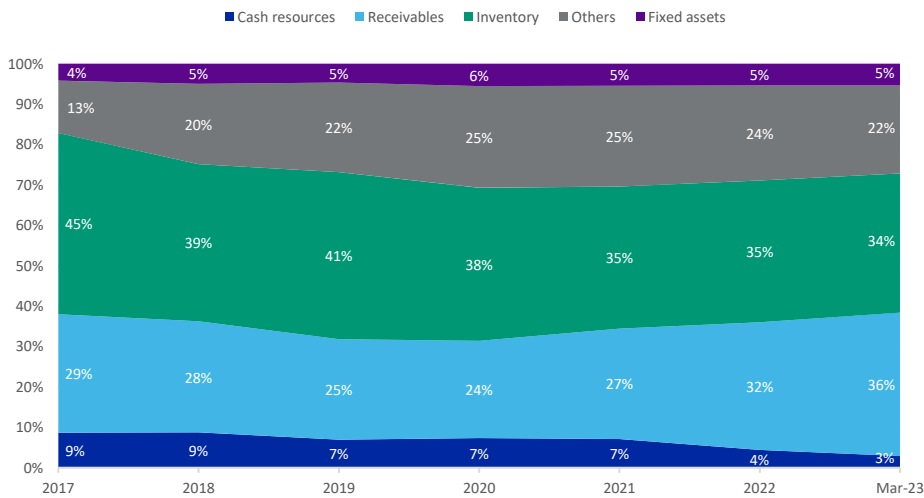
Source: Company data, Vietnam Investors Service
Note: Total cash resources = Cash & cash equivalent + Short-term investment

Over the recent years, developers had been channeling cash proceeds from project sales to M&A activities for land bank acquisition or business expansion, exhibited by developers' increasing receivables balances and decreasing cash resources (Exhibit 23).

A significant portion of receivables relate to developers' investments in uncompleted projects, which in our view, are less marketable and may not provide developers with the liquidity they need during market stress.

Exhibit 23

Listed developers' cash resources reached the lowest level over the last 5 years



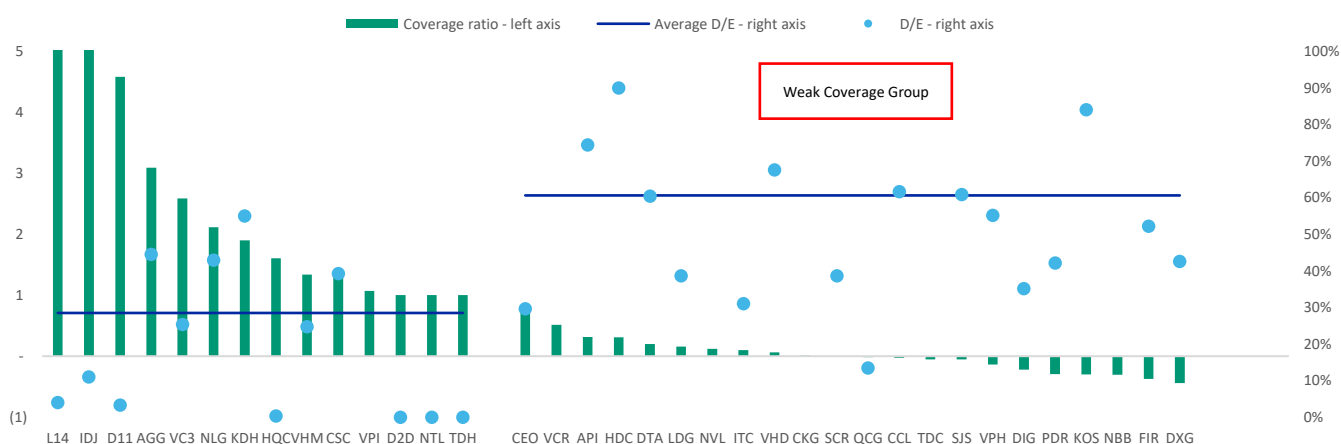
Source: Company data, Vietnam Investors Service

Majority of developers do not have sufficient liquid resources to meet their short-term debt obligations

Developers with weak coverage ratios typically have high reliance on debt financing and weak project sales and cashflows

In March 2023, 62% of listed developers do not have sufficient cash and other liquid resources to meet their short-term debt obligations (i.e. Coverage ratio of below 100%). These developers rely on substantial debt financing and have higher debt-to-equity profiles compared with developers that have coverage ratios of 100% and above (Exhibit 24).

Exhibit 24
Short-term debt coverage ratio and Debt/Equity of listed developers as of 31 Mar 2023

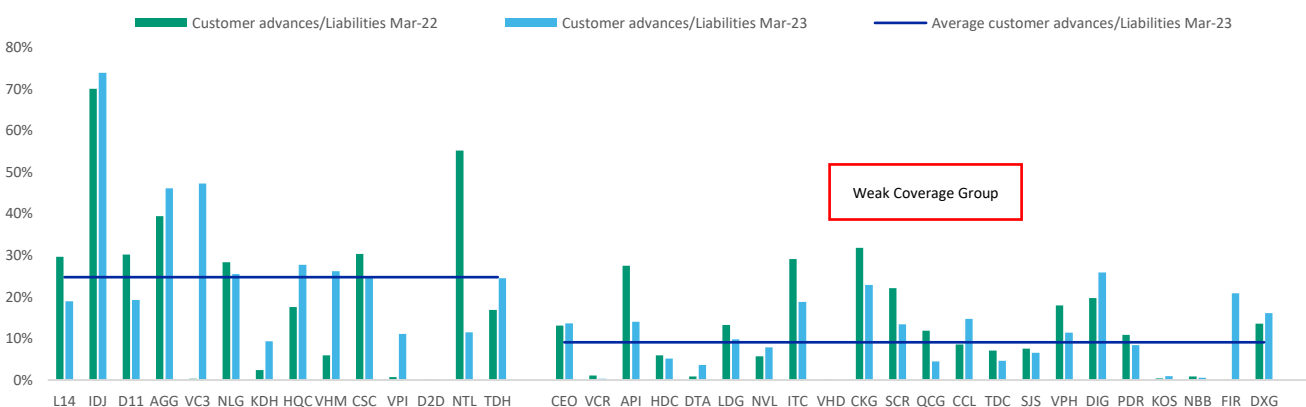


Source: Company data, Vietnam Investors Service

Note: Short-term debt coverage = (Cash + short-term investment + expected CFO)/Short-term debt

In addition, we note that developers with weak coverage ratios have weaker advances from customers than those with strong coverage ratios. For Q1/2023, customer advances were only 9% of liabilities on average, majority of these developers experienced a contraction in customer advances from a year ago (Exhibit 25).

Exhibit 25
Customer advances funding of listed developers



Source: Company data, Vietnam Investors Service

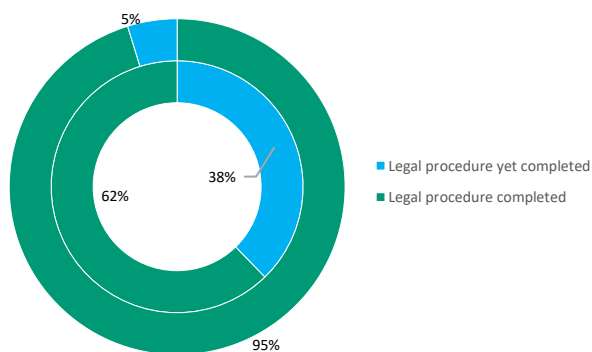
Project legal status and location significantly affect short-term debt coverage

The key drivers for developers' customer advances are the legal status of their projects under development and the location of their projects.

As shown in Exhibit 26 and 27, among developers with weak customer advances and insufficient coverage, over half of them have ongoing projects have either not completed legal procedures and or located in less prime locations i.e. outside Tier 1 cities such as HN and HCMC. Such projects are less likely to be well-received by homebuyers and property investors, particularly as the general market sentiment is deteriorating.

In contrast, developers with strong coverage ratios typically have higher customer advances as a percentage of their liabilities and have over 70% of their projects either completing all legal procedures or located in Tier 1 cities.

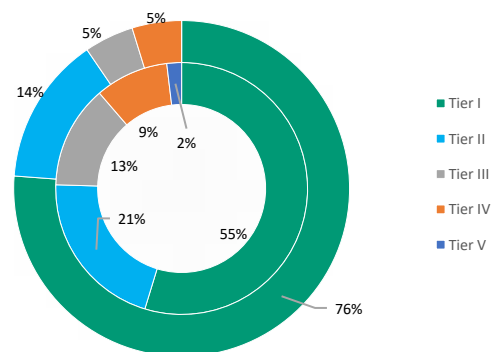
Exhibit 26
Developers with weak coverage have sizable projects that have not completed legal procedures



Source: Vietnam Investors Service

Note: - Outer ring represents strong-coverage developers' ongoing projects⁶
 - Inner ring represents weak-coverage developers' ongoing projects⁷

Exhibit 27
Developers with strong coverage have more projects in prime locations



Source: Vietnam Investors Service




Note: - Outer ring represents strong-coverage developers' ongoing projects⁶
 - Inner ring represents weak-coverage developers' ongoing projects⁷
 - Tier 1 cities include 19 tier 1 cities and 2 special cities (HN, HCMC)

⁶ Refer to Appendix 2

⁷ Refer to Appendix 3

APPENDIX

Appendix 1: Comparison of two Vietnam property sector downturn

	2011-2012	2022-2023
 <p>Pre-downturn: period of easy money</p>	<ul style="list-style-type: none"> ➤ 2007-2010 annually: 36% credit growth; 33% M2 growth ➤ 2009-2010: interest subsidizing package with total value of VND 37 trillion 	<ul style="list-style-type: none"> ➤ 2020-2021: more than 505 trillion VND of corporate bond related to real estate was issued, more than doubled the sum of previous 5 year.
 <p>Macro conditions</p>	<p>In 2011-2012:</p> <ul style="list-style-type: none"> ➤ Lending Rate: 17-21% ➤ CPI: 18% (2011); 7% (2012) ➤ Budget surplus/GDP: -5.3% (2012) ➤ Foreign Exchange Reserves: 25.5 billion USD (2012) ➤ FDI: 7.5 - 8.4 billion USD ➤ Trade Balance: -3.4 billion USD (2011) 	<p>In 2022 – Q1/2023</p> <ul style="list-style-type: none"> ➤ Lending Rate: 10.5-12% ➤ CPI: 3.15% (2022) ➤ Budget surplus/GDP: 4% (2022) ➤ Foreign Exchange Reserves: 92.3 billion USD (2022) ➤ FDI: 27.7 billion USD (2022) ➤ Trade Balance: 11.2 billion USD (2022)
 <p>Drivers of sector downturn</p>	<ul style="list-style-type: none"> ➤ The downturn was preceded by looming macro conditions (18% inflation, 20% FX devaluation) due to previous oversupply of money. ➤ Then to counter the inflation, in Feb 2011, the government issued Resolution 11/NQ-CP to restrict credit to the property sector. 	<ul style="list-style-type: none"> ➤ The downturn was preceded by (1) sluggish progress of legal approval procedures for several projects in major city since 2018; (2) detection of real estate related law violations related to developers and government officers that destroy the market sentiment, (3) rising corporate bond defaults, (4) downturn of global economy. ➤ In December 2020, decree 153/2020/ND-CP was issued to tighten bond issuance conditions from 2022.
 <p>Key government policies to stabilize market</p>	<ul style="list-style-type: none"> ➤ 2013 Circular of Ministry of Construction allowing developers to modify project design, divide large-size units to smaller ones. ➤ Social housing support with financial package of 30 trillion VND ➤ Reducing lending rate. ➤ Implementing fiscal policy by pushing public investment of 440.5 trillion VND (+17.6% YoY) in 2013. 	<ul style="list-style-type: none"> ➤ Revision of legal frameworks including Land Law, Housing Law, Real Estate Business Law, Bidding Law, Law on Auction, Price Law, and relevant Decrees ➤ Pushing local authorities to facilitate the approval of legal delayed projects. ➤ Policy rate cut, pushing commercial banks to reduce lending rate. ➤ Social housing support with financial package of 120 trillion VND ➤ C-bond liquidity supports allowing bond swap assets, allowing banks to buy back corporate bonds with specific requirements. ➤ Fiscal policy: plan to reach 711 trillion VND (+31% YoY) in 2023
 <p>Impacts on market</p>	<p>Market showed clear recovery signals after 2 years, in 2014:</p> <ul style="list-style-type: none"> ➤ Transaction: 11,450 units in Ha Noi (+50% YoY), 10,350 units in Ho Chi Minh (+30% YoY) ➤ Inventory: 73,889 VND bn (-21.8% YoY) solving the oversupply challenge in previous period ➤ Credit growth: VND 299,020 VND bn (+14% YoY), higher than credit growth rate of economy at 12.72% ➤ Real estate segments: sixty projects (38,897 apartments) registered for conversion from commercial housing to social housing; and 74 projects registered for reducing unit size to be more suitable for market demand. 	<p>Recovery signals not yet occurred in Q1/2023.</p>

Source: GSO, Vietnam Investors Service

Appendix 2: 2023 ongoing projects of developers with sizable debt and $\geq 100\%$ short-term debt coverage

No	Developer	2023 ongoing projects	Legal procedure completion	Location	Location City Tier
1	VHM	➤ Vinhomes Ocean Park 2	✓	Ha Noi	I
		➤ Vinhomes Ocean Park 3	✓	Ha Noi	I
		➤ Vinhomes Smart City	✓	Ha Noi	I
2	AGG	➤ The Gio Riverside	✓	Binh Duong	II
		➤ Westgate	✓	Ho Chi Minh	I
		➤ The Standard Binh Duong	✓	Binh Duong	II
3	VPI	➤ The Terra	✓	Ha Noi	I
		➤ Grandeur Palace	✓	Ha Noi	I
		➤ Vlasti Sam Son	✓	Thanh Hoa	I
4	KDH	➤ The Classia	✓	Ho Chi Minh	I
		➤ The Privia	✓	Ho Chi Minh	I
		➤ Clarita Khang Dien	✗	Ho Chi Minh	I
5	NLG	➤ Ehome Southgate	✓	Ben Luc, Long An	IV
		➤ Akari City	✓	Ho Chi Minh	I
		➤ WaterPoint	✓	Duc Hoa, Long An	III
		➤ Camelia Garden	✓	Ho Chi Minh	I
		➤ Mizuki Park	✓	Ho Chi Minh	I
		➤ Izumi Cty	✓	Dong Nai	I
6	CSC	➤ Eco Garden Hue	✓	Hue	I
		➤ Eco River	✓	Hai Duong	I
7	VC3	➤ La Celia City	✓	Quang Binh	II

Source: Company data, Vietnam Investors Service

Appendix 3: 2023 ongoing projects of developers with short-term debt coverage <100%

No	List	2023 ongoing project	Legal procedure completion	Location	Location City tier
1	NVL	➤ Aqua City	✗	Bien Hoa, Dong Nai	I
		➤ Novaworld Phan Thiet	✗	Phan Thiet, Binh Thuan	II
		➤ Novaworld Ho Tram	✗	Ba Ria, Vung Tau	V
2	SCR	➤ Panomax River Villa	✗	Ho Chi Minh	I
		➤ Tahiti Center	✗	Da Nang	I
		➤ Charmington Iris	✗	Ho Chi Minh	I
		➤ Charmington Dragonic	✗	Ho Chi Minh	I
		➤ Charmington Tan Son Nhat	✗	Ho Chi Minh	I
		➤ Phan Dinh Giot	✗	Ho Chi Minh	I
3	SJS	➤ Nam An Khanh	✓	Ha Noi	I
4	PDR	➤ Astral City	✓	Thuan An, Binh Duong	III
		➤ Nhon Hoi New City	✓	Quy Nhon, Binh Dinh	I
		➤ Serenity Phước Hải	✗	Ba Ria, Vung Tau	IV
		➤ Everich 2	✗	Ho Chi Minh	I
		➤ Everich 3	✗	Ho Chi Minh	I
5	DXG	➤ Gem Sky World	✓	Long Thanh, Dong Nai	IV
		➤ Gem Riverside	✗	Long Thanh, Dong Nai	IV
		➤ Opal Skyline	✓	Thuan An, Binh Duong	III
6	CEO	➤ Sonasea Van Don	✗	Van Don, Quang Ninh	I
		➤ Sonasea Paris Villas	✓	Kien Giang, Phu Quoc	II
7	VCR	➤ Cát Bà Amatina	✗	Cat Hai, Cat Ba	V
8	API	➤ Apec Mandala Wyndham	✗	Phan Thiet, Binh Thuan	II
9	HDC	➤ The Light City	✓	Vung Tau	I
		➤ Dai Duong	✗	Vung Tau	I
10	DTA	➤ DTA Bac Ninh	✓	Tu Son, Bac Ninh	III
11	LDG	➤ Vung Tau Centre Point	✗	Ba Ria, Vung Tau	I
12	ITC	➤ Long Thoi Nha Be Resident	✗	Nha be, Ho Chi Minh	I
13	VHD	➤ Grand Mercure Hoi An	✓	Dien Ban, Quang Nam	IV
14	QCG	➤ Phuoc Kien	✗	Ho Chi Minh	I
15	CCL	➤ 5A Me Kong Centre	✓	Soc Trang	II
16	TDC	➤ Hoa Loi Resident	✓	Thu Dau Mot, Binh Duong	I
		➤ UniTown	✓	Tan Uyen, Binh Duong	III
		➤ TCD Plaza	✓	Thu Dau Mot, Binh Duong	I
		➤ Bau Bang Social Housing	✓	Bau Bang	IV
17	VPH	➤ CTC Resident	✗	Ho Chi Minh	I
18	DIG	➤ LandMark Residence	✗	Ba Ria, Vung Tau	I
		➤ Richland City	✓	Long Thanh, Dong Nai	IV
		➤ North Vung Tau	✗	Ba Ria, Vung Tau	I
		➤ Nam Vinh Yen	✗	Vinh Yen, Vinh Phuc	II
		➤ Vi Thanh Resident	✗	Vi Thanh, Hau Giang	II
		➤ Long Tan	✗	Nhon Trach, Dong Nai	III
		➤ Chi Linh Center	✗	Ba Ria, Vung Tau	I
		➤ Lam Ha Resident	✗	Phu Ly, Ha Nam	II
➤ Hiep Phuoc Resident	✓	Nhon Trach, Dong Nai	III		

No	List	2023 ongoing project	Legal procedure completion	Location	Location City tier
19	KOS	➤ Kosy Ha Nam	✓	Duy Tien, Ha Nam	III
		➤ Kosy Mountain view	✗	Lao Cai	I
20	NBB	➤ NBB garden III	✗	Ho Chi Minh	I
		➤ City Gate 5	✓	Ho Chi Minh	I
		➤ NBB II	✗	Ho Chi Minh	I
		➤ Delagi	✗	Binh Thuan	II
		➤ Son Tinh Resident	✗	Quang Ngai	II
21	FIR	➤ La Riviere and Lamer	✓	Bao Ninh, Dong Hoi	II
		➤ Concordia Tower	✗	Phu Yen, Tuy Hoa	II

Source: Company data, Vietnam Investors Service

Appendix 4: List of real estate companies included in our analysis (Alphabet order)

No	Short Name	Full Name
1	AGG	An Gia Real Estate Investment and Development Corporation
2	API	Asia - Pacific Investment Joint Stock Company
3	CCL	Cuu Long Petro Urban Development & Investment Corporation
4	CEO	C.E.O Group Joint Stock Company
5	CKG	Kien Giang Construction Investment Consultancy Group
6	CSC	COTANA Group Joint Stock Company
7	D11	Real Estate 11 Joint Stock Company
8	D2D	Industrial Urban Development No. 2 Joint Stock Company
9	DIG	Development Investment Construction Joint Stock Company
10	DTA	De Tam Joint Stock Company
11	DXG	Dat Xanh Group Joint Stock Company
12	FIR	First Real Joint Stock Company
13	HDC	Ba Ria - Vung Tau House Development Joint Stock Company
14	HQC	Hoang Quan Consulting-Trading-Service Real Estate Corporation
15	IDJ	IDJ Vietnam Investment Joint Stock Company
16	ITC	Investment and Trading of Real Estate Joint Stock Company
17	KDH	Khang Dien House Trading and Investment Joint Stock Company
18	KOS	KOSY Joint Stock Company
19	L14	Licogi 14 Joint Stock Company
20	LDG	LDG Investment Joint Stock Company
21	NBB	NBB Investment Corporation
22	NLG	Nam Long Investment Corporation
23	NTL	Tu Liem Urban Development Joint-Stock Company
24	NVL	Nova Land Investment Group Corporation
25	PDR	Phat Dat Real Estate Development Joint Stock Company
26	QCG	Quoc Cuong Gia Lai Joint Stock Company
27	SCR	Sai Gon Thuong Tin Real Estate Joint Stock Company
28	SJS	Song Da Urban & Industrial Zone Investment & Development Joint Stock Company
29	TDC	Binh Duong Trade and Development Joint Stock Company
30	TDH	Thu Duc Housing Development Corporation
31	VC3	Nam MeKong Group Joint Stock Company
32	VCR	Vinaconex Investment and Tourism Development Joint Stock Company
33	VHD	VINAHUD Urban and Housing Development Investment Joint Stock Company
34	VHM	Vinhomes Joint Stock Company
35	VPH	Van Phat Hung Corporation
36	VPI	Van Phu - Invest Investment Joint Stock Company

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