



INVESTMENT REPORT

# SUPPLY CHAIN LOGISTICS INDUSTRY IN VIETNAM

10M/2022

*\*All data included in the Report has been updated up to October 31th 2022.  
The projects images were supplied by NewCC, Pebsteel, Atad Steel and Dai Dung Corporation*



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A nighttime cityscape with a network overlay of white lines and nodes connecting various points across the scene. The background shows a city with illuminated buildings and a bridge over a river.

# I. WORLD SOCIO-ECONOMIC OVERVIEW

## 1. Gross Domestic Product growth (GDP)

After 2021 when the world GDP recorded a strong recovery after the Covid epidemic (5,8%) thanks to the vaccination campaign, to restore economic trade, by 2022, the world economy is negatively affected by the Russo-Ukrainian war, leading to high raw-fuel prices and inflation. In addition, China's implementation of anti-epidemic blockade measures as well as other global geopolitical and economic conflicts have led to supply chain bottlenecks and reduced GDP growth forecast in 2022 to 3,2% (according to World Bank).

### WORLD GDP



Source: World Bank

## 2. Foreign Direct Investment (FDI)

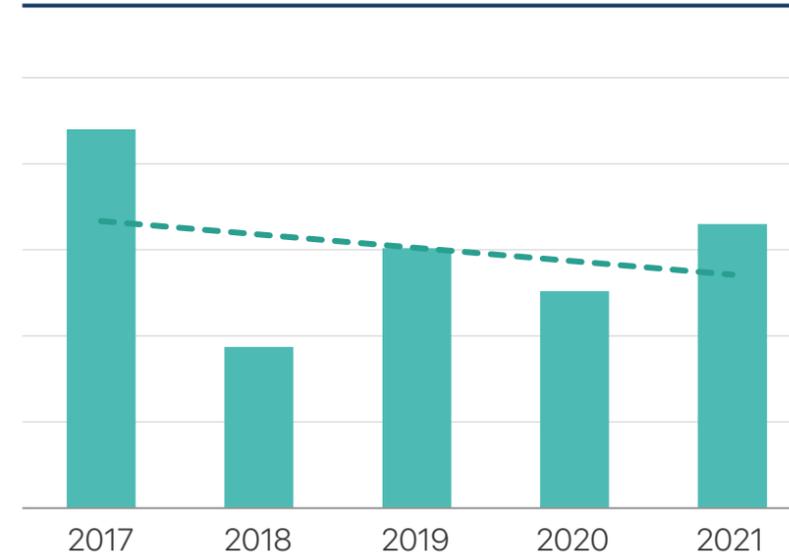
World FDI is on a downward trend from 2017 to 2021. Since 2017, the world FDI flows have changed continuously and there has never been a year that surpassed the number recorded in 2017. In 2021, global FDI flows recorded an increase of 30% compared to 2020 due to the controlled epidemic situation in many countries around the world.

However, entering 2022, global FDI is expected to be quite gloomy compared to 2021 due to investor uncertainty and risks from supply chain disruptions plus rising raw material costs and other risks from the global political and economic conflicts. This year, the global FDI is forecasted to be flat or down compared to 2021.

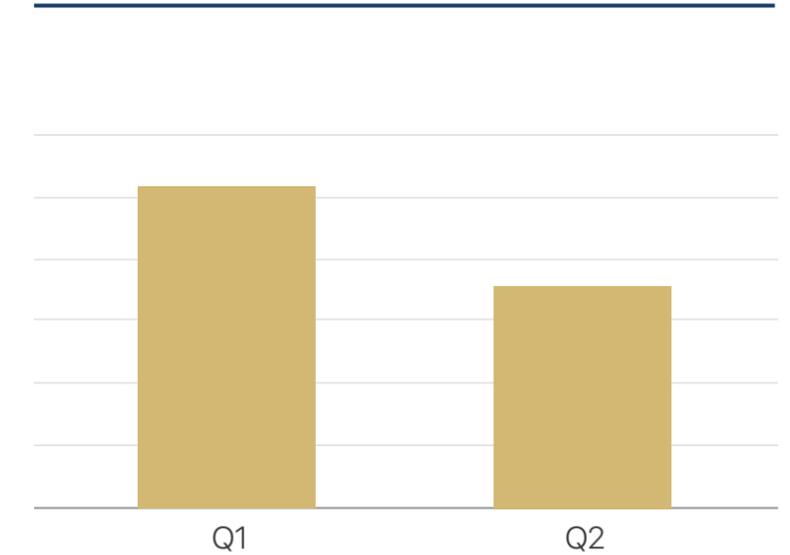
## 3. Global logistics market size by region

According to records in 2020, the global logistics market reached the largest scale in the Asia Pacific market with a nearby 4 trillion USD in market value. The Asia-Pacific region has long been an extremely exciting market for the logistics industry due to the concentration of many manufacturing plants, dense population, and high consumer demand. Next is North America and Europe region. In 2021, the global logistics market has recovered from the Covid-19 epidemic with a market size value of 9.53 billion USD (increased 17% compared to previous year). However, with the complicated developments of the macroeconomic situation and the inflation situation, the price of raw materials and fuels is forecasted to be still high in 2022, this market will also be significantly affected.

**WORLD FDI INFLOWS 2017-2021 (BIL USD)**

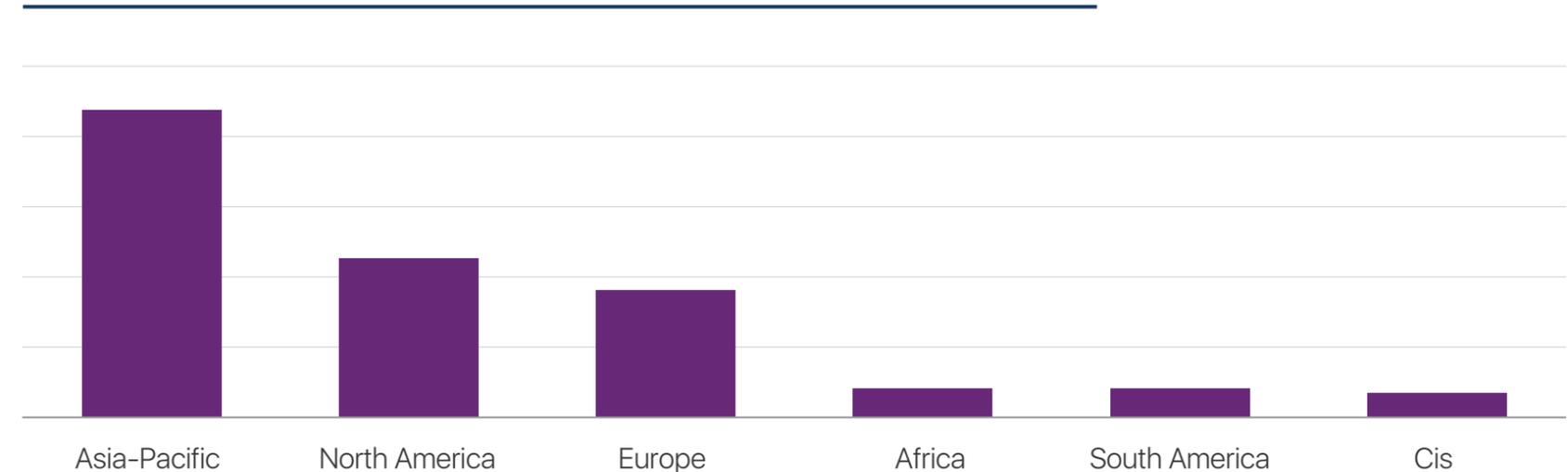


**VALUE OF FDI INVESTMENT IN 2022 (BIL USD)**



Source: World Bank

**GLOBAL LOGISTICS MARKET SIZE IN 2020, BY REGION (BIL USD)**



Source: Statista

## II. VIETNAM SOCIO-ECONOMIC OVERVIEW

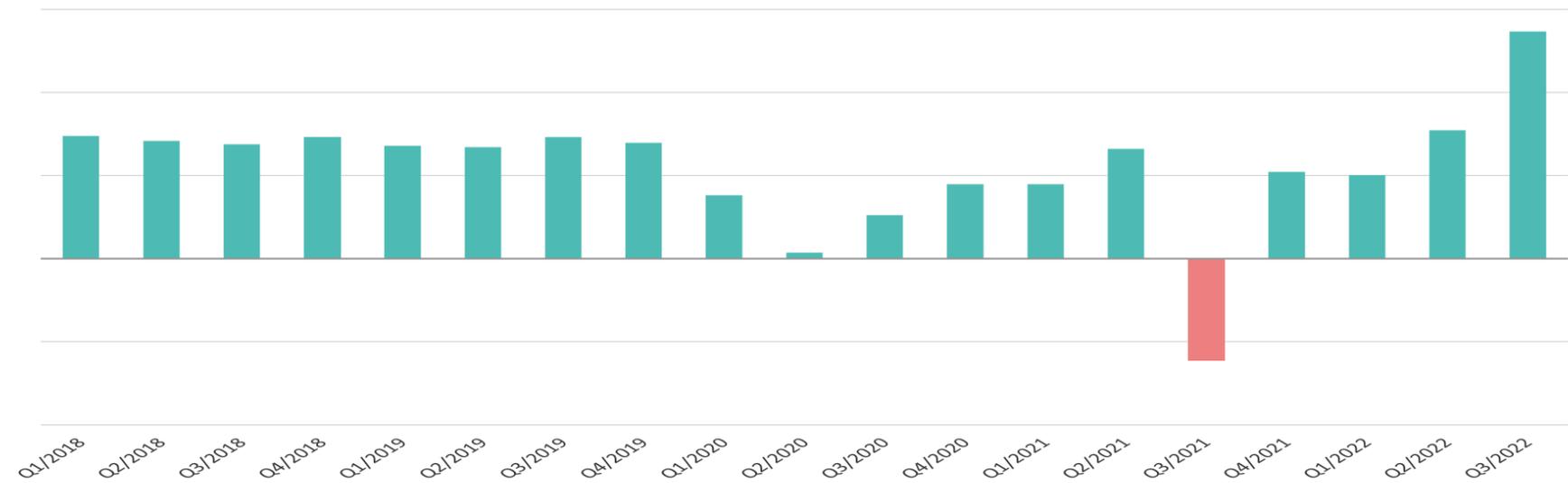


## 1. Some key general economic indicators

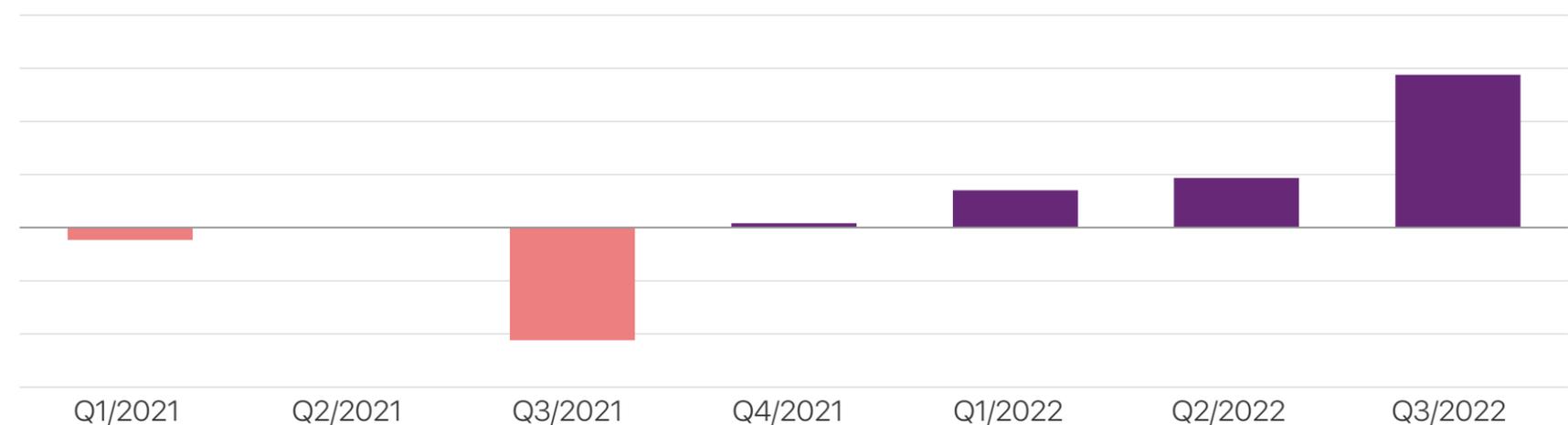
The economy in 2021 has suffered a severe decline due to the Covid-19 epidemic, by 2022, the economy is recovering. GDP in the third quarter increased by 13.67% over the same period in 2021. This Quarter 3's GDP growth is the highest growth rate in a decade.

For transportation and warehousing services, the year 2021 was affected by the Covid epidemic and the policies of closing the borders of some countries, causing a negative growth in transportation and warehousing services. By 2022, the recorded number has improved since the beginning of the year until now, the growth rate of transportation and warehousing services is always positive and continuously increasing. This is a good sign for the economy in general and the transportation and warehousing industry which is gradually recovering after a period of a severe impact from the epidemic.

GDP GROWTH BY QUARTER OF 2018-2022



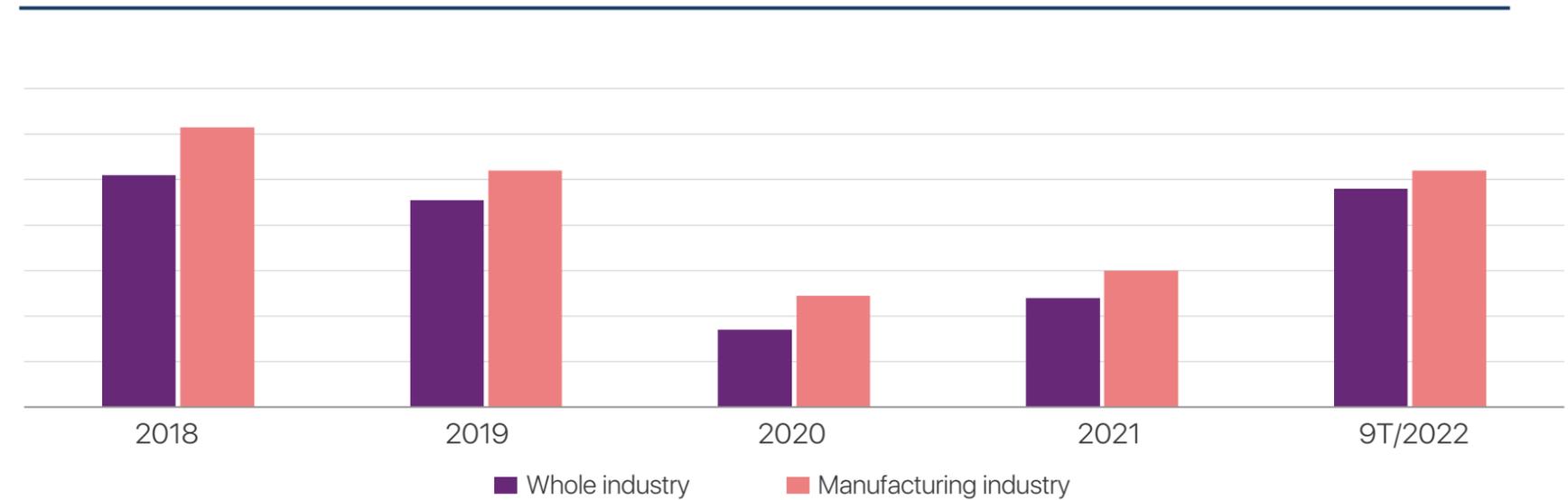
GDP OF TRANSPORTATION AND WAREHOUSING SERVICE IN 2021 - 2022 BY QUARTER



## 2. Industrial production

2022 is the year Vietnam returns to normal life after a long time fighting the Covid-19 epidemic. Most industries are gradually coming into normal operation, especially industrial production. Factories are ramping up production activities. In 9 months of 2022, the IIP reached 9.6% for industrial in general and 10.4% for processing and manufacturing in particular compared to the same period in 2021.

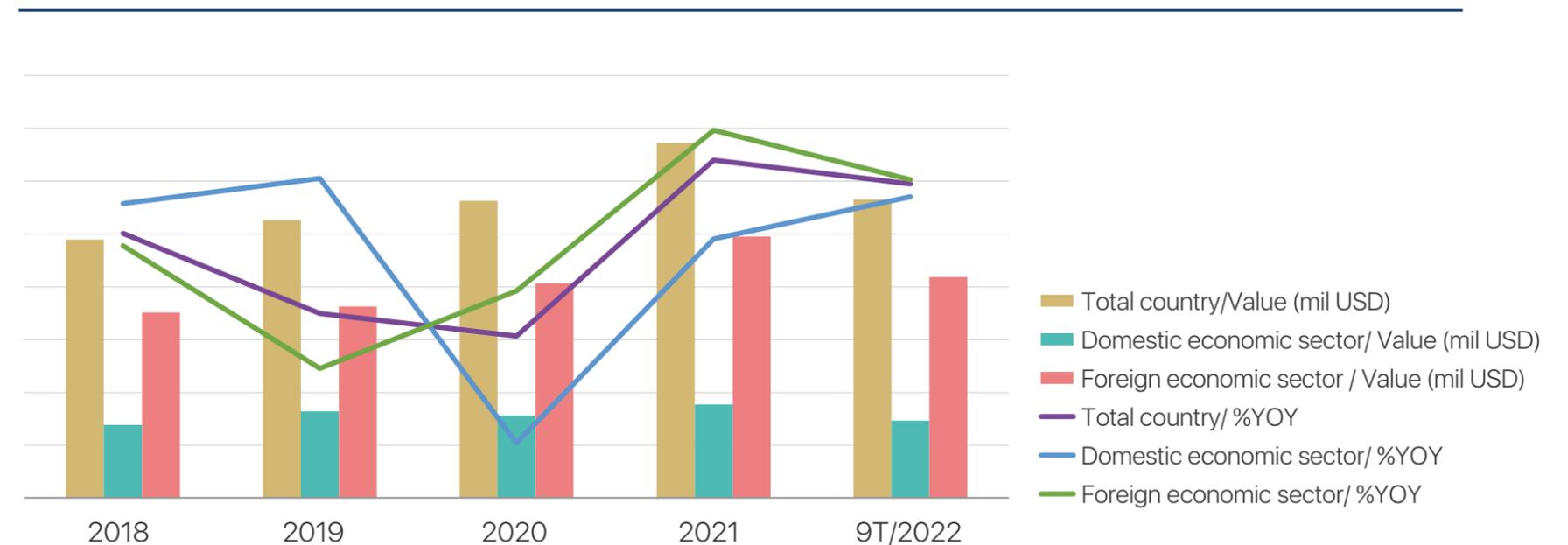
INDUSTRIAL PRODUCTION INDEX (IIP)



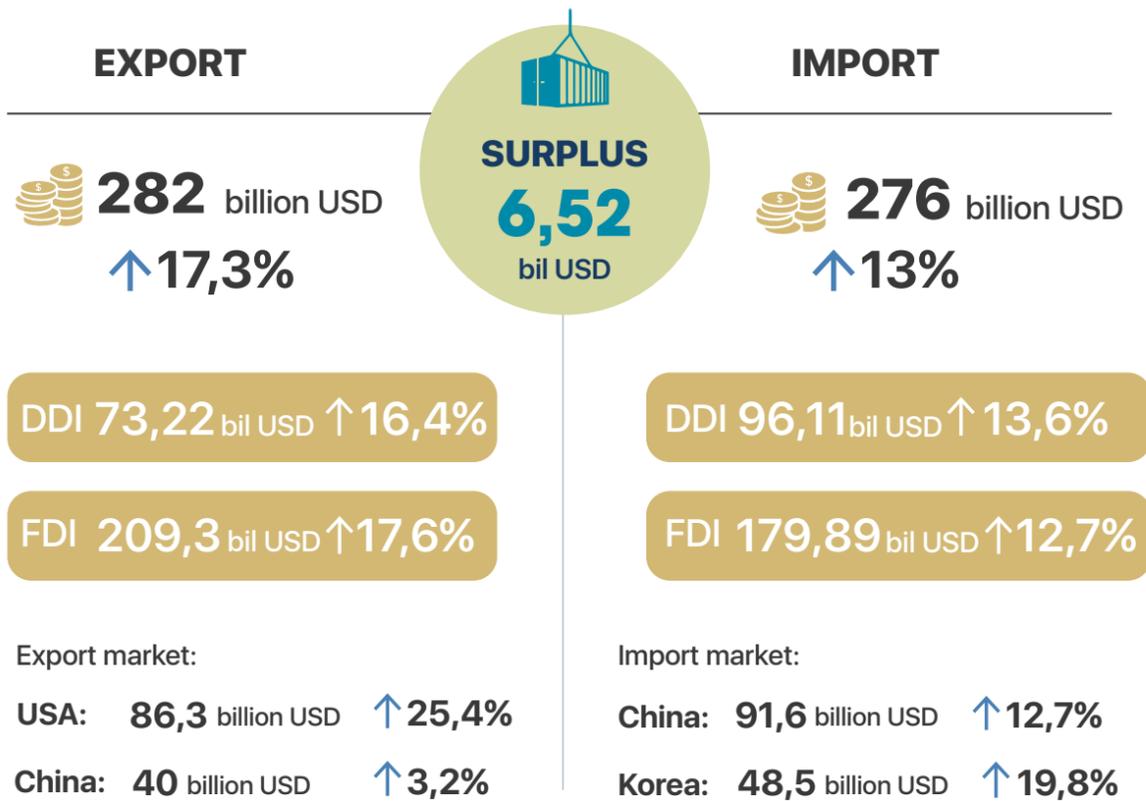
## 3. Import and export situation

In the first 9 months of 2022, Vietnam's total import and export turnover reached more than 500 billion USD. Exports in the first 9 months of 2022 are estimated to increase by 17.3% and imports increased by 13% over the same period in 2021. The import-export in 9 months of 2022 reached a positive trade balance (surplus) exceeds 6.52 billion USD. In which, the domestic economic sector had a trade deficit of 22.89 billion USD, the foreign economic sector had a trade surplus of 29.41 billion USD. The foreign economic sector is still the area that accounts for the majority of Vietnam's export markets.

EXPORT VALUE BY YEAR



VIETNAM IMPORT AND EXPORT MARKET IN 9 MONTHS OF 2022

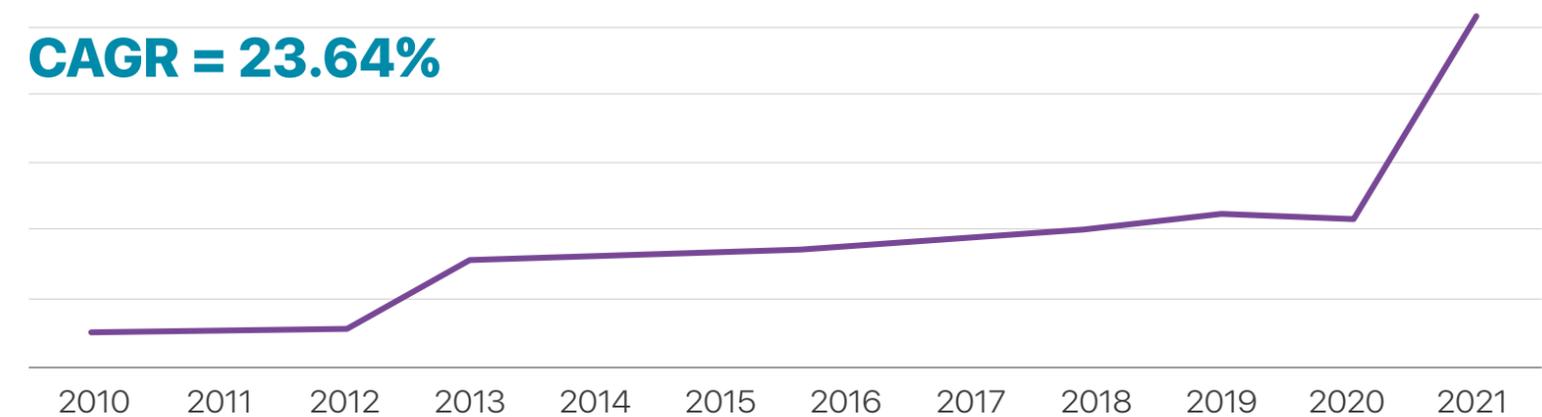


Source: GSO

4. The growth rate of the transportation and warehousing industry

The growth rate of warehouse transport in the period from 2010 to now has tended to increase rapidly, especially in recent years, the data we have collected shows strong growth. This shows that the logistics industry is making great progress, contributing greatly to the domestic economy. The Compound Annual Growth Rate (CAGR) in the period 2010-2021 reaches 23.64% (much higher than the growth rate of GDP of the country) and has shown a bright picture of the logistics industry in the Vietnam market. In the first 9 months of 2022, the growth rate of Vietnam's transportation and warehousing industry increased by 14.2% over the same period in 2021, although in 2022, companies in the industry faces many difficulties with decreasing orders, costs are increasing, but with the explosion of e-commerce and efforts to stabilize the macro economy of countries in the world, it will help the logistics industry continue to achieve good growth in 2022 and also in the following years.

GROWTH RATE OF TRANSPORTATION AND WAREHOUSING OVER THE YEARS



Source: GSO



# III. STATUS OF THE LOGISTICS INDUSTRY IN VIETNAM

## 1. Infrastructure

### ROAD TRANSPORT INFRASTRUCTURE



Region	Highway length (km)	Highway route (km)
Northern Midlands and Mountains	392	7256
Red river delta	468	2133
North Central and Central Coast	193	8366
Highlands	19	3059
Southeast	51	855
Mekong Delta	40	2652

### Targets to 2030 of road transport infrastructure

No	Type of road	Goals to 2030
1	Highway	Reach 5000km highway
2	Route	<ul style="list-style-type: none"> <li>- Reaching a total planned length of 32.000km with 174 national highway</li> <li>- Upgrading and renovating about 4.700km of national highways</li> <li>- Connecting to Ho Chi Minh Road</li> <li>- Continue to invest in the construction of coastal roads</li> </ul>
3	Ring Roads	<ul style="list-style-type: none"> <li>- Ring Road 4 and 5 in Hanoi</li> <li>- Ring Road 3 and 4 in Ho Chi Minh city</li> </ul>

Source: Vietnam Directorate of Road

### Some key road traffic projects

	Expected to start	Investment (billion dong)
Khanh Hoa – Buon Ma Thuot highway	Jun 23	5,632
Bien Hoa – Vung Tau highway	Jun 23	17,837
Chau Doc – Can Tho – Soc Trang highway (Phases 1)	Apr 23	11,120
Ring Road 4 project in Hanoi capital area	Jun 23	85,813
The project of Ring Road 3 Ho Chi Minh City	Sep 22	75,378

### RAILWAY TRANSPORT INFRASTRUCTURE



Number of routes **7**

Length (km) **3143**

Number of stations **277**

Types of gauges: 1000mm: 85%  
1435mm: 6%  
Double gauge of the above 2 gauges: 9%

### Targets to 2030 of railway transport infrastructure

Number of routes **16**

Length (km) **5505**

Notable projects: North-South highway railway with a speed of 225km/h

Source: Vietnam Railway Corporation

• SEA TRANSPORT INFRASTRUCTURE



	Number of harbors	Number of wharfs	Number of general berths, containers	Specialized wharf	Length (km)
Group 1	68	127	72	55	19.7
Group 2	20	58	27	31	11
Group 3	25	55	30	25	10
Group 4	29	61	30	31	10
Group 5	107	218	91	127	37
Group 6	37	69	37	32	8
<b>Total</b>	<b>286</b>	<b>588</b>	<b>287</b>	<b>301</b>	<b>95.7</b>

Targets to 2030 of marine transport infrastructure

	Group 1	Group 2	Group 3	Special group
Amount	<b>15</b>	<b>6</b>	<b>13</b>	<b>2</b>

Source: Vietnam Maritime Administration

• AIR TRAFFIC INFRASTRUCTURE



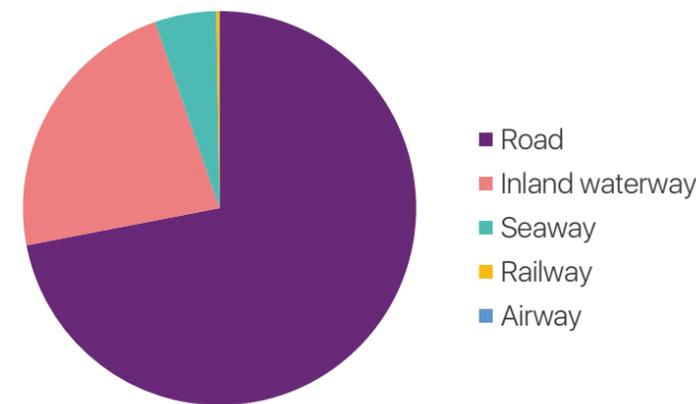
Source: Ministry of Transport

## 2. Logistics transportation service activities

Currently, goods are mainly transported via road (nearly 72% of cargo volume in Q3/2022 was transported by road). In addition, due to the geographical advantage of many rivers and canals, especially in the South, water transport also accounts for a large proportion of all modes of transport (22.7%). Next is sea, rail, and air.

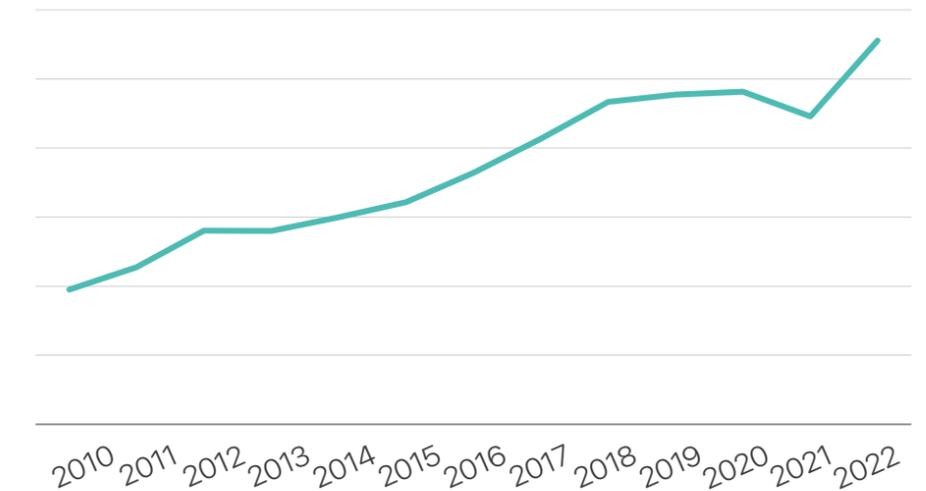
Although it is the type of transport that accounts for the largest proportion, the potential for exploiting the capacity of road transport has not yet reached the highest level because of road works are still not consistent in quality and key traffic projects are at risk of being behind schedule, which can be a risk for business units in the Vietnamese market.

TRANSPORT OF GOODS BY TYPE OF TRANSPORT (Q3/2022)



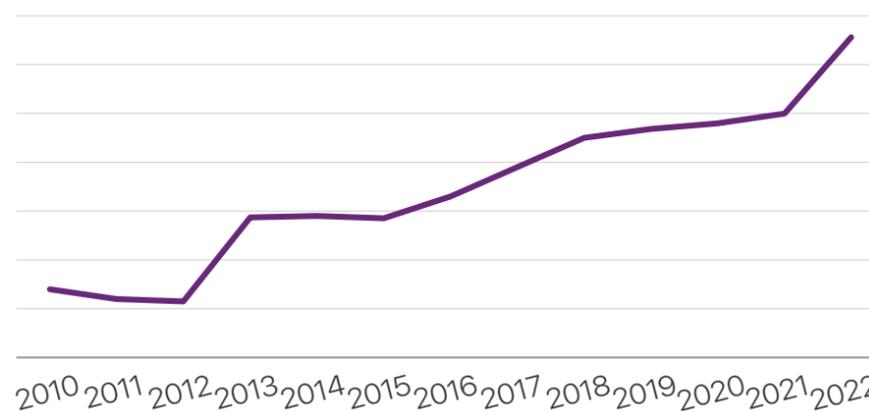
VOLUME OF GOODS TRANSPORTED BY ROAD (MIL TONS)

2010-2021 CAGR= 7%



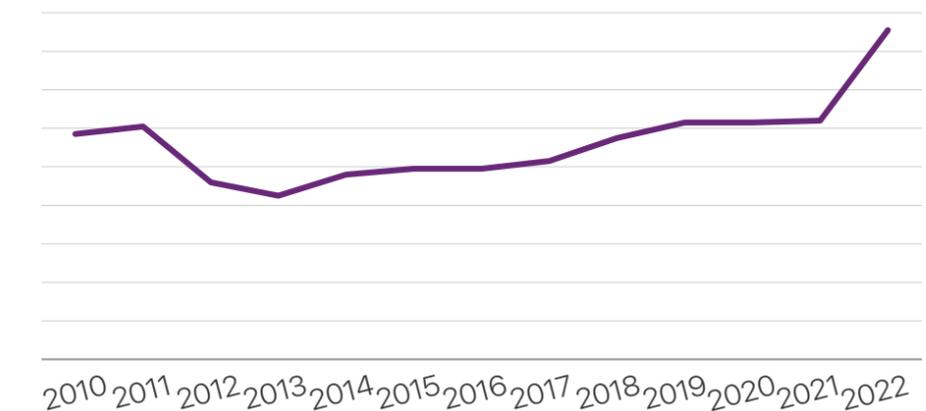
VOLUME OF GOODS TRANSPORTED BY WATERWAY

(Bil tons)



CARGO TRANSPORTATION BY SEA

(Bil tons)

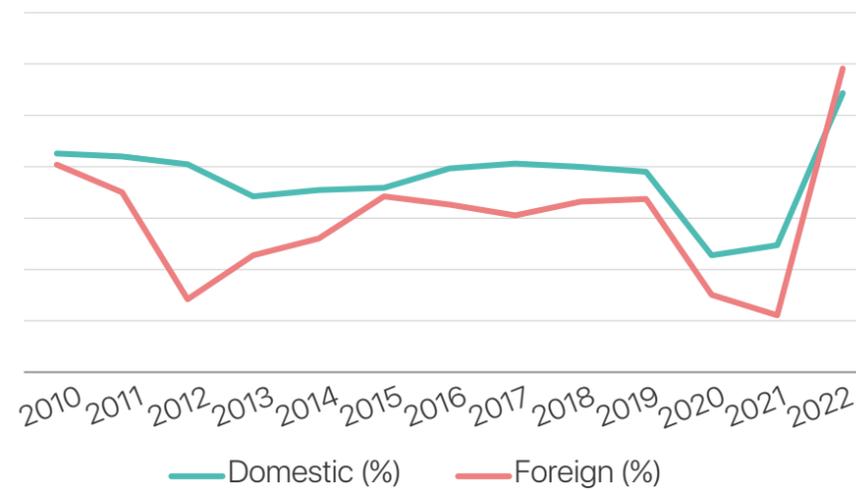


### 3. Freight growth rate

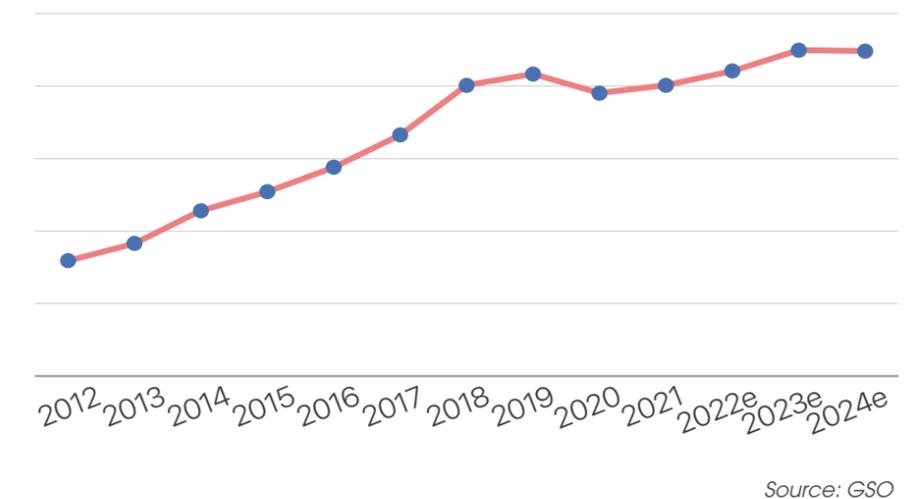
The growth rate of freight transport in both domestic and foreign markets decreased during the two epidemic years (2020-2021), but by 2022, there has been a clear growth compared to the same period last year. The most obvious growth is in the overseas market (up 29% over the same period in 2021).

Revenue from warehousing and transportation services has increased steadily over the years, except for the two-year decline during the epidemic. By 2022, it is expected that this level of revenue can recover to the level of 2019. However, the future revenue growth is not too high because the risks from the world economic situation may lead to a decrease in the production of enterprises, thereby reducing the demand for warehousing and transportation.

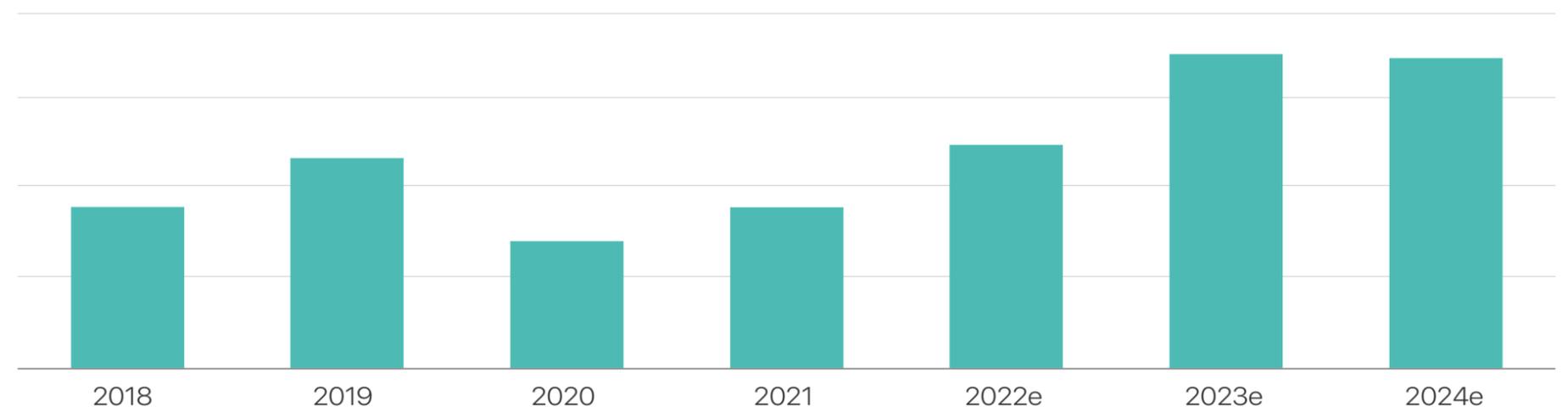
**GROWTH RATE OF FREIGHT TRANSPORT BY MARKET  
9 MONTHS OF THE YEAR**



**REVENUE FROM WAREHOUSING AND TRANSPORTATION  
ACTIVITIES (MIL USD)**



**REVENUE FROM WAREHOUSING AND TRANSPORTATION ACTIVITIES (MIL USD)**

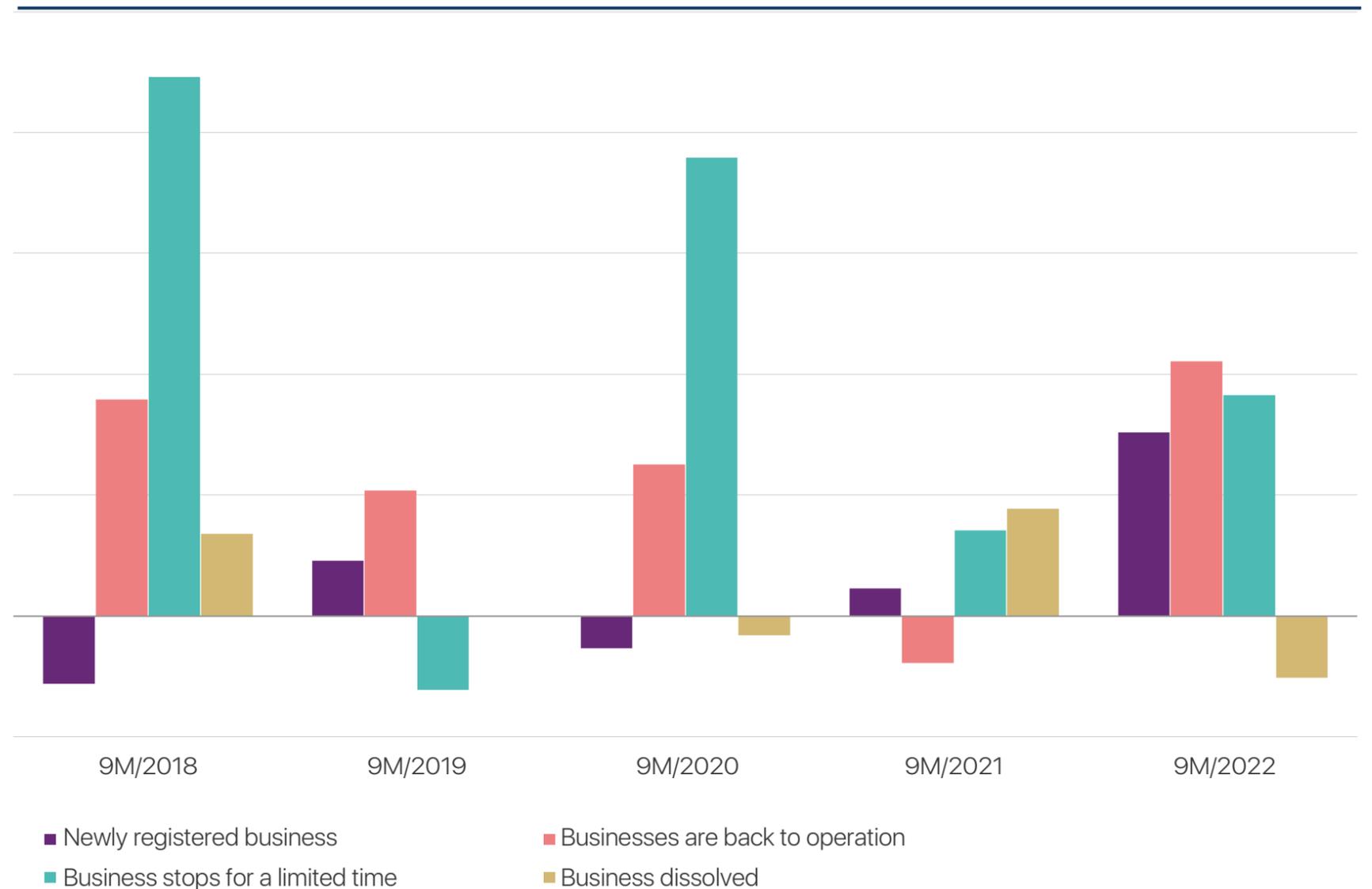


#### 4. Development situation of logistics service providers in Vietnam and some influencing factors

##### • THE SITUATION OF ENTERPRISES IN THE TRANSPORTATION AND WAREHOUSING INDUSTRY

In the first 9 months of 2022, the operation situation of logistics service providers in Vietnam improved significantly when the rate of newly established and re-operated enterprises increased sharply. Although the rate of enterprises stopping for a definite time still appears, the rate of dissolved enterprises has decreased significantly, revealing a bright picture for the operation of Logistics enterprises in Vietnam.

BUSINESS IN THE TRANSPORTATION AND WAREHOUSING INDUSTRY IN 9 MONTHS OF 2018-2022



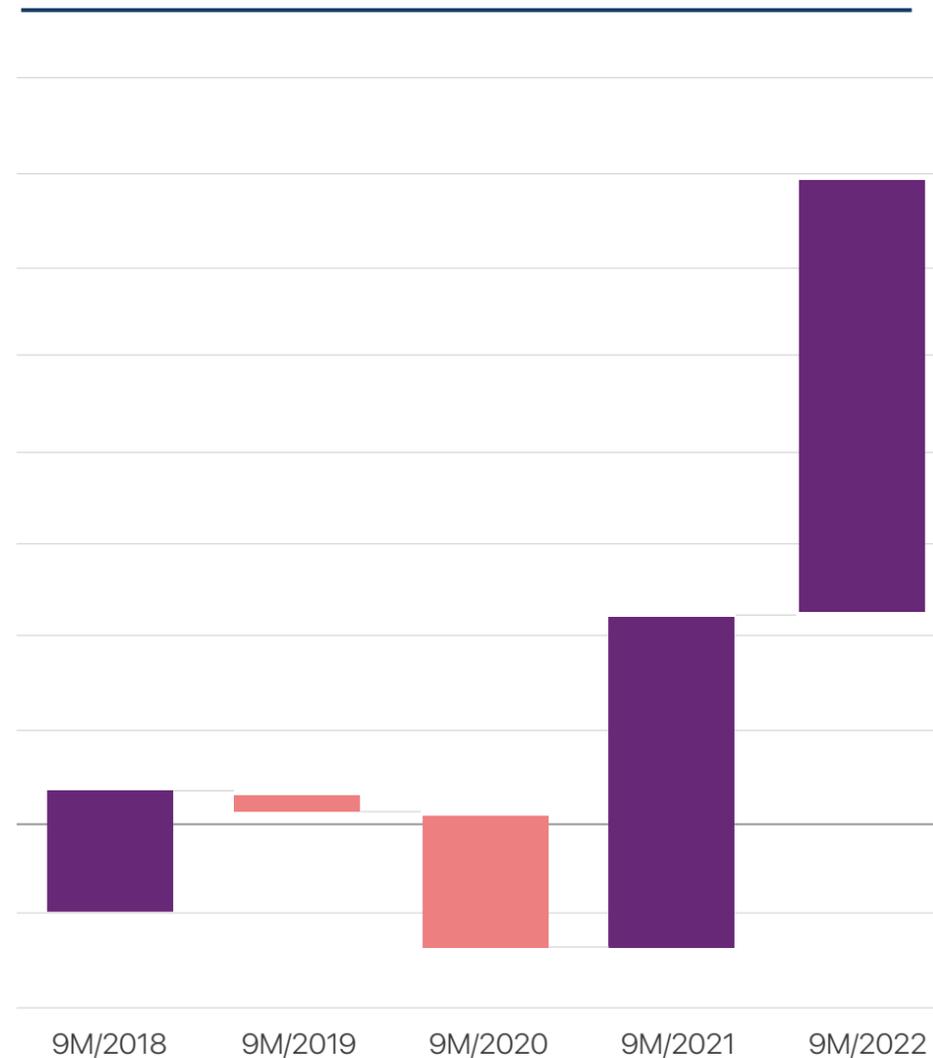
Source: GSO

• SOME INFLUENCING FACTORS

One of the factors that greatly affect the logistics industry in Vietnam is the price of fuel and the growth of B2C e-commerce. In terms of fuel prices, in the first 9 months of 2022, the import index of petroleum of all kinds has increased by 47% over the same period in 2021. This is the largest increase in the past 5 years and has greatly affected the operation system of the Logistics industry, especially recently, there has been a shortage of gasoline, the units have to contact many petrol companies, but it is also difficult to buy fuel as easily as before and the price has also increased.

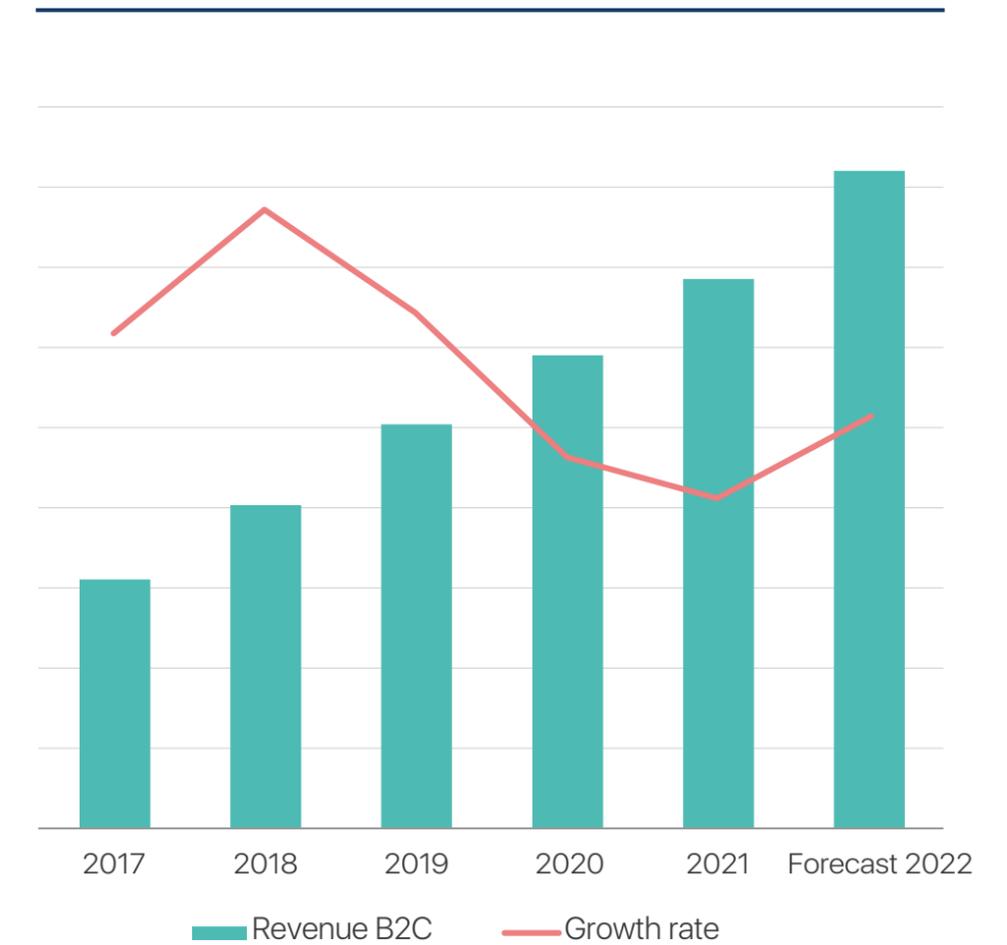
On the other hand, the rapid growth of B2C e-commerce in Vietnam over the past time, especially, the change in the shopping behavior of customers after going through the epidemic period from direct shopping to online has contributed to the development of the logistics industry in Vietnam. 2022 is forecasted to continue to be a year of the rapid growth in the e-commerce industry with a forecasted growth rate of 20% compared to 2021.

IMPORT PRICE INDEX OF PETROL AND OIL



Source: GSO

VIETNAM B2C E-COMMERCE REVENUE (BIL USD)



Source: Tradingeconomics

• **CONDITIONS FOR DOING BUSINESS IN THE TRANSPORTATION AND WAREHOUSING INDUSTRY IN VIETNAM**

Foreign enterprises that want to do business in the field of transportation and warehousing in Vietnam must comply with several regulations as follows:

Job	Industry code	Investment form	Maximum capital contribution ratio of foreign investors
Cargo transportation services undersea transport services (except inland transportation)	CPC 7211, 7212	To establish companies operating fleets of ships flying the Vietnamese flag or contribute capital, purchase shares or contributed capital in enterprises with Vietnamese capital	49%
Container loading and unloading service (supporting sea transportation)	CPC 7411	Establishing a joint venture with Vietnamese investors or contributing capital, buying shares or contributing capital in a Vietnamese-owned enterprise	50%
Container handling services belong to services that support all modes of transport, except services provided at airports		Establishing a joint venture with Vietnamese investors or contributing capital, buying shares or contributing capital in a Vietnamese-owned enterprise	50%
Customs clearance service undersea transport support service		Establishing a joint venture with Vietnamese investors or contributing capital, buying shares or contributing capital in a Vietnamese-owned enterprise	No rate restriction
Bill of lading checking services, freight brokerage services, cargo inspection, sampling and weighing services; receiving and accepting services; transport document preparation service		Establishing a joint venture with Vietnamese investors or contributing capital, buying shares or contributing capital in a Vietnamese-owned enterprise	No rate restriction
Freight services (inland waterways)	CPC 7222	Establishing a joint venture with Vietnamese investors or contributing capital, buying shares or contributing capital in a Vietnamese-owned enterprise	49%

Job	Industry code	Investment form	Maximum capital contribution ratio of foreign investors
Freight services (railway)	CPC 7112	Establishing a joint venture with Vietnamese investors or contributing capital, buying shares or contributing capital in a Vietnamese-owned enterprise	49%
Freight services (road)	CPC 7123	Establishing a joint venture with Vietnamese investors or contributing capital, buying shares or contributing capital in a Vietnamese-owned enterprise	51%
Warehousing Service	CPC 742	Establishment of a 100% foreign-owned enterprise or joint venture or capital contribution, purchase of shares or contributed capital in a Vietnamese-owned enterprise	100%
Cargo agency service	CPC 748	Establishment of 100% foreign capital or joint venture or capital contribution, purchase of shares or contributed capital in Vietnamese capital enterprises	100%
Delivery service	CPC 7512	Establishment of 100% foreign capital or joint venture or capital contribution, purchase of shares or contributed capital in Vietnamese capital enterprises	100%

Follow:

- *Schedule of specific commitments on services of Vietnam at WTO*
- *Investment Law 2020;*
- *Commercial Law 2005;*
- *Decree No.31/2021/ND-CP dated March 26, 2021;*
- *Decree No.163/2017/ND-CP dated December 30, 2017*

Source: Vietnam

## **IV. STATUS OF INVESTMENT PROJECTS IN THE LOGISTICS INDUSTRY**

In this section, we synthesize and analyze newly registered FDI projects in the transportation and warehousing industry and DDI projects investing in warehouses and large logistics centers (projects with capital over 2 million USD) from 2013 to the end of October 2022 with investment locations inside and outside the Industrial Park

## 1. Overview of FDI Logistics investment situation

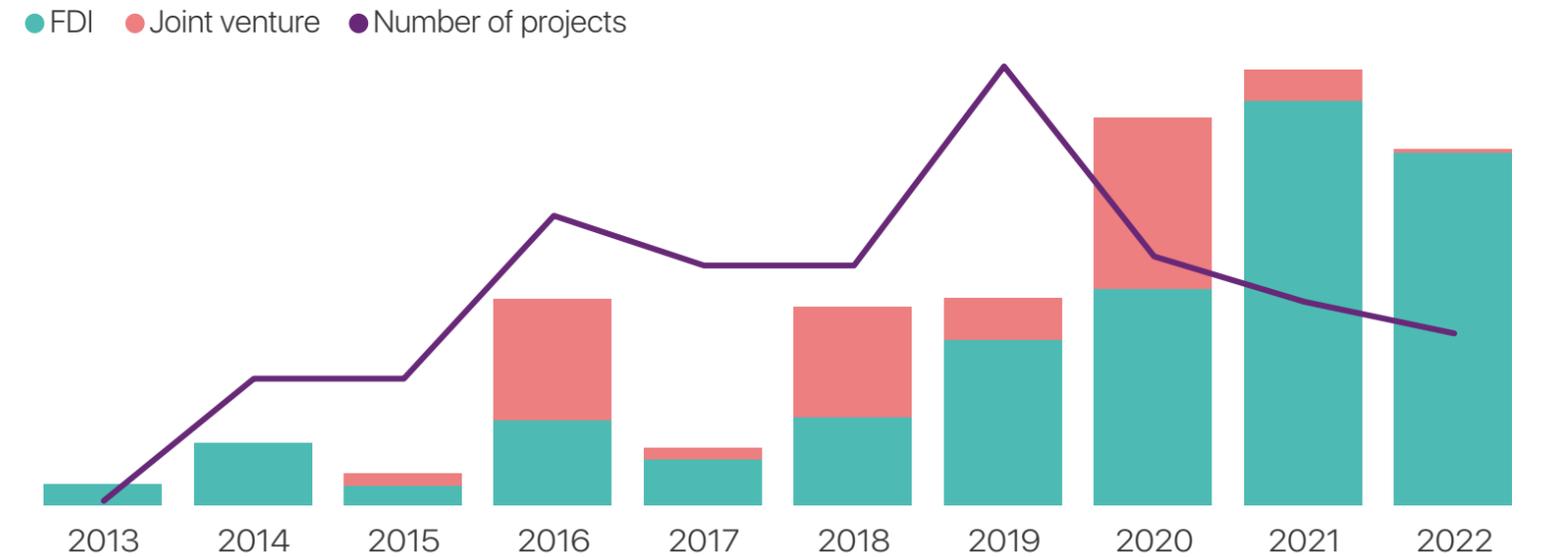
“Investment in the Logistics industry tends to grow steadily over the years. FDI enterprises mostly focus on investing in warehousing and supporting activities for transportation. This is a rare investment industry that has steady growth, especially during the Covid-19 pandemic, this industry has achieved a very high number of registered investment capital. In 2022, while most other industries saw a significant decrease in both the number of projects and registered investment capital, the transportation and warehousing industry still achieved a relatively stable attractive number, this shows that this is still one of the industries with great potential for attracting investment in Vietnam. ”

In terms of the number of Logistics projects attracting investment in Vietnam, we see a steady and clear growth trend from 2013 to 2019 (average growth rate of 37.3% in the period from 2013-2019) with a total of 658 projects. 2020 and 2021 are the periods of the global outbreak of the Covid-19 epidemic, so the number of projects attracted in these two years has decreased

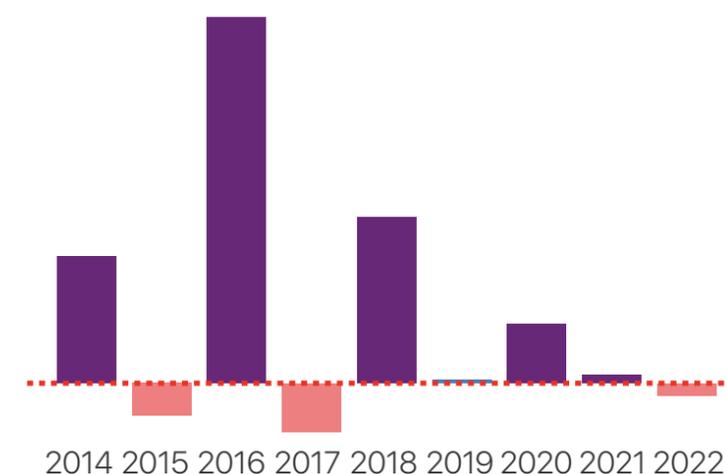
markedly. By October 2022, the number of newly registered projects in the transportation and warehousing industry was nearly 90% compared to 2021. But the world economic situation has not shown any signs of recovery, orders have been reduced, supply chain disruptions are still ongoing, and inflation is high. We believe that in the fourth quarter and the whole year of 2022, the investment attraction of the Logistics industry will achieve a good growth in the number of registered investment projects, but the increase will not be too large.

In terms of total investment capital, the logistics investment market in Vietnam recorded a figure of 3.9 billion USD of total registered capital from FDI since 2013 till now. The amount of investment attraction capital of the industry is especially high in the two years 2020-2021. These are the two peak years of the Covid-19 epidemic, despite being at a disadvantage in terms of risks in supply chain disruption due to the implementation of blockade measures in countries, the change in consumer buying habits plus the promotion of special goods is a medical product that has contributed to increasing the capital scale of the projects.

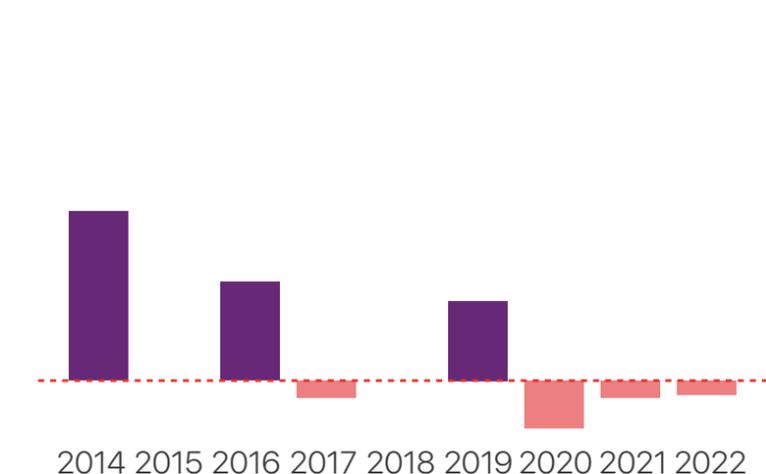
INVESTMENT ATTRACTION IN LOGISTICS SINCE 2013



YOY PERCENTAGE CHANGE OF REGISTERED CAPITAL

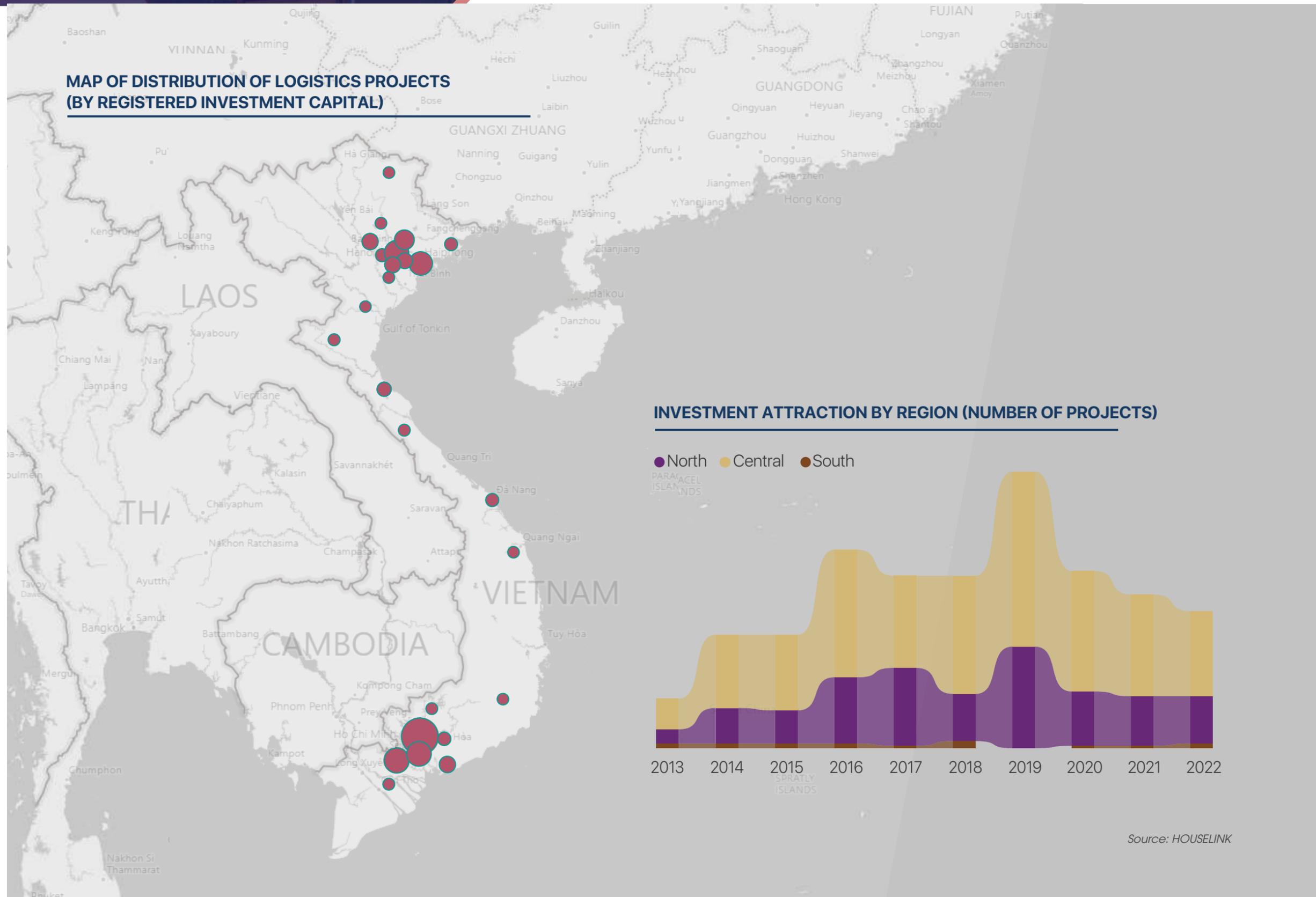


YOY PERCENTAGE CHANGE OF NUMBER OF PROJECTS

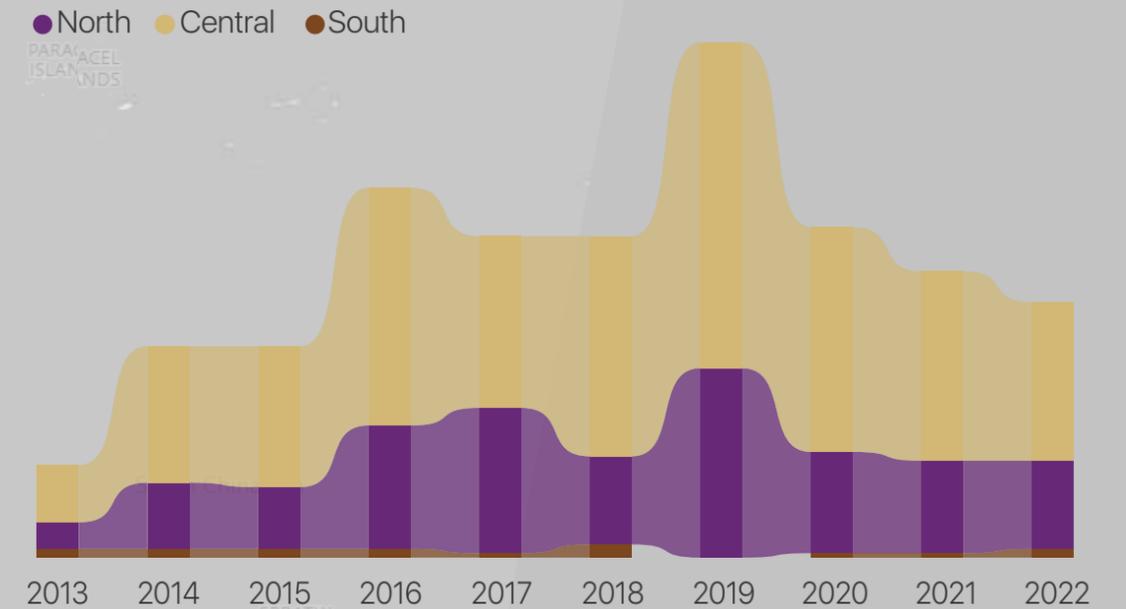


Logistics projects are concentrated mainly in the South with many large capital projects. Next, the North also attracts a lot of FDI in this industry. Through the analysis chart, it is easy to see that the logistics investment market is still tending to be concentrated in the southern provinces in both the number of projects and the investment scale. Central provinces have not yet attracted many investment projects in this industry. Investment projects in the Central region are scattered distributed, mainly concentrated in Da Nang city.

MAP OF DISTRIBUTION OF LOGISTICS PROJECTS  
(BY REGISTERED INVESTMENT CAPITAL)

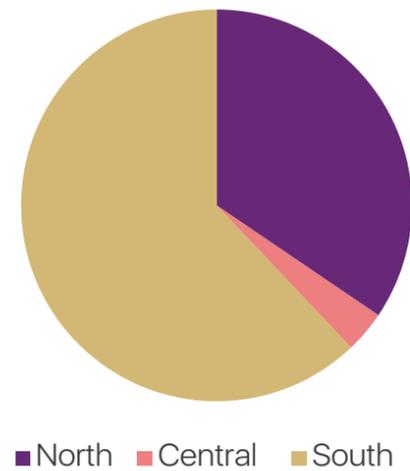


INVESTMENT ATTRACTION BY REGION (NUMBER OF PROJECTS)

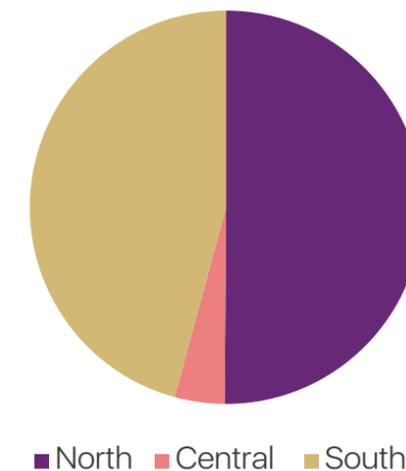


In the first 10 months of 2022, the Northern and Southern provinces attracted almost equal amounts of investment capital in the Logistics industry (50% and 46% of the investment capital accordingly), it can be seen that the scale of projects in the North is slightly higher. Central provinces account for only 4% of industry investment capital. In which, investment projects in the North are still mainly concentrated in the provinces of the Red River Delta economic region and in the South are concentrated in the Southeast economic region. These are also two regions with special development of various types of processing and manufacturing industries. Some provinces excel in attracting investment such as: Binh Duong, Long An, Bac Ninh, TP. Ho Chi Minh, Hai Phong, Bac Giang,.v.v.

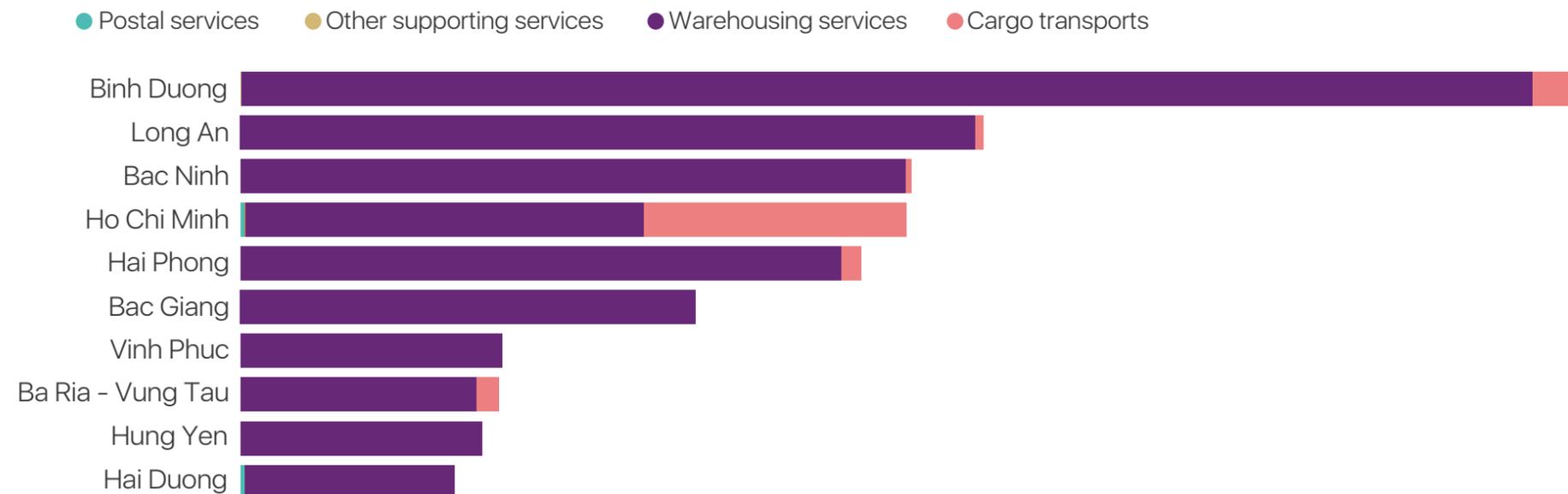
**LOGISTICS PROJECTS ALLOCATION IN 10 MONTHS OF 2022  
(BY NUMBER OF PROJECTS)**



**LOGISTICS PROJECTS ALLOCATION IN 10 MONTHS OF 2022  
(BY REGISTERED INVESTMENT CAPITAL)**



**TOP PROVINCES ATTRACTING THE MOST REGISTERED CAPITAL (BY PROJECT TYPE)**

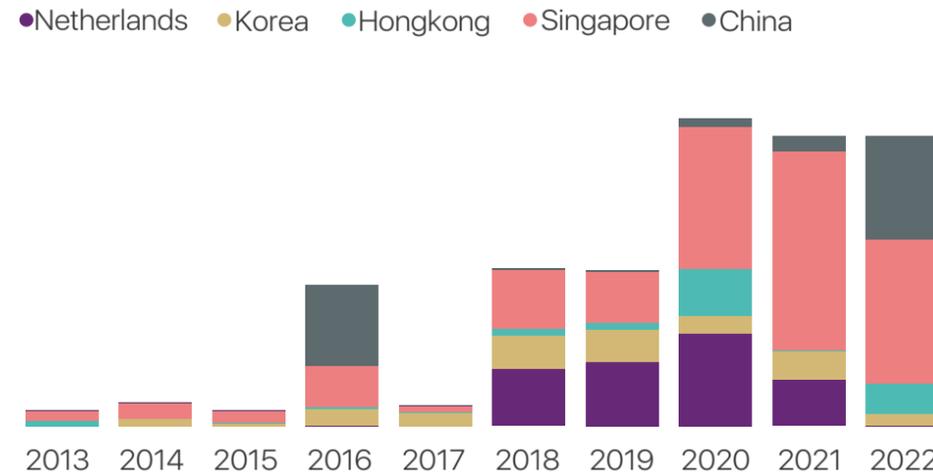


“ In recent years, Vietnam has begun to attract logistics projects from diversify investment capital sources. ,,

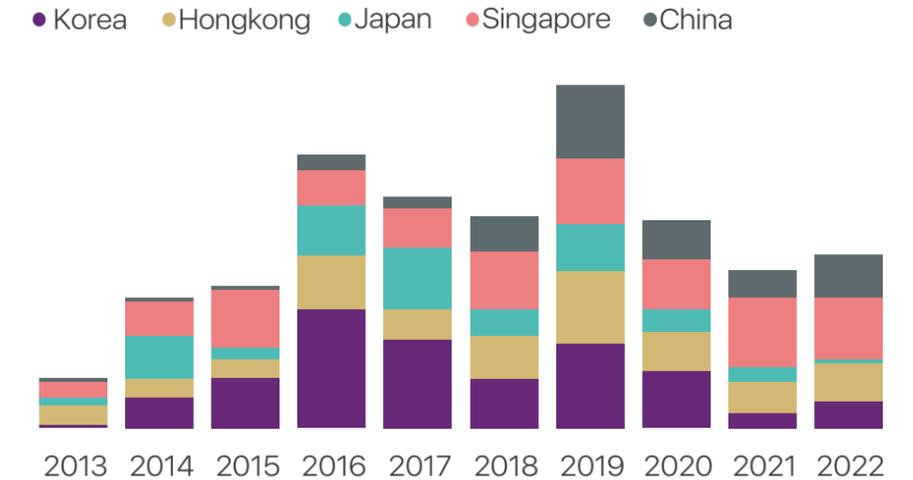
During the journey of investing in the Logistics industry from 2013 to now, we have recorded a number of countries in the top of the countries that invest a lot in the Logistics industry in Vietnam such as: Singapore, Netherlands, Korea, Hong Kong, Japan, China, etc.

In which, Korea is the leader in the number of investment projects. However, recently, the investment trend from Korea is on a downward trend. And projects that have recorded capital from Singapore are increasing. In terms of registered investment capital, we also recognize that the registered capital sources from Singapore account for a large proportion and tend to increase recently. However, when we delve deeper and more closely into the origin of the investment capital, we find that only 40% of the projects originate from Singapore. The rest of the projects are invested by companies with parent companies originating from many countries, notably from Japan, Taiwan, Korea, and Hong Kong.

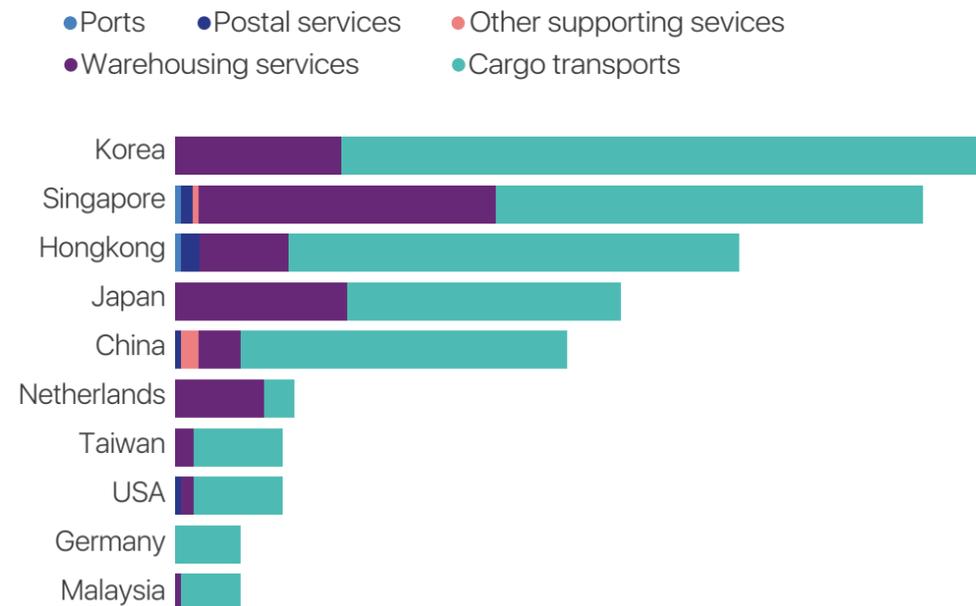
INVESTMENT TRENDS OF TOP 5 COUNTRIES BY REGISTERED CAPITAL



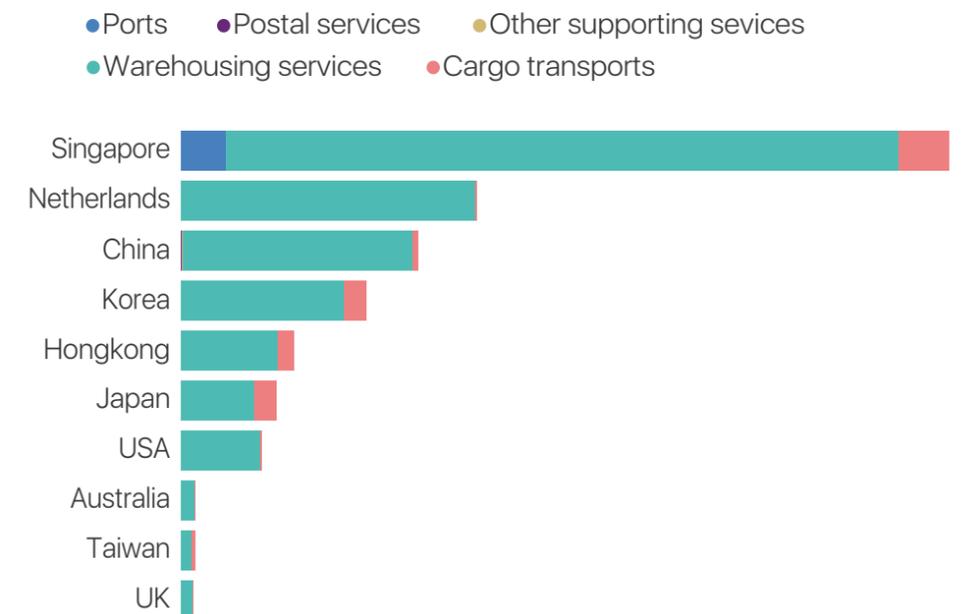
INVESTMENT TRENDS OF TOP 5 COUNTRIES BY NUMBER OF PROJECTS



TOP 10 COUNTRIES BY NUMBER OF PROJECTS



TOP 10 INVESTMENT COUNTRY BY INVESTMENT CAPITAL



“ The provinces that attract the most investment is mainly located in the South. ”

• IN TERMS OF THE SCALE OF REGISTERED INVESTMENT CAPITAL

In this section, we divide investment capital into 05 groups as below:

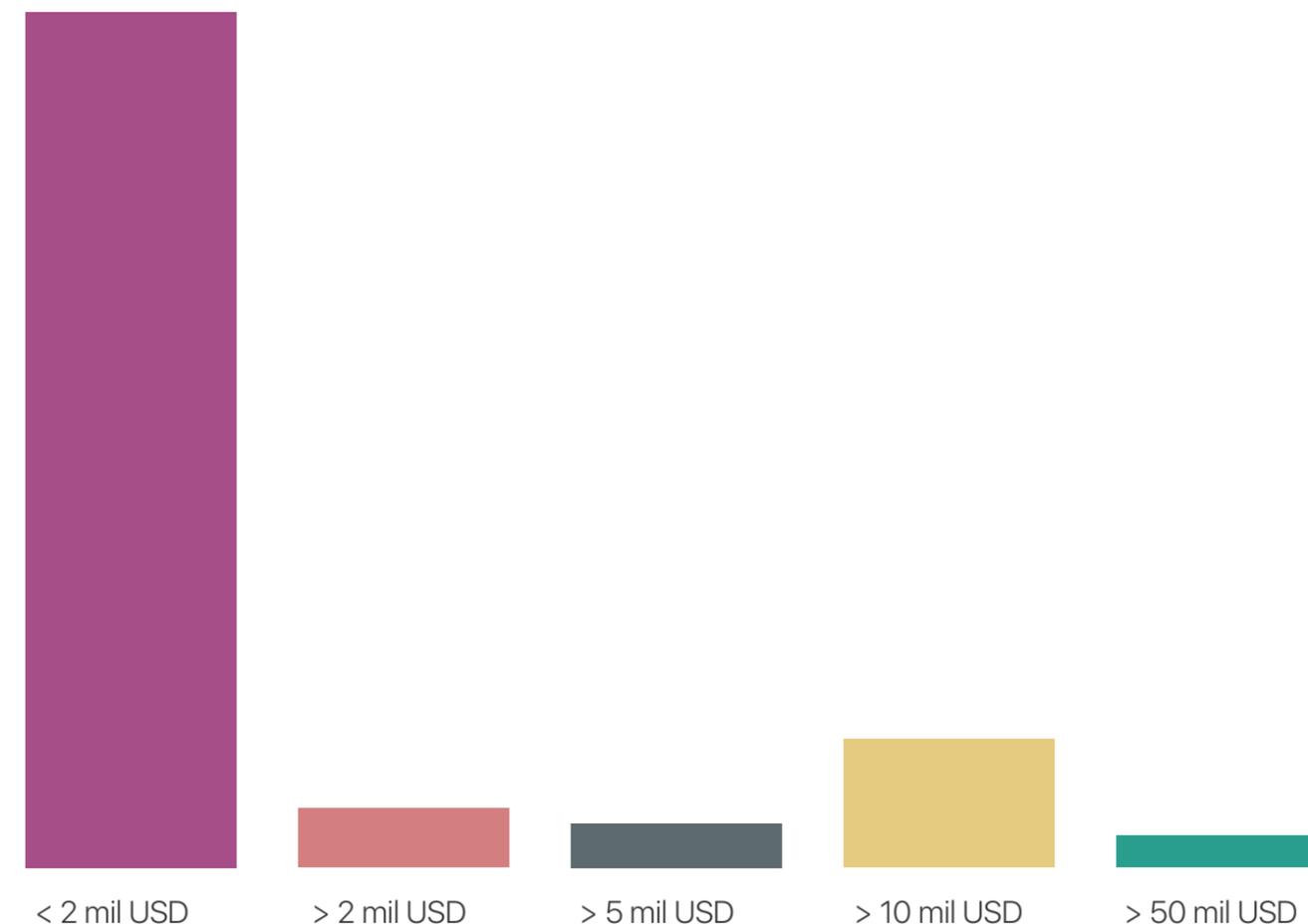
- 1. < 2 MILLION USD
- 2. 2-5 MILLION USD
- 3. 5-10 MILLION USD
- 4. 10-50 MILLION USD
- 5. > 50 MILLION USD

Through this, we see that the majority of investment projects to Vietnamese market are small capital projects < 2 million USD (accounting for 76% of investment projects). Next are the capital projects from 10 to 50 million USD (accounting for 12%). The rest are projects of other capital categories. This fact can be understood as follows: In terms of the number of projects, most FDI projects invested in Vietnam are in the field of freight agency services. This is an area that does not require too much capital. Most large capital projects pour into the field of construction and warehouse leasing.

Large-scale projects are mainly located in the southern provinces and cities, notably Binh Duong, Ho Chi Minh City, Long An, Ba Ria – Vung Tau. In addition, projects with capital from 10-50 million USD also choose provinces such as Hai Phong and Hung Yen as investment locations.

Projects with capital < 2 million USD account for a large proportion and tend to increase before the Covid-19 epidemic. During 2 years of the epidemic and even in 2022, the trend of these small capital projects has tended to decrease. But we still believe that in the future this trend will still tend to increase thanks to the recovery speed of the industry as well as the import-export situation of Vietnam still has a good growth trend. Some of the leading countries in investing in projects with capital <2 million USD can be mentioned as: Korea, Hong Kong, Singapore, Japan, China, v.v.)

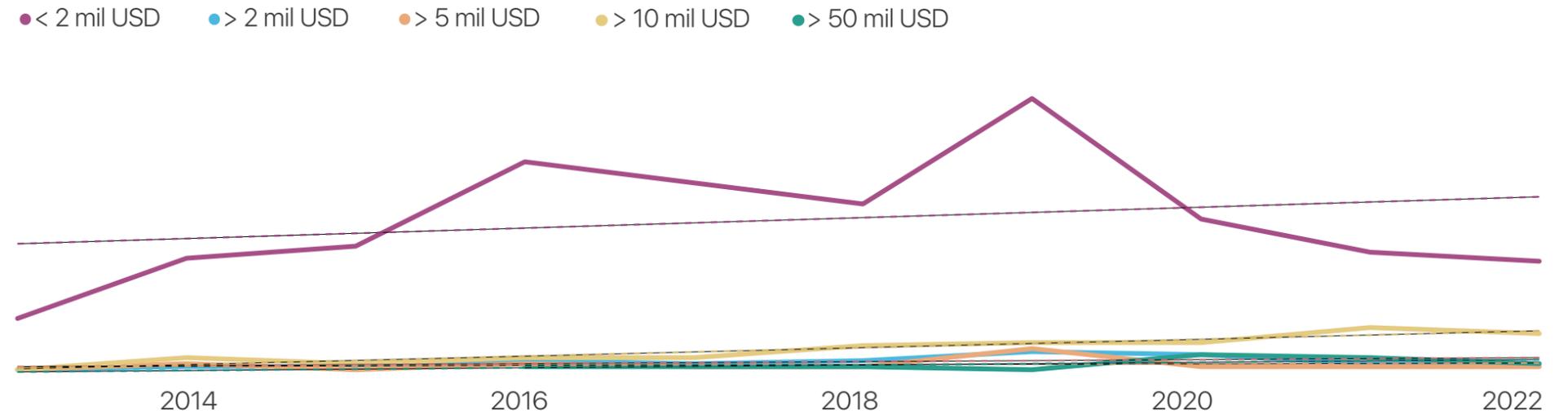
CAPITAL AMOUNT SEGMENTATION BY NUMBER OF PROJECTS



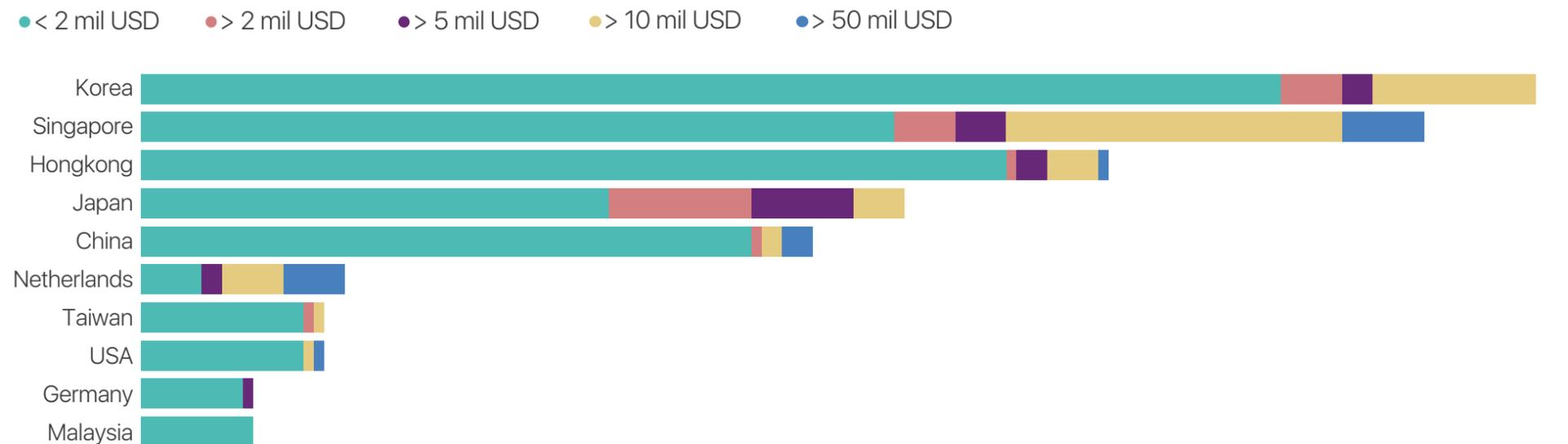
Source: HOUSELINK

Although projects with a capital of 10-50 million USD account for a smaller proportion, we still see an increasing trend of this type of capital over the years from 2013 till now. Especially noted the growth in the two years of the Covid-19 epidemic (2020 and 2021). This capital mainly comes from transportation and warehousing investment projects. This will still be the main trend of large-cap logistics investment in the future. Some countries that invest a lot in projects of this type of capital include Korea, Singapore, Hong Kong, Japan, the Netherlands, etc. Singapore is a country that records many large capital projects, but as we have analyzed above, only about 40% of projects originate from Singapore, the rest of the parent companies of the projects are from other countries. This shows that big companies in the industry have been promoting investment in the Vietnamese market, although the speed is not too fast, we can fully expect in the future some large investors of the industry will choose Vietnam as an investment destination. Projects of other capital sources also tend to increase.

**INVESTMENT TRENDS CAPITAL CLASSIFICATION (BY NUMBER OF PROJECTS)**



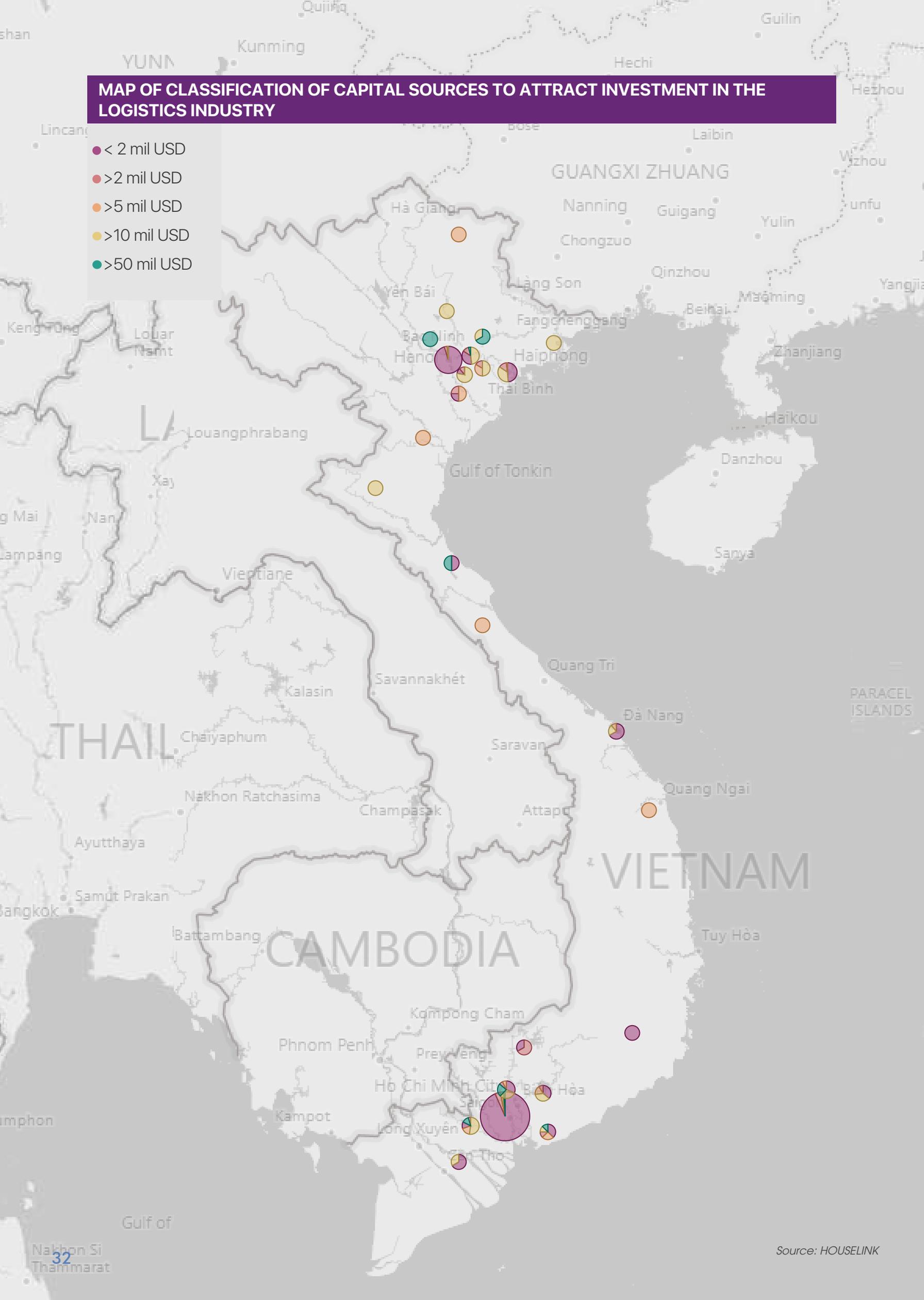
**CAPITAL AMOUNT SEGMENTATION BY COUNTRY**



Source: HOUSELINK

# MAP OF CLASSIFICATION OF CAPITAL SOURCES TO ATTRACT INVESTMENT IN THE LOGISTICS INDUSTRY

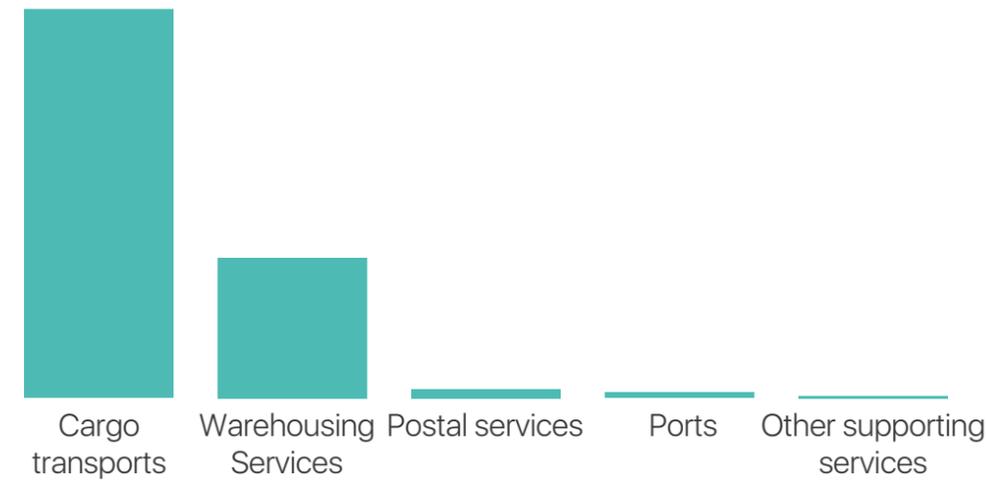
- < 2 mil USD
- > 2 mil USD
- > 5 mil USD
- > 10 mil USD
- > 50 mil USD



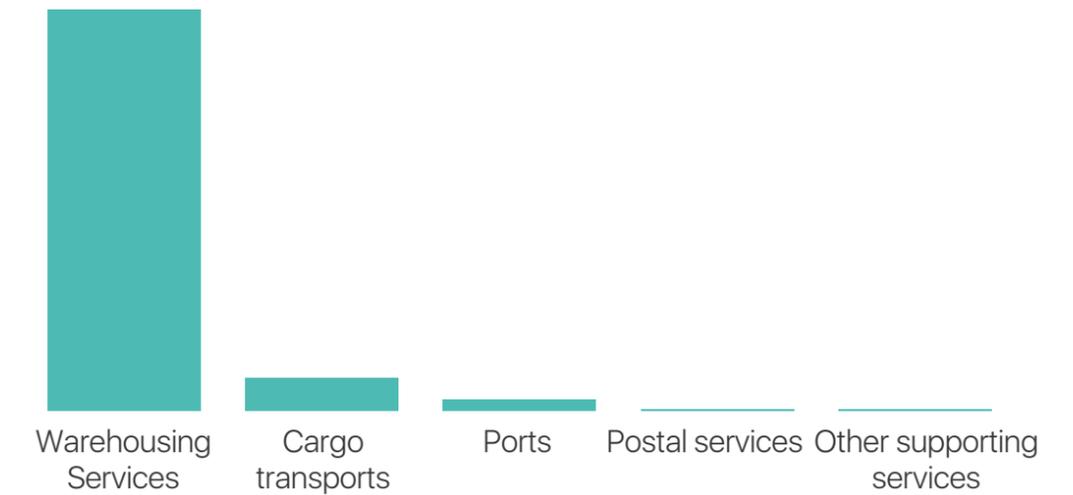
## 2. Logistics investment supply chain in Vietnam

Logistics is a specific business. Foreign direct investment (FDI) can only invest 100% in a few areas of the industry. Therefore, it can be clearly seen that FDI capital is focusing a lot on warehousing services and freight agency services. There are very few other services. Among them, freight agency service has the most registered investment projects and warehousing service is the field that attracts the largest amount of investment capital. The amount of investment capital in the field of warehousing always accounts for a large proportion of the fields of the Logistics industry (usually accounts for about 90% of the total investment capital) and tend to increase gradually over time. In which, cold storage is one of the niche markets with great potential for development in the future when cold storage investment projects appear continuously and the investment scale also tends to increase.

INVESTMENT STATUS OF SERVICES IN THE LOGISTICS CHAIN  
(BY NUMBER OF PROJECTS)

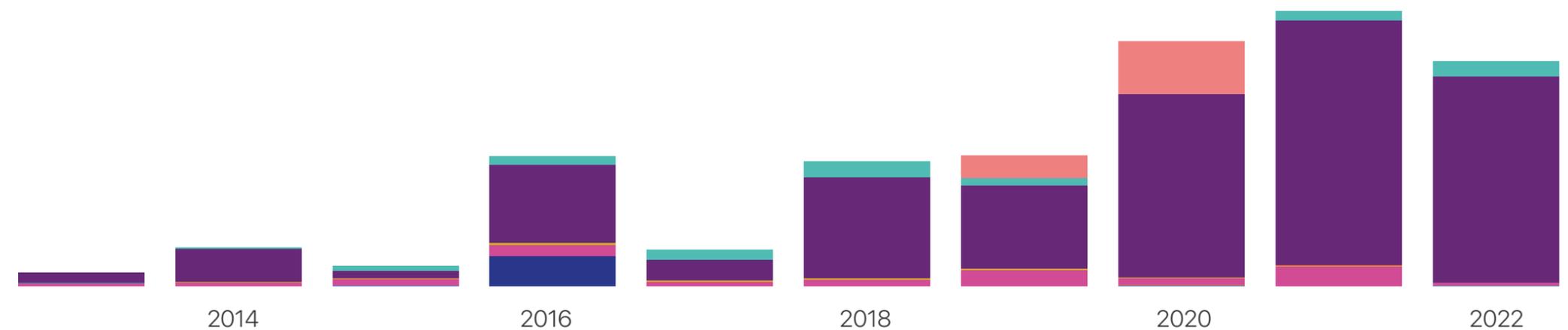


INVESTMENT STATUS OF SERVICES IN THE LOGISTICS CHAIN  
(BY REGISTERED CAPITAL)



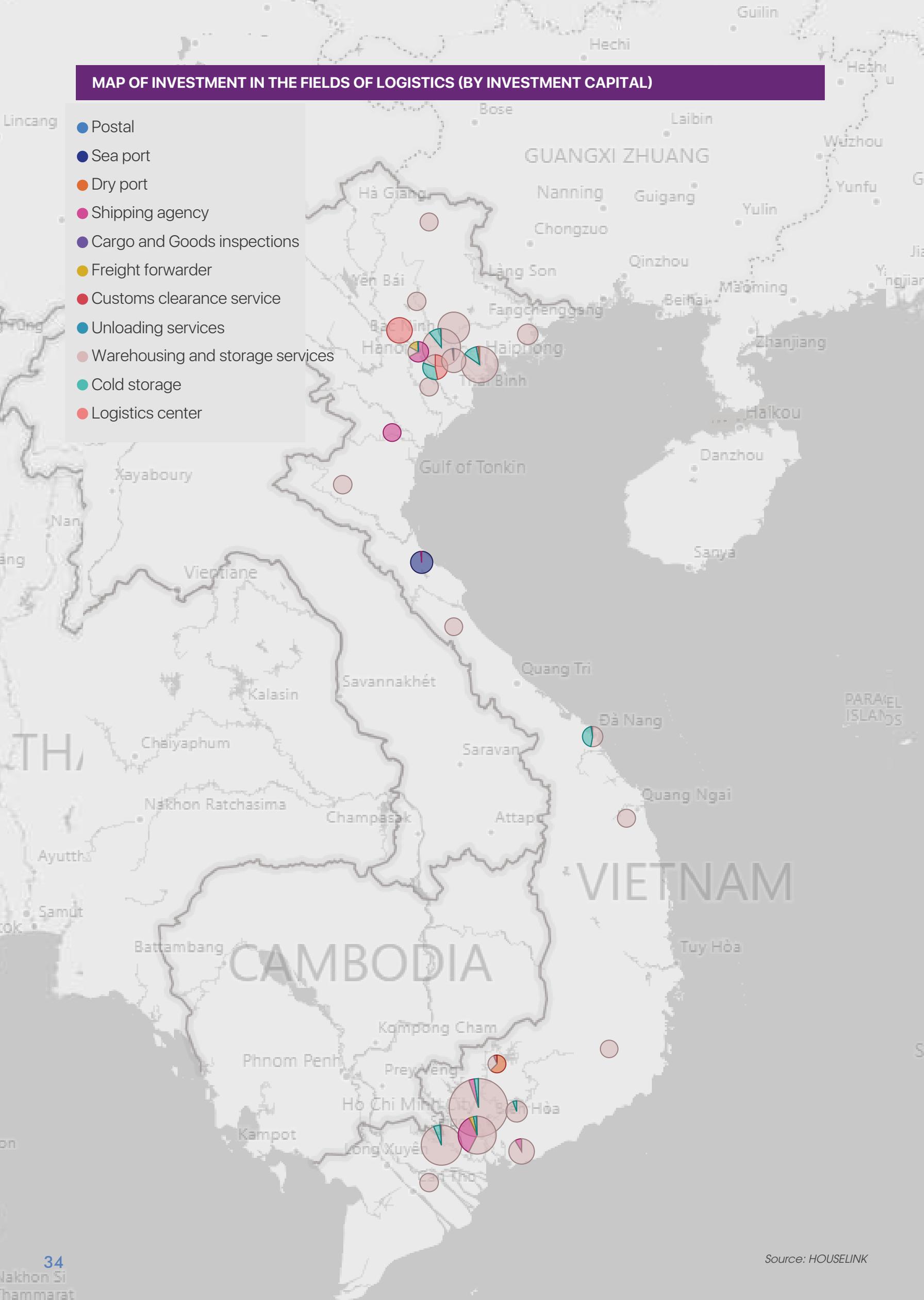
REGISTERED CAPITAL BY YEAR AND BUSINESS LINES

- Postal
- Sea port
- Dry port
- Shipping agency
- Cargo and goods inspections
- Freight forwarder
- Customs clearance service
- Unloading services
- Warehousing and storage service
- Cold storage
- Logistics center



**MAP OF INVESTMENT IN THE FIELDS OF LOGISTICS (BY INVESTMENT CAPITAL)**

- Postal
- Sea port
- Dry port
- Shipping agency
- Cargo and Goods inspections
- Freight forwarder
- Customs clearance service
- Unloading services
- Warehousing and storage services
- Cold storage
- Logistics center



### 3. Infrastructure features of the Industrial Park attract Logistics projects

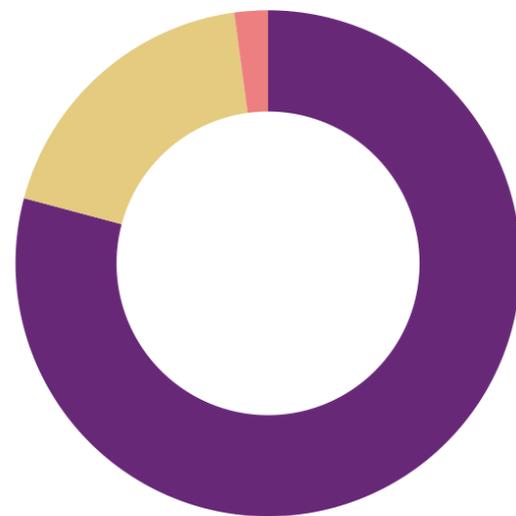
In this section, we group the distances of the Industrial Parks to the nearest highway into 3 groups as follows:

- Group 1: < 30km
- Group 2: 30-70 km
- Group 3: > 70km

The common feature of Industrial Parks attracting Logistics projects is that the geographical location of these Industrial Parks is very convenient, located close to highways, seaports and airports (Group 1). It can be seen if Vietnam can perfect the transport infrastructure system in a standard and high-quality manner, at the same time speeding up the completion of key infrastructure projects can help attract and promote investment in the Logistics industry a lot in the future.

**DISTANCE TO NEAREST HIGHWAYS**

● Group 1 ● Group 2 ● Group 3



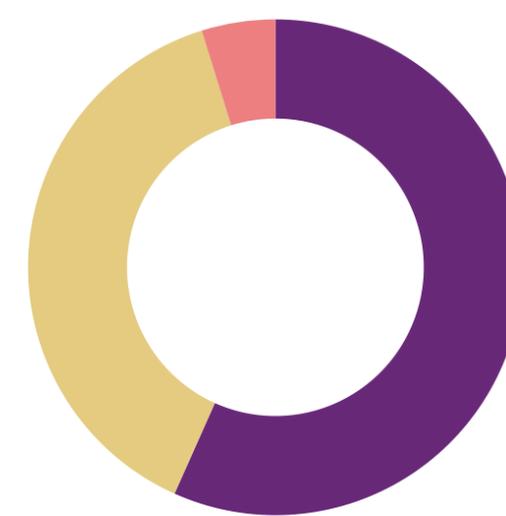
**DISTANCE TO NEAREST SEAPORT**

● Group 1 ● Group 2 ● Group 3



**DISTANCE TO NEAREST AIR PORTS**

● Group 1 ● Group 2 ● Group 3



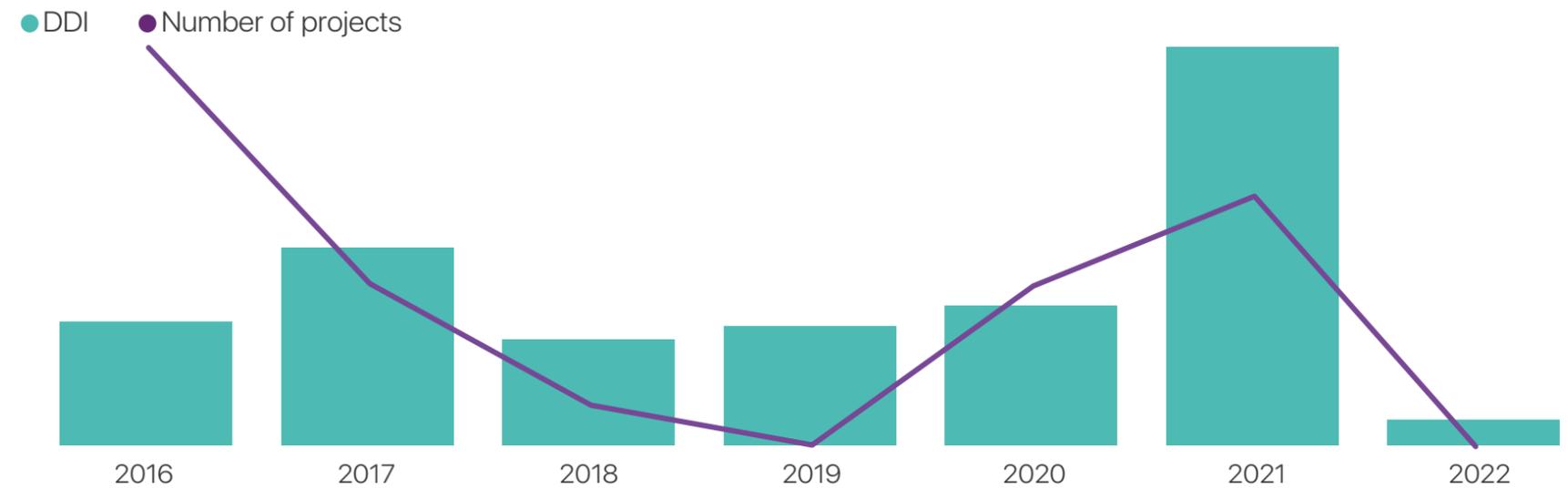
## 4. Situation of domestic direct capital investment (DDI) projects

In this section, we focus on analyzing the investment situation of DDI projects with a capital of over 2 million USD (equivalent to about 50 billion VND) with the construction of factories and warehouses in the field by Logistics.

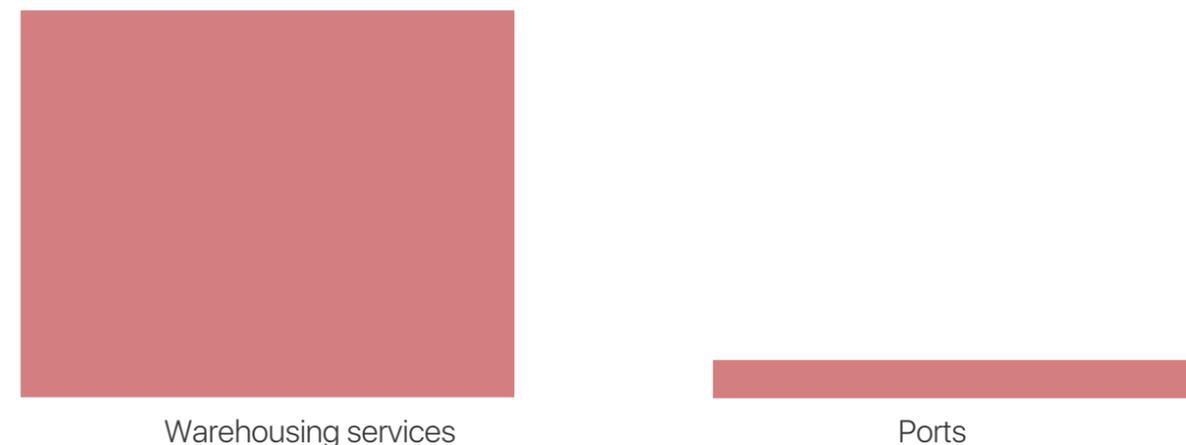
DDI capital projects invested in the Logistics industry are tending to decrease in number of projects over the years. Projects that decrease rapidly from 2016 to 2019. The number of investment projects increased again at the time of Covid-19 epidemic (two years 2020 and 2021), this trend is similar to the trend of investment in FDI projects. The number of projects reached the highest level in 2016 but the amount of investment capital is not high because most of the projects to build warehouses and logistics centers are small-scale projects. The peak in the amount of investment attracted capital is in 2021 when the amount of capital attracted reaches nearly 500 million USD. The scale of projects in this period is also quite high (the average investment value of a project is about 50 million USD). The scale of projects in this period is also quite high (average investment value of a project is about 50 million USD).

But by 2022, although it has been more than 10 months, the data on investment projects in the Logistics industry is not too large. With the current situation, we believe that for the whole year of 2022, it will be difficult for investment in this industry to record the same numbers as in 2021. Large projects on seaport and airport systems all take place for a long time, the preparation and implementation of the project will also need many stages. Meanwhile, projects on Logistics centers and factories-warehouses for lease with DDI capital, we think will not be high because the demand is not too great because factories are experiencing a decrease in a large order, forced to find smaller orders to maintain production.

INVESTMENT ATTRACTION IN LOGISTICS SINCE 2013 (DDI)



INVESTMENT STATUS OF SERVICES IN THE LOGISTICS CHAIN (BY NUMBER OF PROJECTS)

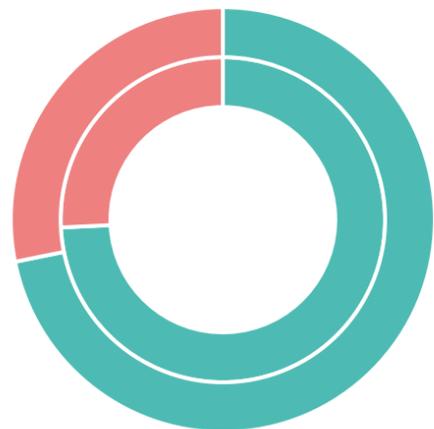


DDI capital investment project data in this report are projects with capital over 2 million USD and infrastructure construction, therefore, according to the data we have collected, warehousing and wharf services are the two types of Logistics facilities that are invested and built the most with DDI capital.

When comparing the investment in warehousing services of the two types of capital sources DDI and FDI, we find that although DDI enterprises invest in fewer projects, the project scale is quite similar to the projects invested with FDI capital, even the average capital size is more visible. The investment is mostly made by some big investors in Vietnam.

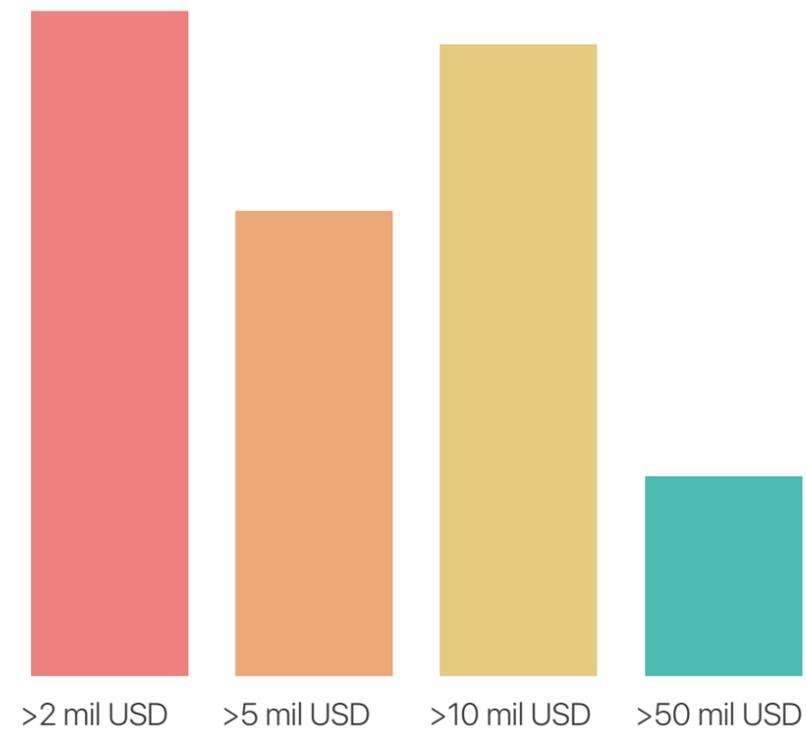
**COMPARE TYPES OF INVESTMENT IN WAREHOUSING SERVICE IN VIETNAM**

● FDI and Joint venture ● DDI



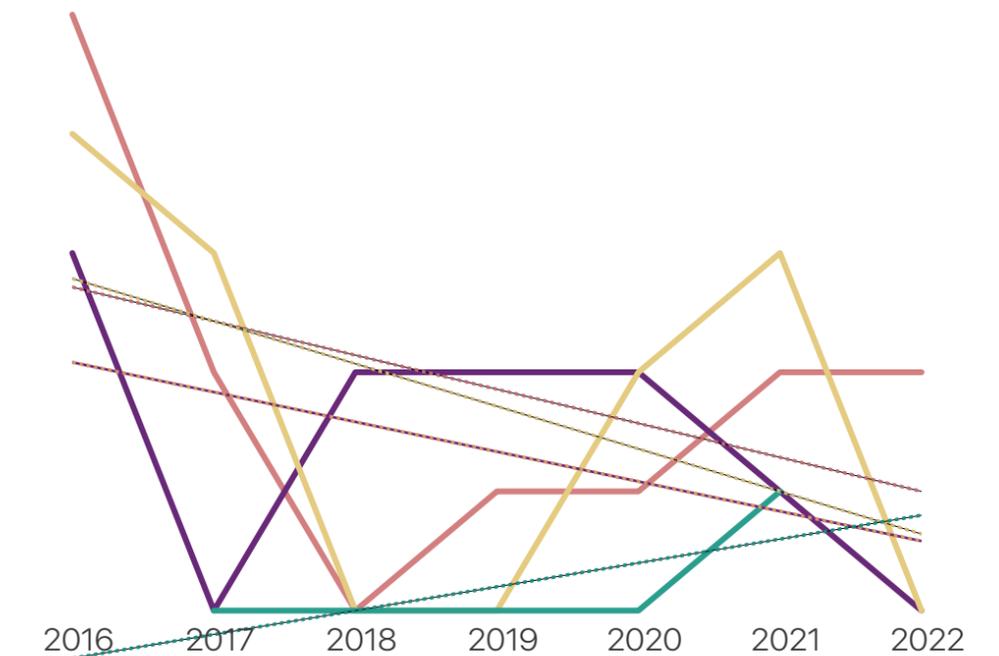
Most of the projects invested with DDI capital have a capital of 2-5 million USD and 10-50 million USD. In which, projects with capital scale of 2-5 million USD are still increasing in the past two years. But in general, in 2022, the development trend of capital groups does not show any positive signs when there is a continuous decrease.

**CAPITAL AMOUNT SEGMENTATION BY NUMBER OF PROJECTS**



**INVESTMENT TRENDS CAPITAL CLASSIFICATION (BY NUMBER OF PROJECTS)**

● >2 mil USD ● >5 mil USD ● >10 mil USD ● >50 mil USD

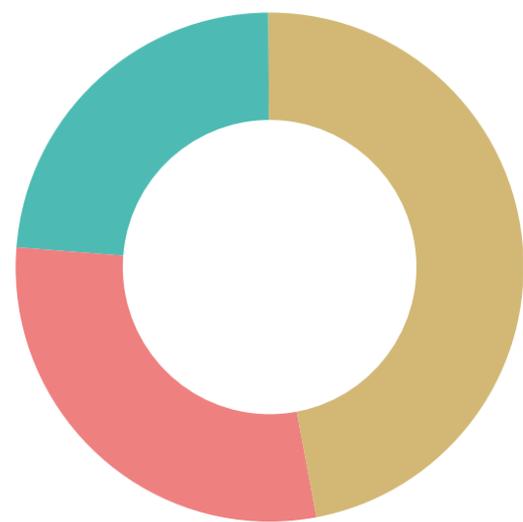


Source: HOUSELINK

In terms of quantity, it can be seen that DDI projects are mainly concentrated in the North and the South. The investment in projects in the Central region is quite sporadic, the number of investment projects in this region is the least among the three regions. But in terms of investment capital, the Central region accounts for nearly 30% of capital thanks to large capital projects invested in 2021. The North is the region that attracts the most investment capital among the three regions (accounting for more than 46% of investment capital). Via the chart can clearly see the decrease in the number of projects in 2022. We believe this bleak situation will probably last until the end of 2023, then gradually recover due to the low domestic demand, largely due to declining orders.

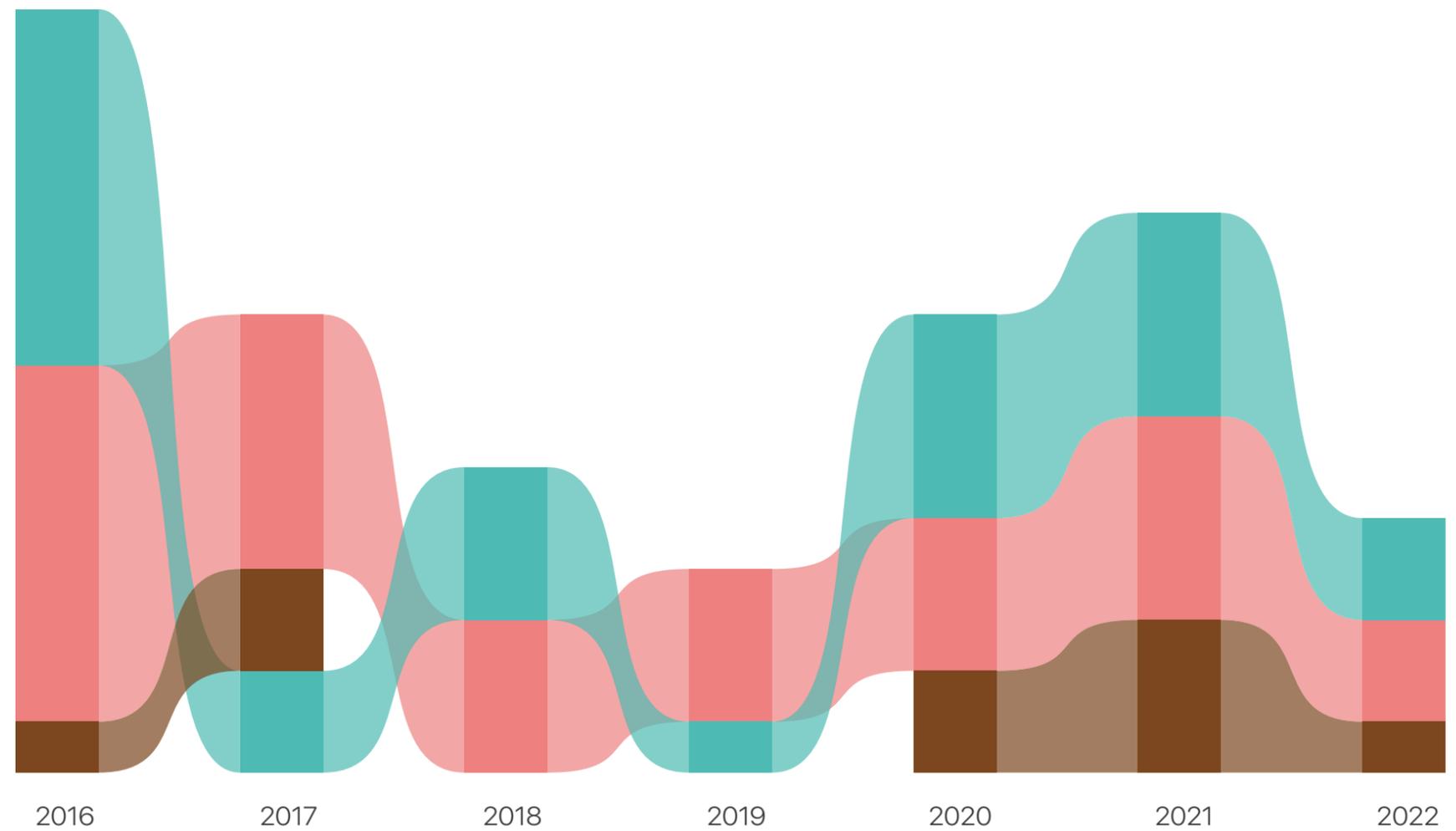
**INVESTMENT ATTRACTION BY REGION (NUMBER OF PROJECTS)**

● North ● Central ● South



**INVESTMENT ATTRACTION BY REGION (NUMBER OF PROJECTS)**

● North ● South ● Central



Source: HOUSELINK

## 5. Some typical projects



**SHENGYANG-DUNG QUAT TEXTILE FACTORY**

Location Vietnam-Singapore Industrial Park, Tinh Phong Commune, Son Tinh District, Quang Ngai province, Vietnam.  
Investor SHENGYANG (VIETNAM) TEXTILE CO., LTD  
Design and Build NEW CC CONSTRUCTION CONSULTANTS CO., LTD.  
Contact (+84) 028 38641262 newcc@newcc.com.vn



**SPAIN LOGISTICS CENTER - ECPVN BINH DUONG 2**

Project scale 36.000 m2 | 900 tons  
Location Binh Duong - Viet Nam  
Contractor DAI DUNG METALLIC MANUFACTURE CONSTRUCTION AND TRADE CORPORATION  
Contact +84 28 3868 1689 sales@daidung.vn



**TECS LOGISTIC FACTORY PROJECT**

Project type Logistic  
Project scale 10,500 m2  
Location HCM, Vietnam  
Contractor ATAD STEEL STRUCTURE CORPORATION  
Contact +84 28 3926 0666 sales@atad.vn



**UNILEVER LOGISTICS CENTER**

Investment type FDI  
Project type Industrial Project - Distribution Center (FMCG)  
Project scale 58,990 m2 (2 phases)  
Location VSIP 1, Binh Duong, Vietnam  
P.E.B Contractor PEB STEEL BUILDINGS CO., LTD.  
Contact (+84) 908 883 531 marketing@pebsteel.com.vn



**LOGITEM NEW WAREHOUSE PROJECT TAN DONG HIEP**

Project scale 9000 m2  
Location Tan Dong Hiep B Industrial Park, Tan Dong Hiep Ward, Di An Town, Binh Duong Province, Vietnam.  
Investor LOGITEM VIETNAM CORP  
Design and Build NEW CC CONSTRUCTION CONSULTANTS CO., LTD.  
Contact (+84) 028 38641262 newcc@newcc.com.vn



**CAINIAO P.A.T LOGISTICS PARK**

Project scale 110.000 m2  
Location Long An - Vietnam  
Contractor DAI DUNG METALLIC MANUFACTURE CONSTRUCTION AND TRADE CORPORATION  
Contact +84 28 3868 1689 sales@daidung.vn



**MAPLETREE LOGISTIC FACTORY PROJECT**

Project type Logistic  
Project scale 27,664 m2  
Location Binh Duong, Viet Nam  
Contractor ATAD STEEL STRUCTURE CORPORATION  
Contact +84 28 3926 0666 sales@atad.vn



**SEHC STORAGE SAMSUNG**

Investment type FDI  
Project type Industrial Project - Warehouse  
Project scale 40,000 m2  
Location Saigon Hi-Tech Park Training Center, HCMC, Vietnam  
P.E.B Contractor PEB STEEL BUILDINGS CO., LTD.  
Contact (+84) 908 883 531 marketing@pebsteel.com.vn

## V. LOGISTICS PROJECTS ABOUT TO TAKE SHAPE IN THE FUTURE

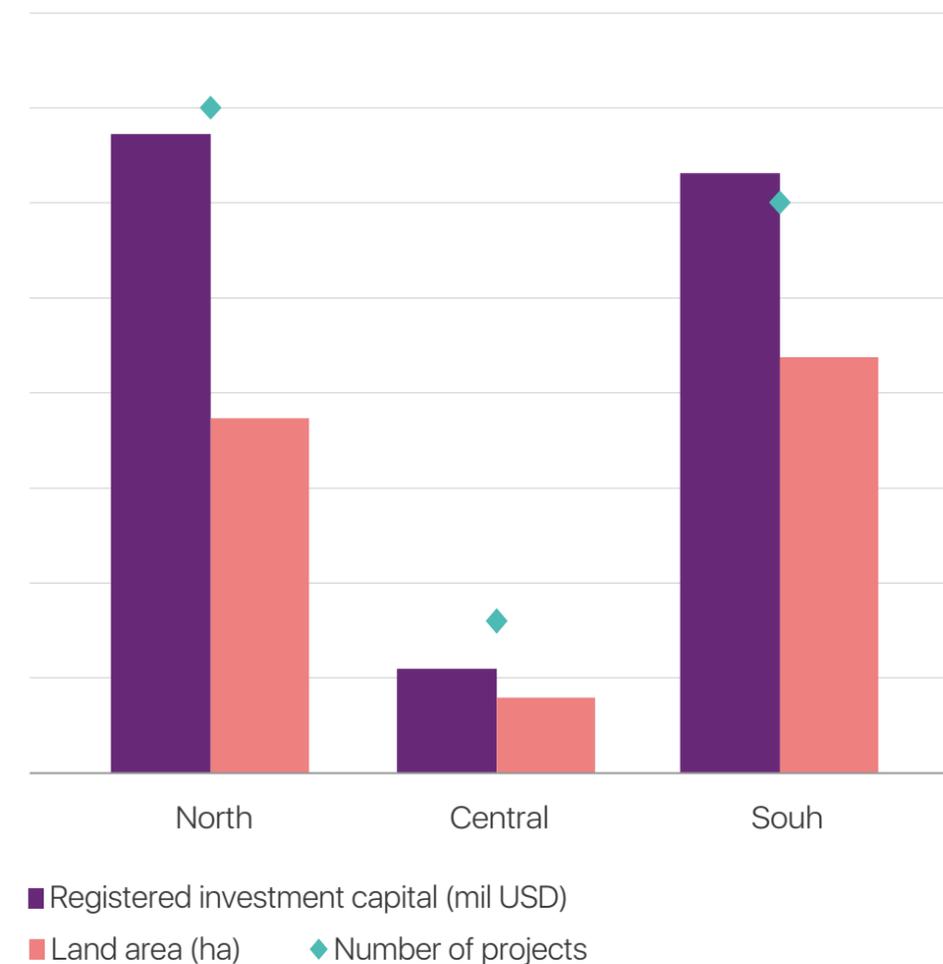
Based on data on industrial projects with investment capital of 2 million USD or more (equivalent to 46 billion VND) in the form of foreign direct investment (FDI) and domestic direct investment (DDI) on the HOUSELINK platform in the field of Logistics; we synthesize, analyze data and make reports on projects that are under construction and are in the process of preparation (project preparation (project preparation, design, contractor selection). All projects have been confirmed and verified by HOUSELINK.

## 1. General analysis of the status of projects

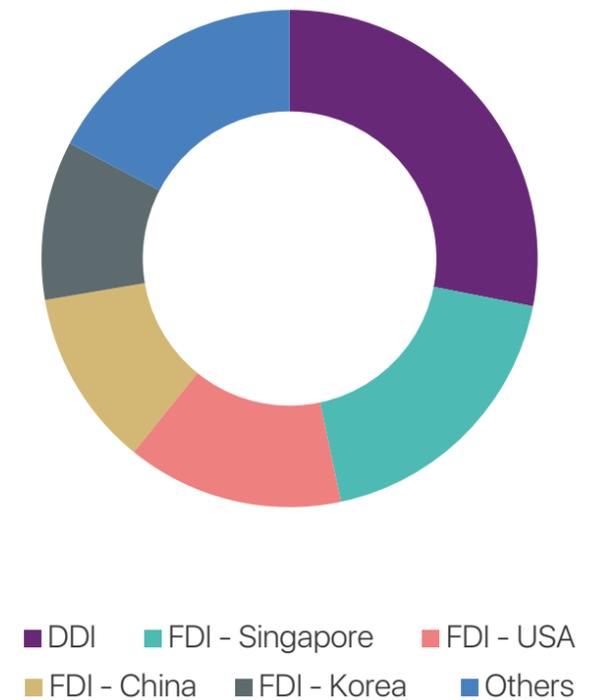
According to HOUSELINK's data, upcoming projects are more concentrated in the North (accounting for about 48% of the number of projects about to be deployed). The number of projects about to be deployed in the South is not much less (41%) and only about 11% of the projects are about to be implemented in the Central region. The North and the South continue to be two exciting regions of Logistics projects in the future. Especially most of them are projects in the preparation and design stages.

Projects that are about to be built in the future are invested the most with DDI capital (accounting for 28%). Besides, many FDI projects are about to be implemented, most notably Singapore's FDI (19%) and FDI-USA (12%). In which, USA capital projects have large investment scale. In addition, we also note that FDI-China and FDI-Singapore investment projects also have quite large investment scale, only after FDI-USA projects. DDI projects account for a high proportion of the total number of projects, but the scale is only relatively small due to many medium-sized warehouse and factory construction projects, especially some projects are being built a large Logistics central.

LOGISTICS PROJECTS ARE ABOUT TO BE DEPLOYED



REGISTERED INVESTMENT CAPITAL (MIL USD)

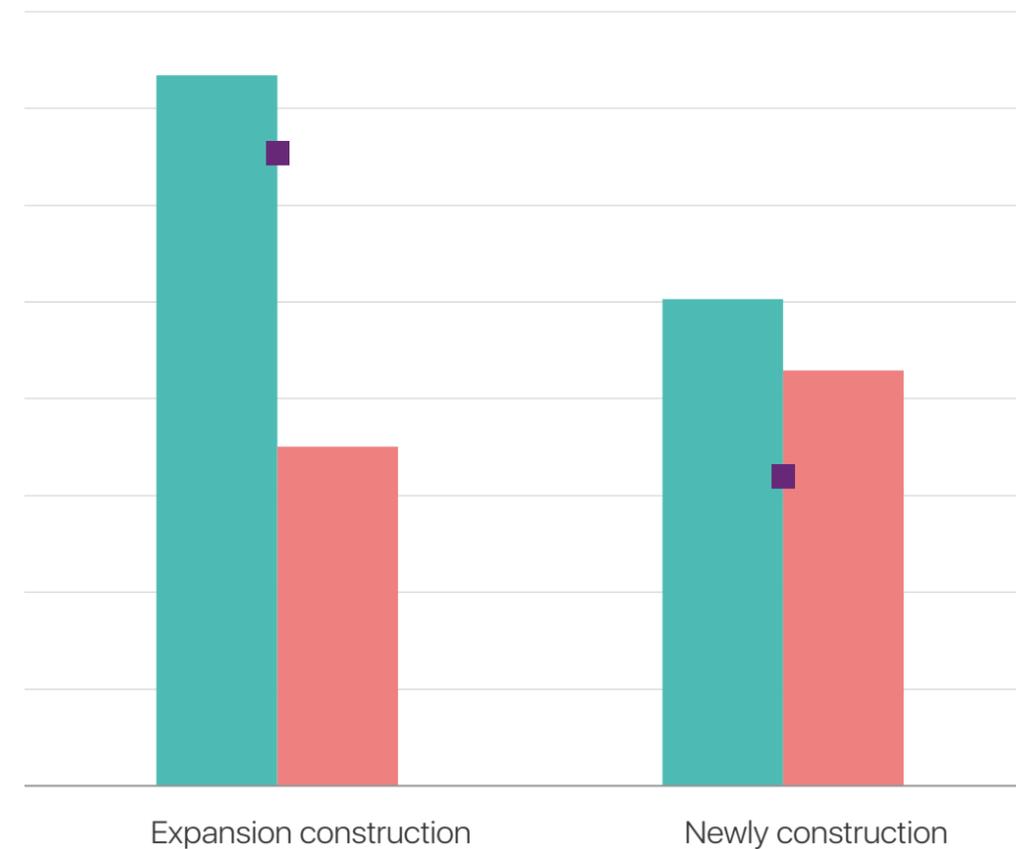


Source: HOUSELINK

In terms of construction type, based on the analysis chart below, we can see that the projects that are about to be deployed are mainly expansion projects of existing investors (large numbers). However, we also believe that the new construction projects of new investors are not too many (only one third of the total number of projects to be deployed), but the average investment scale is one and a half times that of expansion projects. The highlighted projects invested by investors from the US, Vietnam, Korea, and Japan.

Long An will be a prominent place that relevant units can target for potential projects about to be deployed. In addition, Bac Ninh, Binh Duong and Hai Phong are also three key markets of Logistics projects that are about to be. These areas are also areas that will provide more supply for the warehouse market in the future.

**TYPE OF CONSTRUCTION**



■ Registered investment capital (mil USD)  
■ Land area (ha)    ■ Number of projects

**THE AREA OF THE PROVINCE HAS A PROJECT ABOUT TO BE DEPLOYED**



Source: HOUSELINK

## 2. Top outstanding projects about to be deployed

• EMP BELSTAR COLD CHAIN LOGISTICS CENTER

• BW BAU BANG LOGISTICS CENTER -BB06

• YEN LENH LOGISTICS PORT ( HA NAM INTERNATIONAL PORT & LOGISTICS CENTER - WESTERN PACIFIC)

• BW BAU BANG LOGISTIC CENTER -BB05

• MAPLETREE LONG AN LOGISTICS CENTER ( 2 PHASE)

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**ATAD STEEL STRUCTURE CORPORATION**



**DAI DUNG METALLIC MANUFACTURE  
CONSTRUCTION AND TRADE CORPORATION**

## HOUSELINK JOINT STOCK COMPANY

9<sup>th</sup> floor, Sannam building, No. 78 Duy Tan street, Cau Giay district, Hanoi, Vietnam

(+84) 966 222 490 | [info@houcelink.com.vn](mailto:info@houcelink.com.vn) | <https://houcelink.com.vn/>

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