



CHỨNG KHOÁN GUOTAI JUNAN (VIỆT NAM)
GUOTAI JUNAN SECURITIES (VIETNAM)

SECTOR REPORT

VIETNAM AUTOMOBILE AND MOTORCYCLE



I. VIETNAM AUTOMOBILE MARKET



II. VIETNAM ELECTRIC VEHICLE MARKET



III. COMPANIES AND STOCKS IN THE SECTOR



I. VIETNAM AUTOMOBILE MARKET

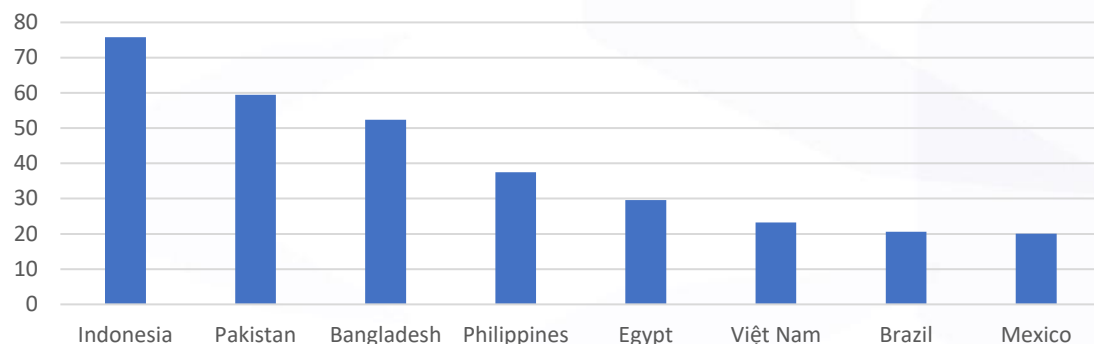
Vietnam's automobile market maintains its growth momentum thanks to:

- The rising proportion of the middle class in Vietnam and the increasing trend of car usage.
- The continued high preference for private vehicles.
- Favorable policies creating conditions for individuals to own cars: reduced import tariffs (through free trade agreements); preferential registration fee policies (non-periodic); incentives for battery electric vehicles (BEVs).
- The participation of brands and new products offering more choices and competitive pricing.
- However, in the short term, the market faces certain challenges, particularly in the luxury segment.

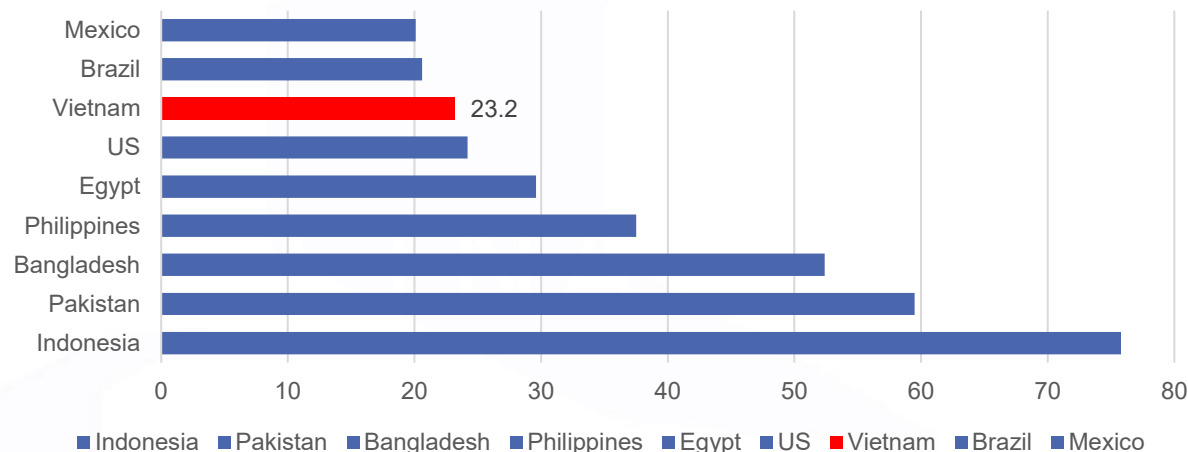


Rising income and middle-class expansion drive demand for private cars

Middle class growth 2020-2030F (million people)



Economies with fastest-growing middle class population



- **Vietnam's GDP per capita is increasing, reaching USD 4,620 per person per year in 2024**, projected to rise to USD 4,900 per person per year in 2025, and targeting an average income of USD 7,500 per person per year by 2030. Vietnam's purchasing power in 2024-2025 is on the rise, particularly in sectors such as automobiles, motorcycles, and electronics.
- **The middle class is expanding rapidly.** According to World Data Lab, Vietnam will have 23.2 million people in the middle class by 2030, ranking 7th among the nine fastest-growing countries. According to the Ministry of Labour, the middle class will account for around 17% of the population in 2024 and is expected to increase to 26% in 2026, creating opportunities for various industries. Higher income levels are accompanied by a tendency to consume high-value products, prioritising goods with brand prestige—driving growth in the premium automobile and motorcycle sectors.

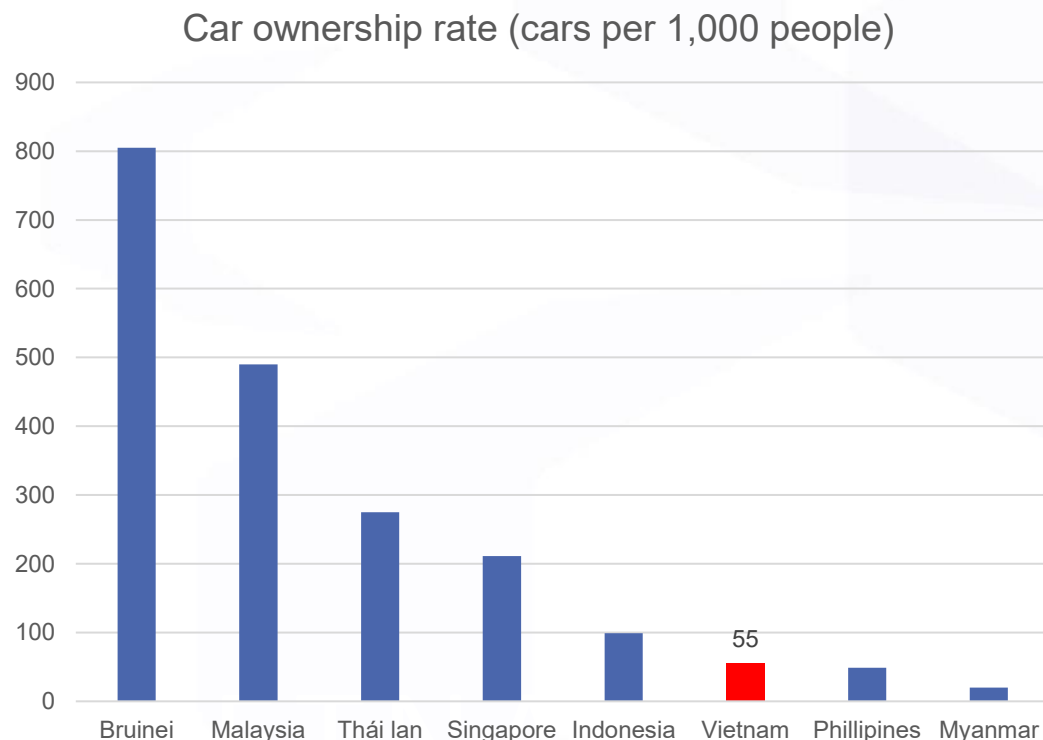


Source: BMI, BCG, GTJASVN

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Vietnam's car ownership rate is low compared to other countries in the region



Source: OICA, SEASIA

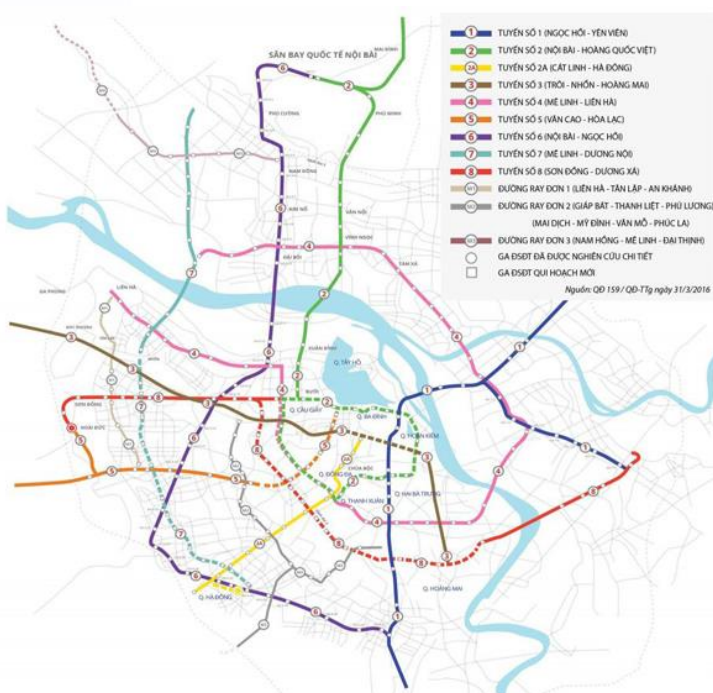
- Vietnam ranks 6th in the region in terms of car ownership rate (**about 55 cars/1,000 people**), much lower than many other ASEAN countries, but this shows that the Vietnamese economy is in the “**motorization**” stage – the initial step from a low car ownership rate to a rapid increase. With improved income, favorable policies, and the target of reaching 1 million car sales per year by 2030, Vietnam will continue to maintain a high growth rate of car ownership.
- Meanwhile, according to a household survey by the General Statistics Office in 2024, on average, **only 9% of households in the country own a car**, ranking among the lowest in the world.
- In Vietnam, the demand for car purchases mainly comes from **three groups**: (1) Families with young children, prioritizing safety and convenience in transportation, (2) People whose incomes have risen to the point where owning a car is a natural upgrade for both travel and social status, and (3) People needing frequent travel between provinces, especially in rapidly developing urban areas. Car prices are increasingly competitive, with policy support continuing to reduce associated costs, helping to expand the customer base.



Private vehicles are prioritized in the context of slow public transport project development

Public metro projects in Vietnam are all progressing slowly, with long delays over many years. As of now, only the Cat Linh – Ha Dong line is operational, while most others are still under construction or have not yet started. The slow progress means public transport cannot yet meet demand, forcing people to continue relying on private vehicles:

Latest updated Metro lines map in Hanoi



In Hanoi:

- **Line 2A (Cat Linh – Ha Dong):** Officially entered operation in November 2021, the first official metro line in Vietnam, but the operational efficiency has not met expectations due to connectivity limitations and lower passenger numbers than expected.
- **Line 3 (Nhon – Hanoi Station):** As of August 2024, the elevated section of 8.5 km has started operation. The underground section (about 4 km) is expected to be completed in 2027–2028. This line has experienced significant delays from the original plan (starting in 2022), and the underground section has not yet commenced construction.
- **Public transport strategy:** The city is adjusting its planning, proposing to shift from BRT (bus rapid transit) to metro. The target by 2025 is for public transport to account for 27–31% of total travel, but currently the figure is only around 10%. The hope is for the metro to contribute 10–14% of total public transport share by 2030.

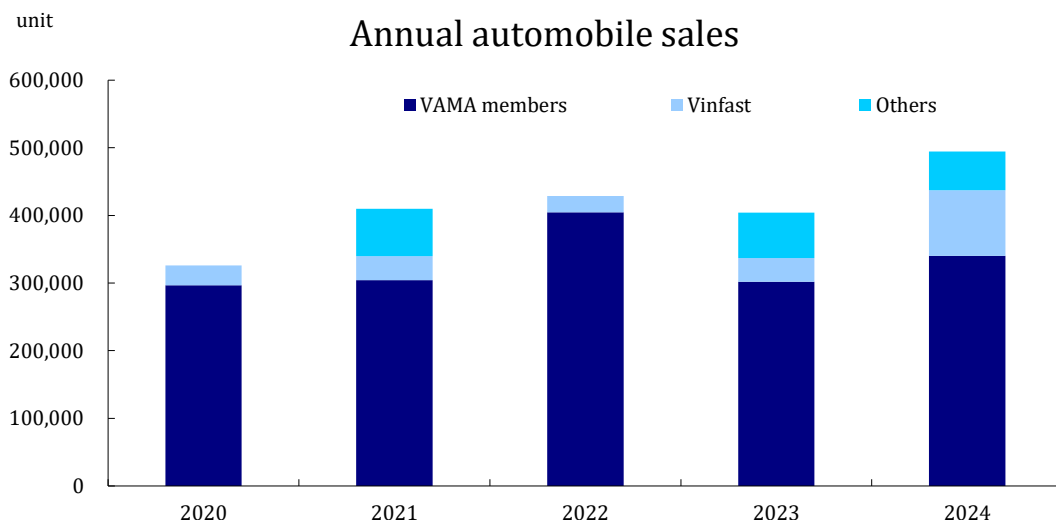
In Ho Chi Minh City:

- **Metro Line 1 (Ben Thanh – Suoi Tien):** Commenced trial commercial operation on December 22, 2024. This is an important step after many years of delay.
- **Metro Line 2 (Ben Thanh – Tham Luong):** Currently in the preparatory stage for construction, expected to start at the end of 2025 after delays in site clearance. This is considered a key project in expanding the metro network to the northwest of the city.
- According to the plan, the city's target by 2040–2045 is to develop a total of 8 metro lines and 3 tram lines or monorail lines. However, most lines are still in the stage of adjusting investment policies or awaiting funding approval.

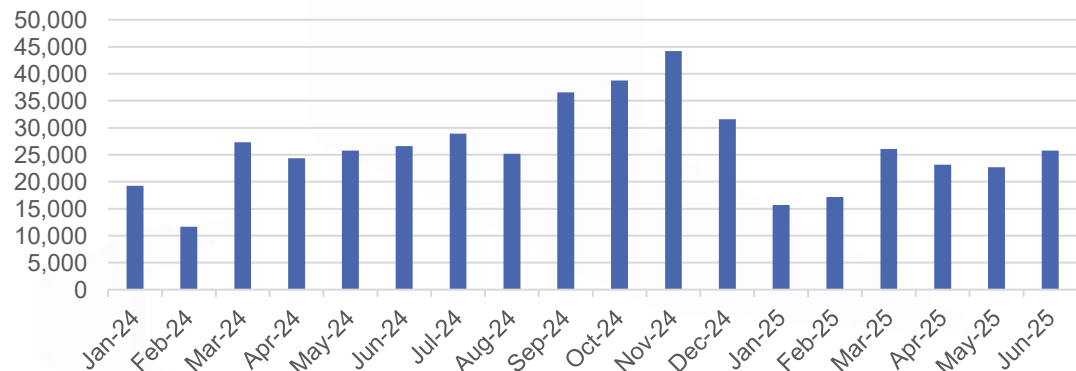


Car sales in the second half of 2025 are expected to pick up, driving full-year sales to grow by

Annual automobile sales



Monthly auto sales of VAMA members (1/2024 - 6/2025)

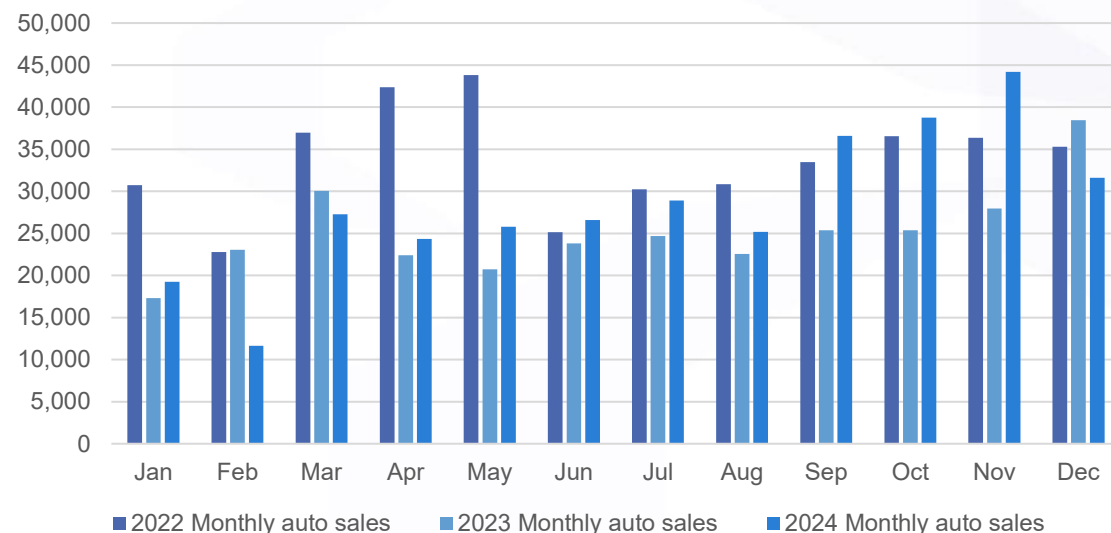


- The period 2020–2024 witnessed major fluctuations in automobile consumption in Vietnam. After a sharp decline in 2020–2021 due to the impact of the pandemic and supply chain disruptions, the market recovered strongly in 2022 with more than 404,000 vehicles sold, a record high. However, 2023 again showed weakness due to high interest rates, weak purchasing power, and the end of registration fee reduction policies. Purchasing power in 2024 declined in the first half of the year but surged in the final months thanks to the policy of reducing registration fees.
- In 2025, the market witnessed weak automobile sales. Segments are forecast to support growth as companies will focus on mid-range vehicles and green cars. Among these, the luxury vehicle segment will face many difficulties.
- Electric vehicle support policies such as registration fee exemptions until 2027, special consumption tax incentives, and charge station investment promotion are expected to drive the market.
- The Ministry of Industry and Trade forecasts that automobile sales in 2025 will reach about 600,000 vehicles, an increase of 12% over the previous year. However, VF's sales data, the main growth driver in the 1H seemed to be weak, therefore, the total sales forecast for the whole market in 2025 may be lower.



Policy changes help improve sales volumes in both the short and long term.

Vietnam Auto sales volume ranking 2022 - 2024 (By maker, vehicle type)



Source: Marklines

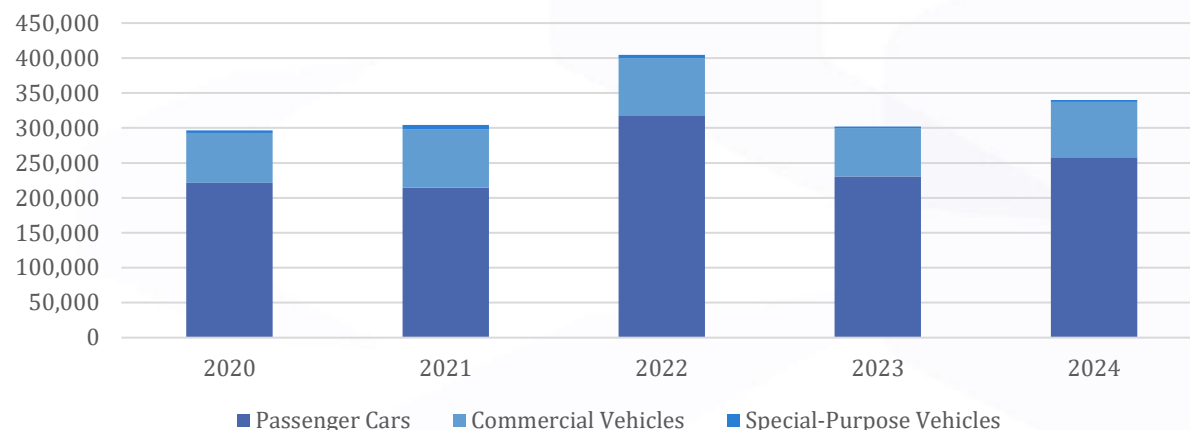
- Car sales are partly affected by policies and income. For example, during the period without the **50% registration fee incentive policy** for domestically assembled cars (which expired in 5/2022 and was re-applied from 9-11/2024), changes in car sales can be observed between periods with and without the incentive policy. According to VAMA, **car sales in the first half of 2024 decreased by about 35% compared to the same period in 2023, and sales surged strongly during the incentive policy period 9-11/2024.** The policy of reducing the import tax on CKD parts to 0% continues to be maintained to support domestic production. However, the impact on selling prices remains limited because other input costs are still high.
- In the next 5 years, the roadmap to reduce import tax on completely built-up (CBU) cars under FTAs such as EVFTA, CPTPP, and RCEP will begin to take clear effect from 2026. The tax rate will gradually decrease to 0% depending on vehicle categories and partners. **When the tax approaches 0%,** imported cars will have a significant price advantage, creating pressure on domestic assemblers. Therefore, domestic enterprises are forced to increase the localization rate and optimize the supply chain to maintain market share.

In the long term, when FTAs take full effect and **import taxes** on cars from many countries (including the US) **fall to 0%**, Vietnam's automobile market will be completely open to a wide range of imported models. Without appropriate production support policies, the domestic automobile industry risks losing its competitive advantage against the influx of imported vehicles. However, consumers will benefit from a wider variety of products and more competitive prices.

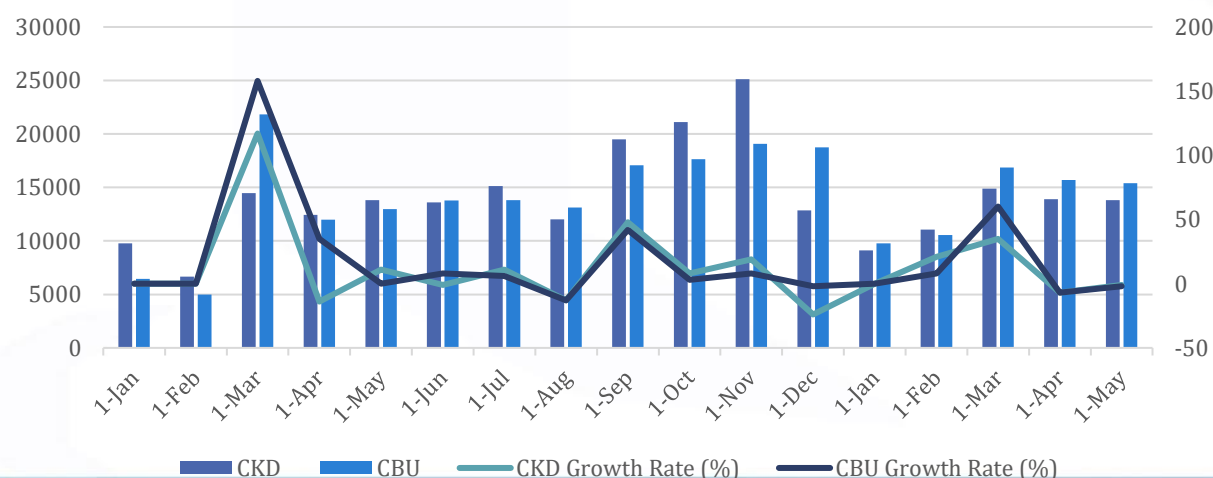


Automobile supply in Vietnam

Total car sales by vehicle type in the period 2020–2024
(VAMA members)



CKD & CBU Monthly Growth 2024 - 2025

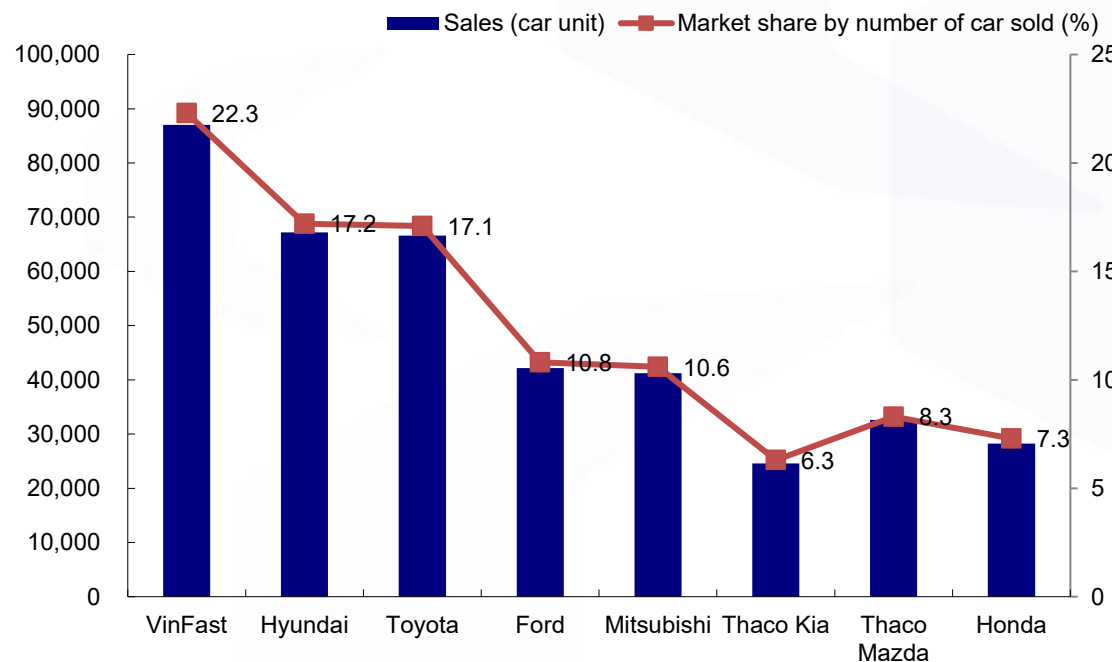


- **The automobile supply in Vietnam in 2024 continues to maintain a structure of 3 main sources:** (i) cars of foreign brands assembled domestically – CKD (such as Hyundai, Toyota, Kia, Mazda, Ford...), (ii) completely built-up imported cars – CBU, and (iii) cars of domestic brands, in which VinFast accounts for the majority. In the context of economic difficulties, weak purchasing power, high interest rates, and the absence of registration fee incentives, total industry sales volume in the first half of 2024 decreased by more than 35% compared to the same period in 2023 (according to VAMA). Nevertheless, domestically assembled cars still account for a large proportion of total supply, reflecting the localization efforts of manufacturers.
- **Domestically assembled cars account for about 60% of total consumption.** Major brands still maintain a solid position thanks to a stable production system. Meanwhile, imported cars are gradually declining due to regulatory policies, increased logistics costs, and exchange rate hikes, but they remain important in the high-end segment. Notably, Chinese cars (MG, Wuling, BYD, Chery...) are expanding strongly in Vietnam thanks to competitive prices and modern designs, especially in the electric vehicle segment, creating great pressure on both imported cars from ASEAN and domestically assembled vehicles.
- At the same time, the rise of electric vehicles, along with government policies encouraging green consumption, will gradually restructure the market toward a more sustainable direction.



VinFast quickly rises to lead the market in car sales in 2024–6M2025

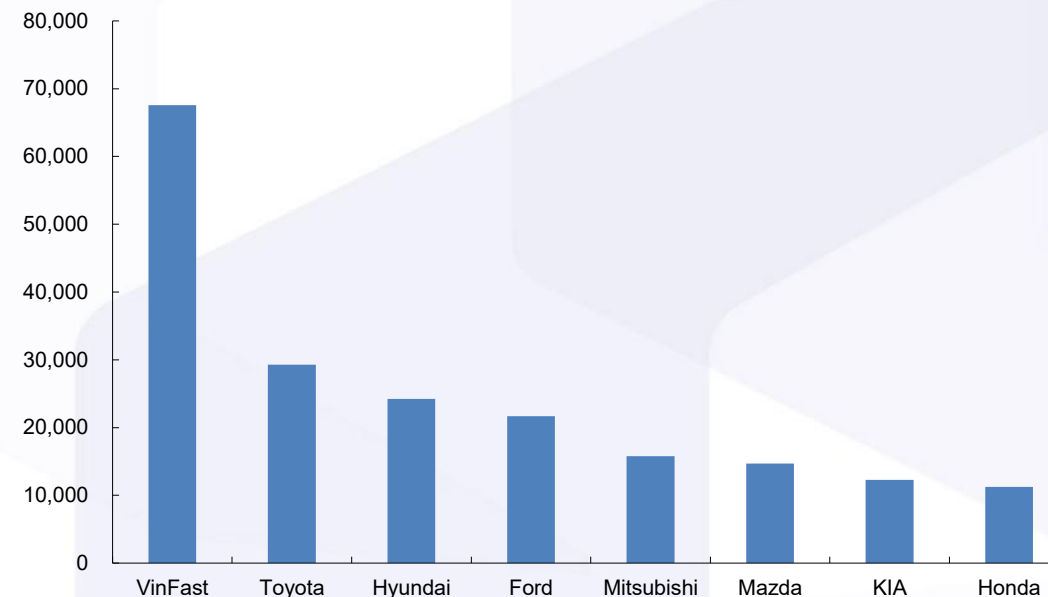
Unit, 2024



VinFast's sales growth surged thanks to a combination of multiple synchronized policies, including a strategic partnership in fleet vehicle business such as Xanh SM.

In 2024, VinFast sold 87,000 electric vehicles with its core product lines VF3, VF5, and VF6. Meanwhile, major traditional brands mainly relied on gasoline vehicle sales volume. Hyundai sold over 67 thousand units, ranking 2nd, and Toyota sold 66,576 units, ranking 3rd.

Unit, 1H2025



In the first half of 2025, the automobile market reached about 254,000 units sold, an increase of more than 95,000 units compared to the same period in 2024, thanks to strong purchasing power driven by new model launches and aggressive price reduction policies from manufacturers. During this period, VinFast maintained its No.1 position with more than 67,000 cars sold, Toyota recorded over 29,000 units, while some brands such as Hyundai and Kia reported decreased sales compared to the same period last year.

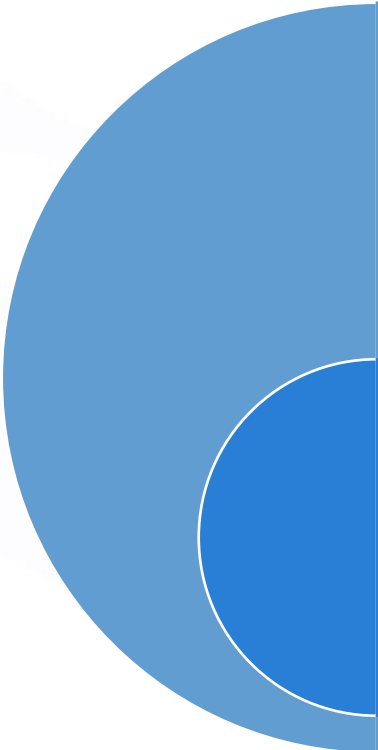
Source: VinFast, VAMA, GTJAVN

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Traditional automobile consumption trend in the period 2024 – 2025

- It can be seen that **registration fee incentives and year-end promotions in 2024** strongly boosted purchasing power in both segments. At the same time, positive changes in import tax policy, incentives for electric vehicles and green vehicles from mid-2025 contributed to supporting the recovery momentum, especially in the luxury car segment, which is directly affected by import policies and high-end consumption trends:



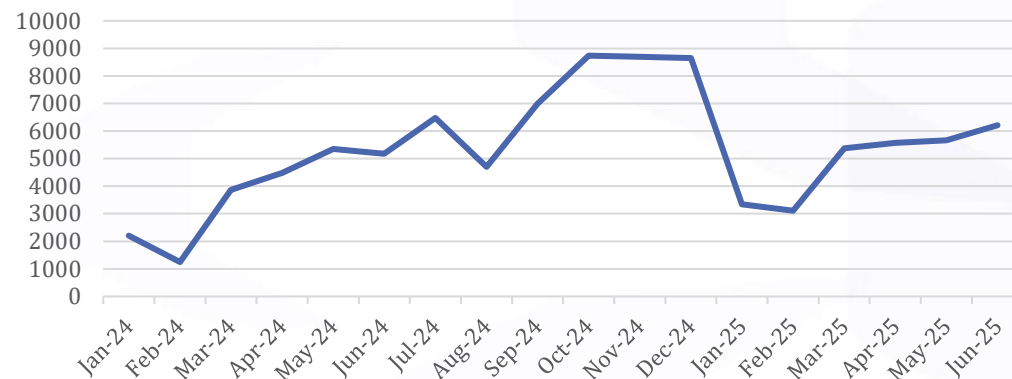
The mid-range car segment accounts for a large proportion of the Vietnamese automobile market, with stable high sales and often sharp increases during year-end periods. The period from July to 11/2024 recorded a sudden growth, peaking in 10-11/2024, mainly thanks to shopping demand before Tet and registration fee incentive programs. However, from 12/2024 to 2/2025, sales dropped significantly as purchasing power slowed after Tet, before slightly recovering from the second quarter of 2025.

The luxury car segment is smaller in scale but highly volatile and sensitive to economic and policy factors. From 8/2024, sales gradually increased, peaking in 11-12/2024 before sharply declining in early 2025. Notably, from April to June 2025, this segment showed a clear recovery, particularly with Lexus and BMW+Mini, most likely thanks to the positive impact of import tax reduction policies or the launch of new models, combined with the return of consumption sentiment among high-end customers.



Monthly automobile sales in 2024 – 6M2025 period

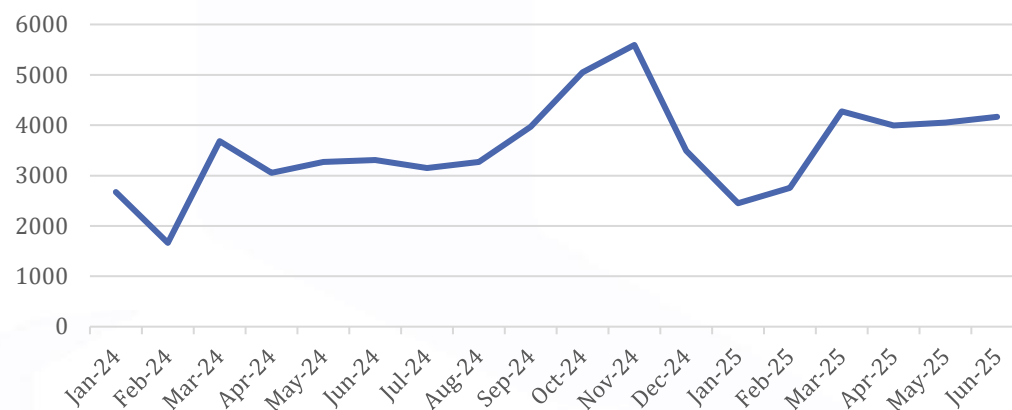
Toyota



Huyndai Thành Công



Ford



Mitsubishi



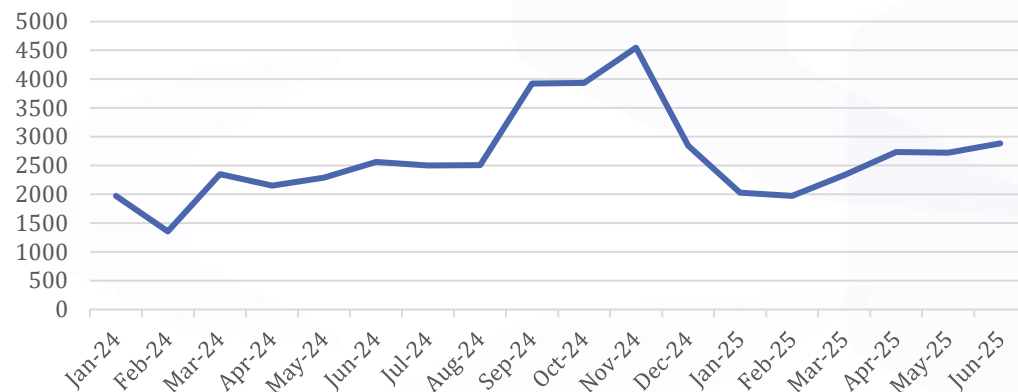
Source: VAMA, GTJAVN

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Monthly automobile sales in 2024 – 6M2025 period

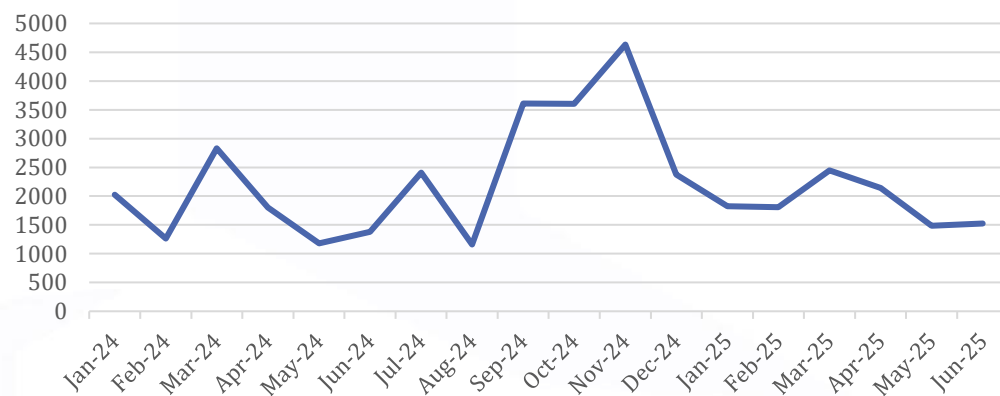
THACO Mazda



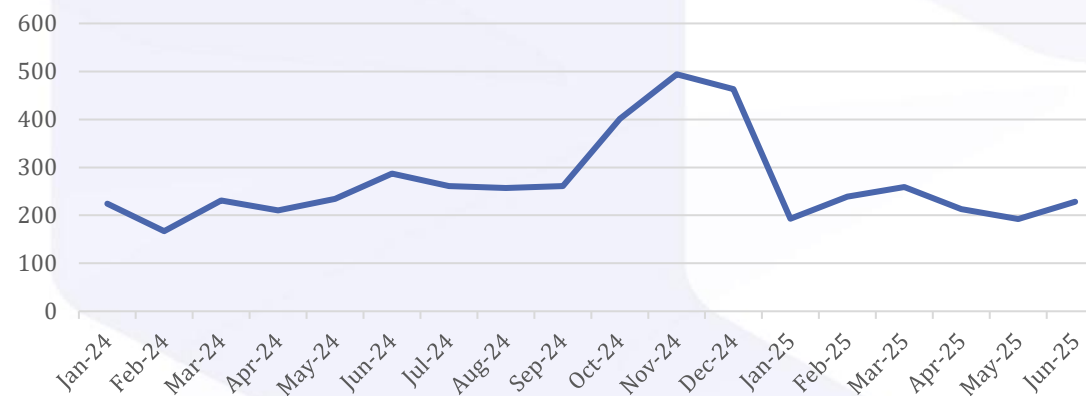
THACO Kia



Honda



Peugeot



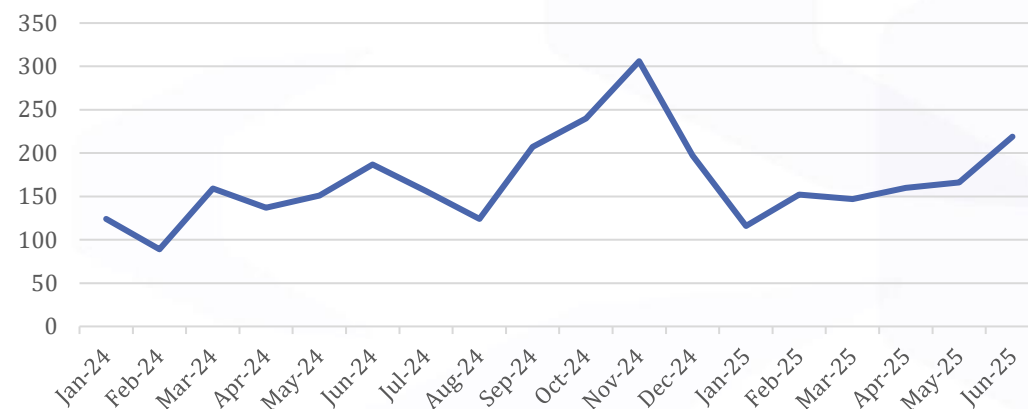
Source: VAMA, GTJAVN

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Monthly automobile sales in 2024 – 6M2025 period

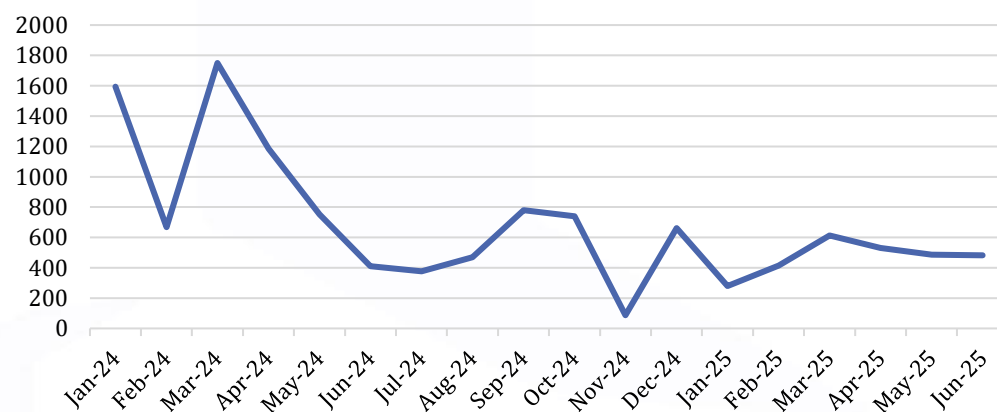
THACO Premium BMV+Mini



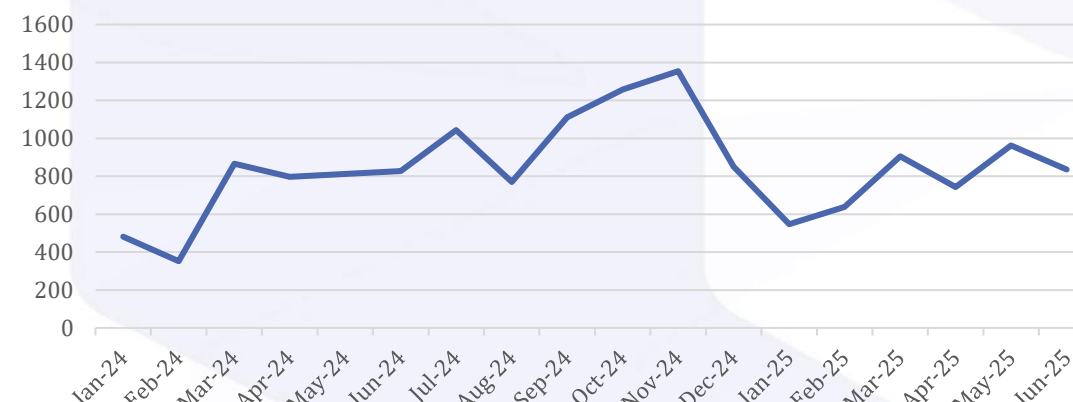
Lexus



Suzuki



Isuzu



Source: VAMA, GTJAVN

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II. VIETNAM ELECTRIC VEHICLE MARKET

Outlook: *Positive*

2.1 Electric automobile market

2.2 Electric motorcycle market

- **Changes in consumer behavior and awareness:** increasing preference for fuel-efficient electric vehicles, self-driving cars, and vehicle-to-vehicle communication technology.
- **The government encourages a shift to environmentally friendly products,** reducing fuel emissions along with incentive policies.
- **The rise of domestic suppliers** in a competitive market context.
- **Charging station infrastructure is being invested in and growing rapidly.** In Vietnam, VinFast is currently the largest investor in charging infrastructure (about 150,000). Apart from VF, investments in charging stations by third parties or other manufacturers are still quite limited.
- **Vietnam's electric vehicle market continues to grow,** driven by consumer trends and supportive policies. According to data from VinFast, in 2024, electric cars accounted for about 4.5% of total automobile sales nationwide, with expectations to increase to around 10% in 2025. In the **electric motorcycle segment**, market share **exceeded 10%** in 2023 and is continuing to expand rapidly.
- According to Statista, experts forecast that by 2028 there will be **about 1 million electric vehicles on the road in Vietnam, with projections reaching 3.5 million by 2040.** VinFast is expected to continue leading the market thanks to its local advantages and plans to localize 84% by 2026, while foreign brands bring breakthroughs in technology.



Regulations and incentive policies create leverage for the electric vehicle market

The EV market is expanding thanks to momentum from individual users and the transformation of the taxi transport industry in Vietnam:

- Incentive policy: Decree No. 51/2025/NĐ-CP amends Point c, Clause 5, Article 8 of Decree No. 10/2022/NĐ-CP stipulating the registration fee rate for battery electric cars. According to the new regulation, for battery electric cars from March 1, 2025, to the end of February 28, 2027, the first registration fee will continue to be 0% (previously already enjoying a 0% registration fee incentive under Decree No. 10/2022/NĐ-CP).
- According to Decision 876 of the Government, from 2030, in urban areas, 100% of taxis must use electricity or green energy.
- Several policies not only create momentum for electric vehicle manufacturing and assembly enterprises but also aim to encourage people to consume this type of vehicle, such as: exemption from import tax on components for electric vehicle manufacturing and assembly enterprises that are not eligible for investment incentives (Decision 229/QĐ-TTg). In addition, the State actively facilitates the construction of charging station infrastructure and vehicle registration according to Circular 02/2023/TT-BGTVT stipulating standards for charging stations and electric vehicle registration to support completing the ecosystem. Power Plan VIII and priority policies for renewable energy investment contribute to stabilizing the supply for charging station infrastructure in the future.

At the same time, in terms of policy, it is assessed as still not truly “open”:

- Compared to other countries in the world, current incentive policies encouraging electric vehicle development in Vietnam are not really attractive to investors. In addition to registration fee incentives, electric vehicles in Vietnam currently only enjoy a special consumption tax rate of 15%, lower than that for conventional gasoline and diesel vehicles (35%–50%). Recently, the Government proposed reducing the special consumption tax by 5%–12% for battery electric cars in the first five years after the amended law takes effect. However, according to industry experts, this tax rate is not sufficient to create a strong push for green vehicles and stimulate investors.
- Currently, for car brands with domestically assembled electric vehicle products such as Hyundai Ioniq 5, Wuling Mini EV, components and parts must be imported from South Korea and China and are not eligible for 0% import tax incentives like components and parts imported from ASEAN countries (under ATIGA). This makes the cost of many brands remain high, creating a competitive barrier against domestic vehicle lines.
- Currently, environmentally friendly vehicle lines in the hybrid segment, although existing for many years in Vietnam such as Toyota Prius (2007), Toyota Corolla Altis 1.8HEV, Camry HEV, Corolla Cross 1.8HEV, also do not enjoy registration fee incentives like pure BEV models.



EV charging station infrastructure is being built more and more widely

Brand/Unit	Number of charging points by 2024	Charging port	Estimated market share	Note
VinFast/V-Green	2,500 – 3,000 public stations	Over 150,000 charging ports	Over 85%	Wide coverage nationwide, mainly concentrated, no technology sharing with other brands
EV One (HCM)	40 stations (expanding to 200)	--	Under 5%	Rapid development
EverEV (Hanoi)	46 public stations	Over 4,000 charging ports	Under 5%	Provides both home and public charging
PVN / PV Power	1 pilot station	--	Under 1%	Concentrated at gas stations and major cities
Other brands (Star Charge, GreenCharge, Autel, Eboost,...)	Dozens of stations	--	Under 5%	Network expanding but small in scale

- The electric vehicle charging station infrastructure in Vietnam is showing a strong development trend, especially in the 2024–2025 period, with a significant increase in quantity and capacity. It is expected that the charging network will have broader coverage, meeting the growing demand of electric vehicle users, aiming toward a green and sustainable transportation future.
- Currently, VinFast/V-Green is leading with more than 150,000 charging ports covering the entire country (63 provinces, national highways, urban networks) with high density (15 ports per 10,000 people, the highest in Southeast Asia). The charging station franchising model enables rapid expansion, adding nearly 88,000 ports in 2024.
- Other units such as EverEV, EV One, Charge Plus, EVN, PV Power, PVOIL... are also participating in the development of public and fast charging stations; however, deployment remains scattered. Dat Bike is one of the few motorcycle brands besides VinFast investing in charging stations, but the quantity is still modest and currently only available in Ho Chi Minh City.
- With the above number of charging stations, Vietnam is considered the country with the most advanced charging station infrastructure in the region, creating a solid foundation for the growth of the electric vehicle market in the coming period.

Source: V-Green, Báo Nhân dân

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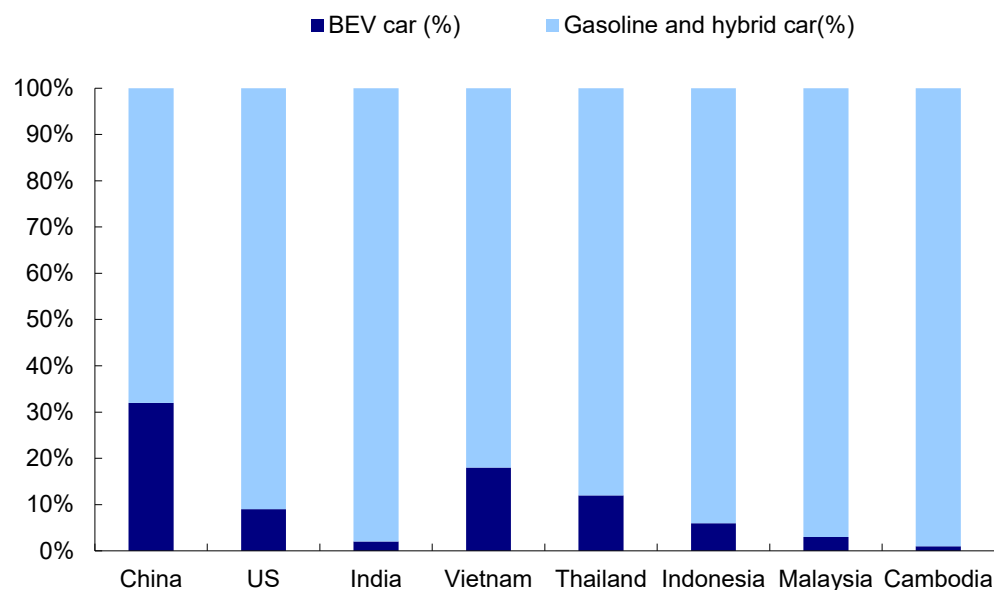


2.1 ELECTRIC AUTOMOBILE MARKET



BEV car sales volume is expected growth of 25% in 2025 and 18% per year during 2025 - 2030

Proportion of electric vehicle sales in some countries in 2024



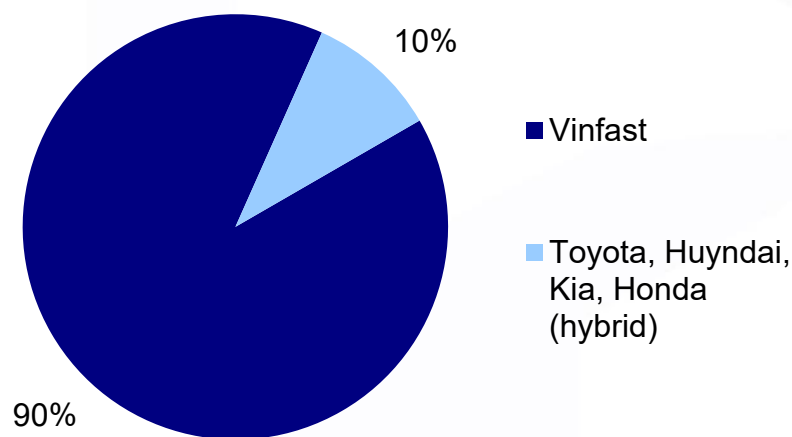
- It is expected that with support from policies and increased car purchasing demand at the end of the year, sales of electric and hybrid vehicles may reach a market share of 25–30%, equivalent to about 150,000 units sold in 2025.
- According to market research by Mordorintelligence, the size of Vietnam's electric vehicle market is estimated to reach USD 2.93 billion in 2025 and is expected to reach USD 6.69 billion in 2030, with a compound annual growth rate (CAGR) of 18% during 2025–2030.
- VinFast's vehicle sales grew strongly thanks to a combination of multiple synchronized policies, including a business cooperation strategy for service vehicles as well as Xanh SM vehicles. Meanwhile, Chinese electric vehicle brands, after introducing some pure electric models, under the overwhelming presence of VinFast, especially the disadvantage regarding charging stations, very quickly expanded their plug-in hybrid (PHEV) product lines to attract customers.

Source: VAMA, VF, GTJAVN



Electric vehicle market by brand

Vietnam electric vehicle market share
6M2025



- In Vietnam, electric vehicle (EV) and hybrid car sales in 2024 reached 97,000 units, accounting for more than 22% of total new passenger car sales. Based on published data, **the pure electric vehicle group in the Vietnamese market currently accounts for up to 17.6% of the entire market**. However, this is only a relative figure because, apart from VinFast, other EV manufacturers such as Wuling, BYD, Geely... do not disclose their sales figures – as well as some gasoline car manufacturers such as Nissan, Volkswagen, Chinese manufacturers, and some luxury car manufacturers. If calculated using this relative figure, the electric vehicle market share in Vietnam's auto market has recorded a twofold increase compared to 2023 (only about 8.6%).
- For domestic market share, **VinFast** leads with 87,000 electric cars, followed by **Toyota** with **5,350 hybrid cars**, Suzuki with 2,515 hybrid cars, and **Honda** with **1,905 hybrid cars**.
- Chinese brands** are increasing competitiveness in the Vietnamese market:
 - BYD** officially entered the Vietnamese market at the end of 2024, with popular electric vehicle models such as **Seal, Dolphin, and Atto 3** imported and widely distributed at many dealerships nationwide. The company plans to expand to about 100 dealerships by 2026; however, the assembly plant in Phu Tho is currently delayed due to unfavorable market conditions.
 - Omoda & Jaecoo** (under **Chery** – a joint venture with **Geleximco**) debuted in Vietnam in 2024 with electric crossover models such as Omoda C5 and Jaecoo J7. By 2026, this brand is expected to reach up to 10% of Vietnam's EV market share when its USD 800 million factory is completed.
 - GAC Aion, a brand under GAC Motor, officially launched the Aion Y Plus in Vietnam in October 2024, marking the market entry of another major Chinese manufacturer.
- Alongside the rise of domestic and Chinese electric vehicle brands, premium European brands are also gradually joining the market: brands such as **BMW, Audi, and Mercedes-Benz** have introduced several premium EV models such as **BMW i4, iX3; Audi e-tron, e-tron GT, RS e-tron GT; Mercedes EQB**,... However, due to high prices and the absence of broad distribution policies, sales volumes remain limited and have not yet registered a clear market share during 2024–2025.

Source: VAMA, VF, GTJAVN

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2.2 ELECTRIC MOTORCYCLE MARKET

- **The electric motorcycle vehicle market trend is positive thanks to supportive policies and changes in consumer behavior:**
 - (i) Policy leverage
 - (ii) Motorcycle consumption behavior is shifting
 - (iii) The two-wheeler electric vehicle market is growing rapidly
- **Key enterprises in the industry:** VinFast, DatBike, Yadea, Wuling,... In the future, major companies are expected to join such as Honda, Toyota, Hyundai, Mitsubishi... through imported electric vehicles or local assembly in Vietnam.



Policy leverage helps improve sales volumes in both the short and long term

- **The draft regulation on new emission standards for automobiles and motorcycles, with an implementation roadmap starting from 1/1/2027, creates pressure to replace vehicles or shift to green vehicles.** According to the draft, the emission control roadmap is divided into 3 phases: Phase 1: From 1/1/2027, applied in Hanoi and Ho Chi Minh City. Phase 2: From 7/2028, expanded to centrally governed provinces and cities. Phase 3: After 2030, implemented nationwide. The emission standard levels are also classified by year of manufacture: Before 2008 apply Level 1; from 2008 – 2016 apply Level 2; from 2017 – June 30, 2026 apply Level 3; from 1/7/2026 onwards apply Level 4. **In the short term**, this puts cost pressure on both users and service operators of motorcycles (ride-hailing, delivery), driving the need to replace vehicles or switch to electric motorcycles.
- **Major cities are preparing to implement bans on gasoline motorcycles in central areas:** Specifically, Directive **20/CT-TTg** of the Prime Minister requires Hanoi to research and implement solutions to restrict and eventually ban gasoline motorcycles from circulating within Ring Road 1, starting from **7/2026**. In addition, Hanoi is also required to study a roadmap to **ban fossil-fuel cars from 2028**; Ho Chi Minh City and Da Nang are also drafting similar plans. Hanoi is also encouraged to adopt policies supporting residents to switch to electric vehicles (such as a subsidy of about 4 million VND per vehicle replaced in Hanoi) and free registration, discounted electric motorcycle prices to stimulate demand. This sharply increases the trend of using electric motorcycles (e-motorbikes), shifting the market from gasoline to electric motorcycles, especially in cities implementing bans.
- According to the national strategy on green growth and emission reduction (Decision No. 876/QĐ-TTg 2022), **the target by 2050 is 100% of motor vehicles using green energy, with the initial phase prioritizing electrification of two-wheelers by 2030**. The technical standard framework (QCVN) for electric motorcycles and the national charging system is being finalized and standardized under the regulations of the Ministry of Transport and the Ministry of Natural Resources and Environment. In the long term, the traditional motorcycle market will decline, replaced by electric motorcycles. Clear support policies and a completed charging infrastructure will create a favorable environment for vehicle transition.



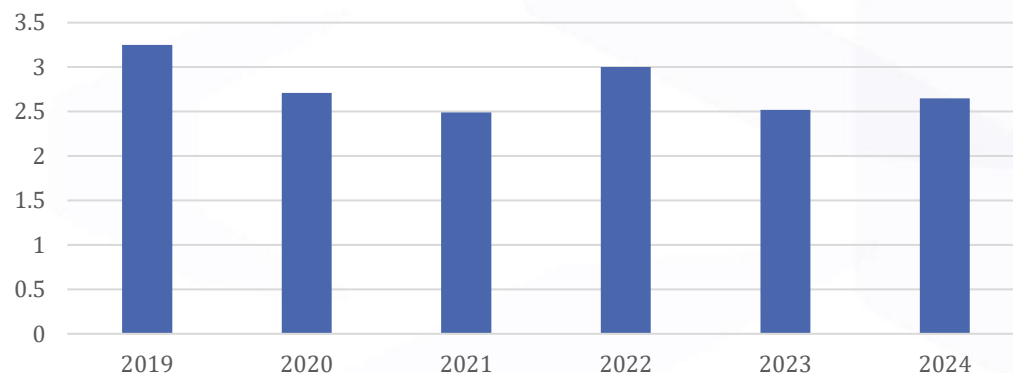
Measures and targets for the electrification of road transport under Decision 876/QĐ-TTg

Mode of transport	Target	Type	Timeline
Urban transport	At least 50% of urban vehicles to use electricity and green energy.	Target	By 2030
	100% of urban buses to be replaced or newly invested will use electricity and green energy.	Target	2025 – 2030
	100% of taxis to be replaced or newly invested will use electricity and green energy.	Target	2031 – 2050
	100% of urban buses and taxis will use electricity and green energy.	Target	By 2050
Road transport in general	Promote the production, assembly, import, and use of electric road motor vehicles.	Measure	By 2030
	Develop the electric charging infrastructure network.	Measure	By 2030
	Restrict the production, assembly, and import of fossil fuel-powered cars, motorcycles, and motorbikes for domestic use.	Measure	By 2040
	100% of road motor vehicles will use electricity and green energy.	Measure	By 2050
	Complete the nationwide charging infrastructure and green energy supply.	Measure	By 2050

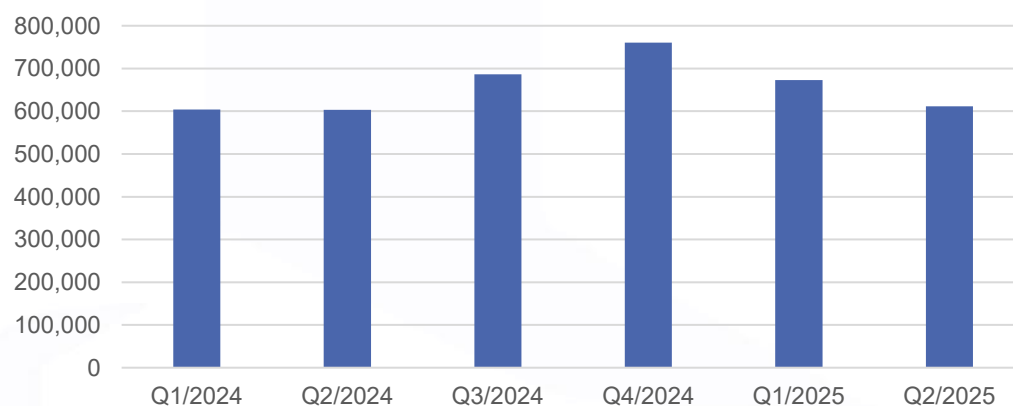


Motorcycle consumption trends are shifting

Motorcycle consumption volume in Vietnam during 2019 – 2024



Quarterly motorcycle sales during 2024–2025



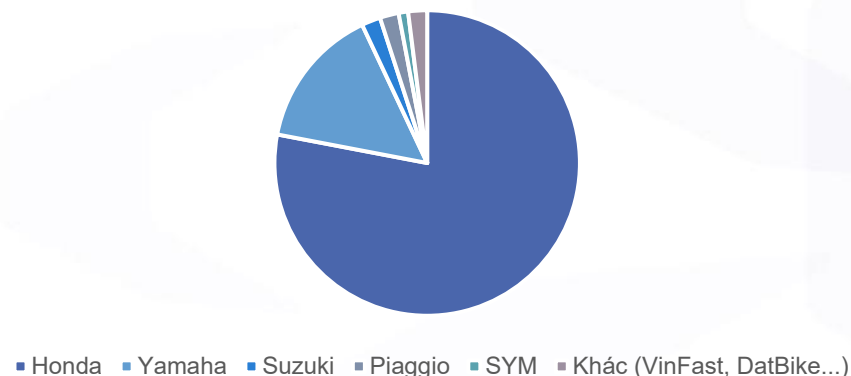
Source: VAMM, GTJAVN

- Since 2019, motorcycle sales in Vietnam have shown a **downward trend** after peaking with more than 3.26 million units sold. In 2020 and 2021, the Covid-19 pandemic strongly impacted consumer demand, causing sales to drop to 2.7 million and 2.5 million units, respectively. However, by 2022, the market recovered slightly with about 2.6 million units, then continued to decline in 2023 to about 2.5 million units.
- In 2024, the motorcycle industry recorded a recovery. According to VAMM, **total sales in 2024 were 2.65 million units, up 5.46% compared to 2023**. In the first half of 2025, motorcycle consumption reached nearly 1.13 million units, equivalent to 42.6% of 2024 sales.
- Consumer trends are **gradually shifting toward electric motorcycles**; in addition, scooters and motorcycles with smart features are increasingly favored, gradually replacing common manual motorcycles thanks to greater convenience, alignment with urbanization trends, and improved incomes. This creates pressure on traditional manufacturers such as **Honda and Yamaha** to innovate products and accelerate the green transition.
- Overall, Vietnam's motorcycle industry is at a **restructuring** turning point, moving toward a more dynamic market that is less dependent on **cheap gasoline motorcycles** and opening room for domestic and foreign brands to enter with green technology.



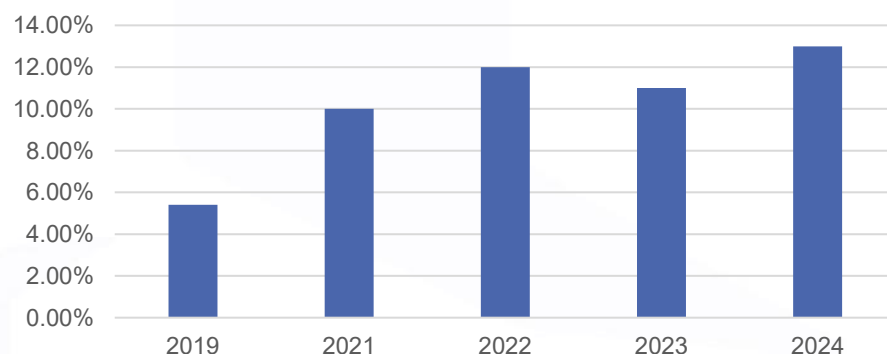
The period of 2024 – 2025 witnesses the rise of electric motorcycles

Motorcycle market share in Vietnam Q2/2025



Source: VAMM

The proportion of electric motorcycles in total motorcycles is increasing rapidly (%)



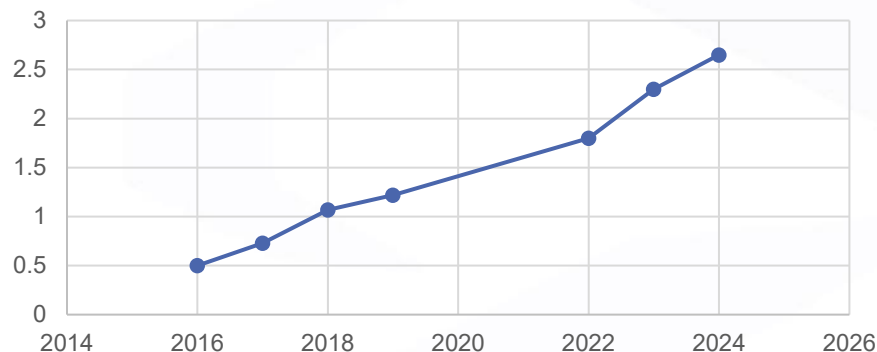
Source: GIZ, Kirin Capital, VinFast

- Vietnam's motorcycle market in Q2/2025 continues to maintain its traditional market share structure, with **Honda Vietnam** holding an overwhelming leading position, accounting for about **78-80% market share**. Following is Yamaha Vietnam, with a share fluctuating around **15-17%**, reflecting **consumer loyalty** to familiar scooter and sport bike models. Other brands such as **Suzuki, Piaggio, and SYM** only account for **1-3% market share** each, showing the increasingly fierce competition and high barriers to entry in the industry.
- Meanwhile, emerging brands and domestic enterprises such as **VinFast, DatBike, PEGA...**, although only holding a small market share (except VinFast), are considered to have **growth potential** in the short and medium term thanks to their **focus on electric motorcycles**, preferential pricing policies, and benefits from government vehicle transition support programs.
- According to statistics from the Vietnam Register and the Ministry of Industry and Trade, **the penetration rate of electric motorcycles** in total market sales has increased to about **13%** as of mid-2025, showing a clear shift in consumer behavior and preference for green vehicles in urban areas. New policies in 2024-2025 are **putting pressure** on a gradual shift from gasoline-powered motorcycles to green vehicles, although without immediate impact. Gasoline motorcycles still play a dominant role, but growth will **stagnate**, especially in the long term.

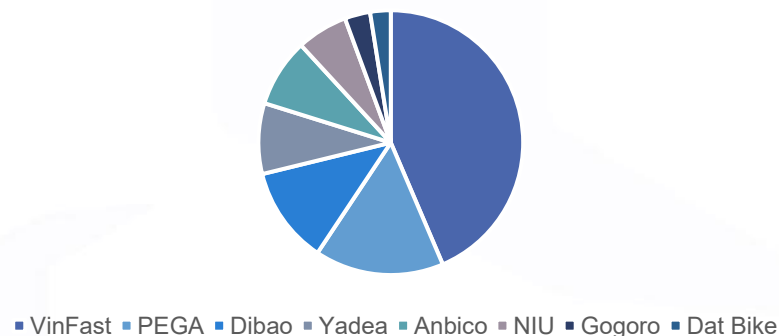


Vietnam electric-2-wheels market (E2W)

Number of E2W registered in Vietnam in the period 2016 – 2024 (million units)



Electric motorcycle market share in Vietnam in 2024



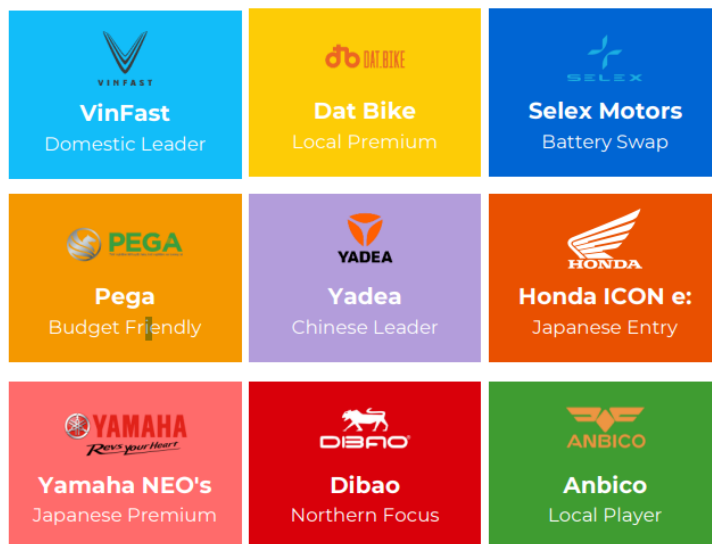
- Vietnam is currently the **largest two-wheels electric vehicle (E2W) market in Southeast Asia** and **ranks second in the world after China**. From 2016 to 2024, the number of registered E2Ws increased from 500,000 to over 2.65 million, achieving a CAGR of 24%. In 2024, electric motorcycle sales reached 200–220 thousand units, raising the total number of electric vehicles in circulation to over 3 million. According to data from Motorcycles Data, in the first half of 2025, the Vietnamese market consumed about 209,000 new electric motorcycles, up about 99.2% compared to the same period in 2024 (of which VF sold 114,484 units). The L1 electric motorcycle segment (equivalent to engines under 50cc) in Vietnam is developing rapidly with sales increasing sharply by 112.6% in the first half of 2025. This is a small-capacity vehicle type that does not require a driver's license, targeting students with the advantages of convenience and low operating costs.
- A report from NielsenIQ Vietnam shows that 65% of urban consumers aged 25–40 are “seriously considering” switching to electric vehicles within the next 1–2 years.
- Currently, **VinFast dominates the two-wheels electric market in Vietnam** with 43.4%, followed by foreign brands such as Pega (15.7%), **Chinese brands** like Dibao (11.8%), Yadea (8.6%)... **For other domestic enterprises**, Selex Motors is developing a battery swapping and vehicle sharing station model, while Dat Bike and other startups focus on high-performance motorcycles and urban solutions. This competition will continue to heat up as regulations restricting gasoline-powered motorcycles in major cities drive strong demand for electric vehicles.
- Meanwhile, Japanese motorcycle manufacturers such as **Honda** and **Yamaha** – which once dominated the traditional motorcycle market – have also begun testing and launching electric motorcycle models in Vietnam. Honda has introduced its first electric motorcycle model in Vietnam, the **ICON e**, targeting **young urban users with a compact design and average battery life**. However, Honda is still in the exploration phase, and its market share in the electric segment remains modest. Similarly, **Yamaha** has launched its **NEO's** electric motorcycle, but its popularity remains limited due to high prices and a still-constrained charging station ecosystem.



Vietnam electric-2-wheels market (E2W)

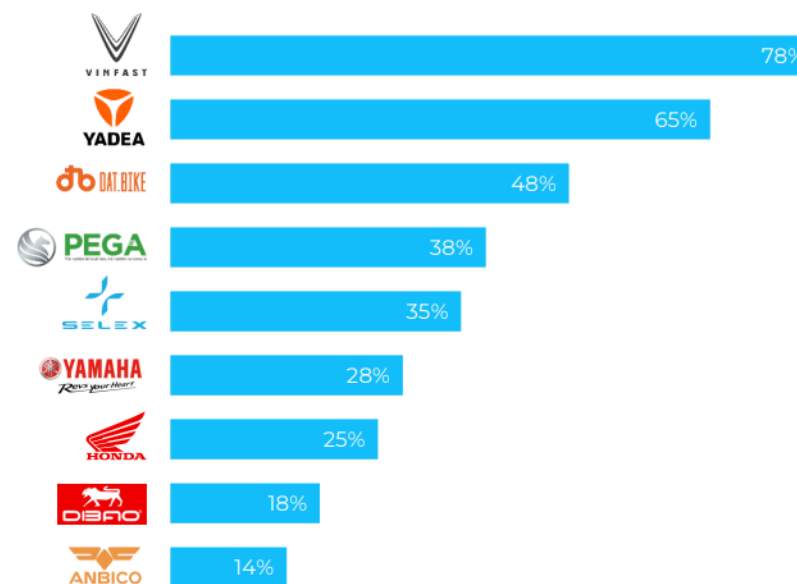
- According to Insight Asia's survey, Vinfast has the highest brand recognition and is the top choice of consumers, followed by Yadea and DatBike.

Key Players



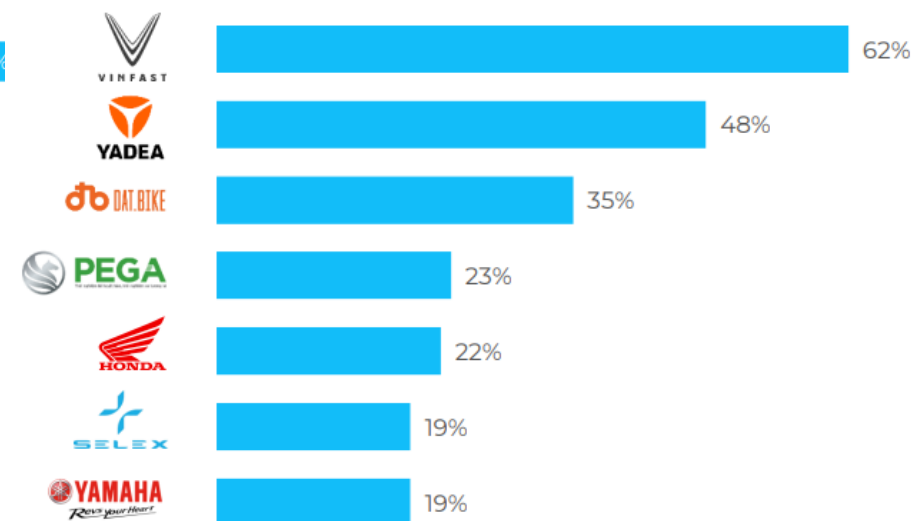
Unaided Brand Awareness

"Which electric bike brands can you name?" (n=5,518, all respondents)



Brand Consideration

"Which brands would you consider buying?" (n=5,518, all respondents)



Source: Insight Asia

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Impact of the policy to ban gasoline-powered motorcycles in central areas

- According to the Hanoi Department of Transport and the Department of Construction, Hanoi has **about 6.9 million motorcycles**, of which around **6.4 million are gasoline-powered**.
- **In the short term**, Hanoi is expected to replace about **450,000 gasoline-powered motorcycles** with electric motorcycles within Ring Road 1 (according to proposal to ban gasoline vehicles in ring road 1 from 7/2026).
- **By 2030**, the total number of motorcycles replaced could reach **2-3 million**, depending on the speed of policy implementation and the capacity of charging infrastructure and financial support.

Timeline	Scope of application	Estimated number of affected motorcycles
1/7/2026	Ban on gasoline-powered motorcycles within Ring Road 1 (inner city)	Estimated 450,000 motorcycles
1/1/2028	Expansion of the ban to Ring Road 2	N/A
By 2030	Expansion to the entire Ring Road 3, restricting gasoline-powered motorcycles citywide	Estimated 2-3 million motorcycles

Source: Báo Thanh niên, VOV, Vietnamnet

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III. COMPANIES AND STOCKS IN THE SECTOR

- VEA: Holds shares in Toyota, Honda, Ford
- HAX: Leading distributor of Mercedes vehicles
- Vinfast: Leading market share in cars and electric vehicles in Vietnam



Big companies in the sector

Brand	Stock code	Line	2024 Revenue (billion VND)	2024 Net profit (billion VND)
Ô tô Hàng Xanh	HAX	Mercedes, MG	5,513	203.6
SAVICO	SVC	Ford, Toyota, Huyndai, Volvo, Vinfast, Mitsubishi, Isuzu, xe máy Yamaha, Suzuki	24,772	206.6
Máy động lực và Máy NN	VEA	Honda, Toyota, Ford	4,115.4	7,431.7
City Auto	CTF	Ford	8,540.9	47.9
Thaco	Unlisted	Mazda, Kia, Peugeot		3,228
Huyndai Thành Công	Unlisted	Huyndai	N/A	N/A
Vinfast	Unlisted	Vinfast	44,019	-77,355

- The number of companies operating in Vietnam's automobile and motorcycle industry remains relatively concentrated. Major players include both listed and unlisted companies, active in multiple segments such as manufacturing, assembly, distribution, and electric vehicles. Among these, listed firms such as **VEA, HAX, CTF, SVC, and NHH** mainly participate in **distribution and components**, while VinFast and Thaco stand out as key representatives in domestic manufacturing and product development.
- VinFast**, after making a strong impression with its first electric vehicle line in 2019, became Vietnam's best-selling automaker in 2024 with 97,399 units sold. The company continues to lead the electric vehicle segment while expanding exports to the U.S., Indonesia, Thailand, and Europe.
- Thaco Auto** remains a leading private enterprise in the traditional fuel vehicle segment, assembling and distributing a wide range of brands such as Mazda, Kia, Peugeot, and Thaco trucks, with production exceeding **72,000 vehicles** in 2024.
- Companies such as VEA, HAX, CTF, and SVC continue to hold strong positions in traditional fuel vehicle distribution, while NHH is notable in the plastic components segment supplying production chains. With the ongoing shift toward electric vehicles and policies encouraging domestic manufacturing, these companies are expected to continue playing key roles in Vietnam's automobile and motorcycle supply chain in the coming years.

(*) Data 2024

Source: Compiled by GTJAVN

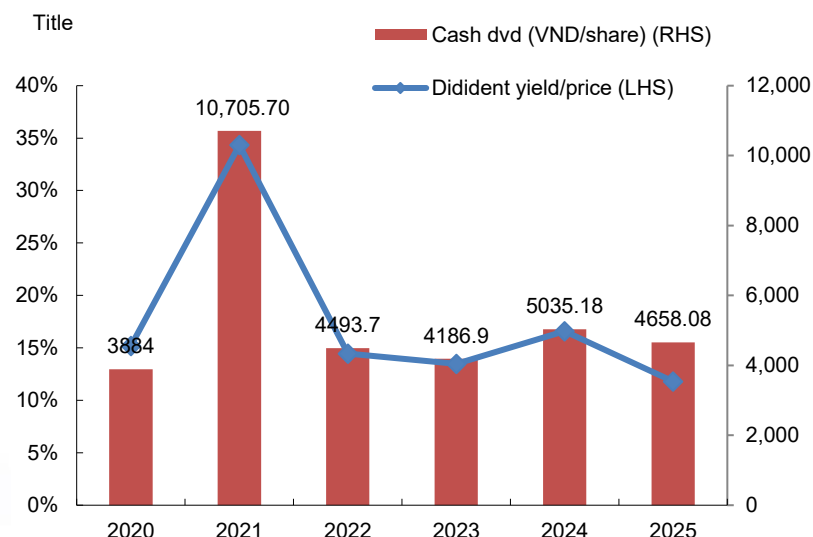
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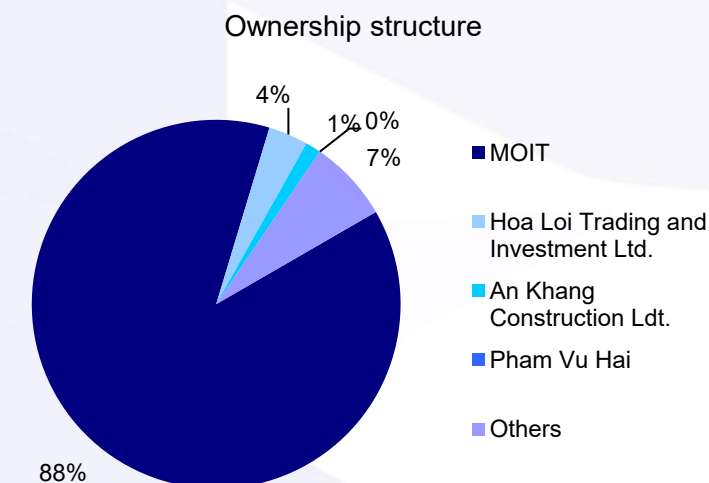
VEA – Vietnam Engine and Agricultural Machinery Corporation (VEAM) – JSC

In addition to its core business activities in engine manufacturing and trading, agricultural machinery; automobile and motorcycle production and assembly; and supporting industries, VEA's standout feature lies in its profit contributions from joint ventures and associates. VEAM currently holds a 30% stake in Honda Vietnam, a 20% stake in Toyota Vietnam, and a 25% stake in Ford Vietnam — all of which are market leaders in Vietnam's automotive industry. Most recently, under guidance from the Ministry of Industry and Trade, VEA added business lines related to the production and repair of railway carriages and locomotives. This move marks the company's initial steps into the railway value chain, aligned with Vietnam's major North-South High-Speed Railway project, which is expected to commence construction soon.

VEA has a history of paying high cash dividends, with its cash dividend yield exceeding 10% per year. In 2025, VEA plans to distribute dividends at a rate of 46.58%, equivalent to VND 4,658.08 per share, totaling more than VND 6.2 trillion. This dividend corresponds to a 12% yield based on the company's share price.



	Q2/2025 TTM
ROA	25.33%
ROE	26.62%
Market capitalization (Billion VND)	51,165.44
BVPS	22,082.82
Basic EPS	5,655.89
P/B	1.74
P/E	6.81



Source: VEA, FiiiproX, GTJASVN RS

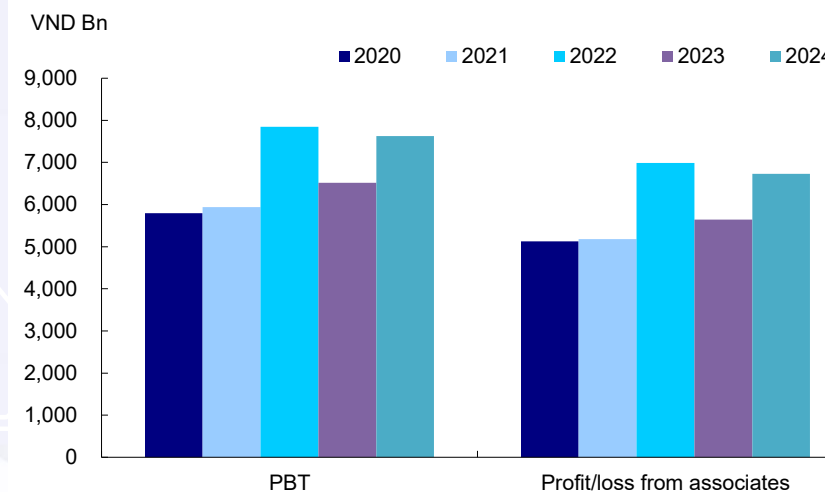
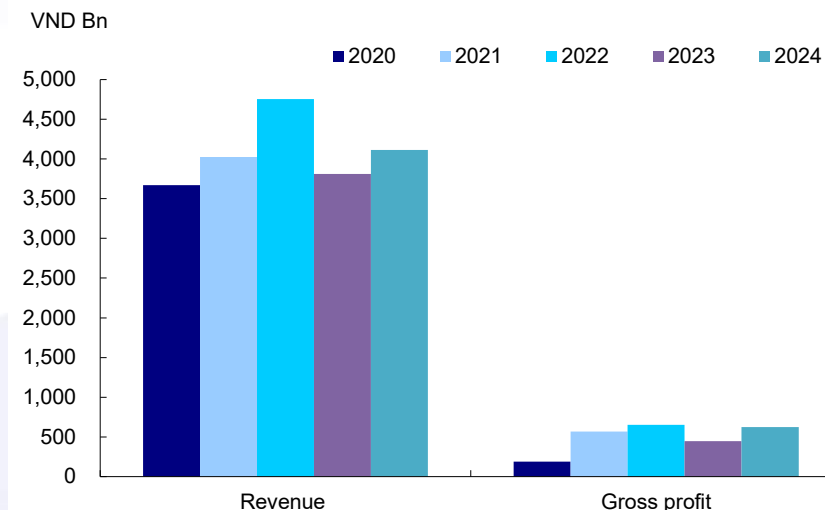
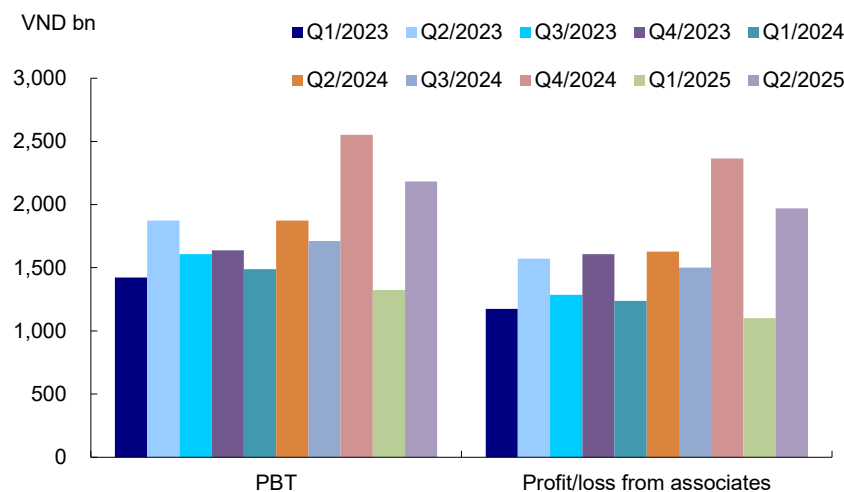
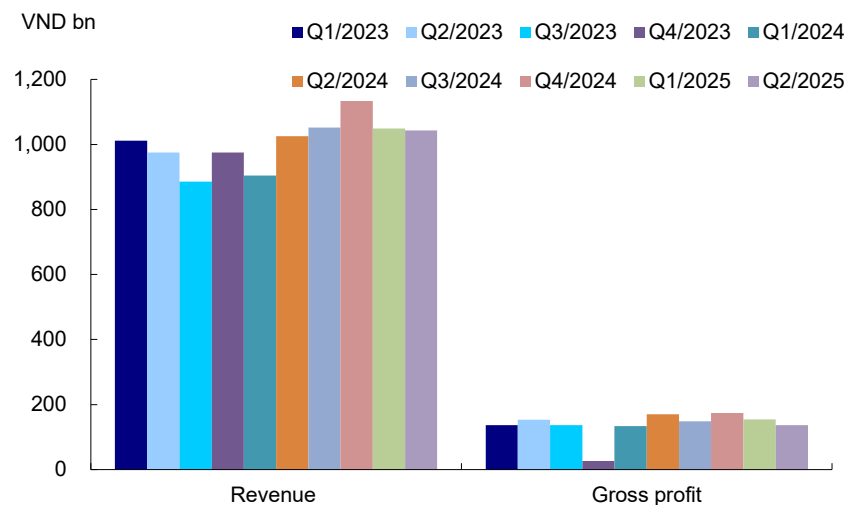
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VEA – Vietnam Engine and Agricultural Machinery Corporation (VEAM) – JSC

According to the latest update, VEA's revenue and pre-tax profit for the first half of the year reached VND 2,091.8 billion and VND 3,507.3 billion, up 8.39% and 4.3% year-on-year, respectively. Profit from joint ventures and associates reached VND 3,069.4 billion, up 7.1% year-on-year.

Source: VEA, FiinproX, GTJASVN RS



HAX - Hang Xanh Automobile Service Joint Stock Company

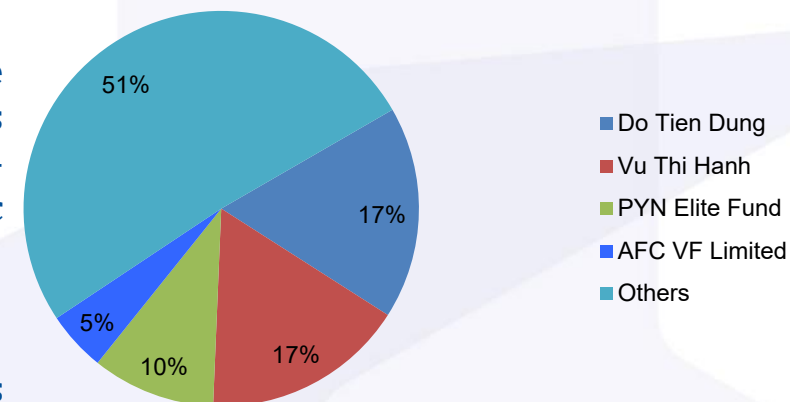
Hang Xanh Automobile Service Joint Stock Company (HAX) is one of the leading Mercedes-Benz distributors in Vietnam. Haxaco originated from the SAMCO3 automobile showroom and repair workshop, later equitized to become the first authorized Mercedes-Benz distributor in Vietnam (38% Mercedes market share in Vietnam). Haxaco mainly operates in automobile distribution, particularly Mercedes-Benz vehicles. HAX entered the mass-market car segment in 2018 when it became an official Nissan dealer in Vietnam. In 2020, HAX further expanded to distribute MG vehicles through its subsidiary, Production Trading and Automobile Service Joint Stock Company (51.6%, PTM). MG currently contributes 34% of HAX's vehicle sales.

In terms of overall strategy, Haxaco will continue expanding its car business and diversifying its product portfolio. The company distributes MG-branded vehicles and participates in the electric vehicle segment with Mercedes-Benz and VinFast.

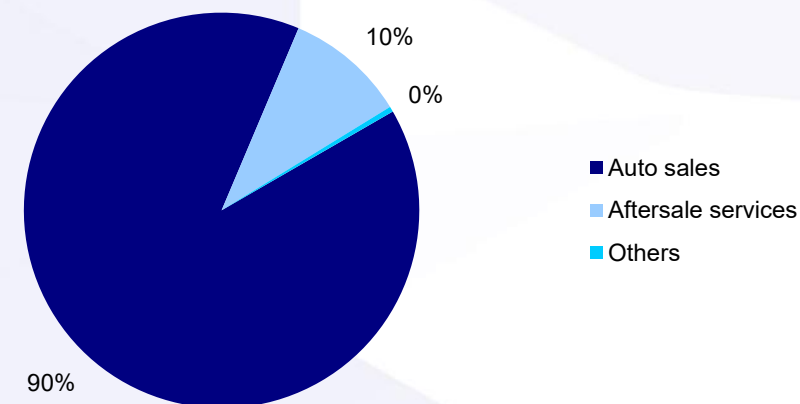
Network:

- **Mercedes-Benz:** 5 dealerships
- **MG:** PTM currently operates 14 dealerships nationwide, including 7 Premium dealerships that meet MG's highest global standards. With more than 5,500 vehicles sold, PTM holds 38% of MG's market share in Vietnam. In 2025, PTM plans to expand its dealership network nationwide to 18 dealerships, including 12 Premium dealerships, with a sales volume of about 8,000 vehicles, accounting for nearly 40% of MG's market share.

Shareholder structure



Revenue structure 2024



Source: HAX, FiinproX, GTJASVN RS



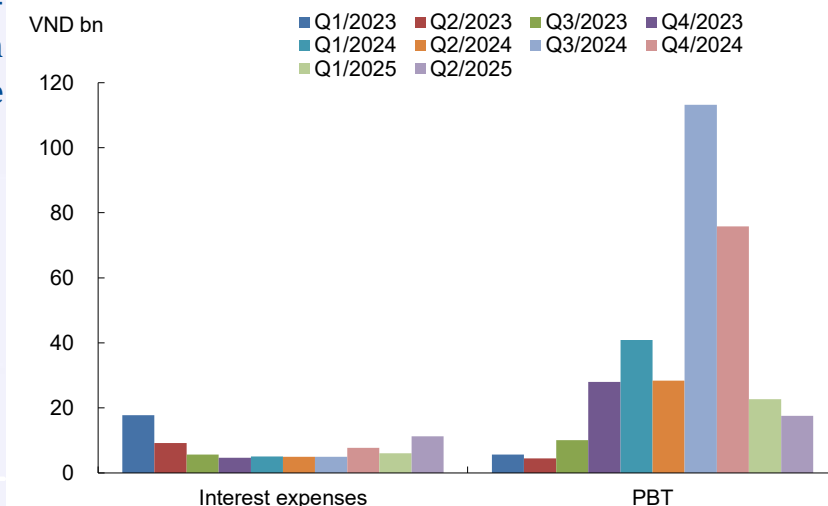
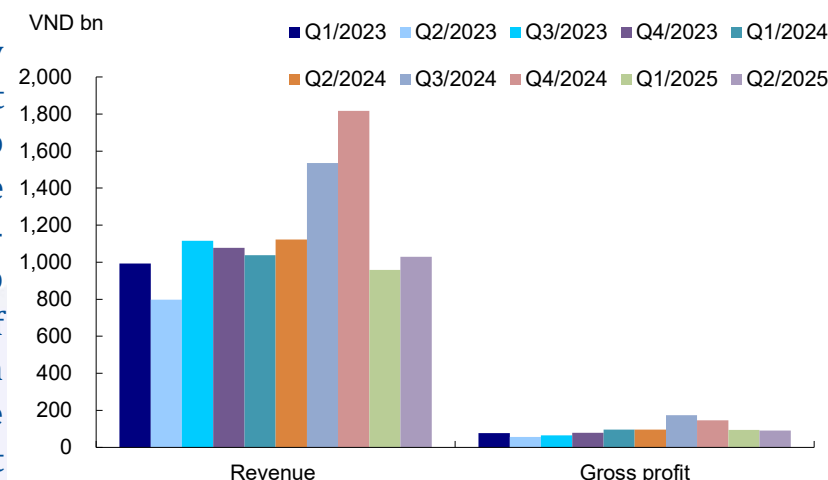
HAX - Hang Xanh Automobile Service Joint Stock Company

	Q2/2025 TTM
ROA	3.84%
ROE	8.20%
Market capitalization (Billion VND)	1,659.9
BVPS	10.206
Basic EPS	892.9
P/B	17.3
P/E	1.31

HAX's business results in the first 6 months reflect the pressure in the luxury car market, dominated by the overall downward trend and fierce competition in the high-end segment. These factors put pressure on HAX's own revenue. Meanwhile, the mass-market segments have shown signs of improvement and contributed to maintaining stable consolidated revenue for HAX.

In terms of profit, competition pressure with narrowed sales margins and increased interest expenses as well as operating costs caused profit to decline by more than 42% compared to the same period last year.

Regarding HAX's business outlook, the company had to close one dealership in Hanoi (for the first time). The business outlook for Q3 is forecast to be less positive (the "ghost month" and the psychological impact of buyers waiting for year-end discounts). The electric vehicle trend also affects HAX's sales. In the luxury car segment of Mercedes-Benz, sales are expected to remain relatively unchanged in Q3, but positive expectations are placed on Q4 with new product launches. Meanwhile, momentum from the mass-market MG segment is no longer as strong as in previous periods due to fierce competition in the market.

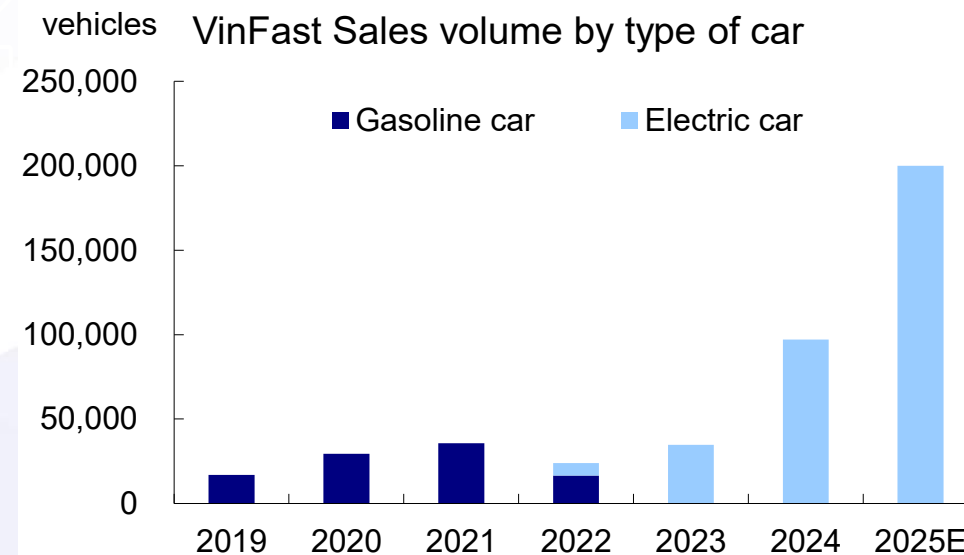


Source: HAX, FiinproX, GTJASVN RS



Vinfast Auto (VFS- NASDAQ)

- VinFast Auto Ltd. is a Vietnamese multinational automobile company founded by VinGroup. In September 2017, the company started construction of an 828-acre (3,350,000 m²) manufacturing complex in an industrial park on Cat Hai Island (Hai Phong), including paint shop, stamping shop, assembly shop, and engine shop. In just **21 months**, the plant completed its first phase, with an initial investment of about **USD 1.5 billion** to produce automobiles and electric motorcycles.
- **From the outset**, VinFast partnered with leading **European design and engineering firms** (Pininfarina, Italdesign Giugiaro, Torino Design, Zagato) and debuted its **first 2 car models – Lux A2.0 and Lux SA 2.0** – at the 2018 Paris Motor Show. The company also took over General Motors' plant in Hanoi and began producing a global small car model under GM's license.
- **During 2018–2020**, VinFast continuously expanded its product portfolio, including **gasoline cars, electric motorcycles, and electric buses** (in cooperation with Siemens Vietnam). In 2019, the company exported Lux models to several continents to test international safety standards.
- **A strategic turning point occurred in 2021**, when VinFast announced it would **stop producing gasoline cars and focus entirely on electric vehicles**. In 12/2021, the company delivered the first batch of VF e34 – the first electric car manufactured and sold in Vietnam – marking the start of its transition.
- In 2022, VinFast implemented its globalization plan: announcing plans to build electric vehicle plants in the U.S. and Germany, while officially **declaring a complete phase-out of gasoline cars by the end of 2022**.



The expansion investment strategy has brought many rewards for VFS in terms of revenue and domestic market share; however, the financial pressure is also significant. As of the end of 2024, VFS recorded a net loss of more than VND 77 trillion and continued to incur accumulated losses in Q1 2025.

Source: Vinfast, GTJASVN RS





Transition of business model from gasoline cars to electric cars

Top best-selling VinFast electric cars in Vietnam in the first half of 2025

Type	Sales in the first half of 2025 (cars)
VinFast VF 3	23,083
VinFast VF 5	21,812
VinFast VF 6	8,552
VinFast VF 7	3,586

As of 2025, VinFast has deployed a production network of 3 factories with notable capacity:

Location	Productivity (vehicles/year)	Status
Hai Phong (Vietnam)	250,000 vehicles/year in phase 1, expected to increase capacity to 950,000 vehicles/year	In working
Ha Tinh (Vietnam)	200,000 vehicles/year in phase 1, expected to increase capacity to 300,000–600,000 vehicles/year	Inaugurated on 29/6/2025
Thoothukudi – India	50,000 vehicles/year at first, expected to increase capacity to 150,000 vehicles/year	Inaugurated on 4/8/2025

- In the 2023–2024 period, VinFast expanded its product lineup into multiple electric vehicle segments (VF 3, VF 5, VF 6, VF 7, VF 8, VF 9) and accelerated its internationalization strategy by listing shares on the Nasdaq (U.S.) in August 2023, after merging with Black Spade Capital’s SPAC. The company set a target to deliver **40,000–50,000 electric vehicles** in 2024 (actual deliveries reached 87,000 vehicles), aiming to break even by the end of 2026.
- Currently, VinFast has become Vietnam’s pioneering enterprise in the **electric vehicle sector**, with an ecosystem spanning electric cars, electric motorcycles, and electric buses.
- Aggressive sales policies have enabled VinFast to quickly climb to the No. 1 market share position in automobile and electric motorcycle sales in Vietnam from 2024 to date (supported by the Green SM brand and collaboration programs).
- In the first half of 2025, VinFast sold 67,569 vehicles out of its 200,000-vehicle annual target, reflecting the common challenges facing the automotive industry.

Source: Vinfast, GTJASVN RS

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