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Vietnam's M&A cycle shifts from scale to selectivity

Vietnam's mergers and acquisitions market is moving into a phase where capital discipline matters more than headline transaction value. Investors are screening targets more rigorously, favouring companies with resilient cash flow, credible governance and a clear route to post-deal value creation. The shift does not signal weaker confidence. Rather, it reflects a market maturing beyond opportunistic buying.

The regional backdrop supports this change. Asia-Pacific generated 37% of global deal volume but only 16% of total value in early 2026, indicating a market built more on mid-sized strategic transactions than on a few exceptional takeovers. Vietnam fits this pattern. Interest in established names such as Imexpharm, Bibica and Thien Long shows that buyers are willing to pay for trusted brands, distribution strength and scalable operating platforms.

The next pool of capital is also broadening. Healthcare, logistics, energy transition, advanced manufacturing and digital infrastructure are becoming central to investment theses. Data centres, cloud capacity and AI-related assets are particularly important as Vietnam seeks to strengthen the foundations of its digital economy. For investors, however, the key test will be whether these businesses can convert structural demand into durable earnings.

From a financial perspective, the decisive factor will be disciplined capital allocation. Buyers must balance growth potential against financing costs, valuation expectations and execution risk. Sellers, meanwhile, will need cleaner financial reporting, stronger governance and a credible transformation plan. Vietnam's M&A market is therefore becoming harder to enter, but potentially more rewarding for investors prepared to patiently create value over the long term. VIR

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Hai Phong Free Trade Zone targets higher-value logistics role

Hai Phong is positioning its newly launched free trade zone as the foundation of a higher-value logistics hub for northern Vietnam, combining deep-sea ports, industrial parks and preferential trade mechanisms in a single operating ecosystem.

The 6,292-hectare zone links the Lach Huyen port area, Nam Dinh Vu Industrial Park and a 2,923-hectare section of the southern coastal economic zone. From a logistics perspective, the key advantage is proximity: warehousing, light processing, packaging, customs clearance and re-export activities can be located close to production and port facilities. This could shorten cargo dwell times, reduce inland transport costs and support regional distribution models.

A second strategic pillar is multimodal connectivity. Planned investment in Lach Huyen, Nam Do Son port, Cat Bi airport, expressways and the Lao Cai-Hanoi-Hai Phong railway would expand the port's hinterland beyond the city. Better rail and road links could connect manufacturing clusters across northern Vietnam with southwestern China, strengthening Hai Phong's role in cross-border and regional supply chains while reducing excessive dependence on trucking.

The third driver is the shift toward high-tech cargo. The zone prioritizes semiconductors, electronics, automation and supporting industries, illustrated by LG Innotek's planned $1 billion chip-circuit factory. Such investment will increase demand for secure, time-critical and environmentally controlled logistics rather than basic transport services.

Hai Phong's opportunity is therefore not simply to handle more cargo. Its larger ambition is to move up the logistics value chain. Success, however, will depend on infrastructure execution, digital customs procedures and coordination among ports, industrial zones and regulators. Doanhnghiephoinhap

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Linking digital identity, platform data and risk-based clearance may reform Vietnam's cross-border e-commerce

Vietnam's proposed customs reform could reshape the operating model for cross-border e-commerce by linking digital identity, platform data and risk-based clearance.

The most significant proposal is a one-time electronic identity verification mechanism for each user account. Once authenticated, the account could be used consistently across subsequent transactions, reducing repeated declarations and lowering compliance costs for consumers, foreign merchants and express logistics providers. For small sellers, this could remove one of the main frictions in cross-border trade. For regulators, it would improve traceability and make it easier to identify parties responsible for fraudulent or misdeclared shipments.

The second shift is the growing compliance burden on e-commerce platforms. Marketplaces may increasingly be expected to verify users, standardize product and transaction data, support customs reporting and retain information for post-clearance inspection. This will raise technology and governance costs, but it will also favor platforms with strong data infrastructure, reliable seller controls and integrated logistics capabilities.

Third, the draft law points toward a customs system driven by artificial intelligence, big data and compliance scoring. Rather than inspecting low-value parcels uniformly, authorities could prioritize suspicious accounts, abnormal pricing patterns and high-risk routes while accelerating clearance for trusted traders.

The commercial impact will extend beyond faster customs procedures. Competition in cross-border e-commerce will increasingly depend on data quality, identity management and regulatory readiness. Companies that treat compliance as part of customer experience, rather than as a back-office obligation, are likely to gain an advantage as Vietnam moves toward a more transparent and scalable digital trade regime. Vneconomy

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Vietnam’s power market looks beyond time-based tariffs

Vietnam’s plan to introduce time-of-use electricity pricing for households could begin a restructuring of power demand, as the country seeks cheaper ways to manage peak consumption and integrate renewable energy.

Under time-of-use tariffs, consumers pay different rates during peak, normal and off-peak periods. The mechanism encourages households to shift flexible demand, such as water heating or appliance use, away from evening peaks. This matters as solar generation falls after sunset while air-conditioning demand remains high.

The next step is demand response, which allows customers to reduce or reschedule consumption in response to system instructions or market signals. Participants may receive lower bills or direct payments. From a system perspective, timely demand reduction can provide value comparable to new generation capacity, without the capital cost, construction time, fuel expense and emissions associated with a new power plant.

Vietnam has introduced voluntary demand-response programs for industrial users. However, these arrangements remain largely administrative. To unlock their full value, flexible demand must become a tradable and compensated resource in the electricity market.

That transition will require smart meters, consumption baselines, transparent settlement rules and digital platforms capable of coordinating users. Aggregators could eventually combine factories, commercial buildings, households, rooftop solar, batteries and electric vehicles into virtual power plants.

For Vietnam, the benefit is clear. Demand-side flexibility can reduce investment in rarely used peak-generation assets, ease pressure on transmission networks and support renewable integration. Time-based pricing changes when consumers use electricity; demand response changes their role—from passive customers into active participants in system operations.

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Central retail eyes Hanoi's new urban corridors for next growth phase

Central Retail Vietnam is exploring further investment in Hanoi as the Thai retailer seeks to position its network around the capital's expanding ring roads and emerging urban districts.

The strategy reflects a shift in Hanoi's retail geography. New transport infrastructure, including Ring Roads 2.5, 3.5 and 4, is expected to accelerate residential development and create commercial hubs beyond the traditional city center. For Central Retail, entering these locations early could provide access to larger sites, lower occupancy costs and a growing consumer base.

The group is also well placed to adopt a multi-format expansion model. Its GO! hypermarkets can serve as large shopping, dining and entertainment destinations, while Tops Market targets urban communities and Lan Chi Mart provides coverage in suburban areas. This portfolio allows Central Retail to match store size, product mix and investment levels with local population density and purchasing power.

A third priority is deeper integration with Vietnam's domestic supply chain. Vietnamese goods account for around 95% of products distributed through the company's network. Central Retail plans to work more closely with farmers, cooperatives and manufacturers on cultivation, packaging and product standardization.

From a retail perspective, this approach offers more than a local sourcing advantage. It can improve supply stability, food safety and traceability while creating opportunities to bring Vietnamese agricultural products into modern retail channels and overseas markets.

Central Retail's next phase in Hanoi will therefore depend not simply on opening more stores, but on selecting the right urban corridors, deploying the right retail format and building a more resilient local supply ecosystem. Nhadautu

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Vietnam’s FDI strategy shifts from incentives to capabilities

Vietnam is entering a new phase in its foreign investment strategy. Resolution 10 signals a shift away from broad tax incentives toward a more selective model that rewards technology transfer, workforce development, research and development, and green investment.

For international investors, the change creates both opportunity and uncertainty. Performance-based incentives could improve the quality of foreign direct investment, particularly in semiconductors, artificial intelligence and data centers. But companies will need transparent and measurable criteria showing how spending on R&D, employee training or emissions reduction translates into financial support. Without clear rules, the risk of future incentive adjustments could weaken long-term investment confidence.

The second priority is ecosystem readiness. Global technology groups rarely choose locations on tax benefits alone. Stable electricity supply, efficient customs procedures, skilled engineers and internationally qualified local suppliers are often more important. Vietnam’s young workforce, strategic location and political stability remain advantages, but these strengths must be supported by reliable infrastructure and deeper domestic supply chains.

The decisive issue, however, will be implementation. Investors will assess whether special investment procedures can accelerate not only project approval, but also construction permits, fire-safety certification, recruitment and daily imports. They will also expect consistent enforcement across central and provincial authorities.

Resolution 10 provides a credible strategic direction. Yet converting that direction into high-value capital commitments will require predictable regulation, visible infrastructure progress and stronger investor protection. Vietnam’s competitive advantage will depend less on the incentives it announces than on the operational certainty it can deliver. Baodautu

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