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NEWS RELEASE

## CapitaLand Development signs MOU for S\$1.3 billion investment in Vietnam

*Expands portfolio in Vietnam with CLD's first industrial park, logistics park and township development*

**Singapore, 25 February 2022** – CapitaLand Development (CLD), the development arm of CapitaLand Group, has signed a Memorandum of Understanding (MoU) with the People's Committee of Bac Giang province. The MoU outlines CLD's and the provincial government's mutual interest to explore the development of CLD's first industrial park, logistics park and township development in Vietnam with a total projected investment value of S\$1.3 billion (VND22.7 trillion<sup>1</sup>).

The exchange of the signed MoU was witnessed by the President of the Socialist Republic of Vietnam Mr Nguyen Xuan Phuc during his state visit to Singapore. The MoU marks one of the largest investments sealed between a Singaporean company and the government of Vietnam during the state visit.

The MoU further reinforces CLD's long-term commitment to Vietnam's economic development. In the next five years, CLD plans to accelerate its growth, expanding its portfolio in asset classes such as data centres, logistics facilities as well as industrial and business parks. CLD will also seek master planning and urban development opportunities, while expanding its current residential portfolio.



From left to right: Mr Le Anh Duong, Chairman of the People's Committee of Bac Giang and Mr Ronald Tay, CEO of CapitaLand Development (Vietnam) signed a Memorandum of Understanding for a S\$1.3 billion investment in CLD's first industrial park, logistics park and township development in Vietnam

<sup>1</sup> Based on the exchange rate of S\$1 to VND16,954 unless stated otherwise

Mr Jason Leow, CEO of CLD said: “CLD remains committed to being a long-term partner to Vietnam’s economic development. Our master planning and urban development expertise and extensive local knowledge, puts us in a strong position to contribute to the next stage of Vietnam’s industrialisation and modernisation. Vietnam is one of our core markets and we aim to accelerate our investment in the country over the next five years, deepening the significant presence we have established in Vietnam for almost three decades. We continue to see opportunities to scale up our investments in township developments, especially in the fast-growing secondary cities, and further expand our interests in data centres, logistics as well as industrial and business parks.”

“As a responsible real estate company, CLD seeks to create quality spaces for the community to live, work and play through sustainable and innovative solutions to enrich their lives. Together with CapitaLand Hope Foundation<sup>2</sup>, CLD will also continue to support local communities in Vietnam, particularly the development and education of vulnerable children in the country,” added Mr Leow.

Mr Ronald Tay, CEO of CLD (Vietnam) said: “We look forward to working closely with the People’s Committee of Bac Giang province and contribute to the province’s urbanisation through the development of sustainable and smart real estate projects. As President Phuc had invited CLD to consider investing in industrial developments in his previous capacity as the Prime Minister of Vietnam, we are especially pleased to have him witness this MoU exchange.”

“The investment opportunity will be CLD’s first industrial, logistics and township development in Vietnam. Our proposed investment in Bac Giang for the ecological industrial park, modern logistics park and smart township over 400 hectares will support the creation of a dynamic supply chain network in Vietnam’s northern key economic region. It will also potentially create over 20,000 new jobs and improve the standard of living for Bac Giang’s residents and workforce, uplifting the overall Bac Giang community,” added Mr Tay.

#### S\$1.3 billion multi-asset investment in Bac Giang province

As part of the MoU, CLD will partner with the People’s Committee of Bac Giang province to evaluate several greenfield sites totaling over 400 hectares across the Bac Giang province. This includes a township development along the Cau River as well as several industrial parks and logistics assets near the Viet Yen district.

The developments are designed to be green certified with plans to obtain a Leadership in Energy and Environmental Design (LEED) certification by the U.S. Green Building Council. The entire development is also pursuing LEED for Communities. These certifications will recognise CLD’s efforts to create sustainable spaces and reduce carbon footprint.

Drawing from Singapore’s Active, Beautiful, Clean (ABC) Waters Programme, the proposed developments will be sustainable and climate resilient while also creating green and blue spaces that promote community building and placemaking – including at least 10 hectares of wetland buffers. The developments can collect, treat, and recycle rainwater for better resource efficiency, while the deployment of smart water meters will further encourage tenants and the

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<sup>2</sup> CapitaLand Hope Foundation is the philanthropic arm of CapitaLand Group

community to save water. To reduce the developments' carbon footprint, solar panels will be deployed and green mobility options such as cycling will be encouraged with provision of well-designed sidewalks and bike paths – a minimum of 40% of which will be covered by shading. Electric vehicle charging stations will also be available.

The Bac Giang province is located about an hour's drive from Hanoi's central business district via the National Highway 1. With the completion of Ring Road 4 in 2025, the Noi Bai International airport will be a 30-minute drive away. The Bac Giang province has a total population of over 1.8 million<sup>3</sup> and is one of Vietnam's top destinations for foreign direct investment in 2020<sup>4</sup>. With improving infrastructure and ongoing interest from the world's top manufacturers, the province is on track to become Vietnam's new hotspot for residential and industrial development.

#### CLD's presence in Vietnam

CLD's portfolio in Vietnam comprises one retail mall, two integrated developments, and over 12,000 quality homes across 16 residential developments. Its strong expertise in master planning, land development and project execution has won numerous accolades including Asia Pacific Property Awards, PropertyGuru Asia Property Awards, PropertyGuru Vietnam Property Awards and Golden Dragon Award.

For more on CLD's recent economic and social contributions to Vietnam, please see the Annex.

#### **About CapitaLand Development ([www.capitaland.com](http://www.capitaland.com))**

CapitaLand Development (CLD) is the development arm of the CapitaLand Group, with a portfolio worth approximately S\$22.4 billion as at 31 December 2021. Focusing on its core markets of Singapore, China and Vietnam, CLD's well-established real estate development capabilities span across various asset classes, including integrated developments, retail, office, lodging, residential, business parks, industrial, logistics and data centres. Its strong expertise in master planning, land development and project execution has won numerous accolades including the Building and Construction Authority Quality Excellence Award and FIABCI Prix d'Excellence Award.

CLD aspires to be a developer of choice that goes beyond real estate development to enrich lives and uplift communities. It is committed to continue creating quality spaces for work, live and play in the communities in which it operates, through sustainable and innovative solutions.

As part of the CapitaLand Group, CLD places sustainability at the core of what it does. As a responsible real estate company, CLD complements CapitaLand's businesses through its contributions to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

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<sup>3</sup> Vietnam's General Statistics Office

<sup>4</sup> Foreign Investment Agency, Vietnam's Ministry of Investment and Planning

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For queries, please contact:

**CapitaLand Development**

Michele Ng

Head, Group Communications

Tel: +65 6713 2881

Email: [michele.ng@capitaland.com](mailto:michele.ng@capitaland.com)

## **Annex – CapitaLand Development’s recent economic and social contributions to Vietnam**

In December 2021, CLD announced its acquisition of an 18.9-hectare site in Binh Duong New City within the Binh Duong province for its first prime large scale residential development, with a projected total gross development value of S\$1.12 billion (VND18,330 billion). Over 3,700 residential units are expected to be developed on the site, providing homes for about 13,000 residents.

At the PropertyGuru Asia Property Awards 2021 in December 2021, CLD won the ‘Best Sustainable Developer’, adding to its earlier wins at the PropertyGuru Vietnam Property Awards 2021. At the country-edition of the awards in November 2021, CLD (Vietnam) was recognised as the ‘Best Sustainable Developer’ and received the ‘Special Recognition in Sustainable Design and Construction’ and ‘Special Recognition for Building Communities’.

To date, CLD has five green-certified buildings in Vietnam, which includes d’Edge Thao Dien, Feliz en Vista and Vista Verde in Ho Chi Minh City as well as Mulberry Lane and Seasons Avenue in Hanoi. Heritage West Lake in Hanoi and DEFINE in Ho Chi Minh City, two of CLD’s latest luxury residential developments are set to be green-certified developments having received the Green Mark (Provisional) and Green Mark Gold (Provisional) award respectively by Singapore’s Building & Construction Authority.

CLD has been an active community partner in Vietnam. Over the past 10 years, CapitaLand and its philanthropic arm, CapitaLand Hope Foundation (CHF) have contributed to build and renovate four CapitaLand Primary Hope Schools and Kindergartens in Vietnam. CapitaLand Quang Yen Primary Hope School in Phu Tho province, which was completed in 2011 and is the first Hope School in Vietnam, comprises a two-storey school block with 10 classrooms and a library-cum-reading room. The three other Hope Schools in Vietnam are CapitaLand Thanh Phuoc Primary Hope School in Long An province, CapitaLand Le Xa Hope Kindergarten in Hung Yen province and CapitaLand Tan Tay Hope Kindergarten in Long An province. They were opened in 2015, 2018, 2019 respectively.

CapitaLand and CHF actively support the education needs of students at the Hope Schools with the provision of school bags, learning tools and scholarships. A strong advocate for volunteerism, CapitaLand and CHF also organise volunteer activities such as ‘CapitaLand Volunteer Day’ and ‘International Volunteer Expeditions’ at the Hope Schools.

In June 2021, the ‘Spread Love, Share Hope’ campaign was launched to raise awareness and rally the community to support the social development of vulnerable children in Vietnam. The campaign also marked the 10<sup>th</sup> anniversary of CHF’s Hope Schools initiative in Vietnam. The campaign received strong response from the public. Through the campaign, CapitaLand and CHF donated approximately S\$58,900 (VND1 billion) to enhance school facilities in Son Dong and Luc Nam districts of Bac Giang province.