
Lion Group gets head start in Vietnam steel industry

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It is reported that the success in securing an investment license to set up a USD 9.8 billion steel mill will boost Lion Industries Corp's competitiveness in Vietnam.

OSK Research said having obtained the investment license ahead of other major international steel manufacturers, such as POSCO, would give Lion Industries a head start in the competition in Vietnam's steel industry.

Given the expanding economy and huge population in Vietnam, OSK Research expected good potential demand for steel in the country. It said that "Its geographical location along the coast facing the South China Sea also gives the country an edge in the import of raw material and the export of finished steel."

However, OSK Research said the details on the investment remained sketchy and it may take some time to be implemented. Thus, it did not make any forecast on the potential earnings from the investment.

The steel mill will be located at the south central province of Ninh Thuan. It is expected to have an annual crude steel capacity of 14.4 million tonnes per year. Investment in the first phase is estimated at USD 2.75 billion and the whole project will be completed by 2025.

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